

JING LUO

Marketing and operation development for a start-up company

Working diary for Polar Device Oy as an operation and marketing co-ordinator

Marketing and operation development for a start-up company

Working diary for Polar Device an operation and marketing co-ordinator.

JING LUO
Bachelor's thesis
Spring 2019
Business Information Technology
Oulu University of Applied Sciences

ABSTRACT

Oulu University of Applied Sciences

Author(s): JING LUO

Title of Bachelor's thesis: Marketing and operation development for a start-up company

Supervisor(s): Minna Kamula

Term and year of completion: Spring 2019

Number of pages: 64

This thesis consists of my obligations and tasks carried out during the process of the development, the timeline covers a period of approximately 2 months from 3rd, December 2018 to 31st, January 2019, with one week (26th, Nov, 2018 – 30th, Nov, 2018) spent on preparatory actions prior to the start of the project. The structure of this thesis will be a diary on a daily basis from the viewpoint of a marketing and operation consultant (engaging communications and promotions with Asian operations and focusing cities), describing the activities carried out and duties executed for the start-up company, Polar Device Oy.

This thesis is aimed to validate the author's knowledge acquired during studies, through professional work, and to strengthen the connection between knowledge and experience, and to link knowledge and professional life. All tasks and activities assigned to the author will be documented.

With the combination of knowledge from Business and IT fields, it will provide a wide spectrum of tools to be utilised, namely multi-platform marketing, data analytics.

The content of the thesis will provide a view and general understanding of marketing strategy and operations for an early-growth stage start-up. The way my tasks are carried out will illustrate a clearer image of marketing and operation in this specific field, for those who may step into this field in their professional lives.

Keywords: marketing, operation, start-up, Asian market.

CONTENTS

1	INTRODUCTION	7
1.1	Thesis background	7
1.2	Author's background	8
1.3	Company's background.....	9
2	STARTING POINT OF THE WORK	11
2.1	Author's role and responsibilities.....	11
2.2	Company structure	12
2.3	Reporting.....	13
3	DIARY ENTRIES	14
3.1	Preparatory actions	14
3.1.1	Monday 26.11.2018	14
3.1.2	Tuesday 27.11.2018	14
3.1.3	Wednesday 28.11.2018.....	15
3.1.4	Thursday 29.11.2018.....	15
3.1.5	Friday 30.11.2018.....	16
3.1.6	Weekly Analysis.....	16
3.2	Week 1	17
3.2.1	Monday 3.12.2018	17
3.2.2	Tuesday 4.12.2018	18
3.2.3	Wednesday 5.12.2018.....	18
3.2.4	Thursday 6.12.2018.....	19
3.2.5	Friday 7.12.2018.....	19
3.2.6	Weekly Analysis.....	20
3.3	Week 2	21
3.3.1	Monday 10.12.2018	21
3.3.2	Tuesday 11.12.2018	22
3.3.3	Wednesday 12.12.2018.....	22
3.3.4	Thursday 13.12.2018.....	23
3.3.5	Friday 14.12.2018.....	24
3.3.6	Weekly Analysis.....	25
3.4	Week 3	27

3.4.1	Monday 17.12.2018	27
3.4.2	Tuesday 18.12.2018	27
3.4.3	Wednesday 19.12.2018.....	28
3.4.4	Thursday 20.12.2018.....	29
3.4.5	Friday 21.12.2018.....	29
3.4.6	Weekly Analysis.....	30
3.5	Week 4	34
3.5.1	Thursday 27.12.2018.....	34
3.5.2	Friday 28.12.2018.....	35
3.5.3	Weekly Analysis.....	35
3.6	Week 5	36
3.6.1	Monday 31.12.2018	36
3.6.2	Wednesday 2.01.2019.....	37
3.6.3	Thursday 3.01.2019.....	37
3.6.4	Friday 04.01.2019.....	37
3.6.5	Weekly Analysis.....	38
3.7	Week 6	39
3.7.1	Monday 07.01.2019.....	39
3.7.2	Tuesday 08.01.2019.....	40
3.7.3	Wednesday 09.01.2019.....	40
3.7.4	Thursday 10.01.2019.....	41
3.7.5	Friday 11.01.2019.....	41
3.7.6	Weekly analysis	42
3.8	Week 7	46
3.8.1	Monday 14.01.2019.....	46
3.8.2	Tuesday 15.01.2019.....	46
3.8.3	Wednesday 16.01.2019.....	47
3.8.4	Thursday 17.01.2019.....	48
3.8.5	Friday 18.01.2019.....	48
3.8.6	Weekly analysis	49
3.9	Week 8	51
3.9.1	Monday 21.01.2019.....	51
3.9.2	Tuesday 22.01.2019.....	52
3.9.3	Wednesday 23.01.2019.....	52

3.9.4	Thursday 24.01.2019.....	52
3.9.5	Friday 25.01.2019.....	54
3.9.6	Weekly analysis	55
3.10	Week 9	56
3.10.1	Monday 28.01.2019.....	56
3.10.2	Tuesday 29.01.2019.....	57
3.10.3	Wednesday 30.01.2019.....	57
3.10.4	Thursday 31.01.2019.....	57
3.10.5	Weekly analysis	58
4	DISCUSSIONS.....	59
4.1	Learning outcomes.....	59
4.2	Extended topics.....	60
4.3	Future developments.....	60
5	CONCLUSION.....	61
6	REFERENCES	62

1 INTRODUCTION

1.1 Thesis background

From a personal connection, that Polar Device Oy had been looking for someone who can promote the new product and raise fund as well as dealing with operation affairs from Asia, it immediately caught my interest, and I was able to get in contact with the owner of this company. Fast forward, after we had a conversation, we both felt that we can benefit from each other, then I was offered a chance to do the marketing and operation development for its Asian focuses.

In the last 3 decades, we have seen a series of unprecedented life-changing events in human history, the digital revolution. Over the past three decades, marketing has had to keep up and contend with leaps in technology and our relation to it ever since. (Clodagh O'Brien, Digital Marketing Executive, Cited 15.11.2018).

Our attention has been constantly turning away from the traditional advertising domains of TV and print and towards our electronic devices, the marketing industry has been large transformed, and it is still being transformed. The way a firm's operations are run has also been changed considerably thanks to the digital transformation, a firm is able to operate and run physically distant from its focusing regional market at certain stages.

As the corporate operations and marketing are being increasingly carried out digitally, the direct and immediate human reaction are on the constant fall, this has resulted in a sophisticated mechanism in terms of the marketing approaches and communication methods. There are 3 areas which have been transformed are the speed, relevance and reach of campaigns, these have given the marketers great challenges to follow up the fast-moving digital world. Particularly the marketers need to update of skill and technology, one of the vital qualities of marketers is to stay curious, a particular tool or system can help engage present activities, but these present tools will be completely different in 2-3 years' time, the curiosity about different possibilities will enable marketers to acquire up-to-date technologies and skills.

The running of corporation affairs also stays in line with the fast-changing marketing strategies, with the continuous collapse of retailing industry, it is vital for businesses to stay on track to be able to have the fate in control. The digital transformation continues, and its pace has been steadily accelerating as a result of increasing globalisation.

The impact on marketing and corporate operation from technological revolution may still hold surprises, but for now it is safe to say that a firm must adapt to the digital environment to be able to efficiently function.

1.2 Author's background

My interests for digital transformation and its impact goes back to over a decade ago, in the year of 2007. Over an as-usual summer holiday, during which I was sent to my grandparents in China, I spent the 2007 summer holiday working for the factory my uncles owns, he had been telling me the changes that had been emerging, such as logistics and customer approaches as well as the marketing campaign for his medium-sized factory. Back in time, I did not actually understand much about the professional words as a 12-year-old primary school graduate, but I was genuinely interested and wanting to find out more.

One of the things I did with my uncle was to go to different commercial premises trying to make a deal with the trader so we could advertise our products in those premises, it was time-consuming and effectively expensive and inefficient, it was also the time when smartphones started to dominate the society, people were shifting their internet browsing from PC to mobile devices. I quickly had the idea why do traders like my uncle not take the opportunity and trend, which is to market online, it was my thought, but I was still too young and perhaps naive to understand how this idea can be implemented.

Fast-forward one year, in the year 2008, I was again sent to China by my father to spend the summer with my grandparents, at that time, the online retail giant Alibaba was growing

at an unprecedented rate, which launched a heated debate in the society, as much as the 2008 Beijing Olympics.

I quickly set up my own online store on Alibaba selling shoes from my uncle's factory, I distributed some leaflets about my online shop in my grandparents' neighbourhood, and neighbouring communities too. Unfortunately, nobody believed the concept of online retail store will succeed, and I didn't have enough exposure for the online shop either, after 2 months I was forced to close it down without selling anything, at all.

But ever since the early entrepreneurial experience, I have always been interested in this digital field, after a thorough thinking I decided to join the Business Information Technology programme at Oulu University of Applied Sciences (OAMK). During my time as a student at OAMK, I had the chance to do my internship with Siili Solutions Oyj, a Finnish giant digital services provider. During the time I was at Siili, I worked closely with the marketing team, in implementing the marketing strategies and various operational tasks. I continued exploring the glamorous field of marketing after my internship, after nearly 2 years, I have rooted my focuses on marketing and its affiliated areas. With my initial idea over 10 years go, and now ended up focusing on this area, I am pursuing the ultimate marketing methodologies and technologies in corporate operation.

1.3 Company's background

Polar Device was founded in 2014, with the inspiration from the founder's household experience. Polar Device is developing the smart noodle maker named Kitchen Elf at the moment, with unprecedented smart functions.

The link to company's homepage is as following: <https://mykitchenelf.com/>

The background for this product is the fast-changing lifestyle in Asia, as known, most Asian countries are traditionally noodle eating, in the end of 20th century and beginning of 21st century, instant noodles played a significant role in the fast food market, with the characteristics of fast and convenient, but as in the last decade, the living standards in most Asian countries is on a constant rise, thus, the existence of instant noodles has been

labelled as unhealthy, low-class. Kitchen Elf has been designed to produce healthy food while maintaining the beneficial characteristics of instant noodles.

Polar Device is aiming to release Kitchen Elf in 2019, and within 2-3 years, it will develop other household appliances. The benefits of Kitchen Elf in short: smart device, self-cleaning, produce food in 3 minutes. When the machine is in the market for 2-3 years, the main shift will be on the machine-associated food materials, including flours with different seasonings for different tastes.

The early prototype is ready, visual as shown in figure 1:



Figure 1. Kitchen Elf early prototype and main function introductions.

The founder and the technical chief both have Chinese heritage, therefore, the product will be breaking into Chinese market first while operating from Finland. I too share Chinese heritage while lived most of my life abroad in a few different countries, I carry out the tasks and operations with agencies and partners as well as investors for Polar Device.

2 STARTING POINT OF THE WORK

At Polar Device, the working environment is rather straight-forward, everyone has an area or a sub-area to take care of, the independent work and team work is roughly divided by half and half. The principle is to make the end result optimal, while one carries out individual work, if there is a need of team discussion, it shall be conducted.

2.1 Author's role and responsibilities

I serve as the marketing and operation co-ordinator at Polar Device, my role engages in a wide spectrum of responsibilities. From basics such as creating marketing materials in most English and Chinese, posting marketing content online, to slightly more complex tasks such as planning the marketing strategy for a specific area.

