

**HOW DO SMALL COMPANIES SUCCESSFULLY ENTER A NEW  
MARKET: CASE STUDY OF MOJATU LIMITED**

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## **2. Summary**

This document is written in partial fulfilment to address the issue of growth of small businesses especially when venturing in a new market. The new market that a business decides to commence its activities then becomes its new location where important operations that are geared towards serving customers are carried out. This document also contains a business plan that will be used as a guide by Mojatu Limited currently based in Nottingham, U.K, to launch a new subsidiary in Oxford. Oxford is therefore the new target market where the company plans to establish itself as well as establish its activities as part of its growth plans. The organization involved (Mojatu Limited) has been in the magazine industry for the last five years and reckons that it is the right time to pursue growth. Although the business plan has attempted to explore some of the major factors that may be essential when entering a new market, the contents are not final or conclusive. Moreover, the owners and management can add on the contents or make deductions where they find it necessary.

Having this in mind, the literature review, findings, business plan, implementation and recommendations have sought to address the issue of growth in respect to the main factors that require attention as well as the main areas of concern that have to be given thought in the magazine marketing and advertisement industry.

### **3. Executive Summary**

Businesses organizations and companies are established mainly for the sole purpose of revenue realization to its owners, investors, stakeholders and the management in various instances. However, all businesses are unique in terms of size, revenue generation as well as the number employees that serve in them. This brings into the perspective the reason as to why there are small, medium and large business entities. In respect to this report, a small business in the United Kingdom is defined by the law as a business entity that has less than 50 employees, a turnover of not more than £ 6.5 million pounds and its balance sheet does not exceed more than £ 3.26 million pounds. As a result, this leads to 99% of the companies in the U.K falling under the category of small and medium enterprises.

With Mojatu Limited having a less turnover and not having more than 50 employees, the company directly falls under small companies in the U.K. Mojatu Limited is a small company that offers advertising and marketing services in the magazine industry. The first magazine was published and made available in London back in 1731. This puts it on record as the first consumer targeted magazine to be launched in history. However, times have changed and magazines have gradually evolved to serve a wide range of purposes. Initially, revenue from magazine advertisement rose, however, the internet boom saw a gradual decline of revenue accruing from magazine advertisement. For this reason, the magazine industry is one that is quite dynamic and competitive depending on the niche a business desires to pursue.

The issue of growth especially in relation to small companies is one that poses various challenges to both the owners and the investors. With companies having various reasons for seeking growth, the process of seeking growth hence becomes one that requires extensive planning and in some cases, the introduction of new ideas and concepts in a business. If growth is sought and approached in thoughtful and articulate manner, positive results will follow. Inversely, if growth is sought in through unconventional methods, a company will derive very little or no benefits from such undertakings.

The document begins with an exposition of the issue that pertains to Mojatu Limited and its decision to venture into a new market. The document then continues to analyse a variety of factors that can have much impact on the success derived in the magazine industry in relation to a small company. Some of the factors initially discussed in the literature review are choice of location, growth models and strategies, price, issue of growth and the capabilities of a small firm.

Following the analysis of these factors is a conceptual framework that aims to compare the relationships and links of some of the main factors that are identified from the literature review. Next is a methodology that indicates how data was collected, organized and analysed as well as the major conclusions derived from the data. This mainly includes interviews held with the personnel at Mojatu Limited in an attempt to have an in depth knowledge of the dynamics of the magazine industry.

After an analysis, the business plan follows with the aim of addressing a combination of both the factors discussed in the literature review as well as areas that appeared to require attention from analysis of the interviews held. The business plan contains vision and mission statements that will act as foundation of formulating strategies that will be implemented to run the organization. More importantly, the mission and vision statements will help the employees and customers to understand the main goals and objectives of the organization.

The job description of various personnel that will be carrying out various activities when the organization is launched is also included. The aim of the job description is to provide the owners and top level management of Mojatu Limited options of various combinations of tasks and duties that proposed professionals can carry out even with a limited budget. As the company is planning to launch its activities in Oxford for the first time, the business plan has included some of the methods that the company can implement while marketing the services that will be offered as well as the methods that will help to raise publicity of the company.

After the subsidiary is set up and magazine publications and print activities have begun, there will be the need to measure the effectiveness of the strategies that have been put in place. Measurement of strategies' effectiveness will be a way of gauging the success in terms of marketing and magazine distribution. There are various methods that that the business plan has highlighted with one of them dividing the location in terms of zones. All zones will be analysed independently especially in terms of generation of new customers and the number of readerships being recorded from them specifically.

The issue of funding has also been given considerable input in the business plan. The budget suggested in the report is subject to revision as the final decision lies with the management on various elements discussed in the budget. The main elements discussed in the budgets are operational budgets, staff remuneration budgets and costs related to start-up. The importance of having adequate funding has been covered in the initial stages of the report as well as in the section that has various budgetary calculations in the business plan.

Finally, the business plan provides a tentative implementation procedure to ensure that the process of launching the magazine in a new location is successful. Important aspects such as selection of the location, recruitment and organization publicity have been covered.

Following this part are the limitations and conclusions regarding the project and preparation of the business plan. Though the business plan has talked about the main factors that need to be put to consideration when launching the product in a new location, the decision on whether to apply this business plan is at the discretion of the management.



#### **4. Exposition of the context of the issue**

Mojatu Limited is a marketing and advertising company based in Nottingham, UK. The company was established in 2011 with the aim of providing both marketing and advertising services to its clients. Initially, the company focused more on the print media where clients would provide their advertisements that were then posted in a magazine that is usually circulated in some areas in Nottingham namely; Alferton, Hyson Green, Meadows and Sneinton. As time went by, the company launched the online version of the magazine in 2013 that could be accessed by other interested audience online. Since then, both the online and print versions of the magazine have gradually grown and attracted a constant readership.

The print magazine is usually produced every two months with different advertisements depending on the needs of the clients. The flow of clients is steady and the company does not strain to reach more clients as compared to the initial periods of the company. As time elapses, sales recorded appear to be constant and this makes the company feel that there is an urgency to act on the situation. This is because the management wants to avoid a situation where growth is stunted and no new business links are being established.

As a result, the company's management have realized the need to launch their magazine in a new location, which is in line with the company's strategy of growth. The move is not only intended to be a source of new business revenue, but also a chance to diversify its marketing activities and approach new clients in the designed area. The area that has been identified by the management is Oxford, which is approximately 110 miles from the main branch in Nottingham. There were different locations that had been identified but the company chose Oxford for a variety of reasons that will be discussed in this report.

Having agreed on the report, the next step is now to establish a business plan that will be applied or followed when launching the magazine in Oxford. Measures (2016) indicates that a proper business plan not only provides a blueprint of the various aspects of the business that require consideration, but also assists the management with planning which is vital when launching in a new location. In addition, the business plan will enable the company to focus on the relevant points to be focused on when launching the magazine in Oxford. For the above mentioned reasons, the company finds itself in a position where it not only requires a business plan for new market, but also requires a business plan that will have a marketing plan that will enable the company to launch its product (magazine) successfully in a new market.

## 5. Literature review

### 5.1 The dilemma of growth and company strategy

Over the years, the issue of growth of small businesses is one that has continued to attract attention from different audiences. While growth is important and is usually among the main agendas in company board meetings, there is the need to approach the whole issue with diligence. According to Wasserman (2008), it is the desire of the management, shareholders and the owners at large of various companies to operate in a company that is moving forward in terms of growth. Wasserman indicates that continued growth not only prolongs the life span of a business, but also gives the business a chance to diversify its activities. Some companies might realize growth more rapidly than others even if they were established at the same time. This could be due to the differences in terms of management systems as well as the foundations laid when initially establishing a business.

There underlies a major issue in regard to growth desired by the company in place. The issue of *how* or the *approach* a company will take to pursuing growth is one that usually gives most company owners as well as the management a point to seriously ponder on. For a small company, the approach taken to pursue growth is one that can determine future success in the activities that the company desires to undertake. Consequently, there is the need for company owners, top management and investors to have a proper analysis on the options available for pursuing growth.

With the above in mind, companies should have a clear set of objectives and goals that are to be achieved in the time of pursuing growth. This not only provides the company with a base of what to push for or what to avoid, but also provides a clear analysis of what should be the results to be achieved from achieving growth. For instance, majority of small companies sometimes decide to form partnerships, mergers or sell part of their companies as investors in form of equity.

Although this might seem as a solution for achieving growth, it is sometimes a tricky affair as some partnerships, mergers or acquisitions do not always yield the desired results. According to Hamilton (2010), seventy percent of mergers and partnerships usually either do not achieve their goals or rather fail due to lack of having a consensus on the important matters. For the successful partnerships, there is always a question of the leadership that will be in charge of the partnerships. For leaders or owners who have never operated under partnership

conditions, they might initially find it difficult to adjust especially in terms of decision making.

The dilemma of the approach to be taken continues to be more evident especially when it comes to determining which strategies to use or apply when venturing in a new market as a method of seeking growth. However, before deciding the strategies to be used when venturing in a particular market a company must first consider its overall strategy. This is sometimes referred to as the business strategy or a company's main strategy.

According to Flamholtz and Kurland (2005), a company strategy is a well-documented plan of how a company will achieve set goals as well as how it will address important aspects of the company both in the short or long term. While the desire for growth is natural in almost all companies, big or small, company strategy acts as major determinant on how and when to pursue growth. Pasanen (2007) further indicates that one of the main reasons that companies might pursue growth at a particular time could be to follow provisions stated in the company strategy. Some company strategies might have provisions that indicate that a company will have to pursue growth after a given period or after certain objectives are met.

However, Krasniqi (2007) puts it across that pursuing growth blindly on the basis that the company indicates so could have undesirable outcomes. Krasniqi (2007) further points that having a purpose or concrete reason for pursuing growth is of essence. This implies that although a company might have the desire to pursue growth in different ways, the issues regarding necessity and timing for growth should be put to consideration. Pursuing growth blindly might not only cause unnecessary disruptions in a small company, but also might lead to company experiencing a loss in momentum especially if reasons for growth are not sufficient.

McClure (2014) indicates that while the prospects that growth might bring can appear to be appealing, fast growth might sometimes have various risks associated with them. For small companies, the issue of whether they handle the rigors of growth is an issue that usually gets them by surprise. McClure (2014) further adds that questions such as how the company will keep up with the pace of growth if suddenly the company realizes much more than expected success, how will customers' requests or orders be fulfilled, how will recruitment and training of new staff take place need to be answered before the company embarks to pursue growth.

