



Plan 2

NIBS Plan Competition

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2 PROJECT

2.1 THE IDEA IN BRIEF

The *Gainz Pro Pack*, the first product of *Gainz Arrange*, gives a solution to athletes for organizing and cooling their sports nutrition and food supplements in an orderly way. Athletes who follow a strict sports eating pattern eat six or more small meals a day. ¹ The experiences of one of our group members in combination with a small market research taught us that many athletes have problems carrying these meals when they go to school or work. There are also problems to keep the food fresh during the day. Therefore a multifunctional bag that keeps meals cool is a solution to their problem.

Through desk research we discovered a few manufacturers of such bags in America and Australia, but in Europe the offer is very limited, to non-existing.

The *Gainz Pro Pack*, will cost € 39,95. The *Gainz Pro Pack* will be delivered with 11 boxes and 2 cooling-elements, including in the price. It will contain a shaker, pill box, 3 powder boxes, 4 small meal boxes, 2 large meal boxes and 2 cooling-elements. The *Gainz Pro Pack* has 5 compartments.



Figure 1: Gainz Pro Pack ²

¹ Dieet voor spiermassa. Consulted the 17th of Februari 2014, on www.bodystore.nl/thema-artikel/dieet-voor-spiermassa.html.

² Koeltas Original. Consulted on the 17th of February 2014, on www.pascogifts.com/nl/promotiemateriaal/tassen-and-bagage/koeltassen-bedrukken/koeltas-original.

2.2 MISSION

"*Gainz Arrange* gives fitness enthusiasts, bodybuilders and power lifters the opportunity to store and keep cool sports nutrition and supplements to fulfil their need for fresh food and to raise comfort and well-being of this group."

2.3 VISION

"*Gainz Arrange* operates in a growing market of fitness enthusiasts, bodybuilders and power lifters. We believe that a product that has the capability to keep meals fresh and orderly is a motivation for fitness enthusiasts to stick to their food schemes. *Gainz Arrange* focuses now on the fitness enthusiasts in the province of Vlaams-Brabant. In the future *Gainz Arrange* would like to start selling the bag all over Flanders."

2.4 ORGANIZATION CHART

This Small Business Project is led by 5 entrepreneurs, 3 marketing students and 2 accountancy students. We divided the functions of the members in the organization by personal interests and experiences. Appendix 1 contains the organization chart.

3 ENVIRONMENTAL ANALYSIS

3.1 MARKET RESEARCH

We set up a small market research to discover the habits and wishes of the target group of *Gainz Arrange*. The research was sent to 80 athletes who attach importance to their nutrition. We selected the respondents by sending this market research only to a select group of fitness enthusiasts, of which we were sure they follow a strict sports eating pattern. In addition, we also added a category "not applicable" for each question to leave out people who are not our



target group. 54 people filled in the market research. All men, with an average age of 24. Graphs, processed with SPSS, can be consulted in appendix 2.

An important conclusion that can be drawn from this research is that the market is in need for our product. 61% of the respondents mentions having problems with the storage of their nutrition during the day. At the moment, most of the respondents store their nutrition in a fridge or in a bag. They would prefer a backpack of bag with shoulder-strap with 3 to 4 compartments in the colour black. As they spend a lot of money on their nutrition (€ 401 to € 600 a month) they are also willing to pay a high price for this bag (€ 31 to € 50).

3.2 THE MARKET

3.2.1 FITNESS MARKET

According to *Fit!Magazine* a fitness centre has on average 1 600 members. The amount of members varies greatly from approximately 200 to 5 000 members.³ The market of fitness centres is in a maturation phase. The growing number of new fitness centres is flattening and there is strong competition and price pressure. Although finding new members is not difficult.⁴ The niche market in which *Gainz Arrange* operate is growing. Not only men find power lifting interesting, nowadays also women find their way in this world.⁵

The fitness market is subjected to seasonal trends. The best months in the branch are from October till April. In these months people begin to think about their figure and make intentions to work on it. In addition, with spring and

³ Fitnessbranche: trends & ontwikkelingen. Consulted on the 18th of February 2014, on www.fitmagazine.nu/de-fitnessbranche-trends-ontwikkelingen.