The nature of the company being unique for the reason it is a Finnish innovative start-up, but the launch is all outside Europe, thus my responsibilities are rather sophisticated, more than usual. At this growth stage, one of my focusing areas is to engage with large Chinese online retailers, trying to promote the product to them, and possibly strike a deal on how the product is going to be launched, providing the best results for both worlds.

The company is still at a critical stage, where further funds for R&D is desperately needed, there is an existing agreement with one of the largest international crowdfunding platforms IndieGogo (<https://www.indiegogo.com/>) to raise fund, I have the joint responsibilities to create campaign content and materials for IndieGogo (figure 2) fund raising. Crowdfunding on Indiegogo empowers people to unite around the ideas that matter to them, and together make those ideas come to life. (What does Indiegogo do, cited 17.11.2018).



Figure 2, Indiegogo Logo

Additionally, there has been talks with venture capital firms requesting further funds, I and other team members are creating and optimising the pitch deck for a fund of a large sum. To support the business to break into Chinese market, I am also responsible for the venue planning in China, the rough timetable, strategy and procedures are commissioned by me

2.2 Company structure

Currently there are 5 people in the company, with 3 of them being members of the board and form the core corporate management. The daily operation and business are taken care by 3 people in the office, two other colleagues are doing research & development and business consultation respectively, both of them work remotely from the Southern area of Finland.

Haili Li is the founder and the Chief Executive, he manages the overall operation and resources of the company and monitors the company finance. He makes all major corporate decisions and acts as the main point of communication between the board of directors and the corporate operation.

Yafu Li is the chief technical officer, who is in charge of the entire research and development, Polar Device Oy holds all patents for Kitchen Elf series products. Haili is the major force behind the development with technology resources. Seppo Hämäläinen a member of board, he is responsible for adapting a brand strategy for the company's main focus market, he maintains the brand integrity across the company marketing initiatives and communications.

2.3 Reporting

All strategies and planning, and materials are to be approved by Haili Li in spite to comply with the standards and value of the company, open discussions are always welcome when work is presented, final version of any work will be agreed upon by everyone involved.

Meeting is kept regularly but not on a consistent basis, approximately twice a week, especially before commissioning a new work and after the initial version is finished.

When final version of a work is initially completed, it goes through iteration to have further correction, minimum 3 times. Should a major change occur, a meeting is called immediately, team members will discuss closely and the seniors will guide it through if necessary.

3 DIARY ENTRIES

The activities and tasks to be performed are briefed and guided if necessary, prior to the execution. Documents and materials are supplied if required prior to the start of any action. All actions and performed responsibilities are in the content of this chapter.

3.1 Preparatory actions

3.1.1 Monday 26.11.2018

This is the beginning of the research week of my thesis project. The research work will cover a thorough process of getting to know this company, and its business, staff and operation, as well as future aspirations. As mentioned above, this thesis project begins with an introduction from a friend, the brief information in regard of this company quickly drew my attention and interests, therefore, I expressed my interests and desire of further research upon it.

I performed a background research about the company on my own resource, specifically on how the business is known, or whether it is widely known to people, for the reason that I am a marketing enthusiast, and I want to build the name and brand for a business for better performance.

3.1.2 Tuesday 27.11.2018

Prior to the start of the project, I need to do more research and read some relevant materials in relation to this business field. Given the nature the company has not launched any product into the market yet, to do a research on competitors' business is the most relevant way to grasp some comprehension on this company.

On major social media platforms, this is always a great chance to showcase a company. I happened to find that Polar Device does not have an account on LinkedIn, which is one of

the most important social media platforms for businesses like Polar Device. I made the note about LinkedIn account, which I will propose to create one in later work content. Exploring on other social media accounts, there are some potential improvements identified too.

3.1.3 Wednesday 28.11.2018

Company culture plays an incredibly important role in helping one how you she or he will fit in with the future bosses and team members. I start following the social media channels of Polar Device and see how it engages with its audiences. This gives a flavour for the personality of the firm. However, a start-up company might or might not have a company culture, therefore it is rather limited to gather further information regarding the working culture.

I had a phone conversation with the owner and founder of the company later on, which his explanation and help, I was able to have a much better understanding of this company and its business, as well as its current situation.

3.1.4 Thursday 29.11.2018

Today I met with the owner of the company and we had a constructive meeting in regard of my forthcoming work. From the conversation with him and another team member who I am going to be working with. As much of what I had expected, the working environment is rather relaxed and friendly. I see this as an opportunity to create a positive working culture.

The founder drew a growth figure to explain how the expectation should be for next few years after we launch our product. The figure contains figures in percentage, of how many middle-class families will likely to purchase the machine, as well as how many middle-class families in percentage, whom are likely to purchase ingredient bags. It also illustrates the average consumption of ingredient bags per week per family.

3.1.5 Friday 30.11.2018

Today I am preparing the start of new next week, a few emails with the CEO about what should I expect and what others are expecting from me, also is there is anything I need to bring myself. I also quickly search the best and fastest route to get to work, as I do not want to be late on the first day. Going through the research I have done about the company and the business filed, a final review of some new knowledge is always a plus.

3.1.6 Weekly Analysis

This week is entirely dedicated background research, regarding the company and the business field as a whole. The company currently stands at a low point, despite founded 4 years ago, growth has been slow and low. There many factors that have caused this. The major reason is due to the slow of product research and development. After my brief check on the company's finance, which is not precisely accurate as it is not up to date and the data does not reflect other deductions. But nevertheless, it does represent the company's status one way or another. According to Finnish business registry (<https://www.finder.fi/Erikoiskoneet+ja+laitteet/Polar+device+Oy/Oulu/yhteystiedot/2924469>). The company's revenue has been negative, in additional, it has not been able to make profit.

It looks like one of those start-ups that might potentially go to fail, but how to prevent it will be the core of my thinking throughout my work. So many start-ups fail because new and risky ideas are by design failure prone. New ideas fail everywhere with a high probability. If the risk of failure were not there someone else would have done that already. Start-ups by design take those ideas that have a slim chance of success. (Why many start-ups fail? Balaji Viswanathan, cited 18.01.2019). One of the keys to make s business succeed is the marketing strategy. Marketing can help develop better products and sales presentations, and it can drive more customers through the front door via advertising. When the public reads a favourable story about a product, that publicity can pre-sell a new product. Marketing can also help shape a company's entire way of regarding its customers, fostering an approach based on value and customer satisfaction. One of marketing's great

attractions and drawbacks is that it is an art as well as a science. (The role of marketing, cited 18.01.2019).

The business runs in a different country from its targeted market, which brings many challenges too. Despite having management staff sharing the same background with the targeted market, the distance and time difference can easily cause obstacles. More importantly, as the business is domiciled in a country that has completely different business culture than the main market, the communication needed will be the key to whether the business can flourish. In today's global business marketplace, the ability to communicate effectively and multi-culturally cannot be underestimated.

A background study about the company and industry helped me better understand the current business environment, but also helped me identify the biggest challenges that lie ahead for the company.

3.2 Week 1

3.2.1 Monday 3.12.2018

Starting the first day, there is a basic introduction from the CEO Haili Li, which includes the current status of the company, the financial situation, the operation procedures. Afterwards, there is discussion about my major responsibilities at the beginning stage, and what areas I would be looking into.

Subsequently, a meeting was held between the CEO Haili Li and Operation Manager Tati Zevadii. During which we outlined the current affairs and in which what need to be prioritised. We also sketched the approximate timeline for the 1st half of 2019, which is based on the calculation of the operation planning.

The partner who helps develop the prototype has informed that the Kitchen Elf machine prototype will be delayed for approximately 1 month due the Lunar New Year across Asian region. Thus, we need to make some amendments to the timetable for the 1st 2 months in 2019.

3.2.2 Tuesday 4.12.2018

The second day into this job, I am still in the process of getting familiar with the overall position of the company. In a start-up company, each and every penny counts, and finance is vital to the operation of business.

Today, I am working with the marketing manager who will introduce me to the current financial calculation and forecasts for next few years. Currently the tangible data what we can calculate is the expenses on running the business, as well as the expenses for research & and development.

According to the financial calculations, one of the costliest parts of the business operation is the marketing expenditure. Which is mainly used for paid ads, and other digital media promotions. Other expenses include premise' rent, insurance, wage and logistics.

3.2.3 Wednesday 5.12.2018

Cashflow is an important part of company finance. Today we continue looking at the financial aspects. The product is yet to be launched in late 2019. But as we slowly proceed, more expenses are needed.

The second half of 2019 will be still engaging in varies pre-launching activities, marketing is namely the most significant one. As we expand our approaches in diversity. At this point, we spend most of our funds on band-building, agency advertising and promotion activities.

The financial calculation will largely represent the intense pre-launching marketing activities, the most important platform during this time is Indiegogo, as we crowdfund from Indiegogo, we intensively market on Indiegogo as well. With a significant percentage of the budget pledged for this period of time solely on marketing, we expect large volume of sales once it's launched.

3.2.4 Thursday 6.12.2018

Based on the financial calculation we have made beforehand, now we move to the sales and market prediction. The prediction is based on the market research in the sales of kitchen appliances.

China's kitchen appliance market has expanded considerably over recent years. According to mainland market surveys, the total value of China's kitchen electrical appliance market exceeded RMB96 billion in 2017. Among the most in demand products were range hoods, water heaters, gas stoves and rice cookers. As consumers' brand awareness continues to heighten, more emphasis is being placed on product design, functions and features, while price sensitivity is falling. Medium to high-end products are becoming the mainstay of the consumer market, while the demand for eco-friendly and energy-efficient kitchen appliances is also growing as consumer environmental awareness increases. (China's Kitchen Electrical Appliance Market, HKDTC, cited 06.12.2018)

In the year of 2020, we predict the sales of our machine as well as the ingredient bags to be around a significant sum in revenue. In respective term, the ingredient bag will constitute the majority of sales in volume, whereas the sale of machine in volume will be significantly less in comparison with that of ingredient bags.

3.2.5 Friday 7.12.2018

With the prediction for sales and market, we are able to plan our company strategy and finance. While the machine and ingredient bags are circulating in the market, there is a constant need of research & development, which is still the largest expenditure of the company operation.

To understand thoroughly how Research & Development is costing a significant percentage of the company financing, I managed to do a research on the subject. All costs are driven by activities, and in the case of research and development the key cost drivers include the following:

- Staff

- Prototyping
- Beta testing
- Subcontracting
- Time to market
- Patent and other intellectual property applications

The spectrum of activities that research and development involve is the key factor that increases the cost, typically these activities are:

- Research and development salaries (R&D manager, engineers, technicians)
- Product testing
- Pre-production design and construction
- Construction and operation of pilot plants
- Third-party development and programming costs
- Software development costs

(Cost of R&D, Plan projections, cited 07.12.2018)

3.2.6 Weekly Analysis

This week started off by getting familiar with the company timeline and how business is run in general. Tasks involved was rather comprehensive, ranging from financial calculation to the comprehension of cost details in company finance. With the financial calculation, I also had a glance of the company prospects in the next 3 years.

The importance of financial calculation and financial ratios are vital for company's future, particularly for forthcoming strategies and potential investment. There are several financial ratios that are seen as prerequisites for a business to succeed. Sales and assets ratios - it helps measure the efficiency of a business – how well it uses its assets. (Importance of financial ratios, Kathryn Hatter, cited on 8.12.2018.) Profitability ratios compare profits to assets or equity, this indicates a company's ability to produce profits from available assets. The return-on-equity ratio measures profits earned for funds invested in the company.