When both the *approach* and *company strategy* are critically brought into perspective, the management and owners begin to realize that seeking the desired growth is merely a matter of introducing their product/s in a new market and waiting for results in terms of expected sales. For a small company that desires to pursue growth by entering a new market, having a proper balance of these two important aspects can be the beginning of a journey towards achieving long term success in the niche the company desires to operate in.

## **5.2 Growth models and strategies**

Growth models refer to the methods that a company can apply or follow in order to achieve the desired growth. According to Delmar and Wilkund (2008), companies apply different growth models and strategies when the time to pursue growth. For small companies, methods of pursuing growth could be limited especially if the methods are capital intensive. For this reason, small companies will choose to apply methods or strategies that are less reliant on capital or other forms of resources that may not be readily available to facilitate growth.

Weinzimmer (2000) brings up the issue of complexity of the model that will be used to realize growth stating that if the model to be used to pursue growth is complex or complicated, achieving the desired results might turn out to be difficult. More importantly, issues such as instability and in-company disagreements might arise especially if employees and the management are not able to cope with rigors involved of a complex growth strategy. To avoid this, there is need for sufficient consultation among the company management as well as employees to ensure that a suitable growth model is put in place.

In the case for a small company, a complex growth model might affect the normal routine or daily operations of the organization. This might not only cause confusion, but might also lead to inefficiencies when producing goods or servicing customers. According to Weinzimmer (2000), some of the models might require rebranding and reinvention of existing products that could translate to major changes being effected. While the changes being implemented could be meant for the better, there could be the risk undoing the good that had been done earlier before the right time approaches.

Weinzimmer (2000) also indicates that the design of growth strategy is very important as it affects the overall management of a firm. Moreover, firms with a solid strategy will not only be able to persevere the problems brought by poor leadership practices, but will also be able to shed light when the company is faced with different issues during different growth periods. It is important to note that having an inappropriate strategy will not only affect the

achievement of goals and objectives, but also lack clear guidance when dealing with important issues such as growth. Weinzimmer (2000) also indicates that inappropriate strategies might hinder even the best organizational plans if they are not well formulated.

For a small company, the nature of strategy can greatly influence the success levels that the firm will achieve in future. Omri and Ayadi-Frikha (2014) indicates that small companies with a sound growth strategy will not only approach growth appropriately, but also are likely to experience more success when pursuing growth. If a small company is able to achieve growth as desired by the owner or the management, the positive momentum gathered is enough to motivate the staff, management, shareholders as well as attract investors that might desire to invest in the company. All these simple emanate from having a well-laid growth strategy in the company.

### **5.3 Product**

For the company to achieve its goals and objectives for entering a new market, the issue of the product available becomes one of importance. A product can simply be described as a service, commodity, good or item that a company aims to offer in the market. For a small company the nature of the product in place is one that requires a balanced consideration. Although small companies might not have the funds to carry out an expensive product launch, the planning process behind launching the product could prove to be the difference between success and failure of the market.

Small companies that take time to factor in important issues such as product design and customer preferences among others before product launch realize more success as compared to companies that launch a product then work on the product later. Bloch (1995) indicates that the design and presentation of a product may not only affect the success of the product, but also might also have a major influence on the longevity of the business in a given location. Consequently, if a product is well designed and is well balanced according to customer's needs, the rate of adoption will be higher as opposed to a product that consumers are not comfortable with. This probably forms a basic understanding why some products launched by different companies in the same niche record a higher adoption rate when compared to other similar products launched by different companies.

Attached to the issue of the product is also one regarding the availability of similar goods within the location. This mainly refers to rival goods, competitors or substitute goods in the market. According to Bloch and Richins (1983), rival products not only impact the strategy

that will be applied for product launch, but also gives prospective businesses of the standards set by existing competitors.

#### **5.4 Location**

Place in reference to a business means the where a business is located in order to serve its customers. The importance of location cannot be stressed enough as many business owners or companies strive to find a suitable location for the business. According to The Small Business Hub (2012), the location selected for business can put a business at a disadvantage sometimes even before it commences its operations. From this perspective, it would be understandable why some small companies or businesses decide to set up shop near each other. The rationale behind it is that similar businesses are likely to attract similar nature of clients.

In relation to the nature of clients are the factors that can contribute to the selection of location when setting up a business. These factors can be simply classified under the title push and pull factors. Howes (2015) indicates that push and pull factors can easily give business owners a clear indication of whether the location will be suitable for the business or not. Howes (2015) continues to ascertain that push factors of allocation to be ones that might have a negative impact on the daily running of a business. Push factors might include large presence of competitors, higher wages, inadequate customer base and insufficient transport and communication. Pull factors are the ones that make it more favourable for a business to set up operations in a given destination. Some examples of pull factors are an excellent transport network, availability of government incentives and an ever-growing consumer base among others. Pull factors are important in that they tend to pull customers and a business in a similar direction. Howes (2015) continues to stress that if a business can point out factors that are essential for a business to succeed, small business owners can in turn identify push factors that they would want to avoid as well as the pull factors that they would want to utilize.

Rathelot and Sillard (2008) point that understanding the needs of your location is critical to making the right decision in relation to establishment. There are many instances where businesses might be attracted by elements such as price and space only to find out that the decision made was inappropriate in regard to operations. Rathelot and Sillard (2008) continue to point that every business has a set of core amenities that are essential for a business to

operate smoothly. When it comes to considering the location, the core amenities should not be overlooked whatsoever. Although there are various choices that require consideration, the core amenities should act as base factors when making the final decision. If the core requirements are put into consideration, the location selected can serve the business and clients in a gainful way.

### **5.5 Government Policy**

Government policies play a major role in determining how businesses carry out their business activities. Williams (2016) states that if the government passes new rules or regulations, businesses have to find a way of how to adapt in those new rules. If businesses fail to operate under the rules as stated, the consequences that could follow could range from fines, suspension of activities to possible closure and in worst cases prosecution of the individuals involved. For this reason, businesses not only find themselves having to keep themselves on the right side of the law, but also strive to mould a business that does not jeopardise its future operations.

For a small company, government policies could pose as a major determinant of how growth is attained especially if laws are strict in a particular area of business. For instance, a small company might desire to pursue growth in the form of partnerships, mergers or acquisitions and decide to transfer operations in a new market or location in light of new agreements. However, if the government decides that the company making the acquisition is operating against anti-trust<sup>1</sup> laws, the acquisition agreed on cannot take place despite having made plans to move.

Governments' decisions on how funds will be spent for various purposes may determine how small businesses pursue growth. If a government decides that there are less funds available to spend, the result could be an increase in tariffs or taxes in different business sectors. A rise in tariffs and taxes could deter small businesses to pursue their desired growth as this might cut into funds that would aid in growth. If this happens after a business has already pursued growth and is yet to stabilize financially or breakeven, the company in place might be forced to limit production activities. In adverse situations, small companies might find themselves not able to keep the number of staff that they would want since there are not enough funds to cater for salaries and wages.

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<sup>1</sup> Anti-trust laws are laws that are designed to ensure that there is fair competition in a given market. They initially originated from the United States but other governments are soon adopting them.

Governments' policies on the rates of interests on how companies conduct business and how they make investments. For small businesses, the rates of interest can greatly determine how they invest especially in important projects related to growth. Williams (2016) indicates that if the rates of interests are high, businesses will either borrow more in pursuit of growth or avoid growth plans until they are able to acquire funds in more favourable ways. If the interest rates go down, small businesses will be motivated to pursue growth as more funds can be channelled towards production purposes.

## **5.6 Price**

Price is the value placed on a good or service that is being offered to customers. In relation to a business, price is the amount that a business will accept in order to release a product or service to a customer. The importance of pricing is evident as some businesses will practically compare prices of similar goods in a market before making the final decision on the price to be placed on their products or services. For small businesses intending to set up shop in a new location, price has a profound effect on the success that will be achieved when product is made available to the consumers. This is evident when more businesses are going to the extent of purchasing price-monitoring software in order to make a balanced decision when it comes to pricing.

Bils and Klenow (2004) indicate that the price at which businesses place on their products is of importance when venturing in a new market. This is because the customers understand the price placed on a product as an indication of the value the product or service beholds. If a small business is able to find the correct balance on the price to put on a product, then there will be success and faster adoption of the product after has been launched. If not, the company might struggle to have its product accepted by consumers, especially if the pricing appears to be higher when compared with other substitute products. For a small company, such negative effects that stem from inappropriate pricing mechanisms could slow the company's overall growth process hence putting doubt to future growth plans.

Bils and Klenow (2004) point that the impacts of pricing can also contribute to the perception that consumers have regarding the product. There are instances where companies have struggled to find success when a product is launched in a new area despite the product being of excellent quality. For small companies that encounter such a scenario, the management or owners might find themselves trying to implement complex changes while the issue is primarily on pricing. In a competitive market where customers have variety to choose from,



pricing usually comes across as one of the main criteria that assist them to make a decision on which products to choose from. Although some experts indicate that businesses can always adjust their prices when they identify pricing as one of the drawbacks to success, such situations could prove costly especially where small companies have invested heavily on ensuring that the product launch is a success.

### **5.7 Capabilities of a small firm**

Although both small and big businesses might strive to satisfy a given market altogether, their dynamics in terms of operations, decision-making, planning and strategy among many might vary greatly. One issue that is evident is one regarding the flexibility of small businesses. While small businesses might sometimes lack the size to satisfy large markets, small businesses are able to move swiftly into a new location. This may sometimes work either to their advantage or to their disadvantage in different situations. In the event where a decision is to be arrived, small companies might have fewer individuals to be consulted as opposed to large companies where the decision has to go through different hierarchies before it is validated or halted.

While small companies might enjoy the ability to be flexible, small companies might find themselves financially strained even after the decision to move has been validated and a suitable location identified. Lack of finances can affect important activities such as re-inventing the product design, cost of business space, market research as well as the initial product launch among others. The whole process of launching a product in a new market or location requires funding which might sometimes be a step too far for small companies. Eventually, small companies are forced to realign and go back to the drawing board to plan on how they will acquire funds or achieve their growth objectives. This not only slows down the company's growth plan, but also creates a situation where the company will have to work extra hard in the event they find that more competitors have launched their products in their target market.

