



# Sustainable and customizable clothes: a business plan for Bramd

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This thesis project was commissioned by a clothing company, Bramd, and offers a business plan for the company. Bramd is a small second-hand clothing company that focuses on creating its own small collection and customizing clothes on demand while keeping its operations sustainable. The company was established two years ago and did not have a written business plan.

The project has two main objectives, which are divided into two parts in the report. In the first part the author presents essential information regarding business planning, including the main topics, parts, and concepts that have to be present in the business plan to ensure the feasibility of the business idea. Relevant information was gathered through research and various literature such as books, journals, and articles.

In the business plan, the author includes several figures that provide relevant information about crucial processes of the company in an easy-to-read. As a result, Bramd has a business plan that could be shared across the organization to transfer the main idea of the company's existence, operations, and main roles. Additionally, this business plan provides Bramd with the opportunity to gather external investments from venture capital organizations and other types of investors.

Keywords: Small fashion brand, Business plan, Custom clothes, Sustainable business

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## 1 Introduction

The purpose of the work is to create a realistic and goal-oriented business plan for the secondhand clothing company Bramd, while combining theoretical framework and academic knowledge. According to Natalia Grosheva who is the owner of the company, the business plan will be used in future applications for loans from banks and venture capital organizations. It is worth mentioning here that the marketing plan and financial plan for the company will be created separately. Therefore, some aspects related to those documents will be mentioned and described in this work from a broad perspective.

The theoretical part of the work will be based on two reliable and trustworthy resources. Where the first one is an open video lecture course created by the Massachusetts Institute of Technology, that sorts out the details of new ventures and business plans. The other one is the business plan workbook written by Colin Barrow, Paul Barrow, and Robert Brown. The book in question will play the role of being a step-by-step guide for the thesis writer to assist him in creating and developing a successful business plan for Bramd. It is worth mentioning that other academic resources will take place during the theoretical framework's creation, but their role will be much smaller compared to the first two. Regardless of the benefit of any used resource to the dissertation, all of them will be appropriately mentioned and referenced.

Bramd is a secondhand clothing company that creates customized and upcycled products that are primarily oriented toward end consumers. The company was established in December 2020 and officially registered in Finland in March 2021. The very first vision behind the company was not based on focusing on secondhand clothes, but while creating the first product, which was a hand-made tote bag, it was decided to shift focus from brand-new clothes to recycled or thrifted materials. The company focuses on sustainability and utilizes it in its products, and materials that would otherwise go to waste. Finland has a vast variety of different secondhand and vintage clothing stores.

Bramd differs from the competition by not just re-selling used clothes but customizing them and truly giving a new life to such products. By customizing, the company means hand-painted designs, restoration, unique drawings, and patterns. Bramd also provides a service for customers, who can bring their own clothes to be customized or order a complete piece from scratch. Since the workload for creating customized pieces can become huge in the future, Bramd is exploring possibilities of collaborating. The owner of the company, Natalia Grosheva sees the future of Bramd as a platform for other small businesses and partners who want to sell their hand-made clothes.

This work bears a lot of value for the author and his professional development. Firstly, the author sees himself in the role of a project manager in the future. That role requires a person to have a broad understanding of different topics such as marketing, budgeting, financial control, and strategic and analytical thinking. All the skills mentioned and many more are present in the process of creating and writing a business plan. This, in turn, provides the author of the dissertation with an opportunity to practice desired skills in a real-life environment, while creating value Bramd. The other reason is that the owner of the Bramd is the author's close friend, therefore good and productive collaboration during the phase may result in getting employed by the Bramd. Moreover, writing the business plan for the chosen company will grant the author experience of participating in a start-up environment.

The topic of sustainability and responsible consumer behavior has been raised a lot in the past couple of years. People and especially the younger generation are showing interest in buying goods and products that are made in an eco-friendly way. This in turn created a greater demand for services and products from smaller companies and entrepreneurs. Therefore, Bramd's business idea of purchasing used clothes from thrift shops, customizing them, and then selling them is highly relevant for current times. As well as the other services of the company such as customizing clients' own clothes or creating orders from scratch. All this will be reviewed in greater detail in the further parts of the dissertation.

## 2 Methodology

The methodology of this paper can be divided into two parts, where the author of the dissertation first makes research regarding the creation of an appropriate business plan based on diverse kinds of academic materials, books, video lectures et cetera. This includes studying what phases and steps are necessary before writing a business plan, how the structure of such a document should be identified, and what processes are required during the business plan's creation. This part of the methodology will be based on the qualitative secondary data type. The research question for this theoretical and academic part is "What successful business plan, what it sustains?" Most of the data used is collected by authors of books, videos, articles, and similar resources, which will be applied by the author of the dissertation to create a solid academic ground for the paper. It is worth mentioning here that the main criteria for resource selection were established upon the date of publicity and reliability of the material creator. Thereby the biggest contributors to this paper are Colin Barrow, Paul Barrow, and Robert Brown with their book "The business plan workbook" published in 2018, and MIT university with a video lecture course regarding details of new ventures and business plans published in 2014. Other smaller materials are aligned by the same criteria. Since the data in question is qualitative the author of the dissertation will perform thematic, discourse, and content analysis of the materials used in the paper. Such

kinds of analysis will help to better filter data found in various resources and turn it into relevant information, which will result in a better quality of this paper.

The second part sustains active cooperative work with Natalia Grosheva, the owner of the Bramd, and company-based research of things related to market, marketing, competition analysis, financial and other relevant areas, and topics. That will be documented in the dissertation as a business plan. In this second part, the information will be a compound of primary and secondary data, which is mostly based on the qualitative approach with some rare addition of the quantitative approach. The research question for this part is truly practical and can be defined as “What details should a business plan for a sustainable customizing clothes company Bramd assembled of?” The main quantity of materials that are going to help with the research will be supplied by a variety of internet pages. This factor makes the process of finding reliable data more complex due to the vast amounts of information available in the network. However, in this phase material will be reviewed from the perspective of relevance and value, not only by the author of the dissertation but by the owner of Bramd as well. Thus, the quality of information collected from internet materials and resources will be assessed twice, that in turn decreases the possibility of implementing inaccurate and irrelevant conclusions in this paper.

Also, to align the business plan created by the dissertation's author with the company's goals, a questionnaire was created. The questionnaire has been used in the semi-structured interview with the owner of Bramd Natalia Grosheva and can be found in the appendices section at the end of the paper. Answers of the interviewee were recorded in the note-taking format and the interview itself was two hours long. Methods of analysis are composed of typical quantitative approach techniques, which is contextual, thematical, and discourse analyses.

### 3 The Idea Behind the Business Plan

Every person that wishes to start his or her own company has heard about the concept of creating a business plan. However, not that many people understand why creating a business plan for a new venture or established company is essential and cannot be neglected. Collin Barrow, Paul Barrow, and Robert Brown (2018, xv-xvi) name four key benefits an entrepreneur or business owner achieve by drawing up a business plan:

- Having a methodical approach towards planning for a new venture prevents entrepreneurs from generating inconveniences, underestimations, and mistakes in general. Simply put, while creating a business plan, a business idea owner might find out that originally planned details are not supported by data research. This in turn

will show the inconsistent point or idea before it is implemented in real life. It can be concluded by saying that some of the mistakes will be made only on paper and will not hurt the financial or other areas of the new enterprise.

- Logically finished business plan plays the role of a blueprint for the business owner, that not only provides information about goals but also indicates how they can be achieved. Thus, it results in greater certainty of future actions for the enterprise and the confidence of the new venture owners. That can positively impact the financial decisions of investors, banks, and venture capitalists. Even under conditions of lacking field experience or funds.
- A correctly created business plan clearly indicates how much money is required for the new venture to start its operations. It also precisely shows what will be bought with the funds and why it is necessary to spend money in one way or another. Usually, in the beginning, new ventures are usually under-capitalized. It is crucial to understand what the financial situation will look like in the planning phase and first years of operating. Otherwise, there are certain chances of closing the new venture due to the inability to sustain financial aspects and simply wasting initial capital. Thus, a business plan helps to create more detailed forecasts and project financial expenditures that might prevent unwanted financial obstacles.
- The process of creating a business plan provides the entrepreneur with an opportunity to gain experience in business planning, which becomes especially necessary once the company is up and running. The ability to plan is imperative for the future health of an organization. Nowadays companies are operating in a highly competitive and dynamic environment, which requires a quick reaction to changes and the possibility to foresee these changes. Effective business planning enables organizations to successfully adjust and prepare for upcoming changes.

According to Noah Parsons's (2019) article, the research supports the importance of business planning before establishing a new venture. Noah Parsons states that studies are proving a fact that companies with a serious attitude toward business planning are outperforming organizations that neglect this essential practice. To be more precise on this matter, it is worth mentioning this study conducted by Andrew Burke, Stuart Fraser, and Francis J. Greene (2010). They were able to identify that companies that are working on planning, on average, are growing 30 percent faster than organizations that do not do it.

The outcome of the research is a truly logical conclusion to the planning process. An organization that invests an appropriate amount of time and resources into forecasting budgets, and sales, developing marketing strategies, and establishing goals. Will eventually



outperform competitors that are doing their business on the go. Yet still, many entrepreneurs underestimate the purpose or result of different planning processes and the creation of a business plan itself. The author of this paper believes that many distinct reasons contribute to such behavior of individuals. For example, one may think that such a process is highly theoretical, and better usage of time will be spent on doing something “valuable” rather than thinking about the values, mission, and vision of the company in question. Another might get immediately overwhelmed with the parts involved in the process of creating plans for their own venture since planning is truly an arduous process, especially when trying to make it convenient and effective. Thus, the author thinks that the more practical confirmation of the benefits and results of planning appears, the more entrepreneurs will adapt to planning. Demonstration of real-life cases that verify the impact of business plans and planning will affect people involved in venture creation and benefit the economy.

To conclude this section of the paper, the author was able to open the idea behind writing a business plan and answer the question of why to do business planning at all. If an entrepreneur seeks growth of the company and wants to develop the enterprise faster successfully, planning is the right tool that will help along the way. The tool has been confirmed advantageous in a variety of studies based on real companies. Therefore, business planning should not be overlooked.

#### 4 Key Phases to touch upon when writing a Business Plan

Due to the vast amount of information available on the internet including such resources as books, articles, interviews with business professionals, university-level lectures, and network communities. It is fair to say that there are a variety of different approaches to writing a business plan. There are numerous debates about what theoretical and practical frameworks must be used when working on the creation of a business plan for a venture.

However, after a careful and deliberate review of potentially suitable resources, the paper's author decided to proceed with the previously mentioned Business Plan Workbook written by Colin Barrow et al. In the subjective opinion of the author, the book in question reviews essential parts of a successful business plan in detail. Providing readers with a solid knowledge of things to study and look for when planning for an enterprise. Therefore, the author of the paper wants to review the sections mentioned in the book to emphasize key phases and points. And put them later in use when writing the actual business plan for the case company Bramd.