Sales and revenue predictions based on research statistics are one of the main tasks performed during the week, which I did not have a clear image of what it is like to work with big figures. To be able to forecast sales, there are many factors that have to be taken into consideration. First of all, the business must be fully understood to be able to apply the basic forecasting to the operations. There is one challenge, which is that we do not have past performance to reference on, we need to rely on the performance of similar products in the industry, and combined with trend adjusted with variables (economic and social trend, competitiveness and etc.).

As figures has shown, the Research & Development costs the company heavily, partially for the reason that the product is an innovation, it needs time and financial costs to become ready for the market. To understand the importance of Research & Development, one must understand why Research & Development is necessary. R&D embodies a long-term vision of a company and its strategy when innovation operates more in a short-term economic model of the company, R&D activities are essential by essence as they embody the overall process leading to innovation, and innovation is key today to beat the competition.

This week's work has enabled me to gain knowledge in the sophisticated business field, in particular concerning finance. By the end of the week, I am quipped with enough understanding to set out for more challenging tasks for coming weeks.

3.3 Week 2

3.3.1 Monday 10.12.2018

Today is the first day I start work independently, I will contact the Chinese business partner and agencies in talks about business plan. The communication with Chinese business partner can be a tricky task, as there are cultural obstacles to overcome, and Chinese people are known as spoken indirectly at times.

I and Haili discussed briefly about the key points of the business idea, and its key points. I made a document in Chinese language which was later sent to the Chinese agency. The

communication with Chinese business people at this time is rather quick and effective, main messages get crossed clear and clean. Later on, I myself wrote a few thoughts about the business plan, specifically about the interpretation of certain words and ideas.

3.3.2 Tuesday 11.12.2018

I quickly received the brief Business plan created by the agency specifically for Chinese market, I and Haili will take a closer look on the details, and we will make corrections accordingly.

As we check each and every page, we had found a significant number of changes need to be made. Sometimes the little change on use of words can make a big change, especially when the terminology needs to be precise.

A good business plan delves into at least 4 categories these include (Jeff Haden, cited 11.12.2018):

- Be as objective and logical as possible
- Serve as a guide to the business's operations
- Communicate the company's purpose and vision
- Create the foundation of a financing proposal

But it should also accomplish other objectives. Most of all, a good business plan is convincing. It proves a case. It provides concrete, factual evidence showing your idea for a business is in fact sound and reasonable and has every chance of success.

3.3.3 Wednesday 12.12.2018

Today I am looking into the business plan further and will make all the corrections. The corrections I make will be documented as requirements, which is later sent to the Chinese agency to make professional correction.

One of the main point of corrections is on the use of words regarding the functionality of the machine. In the figure 3, which is one of the many pages from the business plan.

产品展示
Product display

厨房精灵面条机



千锤百打 | 揉之有道 | 百转千回 | 劲道强韧

另有精制材料包

为美味增光添彩 为幸福生活调味

各种面食
轻松搞定

想吃什么，就做什么



面条



饺子皮



馄饨



面皮



馅饼



面包

Figure 3, functionality of the machine.

The word highlighted in yellow colour is only a choice of word that represent the picture in a way, but there is a better word for it, and it will make the whole section more convincing.

3.3.4 Thursday 13.12.2018

Today's task is to do a research about consumption of instant noodles in several Eastern Asian countries including Japan, China and Korea. The purpose of this research is to understand the scale of existence of instant noodles, thus, to have a comprehensive market assessment for the potential sales of our products.

While instant noodles were born in Japan, they have now integrated into the diets of many different of countries and have taken root in as instant noodles of their own. 100.1billion servings of instant noodles were eaten in 2017.By simple arithmetic, as many as 270 million servings are eaten every day. Regardless of the area, age and gender, instant noodles are loved as "global food". (instant noodles consumption in 2017, cited 13.12.2018.)

3.3.5 Friday 14.12.2018

We received the corrected version of the business plan; however, further corrections are needed, and 3rd or 4th round of corrections should be expected. I am also tasked to create a brief business plan based on the one created by the agency, just for our company use, which will mainly be used for meetings between staff and current investors.

The biggest challenge was to phrase the business model in a graphically understandable way, I managed to illustrate the business plan by going through business life cycles. The visual of business model map based on business life cycles (figure 4), the structure of business operation and growth trend in the near future will be largely depended on the business life cycles.

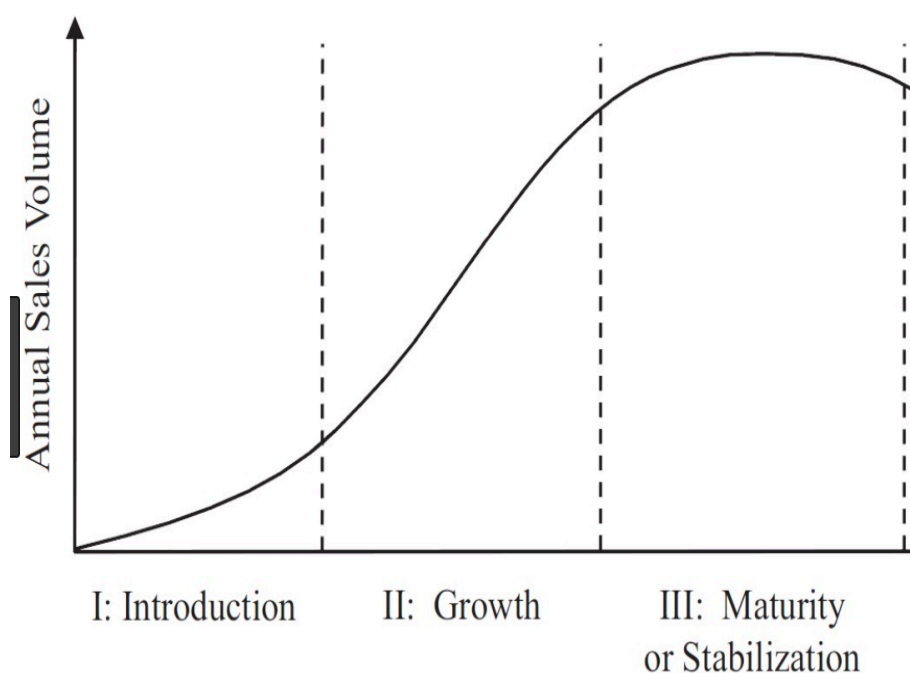


Figure 4. Business life cycles.

During the introduction phase, sales are low, but slowly and hopefully steadily increasing. Businesses focus on marketing to their target consumer segments by advertising their comparative advantages and value propositions. However, as revenue is low and initial start-up costs are high, businesses are prone to incur losses in this phase. In the growth phase, companies experience rapid sales growth. As sales increase rapidly, businesses

start seeing profit once they pass the break-even point. However, as the profit cycle still lags behind the sales cycle, the profit level is not as high as sales. During the growth phase, In Polar Device's case, it will be in partnerships with large retail chains in main market to be able to break through hurdles and establish reputation.

3.3.6 Weekly Analysis

This week's main task was to make the business plan to its optimal through a series of corrections with the Chinese agency. One challenge which would occur often and at times can be difficult is that the words interpretation in different languages that involve completely different cultures.

As companies continue to expand across borders and the global marketplace becomes increasingly more accessible for small and large businesses alike. Language differences present a common stumbling block in international business communication. Whenever one party is using a second language or a translator, the potential for misunderstandings increases. (How cultural differences impact international business, 2017, Katie Reynolds, cited 15.12.2018.)

Market research is the fundamental essence for business planning and strategy alike, thus, to have a comprehensive understanding about the scale of the targeted market is key to the accuracy of forecasting. Among the top 15 countries of instant noodles demand globally, 10 countries out of 15 are from Asia, where nearly 80% of instant noodles are consumed. Korea leads per capita consumption by far. The Koreans like instant noodles so much that they are served even at restaurants and stalls there.

From figure 5, we can clearly see the leading figure comes from China, which is largely due to the population. Around 38 billion servings were consumed in China in 2017. The number of middle-class families in China is growing rapidly, the higher financial freedom has raised the issue of healthiness of instant noodles, which has long been labelled as "low-class, unhealthy".

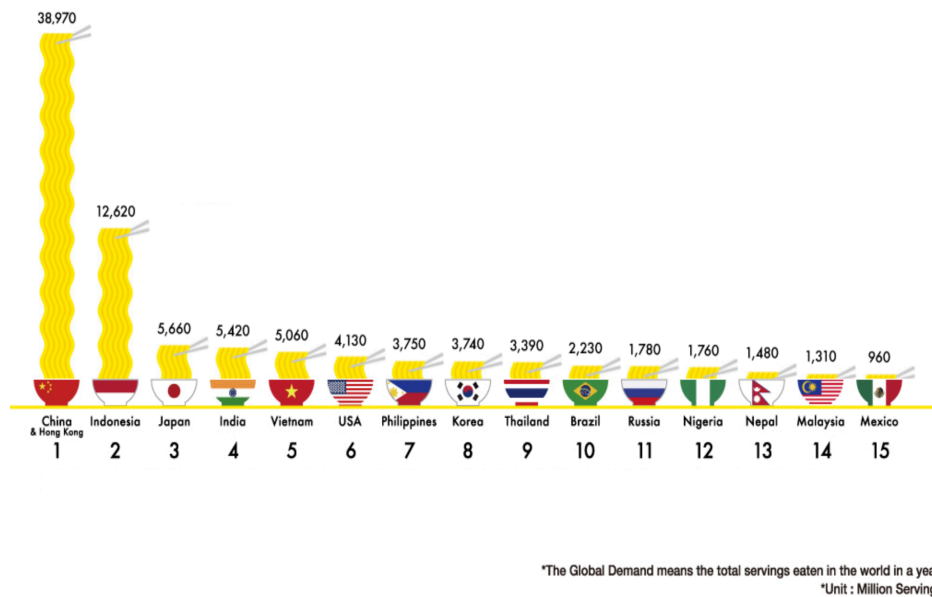


Figure 5. Instant noodles consumption top 15 countries globally.

Currently, there isn't many available alternatives to instant noodles, due to the fact that the "quick" characteristic is still needed. In recently years, the sales of instant noodles in Asian countries has fallen significant compare to previous years. This is the representation of the rise of living standards. Our product is aiming at the market where the fall in sales of instant noodles has occurred, to retain the main characteristics instant noodles, but healthy, we are providing the solution.

This week's gain is comprehensive and informative. Marketing analysis is a study of the dynamism of the market. It is the attractiveness of a special market in a specific industry. Marketing analysis is basically a business plan that presents information regarding the market in which the business is operating in or going to be operating in.

3.4 Week 3

3.4.1 Monday 17.12.2018

Today we move onto one of the products package design, this is the capsule noodles which are produced from our machine, due to the unique production of such noodles, the package needs to be representative and expressive.

Designing an effective package is not a quick or easy process. It requires research, thought, care and attention to ensure the final logo design targets the correct market and broadcasts the right message. A poorly designed logo will have a negative effect on the perception of the business; however, a carefully designed logo can transform a business by attracting the right people. (Logo Design Process, LogoGeek, cited 17.12.2018).