⁴ Fitnessbranche: trends & ontwikkelingen. Consulted on the 18th of February 2014, on www.fitmagazine.nu/de-fitnessbranche-trends-ontwikkelingen.

⁵ Fitness voorspellingen. Consulted on the 17th of February 2014, on www.sport.infonu.nl/diversen/50340-fitness-voorspellingen.html.



summer coming up, the moment is ideal to sell a bag that keep food fresh while temperatures outside start to rise.

3.2.2 MARKET DEFINITION

By using Abell's Business Definition Model we can gain more information about the market *Gainz Arrange* operates in.⁶ Appendix 3 shows a schematic view.

The target group of *Gainz Arrange* consists of fitness enthusiasts, bodybuilders and power lifters in the province of Vlaams-Brabant who follow a specific nutrition program. This target group is a growing niche market as power lifting grows in popularity.⁷ *Gainz Arrange* will not focus on recreational athletes or lifestyle consumers.

3.3 TARGET GROUP

3.3.1 AGE AND LIFESTYLE

Athletes who follow strict eating patterns to build muscles are typically between 20 and 30 years old.⁸ They adjust their lifestyle in terms of nutrition, sleeping and going out to their training sessions. These people train almost daily and eat at least six small meals a day.⁹

Income is an important factor as well. Market research showed that 82% of the target group spends more than € 400 a month on sport and nutrition. Therefore it is plausible that they will be prepared to pay a high price for their food storage method.

⁶ Abell Analysis. Consulted on the 18th of Februari 2014, on www.sites.google.com/site/moocmodulesnls/marketing/abell-analysis.

⁷ Fitness voorspellingen. Consulted on the 17th of Februari 2014, on www.sport.infonu.nl/diversen/50340-fitness-voorspellingen.html.

⁸ De fitnessbranche: trends & ontwikkelingen. Consulted on the 18th of February 2014, on www.fitmagazine.nu/de-fitnessbranche-trends-ontwikkelingen.

⁹ Recruitering, info en testen. Consulted on the 18th February 2014, on www.paracommando.com/algemeen.php?recruitering.gevorderdetraining.



3.3.2 PERSONALITY

Consumers in the target group of *Gainz Arrange* are self-conscious people who have a desire to obtain a muscular and an aesthetically pleasing body. They are real go-getters and must have a lot of perseverance to follow a strict lifestyle to reach this goal. ¹⁰

3.3.3 GEOGRAPHICAL

Fitness enthusiasts come from everywhere but *Gainz Arrange* will focus on athletes in the province of Vlaams-Brabant because we are familiar with this region and therefore have a lot of contacts here.

3.4 SUPPLIERS

To select suited suppliers criteria like quality, price, delivery times and minimum amount per order were used. Tables of this selection process can be consulted in appendix 4.

For the cool bag *Gainz Arrange* decided to work with *Pasco Gifts*, ¹¹ a business gift web shop from Aalst. They offer the possibility to print a logo and orders can start from 25 pieces. The cost price is € 13,13 a bag for orders over 100 pieces, exclusive of VAT and € 45 setup costs. The delivery conditions are also favourable: free standard delivery of 10 days and an express delivery of 5 days is possible.

The content of the *Gainz Pro Pack* will be provided by 3 other suppliers. *Body & Fit* ¹² will provide a shaker, 3 powder boxes and a pill box. This is a great opportunity because this supplier is well-known in the market for its high quality sports nutrition boxes.

¹⁰ Recruiting, info en testen. Consulted on the 18th February 2014, on www.paracommando.com/algemeen.php?recruiting.gevorderdetraining.

¹¹ www.pascogifts.com

¹² www.bodyenfitshop.nl





2 large and 4 small meal boxes are provided by *Action*.¹³ The cooling-elements will be supplied by *Stock Leyssens & Co.*¹⁴ The total cost of the content of the bag is € 6,48. Figure 2 shows all of the boxes that will be included in the *Gainz Pro Pack*.

Figure 2: content of the *Gainz Pro Pack*

3.5 COMPETITION

In the competitive analysis, we looked at direct competitors and indirect competitors.