#### 4.1 Introduction to Company's Purpose

According to Colin Barrow (2018, 4-8), the very first phase for entrepreneurs that are about to start creating a business plan for a new venture is to properly introduce the company. A business plan is a document that will be read by lenders, investors, venture capital firms, and top managers in the company. Therefore, the introduction must be written in the relevant language and style, which can be described as a business proposition. Business proposition term includes in itself an explanation of several topics:

- How did the owner of a company arrive at the business idea?
- Why is the idea of a service or a product something that is relevant for people?
- What are the goals and ambitions of the company?

Deliberate and thoughtful answers to these questions will provide a reader of the business plan with a good general idea about the company. In this phase, it might be a clever idea to briefly mention the needs of the new venture. For example, if the company in question needs a financial investment or support, an estimation of needed capital can be mentioned in the proposition. Additionally, it is a good strategy to underline an exceptional point, which distinguishes the idea of a new venture from competition and others. It could be that the owner of a company has found an empty space in the market for a new product or service, a hidden demand that has not been met yet. From another perspective the new idea is solving a problem for customers that has not been addressed by suppliers yet. This kind of situation opens an opportunity window for an entrepreneur, who was able to identify such an issue. Also, worth mentioning here are completely new inventions or innovations to already existing approaches. All the things mentioned above are solid differentiation points that must be used and mentioned, if present, in the business proposition to strengthen the business idea in the eyes of a reader.

##### 4.1.1 Vision, Mission, and Values

Moving forward, after the company has been properly introduced it is time to speak about strategy and present the big picture of the company to the readers of the business plan. Colin Barrow (2018, 22-23) in the book suggests continuing the introduction part of the company by communicating the vision, mission, and values of the company. For someone who is not familiar with business terminology, these terms might sound like something that exists only on paper and does not have an impact on the business. This is not the case, and to change that perception, a correct explanation is required.

Vision is something theoretical and most of the time it would be about achieving a certain threshold or a goal that no one at the company knows how to achieve yet. The author of the report would describe the vision as a final destination point for a company that becomes

closer with time as the organization performs its day-to-day activities. That plays a role in pointing out the overall and broad direction of the company, in other words, an organization that does not know where it is going, goes nowhere.

The mission of the company, also known as the mission statement, is a more narrowed-down commitment of a company that is related to the day-to-day operations of the organization in question. The mission statement briefly and clearly explains what business a company is and its main purpose. Also, a company's mission must be realistic, achievable and include a goal that the business wants to achieve within the next 3 to 5 years. Therefore, it is suggested for new companies review and update their mission statement sometimes. To ensure they are on the right track to arrive at the company's vision.

Values are an important part of any company for a simple reason, they play a role in guiding employees in various situations that occur during work hours. Clearly explaining the values of a company will help everyone who works in the company to take self-made and independent decisions. An organization's values can and should be seen at the operational and managerial levels of the company. Let us imagine a company that deeply values customer experience and wants its consumers to have the smoothest experience possible, as an example. A customer walks into the store to the cashier and conveys the news that a product bought from this store does not work properly. If the company has transferred and communicated its values well enough, the cashier will immediately offer money back or change the item to another one, without getting help from a manager. This in turn makes the entire process of resolving this issue fast and smooth. The cashier employee is not afraid to take responsibility without consulting with managers because it goes in line with the company's values.

#### 4.1.2 Strategy and Broad perspective

When writing a business plan, it is crucial to remember that the topic discussed there must be straightforward, and easy to read and remember. The reader of the business plan has no interest in seeing literary fiction with different storylines that go back and forth. Therefore, it is essential to use different tools that can explain certain topics quickly and yet in precise detail. Since in this phase of the paper the idea revolves around strategy, the author of the report suggests implementing Porter's five forces theory. According to Gordon Scott (2020), Porter's five forces is a model that intends to help a company to allocate and evaluate the competitiveness of the industry the company operates in from different perspectives. Furthermore, such analysis provides information on an industry's weak and strong points, which can be used to identify a company's corporate strategy. In the figure below the author of the report re-created five forces of Porter's framework.

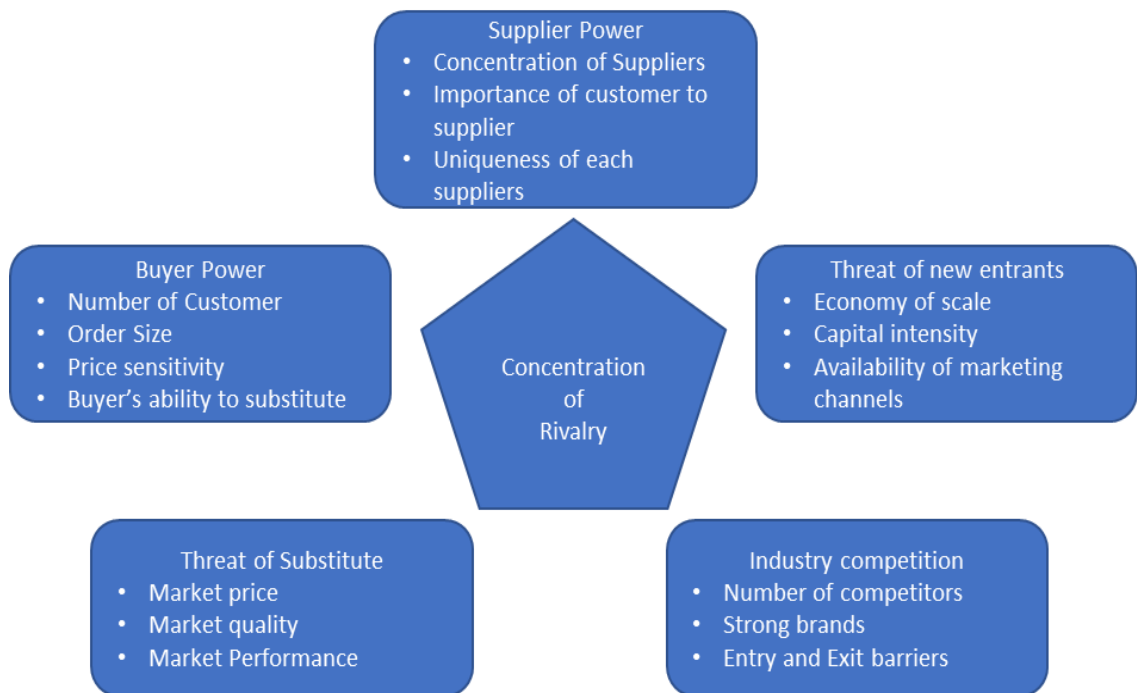


Figure 1: Porter's 5 Forces Model

Supplier power, buyer power, the threat of substitution, the threat of new entrants, and industry competition, together with identifying the overall intensity level of rivalry within a certain industry. Once the research into the industry has been completed the company can start developing the right strategies that suit the current market situation best.

Additionally, Jason Gordon (2022) states Michael Porter has developed a logical continuation of the five forces model, which is Porter's Generic Strategies. This is a framework of three competitive strategies: differentiation cost leadership and focus. Ideally, the decision about what strategy to pursue must be based on the information received about the market industry, the company's abilities, resources, and goals. Now the author of the paper would like to introduce these strategies in a more detailed view:

- **Starting the cost leadership.** As comes from the name of this strategy, the company attempts to have the lowest cost among the competition and in general, keeps them as low as possible. It is crucial to understand that cost leadership does not mean that products or services will have a low selling price. A company itself decides if the savings will pass to customers in the format of a lower price or stay within the company as profits. This strategy can be especially efficient in areas with a high volume of production and large investments in production. An example would be a manufacturing company that started to automate the production process, which will require massive initial investments but will cut costs in the future. In order to successfully implement this strategy, it is essential to pay close attention to operating

efficiencies, high product standardization, and economies of scale.

Differentiation strategy must be based on a profound understanding of customer needs and desires. A company must strongly develop its brand to make it obvious to everyone why the products and services it sells are completely different from others. This idea of differentiation must be broadcast through all channels of the company including sales process, marketing, customer relationship, and the company's mission, value, and vision. In the head of the author differentiation strategy is the right strategy for the case company Bramd. There are a lot of secondhand clothes stores in the capital region of Finland, but none of them currently offer any extra services. This is what differentiates Bramd from others by customizing the secondhand item to get a second life and look fresh. Therefore, differentiation could be the right strategy for Bramd, if there is a demand for the services it offers.

- Focused strategy revolves around the idea of targeting a certain market, geographical location, and customer segment and operating within this framework. In the humble opinion of the author of this dissertation, this strategy proposes a beneficial approach for new start-ups and ventures. Instead of focusing on everything and everyone, the company targets predefined points. In such a way the resources and energy of a new company can be used more effectively. For example, it is a promising idea to concentrate on one social media channel and make the company's voice strong there. Rather than being overwhelmed with five different channels and not achieving anything significant in any of them.

When developing a strategy Colin Barrow (2018, 18-20), suggests taking into consideration such factors as the current economical state of the market and how different fluctuations will affect a company, technological/ social trends that can influence the total market size, and customer preference. Which are the two possible threats or opportunities that may affect a company? This leads to another tool named SWOT, which can be especially beneficial during the phase of working on strategy and in the business plan in general. Will Kenton (2021) describes SWOT analysis as a vital planning technique tool, that hand over assessment tools. It helps to understand the main strengths, weaknesses, opportunities, and threats of a company and contributes to finding innovative ideas and fresh perspectives. During the work on the SWOT framework, it is essential to look not only for external factors but take into consideration internal aspects as well. For example, if the company has a team with solid experience in the industry its company operates in, having an existing network connection may be one of the strengths to mention. Additionally, when analyzing the strengths, weaknesses, opportunities, and threats it is preferable to do it in a group of people rather

than leave this task just for one person or employee. It must be done this way to ensure that the analysis was made from different perspectives and correctly reflects the current position of the company or organization. The figure below plays a role of a blueprint that can be used when working on SWOT analysis. With examples of suggestive questions that can help one to fill in each part of the framework.

## **SWOT Analysis**

<p style="text-align: center;"><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• What advantage you have?</li> <li>• What contributed to success?</li> <li>• What unique about venture?</li> </ul>	<p style="text-align: center;"><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• What disadvantage you have?</li> <li>• What are you doing worse than competition?</li> <li>• What resources you don't have, but need?</li> </ul>
<p style="text-align: center;"><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Do you see upcoming trends?</li> <li>• What opportunities are not explored yet?</li> <li>• New technologies to improve production?</li> </ul>	<p style="text-align: center;"><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Where competitors are ahead?</li> <li>• New technologies that you can not yet have?</li> <li>• How economical and political situation impact you?</li> </ul>

Figure 2 SWOT Analysis

Worth mentioning here that the questions written in the picture are a good example of what to think of when working on a SWOT analysis. However, it is suggested to read more about this framework and what topics must be touched on to maximize the analysis's value. The goal of this analysis is to help develop a strategy that will be based on things a company is doing better than others. In other words, utilize the competitive advantage to the fullest, while working on the weaknesses and being aware of upcoming threats or opportunities.