Another issue related to capability of a small firm is retention of quality personnel. In businesses, employees are usually regarded as the main cogs that enable an organization to run effectively. In order for a small company to achieve growth, there is the need to have quality personnel on board to give the company better chances for growth. Quality personnel not only provide quality services, but also act as mentors to new personnel in an organization. While quality employees might be seen as an immediate remedy for a company's present

growth, quality employees are equally crucial in laying a foundation that will not benefit a business both in the present and future. Mayhew (2016) indicates that the output of a quality employee is equivalent to the output of three average employees. In many instances, quality employees will leave small firms and go to large firms where they feel that they will develop career wise, better remuneration packages, advanced training as well as the idea of security of their immediate future. Where a small company might not be capable to retain a quality employee, large companies that are capable will have the upper hand in such scenarios. Quality staff are able to provide balanced advice, carry out assigned tasks effectively, as well as act as positive ambassadors for the company that is critically important especially for a small company that aspires to pursue growth in future. Where small companies might be limited in terms of their capabilities, large companies might always come on top hence their abilities or inabilities putting them at a disadvantage long before their products are introduced to prospective clients.

### **5.8 Age of a business venture**

This can be basically interpreted as the duration in which a business enterprise has been in operation. The relationship between age and the performance of a given business enterprise is one that has generated attention in a way that has led to scholars trying to find out the practical and theoretical truths that could be underlying. Nonetheless, the issue of age of a company is one that can be a key factor in determining whether an organization will pursue growth in different ways. Majumdar (1997) indicates that age of a firm may define how an organization approaches important issues during its operation.

Although the aforementioned is true, there age may sometimes be an advantage as well as disadvantage. When a company is young, it is usually less known by its competitors. This gives owners and management peace to work towards, building a credible business. However, when a business becomes successful and threatens the market share of already established brands, the upcoming business becomes a target whereby other businesses might want to imitate its products to achieve similar success. In relation to customers, a young business might struggle to assert itself in the market as well as experience slow periods of product adoption. This might sometimes lead to a young company deciding to merge with another company in order to benefit from an already established brand. The result could be the management having to step down from leadership so that the more established and experienced company might take the helm.

For a small company pursuing growth, there has to be an experienced board of management in place. According to Hamilton (2010), an experienced board in a small company might not only provide excellent leadership, but might also guide the company towards growth in a way that would prevent it from making common mistakes that small companies make when pursuing growth. In this case, experience of the leaders in a young small company might sometimes prove to be the difference between success and failure when pursuing growth.

The issue of product adoption is one that receives considerable attention in relation to a small company pursuing growth, issues relating to credibility also arise at various instances. A small company might have superior products, favourable pricing but still face challenges when it comes to the overall perception by a customer. There are various instances where customers have shied from purchasing products from small companies that launch their products in new markets for various reasons. Issues such as getting a refund in cases where a product does not work as specified are ones that are in the minds of customers as they feel that an established company would be in a better position to give a refund as opposed to a small company trying to maximise on profits.

In relation to credibility is the issue of accessing services that might be vital in the growth process. This is mainly related to financial and legal services that a small company might want to have to ensure it operates smoothly when pursuing growth in a new location. In reference to financial intervention, financial institutions might avoid providing financial assistance to a small firm in the fear that the company might be unable to pay back loans in the event that the company becomes insolvent. As a result, the small companies might find themselves being overlooked when it comes to receiving financial services as service providers might feel more inclined to offer similar services to already established large companies. These and the ones mentioned above are some of the issues in reference to age that might undermine a small company's endeavours to pursue growth in a new location.

## **6. Conceptual Schematized framework**

From the literature review conducted, various elements appear to be key in ensuring that the new subsidiary launched will be successful. They can be categorized into inputs, processes and outputs. The inputs could be the independent variables that cannot be easily altered by other factors in the business setting. The processors can also be identified as moderator variables as they are likely to change the effects that independent variables or inputs can have in the business. Outputs are also important, as they are results or the outcomes after having factored the moderator variables. The outputs are then seen as dependant variables that do not have an impact on either the moderator variables or the independent variables in the process or project course.

The main dependent variables in regard to the project are company strategies. This is because company strategy is the main manual or blue print that a company follows when engaging itself in various operations or when pursuing different business matters. For instance, if the organization or company strategy states that growth will be pursued in the form of partnerships or mergers, the company will endeavour to find out possible ways in which it can collaborate with companies in business. Flamholtz and Kurland (2005) point that abandoning the set goal or vision may sometimes be detrimental to a company's existence. This might lead to engagement in activities that it had not planned for in the future. Apart from the company strategy being the main independent variable, there are other independent variables such as the marketing mix, age of business, capabilities of the firm and growth models used.

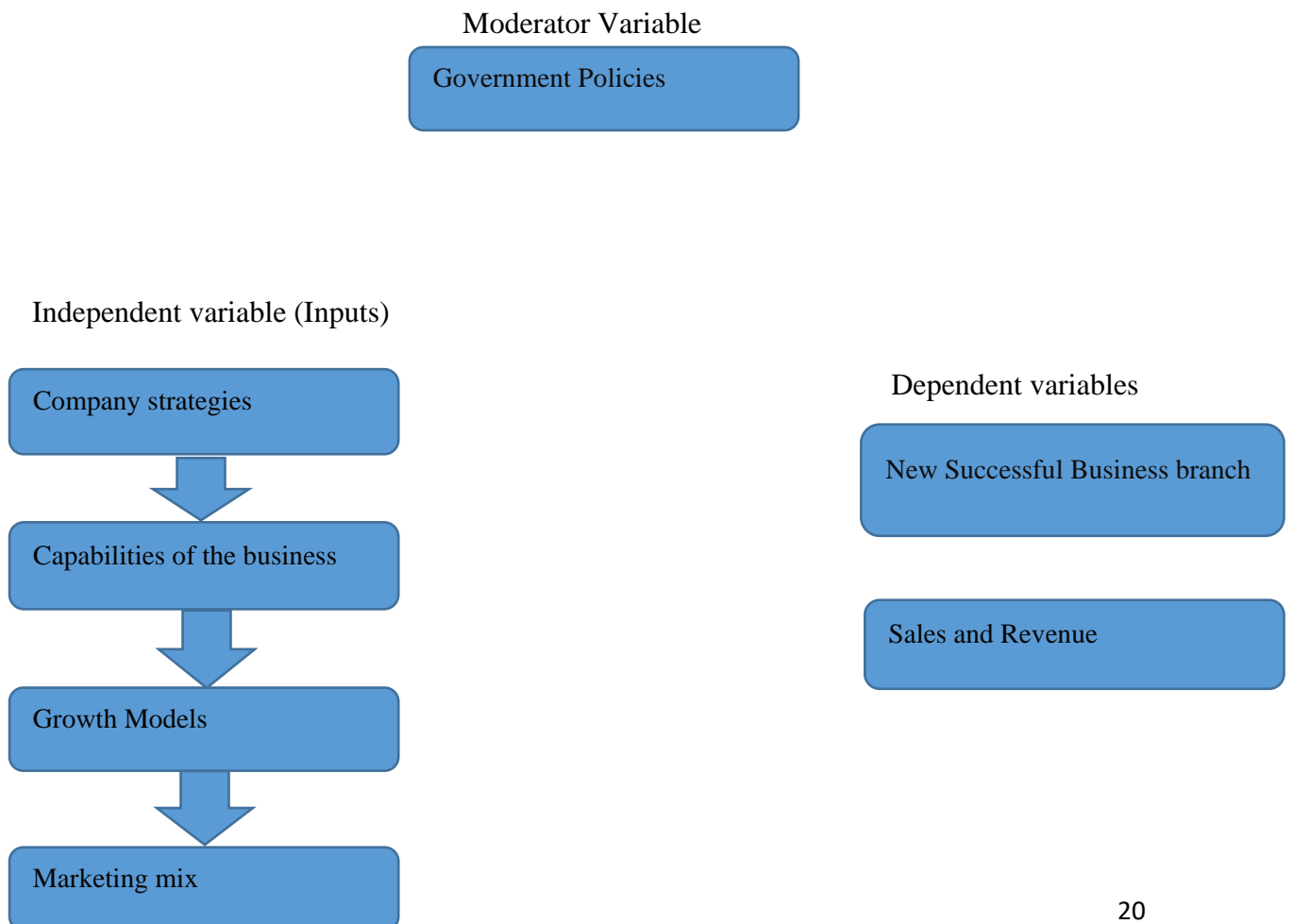
The moderator variable in this project is the government policies that are in place in relation to businesses. Moderator variables not only have an impact on future success, but also directly or indirectly dictate how a business goes about its activities. For instance, if the government decides that all magazine companies will have to pay a monthly operation fee of £ 700, all companies would have to conform by the law. This could mean that companies would have to plan how they offset such costs if they are to pursue the advertising magazine niche.

The independent variables such as revenue or successful launching of venture are the independent variables that are dependent on government policies as well as company strategies, marketing mix, capabilities of the firm, age of business and growth models. The outputs when measured should show whether the business is fulfilling its purposes for

establishment or not. If not, the owners and the management have to conduct a review to figure out what needs to be done to ensure success of the business.

Having dealt with the main variables from the literature review, the next step will be to come up with ways that will ensure that the independent and moderator variables are combined together to ensure that the results will be a business that is sustainable as well as one that is profitable. To have the desired results, it is important that all the independent variables are put into consideration in a balanced way. For instance, the marketing mix, capabilities of the business and companies have to be factored when planning to launch the business in Oxford. If the company fails to factor these important elements, there is a likelihood the company might either commence its operations at a disadvantage or not be in a position to attain its goals of launching its new branch or subsidiary in Oxford at the right time.

The report will aim to ensure that there is a proper connection of all the factors mentioned in order to have a successful business. This will be made possible by having a business plan that will not only be a guide to the small new branch, but also a business plan that can be used as a template for future company growth plans. Below is a figure showing the main variables involved and the desired results.



**Figure showing the main variables and the objective that they are meant to achieve.**

## **7. Methodology and Research questions**

The research conducted was qualitative in nature as it involved getting to understand their views concerning some of the important issues that were vital when venturing into a new market/location. The views were not only important for comparison purposes, but also important when coming up with a workable business plan to venture into a new market. For the purpose of the research the following questions were addressed:

- How do small companies successfully enter a new market?
- How can small companies pursue growth by entering a new market?

The research was mainly conducted using questionnaires and in depth interviews. To begin with, five open-ended questionnaires were sent by email to three senior employees of the organization to find their views on different matters that pertain to the organization and how their thoughts on what they feel could be done to ensure that the company enters a new market successfully.

Apart from questionnaires, three semi structured in depth interviews were also be used when gathering information regarding their desire and intention to venture into a new market. The participants that were approached were the company director, business development manager and a company trustee. Semi structured interviews were essential in ensuring that the research gets main questions addressed as well gave participants the freedom to give additional feedback that could aid the research with additional valuable input.