3.5.1 DIRECT COMPETITORS

There are a few manufacturers of meal management bags for fitness enthusiasts but in our opinion the market is not yet saturated. There are 3 manufacturers: *Fitmark*¹⁵ from the USA, *Isobag*¹⁶ from the USA and *6 Pack Fitness*¹⁷ from Australia. As they are all located outside Europe, the internet becomes an important selling channel.

If our target group wants to order a specialized bag for your sports nutrition, they have the possibility to order a bag from a producer from outside Europe and pay high delivery costs or they can order that same bag from a distributing web shop in Europa or a physical shop in Belgium. From that point of view, *Gainz Arrange* can expect competition from *Fitmark* and *Isobag*. *6 Pack Fitness* is

¹³ www.action.be

¹⁴ www.stockleyssens.be

¹⁵ www.fitmarkbags.com

¹⁶ www.isobag.net

¹⁷ www.sixpackbags.com

harder to get in Belgium. Remarkably, there is also a shop in Leuven that recently started selling *The Box* from *Fitmark*. Another important distributor is *XXL Nutrition*, a well-known Dutch web shop in the branch, who sells the *Isobag*. Appendix 5 shows an overview of these direct competitors.

3.5.2 PERCEPTUAL MAP

Also included in appendix 5 is the perceptual map. Comparisons were made based on quality and price. *6 Pack Fitness* focuses on a high quality and has the highest price. Prices vary between € 50 and € 73 according to the size of the bag. *Fitmark* focuses on a moderate quality and has the lowest price (€49,90 to € €58,59) although it has a higher quality than *Isobag*. *Isobag* handles a high price (€ 59,50 to €€67,50) in comparison to its quality. It must be said that this higher price is probably because their bags contains more boxes and different sizes of boxes. *Gainz Arrange* will focus on a quality comparable to that of *Isobag* but will keep the price low.

3.5.3 INDIRECT COMPETITORS

As indirect competitors we consider producers of cool bags and producers of boxes for all kinds of food. Appendix 4 gives more information about the indirect competitors like *Ikea*,¹⁸ *Tupperware*¹⁹ and *Decathlon*.²⁰

3.6 TRENDS

To discover factors that have an influence on our business we used the DESTEP-analysis.²¹

¹⁸ www.ikea.com

¹⁹ www.tupperware.be

²⁰ www.decathlon.be

²¹ ALSEM, K.J. Strategische marketingplanning. (2013). Groningen: Noordhoff Uitgevers.



3.6.1 DEMOGRAPHIC

Gainz Arrange is focusing mainly on men living in the province of Vlaams-Brabant who are between 20 and 30 years old. Appendix 6 shows the division between man and women per age group in this area. 6% of the population in the province of Vlaams-Brabant belongs to the target group (384 399 men).²²

3.6.2 ECONOMIC

The recession had a lot of consequences for fitness centres. In 2011, the fitness sector knew a record number of deregistration and only a limited number of registrations.²³ This was an opportunity for cheap fitness chains like *Basic Fit*. This strengthened competition and price pressure in the market.²⁴

3.6.3 SOCIAL-CULTURAL

According to *IBIS World's Gym, Health & Fitness Clubs* health and fitness clubs will continue to rise over the next five years. Fitness and power training are becoming increasingly popular.²⁵ Practicing fitness can have many reasons, such as health reasons or to improve sports performance, although health reasons take the overhand.²⁶ Also the use of nutritional supplements has an increasing popularity. Not only athletes, but those who practice recreational fitness start to use these supplements.²⁷

²² Bevolking. Consulted on the 13th of February 2014, on www.statbel.fgov.be/nl/statistieken/cijfers/bevolking/structuur/woonplaats.

²³ HOEKMAN, R. & STRAATMEIJER, J. Sport en recessie 2013. (2013). Utrecht: Mulier Instituut. (PDF)

²⁴ Fitnessbranche: trends & ontwikkelingen. Consulted on the 18th of February 2014, on www.fitmagazine.nu/de-fitnessbranche-trends-ontwikkelingen.