### 4.1.3 Present the team

Equally important as the other parts of the introduction phase in the business plan is presenting the management team. Having great ideas in mind is only half of the requirement to succeed, the other half is people and their ability to turn this idea into a profitable venture. Bearing in mind the readers of the business plan, it is essential to present the team professionally with clear highlights of their experiences and strong points. For example, in the

book, Collin Barrow (2018, 27-33) suggests especially elaborates on self-confidence, resilience, the ability to innovate, and think outside of the box. Barrow also emphasizes that the owner of the new venture ideally must be result-oriented and driven, knowing when taking the risk is worth it and when it is better to let it while being fully committed to what they are doing regardless of current results. To conclude this, the author of the dissertation recommends answering the question “Why will this team make the idea work?” when presenting the owner of the enterprise and other people involved in the business plan.

#### 4.2 Research presentation phase

So far by reading the business plan of a company a person would learn about the company, its key goals, vision, strategy, and the people that are going to execute it. The main internal reasons for the question of why a company is going to succeed have been explained. In order to make this statement more trustworthy Collin Barrow (2018, 47-53) suggests presenting customer and competitor research findings. This way communication will shift from vision to action, proving how seriously the company in question takes its preparations and not just leap into darkness, but take conscious steps. Ideally, this process must be done well before a person starts a new venture. It is completed so, for the simple reason of avoiding the situation when a business owner invests time and capital in a product or service that cannot fit the market or find customers. Now the report's author will break down key points of each research area and explain what must be mentioned in the business plan.

##### 4.2.1 Customer research

The whole idea of doing business is to have people who are willing to purchase products or services from the company. Without customers, no companies can succeed or even stay afloat for obvious reasons. Therefore, it is essential to conduct customer research to recognize their needs and segment customers of a company within a market to understand to whom to sell and how. For example, the author of the report can think of a pizza restaurant company. It is clear that most of the customers of the restaurant will be people who live in the same neighborhood or are attached to its area. Therefore, the company must research what kind of area it is. Is it a district where most of the people are families, students, or business/ working people or it is a favorite area for night livers? Figuring out these details and performing further market segmentation will provide the pizza restaurant with a better understanding of who the customer is and their needs. This again shows why research must be done beforehand. Imagine as an example the owner of the restaurant decides to concentrate on family-type customers and arranges the place accordingly. Only to find out later that this area is the most popular at night and the main customer group is people in the age group between 25-35 who like to go out in the evenings. However, the decision was made, and money and time were spent but the result is far from being on the spot. It is worth

mentioning here that depending on the type of company and what kind of product or service it sells the difficulty of research may vary. However, it is important to remember that even some information bears a lot of value for a newly established venture and can prevent irreversible mistakes. Thus, customer segmentation is a viable tool that will help to open the curtains of customer needs and allocate the type of customer a company must concentrate on the most. The biggest benefit of the tool is its simplicity in use, so even a person that is not that aware of how to conduct research will be able to find some clues that will bring a level of certainty and insight regarding the main customers of a company. In order to gain the most out of the customer research and customer segmentation tool, the author of the report suggests first learning more about the topic and only then jumping into actual research. While business degree students have an advantage and can complete such tasks without extra preparation as the topic must be familiar.

The results of the customer research can be demonstrated in a format that suits the company's industry it operates in. The most important thing to show is the reliability and trustworthiness of the research and the result itself. Keeping in mind the generally accepted format of a business plan, the information must be presented clearly and not too long following the appropriate business language. For example, visualization of the result might be a helpful solution that catches the eye of a reader and provides information in an efficient way.

#### 4.2.2 Competitor Research

Researching the competition is a time-consuming and tiresome process, however, it certainly contains beneficial information regarding the market sector and its profitability. The first step in this part of the research is to correctly determine a company's competitors. In order to complete it successfully it is suggested to take a look at own company and determine its geographical and demographic market. It will help to narrow down the number of potential competitors, which will make the results of the research easier to gather and more accurate. Once the competition has been identified Calin Barrow (2018, 62-63) recommends dividing it into smaller groups such as primary competitors, secondary competitors, and potential competitors. This is done again to narrow down the number of competitors, making the list small but precise. This makes it clear for the person that conducts the competitor research on what companies to focus on to study the factors that contributed to their success or failure. Therefore, correctly identified and studied competition will help find patterns that must be followed and avoided.

There are numerous ways to find information about your competitors, however, most of the time important variables will be hidden. It is especially the case for smaller companies because they usually never publish any financial numbers that could be studied to understand



how one or another company is doing. That in fact is one of the most important pieces of information to get during competitor research. For example, if a person is about to open a company that sells a certain product, it identifies that in the competition only big companies are making a solid profit, while others are barely able to survive. This might indicate that the market niche is full, and it is going to be extremely hard to get enough customers. However, further analysis of the competition might show that companies that are pursuing high quality of a product and attempting to keep service on a prominent level are doing quite okay. This might indicate an opportunity that can be used to join the market. This is just an example, but what is crucial is to look at this research from different perspectives and find ways to extract valuable information. The author of the report suggests exploring a web page that contains information about companies that are operating in Finland. The name of the page is finder.fi and thereby search can be found some financial numbers of various companies, for example, sales revenue and gross profit per year. The information is not incredibly detailed, but still helps to understand the bigger picture. Another way is directly contacting the company and trying to get the information from employees there, which is the difficult part and must be played around with different communication methods.

The end goals of competitor research are to understand the size of main competitors, their profitability, and their operational methods. Therefore, an in-depth analysis of several competitor companies is not needed and can be avoided. In the business plan, a summary of the competitor's research must be given. It can be done in the format of a table figure that describes key variables and crucial factors. It is important to mention how the information was gathered to make the analysis more reliable and trustworthy.

#### 4.3 Marketing strategy presentation phase

Based on the information presented in previous phases of this dissertation a business plan will already sustain of introduction to the company that includes mission, vision, value, and broad strategy. Also, introduction to the team that stands behind a business idea and research they have done regarding customer, market, and competitor. The next logical step is to present a marketing strategy that must be created based on the research results. It must explain how a company will ensure its products are going to the right markets and have the right customers. What method will be used to gather people's attention and justification for why these methods were chosen? The author of the report believes that there are many ways to present marketing strategy effectively in a business plan, even though it is a wide topic that can be a separate document known as a marketing plan. One example that can be possibly used to present the marketing strategy is a road map format. The information there can be presented in key milestones, that in the end lead to the final goal of the marketing strategy. Additionally, it is essential to mention the tools, channels, and approaches that will help to achieve the milestones. Once again, the research that happens before an owner of a company

decides to draw up a marketing plan is the most crucial part. Because when you have the needed information making the decision regarding marketing strategy becomes truly clear and easy to make.

Another tool that can be used in order to make marketing strategy more efficient is the marketing mix also known as the 7 Ps of marketing. According to Alexandra Twin (2022) originally this concept was popularized by Harvard's professor Neil Borden and sustained of 4 Ps. They were a product, price, place, and promotion. However, this framework developed with time to better reflect current trends and obstacles in the markets that companies are facing when trying to spread awareness of their products or services. Three new Ps have been added to the framework and they are people, process, and physical evidence. The main idea behind this tool is to help a company to advertise goods and services more effectively and efficiently to the right customers in the right place. Therefore, it might be beneficial to break down more precisely what each of the 7 Ps means.

- Product is the starting point when one begins to create a marketing campaign. Without a clear understanding of who needs the product and why it makes no sense to proceed further. Therefore, these two questions should be answered to better understand the product and its users. Additionally, answering the question of why this product is different from the competition is beneficial if such a topic was not addressed before. In the end, it will bring more clarity to one of the important parts related to the product, which is distribution.
- The price of a product is the following aspect that must be considered carefully. The price must be linked to the product and have an abstract explanation of why it costs that much. For example, because of the exclusivity of a product, the price is higher. However, the author of the dissertation suggests pricing products or services accordingly to the identified main consumers of the company. Under this part also go discounts and other exclusive offers. A company must decide for itself when and why to set them up to gain benefits without hurting the company. One good approach is solidarity with some special holidays or activities that are happening in the world.
- The place is about where a product or a service will be located. So, a company must decide if it will sell products through its own channels and specify them, or through wholesalers, which of them the company should use and why. With the development of the internet, networks also started to include advertising of a product in the right media channels to get the most attention to it.
- Promotion is called marketing and means the product owner must communicate with customers or consumers about the product, its benefits, and the right price.

Therefore, promotion is a combination of advertising and communicating with people through a defined place which can be a physical or online one. Building public relations, connecting with customers, and increasing awareness of a brand and product.

- People is the extra step that has been recently added to the framework. In a way, it is a continuation of the promotion with the addition of personalities that are promoting a product. For example, buying from some random salesperson is a completely unique experience compared to buying from a celebrity one adores and loves. This in turn makes the word-of-mouth effect stronger, positively influencing consumer behavior. This part of the marketing mix is especially noticeable in the current times. Influencers of all kinds and sizes are actively collaborating with companies promoting products or services. Easy to catch that this method works very well for both parties and therefore it is beneficial for companies to look out for ways to connect people to their brand.
- Process refers mainly to the coordination obstacles and difficulties that arise due to the quick rise in the demand for a product or service. As the world becomes more globalized and technologically advanced, smaller companies can encounter fast growth in the demand for their products. Therefore, the framework suggests considering this aspect from the start and constantly developing delivery methods to make them more efficient and convenient. As well as the process of creating a product to meet increased demand. Only at the first glance is an increase in demand great news, but it can bring many problems to a venture leading to unsatisfied customers and ruining the company itself.
- Physical evidence is a crucial factor that has been raised by companies doing business completely online. Potential customers do not feel completely safe buying from a new source that they did not know about before. Therefore, the company must think about such issues and ensure that they are legitimate organizations doing fair business and do not intend to trick customers in any harmful way. The author of the dissertation suggests adding information about the company and the team behind it to the web page of the company. This way people will see whom they are buying from and what kind of company it is, resulting in customers feeling safer and increasing their purchasing experience.

Developing a marketing mix framework will help a company to better align marketing strategy to promote new products or re-introduce already existing ones. Mark the key location of the customers, how to reach out to them, and make the company's

appearance smooth and effective. When presenting a marketing strategy in the business plan, it is important to explain its goals and how it will be implemented in real life. Otherwise, the readers of the plan might lose interest if they find the marketing strategy too generic and broad. If a company cannot figure out an appropriate marketing strategy that suits the business idea, then most likely they will not be able to successfully sell any of their products as well.