3.4.2 Tuesday 18.12.2018

We received another corrected business plan document, we looked into the detailed description of our key products, there are some misrepresentations which need to be changed. We again documented all the necessary requirements and ideal choice of words.

I also followed some market figure regarding instant noodles released by market watch channel (figure 6).

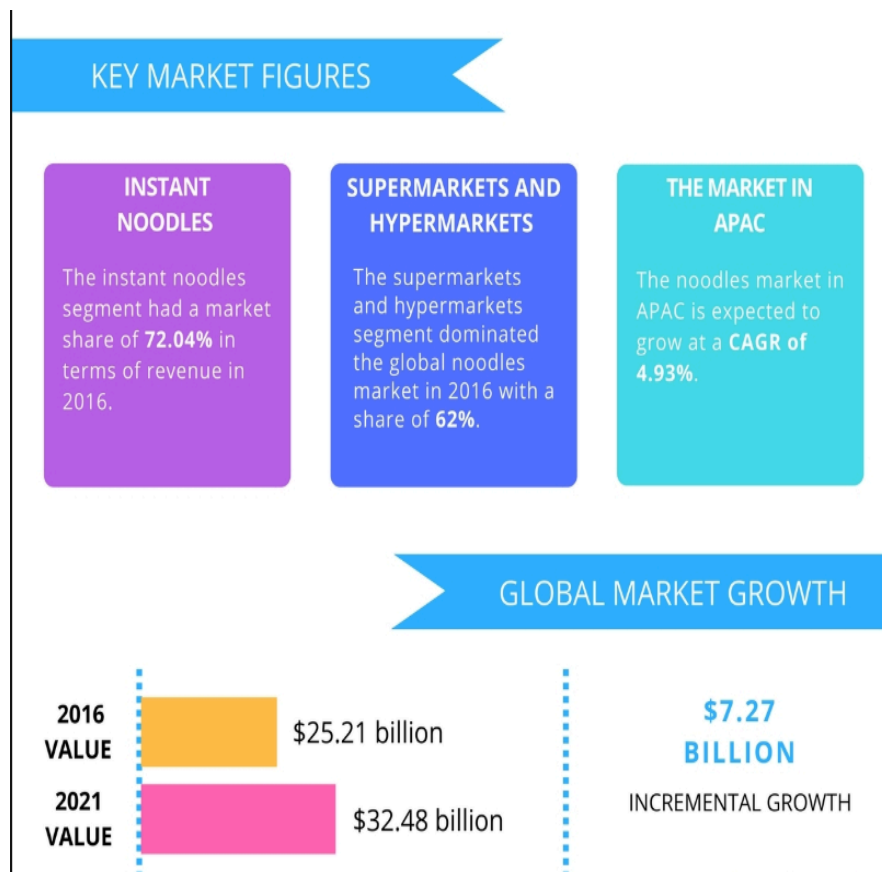


Figure 6, global market prospect. (Global noodles market from 2017-2021, cited 18.12.2018)

The global instant noodles market is projected to witness growth at a CAGR of 4.93% and it is projected to reach USD 7.27 billion during the period of 2016 to 2021. In terms of sales channel, large retail stores (supermarkets and hypermarkets) account for as much as 62% of the global market.

3.4.3 Wednesday 19.12.2018

An unexpected call from the agency who created the main business plan has made today's work a sharp turn. I get into direct communication on the phone with the agency instead of emails with hours of waiting due to the time differences. The business plan is by far, the most important thing for the near-future development, as we will still need a relatively large sums of funding to keep the business rolling, therefore, we are putting significant amount of efforts into it.

Business owners must identify their business' structure before operations can begin. Businesses' ins and outs must be understood too, from its core operations to its customer service. This analysis of a business and its external environment will help to drive the business decisions and develop the business strategies. These decisions and strategies are essential in the success of a business.

3.4.4 Thursday 20.12.2018

Today we have a meeting with the team, in which we will update each other about our respective area at work. I and Haili will take a look at the business plan again, this will likely result in further modifications.

Good news is that we have been able to see some updates about the machine's prototype. The research & development has been smooth thanks to the effective collaboration between us and factory in China. As prototyping is a process of building a model or a draft version of an idea, making prototypes is an essential part of product development process. New product designs generally undergo several prototyping processes before they are released for production.

Minor corrections on the business plan has been drafted and documented, I will send the document to the agency responsible for it. The business plan has undergone a series of repeated corrections. We identify new issues as we look through it again and over again, not all errors can be detected in one around of iteration. In this case, we have been adapting agile working method.

3.4.5 Friday 21.12.2018

After the meeting yesterday, we agreed that we will have a meeting with the board next week. The task of preparing meeting material falls into my hand. To keep the highest authority of a company updated needs precise but easy-to-read information, gathering data from all areas of the company will need some internal communication and research.

The usual purposes of board meetings are to make decisions, set policies, solve problems, plan and evaluate. There are two main areas which will need delivered to the board, finance and development. Currently, we are in constant search for further funding, thus, the board members will be notified for the situation, for potential talks with current investors, the financial calculation will be distributed to all board members. Secondly, the prototyping progress along with the development plan will be discussed between board members too.

3.4.6 Weekly Analysis

This week's work has been mostly focused on communication, except for the package design. Design is relatively new to me, but I loved the process of it, as it widened my skills and make my toolbox more comprehensive. The design processes involved the utilisation of several Adobe tools, InDesign and Photoshop, I have worked with both software in previously experiences, the design of package on these tools helped to deepen my grasp on knowledge on them. Communication work during this week has strengthened my corporate and internal communication skills as well.

Due to the function proximity of our product to instant noodles, we have adapted the traditional shape (figure 7) of the instant noodles package, with sealed easy-to-open lid. The whole package should contain around 360 grams of ingredients and seasonings. The product packaging design plays a very important role in branding the items in the retail environment.



Figure 7, ingredient package shape.

We decided that we will use traditional Chinese character on the package, contrary to the fact that in China where the simplified Chinese character is used. I start to sketch idea of product name on a piece of paper (figure 8)

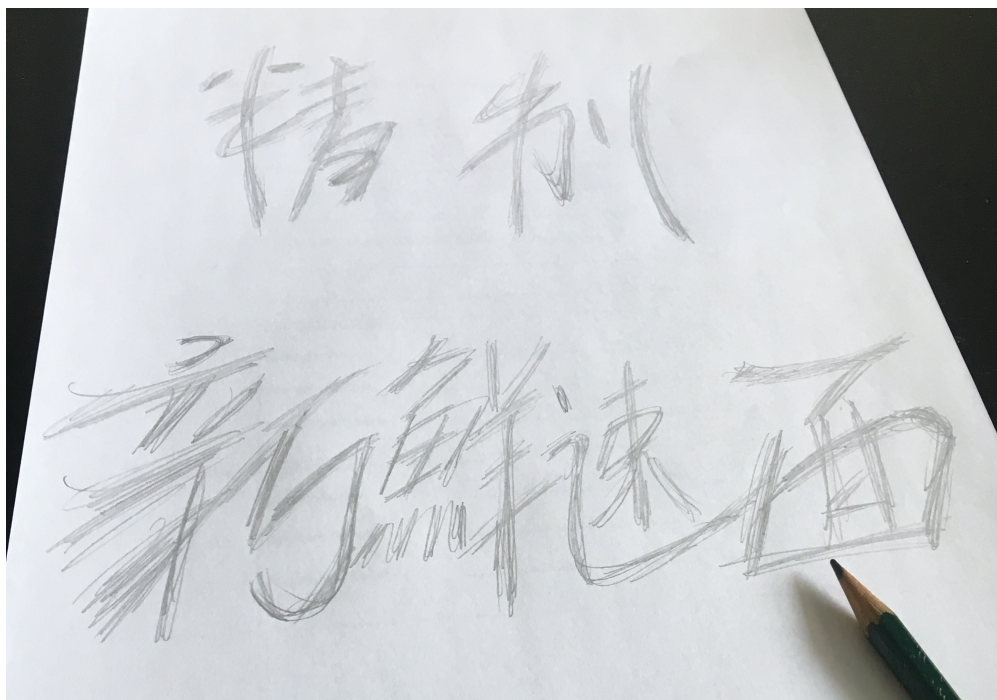


Figure 8, draft of package words.

These words literally mean “finely made fresh fast noodles”. This will not be the ideal version to be printed on the package. However, it does give me some inspiration to work on. Moreover, the reason why we chose traditional character over simplified character is due to a few reasons, firstly, graphically traditional character is more artistry than simplified characters based on preferences of the majority Chinese population. Secondly, Traditional characters are more representative of its actually meanings than simplified characters.

After a few rounds of modifications, the final package is as shown in figure 9.



Figure 9, package appearance.

The background image on the package perfectly explains our product value: healthy and finely made. The font on the body of the bucket and the font on the lid are different, as we want to differentiate how the product can look different at different stage of its production. package design is one of the most important elements in a successful product launch or re-launch, it needs to display information about what it is and draw attention to itself on a shelf full of competing products.

Another part of my weekly work is communication. A corporate communication strategy improves the quality of decisions, which significantly contributes to the organisation's success. (Importance of corporate communication, cited 22.12.2018). A functioning corporate communication strategy improves employee satisfaction. Working with employees to improve their productivity and satisfaction through engagement helps employees and leaders build effective and sustainable organization. It also improves performance, corporate communication improves employee engagement, creating room for more inclusive and successful strategies. Internal feedback plays a significant role too, it enables leaders to continually gauge strategy success and evaluate employee performance on a regular basis. Employees can also help in assessing corporate success and advising leaders on the best way to move forward.

3.5 Week 4

3.5.1 Thursday 27.12.2018

This is the first working day after Christmas, we start today by a small meeting, we will set out the agenda for this week, and will change should anything occurs unexpectedly. The main point is to plan beforehand for what are the things need to be prioritised in spite to keep the operation smooth. We are expecting the business plan to be ready by this week, then we will translate the business plan into English for later use.

The work planning process structure evolved from research, discussion, and review by means of a successive series of "Plan, Do, Study, Act" (PDSA) cycles (figure 10).

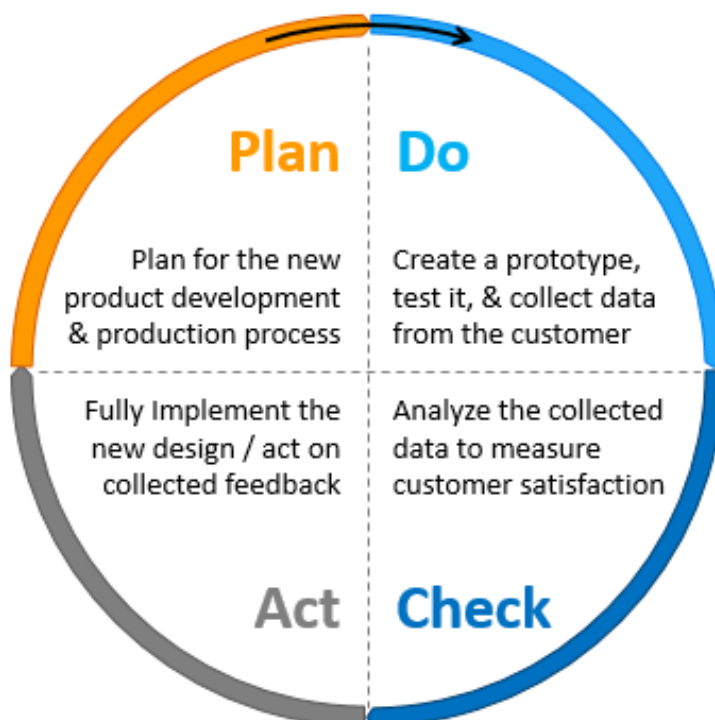


Figure 10, PDSA cycle.