Feedback obtained was then stored in Microsoft word and Excel spreadsheets where need be. The saved documents were then be saved in folders mainly for the feedback gotten from the interviews as well as the questionnaires. This was important as it enabled ease of comparison of feedback from the two different modes of data collection. For the semi structured in depth interviews, short hand notes will be recorded as well as voice recording by use of a Dictaphone. Voice recordings from the Dictaphone will be transcribed using Microsoft word software and saved in different folders for comparison. In addition, the voice recording will also be saved in audio folders in a computer where they can be replayed when the need arises.

### **Practical and ethical issues**

While the report was not intrusive in any way, permission was sorted from participants before proceeding to fill the questionnaires. A consent letter was sent to the participants for them to read and find if they were in agreement with terms to the terms of the research. The consent

letter was primarily to explain to them that their participation in the interview was voluntarily and that their feedback was not required if they felt that they were not comfortable with giving feedback in relation to the interview.

For the semi structured in depth interviews, participants were informed that the interviews would be recorded basically for research purpose. Similar to the sent questionnaires, the participants were given a consent letter that they had to read and sign the letter of consent for the interview to take place. In order that the participants can maintain their privacy, the participants were not required to provide their identities or any information that could be traced back to them.



## **8. Analysis of the information and conclusions**

To begin with, it is important to understand that the interviews conducted were mainly to shed light on the issue regarding launching a product in a new market. While feedback was mainly from Mojatu staff and management, there would not have been respondents more suitable than personnel from Mojatu Limited. This is because the management and staff were in a better position to give feedback on the process regarding venturing into a new location as opposed to external individuals who did not have a better or clearer understanding of how the organization functions.

The in-depth interviews and feedback from questionnaires gathered provided feedback that appeared to be vital in the process of coming up with a business plan that would assist the company to pursue growth in a new location. It was interesting to find out that while the data was collected from individuals of the same organization, the information obtained had varying degrees of feedback pertaining to the way forward in launching the company's magazine in a new location. Below is an analysis of the feedback obtained from various participants and respondents from Mojatu Limited.

### **Analysis of Semi structured in-depth interviews**

#### **8.1 Interview with the Company director**

To understand the need for introducing their product in a new location, there was the need to have an interview with an individual from the top management. This was not only important in giving insight in the matter regarding focusing on a new location, but also important in finding out of the strategies that the top management would apply in relation to venturing into a new location. (The questions are used are in the appendix for referral.)

In relation to the company's vision, the director indicated that it was the desire of the owners and management to have the company established as a leading provider of advertising services in the areas that the company established itself.

Regarding the issue of selection of the location, the director indicated that a decision had been arrived upon as Oxford being the most suitable location. The director went on to add that the company would seek to establish itself in future in major towns of East Midlands and Southern East England. Focus in the East midlands would include Nottingham, Leicester, Derby and Northampton. Focus in South East London would include Oxford and Gloucester in the near future. The director further indicated that a possibility to venture into Essex (South West England) would not be ruled out as the location seemed promising although not being

in the areas that the management wanted to target. The director added that the company intended to launch their product every year in a new location provided the previous launch was successful. In addition to that, the director indicated that the company would be willing to partner with other companies in the mentioned regions that dealt with magazine publication and advertisements.

When asked why a decision had been arrived on Oxford, the director indicated that the company had established links with the University of Oxford marketing department, which the company felt that such an opportunity would give the company a chance to get assistance in terms of marketing and launching the magazine. In addition, the availability of little to no charges on the labour to aid in launching the magazine in Oxford was one of the major reasons behind the company launching its magazine in Oxford. On top of that, the company director indicated that Oxford had different printing stations that would give the company a variety of printing services to choose from.

In regard to whether there would be changes on the product, the director indicated that the company would initially launch their usual product then make changes later if needed. The reason given was that the company wanted to maintain a uniform product across all locations to simplify the printing process as well as to minimize costs that would be incurred when using different design layouts. However, the director indicated that changes would only be made if the management felt that making changes would allow the product to be accepted by clients.

An important issue that was raised was one regarding capabilities of the organization to launch in a new location was one that brought a deeper understanding on why the company chose Oxford as a prime location. The director indicated that the company would receive financial boost to certain tune by the local authorities if it set up itself in Oxford. As a small company that did not have extensive resources to facilitate launching of a new product, having financial assistance accelerated the desire to have a management to pursue Oxford as a tentative location. In addition, the director indicated that the plan to break into new grounds was part of their strategy for growth. The director indicated that if the company had decided to pursue growth without help from the local government, the company would have strained financially to the point that important aspects such as plans to have a local office in Oxford would have been undermined. In respect to employee maintenance capabilities, the director

was relieved by the fact that the students from the University of Oxford had already volunteered to be part of the team to work in magazine production.

Another important question that was posed to the company director was one regarding how the new location would be ran in terms of leadership. The director indicated that management of the new location was one that posed as a challenge as the new location required a leader that would steer the location to growth. More importantly, the director indicated that the leader to take up the new location would have to deal with the expectations related to growth of a new location. The reason given was that the new location would act as a feeder company to main company in Nottingham hence high expectations would always be placed upon the leader to perform well. When asked how a new leader would be sourced, the director was quick to indicate that the company would ensure that the individual in charge would have to possess sufficient knowledge on the dynamics of a magazine business as well as have the familiarity to work in a small organization seeking growth.

## **8.2 Interview with the business development manager**

While the roles of the business development manager and the director were almost similar at Mojatu Limited, it was important to have the views from him as his work was to focus mainly on growing the company in different ways. The interview began by asking how the business has been growing in the last two years. Feedback given by the manager indicated that the business has been on an upward trend although there were instances when the company had periods of slow growth. When asked which periods they were, he indicated that the periods between July to mid-September were times when business activities appeared to be slow. Possible reasons given was that these were the times when a variety of companies did not embark much on work as they usually take vacations from work. As a result, business starts to resume normal operations from the second week of September onwards.

In relation to the plan of growth the business development manager had for growth, feedback was that, there were various plans in place. However, he indicated that the growth plans had to be balanced between the company strategy, resources available as well as the achievement of objectives. The manager indicated that growth plans ranged from short term to long term goals. One of the short-term growth plans was to creating business relations with other local advertising media outlets such as radio companies, televisions as well as other magazines that were in Nottingham area. Forming business relationships with local media outlets would not only be create a good business environment in the end, but also would be beneficial in terms

of receiving referrals from such businesses. Long-term goals included establishing offices in different parts of England as well as being a recognized advertising and marketing companies in the United Kingdom.

Another important aspect of growth in relation to the company was on the design of the processes followed to ensure growth. An interesting finding was that the management required to be informed of any growth suggestions or plans that he found suitable to implement. He went ahead and indicated that major growth plans had to be communicated to the company directors who then met and decided whether to go ahead with the implementation or not. In the event that the company directors found suggested growth plans not to be suitable, growth plans could be put on hold until when the directors felt that the right time to implement plans was due. In some instances, growth plans would be negated on the basis that they might sometimes not appear to be viable from the viewpoint of some of the directors.

The business development manager also relayed important information regarding the steps that would be taken when launching the magazine in a new market. To begin with, the business development manager indicated that the company would ensure that there was a viable marketing plan to be implemented before launching the magazine in a new location. The marketing plan would include mainly informing the residents of Oxford about the existence of Mojatu Limited's magazine in Oxford as well as the need to have a systematic approach of various target clients that the company would like to convert to future clients. After having a detailed marketing plan, the company would decide on a specific month and a later date by which activities would have commenced in Oxford.

A question that stirred the thoughts of the business development manager was one regarding measurement of success of the launching process. The business development manager indicated that success would be measured mainly in terms of clients after a certain period of time. In addition, the business development manager indicated that success in the new area would be compared to levels of success in the main branch (Nottingham) as the same practices in Nottingham would be applied in Oxford. The manager further indicated that success would also be measured according to the sales realized every two months. This he indicated was because sometimes there are publications made every months instead of every month as opposed to what many businesses conduct their sales evaluations almost every month.

### **8.3 Interview with company trustee**

While interviewing in company personnel individuals was important to get feedback regarding the launching process and the product to be launched, it was equally important to have the views and recommendations from a neutral perspective. This would not only reduce bias, but would also be beneficial in pointing important issues that might need to be put into consideration before launching the magazine in a new location. To facilitate this, an interview with the company's trustee was arranged in order to delve more in the matter.

To begin with, the company trustee indicated that he had been in the company for the last three years. He indicated that the company had gradually established itself in Nottingham as a provider of marketing and advertising services. In some areas, the company had become known quite well and some readers would ask when the next publication would be released. However, the company trustee indicated that the company was facing stiff competition from established media houses and other advertising magazines that are based in Nottingham. Not only was completion an issue that affected the company while operating in Nottingham, but also was affected by the fact the location of the company was not well situated especially when it came to magazine distribution. He continued to indicate that during times of distribution, the company had to spend a considerable amount of time trying to access the distribution points from where the company is located. This not only required a lot time, but also affected the running of some important activities especially if the magazines are sometimes not delivered on time to the company from the printing press.

While probed deeper, the company trustee was disclosed that the company sometimes tries to engage in numerous activities than it can handle in relation to the magazine. An instance the trustee gave was one regarding constant designing and changing of the magazine in order to accommodate various clients that do not give much. The trustee agreed that although customer satisfaction is vital for customer retention and recurring business, the trustee also indicated that at times the company had to have a stand when it came to overall magazine design. Most clients had different suggestions and inputs that were sometimes quite demanding.

When asked about the viability of the magazine in a new location, the company trustee indicated that the magazine would probably do well after clients start to know about the business and the company has settled well in its new location. The company trustee indicate that it would be important to give the new branch to develop before expecting much in terms

of sales from the business. He indicated that this would not only relieve the new branch manager the pressure to perform well, but would also help the manager build a credible team that would be the foundation of a viable and competitive business.

In reference to the challenges that the company might face when setting up shop in a new location, the company trustee was quick to point that finances could be one of the main challenges that could affect the success of the new branch. He indicated that although the company was preparing itself well in terms of the funding that could be used, he indicated that sometimes some important aspects that require funding might be overlooked which if not accounted for might delay the launching process.

In reference to the product itself, the company trustee indicated that there ought to be a good research regarding the area as well as some of the prospective scenarios that might be encountered. While the product(magazine) was one that will target various types of clients, the management might find it useful to have a pre-visit of the area or conduct a proper research to ensure the magazine addresses the needs of both the clients and readers.