²⁵ The shape of the fitness industry. Consulted on the 18th February 2014, on www.source.southuniversity.edu/the-shape-of-the-fitness-industry-85375.aspx.

²⁶ Fitness voorspellingen. Consulted on the 17th of Februari 2014, on www.sport.infonu.nl/diversen/50340-fitness-voorspellingen.html

²⁷ GILLEMOT, Y. Voedingssupplementen en ethiek. (2013). Leuven. (PDF)



3.6.4 TECHNOLOGICAL

Social network sites like Facebook, Twitter and YouTube become increasingly popular, serving as an online motivational support.²⁸ These new technologies motivate fitness enthusiasts to keep on training and new athletes can be attracted. When they are motivated to stay a member of a fitness club, they will keep paying attention to their nutrition, which is an opportunity for our bag.²⁹

3.6.5 ECOLOGICAL

Consumers become more aware of the environment and start to think and act more durable. Because of this ecological trend, the market for environmentally friendly products and services is growing.³⁰ The *Gainz Pro Pack* responds to this ecological trend of sustainability because boxes inside the *Gainz Pro Pack* can be cleaned and used again. The boxes are made of polypropylene which is a material that can be recycled.³¹

4 SWOT-ANALYSIS

An important strength of *Gainz Arrange* is the close contact with the market. We have the knowledge and the contacts to improve our commercial plan. On the opposite the purchase price of our product is rather high and we have to rely on only a few possible suppliers.

Fitness enthusiasts often meet in fitness centres and share training and supplements tips, which results in a large community feeling and an opportunity for word-of-mouth advertising. The market *Gainz Arrange* want to reach is a

²⁸ Top 10 Fitness Trends for 2011. Consulted on the 18th February 2014, on www.acefitness.org/acefit/fitness-programs-article/3137/ACEFit-workout-advice-and-exercise-tips.

²⁹ The shape of the fitness industry. Consulted on the 18th February 2014, on www.source.southuniversity.edu/the-shape-of-the-fitness-industry-85375.aspx.

³⁰ Trend en Trendfactoren. Consulted on the 18th February 2014, on www.cv205a.tumblr.com/trendfactor.

³¹ Wat is pp propyleen? Consulted on the 18th of February 2014, on www.recycling.nl/recycling/pp-recycling-polypropyleen/wat-is-pp-polypropyleen.html.



niche market, which is a threat because there are not a lot of potential buyers. As mentioned earlier this market is growing and therefore becoming more interesting to sell to. At the moment, the competition is limited. Competition can increase as the market is starting to grow. A schematic view of the SWOT-analysis can be consulted in appendix 6.

5 COMMERCIAL PLAN

5.1 CORPORATE IDENTITY

5.1.1 GAINZ ARRANGE BRAND NAME

Because image plays a big role in fitness, a strong company name is favourable. The criteria for the brand name were that it was related to fitness activity, easy to remember and that it belongs to the jargon of the target group. "Gainz" originates from the verb "to gain" which literally means "to increase". In the fitness world this is related with increasing your muscle mass. "Arrange" originates from the verb "to arrange" which means "to put in order". This is a reference to the fact that customers can centralize and arrange all their food and drinks in one compact bag.

Gainz Arrange wants to keep all options open and chose to work out a specific name for the bag. The name *Gainz Pro Pack* exists of 2 parts: a reference to the company and the words "Pro Pack" which defines professionalism.

5.1.2 GAINZ ARRANGE LOGO

The logo represents the image of a muscled man, because this represents the goal our target group wants to reach. The dominating colours for our corporate identity are black, orange, blue and grey. Orange stands for movement, warmth



and spirit ³² and stimulates activity and appetite. ³³ These colours will be used in all the tools that will be used to reach the target group (Facebook, website, business cards, lay-out, presentations, etc.).