Work planning is an innovative approach to accomplishing the work in an organization. (What is work planning, cited 27.12.2018).

3.5.2 Friday 28.12.2018

The final version of the business plan is ready, today I will have to translate this business plan from Chinese to English. Translation doesn't necessarily mean just translate words from one language to another, every language sits inside a defined structure with its own agreed upon rules. The complexity and singularity of this framework directly correlates to the difficulty of translation. (Common challenges of translation, 2017, cited 28.12.2018.) when two languages from two very different cultures need mutual understanding, it requires many comprehensions between languages and cultures too.

3.5.3 Weekly Analysis

This week's workload is relatively insignificant due to national holidays. Nevertheless, the work has been challenging in particular areas, including translation accuracy and work planning. The work plan itself is a written statement which identifies the work which needs to be accomplished by an individual staff member in order to successfully achieve the aims of their work group and the organization. It is accomplished through a continuous series of Plan, Do, Study, Act cycles which involve information gathering as well as making and learning from mistakes. It makes use of available "expert knowledge" and attempts to maximize the quality of work which is done. (Work plan, cited 29.12.2018).

It is fascinating that how in different languages that certain words and phrases can describe certain ideas perfectly, which sometimes cannot be translated into another languages, a language may not have an exact match for a certain action or object that exists in another language. To find the closest alternative can be infuriating at times. There is an example as shown in figure 11.

千锤百打 | 揉之有道 | 百转千回 | 劲道强韧

Figure 11, Chinese idioms.

These words originated from ancient Chinese language dating back to thousands of years ago. All four idioms elegantly describe the characteristics of the machine. Take a look at the first idiom in figure 11, literally, it means “thousands of strikes and hundreds of hits”, which refers to functionality of the machine how it makes noodles. To understand this from an English perspective, only read the translation all seems odd. To make it the best understandable, I chose the rather verbally different translation to comprehend the cultural dynamism. “Traditional technique” was chosen to ratify that the fact the machine utilises the old but beloved flour-making techniques.

Sarcasm is a sharp, bitter, or cutting style of expression that usually means the opposite of its literal phrasing. Sarcasm frequently loses its meaning when translated word-for-word into another language and can often cause unfortunate misunderstandings. (Common Challenges of Translation, cited 29.12.2018). I avoid translating sarcasm from one language to another as it could be too sophisticated to understand, which may lead to unwanted misunderstandings.

3.6 Week 5

3.6.1 Monday 31.12.2018

Today I continue the second part of the business plan translation. The use of words in different languages can vary significantly, when it comes to terminology, expressions, one language may not reflect what it intends to if translated on literal basis. Therefore, to summarise a whole paragraph before the actual translation can help significantly. Summary is a way to put together the entire meaning of a paragraph, which will be used to fully understand the intended expression.

The charisma of working between different languages is that it inspires creativities and new ideas, when one's mind is integrated in multi-linguistical environment, there is a constant creation of new ideas and thoughts, that will ultimately help the work enormously.

3.6.2 Wednesday 2.01.2019

Today's work will be to review the business translation which I have done previously, during today's early morning brainstorming, I have cross something in my mind about culture in doing businesses, especially international businesses. Cultural comprehension in businesses that involve international and intercultural operations is vital.

PwC predicts that the fastest-growing markets with increasing annual GDP until 2050 are India, Vietnam and China. In many ways, these countries have used an important tool to optimize international business, and that key ingredient is cross-cultural core competency. This globalist viewpoint, when dealing with business, takes into account decision-making processes and communication styles that vary from culture to culture. Cultural competency doesn't necessarily mean that one must be an expert in all the world's cultures. Instead, it provides the groundwork for a person to consciously understand business from different cultural perspectives. (Understanding the Importance of Culture in Global Business, Spring institute, cited 2.1.2019)

3.6.3 Thursday 3.01.2019

Today I will start to get in contact with potential partners on social media platforms, mainly bloggers and social media influencers, notably on Facebook, Twitter and Instagram. The methods of approach to potential partners is to find users who post relevant content, with their respective influence, we will be able to increase our presence on the internet, we call this influencer marketing.

In the digital marketing world, influencer marketing is basically reaching out to popular bloggers and influencers in a particular niche with the goal of convincing them to promote our products through their websites and social media profiles.

3.6.4 Friday 04.01.2019

The focus of today will still be social media, from yesterday's approaches, there are a few Instagram influencers who are interested in collaborating with us. These content creators

are well qualified and have enough followers for wide exposure. Before any sudden move, a basic internet relationship should be established first, to be able to do so, it requires a few steps, these steps can take a period of a week or even beyond. First of all, we need to share their content on our channels on a regular basis, and respond to their interactions, for example: answer their question on Instagram story and comment section. Afterwards, send direct messages expressing the joy of reading their content. At this point, we will need to determine what we need from them. In our case, we need retweet, featured posts, repost on Facebook. Thereafter, a tailored a message stating our purpose clearly, and how we would like to implement as well as what are the mutual gains. An individual and personalised message will always make a difference.

3.6.5 Weekly Analysis

This week's work started with the remaining part of translation and the final adjustments, it was as smooth as it could possibly be, the best gain from the which is the thoughts that came after the work regarding the language charisma and culture competence. Cultural competence is about our will and actions to build understanding between people, to be respectful and open to different cultural perspectives, strengthen cultural security and work towards equality in opportunity.

Relationship building is fundamental to cultural competence and is based on the foundations of understanding each other's expectations and attitudes, and subsequently building on the strength of each other's knowledge, using a wide range of community members and resources to build on their understandings. (What it means to be culturally competent, cited 3.1.2019). Cultural competence is the ability to understand, communicate with and effectively interact with people across cultures. Cultural competence encompasses: 1) being aware of one's own world view. 2) developing positive attitudes towards cultural differences 3) gaining knowledge of different cultural practices and world views 4) developing skills for communication and interaction across cultures. We are all are born belonging to a culture, which is not only influenced by traditional practices, heritage and ancestral knowledge, but also by the experiences, values and beliefs of individual families and communities. Respecting diversity means valuing and reflecting the practices, values and beliefs of families and communities.

The second part of this week's work was concentrated on reaching out to social media influencers for collaboration. Influencer marketing is our starting point, in which we see vast opportunities in collaborating with social media influencers around the globe. Influencer Marketing is like a hybrid of old and new marketing tools, taking the idea of the celebrity endorsement and placing it into a modern-day content-driven marketing campaign. (Influencer Marketing Hub, cited 5.2.2019). When approaching influencers, we need to be well-organised, have put together a strategy, have a budget and spent enough time doing research on this matter. Influencer marketing is not directly selling out products, it is rather a platform to demonstrate the authority, credibility within our industry.

Social media marketing is a powerful way for businesses of all sizes to reach prospects and customers, great marketing on social media can bring remarkable success to businesses, also create devoted brand advocates and even drive leads and sales. Social media can help businesses in a number of different aspects, it can help build conversations between the business and its customers/potential customers, it raises awareness too, making the business more well-known to the market. Most importantly, social media marketing improves the communication and interactions with key audiences. It's more important than ever for companies in every industry to weave social media throughout their business practices. Traditionally, marketing across the consumer journey, customer service, and sales efforts haven't been considered the domain of social marketing — but today, integrating these practices with social is essential.

3.7 Week 6

3.7.1 Monday 07.01.2019

Today we will focus on the market analysis in China. The large but competitive market in China has brought massive opportunities as well as challenges. To be able to have a thorough knowledge of our most significant market, we must understand how everything is supposed to work, what is the current market situation and its future trend. The Chinese market is characterised by growing urbanisation, expanding middle class and an increasing number of middle-income Chinese aspiring for a better lifestyle. Consequently, refurbishing

of households with replacement of products, urged by attractive replacement offers are driving market growth in kitchen appliances.

the total value of China's kitchen electrical appliance market exceeded RMB96 billion (around 12,65 billion EUR) in 2017. (Hong Kong Trade Development Council, cited 7.1.2019). Competition in the Chinese kitchen appliances market has escalated from price war to technology war, with the main focus shifting towards the middle- high-end market as the result of increasing number of middle-class families.

3.7.2 Tuesday 08.01.2019

Today's work will still be the understanding and research on Chinese market. The market within Chinese market is the vast numbers of middle-class families emerged relatively recently, which contribute most of the middle- high-end products consumptions in China. In the long run, urbanisation is expected to drive steady expansion in the kitchen appliance industry. As of 2017, China's urbanisation rate stood at 58.5% and is projected to rise by about one percentage point annually. (Hong Kong Trade Development Council, cited 8.1.2019). Advances in urbanisation, the real estate market and smart home appliances are all seen as conducive to the development of the kitchen appliance market.

The awareness of brand has been raised and has rooted in the culture, the emphasis on design, function and features is more demanding than ever before. While the sensitivity regarding prices is steadily falling, the middle- high-end products are now the mainstream in the consumer market.

3.7.3 Wednesday 09.01.2019

Today I will map the middle classes in China. According to McKinsey's, by 2022, 84% of Chinese population will be middle class or above, this corresponds to a population of over 1 billion. (McKinsey's, cited 9.2.2019). The explosive growth of China's emerging middle class has brought sweeping economic change and social transformation—and it does not seem to be over yet. In 2000, by purchasing power parity term, only 4% of Chinese

population was within the average income range between Italy and Brazil, in 2012, 68% of Chinese earn more than that of Brazil, below Italy.

In the coming decade, the number of middle-class families will continue expand rapidly, with the support from the labour market and policy initiatives that will push wages up, also the financial reforms that stimulate income growth and employment. In addition, the increasing presence of private sectors will encourage and improve productivity and help more income to households. This trend will push the Chinese market further diversified, with many more opportunities for businesses.

3.7.4 Thursday 10.01.2019

The work of mapping middle classes in China continues today. Within the middle-class families, significant number of them are classified as upper-middle class families, they are expected to become the principal engine of consumer spending over next decade. At the average wealth Chinese families grows, the younger and more open-minded generation of Chinese population will exercise disproportionate influence in the market.

China's growth development has not been balanced geographically over the last 3 decades. The Coastal regions stretching from east to south have been the economic powerhouse, whereas inland regions are less urbanised. As a result of such, the inland regions will be expected to have stronger growth as it continually urbanises. Various technologies and innovative services have been pouring into China since the early 2000s, this has largely changed the consumer behaviours too.

3.7.5 Friday 11.01.2019

Today's task is to look into the specific characteristics of the "generation 2" within Chinese middle-class population. The generation 2 represents people born after middle-1980s, who were raised in relatively wealthier environment comparing to their previous generations. They comprise around 15% of the urban population in 2012, a striking figure of nearly 200 million people, it is forecast to account for 35% of the urban population by 2022.