#### **8.4 Conclusions from the interviews**

From the above, a few important findings came out clearly. One of them was that the company would struggle to launch itself into a new location without the intervention in received both from the local government and contributions from students from the University of Oxford. These two points revolve around the capabilities of an organization mainly financial and employee retention. As reflected in the literature review, finances and retention could play a major role in determining whether a company would be successful in penetrating new markets. Without these two ingredients, a small company might find itself not able to reach out to new markets until the two factors are balanced accordingly.

In addition, it is evident that the company management took leadership as an important factor when preparing to launch its magazine in Oxford. This is evident when the manager stresses enough by indicating that the new leader would need to have sufficient knowledge in relation to magazine business. This again reflects back to the literature on the importance of having quality personnel carrying out various tasks that will put the company forward.

From the interview carried out with the business development manager, various important elements could be deduced from the launching process. First, the business development manager indicated that success could be measured in comparison to the main branch in Nottingham. Although there were no clear reasons given for that, using such a method could

work to the advantage or disadvantage in different ways. In terms of performance, results from Nottingham could limit growth in Oxford especially if the main target is to reach the sales frequencies reached in Nottingham. This means that if the management in Oxford focus on emulating sales in Nottingham, the company might fall in the trap of not reaching higher than the actual potential it could reach in terms of sales and getting new customers. This might not only lead to underutilized potential, but also unrealized growth sales that would have been realized.

The above can also be coupled with the lack of a clear concise plan on how to analyse the market before entry. One of the important activities that the company should have in regard to market analysis is a concise plan of how it would get into the market. It is very important evaluate the market long before entry as all business locations are different and could pose different challenges when businesses commence operations. For a small company, failing to evaluate a location accordingly would result into unwanted business surprises as well as failure to recognize potential business opportunities.

From the interview with the company trustee, there were important issues that came up that he felt required to be addressed before launching the magazine in the new location. As discussed earlier in this report, location can determine the success of a business from an early stage. One of them was that location was an important factor when establishing the new branch. In addition, an important aspect that he raised was one regarding adequate research of the areas that the business was planning to establish itself. Research might include the popularity of marketing and advertisement firms in the area, successful magazine companies and probably a review of some of the companies' websites to view the nature of services that they offer to clients. This would not only give provide Mojatu Limited an understanding of the competitors in the area, but also would give the company an idea of services that they might likely offer in future in reference to the magazine.

Another important issue that came out was the tendency of the company to go to different lengths that include letting customers decide where their advertisements would be placed in the magazine. While customer satisfaction is important, there is a limit to the length a business can go to satisfy its customers. Letting customers decide where their advertisements would be placed might sometimes trigger complications especially if a number of customers have a similar preference. While adhering to such preferences would enable customer satisfaction, the company might as well use such preference to their advantage. This can be

done through charging pages that are more sought out slightly higher than those that are not sought as much. This would not only reduce the need to alter designs to favour particular customers, but also would help the company plan to trim issues that relate to demand of advertisement pages.

While one of the aims of a business is to operate in a profitable way, this might not always be the case as companies might have to endure hard periods before they break even. The company trustee not only indicated the need for patience, but also the need to give the new branch manager the time to adjust accordingly. With Mojatu Limited being a small company, it would be understood if the management was eager to get results in terms of sales in the shortest time possible in order to have a return on investment. However, patience is key especially in a new location where the almost none of the current management or employees have never operated in. This would mean that the company would have to facilitate operations from other sources to enable the company to grow and later start to fund and sustain itself profitably.

The evaluations that came from the three employees that responded to the questionnaires showed that that the company had to focus more on employee roles and the duties they carried out in the organization. One of the employees indicated that they sometimes did not know which tasks are to be carried out by particular employees as they sometimes realized that their tasks overlapped in various instances. From the information provided, this sometimes created indecision especially when an employee was not available at work that in a given day to make the necessary clarifications especially in terms of progress of work.

In addition, employees indicated that they would desire to be remunerated appropriately as they sometimes felt that they put in a lot of effort that is not well translated in their pay. This clearly showed that there was need for employee motivation. Employee motivation could be monetary or non-monetary. Employee motivation would not only be essential especially in ensuring that employees are satisfied, but would also be pivotal in retaining quality employees.

After a careful evaluation of the interviews as well as my personal assessments during my work placement at Mojatu Limited, the deduction was there was a need for slightly different business plan than the one being implemented currently in the organization. This is because there were various issues that were raised during the interviews in regard to business design that had not been put to consideration by the current business plan. Below is a proposed



business plan for Mojatu Limited that would be used as a guide as the company explores the new market.

## **8.5 Business Plan**

### **8.5.1 Vision Statement**

The company's vision will be to among the top 5 publishing, marketing and advertising companies in Oxford before our 7<sup>th</sup> year anniversary.

### **8.5.2 Mission Statement**

To have a product which readers can easily identify, adopt and relate to personally as a brand not only in their business lives, but also in their personal endeavours. The product will then be developed and grown to be a brand that is not only recognizable in the United Kingdom, but also around the globe.

### **8.5.3 Product offering**

To understand Mojatu Limited properly, it is important to have a view on the products offered by the company. The products offered are described below.

- I. Bi-monthly magazine

### **8.5.4 The Magazine**

This magazine not only publishes different issues that are faced by different individuals in the community, but also is packed with advertisements that are paid for by different companies or individuals. The bi-monthly magazine also has an online presence which is also accessible in different formats. For readers that prefer an online version of the magazine, the online publication suits them well. The bi-monthly magazine can be sometimes can be summarised as the core or the life and blood of Mojatu. According to the Director of the company, the magazine sustains the organization steadily. The magazine consists almost over 90% of the revenue that is realized by the organization.

### **8.5.5 Business Structure**

In an attempt to build a successful magazine company in Oxford, the company will aim to ensure that the company is on the right footing from inception. To begin with, the company will endeavour to have a workforce that is not only knowledgeable but also ethical and willing to go the extra mile to ensure the company is a success.

In connection to that, the company will seek personnel that will be assigned different roles and duties. For the company to comfortably meet its budget, various personnel will initially take up two roles as more staff will be hired as sales rise and the business stabilizes.

### **Administration and Human Resource Manager**

The administration manager should basically be the head of the branch that is to be established in Oxford. The proposed duties of the Administration manager will be:

- Ensuring the smooth running of the branch and administration processes of the organization
- Defining of goals, objectives, targets and strategies for the organization
- To organize recruitment, induction, training and evaluation of both new and current employees.
- Representing the organization in different activities that will be beneficial in terms of growth and reaching its business targets
- Organizing the organization in terms of departmental needs
- To spearhead in establishing business links as well as exploring new opportunities that can be beneficial to the business

The above are tasks and responsibilities are not exhaustive as some tasks might require the intervention of the Administration manager as the business continues to grow.

### **Marketing Manager**

The marketing manager will mainly be tasked with ensuring that both the company and product (magazine) gain publicity in different methods suggested in the business plan. The marketing manager can implement other marketing strategies that would be beneficial to the organization. The proposed duties of the Marketing manager will be:

- To design and implement strategies that will be used to market organization magazine
- To coordinate with the distribution team on magazine distribution routes
- Organizing marketing campaigns for the magazine
- Ensuring that the company has a positive business image
- Planning on company publicity activities

- Liaising with the content creators when designing marketing advertisement posts for the company
- Representing the company in networking meetings and events

### **Customer Service Executive**

To ensure that customer's issues are attended to, it is important to have personnel that deal with issues that customers might have in connection with the magazine. It is well known that proper customer satisfaction not only leads to happy customers, but also leads to repeat business of which is an important factor in terms of business longevity. When customers are not satisfied, the company risks having its reputation tarnished especially if dissatisfied customers give negative remarks to prospective clients. The proposed duties and roles of a Customer Service Executive will be to:

- Building relationships with clients either on phone, email or when clients visit the organization.
- Taking of orders on the phone or by email from prospective clients while also informing them of the packages available for them in the magazine
- Carrying out duties assigned by the Manager in an efficient and professional manner
- Having up to date information about the company such as offers, promotions or discounts available in order to ensure that clients receive helpful information when they call the organization for enquiries

### **Cashier/Accounts Clerk**

For the organization to run effectively in terms of finances, it is important to have personnel that controls the funds that circulate in and out of the organization. The proposed duties of a Cashier or Accounts Keeper will be to:

- Prepare monthly, quarterly or yearly budgets that will be used to finance operations in the organization.
- Prepare monthly payrolls for different personnel in the organization
- Coordinate with the Manager to come up with a financial analysis that will be essential in analysing market feasibility of various projects

- Ensure that the organization complies with various laws and regulations regarding taxes
- Take up the role of an internal auditor
- Conduct financial forecasting as well as analyse risks attached to various financial obligations
- Carryout general ledger balancing and accounting

The above tasks and duties are not exhaustive. The manager may assign more responsibilities to the accounts keeper if he or she deems it fit. However, there should be an agreement between the accounts keeper and Administration manager in the event that duties or roles are to be reduced or added.

### **Content Creators**

The above role is one that is of much importance in relation to the magazine. Without content creators, it would be virtually impossible to have the magazine in circulation. Various magazine companies find it suitable to have an editorial team. However, the content creators can initially be the editorial team. It is important for Mojatu Limited to have Content creators that can perform a variety of activities such as photo editing, graphical arts and general magazine design. This would not only ensure that the organization has the right personnel, but also would be beneficial in terms of reducing initial establishment costs. The proposed duties and roles of a Content creators will be to:

- Creating and organizing content to be published for the magazine
- Carryout general editing on the content to be published in the magazine
- Liaise with the accounts keeper on the financial obligations to be met while preparing the magazine
- Conduct research on various trends that relate to magazine publishing and present them to the management for evaluation or validation
- Ensure the production process of the magazine from content creation to printing is successful.

### **Dispatch van/ Distribution drivers or riders**

This is a direct role that does not require much induction and training. However, it will be advisable to have both the Marketing manager and the Administration manager establish a feasible distribution route for the drivers or riders to ensure all the magazines are received by the personnel in the right time. The proposed duties and roles of the dispatch drivers and riders will be to:

- Distribute the magazines to different distribution points and networks
- Keep track the number of magazines distributed at various outlets
- Make deliveries as requested by customers in right time
- Liaise with the marketing manager and administration while conducting distribution.

### **8.5.6 The Company's competitive Advantage**

Currently, the advertising and marketing by magazine is gradually becoming competitive as different entrepreneurs are setting up businesses in this field. The aim of the company is to launch itself in the market, set standards that are acceptable to the clients and stick by it. If that is accomplished, the company will not only achieve its objectives as desired, but will also have a following that can be easily be turned to regular paying subscribers. By this, both the company and the customers will be satisfied when business is carried out in the right way.