#### 4.4 Operational process presentation phase

Until this phase, the operational process topic was slightly touched on from different perspectives. For example, at the beginning of the dissertation, it was mentioned to introduce the team behind the venture. From that introduction, the reader can already sense what kind of processes are going to be involved and who is the person in charge of them. Then in greater detail was described how a company will promote its products and services. Marketing is related to the operations as well. Therefore, to make the business plan more efficient repeating the same thing is not suggested. Instead, it is better to describe the process of selling and production of the goods and services of a company. Since the previous phase was regarding marketing, the most logical way to proceed is to talk about sales and the production of a product. Explain how a product or a service is created and elaborate on sales by showing clearly where and how they are going to happen.

Susan Ward (2019) provides examples of key topics that must be touched upon in the operations plan section of a business plan:

- It must include general information on operational processes intended to help investors better understand key details of the company's vision and implementation.
- When one is describing details of the operational plan it is crucial to provide information on all the main assets that the company already owns or plans to acquire soon that are related to the production process of a product or service.
- In some sense, the operational plan can be a checklist, which indicates what must be done for a company to become alive and profitable.

An efficient way to create an easy-to-understand and effective production plan section of a business plan is by adding a production workflow. Production workflow is a step-by-step guide to how a product, or a service is going to be made. Ward (2019) emphasizes that while creating the workflow, it is important to pay close attention to possible obstacles and problems that can occur during the process. These must be grouped up together and presented separately as the main risks that might intercept the production process and have

an explanation of how such risks will be avoided by the company. The following topics of the operational plan must be related to supply chains and quality control. It is worth to present suppliers of the company, shortly describe them, and provide some information about prices, terms, and conditions of contracts if such exist. Essential to mention what measures a company has set up to control the quality of products or services coming from the suppliers as well as of the finished goods created by the company in question. One example could be a reference to ISO 9000 which contains basic principles of quality assurance and suggestions for achieving sustainable results.

Depending on the area where a business operates it might be a promising idea to go into more detail and elaborate on day-to-day production, working hours or days, and specific requirements. For example, if a business in question is a seasonal enterprise, then it must be mentioned in the operational plan and investors must be informed. The same goes for a company that opens a factory because working hours and days will directly indicate how much money the company may make in a certain period by calculating production capacity. This in turn shows the connection between the operational and financial plan as both are explaining how the company will become profitable, but the operational plan approaches this topic from the physical perspective of what assets a company should acquire to make a product, while financial plan concentrates more on the role of expenses and revenue to company's success.

#### 4.5 Review of Financial aspects

Once the basic strategy has been formulated for the business in question next step would be to work on forecasting financial variables and think about some theoretical outcomes of the company. In this part, the business plan writer can elaborate on such topics as how much money is needed as an initial investment into the company, projections of expenses and profits, revenue, and other financial indications that are essential to mention. It is easy to understand that making projections and forecasts are assignments that require solid knowledge and experience in monetary management. Therefore, for a person that just established their own venture, this task can be extremely challenging, but it is essential to understand that projections are not a one-time activity for the business plan. So even if in the beginning forecast will be not accurate, it still will provide value for the person that creates them and the business owners themselves as well. For example, it will be easy to see how much money the company in question can make over a certain period. This in turn will become a blueprint for the next forecast and further analysis will provide information on the reasons why the company sold this or that number of products. Now, the author of the report would like to elaborate more on several financial indicators that are a must-have for a business plan according to Calin Barrow (2018, 217-220).

#### 4.5.1 Cash-flow estimations

Cash flow estimation is sorting all activities and processes of a company that are expected to bring or take out money from the business. In other words, it is based on calculating the incomes and expenses of a company. After calculating the variables involved in the process, the company in question will get a clear understanding of how much money it will have over a certain period. This in turn helps managers and other people in the company with decision-making processes. For example, if based on your cash-flow estimations next upcoming months will have more expenses than usual, then it is not suggested to invest in new equipment during this period et cetera.

CBINSIGHTS (2021) states that according to their research the most common reason for new businesses to fail is running out of cash and failing to raise new capital. About thirty-eight percent of start-ups and companies that run out of business belong to this group. Therefore, it is essential for any company in its early stage to closely monitor money flows to avoid an unpleasant ending. Another reason to start this activity as soon as possible is to gain essential experience in making estimations. Because at first cash-flow estimations as well as any other estimation might not be accurate at all, but with time it will change and provide more space for data-driven decision-making.

#### 4.5.2 Profit and Loss

Jason Fernando (2022) describes a profit and loss statement as one of the most essential financial documents that overview revenues, costs, and expenses that occurred during certain periods of time in a company. Records of P&L statements provide the reader with an answer about whether the company in question can generate more profit by manipulating different variables. For example, by increasing revenue, by decreasing expenses, or maybe at the same time if possible. This information shows the overall financial health of the company. Profit and loss statements are also used externally by investors to accurately calculate the profitability of the company and assess how risky it is to invest in the venture. However, such activity requires other documents where one is cash-flow statements and the other one is the balance sheet. Therefore, if an entrepreneur is looking for external investors, the only way to be considered seriously is to accurately prepare all three of these documents.

It is worth mentioning here that there are generally accepted two types or ways to calculate and prepare profit and loss statements. The first one is simple and used by small companies and even for personal finances called the cash method. The other one is the accrual method and used by bigger and more serious organizations. The difference between them is that the cash method accounts only when cash was received or paid, while the accrual method accounts for activity once it occurred. Meaning that once a bill was sent to a customer it is already registered in the P&L statement even though it has not been paid yet.

### 4.5.3 Break-even analysis

Cassandra Campbell (2020) describes break-even analysis as one of the most crucial activities for making influential business decisions and creating financial plans. It can show a business owner what must be done to return initial investments and start profit from business activities. Break-even analysis provides information on how many products or services a company should sell to get money back from production costs. In other words, it shows the precise number of sales a company must make to see the return on its capital. One of the biggest benefits of the break-even analysis is its insight into pricing a company's products. Many varied factors influence the price of a service or product such as exclusivity, quality, or even some psychological ones. But having an exact knowledge of your prices affecting the profit margins of the company is equally important. Otherwise, a newly made entrepreneur can find him or herself in a situation where they cannot pay the bills.

To perform a break-even analysis, some preliminary work is required. It starts by gathering and classifying data from the business. Calculate fixed- costs, which are those costs that do not change regardless of the sales amount. For example, insurance, rent, software subscriptions, and similar types of expenses. The next one is variable costs, and they include such costs as materials, payment processing, labor expenses et cetera. Important to not leave out any of the costs because if something was forgotten break-even analysis will not be accurate. The final variable is the average price of the product you sell. This one is not too strict, so if needed it can be lowered or become higher but must always be reasonable and reflect the reality of your prices.

It is worth mentioning here that even though break-even analysis is a great tool for new ventures as well as for already established ones it is important to recognize its limitations. For example, break-even analysis cannot be used as a demand predictor, it is highly dependent on reliable data, or otherwise, it fails to show any value. Additionally, if a company has several products with different prices, you cannot group them together and conduct the analysis. The only way to calculate break-even would be to take each product separately and find its break-even and only then just look at how much it costs for each product. However, the tool itself is quite powerful and must have especially for new enterprises.

## 5 Methodology's Conclusion

By studying and documenting key aspects that must be considered, the report's author exceeded his knowledge on the topic. In the methodology, great attention was given to diverse kinds of research work, marketing-related aspects, operational duties, and financial

aspects. Breakdown of elements and tasks that must be done before and during writing a business plan prepared the report's author to write it for a real company. The methodology in question will be actively used during the work with Bramd's representatives. It will play the role of guide and be the backbone of how the actual business plan will be structured. Without further a due next pages of this paper will be the business plan for a clothing company Bramd.

## 6 Executive summary

Bramd is a limited liability company that sells in-house created clothes collections/ customized clothes and has the ambition to become a platform where other cloth creators would sell their clothing solutions. Bramd offers high-end sustainably created clothes to fill a niche in the market serving people that do not want to buy cl from unsustainable fast-fashion-oriented companies and has the desire to purchase unique clothes from smaller community-oriented brands.

Bramd's ideal customers are environmentally conscious young people with some monthly income, which see fashion and clothes as a way to communicate their vision and stand out from the crowd. Bearing in mind the customer group Bramd's attempts to keep its prices reasonable and affordable, thereby the main range of prices vary between 40 to 300 euros per piece of clothing. The main promotion of the company and its products will happen in the digital world, however, Bramd plans to participate in the offline pop-up events et cetera which will happen inside Finland.

Bramd was created in 2021 and since then generated 6700,51 euros in revenue and 3306,64 euros in profit. Bramd was founded by Natalia Grosheva, who has solid experience in digital design, marketing, and a passion for sustainable fashion.

## 7 Bramd

Natalia Grosheva is a person with an entrepreneurial mindset that is deeply passionate about design, marketing, and sustainability. During the global pandemic crisis, she has noticed a spike in interest from people in purchasing clothes from smaller so-called "underground" brands. That wave of trends got her onboard too because those brands brought fresh air and different values in comparison to mass market brands such as H & M, Zara, Pull & Bear et cetera. Soon Natalia realized that she is not only interested in buying fashionable and meaningful clothes, but in creating them as well. At first, it became just a hobby, where Natalia could express her ideas and make her wardrobe bigger with truly exclusive, hand-



customized pieces of clothing. After some practice time and positive feedback from friends and family, Natalia decided to establish her own clothing company and become an entrepreneur, who loves what she does. Bramd as a clothing brand was created in December 2020 and in March 2021 officially registered by Finnish authorities.

Bramd believes that the idea of their services and products are relevant for targeted customer groups and will become even more desired in upcoming years. Firstly, sustainability in the clothes industry is one of the hottest topics right now. According to Rachel Cernansky from Vouge (2022), the fashion industry has little to no solutions for sustainable fashion. This is where smaller brands are leading and offer a tremendous change in the production approach and build their competitive advantage. Take in addition to the constantly growing consumer desire for ecologically created and fashionable clothing, the niche for smaller companies and self-made entrepreneurs can be easily found.

The exclusivity of products of a clothing brand is another factor that influences the success of a company. Therefore, Bramd provides its customers with opportunities to:

- Purchase designed and ready-made clothes collection with a limited sales period.
- Choose in-house design suggestions from the gallery located on the Bramd's web page, which will be laid out on the chosen piece of clothing.
- Offer your design ideas for desired clothing pieces and communicate them to Bramd.

The combination of the above-mentioned factors makes Bramd stand out from the crowd of other smaller brands and increases overall relevancy for people that are seeking interesting or exclusive clothes solutions and offers.

Bramd's goals and ambitions are community-based. Meaning that the company aims to create benefits for the community by keeping people's needs and desires as the most crucial factor that influences the business in question. Therefore, one of Bramd's goals is to become a brand that people can use to share their voices through fashion and clothing. By being a full member of the fashion community and culture Bramd pushes its own voice further by creating sustainable clothes collections. While offering the same mouthpiece for individuals that want to express their emotions, feelings, social obstacles, or assets through the art of fashion by becoming the place where such things can be done.