Most of generation 2 are the only child of their family, due to the strict one-child policy during their time. Thus, their upbringing was surrounded by the economic security that the parents fought hard for. This has contributed to the fact that the generation 2 is more confident, independent minded. McKinsey research has shown that this generation of Chinese consumers is the most Westernized to date. Prone to regard expensive products as intrinsically better than less expensive ones, they are happy to try new things, such as personal digital gadgetry. They are also more likely than previous generations to check the Internet for other people's usage experiences or comments. (McKinsey's, cited 11.2.2019). Due to the cultural fact that Chinese people are closely connected to their family even in their adulthood, this new generation has a large influence on their parents' purchasing behaviour too.

3.7.6 Weekly analysis

The analysis of a market in terms of its demographic structure is an important component of marketing. Demographic information is particularly useful when the market is constantly changing, variables such as age, gender, place of residence, income, occupation and social background hold significant influences on consumer behaviour, according to research, people share the same demographic and social background have similar consumer behaviour.

Specifically, in China the magnitude of its middle-class growth is transforming the nation. Figure 12 illustrates the structure of this phenomenon.

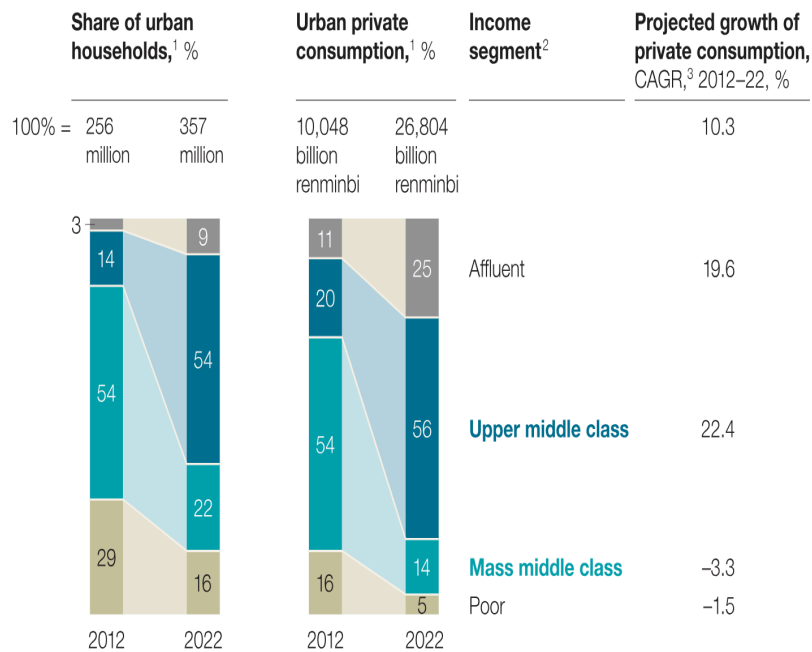


Figure 12, social and economic structure of China's middle class. (McKinsey, mapping china's middle class, cited 12.2.2019)

By 2022, 84% of 357 million Chinese households will belong to the category of middle class and above. Among the urban private consumption, a striking 95% will be consumed by middle class and above. Additionally, more and more people are joining the mass middle classes as the number of poor declines. The behaviour of upper middle-class also indicates some clues for China's future, they are more likely to buy high-end products, along with China's ultrawealthy consumers, they are stimulating the rapid growth in luxury good consumption too.

The generation 2 is shaping China's consumer behaviour dramatically. Figure 13 explains the consumer behaviour and habit among different generations.

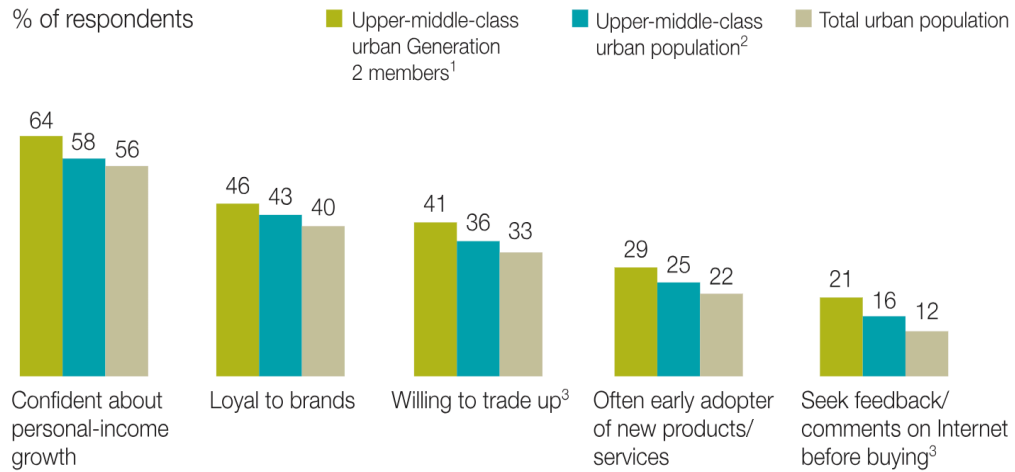


Figure 13, China's middle-class consumer behaviour. . (McKinsey, mapping china's middle class, cited 12.2.2019)

As shown figure 13, the generation is leading the polls on many aspects of encouraging consumerism. They are less inclined to save their money and spend a larger proportion of their wages on various products and services. They are particularly fond of trendy products and more often use online shopping to purchase goods.

Geographically, the centre of middle-class population growth is shifting. According to figure 14, we can see the rise of western part of China.

Share of middle class,¹ by geography, %

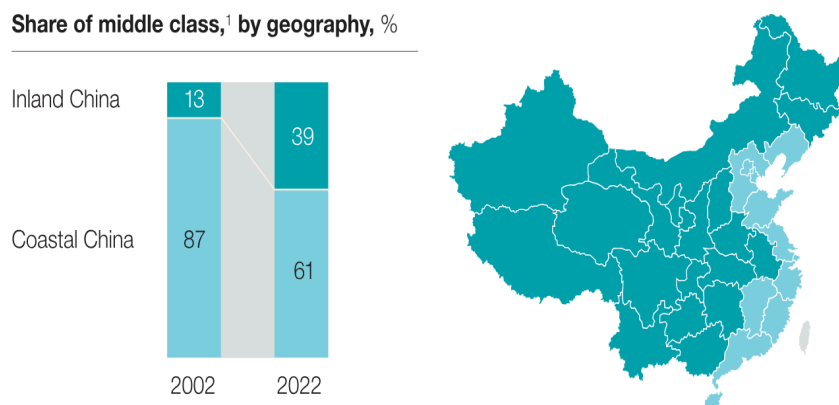


Figure 14, China's middle-class population share based on geography . (McKinsey, mapping china's middle class, cited 12.2.2019)

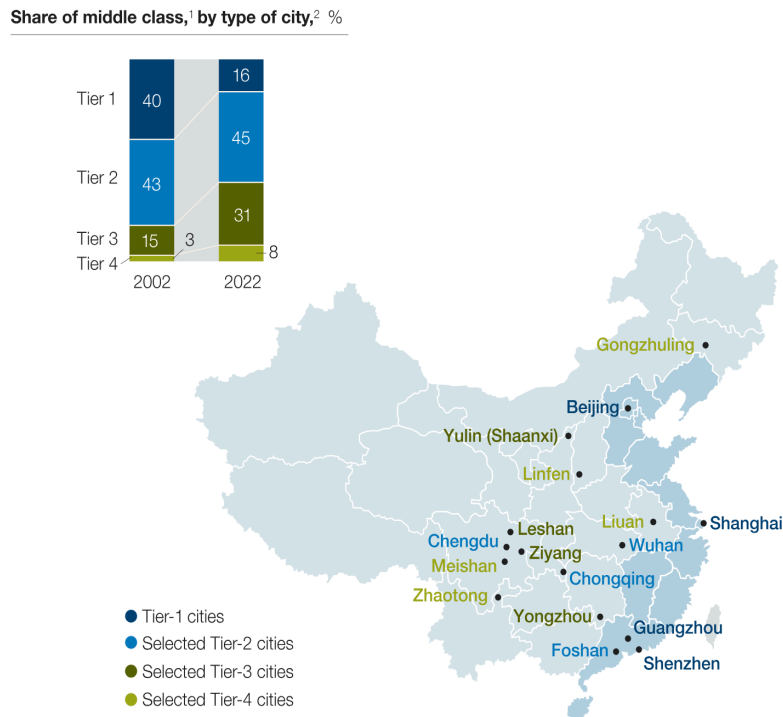


Figure 15, China's middle class on geography. (McKinsey, mapping china's middle class, cited 12.2.2019)

In 2002, 40 percent of China's relatively small urban middle class lived in the four Tier-one cities: Beijing, Shanghai, Guangzhou, and Shenzhen. By 2022, the share of those megacities will probably fall to about 16 percent (figure 15). They won't be shrinking, of course; rather, middle-class growth rates will be far greater in the smaller cities of the north and west. Many are classified as Tier-three cities, whose share of China's upper-middle-class households should reach more than 30 percent by 2022, up from 15 percent in 2002. (McKinsey's Cited 12.2.2019). Continued strong growth in the size and diversity of China's middle class will create new market opportunities for both domestic and international companies. Yet strategies that succeeded in the past, given the wide distribution of standardized products for mass consumers, must be adjusted in a new environment with millions of Chinese trading up and becoming more picky in their tastes. A detailed understanding of what consumers are doing, how their preferences are evolving, and the underlying reasons for their behaviour will be needed.

3.8 Week 7

3.8.1 Monday 14.01.2019

Today's work is to finalise the make the summary of the Chinese middle-class structure. The main focus of our product is the upper middle class within the vast middle classes in China. The trend on electronics including small electrical kitchen appliances in two of the global consumer powerhouses (China and the US) is shifting. Based on a survey conducted in 266 cities (figure 16), the growth on spending of Chinese middle class is staggering.

Total household spending – US\$* billions

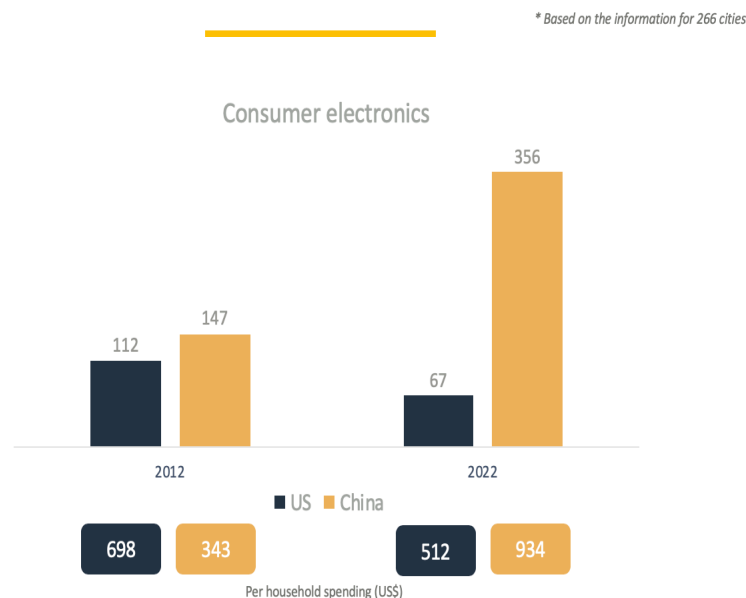


Figure 16, middle class spending in the US and China.