Transporting meals to create muscles and power is the main goal of the *Gainz Pro Pack*. Therefore our slogan is: "*Transporting your power*"

5.1.3 OBJECTIVE

The main objective of *Gainz Arrange* is to sell 150 *Gainz Pro Packs*. This number is a result of primary and secondary market research. An enumeration of our sources:

- » According to *Hill Fit* ³⁴ from Heverlee 20 of their 650 members belong to our target group. This comes down to 3%.
- » *Fit For You* ³⁵ from Herent estimates to have 40 members of 500 who attach importance to food schemes. This comes down to 8%.
- » *Jims Fitness* ³⁶ from Leuven has on average 3 000 members.
- » *Fitness Center Heverlee* ³⁷ has 300 members in total.
- » There are 42 independent fitness centres in the province of Vlaams-Brabant. ³⁸
- » According to a study from *Van Spronsen & Partners* independent fitness centres have on average 900 members. ³⁹

³² Vrolijk oranje. Consulted on the 20th of February, on www.phobos.be/kleurenpsychologie/vrolijk_oranje.html.

³³ Betekenis van kleuren. Consulted on the 20th of February 2014, on www.plazilla.com/2-betekenis-vankleuren.

³⁴ www.hillfit.be

³⁵ www.fitforyou.be

³⁶ www.jimsfitness.be

³⁷ www.fitnesscenter-heverlee.be

³⁸ Onafhankelijke fitness clubs. Consulted on the 17th of February 2014, on www.fitnessvlaamsbrabant.blogspot.be/p/onafhankelijke-fitness-clubs_2.html.

³⁹ VAN SPRONSEN & PARTNERS. Het Fitnesscentra in beeld. (2009). (PDF)



With these numbers in mind we made a calculation of the penetration rate. As we will focus on independent fitness centres, we estimate the average amount of members on 1 000. We estimate the percentage of our target group in the total amount of members on 5%. This we multiply with the 42 fitness centres in the province of Vlaams-Brabant. This comes down to 2 100 people. To sell 150 *Gainz Pro Packs*, we have to reach a penetration rate 7%.

5.2 MARKETING STRATEGY

Gainz Arrange will focus on a product with quality and affordable price. The price of the *Gainz Pro Pack* will be one of the main points that differentiate *Gainz Arrange* from competitors. Recording to the model of Treacy and Wiersema, *Gainz Arrange* implements *operational excellence* as a value strategy, which means providing customers with reliable products at competitive prices and delivered with minimal difficulty.⁴⁰ As we are a group of motivated students we can deliver the bag ourselves in Leuven and surroundings.

5.3 PRODUCT

The main benefit of the *Gainz Pro Pack* is the solution it offers to the fitness enthusiast who are following a strict eating pattern, to store their food in one cool bag. The target group needs a functional and quality bag that looks good at the same time. This is the core product.

The intangible product exists of the bag with its 11 boxes (2 large meal boxes, 4 small meal boxes, a shaker, 3 powder boxes and a pill box) and 2 cooling-elements. The *Gainz Pro Pack* has 5 compartments: 1 large compartment, 1 compartment at the front to store keys, a wallet and a notebook with training schemes, 1 compartment on top to store for example a pill box and 2

⁴⁰ Positioning: Kotler on marketing. Consulted on the 17th of February 2014, on www.marsdd.com/articles/positioning-kotler-on-marketing.



compartments on the sides to store drinks. The dark blue colour of the *Gainz Pro Pack* gives the bag a premium look. The bag will be delivered to the customers in a carton box, to prevent damage.

Gainz Arrange will differentiate from its competitors with close contact and free delivery service in Leuven and surroundings. Because direct competitors deliver from foreign countries, the consumer has to pay high delivery costs.

5.4 PRICE

5.4.1 COST-PLUS PRICING

The purchase price for a cool bag from *Pasco Gifts* with boxes from *Body & Fit* and *Action* and cooling-elements from *Stock Leyssens & Co* is € 24,23. The calculation can be found in appendix 8.

According to the market research we carried out fitness enthusiasts are looking for a quality product. They want to pay a price of € 31 to € 50. Seen the purchase price of € 24,23 (fixed costs not including) a price of € 39,95 is favourable. Delivery through personal contact and delivery in Leuven by car or by bike will be free. For delivery outside Leuven (with *Kiala* ⁴¹) there will be charged € 4,00 to the customer. A selling price of € 39,95 means a mark-up of € 15,72 which is a profit margin of 65%.