The biggest ambition of the company is to become a platform where other entrepreneurial clothing designers and fashion pioneers could offer their products and services. A place where individuals, be they, customers, or designers, meet each other, share ideas, and by joining efforts create new innovative fashion solutions. Thereby growing from one person brand to a

platform that unites many people together, offers indirect employment, and satisfies the need even of the pickiest fashion clothing fans.

### 7.1.1 Vision, Mission, and Value

The figure below provides precise information on the vision, mission, and values of Bramd in an easy-to-read format of bullet points.

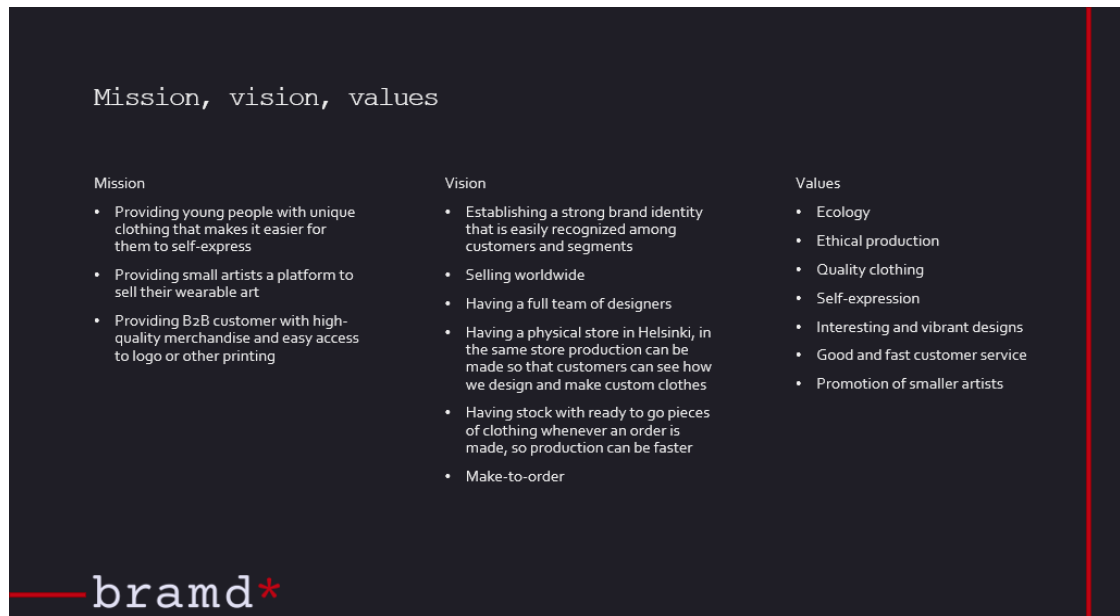


Figure 3 Bramd's Mission, Vision, and Value

### 7.1.2 Bramd's strategy

Bramd's strategy can be divided into two phases. As of right now, Bramd's applying a focus strategy, that is based on achieving a result in the home country. Focusing on one market and customers from that market, even though the website and online sales provide opportunities for international sales. For example, in recent times, the company was working on designing and creating the webpage available now at Bramd.eu, which became the company's main operation for a while. As a result, Bramd produced a stylish and high-quality solution that immediately provides the taste and idea of the company to its visitors. Another example is that Bramd sends its main marketing efforts to only two social media channels out of all, that are Instagram and TikTok. By following the focus strategy at an early stage, the company wants to ensure that energy and resources are used efficiently and effectively. Bramd purposefully narrows down the scope of focus and takes the first steps slowly, but at the same time leaving a memorable and positive footprint behind.

The focus strategy phase has its deadline which is initially set to December of 2023. According to that Bramd forecast, it will have enough time to establish a solid and noticeable presence

in the home market as well as across chosen marketing channels. Create several collaborations and establish a professional network that will benefit the company and the fashion community in Finland as a whole. This is the time when Bramd will shift from focus to a differentiation strategy and strongly emphasize through all channels the difference from other brands and continuously improving its bonds with the community, people that see clothes as a way of communication and those that want to be distinguishable from others in the crowd. Worth mentioning here that, a reasonable question would be “Why Bramd would not promote differentiation from the start?” The answer to that is at Bramd people believe that trying to catch attention by promoting differentiation from the beginning for the sake of attention is not the right way. Firstly, the services, products, achievements, and positive feedback from customers must play the role of an indicator of the company’s differentiation. Only then can a company provide a speaker for such messages and let them reach a wider audience. “Fake it, till you make it” is a wrong attitude and Bramd rather prefers to play a long game by gaining the respect of customers, other companies, and the community.

### 7.1.3 Bramd’s Team

The figure below introduces the main people involved in Bramd’s operation clearly showing their titles and areas of responsibility in the company.

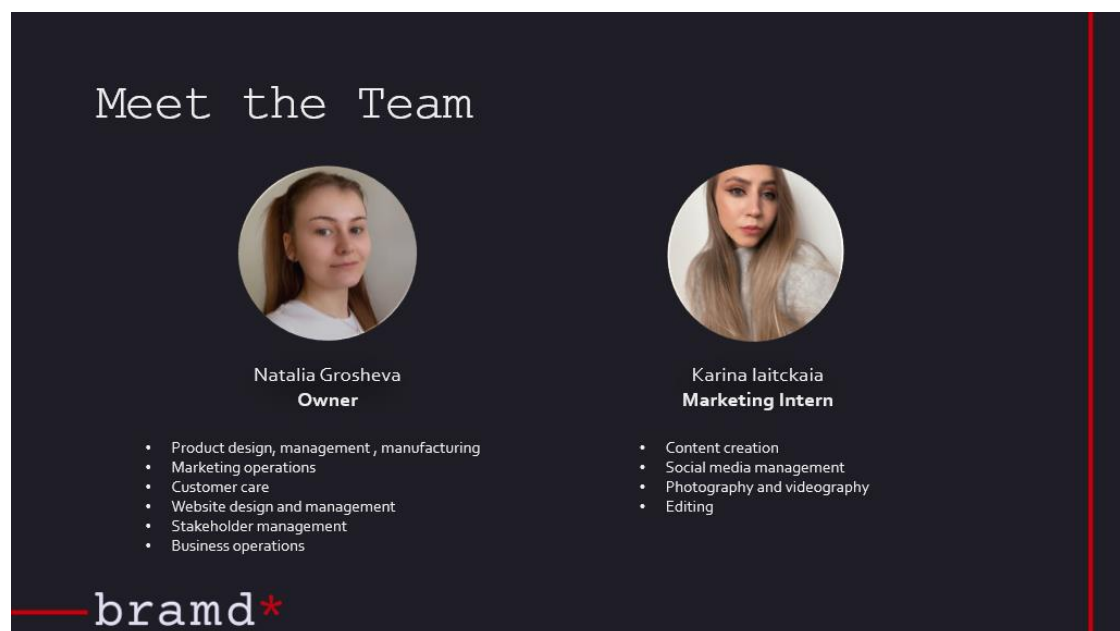


Figure 4 Meet Bramd's Team

Bramd is ruled by the founder Natalia Grosheva who is responsible for long-term planning and execution of the day-to-day tasks. Natalia holds a bachelor’s degree in international business management with a major in international marketing. She has experience working as Digital Marketing Manager for several years. She acquired skills in such areas as business

development, search engine optimization, web-page design, and construction, b2b as well as b2c marketing. In the company Natalia worked for, she built a marketing department from scratch, establishing a presence in the digital world. Natalia increased recognition of the company among customers, created a brand outside of the company, built better relationships with clients, and thereby increased sales. Additionally, Natalia has experience working as a freelancer in the same area with a proven record of finding customers, helping them communicate their objectives by acting as a project manager and then successfully completing given tasks. The abovementioned experiences demonstrate not only Natalia's great professional skills but personal as well, proving her thorough suitability to run Bramd and make it a fortunate company.

The company employs one more person Karina Iaitckaia in the position of a marketing intern. Karina is an international talent with a passion for photography, videography, media, and graphic assistance. Having 5 years of experience in various content creation, moderation, and publication. Like the owner of the company Karina has experience working as a freelancer, which shows her great capabilities in independent working and proactive mindset, which Bramd values highly. In the company, Karina's role is strongly aligned with her interests thereby her responsibilities include social media channels management, social media content creation, editing, photography, and videography.

The current number of business operations does not allow the company to have more employees. However, Bramd as a company recognizes, the fact that great companies were built by influential people and understands the importance of having more talents to have an actual positive impact on the community and industry. Therefore, Bramd is looking forward to times when it will be possible to have more starts in the team.

#### 7.1.4 Customer Research Results

Bramd is an organization that closely follows the rules of conducting business in a professional manner, therefore the company does far more than simply rely on common sense in its operations and decision-making process. Utilizing data from previous Bramd's customers, clients and orders, the company could recognize its buyer personas in both b2c, and b2b areas. The figure below illustrates key characteristics and description of both customer groups.

## Buyer Persona

**B2C:**

- Gender: male, female, non-binary
- Age: 16-30
- Clothing style: street fashion as a root, that divides in many branches such as hip-hop, trendy, skater, punk etc.
- Technologically savvy
- Is familiar with online shopping and does it on a regular basis
- Conscious about ethical production and ecology
- Is more into slow fashion
- Has a monthly income and space for extra expenses
- Usually buys more expensive "statement pieces" and pairs them with more affordable second-hand clothes
- Geographical: Northern and Middle-West Europe
  - With an e-commerce platform and good SEO it is easier to market to larger geographical areas
  - Shipping costs will be calculated and clearly shown on the website
  - Shipping inside Finland is free (costs will be added to the clothes' price)

**B2B:**

- Businesses that have a similar end customer
- Businesses that focus on the younger generation
- For example clubs, cafes, hang-outs, gaming clubs etc.
- Small to medium sized businesses for easier collaboration opportunities
- Potential products: merchandise, staff uniforms, promotional clothes, event clothing
- Geographical: Uusimaa, Finland
- Example companies: Shelter gaming, Haave Club, Ignite

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Customer research in the B2C area was conducted during the period from May 2022 to July 2022. The goals of the research were:

- To identify if people have interest in buying sustainable clothes from unique brands and in general willingness to try products from new so called "slow-fashion" companies.
- To find out if people are interested in purchasing customized clothing to understand if the idea of customizable clothes is something relevant for the selected customer group.

Having predefined customer persona played an imperative role in the selection of places for interviews. Thereby, Bramd subjectively looked for places where chances of meeting people that fulfill the description of the buyer persona were the highest. Interviews were conducted during weekends in three places:

1. In front of Stockmann, on Aleksanterinkatu 52, 00100 Helsinki.
2. In the Mall of Tripla, on Fredikanterassi 1, 00520 Helsinki.
3. Near Kallio metro station, on Hämeentie 48, 00500 Helsinki.