By 2022, the Chinese middle class will spend 5 times as much as the US middle class in household spending, these figures illustrate the consumer confidence well.

3.8.2 Tuesday 15.01.2019

The task of today will be the presentation of summary and discussion with Haili about the market findings. Market research allows organizations to get a better and deeper

understanding of the market that surrounds their products so they can adjust their strategies accordingly. Even with the difficulties that market research can create, the hardest part isn't until the end of the process: the market research presentation. In figure 17, there is the summary of the marketing findings in key numerical figures.



Figure 17, summary of Chinese marketing findings.

I used minimum text, whereas visuals are more appealing, with the help of a few simple charts, figure 17 is easy to read and understand. I and Haili also discussed about our purchasing habits based on our own experiences while we were with our relatives in China. Our experiences are largely the reflection of this giant economic growth.

3.8.3 Wednesday 16.01.2019

Today's work will be new compare to previous days. I will start to engage with potential investors and look for a list of venture capital firms that we could possibly approach later on. For small and relatively early-stage start-up like Polar Device, angel investment is the most important element because they provide more than money, they are hands-on investors and contribute their skills, expertise, knowledge and contacts in the businesses they invest in. At this stage, before the official launch of our products, our funding will still largely come from angel investment.

The role of angel investors is to service the capitalization needs of businesses. Angel investors play a critical part in capitalizing the growth of novel ideas, services and products that are created by beginning entrepreneurs and businesses in the embryonic stages of growth. Unlike traditional sources of financing, angels are more willing to risk capital with unproven business owners who can't obtain financing or investment partners for their ventures (About angel investor, John Landers, cited 16.1.2019.)

3.8.4 Thursday 17.01.2019

By starting out the investment engagement activities yesterday, I quickly came across that I can use my personal link to approach some potential investors. Family is always the one that comes into my mind first in every aspect, including this case. I phoned my father, as he personally has some old business partners with significant personal fortune. I swiftly reached out to my father for help, he asked me a few simple questions regarding the business, including business idea, sales channel, sum of investment needed as well as long-term prospect.

Reaching out to investors through established connections is significantly easier the trustworthiness is credible, reliable and mutual. I also explained to my father about our key advantages, in case his friend has questions. This way, I ensure that all possibilities are tested.

3.8.5 Friday 18.01.2019

The start of the day is to look through a list potential venture capital firms and select a few of them as the approachable to the shortlist. Venture capital firms are without a doubt the muscle behind innovation as they support the company they may invest in, from the early stages, all the way to IPO — especially those with larger funds that have billions of dollars under management (Alejandro Cremades, cited 18.1.2019). Venture money is not long-term money. The idea is to invest in a company's balance sheet and infrastructure until it reaches a sufficient size and credibility so that it can be sold to a corporation or so that the institutional public-equity markets can step in and provide liquidity.

In essence, the venture capitalist buys a stake in an entrepreneur's idea, nurtures it for a short period of time, and then exits with the help of an investment banker. Venture capital's niche exists because of the structure and rules of capital markets. Someone with an idea or a new technology often has no other institution to turn to. Usury laws limit the interest banks can charge on loans—and the risks inherent in start-ups usually justify higher rates than allowed by law. Thus, bankers will only finance a new business to the extent that there are hard assets against which to secure the debt. In today's information-based economy, many start-ups have few hard assets (How venture capital works, Bob Zider, cited 18.2.2019.)

3.8.6 Weekly analysis

This week's work started by finishing the market summary and presentation, which was informative and strategic to the company. We have been able to put the marketing findings into visual perspective, which helps not only us but also potential investors or whoever might be interested in this business idea to read and understand our competitiveness and market.

Within the sheer number of 357 million Chinese middle-class families, 63% of which will be upper middle class or affluent by 2022. The aforementioned generation 2 middle class population will take lead in this new era of consumerism, 41% of them are identified premium products consumers, and 29% are early adapters. To put into perspective, there will be at least 12% of the total urban households that will be our customers, that corresponds to over 26 million households.

Raising capital from angel investors - usually themselves successful entrepreneurs often connected to the founder as a friend or family connection - has become a popular way to infuse capital in today's start-ups. Angel investors are wired to invest in a nascent business or start-up with little-to-no revenue. Ideas that are just beginning to solidify are what angel investors are looking for, possibly even just a great group of entrepreneurs with passion, experience, and an idea.

Attracting angel investment can prove immense difficulties, but it can also testify one's social networks, because these people know you and trust your judgements. Jeff Bezos famously founded Amazon after his parents invested in his idea, and Tesla's Elon Musk was able to get his first business venture – which he eventually sold for over \$300 million – off the ground due to a loan from his father. Investors must have confidence in the founder as much as the quality of the idea before they invest, so close acquaintances will often be a more attractive investment for angels than founders who have approached them cold. However, early-stage businesses are always risky, one should know whether the angel investors (especially friends and families) can afford to lose if the outcome comes to the worst.

Whereas venture capitals are different from angel investment in a number of aspects. Venture capital is a primary and unique source of funding for small firms because these firms have very limited access to traditional capital markets. Venture capital is a substitute, but not a perfect substitute, for trade credit, bank credit, and other forms of financing for small firms. Small businesses are not likely to be successful in attracting venture capital unless the firms have the potential to provide extraordinary returns to the venture capitalist (John B.MaierII, David A.Walker, cited 19.1.2019). Venture capitals tend to invest in pre-profitable businesses thus it is considerably less risky. The sums of money invested by venture capitals are usually vastly larger than those of angel investors, therefore the return will also be hugely different.

The combination of this week's work enhanced my knowledge in the business field, I found that it is fascinating one area of business studies can relate to another. In this week's case, understanding the market situation through analysis will help the approach to investment, reversely, learning about approaches to investment will deepen and boost the confidence on how we believe in our market.

3.9 Week 8

3.9.1 Monday 21.01.2019

Starting the second-last week of this journey, today I will discuss in-depth with Haili about a few venture capital firms in Singapore. The reason why we want to look at venture capital firms in Singapore is because the proximity of it to China, Singapore is a successful city-state with rooted and rich Chinese culture, yet it is different from China, there are other minority cultures that co-exist in harmony with the predominate Chinese. Singapore's openness to businesses and investment has attracted a whole range of multinationals and capitals from across the planet.

Venture Capital firm Quest Ventures is on top of our list, we found it to suit our operation very well, especially our key market – China. I summaries the reason why Quest Ventures can be a desirable option as shown in figure 18.

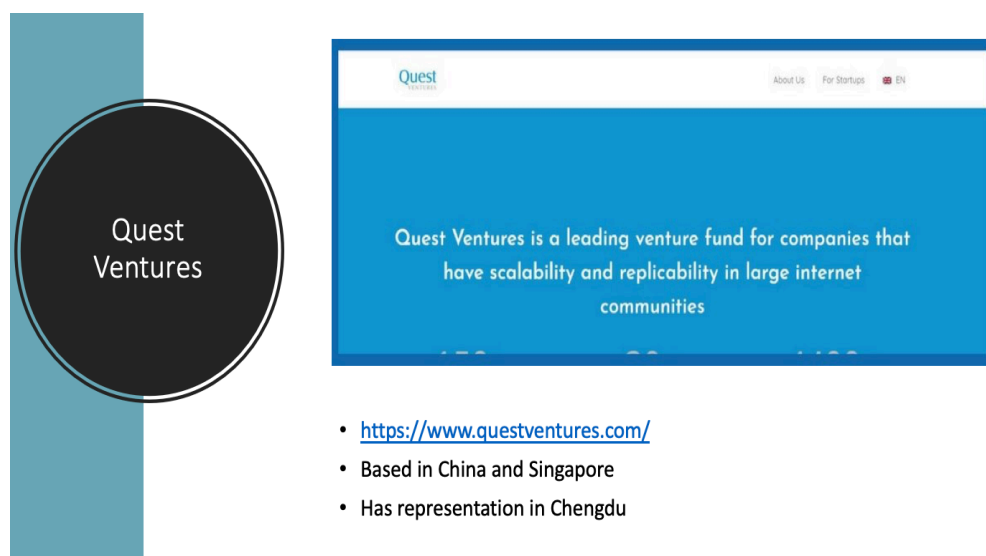


Figure 18, brief about Quest Ventures.

It is based on both Singapore and China, the most unique fact the Quest Ventures has reorientation in Chengdu, in Southwest China. Chengdu is the city that we have chosen to be one of the few cities where we will launch our products. Quest Ventures will be able to

have first-hand market monitoring once we launch. This will significantly boost mutual benefits.

3.9.2 Tuesday 22.01.2019

Today I will start to prepare introduction about our team and company background/culture as part of the pitch deck. One of the most important indicators of a start-up's later success is the team, as 99% of the success lies in the execution, and execution, in turn, is the function of people.

A start-up's management team is its lifeblood, no amount of awesome ideas will ever overcome a fundamentally flawed management team. In the early stages of any start-up, it is all about the people (Carlos Eduardo Espinal, cited 22.1.2019). A start-up is fraught with challenges from day one, these include commercial, technical hurdles and operations and etc. These generally require a certain attitude and personality attributes from the team for the start-up to have a chance at surviving. These personality attributes include a combination of confidence, stubbornness, individuality and a sense of self without arrogance, curiosity, humility, energy, maturity, and an eagerness to learn.

3.9.3 Wednesday 23.01.2019

Today the introduction of team will be finished, the draft will be sent to the Chinese agency to make the professional translation into Chinese, the introduction of team will be part of the pitch deck for venture capitals.

Investors are looking for a strong and diverse team with relevant domain expertise, it is important to play our strengths. Putting a positive spin on homogenous educational or company experience by emphasizing a super strong team dynamic will be helpful.

3.9.4 Thursday 24.01.2019

Today, together with Haili and Tati, we will make a decision on which template will be used for the pitch deck. The Chinese agency gave us three options. We discussed the

advantages and disadvantages of all three templates. Eventually with a democratic vote, we chosen the template as shown in figure 19.



Figure 19, final template for pitch deck.

The reason we chose figure 19 over others came fairly obvious, figure 19 has different variety of illustrations, which can improve the readability and reduce the use of texts. Figure 19 also features a map, which is vital to express our business's core market strength, that is the massive number middle-class families.

3.9.5 Friday 25.01.2019

Today my task is to answer a questionnaire which the Chinese agency sent to us, the questionnaire concerns about the understanding of our business as well as why we would persuade investors to come on board. In figure 20, which is question number 2, from a professional consultation firm's perspective, the question is rather comprehensive and straight to the point,

2.团队（股东）简介：含高管团队、创始团队、股东的构成，背景，经历，尤其是核心创始人经历？

2. 投资亮点，为什么投资你？

市场概况：市场规模（可以做到多大），市场趋势（未来想象空间）？

Figure 20, part of questionnaire content.

Translation: team/stakeholder introductions, including senior management team, funding members, structure of the share, background, experiences, especially funders' experiences. Investment highlights, why should invest you? market scale? the potential market and trend?

The question covers a wide range of practicalities that I have been researching and analysing during this thesis work, I am delighted that I have been able to make a thorough understanding of these important questions.

3.9.6 Weekly analysis

This week's work has a mixture of analysis and operations. The understanding of investment for the company has always been one of the major priorities. We must be fully prepared before we approach investors with our pitch deck. Knowing the team and our strengths in the highly competitive market will ensure that we are fully aware of what our business is at all times.