5.4.2 COMPETITION-BASED PRICING

Bags from *Fitmark*, *6 Pack Fitness* and *Isobag* that are similar to the *Gainz Pro Pack* vary between € 50 and € 70. A price of € 39,95 for the *Gainz Pro Pack* will be perfect because we do not yet have the same notoriety as those brands.

⁴¹ www.kiala.be



We use psychological strategies by setting the price of the *Gainz Pro Pack* at € 39,95. We will also use a skimming strategy. If it seems that the price is not favourable with our target group, we can lower it to make sure our inventory will be sold before May 2014. You can find a break-even analysis in the financial plan at the end of this business plan.

5.5 PLACE

Gainz Arrange will sell its product straight to the end-user mainly through personal selling. A web shop is another channel *Gainz Arrange* will use.

Because of our close contact to the target group, we plan to go to fitness centres ourselves, to have a direct conversation and interaction with our target group. Personal sale is a good method for newcomers on the market. When *Gainz Arrange* has direct contact with its target group, it can show the advantages of the *Gainz Pro Pack* in person and build relations. The consumer is also able to ask questions and can give ideas for improvements of the product.

Besides selling through personal contact and the web shop *Gainz Arrange* will also contact independent fitness centres, sport dieticians, sports stores and sports nutrition stores in the province of Vlaams-Brabant to display a *Gainz Pro Pack* with contact details. Together there are 150 possible places we can contact in the province of Vlaams-Brabant. ⁴² Appendix 9 gives an overview of the number of independent organisations. Through our own connections we already found a few channels who are interested to display the *Gainz Pro Pack* without asking any margin. These are: *Vigor* ⁴³ from Leuven, *Fitness Center Heverlee*, ⁴⁴

⁴² Gouden Gids. Consulted on the 17th of February 2014, on www.goudengids.be/qn/business/advanced/where/vlaams%20brabant/what/sportvoeding/?stubServiceFolder=&contentErrorLinkEnabled=false&redirectUrl=%2Fqn%2Fbusiness%2F.

⁴³ www.vigor.rsolution.be

⁴⁴ www.fitnesscenter-heverlee.be



*City-fit*⁴⁵ from Leuven, *Fit For You*⁴⁶ from Herent, *M&T Fitness Shop*⁴⁷ from Lubbeek, *Best Performance*⁴⁸ from Leuven and physiatrist Stef Van Winkel in Leuven.

5.6 PROMOTION

To promote the *Gainz Pro Pack* we will use a selection of channels, namely a website, Facebook, blog, direct mail, telephone, specialized press, sponsorship, events, celebrity endorsement and a promotion movie.

5.6.1 INTERNET

First of all, *Gainz Arrange* will promote and sell the *Gainz Pro Pack* on its website.⁴⁹ The website is made with *Weebly*.⁵⁰ For € 4,50 a month you can create a real web shop. Facebook is an important medium where *Gainz Arrange* can find its target group. We plan to conduct a viral campaign to get more likes on our Facebook page by placing a picture of the *Gainz Pro Pack* on our Facebook page. When people like and share this photo in public they may have the chance to win a *Gainz Pro Pack*. We plan to do this action from the 17th of March till the 30th of March 2014.

Secondly, *Gainz Arrange* will also advertise through Facebook. Facebook gives the opportunity to select a specific target group. Specifications to set our target group will be location, age, gender and personal interests. People who did not yet like the *Gainz Arrange* Facebook page will be targeted. According to Facebook this target group contains 74 000 persons. We will choose to advertise through CPC (cost per click) and spend a budget of € 50 on this project.

⁴⁵ www.city-fit.be

⁴⁶ www.fitforyou.be

⁴⁷ www.mtfitnessshop.be

⁴⁸ www.best-performance.be

⁴⁹ www.gainzarrange.be

⁵⁰ www.weebly.com



Gainz Arrange will also create a blog where recipes, tips, training schemes and so on will be posted at regular times to attract possible buyers to its website and create relationships with them.

When the *Gainz Pro Pack* will be launched a direct mail will be sent to interested buyers to inform them about the new product and data of events. Fitness enthusiasts who can be interested in our bag and who did not respond on the direct mail will be phoned up. The database consists of references gained from the market research and references through own contacts in the market.