Moving on to the results of the research, the figure below illustrates that people in the selected group are genuinely curious about exploring new clothing stores and brands. That positively indicates that there is a place in people's minds for something new that they have not seen before. A great and promising sign for Bramd.

**3. Do you like exploring new clothing store/brand opportunities?**

Number of respondents: 90

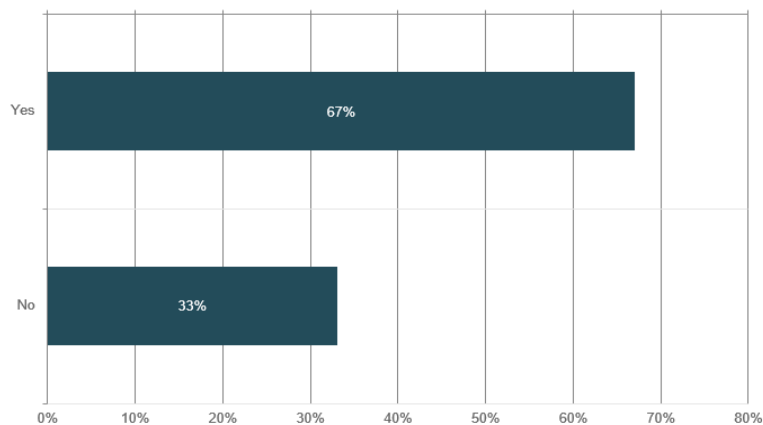


Figure 5 Respondents answers to question “Do you like exploring new clothing store/ brand opportunities?”

However, not everything is so smooth and easy. Even though people are curious about new shopping opportunities, not so many of them are ready to go further to learn more about the company’s offerings and buy newly found items. A common obstacle in the e-commerce field, which shows a certain level of difficulty in converting leads to customers. Brand with the highest level of seriousness recognizes such issues and takes them into consideration, adapting its marketing strategy accordingly to overcome the feeling of being a stranger to its customer personas.

**4. If you see a new opportunity for shopping do you explore it?**

Number of respondents: 90

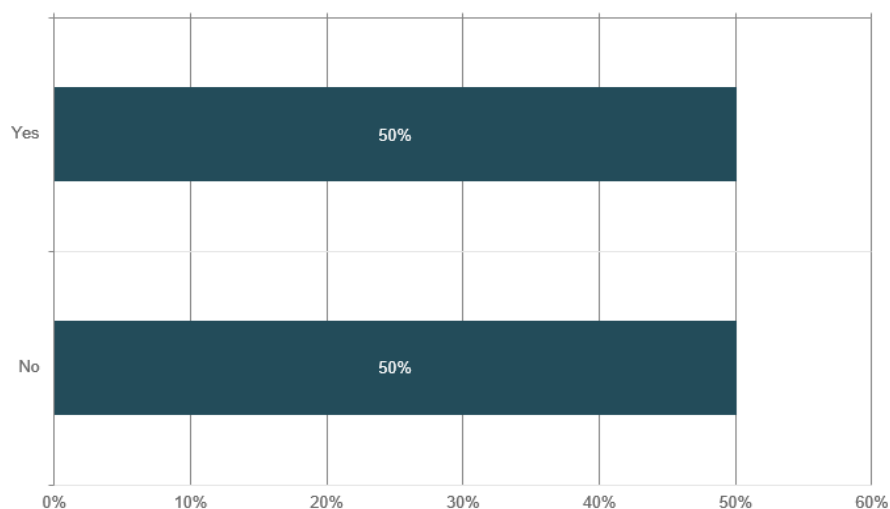


Figure 6 Respondents answers to question "If you see a new opportunity for shopping do you explore it?"

Moving to the final goal of the research, Bramd was able to find out that most of the respondents showed interest in purchasing customized clothes. The essential indicator for the company as Bramd's one of the key areas of the operations revolves around creating exclusive made on order customized clothes.

The result of this question has exceeded Bramd's expectations as the industry of custom clothes does not have the best looks in the public due to the low quality of products. This is not the case for the company in question since Bramd strictly controls the quality of materials coming from suppliers and their very own production process to deliver the highest quality of services and products to the customers. The Figure below shows the respondents answers on the question whether they are interested in obtaining custom clothes.

**6. Are you interested in purchasing a piece of custom clothing?**

Number of respondents: 90

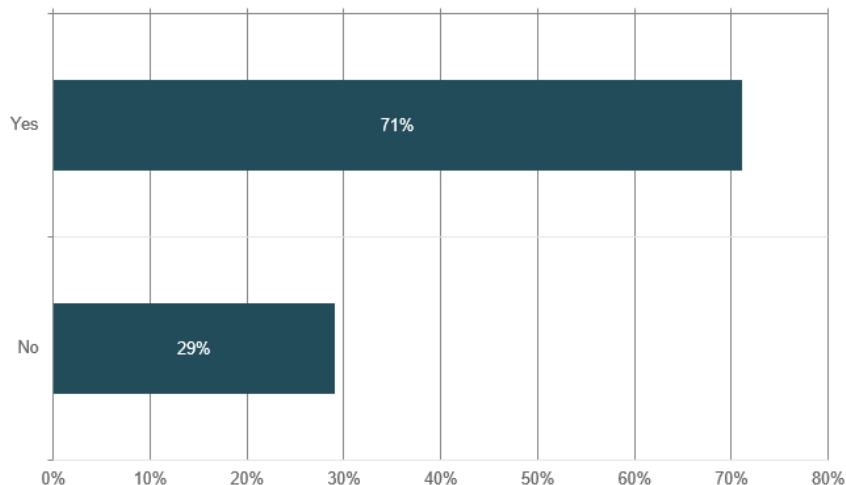


Figure 7 Respondents answers to question "Are you interested in purchasing a piece of custom clothing?"

The research of the consumer group indicates that Bramd as a sustainable clothing organization with customization offerings is a relevant company for the chosen customer personas. Once again indicating great opportunities and development area that can be achieved.

#### 7.1.5 Competitor Research Results

During the summer of 2022, another research was conducted in competition to better understand industry trends and marketing strategies and learn more about the market's size. The figure below illustrates examples of three companies, whose operations and ways of working are like Bramd's. Void Reincarnation and Forthosewhosin are relatively new

internationally oriented brands that are managed by young entrepreneurs. Both companies are focusing on creating unique clothes designs with an aim at people in the 16-25 age range. Noticeable utilization of social media channels to promote services, brand images, establish communication with customers and leads.

A considerable number of subscribers once again approve of the statement concluded in the customer research, that people are curious about finding and following new smaller brands that are significantly different from fast-fashion oriented companies. In the production process Void Reincarnation and Forthosewhosin have similar processes where they get pieces of clothes from suppliers and then customize them with either silkscreen, stitch, dyes, or hand-printing techniques. Unfortunately, financial information for these two companies was not publicly available. Therefore, it is impossible to analyze the sales, revenue, and profits of the companies. However, it is worth mentioning here that prices of their products are quite high and average about 140 US dollars per piece of clothing even though key the key target group is the young generation

	Networks active	Number of followers	Strengths	Weaknesses	Content that resonates
<b>Void Reincarnation</b>	Instagram, Website	108 000	Experimental designs, Celebrity customers, Anime designs	Business seems like 1 person is running it, similar stuff but each design is very maximalist, posts get around 8k likes	Post with extremely whacky or unique things, like unparctical jeans, water/fire pokemon shoes, belts
<b>Forthosewhosin</b>	Instagram, TikTok, Website	96 000 Instagram 49 300 TikTok	Bigger business, lots of variety in products, amazing brand image, consistent social media presence	Social media don't really get engagement (likes to followers), too many shopping options	'How to' videos on tiktok, tattoo designs
<b>Mikebon</b>	Website		Huge company, can print anything, only Finnish custom manufacturer I could find	Commercial, not supporting small businesses, probably can not order in small batches	

**bramd\***

Figure 8 Information on competitors

The third company in the figure above is a domestic Finnish company Mikebon. According to the information available on finder.fi (2022) Mikebon was established in 1994 in the capital of Finland. The main operation of the company is producing custom designs on demand in significant quantities by using clothes printing technologies. The company does not use social media space, but still uses a webpage where customers can order their products. Based on the examples of the company's offerings they do not offer exclusive designs and use various



pictures from the internet. Therefore, it is fair to say that the quality of their designs is not innovative and not influential to the fashion industry.

Mikebon is a small company that currently employs about fourteen people. However, its financial aspect looks impressive, in 2020 company achieved three million euros in revenue, which resulted in 167000 euros of profit. This information clearly illustrates the capability of customized clothes in the b2b sector. In 2021 something went wrong, and revenue fell back to 1,2 million euros and the company closed that year with an eighty thousand euros loss. Based on the research Bramd assumes that such dramatic results are related to the marketing efforts of the company. In simple words the presence of Mikebon is non-existent in the internet area, which resulted in other more initiative-taking companies overtaking some of Mikebon's sales.

The result of the research shows that the industry is actively shifting from simplistic solutions to more innovative and exciting ones. It is essential for new companies to obtain a solid presence on social media channels as it is directly impacting revenue figures. Solid players in the industry are using various technologies in production to avoid the creation of terribly similar clothes and styles. Not even one of the selected companies promotes or mentioned sustainability in their operations and its importance. Based on the results of the competitor and customer research Bramd has created a SWOT figure to underline some key findings which are applicable to Bramd.



Figure 9 Bramd's SWOT

### 7.1.6 Marketing Strategy

The results of the customer and competitor research played a role in blueprinting for Bramd in the creation of successful marketing strategy. It helped the company to identify strong points and better understand how Bramd is different from others. In its will of conducting fair, sustainable business that aims to create value for the community rather than constantly thinking of profits. Based on the examples from competition research Bramd arrived at the conclusion that one of the main goals of marketing strategy is to think of how use its social media channels in way that makes company noticeable and attractive for people in general.

Therefore, it is essential for Bramd to understand key aspects that influence customer perception of the company and things involved in the process. The best way to gather all this together in a precise and easy-to-understand manner is by using the 7Ps marketing mix tool, which can be seen in the figure below.



Figure 10 Bramd's 7Ps Marketing Mix

7Ps Marketing mix provides Bramd with a certain path for the social media marketing strategy which is divided into three specific ways.

- Creating entertaining and informative content for the viewers, which does not directly promote certain products or services of the company. The idea behind this method is to create educational content of, for example, how to design your own clothes, dyes, color, or even sew them. Reviews of other companies and their operations draw attention to sustainability issues. The format should be short

informal videos and sometimes in the form of blogs published on the website and Instagram.