As the company intends to curve itself name and operations in specific niches, it is expected that competition will be slightly less as compared to having a general approach to advertising as a whole.

Apart from the intention to set standards in the location pertaining to magazine and advertisement, the company will aim to utilize its years of experience in the magazine industry. This will be through having synergies between the new branch being established in Oxford as well as the already experienced personnel based in Nottingham. The personnel based in Nottingham, is well versed in various facets of Magazine development such as graphic design, content creation, content editing and general printing of published content. In addition, the experts in Nottingham are able to develop and host a website within two working days which will be a major boost when it comes to implementing an online presence for the magazine.

Finally, the company intends to mind the welfare of its employees by ensuring that their remuneration packages are competitive and slightly above the industry rates of various

professions. By doing this, it is hoped that the staff recruited will be not only motivated, but also will be willing to commit themselves to helping the organization achieve its set goals and targets. With these factors combined, it is expected that the company will operate at its optimum as well as achieve the growth projections that the management desires.

#### **8.5.7 Nature of clients that Mojatu Limited will target**

While Mojatu Limited is a business that aims to satisfy the needs of various individuals in the community, the company has specific target groups of clients that it aims to do business with.

They are:

- I. Private entities and companies
- II. Local Government bodies
- III. Black Minority Ethnic Communities
- IV. Community organizations

Corporate companies

Mojatu Limited aims in conducting business with private entities and companies in different ways. This is because the entities usually have different sorts of messages that they might want to pass their audience through Mojatu Limited. For instance, private schools, colleges as well as employment companies might reach out to Mojatu Limited to advertise their activities. This not only helps such companies reach an audience, but also announces themselves as potential learning institutions for those with learning needs.

Local Government bodies

With Mojatu gaining much recognition from both the private and public domain, the company aims to leverage its activities as well as its ability to reach different types of audience to do business with local government bodies. One of the bodies that Mojatu Limited collaborates with locally is the Nottingham city council. Business from the city council usually comes in the form of public announcements that might need to be passed in a particular locality or group of people in Nottingham.

Black Minority Ethnic Communities

This forms a major part of the organization's business target. With a good bond and familiarity of the vast of the activities that are carried out by the BMEC groups, Mojatu Limited is able to leverage its knowledge when dealing with prospective clients. Business

from BMER could be in the form of business advertisements, announcements, availability of jobs and different activities that usually require publicity or advertising.

#### Community organizations

These kind of organizations endeavour to bring together the community at large together. Different organizations might have a variety of activities that they might want the community to engage in. For this reason, such organizations might require a body that might assist in publicizing such activities. Community organizations could range from sporting organizations all the way to religious organizations within Nottingham. Business from these organizations comes in the form of advertisement and printing of fliers to publicize activities that are due to take place in Nottingham.

#### Analysis of the company SWOT

##### **Strengths of the company**

- Ability to obtain a diverse work force
- A functional business premises
- Located near the city centre where individuals can easily access it
- The magazine that is published by monthly
- A good reputation within the community
- Ability to be diverse in operations
- The company has got years of experience in the business

##### Weaknesses of the organization

- Availability of some of the staff is not consistent
- There is a lack of defined roles and tasks for all employees
- Lack of personal goals from some of the staff

##### Opportunities

- The nearby community holds a lot of potential in terms of the magazine and business
- A diverse community which has different needs to be addressed
- The magazine can be launched in different parts of the country
- An online presence which can convert interested prospects to clients
- Partnerships that can be converted to business contact

## Threats

- Upcoming business that are in advertising industry
- Constant renew of business tactics by competitors which might put the organization on the back foot if it does not adjust accordingly
- Already established businesses which might attract prospective clients
- Changes in preferences for clients as time goes by

## Drivers to success

- I. Create ways of ensuring that the organization is more visible to potential clients
- II. Use the organization's expertise and experience in order to yield better results in the advertising and marketing niche
- III. The organization should come to terms that launching itself into new markets is a long term undertaking.

## Critical Issues

To ensure that the marketing plan is successful, there are various issues that need to be addressed both internally and externally.

- I. **Internal issues:** These are issues such as penetration into new markets that have been targeted. This can be achieved by personal or promotional selling by the individuals of the organization. In addition, participation in other magazines that are around the community or deal with advertising would bear fruit.
- II. **External:** Understanding of the client and the needs that need to be met. It is important for Mojatu Limited to fully understand what the client needs out of their relationship. This means that a development of transparency of what needs to be achieved should be one of the core elements of the relationship.

### 8.5.8 Marketing Strategy (Promotion)

As businesses continue to be more competitive in their different niches, it is becoming more difficult to rely solely on a superior product. A company might have a superior product but still struggle in terms of utilizing on the superiority of the product. Relying on the superiority of a product is a tactic that can be applied in a balanced manner by companies that are well established or have a command of their respective markets. For a small company such as



Mojatu Limited, such a tactic cannot be applied as the company is barely known in the proposed new location.

For the above reason, Mojatu will aim to market its products, as well as its services in ways that will capture the attention of the different target audiences and clients. Below are some of the ways that the magazine will be applied while marketing the magazine.

**Online advertisement:** The company's website will be the primary marketing platform for the new subsidiary. This is will be to ensure that the online community also understands the magazine's contents as well as the purpose that it serves. In more advanced cases, an online link to the magazine can be posted on different forums that deal with advertising on e-Learning where the audiences can access it if they have no knowledge about Mojatu's Web. This will not only increase viewership, but will also be a way of attracting potential clients and strengthen Mojatu's online presence.

**Distribution in new areas:** Although the magazine will be available in selected stalls and outlets, it is important to have the magazine initially distributed in a way that will test the reception of the magazine. The aim will not to advertise primarily, but to act as a yard stick as to how the intended audience will react to seeing the magazine for the first time. Distribution will have to be done strategically to measure the results of the magazine. New areas will not only increase readership, but also attract new clients locally that would want to know about the magazine.

**Online membership registrations:** This form of marketing will be done mainly through marketing where interested audience will be sent emails that will have different offers on subscriptions. Initially, subscriptions will be free so as to accelerate numbers of readership. Various forms of readership will be later introduced so as to maximise on the earning potential of the magazine. Although the magazine is intended to be free of charge, subscribers can have the privilege of having the subscriptions being posted to their personal home addresses in order not to miss any publications.

As technology is swiftly progressing, it will be advisable for the company to take advantage of the power of the internet. Many businesses have realised that setting up a business and having a website that provides precise information can be rewarding in many ways. This is because individuals are now seeking to read reviews, compare different products as well as buy products online without necessarily having to go to preferred retail outlets in person.

More importantly, the website will have a description of the services offered by the company, prices and contact links that can assist prospective customers enquire products

**Business directory listing:** A business directory not only increases attention and visibility for a business, but also helps in directing prospective customers to the main company website with the possibility of being converted to long-term clients. Having the new branch listed in a variety of business directories will also be another way of taking advantage of the internet. A decision will be arrived on to decide on how the company will approach the issue of online marketing in the area. However, a few of the targeted business directories that the company will list itself are yellow pages, craigslist and Oxford business forums.

**Word of mouth:** members of the organization, staff and well-wishers will be encouraged to engage in this form of marketing. This is will not only be a cheap medium of advertising, but also will act as a swift way of making any clarification about the magazine and the objectives for the magazine.

**Use of referrals:** This will be applied where by clients could be requested for more information of any businesses or private individuals that might require similar services of advertising. To ensure that there is urgency, a discount can be offered to them once the referral has agreed to pay for the services that are on offer.

### **Publicity Strategies**

It is also important for the company to have strategies that will help the company be known to in the immediate location. The strategies are mainly aimed at bringing to attention individuals who might not have heard about the company by different online marketing methods either as prospective clients or interested audience. Publicity methods will be however not be used in place of the forms of marketing that he company intends to apply at any given time.

### **Engagement in community activities**

This form of gaining publicity is not only meant to increase awareness in the immediate location, but also act as a way of understanding the community from the perspective of customers and residents of the nearby location. It is by engaging with the local community that the company can understand the needs of the local community as well as gain valuable insight in regards to the products or services that the company will aims to offer.

Community engagement will also be done by partnering with other businesses or non-profit organizations in the immediate location. This will aim to strengthen business relationships that can be beneficial especially in terms of gaining referrals from other businesses. Community engagement will not necessarily be with businesses in the magazine industry but also with other companies that have a positive reputation within the community.

By engaging in community activities, the company will also be carrying out corporate social responsibilities in its immediate community.

### **Company brand attire**

This will be a passive method of publicizing the company in a passive manner. This will entail having branded attire such as shirts, t-shirts, company logo on the organization's vehicles that have contacts or a website address where interest individuals can inquire more about the company.

### **Installation of Billboards**

This will serve as a method of bringing to attention of the public in different selected areas. The billboards will be strategically positioned in different areas especially near areas where many individuals pass by or spend a considerable amount of time. Targeted areas are bus stops, train and tram stations that have high numbers of human traffic. The billboards will have the company's name, slogan, short description of services as well the company's contact details.

### **Advertisements on different social media platforms**

This will be effected slightly different as compared to using the company's website. While the company website would be used primarily to capture the online audience, it is equally important that other businesses and individuals get to know the company through different platforms that can have an impact on the visibility of the company. Social media platforms such as Twitter, Facebook and Google plus will be mainly utilized. In most cases, the company's website will be shared on social platforms related to magazine production, print publishing and content creation activities. Sharing and participation of information will include answering questions relating to magazine advertisement, publications or online marketing. The company's website link will then be posted for interested individuals to make relevant enquiries.

## **Type of printed materials**

To ensure that magazine is more successful, there is the need to have printed materials accompanying it. They are:

- I. **Flyers:** They will give bits and pieces of what is contained in the magazine as well as information on a selected number of articles that are in the magazine. The flyers will then have contacts at the bottom available for anyone interested in the services offered by the magazine.
- II. **Business cards:** These will have the contacts of some of the members of the organization, especially the ones tasked with distribution.

### **8.5.9 Place**

Although the business is already running and in operation in the Hyson Green location, there is the need to venture into new market (Oxford). This will have to be approached systemically so as to have the best outcomes from the magazine's online and physical distribution. Below are steps to be taken before launching the magazine in a new location. They are:

- Identifying the location
- Assessment of the location
- Assessment of the needs of the location
- Assessing potential competitors in the location
- Assessing immediate opportunities in the location
- Have a sample distribution (For the first time)
- Gather feedback (Online of physical)
- Apply any changes if need be.
- Launching of the magazine officially (both online and physical)

### **8.5.10 Measurement of success**

To ensure that the success of the magazine, there is the need to have methods of measuring success. This will not only give an indication of the growth of the magazine, but also reflect the effectiveness of the strategies suggested and implemented. For this case, assessing the distribution is of great importance.