5.6.2 SPECIALIZED PRESS

During our project we will contact specialized magazines, blogs and Facebook pages to write an article about *Gainz Arrange* on their website or blog or, a bit more challenging, in their magazine. Some examples are *Cyclelive Magazine* ⁵¹, *Muscle & Fitness* ⁵², *Eigen Kracht* ⁵³, *Flex Magazine* ⁵⁴ and *Sport & Fitness Magazine*. ⁵⁵ We will rely on goodwill for this project.

5.6.3 SPONSORSHIP

Gainz Arrange will work with material and financial sponsorship. For the material sponsorship we will contact manufacturers of sports nutrition for food samples. In consultation with the producer we can put these samples in each *Gainz Pro Pack* to add value to the bag. Some examples of manufacturers we contacted are *W-cup* from Limburg ⁵⁶, *3Action* from Limburg ⁵⁷ and *Concap* from Herentals. ⁵⁸

⁵¹ www.cyclelivemagazine.be

⁵² www.muscleandfitness.com

⁵³ www.eigenkracht.nl

⁵⁴ www.flexmagazine.nl

⁵⁵ www.sportenfitness.nl

⁵⁶ www.wcup.be

⁵⁷ www.3action.be

⁵⁸ www.concap.be



Secondly, independent fitness centres, manufacturers and distributors of sports nutrition, specialized web shops and others have the possibility to sponsor *Gainz Arrange*. Sponsors can choose between 3 formulas:

- » **Light:** logo on the sponsor page of the *Gainz Arrange* website (€ 50)
- » **Medium:** logo on the sponsor page of the *Gainz Arrange* website and on the cover of its Facebook page (€ 75)
- » **VIP:** logo on the front page of the *Gainz Arrange* website and on the cover of its Facebook page (€ 100)

5.6.4 EVENT

Gainz Arrange plans to organize 2 events. The first event will be shortly before the *Gainz Pro Pack* will be launched in March. Our main sponsor will get the opportunity to make *Gainz Arrange* come to its store or fitness centre to sell the *Gainz Pro Pack* exclusively, before the official launch.

Secondly, to let the target group get to know the *Gainz Pro Pack* we will organize a completely fitness-minded event in a fitness centre. Options are *Hill Fit* from Heverlee, *Fitness Center Heverlee* and *Fit For You* from Herent. During the event we will give a demonstration of the *Gainz Pro Pack*. We will also try to collaborate with a sports nutrition fabricant from Belgium. We see this collaboration in a material sponsorship for samples or a possible stand on the event. Demonstrations and tastings of new food products can be a possibility. *Gainz Arrange* can demonstrate how to cook certain meals and hand out recipes. We will also try to collaborate with a celebrity through our own connections. This famous person can give a lecture about how food influenced his sports performances and career. A collaboration with Bart Swings is our goal.



The objective of this event is to persuade new fitness enthusiasts to start following eating patterns. The *Gainz Pro Pack* can be an extra stimulation for these people to do so. The foreseen budget is around € 200. We seek to do this event in the beginning of April and make promotion beforehand through the *Gainz Arrange* website and Facebook page. We will design an invitation which we can send to shareholders, acquaintances and friends. *Gainz Arrange* expect to welcome maximum 50 guests.

5.6.5 CELEBRITY ENDORSEMENT

Gainz Arrange will use a well-known person to use their fame to help promote our product. We would like to convince Jonas 'ironize' DM, a professional fitness model from Antwerp. A photo of a famous person with the *Gainz Pro Pack* can be a very effective marketing tool in combination with a photo folder on our Facebook page and website with famous athletes. A list of people we take in consideration can be found in appendix 9.

5.6.6 PROMOTION MOVIE

The promotion movie of *Gainz Arrange* shows the advantages and possibilities of the *Gainz Pro Pack* and will be placed on our website and Facebook page.

6 FINANCIAL PLAN

The opening balance, expected sales and purchases of *Gainz Arrange* and a profit and loss account can be consulted in appendix 10.