- The second type of content is directly tied to the products and services that Bramd offers. Promoting new collections, and pieces of clothes, providing information on promotions and sales. Direct introduction of key results of Bramd's operations. The format of the content could be direct demonstration of the items, but it will be done in a creative way, which demonstrates Bramd's personality and corporate culture.
- The last type of content is designed for introducing the company to the viewers. Explaining what kind of people are behind Bramd, what a company does, and why it does it the way it does. Promoting values, visions, and mission of the company and listening to the needs of the viewers to create a strong emotional bond between people and the brand. The content would sustain presentation of what is happening behind the scenes in the company, sharing customers' feedback, replying to their questions at cetera. Bramd wants this type of content still to be fun, but not funny. Which means it is interesting and exciting to watch, while topics in the discussion are profoundly serious.

Overall, Bramd marketing is digital and social media oriented, but the company recognizes the importance of face-to-face meetings with customers, other creators, and people from the industry. Thereby Bramd is going to attend various flea markets, organize workshop events, themed parties and become a guest for other industry related events.

#### 7.1.7 Operational Processes

Bramd's operations are divided into two parts. A clothing brand that sells new, high-quality, ethically produced, customizable clothing items and second-hand customizable items. The products and services are consumer oriented, but the company keeps opportunities that might come b2b sector open. For example, Bramd has experience in designing and creating hoodies for a small start-up company, which wanted to have merchandise for their employees. The figure below shows the production flow associated with receiving an order from customers, creation of the final product, and its distribution.



Figure 11 Bramd's Manufacturing Workflow

Currently, Bramd has one supplier that provides it with t-shirts, hoodies, jeans, and other raw materials. The name of the supplier is Los Angeles Apparel, and that company is located in United States. Main reason behind choosing this company is their sustainable approach towards manufacturing textile products, high quality of products and reasonable price. However, now Bramd is looking for a supplier from Europe to substitute Los Angeles Apparel. The reason for that is due to a far location shipping price is high and delivery is slow. These two factors negatively impact expenses and projections regarding stock items.

The production of final products is completed at the house where the owner of the company lives. Bramd's current size does not allow yet to rent out an office or a manufacturing space, but at the same time the current location is enough for now and it decreases the company's monthly expenses. During the production phase company uses fabric paint for hand-customized and hand-made clothes, a printing machine to print designs, print cutting machine to cut printed designs, transfer paper, vinyl stickers, and embroidery to move the design on the piece of cloth. It is important to mention here that to avoid overproduction and overstock, Bramd first create every product in digital form and publishes it on the website or sends it directly to the customer. This way the company can keep its operational expenses narrowed and avoid unnecessary processes. Pricing of the final products varies based on the type of the product, for example t-shirt will cost less than a hoodie, and how customized the product in question is. However, Bramd aims to price it items in range of 40 to 250 euros, depending on order.

The price of delivery within Finland is included in the price of the final product, therefore it offers a free-shipping opportunity for customers located in the home country of the company and delivered through Posti services. For international distribution, the shipping price depends on the location of the customer and may vary between 15 to 95 euros. However, the customer will know the delivery price before making the final decision regarding buying Bramd's products. The main companies that provide delivery services for Bramd's products internationally are UPS and DHL. Essential to mention in this part that for now, all Bramd's sales are final, which means that no refund policy is offered to the purchaser, in the future this policy will be reviewed and changed if needed.

The other part of Bramd's operations was described as the biggest ambition of the company, which is becoming a platform where other small designers and entrepreneurs could promote products and services. This part is running in the background and currently has a secondary focus, due to the low popularity of Bramd at the current moment. Therefore, the number of co-creators or companies that would like to collaborate is unsurprisingly low. However, Bramd believes that this part will play a crucial role in the future of the company and, thus Bramd already now plans how such a feature could be implemented by adapting the webpage of a company in such a manner that products of other small brand companies could be listed there. The figure below opens the idea of featured creators in greater detail.

**Featured creators**

- What?
  - Artists with their own ideas get a platform from bramd to sell their clothes
  - The artists must have an ecological mindset, we will not be re-selling unethically produced clothing
  - Must have their own ideas, goals and values. No drop-shipping etc.
- Why?
  - To support small and growing artists
  - To gain traffic and have differentiated customers on the website
  - Because I want people with passion to have a place to shine
- How?
  - The featured designer provides pictures, text and any other needed material that is formatted like the rest of the website
  - The artist provides bramd with the clothes, if manufacturing is needed it will be done through B2B ordering
  - Purchases are made through bramd's website, the featured creator will be in charge of shipment after which bramd provides a pay-out
- How does it benefit me?
  - 10% cut for bramd from all purchases
  - Additional B2B orders if manufacturing is needed
  - The creators will market their clothes and provide traffic for the website

**bramd\***

Figure 12 Featured Creators

### 7.1.8 Financial Situation

One of the strongest financial points for Bramd is the fact that expenses appear only after selling a product. Bramd attempts to create minimum of physical products before someone is

interested to buy it. This positively affect financial results of the company regardless of small scale of operation, which points out great opportunities for future of Bramd.

For example, in year 2021 Bramd's, first year of operations, revenue amounted to 1288,44 euros which resulted in 940,51 euros in profit and with gross profit margin of 70 percent. In the next year Bramd was able to increase revenue to 5459,07 euros with a profit of 2366,13 euros. Number is not yet large, but there is strong indication of growth in revenue. One of the biggest expenses would be the salary of the owner, but Natalia has decided to not pay salary for herself and keeps all incoming money in the company. During the same year company invested more into raw materials to check the quality of supplier, as well as machinery and tools that make the process of creating clothes more easier and faster. In the figure below current balance sheet of the company is illustrated.

<b>Current Assets</b>		<b>Current Liabilities and Equity</b>	
Cash & Cash Equivalent	7128,24	Accounts Payable	0
Accounts Recievable	0	Owners Equity	1944,74
Inventory of raw materials	846,5	Profit	2366,13
Closing Balance	2366,13		
<b>Non-Current Assets</b>		<b>Non-current Liabilities</b>	
Machinery & Tools	2900	Long-term loan	8930
Computer	2100		
<b>Total Assets</b>	<b>13240,87</b>	<b>Total Liabilities</b>	<b>13240,87</b>

Figure 13 Bramd's Balance Sheet

Moving to potential cash flow forecasts, it is essential to mention here that revenue of the company is directly connected to recognition of the Bramd in public and social media. If company will manage and produce an exclusive marketing solution, which changes awareness level about Bramd. Then the company can be experience insane increase in its revenue. In addition, current financial number are not influenced by any other co-creators that would join Bramd along the way and once again have huge positive impact on company's financial situation.

On the other hand, revenue might not increase and will not have any significant changes in comparison to previous two years. But one thing is sure that with current model, Bramd cannot end up in a loss for fiscal year unless it expands its operations to a significant level where number of potential errors and unforeseen situations is higher. Therefore, Bramd aims for to have at least the same percent of revenue growth which it had from previous years dived by half that currently stands at 160 percent. Growth rate of expenses for the same timeline and divided by two accumulated to be 110%. Figure below illustrates Bramd's projected profit/ loss account for year 2023.

<i>Bramd's Profit/Loss Account Projection for year 20223</i>	
<b>Revenue</b>	<b>Euros</b>
Sales	6994,35
Other	
<b>Total Revenue</b>	<b>6994,35</b>
<b>Expenses</b>	
Raw Materials	2771,33
Telecommunication	200,00
Vinyl Stickers	110,00
Cricut tools	80,00
Textile Paint	150,9
Other expenses	90,00
<b>Total Expenses</b>	<b>3402,23</b>
<b>Profit</b>	<b>3592,12</b>

Figure 14 Bramd's Profit/Loss Account Projection

## 8 Conclusion

The objective of this paper was to deepen the author's knowledge of the topic of writing a successful business plan, the key parts involved, and tools that help to get key points across easier. After gathering enough empirical knowledge author of the report created the final product, a business plan, for the clothing company brand. In the business, a special focus was given to the strengths of the company to underline the company's difference from the completion and its community-oriented approach. Additionally, the area of the company's operations was taken into consideration and hence the business plan format was aligned accordingly.

The business plan was shown to the owner of Bramd and received positive feedback for writing key aspects of the company in a written form, which can be used for gaining money from external investors and better explaining the concept of the company to internal stakeholders.

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Appendices

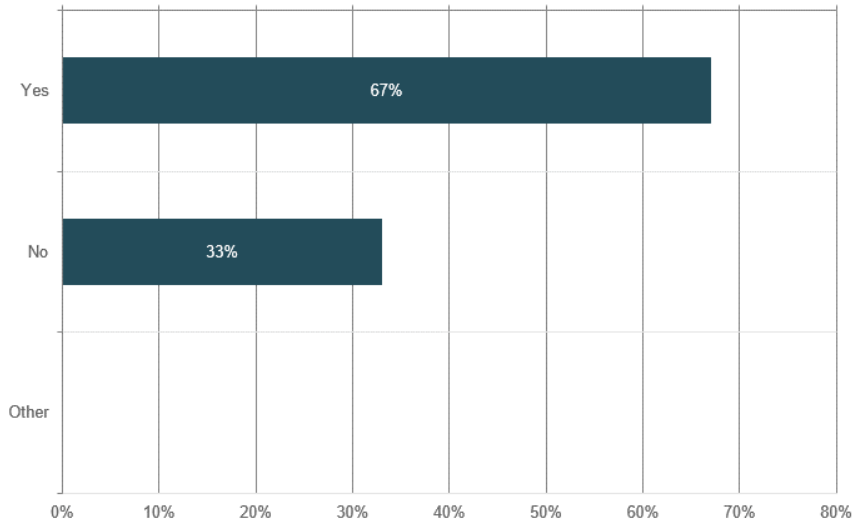
**Appendix 1: Survey Questions and Results ..... 44**