One of the ways that the success of the magazine will be measured is by evaluating the number of online engagements in the magazine. Feedbacks, suggestions, proposals and request of services will be assessed every month. This can be done easily by having web plugins to assess where most of the traffic is origination from as well as how long online users interact with content. If users from a particular location are very active, this will be a reflection of effective reach of Mojatu in the area as well as the online presence. Online users and potential clients could be prompted to give an answer on how they came to know of Mojatu and the magazine.

Requests and questions after distribution: If there are requests for more information or services after distribution, this will be an indication of that the magazine is being distributed effectively. To measure the efficiency of distribution in terms of the magazine, the following steps should be taken.

- Identify location for distribution
- Divide the area into zones
- The zones should be given letters or names
- Plan a particular day or time of distribution for every zone
- Record the feedback or requests for information and services according to the zones.
- Distribution can then be planned or rearranged to ensure that all zones are covered adequately.

The reasons for using zones is that it will make the work of distributors easier as well help the management to identify where they stand better chances of success as well as avoid classifying a particular location as a whole. The results from distribution in the zones will be measured monthly assessed according to new client's derived from the distribution. This will then give the management a solid view on how to implement changes in distribution and the magazine as whole to cater for the needs of the location.

#### **8.5.11 Pricing**

As the magazine is being launched in a new location, the prices that will be attached to the product offered will vary as time goes by. Initially, the company will have its prices slightly lower than the average market prices in Oxford. This tactic is meant to initially allow the company to initially introduce its product as well as allow prospective clients the time to familiarise themselves with what the product entails.

To enable the company to operate on low profit margins during this period, there are various strategies that will be implemented. Afterwards, the price of the products will rise slightly in order to operate within the average market prices. The company will still aim to offer good services in the period of product introduction and adoption. Below are some of the factors that will contribute to pricing of products on offer to the prospective clients. Pricing will be arrived depending on the following factors:

- Normal charges per space size according to normal market rates
- Competitors prices
- Individual requests and needs
- Agreements between company and the clients

The above nature of pricing is not rigid. This is because all clients have different needs that have to be attended to. However, there are different methods of pricing that can be put in place or suggested to clients. They are:

**Bundled pricing:** This will have a variety of services bundled together. For instance, the company could suggest to the client that if a service is offered, an extra service could be given at a cheaper price. For instance The print magazine and online magazine could be seen as two items that could be bundled together. Alternatively, the company could suggest that a client could receive a cheaper price if there is a desire to commit to more than one publication of advertising. This not only gives to rise in sales, but also focuses on retention of consumers which is important to the longevity of the business.

### **Methods of Payment**

The Company will aim to have different payment methods that can allow clients to make payments for services in different ways. Below are some of the methods that will be set up to ensure smooth transfer of payments.

- Cash payments at the organization's premises
- Online banking payments. This will also be linked to the company's website
- Mobile money funds transfers

The above payment options have been selected in a way that will enable the company to receive payments without any setbacks.

### 8.5.12 Budget and Funding

As of now, the company owners have managed to raise £ 67,000 through savings. An additional of £ 20,000 from friends and family members has also been made available to the company. The company has applied for a loan of £ 105,000 from a financial institution at a fixed interest rate of 10% per annum. Lastly, the company applied for business funding from the County council in Oxfordshire. If the application is successful, the company will receive approximately £ 5,000 that will help the company to launch itself comfortably and help in offsetting costs that might be unexpected. This amount is a grant from the government but however should not be factored in from the initial period as the funds might take time to process. Below is a breakdown of the capital available to the business in Sterling Pounds (£).

Description of Funding	Interest rate % p.a	Amount in £
<b>Savings</b>	None	67,000
<b>Friends and Family</b>	None	23,000
<b>Loan</b>	10%	105,000
Total (before county fund)		<b>195,000</b>
<b>County Funding</b>	None	5,000
Total (after county fund)		<b>200,000</b>

To ensure that the new branch operates at optimum, it is important to have adequate funds to ensure that the company meets its goals and objectives accordingly. As discussed earlier, the availability of adequate capital not only facilitates better operation, but also gives a company a chance to establish itself smoothly. More importantly, it would give the staff and management the peace of mind that the company they are involved with is able to operate sustainably in a way that their welfare in terms of remuneration will not be under uncertainty.

Description of Start-up costs	Amount in £s
<b>Cost of rent for the first four months plus deposit</b>	3,500
<b>Business Registration</b>	750
<b>Legal expenses</b>	1,300
<b>Initial Supplies</b>	3,000
<b>Distribution costs</b>	2,000
<b>Website</b>	0
<b>Marketing costs</b>	4,000
<b>Distribution Van (Optional)</b>	6,500
<b>Furniture, Fixtures and Equipment</b>	2,000
<b>Stationery</b>	1,200
<b>Miscellaneous</b>	5,000
<b>Operational Costs</b>	12,000
<b>Sub total</b>	<b>41,250</b>

Table Showing an estimate of Start-up Costs for the new branch in Oxford

### Personnel Salary Budget

The table below illustrates a three-year wage projection plan for key personnel. The amount shown are in Sterling Pounds (£).

Personnel	Number	Year 1	Year 2	Year 3
<b>Administration Manager</b>	1	25,000	28,000	31,000
<b>Customer Service Executive</b>	1	16,000	17,500	21,000
<b>Content Creators</b>	2	16,500	18,000	22,500
<b>Dispatch Driver</b>	1	15,000	17,000	20,500
<b>Marketing Manager</b>	1	22,500	24,000	26,500
<b>Accounts Clerk</b>	1	16,500	18,000	20,500
<b>Sub totals</b>	7	128,000	140,500	164,000



## Sources of income

The main aim of launching Mojatu Magazine will be to generate revenue and to operate in a sustainable way. This will be primarily the goal of the employees that will be carrying out various activities geared towards the production of the Mojatu Magazine. The sources of income realized will also go towards expanding the business, payment of debts as well as payment of wages to the personnel. Below are the proposed revenue generating methods that the company will focus on.

- Hardcopy distribution of the Bi-monthly magazine
- Online subscriptions
- Launch a printing press that can be accessed by the public (to be confirmed)
- Sell advertising space in the magazine that will focus various target groups in Oxford
- Launch a magazine consultancy service (to be confirmed)

Funds that come in Mojatu Limited are primarily from the advertisement revenue through the magazine. Although there the foundation or charity arm of the organization is influential in directing revenue, the Limited arm of the organization is able to sustain itself without requiring injection of funds from the charitable side. This means that Mojatu Limited aims to operate as a self-sufficient arm rather than a dependant of the foundation which may receive funds from different sources such as donations or well-wishers.

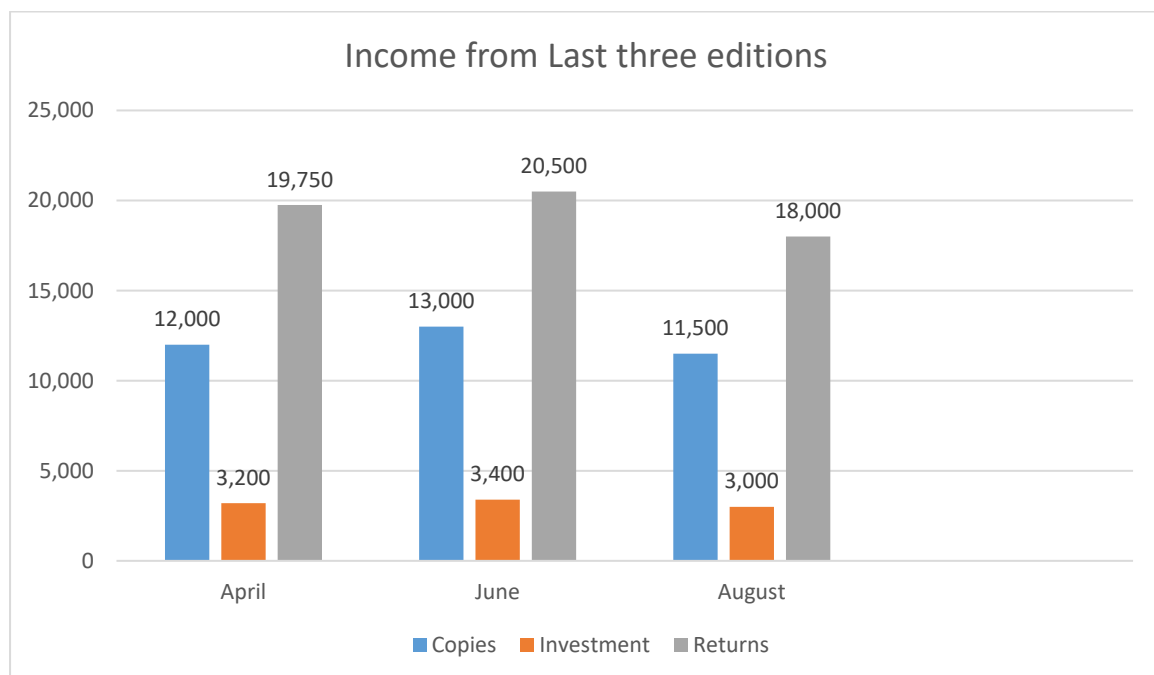


Table Showing Income from magazines from the latest three editions

### **8.5.13 Exit Strategies**

While the company may not always function as it is intended to operate, there might be instances where the company might decide to exit the business for a variety of reasons. Where the reasons might be justified, companies need to have a strategy that they can apply to exit their operations. Below are tentative exit strategies that the company can apply when the owners and management decide to exit the business.

- Buyout of the business
- Partnerships or mergers
- Sell part of the business in terms of equity
- Liquidation of assets

It is important to note that exit strategies may vary from company to company. If the entry for the company was too expensive, then the management would have to think of an exit strategy that will recover costs or reduce losses after exit. Below are suggested exit strategies for the proposed new branch in the event that the management and directors deem that the business is not performing well or wants to embark in another line of operation.

Before deciding to opt out of the business, the company should assess whether it is the right decision moving forward. To enable this, while the company might sometimes perceive that One of them is having an assessment in strategy especially if the company is considering a partnership or merger. Strategy fit will ensure that both companies merging have similar objectives or goals as well avoid situations where conflict could arise.