6.1 INVESTMENT AND FINANCING PLAN

To be able to finance the operation of *Gainz Arrange* and its products, shares with an issue price of € 20,00 will be sold. We plan to sell a maximum amount of 150 shares, what will result in a capital of € 3 000,00. In addition, interested



buyers have the possibility to buy a Gainz Pro Pack before it will be launched. The pre-buyers or *Innovators* will receive a nice voucher. A prototype of the *Gainz Pro Pack* will be used to demonstrate the product to these people.

By obligating our shareholders to pay the full amount of the share at the beginning, our working capital will be maximum € 3 000,00. Depending on the realized profit, shareholders may expect a dividend up to 10%.

We will also occupy ourselves with the process of searching for sponsors. This primarily to reduce costs made. The goal is to raise € 250,00.

If the remaining cost price is found to be inadequate, the members of our company will insert the necessary amount themselves.

Since we are a starting company and we do not perform a contribution in kind, *Gainz Arrange* has no current or fixed assets. We rely on a successful sales of shares, so no short-term debt (long term does not apply to a semester project) will be listed on our opening balance sheet.

6.2 EXPECTED SALES AND PURCHASES

Gainz Arrange considers it possible to sell 150 units of the *Gainz Pro Pack*. By multiplying this amount with € 39,95, our companies revenues will be € 5992,50.

The purchases that must be done to finalize our product amount to € 3 634,55. This amount is obtained by adding the different elements that are part of the *Gainz Pro Pack* and multiplying them by the required fee set by the manufacturer. The purchased items are already existing commodities. No extra materials will be purchased.



6.3 OPERATION COSTS

Operational costs amount to € 1 539,70. These costs can be assigned to administrative costs, publicity, staffing costs and transport.

6.3.1 ADMINISTRATIVE COST

Several phone calls were made between domestic and foreign suppliers. For this purpose € 50,00 will be budgeted.

6.3.2 MARKETING COSTS

To implement the commercial plan *Gainz Arrange* provides a budget of € 414,70. These costs can be assigned to the following cases.

A well designed logo is of great importance for our company. Therefore it is necessary to turn to a designer for the design of the logo. This cost the company € 53,00.

To offer our product online, € 18,00 is budgeted. This contains a monthly charge of € 4,50 for making a web shop with *Weebly*.

Gainz Arrange has chosen to advertise through Facebook. This allows the firm to reach thousands of people who belong to the target group. This will cost € 50,00.

Via the *Gainz Arrange* Facebook page, the firm will also organize a contest. By sharing a picture you can win a *Gainz Pro Pack*. We foresee 2 other bags we can give away to people who helped the project. The 3 bags will cost *Gainz Arrange* € 71,70.

To network with possible partners, every member of *Gainz Arrange* gets his own personal business card. This will cost € 10,00 as we will print them ourselves.



For the fitness-minded selling event in April € 200,00 will be budgeted. The money will be spent on suited drinks and food for the reception and on eventual costs for demonstrating how to cook certain sports meals, tastings and the celebrity who will give a lecture. € 12,00 costs will be made for publicity of the event through posters.

6.3.3 PERSONNEL COSTS

To compensate for our performance we will pay ourselves a salary. This is set at € 200,00 per person, what comes down to a global labour cost of € 1 000,00.

6.3.4 TRAVELLING COSTS

Since *Gainz Arrange* offers free delivery by car or bike in Leuven and surroundings € 75,00 will be charged for gaz. Nothing is charged for delivery by bike.

6.4 NET PROFIT

For the calculation of the final profit that the company will realize, we first calculate the gross profit. The operating costs will be deducted of this amount, to obtain the ultimate net profit.

6.5 BREAK-EVEN ANALYSIS

The break-even point of *Gainz Arrange* is situated on 105 units of the *Gainz Pro Pack*. The total revenues will be higher than the total expenses when the 105th unit will be sold. From that moment on every extra sold bag will be profit for *Gainz Arrange*. To calculate the break-even point, we have removed the staffing costs. The staffing costs will be paid at the end of our SBP. Because we do not have to pay taxes, the staff costs can also be converted to profit.