An eye-popping statistic (figure 21) by American academic Noam Wasserman that 65% of start-ups fail, due to the failure of the management team, and in fact that the team is the third most common fact that causes a start-up to fail.



Figure 21, top reasons why start-ups fail.

Teams are formed when individuals with a common taste, preference, liking, and attitude come and work together for a common goal. Teams play a very important role in organizations as well as our personal lives. “Coming together is a beginning. Keeping together is progress. Working together is success” – Henry Ford (Importance of team, cited 26.1.2019.)

Venture capital is a great option for start-ups that are looking to quickly scale big. The biggest advantage of working with venture capital firms is that if a start-up goes down — as most do — the business is not on the hook for the money because unlike a loan, there's no obligation to pay it back. Venture capital financing entrepreneurs as well as products, an entrepreneur converts his/her technical know-how to a commercially viable project with

the assistance of venture capital institutions, similarly, new products with modern technology become commercially feasible mainly due to the financial assistance of venture capital institutions.

Growing one's business without understanding the competitors is risky. Market research can prepare one for changing markets and prevent the business being left behind by the competition. The most effective way to stand out among a field of competitors is to have a unique selling proposition.

A unique selling point (USP) is a differential factor, which enables the business to distinguish itself from other competitors in the market place. As such, a USP is important as it provides more value for money to consumers who would be swayed towards opting for better goods or services. Moreover, a unique selling point allows the business to create a distinct image and as such is an enabler into boosting sales efforts as the product is stronger in itself. In saying so, a unique selling point can be applied to any aspect of the marketing mix, for instance the promotional offers held by the company, which may be different from those of other competitors in the industry, or the features of the product itself. (Importance of having a unique selling point, cited 27.1.2019).

3.10 Week 9

3.10.1 Monday 28.01.2019

Starting the first day of the final week, today's task is to look back in what I managed to do and rearrange them into order. My work over the period of last 10 weeks has involved in great varieties. The focus on marketing analysis, activities and operation have been my main agenda. I gathered all the materials that I have used and created together as part of the work summary; they also help me recognise the importance of these work for an early-stage business. Preparation work for such business is uncountably playing a significant role.

Today I also engaged communication with Chinese agency regarding the patent and trademark application in China. Ensuring that our innovation is exclusively used and protected by the law, we must have the invention legally protected.

3.10.2 Tuesday 29.01.2019

Today's goal is to make the business plan which I helped to put together into another version for Haili's quick review. The business development in the last 2 months has been under everyone's watch, we have been able to better understand where we stand, the comprehensive image of the business day by day. With the help of thorough research of the market and its trend, along with frequent engagement with regional agencies, we are able to accordingly plan the operation, product development and timeline.

A well-crafted business plan will ensure that it stands up to scrutiny and meets the requirements of those members of the team and potential investors will be reading it. Having the plan reviewed is an incredibly important step to the future of the business.

3.10.3 Wednesday 30.01.2019

Today's task is to make a new timeline for year 2019 based on current progress and plans. The timeline has been changed already due the holiday across China, which effectively delayed our important steps by months.

The new timeline is developed for the remaining of 2019 for optimal, there might be changes to it should any unexpected changes occur along the way. The most important thing in 2019, Indiegogo funding, will be delayed to October, this has unfortunately significantly affected the company, but nevertheless, this cannot be reversed, and we will carefully execute the new timeline accordingly.

3.10.4 Thursday 31.01.2019

The final day at Polar Device, I will have a small meeting with Haili, during this meeting we will discuss the understanding for current happenings concerning the company. Based on

the current happenings and their respective situations, I will also share my thoughts on them.

3.10.5 Weekly analysis

This week's work has been mostly on the reflection of everything I have done in the last 10 weeks. The tasks I engaged have a span of different areas, with marketing and operation to be the main work, together with other tasks including designing, translation and communication, this week's work have once again demonstrated the strength of knowledge I gained during this thesis project.

In particular, re-structuring the timeline of the business has a large impact on other work planning too. The project timeline is the beating heart of every project. It captures the essence of what the project will accomplish and how it will be done. Knowing how to create a project timeline is one of the most essential skills a team needs to develop in the early stages the business. Building comprehensive, accurate timelines will help a business get everything on the right foot. More often than not, the timeline will be revised several times over the life of a project, as priorities change, and new requirements are added to the scope.

For a start-up, or indeed for any enterprise/business, in order to build a high value company, an entrepreneur must convince investors that the addressed market is large, that the company is capable of meeting market demand and that the profit margin can be maintained regardless of market conditions. Market valuation is a critical part of any start-up's success and is dependent on the company's ability to meet market demand, maintain a steady gross margin and meet customers' quality requirements.

A start-up, despite small in size, but it needs all necessary elements that a multinational possesses, it comes down to the core operation and marketing strategies.

4 DISCUSSIONS

4.1 Learning outcomes

The experience of working for an early-stage start-up company has been rather fruitful, small in size as the nature of the start-up company, there has been many chances of being able to do cross-field tasks.

As the one of the main focuses of this thesis is the marketing development, the activities regarding marketing, especially marketing research has been profoundly thorough and useful. Different marketing tasks, including social media platforms have been enriching my experience in a great level. The hands-on experiences and immediate task feedback have always been valuable for me, especially for the fact that my career is at its beginning. To be able to engage in various marketing tasks also widened the possibility to explore further in the field, namely marketing analysis.

Being part of the operation development has helped me learn large quantity of knowledge in business world. The advantage of start-up is again the opportunity to engage in all areas of business operations. Specifically, in terms of work planning and project management, I have gained substantial amount of know-hows. The chance of being able to engage in international operation is a highlight during this thesis project, it enabled me to have considerably better understanding of international business, in this fast-changing and constantly globalising world.

The marketing and operation development work has left me much more to explore, particularly in the closely connected business network, marketing, sales, operation, communication and etc. Communication during this thesis work has been outstanding, small but diverse team also helped me to better understand what is like to work with people of different nationality, colour and race. As a result, the business world with marketing in particular will have me kept busy learning.

4.2 Extended topics

The package design and content creation work further explored in the digital marketing field, in today's highly integrated business environment, being able to adapt is vital to survive, particularly in digital marketing. Design and content creation skills are now commonly included in digital marketing working task. The chance to do such a package design and content creation has benefited me in integrating my skills comprehensively.

Finance and investment involvement during this thesis work also opened up the door to understand how today's businesses are run. For a start-up company like Polar Device, the finance and investment are important parts of the company operation, the fact that each and every aspect of a start-up company is closely related to another, effectively and indirectly tutored and explained the concept and nature of entrepreneurship too.

4.3 Future developments

After the thesis project, majority owner Haili and I discussed about the future return to the company should everything goes with the plan. Optimally, Polar Device will expect me to re-join it in during the second half of 2019, in this scenario I will continue working on international business operations.

5 CONCLUSION

During this 2-month thesis work, the author performed a wide variety of tasks as marketing and operation co-ordinator at an early-stage start-up Polar Device Oy. Taking part in the company's all areas of operation and provide necessary assistance on marketing and operation activities that would enable the business keeping running the way it should be. The author utilised all knowledge gained from full-time studies and previous working and personal experiences, further knowledge in terms of marketing, operation, entrepreneurship, as well as business as a whole, are developed and validated through this thesis work.

Operation and business of a start-up in all aspects are closely connected and it reflects the nature of integration, benefiting the author in understanding the new business environment, especially in international operation. Polar Device aims to break into crucial Asian market relies heavily on integrated and effective international business strategy, communication. The engagement between Polar Device and international agencies performed by the author ascertained the importance of continuous operation development.

6 REFERENCES

Alejandro Cremades, cited 18.1.2019

<https://www.forbes.com/sites/alejandrocremades/2018/08/02/how-venture-capital-works/#c52fb5d1b146>

Carlos Eduardo Espinal, cited 22.1.2019

<https://thedrawingboard.me/2011/09/12/how-does-an-investor-evaluate-a-startups-team/>

China's Kitchen Electrical Appliance Market, HKDTC, cited 06.12.2018

<http://china-trade-research.hktdc.com/business-news/article/China-Consumer-Market/China-s-Kitchen-Electrical-Appliance-Market/ccm/en/1/1X000000/1X002MNJ.htm>

Common challenges of translation, 2017, cited 28.12.2018

<https://go.smartling.com/blog/common-challenges-translation/>

Common Challenges of Translation, cited 29.12.2018

<https://go.smartling.com/blog/common-challenges-translation/>

Cost of R&D, Plan projections, cited 07.12.2018

<https://www.planprojections.com/projections/research-and-development-costs/>

Global noodles market from 2017-2021, cited 18.12.2018

<https://www.businesswire.com/news/home/20170630005478/en/Top-6-Vendors-Global-Noodles-Market-2017-2021>

How cultural differences impact international business, 2017, Katie Reynolds. cited 15.12.2018

<https://www.hult.edu/blog/cultural-differences-impact-international-business/>

How venture capital works, Bob Zider, cited 18.2.2019

<https://hbr.org/1998/11/how-venture-capital-works>

Importance of corporate communication, cited 22.12.2018

<https://www.popinnow.com/5-reasons-corporate-communications-important/>

Importance of financial ratios, Kathryn Hatter, cited on 8.12.2018
<https://pocketsense.com/importance-financial-ratios-5960.html>

Importance of having a unique selling point, cited 27.1.2019
<https://www.mytutor.co.uk/answers/16132/GCSE/Business-Studies/Explain-the-importance-of-having-a-unique-selling-point-USP/s>

Importance of team, cited 26.1.2019
<https://www.managementstudyguide.com/importance-of-team.htm>

Influencer Marketing Hub, cited 5.2.2019
<https://influencermarketinghub.com/what-is-influencer-marketing/>

Instant noodles consumption in 2017, cited 13.12.2018
<https://instantnoodles.org/en/noodles/report.html>

John B.MaierII, David A.Walker, cited 19.1.2019
<https://www.sciencedirect.com/science/article/abs/pii/0883902687900097>

Logo Design Process, LogoGeek, cited 17.12.2018
<https://logogeek.uk/logo-design/process/>

The Evolution of Digital Marketing: 30 Years in the Past & Future. cited 15.11.2018
<https://digitalmarketinginstitute.com/en-eu/blog/05-10-16-the-evolution-of-digital-marketing-30-years-in-the-past-and-future>

The role of marketing, cited 18.01.2019
<https://www.business2community.com/marketing/role-marketing-0797941>

Understanding the Importance of Culture in Global Business, Spring institute, cited 2.1.2019
<https://springinstitute.org/understanding-importance-culture-global-business/>

What does Indiegogo do? cited 17.22.2018

<https://support.indiegogo.com/hc/en-us/articles/206389847-What-is-Crowdfunding->

What is work planning, cited 27.12.2018

<http://www.umich.edu/~itdtq/2.6.work.plan.proc.html>

What it means to be culturally competent, cited 3.1.2019

<http://makeitourbusiness.ca/blog/what-does-it-mean-be-culturally-competent>

Why many start-ups fail ? Balaji Viswanathan, cited 18,01,2019

<https://www.forbes.com/sites/quora/2019/01/17/this-is-the-real-reason-why-so-many-startups-fail/>

Work plan, cited 29.12.2018

<http://www.umich.edu/~itdtq/2.6.work.plan.proc.html>