In the event that the new branch is successful but the owners desire to diversify activities in another business field, the company can be sold at a value from six to seven times its investment value. This means that the company owners can either get back their initial investments as well as the value of the company at the given time. Although it would raise questions why owners might decide to sell profitable businesses, there are some instances where business owners might decide that they are no longer interest in rigors of the business they are currently engaged in.

## **9. Implementations**

To ensure that the project kicks off smoothly, there is the need to implement or launch different aspects of the project in an orderly and consequential way. Having some order will not only avoid confusion, but will also help the management prioritise important aspects of launching the new subsidiary. Below are suggested steps that can be followed when launching the new branch.

### **Carryout a reconnaissance**

As discussed earlier in this report, the location where a company decides to locate itself is one that needs to be considered carefully. A suitable location should not only be easily accessible to consumers, but should also be situated competitively enough in regard to companies that offer similar services. Although the budget available for the company to spend in terms of location is important, it is important that the company decides on how to balance these two elements.

### **Mapping out of a distribution route**

After identifying a suitable location, the company should then carryout mapping of the location in order to have an initial idea of how magazine distribution will take place. This is important as it will help the company assess the viability of the location initially chosen. If the company realizes that the location selected is not suitable, changes can be made at this stage to avoid complications in future.

### **Company registration**

After having settling on the location and identifying a suitable distribution route, the new subsidiary can be registered. This should only be a one-day activity as business registration in the United Kingdom takes a maximum of two working days. Registration will be done online as it is cheaper and takes less time to register. At this stage, advertisement of various professional roles can be made in order to have applications being received.

### **Setting up of company premises**

This step will entail purchasing of relevant equipment such as furniture, stationery and other accessories that will be important in the daily operation of the new subsidiary. The team already operating the publishing company in Nottingham can give recommendations as to which equipment will be essential in magazine production.

## **Recruitment of staff**

Although not immediately after setting up of the premises, recruitment of staff should commence. Interviews can be held in order to find staff that are most suited for various roles advertised. The new subsidiary's Manager should be first recruited in order to take part in the final planning phases and recruitment of other staff that will operate in the branch. In addition, a practical familiarisation of the manager with key figures of the organization and familiarization of the distribution route can also take place at this stage.

Initially, content creators can work without an editor, however as time elapses one of them will have to carry out editorial duties when workload increases. This will be to ensure that the quality of work done is of high standards to avoid customer complaints.

For the distribution, the company can conduct the distribution process in different ways depending on the budget allocated for distribution. Initially the company can outsource dispatch drivers in the event that the proposed budget does not make space to purchase a distribution van as well as hire a driver.

Initially, hiring can be done on a part time basis as it is not expected that the staff will not have a large work load. However, as time elapses, the management can decide the number of staff that they require in the organization. This will also be dependent on company needs and budgetary allocations available for remuneration.

## **Marketing of the company**

The report has also explored various ways in which the new company/subsidiary will operate be endeavour to market itself. With regard to community participation, the company stands a chance to meet prospective clients during these events. Such events can be used to convert participants to clients or subscribers of the magazine. It is recommended that the organization have a number of hard copy prints that can be issued to prospective clients as samples of what the company would offer them.

## **Company publicity**

As the organization grows and becomes more financially stable, the management can make an allocation in its operation budget to sponsor some of the activities organized in the community. This will allow the company to familiarize itself with the wider community as well as conduct various forms of social corporate responsibility activities that might give the

company's reputation a higher ranking. This cannot be undermined as some customers make decisions based on how reputable a company is when faced with tough choices.

To ensure that the process above is successful, it is important to have a checklist that can be ticked off to indicate that important elements have been put to consideration.

## **10. Project limitations and conclusions**

This report has endeavoured to factor all the important elements that will be essential for the success of the project or launching in the new location. This report does not only include a business plan proposal, but also includes various recommendations that will aid in the implementation process. However, there are some important aspects of the project that might undermine the success of the project. Lack of the important factors will not necessarily translate to a failure of the project, but will undermine the rate at which success will be attained when undertaking the project. Having this in mind, having back up strategies have to be in place to ensure that the project turns out to be a success as the owners and management would desire.

### **Funding**

For the new subsidiary to be launched and operate effectively, funds have to be available in order to meet various start-up needs. If not the company might have to postpone its plans of launching its new branch or subsidiary in Oxford. A limitation of this project is that the proposed budget and funding plans have been made on the assumption that all the funds will be available by the time the company intends to commence the launching process. This especially refers to the loan applied at the owner's financial institution. If the loan is not available on time, the owners and management might either have to postpone the launching process or solicit for funds from a different source.

From an economics perspective, it also assumed that the start-up costs detailed in the report will not change much as the rate of inflation is set to rise according to financial forecast in the United Kingdom. According to Trading Economics (2016), the current rate of inflation is at 0.9% which is expected to rise to 1.2% by the end of the fourth financial quarter. It is hoped that the forecasted rates of inflation will not greatly affect commodity prices and services that will be essential while embarking on the start-up phase of the new subsidiary in Oxford.

### **Time constraints**

This report has been prepared mainly to offer guidance especially during the time before launching of the subsidiary in Oxford. The report would have been more inclusive there would have been more time to visit targeted areas in Oxford in order to have a reconnaissance of the location. Reconnaissance would have entailed interacting with target audience, target customers as well as have a deeper understanding of the area that the company intends to launch its branch. More time during the preparation would have allowed the owners and

project team to explore the area to find a suitable location for the business, compare various location prices and establish areas where most magazine publishing companies are located.

Although the report has covered and explored important issues that needs to be addressed in relation to launching Mojatu's Limited subsidiary in Oxford, there is the general feeling that time available for planning was not enough. This is because all members of the project team did not have the time to meet as many times as the team would have desired in order to brainstorm more on the project to be launched in a few weeks.

An element of planning that was not carried out due to logistics and availability of all project members is a tentative layout of the distribution route that will be followed or used by the dispatch drivers or riders when distributing the magazine. Having a distribution would not only have allowed the management and owners familiarise themselves with the area much better, but also would have been beneficial to the management in acquiring personnel especially dispatch drivers who are well familiar with the route. This would further reduce time that would be spent in training and familiarising the selected distributing team with new location. This does not mean that the project will be put to a disadvantage but rather indicates that the company will have to commence operations without a tentative layout of before the company is launched.

### **10.1 Conclusions**

With the company having two business divisions, there is the need to have roles defined among the management of the two companies to ensure that the company as a unit runs effectively. This is because both the main and new business branch will be operating together but under one goal to ensure that the magazine is launched successfully in a new market. The roles of directors should be well defined especially in instances where the company has to deal with legal issues that might define its longevity. This means that the roles of both the executive and non-executive directors should be well defined especially when it comes to decision making as well as in agreements of profit sharing, expansion or matters that determine the growth and operation of the business.

In respect to the magazine, the distribution strategy is key in ensuring that the company is successful in the short and long term. With the distribution strategy that has been suggested, measuring of results is important as it will enable the organization to identify areas in which it can direct its efforts. However, all areas selected for distribution should be assessed on a

case by case basis as they might pose different issues in terms of distribution and time taken to adopt the magazine.

With pricing being a vital component in the growth and success of the magazine, prices should be agreed upon with the customer as well as have a standard agreement of price ranges of different packages. In conjunction to pricing, the company should have an evaluation and documentation of the number of possible readers of the magazine be it online or in a given location where it is distributed. This not only allows the company to keep track of its growth and development of readership, but also allows the company to use it as a leverage when deciding on how to come to an agreement especially when dealing with clients who might require to know the amount of influence the magazine could have.

While exit strategies have also been discussed, it is important for the company to realize that exit strategies are not only to be turned to when the business is not functioning as it would be desired. However, exit strategies can be seen as ways that the company can sell the business to pursue more lucrative opportunities as well as a chance to pass over the business to more experienced individuals that can maximise its potential in the new market.

Finally, there is the issue of employee availability and management. The organization should endeavour to have employees that will commit themselves to a minimum of six months on a regular basis. The quality of employees brought in to the company should be of good quality as this will translate to having better services offered. This is because the quality of an employee and the quality of the output usually are inseparable. As the company grows, it is recommended that it should come up with ways of motivating employees. This will not only be beneficial to the employees, but will also trigger them to provide better services on behalf of the organization.

Having discussed at length the various aspects that might need to be addressed before launching the magazine in a new location or market in the literature review and the proposed business plan, the details and how to approach the new market or location have been kept simple and free of any business jargon. It is also worthy to note that the recommendations and plans proposed are not final. This is because the organizations' needs might change from time to time. However, it is suggested that the company should apply this business plan as a base on which it can operate and use it as a point of reference when pursuing the new market in Oxford.



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## 12. Appendix

### A. Interview Questions used for the in-depth interview with company director

- For how long has the business been in operation?
- Why is the company to launch its product in a new market?
- What criteria was followed to select the new target market?
- Will there be changes to the product (magazine) when launched in a new market?
- Will the organization be able to facilitate the requirements of launching the product in a new market?
- Are there plans on how the new subsidiary in the new market location will be administered? (Focus on leadership)
- Are there any challenges that the business might face in the new market or location?

### B. Interview questions with the business development manager

- How has been the growth of business in the last two years in terms of customer growth?
- Which periods does the company record high growths?
- What plans do you as the Business Development manager have for growth of the organization?
- Are there any processes that the company will follow when pursuing growth?
- How will the magazine be launched in the new market?
- How will success be measured in the new area?
- How is the company anticipating challenges in the new location?

### C. Interview with company trustee

- For how long have you been a trustee of the company?
- How has the company grown since you became a trustee of the organization?
- What could be affecting the growth of the organization?
- Do you think the organization abides by its goals of operation?
- What is your take on the viability of the magazine in the new market?
- Do you think that the company will successfully enter the new market?

- Do you feel that the company is well prepared to enter the new market?

D. Projections for the new branch in terms of sales and expenditure in Sterling Pounds (£)

Descriptions	Year 1	Year 2	Year 3
<b>Total Income</b>	204,000	242,760	288,884.40
<b>Total Expenditure</b>	169,250	141,000	195,000
<b>P&amp;L</b>	<b>34,750</b>	<b>71,000</b>	<b>101,167.20</b>

E. Activity Chart

Description	November 2016	December 2016	January 2017	February 2017	March 2017
Reconnaissance					
Mapping distribution route					
Company registration					
Setting up of premises					
Recruitment of staff					
Beginning of Operations					

## Thesis License Agreement

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**Master's (Dissertation)**

**Master's (Project)**

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