Appendix 1: Survey Questions and Results



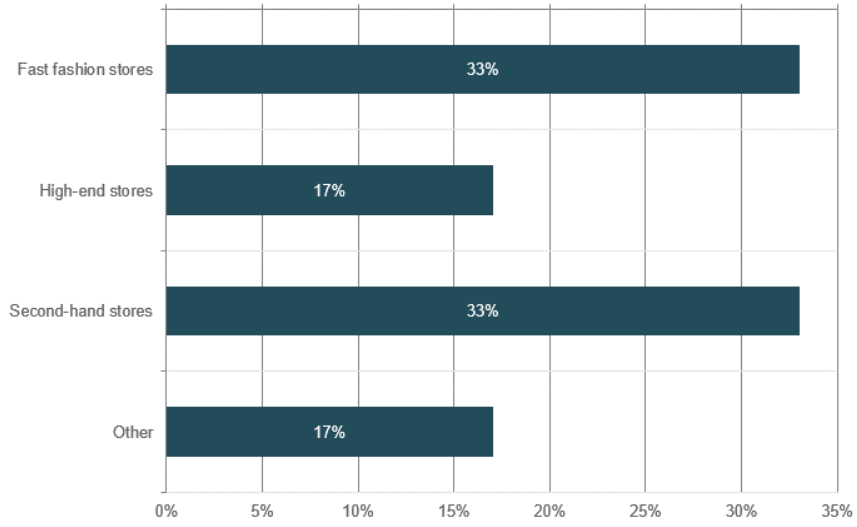
**1. Are you interested in fashion?**

Number of respondents: 90



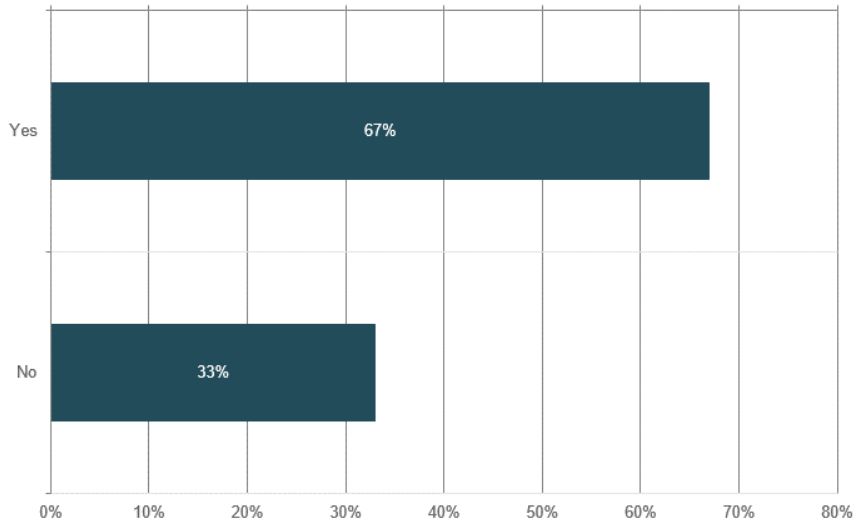
**2. Where do you tend to shop for new clothes?**

Number of respondents: 90



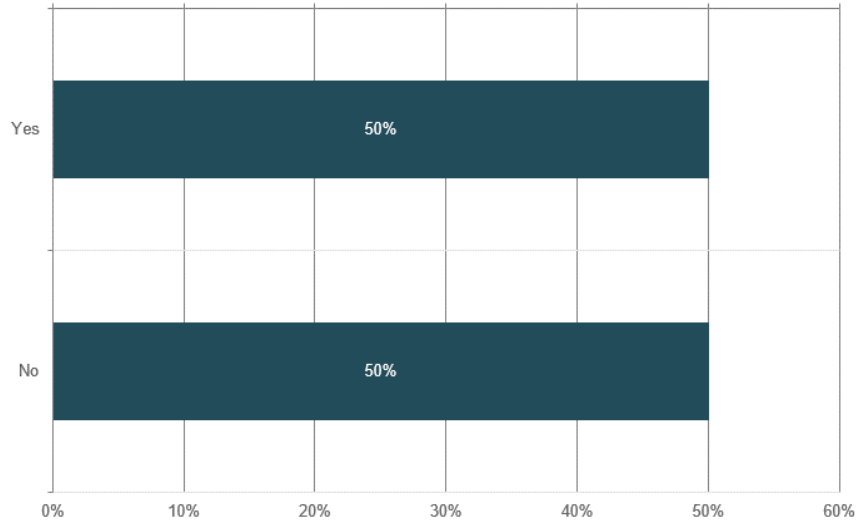
**3. Do you like exploring new clothing store/brand opportunities?**

Number of respondents: 90

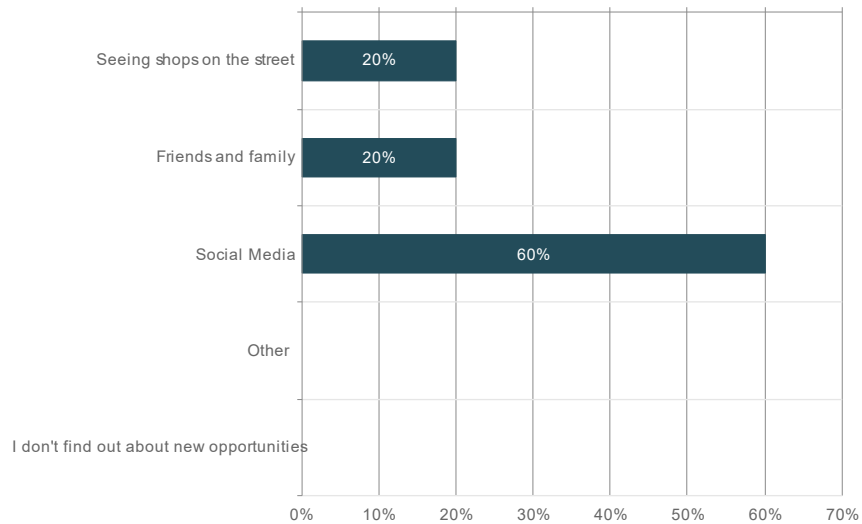


**4. If you see a new opportunity for shopping do you explore it?**

Number of respondents: 90

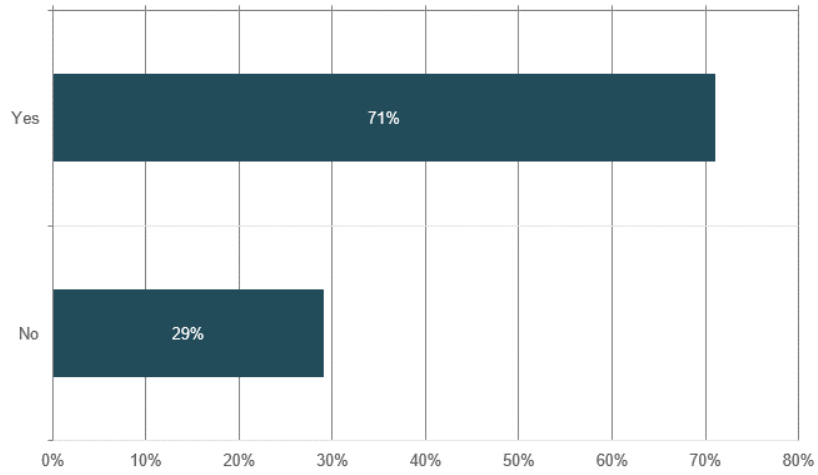
**5. How do you find out about new shopping opportunities?**

Number of respondents: 90

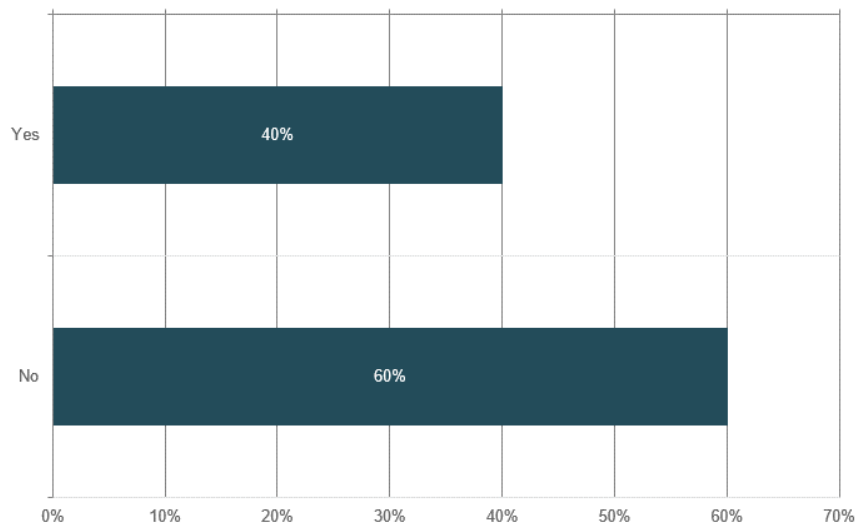


**6. Are you interested in purchasing a piece of custom clothing?**

Number of respondents: 90

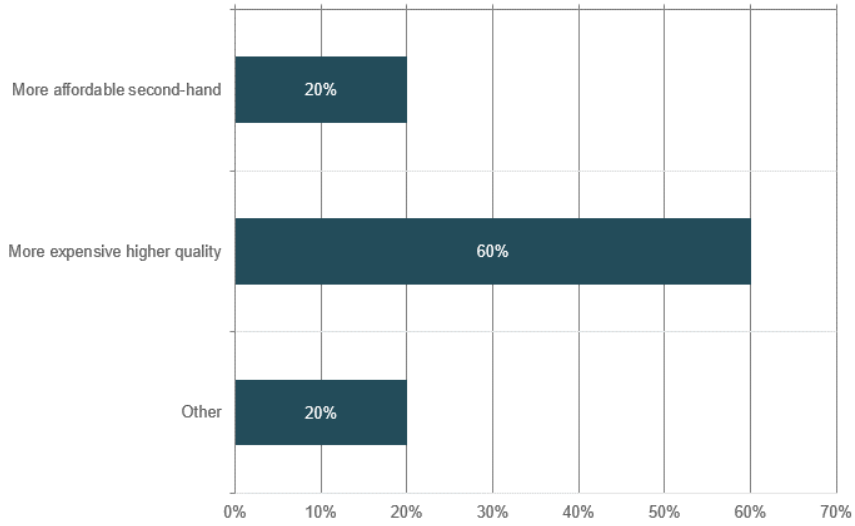
**7. Do you have any experience with purchasing custom clothing?**

Number of respondents: 90



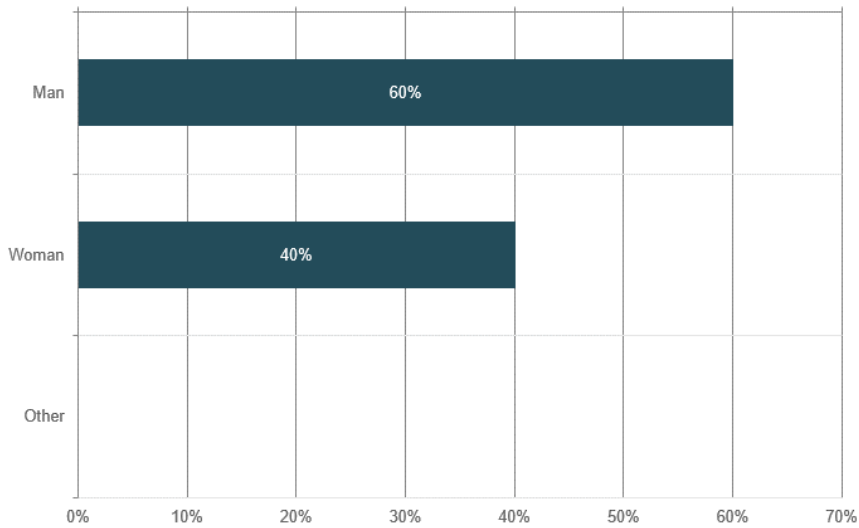
**8. If you would purchase custom, would you prefer it to be a more affordable second-hand piece or more expensive higher quality piece?**

Number of respondents: 90



**9. What gender do you identify as?**

Number of respondents: 90





**10. What is your age group?**

Number of respondents: 90

