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FUNDAMENTALS OF ENTREPRENEURSHIP

BUSINESS PLAN



E-FIVE MART

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EXECUTIVE SUMMARY

E-Five Mart will be the first to offer smart supermarket services in Malaysia. The idea behind this business is to offer new experiences for people to grocery shop. E-Five Mart is not the typical supermarket you can find at other places. It has its own uniqueness and technological advancement which makes this smart supermarket special and has its own competitive advantage. The business is conducted in an urban area which is located at Shah Alam, Selangor. The target market is to all individuals regardless of their ages since it is a supermarket, a place for all. However, E-Five Mart expects more consumers from M40 and T20 groups to shop at this supermarket because the price of grocery products at E-Five Mart will be slightly higher compared to other regular supermarkets. This is due to the fact E-Five Mart operated twenty-four hours daily. Social Media will be the top platform for E-Five Mart to promote its business. In addition, E-Five Mart is a business that incorporates problem solving and innovation in its key activities. This is because this smart supermarket will put an end to the biggest frustration which is queueing in the long line at the cashier. In today's world, all supermarkets, whether big or small, follow the same concept. However, the retail needs are evolving from time to time. Hence, E-Five Mart responds to this problem by grabbing the opportunity to run this business that will cater supermarket problems which still exist in the community with the help of technology such as smart trolleys. Last but not least, E-Five Mart is believed to thrive in the future and always will be demanded by people and it is important for us to make this dream come true.

CHAPTER 1.0 INTRODUCTION

1.0 BUSINESS BACKGROUND

1.1 BASIC INFORMATION

Despite the wave of digital innovation sweeping the retail industry, shopping experience at the supermarket has mostly remained the same. Shoppers visit physical stores, find the products, pick items by hand and queue in checkout lines before leaving which can be tiring and not user-friendly especially to the elderly and disabled people. In 2030, how will people do grocery shopping? What are the innovations that the business can do to typical supermarkets which are still in-line with consumer needs and demands? These are some of the questions lingering in the mind before deciding to open this business. Therefore, the business wants to cater to all this problem by providing the new version and digital future of the supermarket called “E-Five Mart” which is the smart supermarket with the implementation of technology. The smart supermarket is not the typical supermarket that people usually go to. Hence, E-Five Mart introduces a new experience of grocery shopping which is self-service shopping including self-service checkout.

What makes the “self-service” possible is the existence of the advanced technology that will be introduced in the supermarket such as the smart trolley that has many functions which will be further explained later in this report. There is a high potential that the business will grow and receive a good response from consumers since there is no smart supermarket available yet in Malaysia. Since the majority of people still prefer shopping groceries in physical stores, E-Five Mart is a physical store that continues to play an important role as a supermarket but with a different function. It is not relevant for the business to sell grocery products at online stores because of the perishable goods. Overall, the businesses that were intended to open are not only for financial gain and profit, however, E-Five Mart are actually providing highly innovative solutions that are shaping future shopping experience by leveraging innovative technology in its smart supermarket.

1.2 REASON FOR STARTING THE BUSINESS

The main purpose in creating a smart supermarket business is to provide goods and services that meet consumers' needs and demand. Rapid shifting in consumer demands, along with developing technologies, are one of the reasons that drives the opening of this business. E-Five Mart makes use of the technology as a tool to enhance grocery shopping experience and maximize efficiency, not only to consumers but also to the business operations. In addition, E-Five Mart wants to change and eliminate the perception of people towards typical supermarkets that usually give a tiring and unpleasing shopping experience to consumers. E-Five Mart also considers the whole potential of what a supermarket could be rather than sticking to the consensus of what supermarket should be.

That is why E-Five Mart made some innovation towards supermarkets to change the way people shop in the future. E-Five Mart acknowledges that this particular business field, which is the supermarket itself, has many competitors, so it is crucial for the business to make differences to ensure the businesses will stay relevant in this field. Therefore, the technological characteristics that are available at E-Five Mart will act as the competitive advantage to attract more customers and compete more effectively that allow the business to outperform its competitors. Below are further explanations regarding the reasons for starting the smart supermarket business.

First, E-Five Mart wants **to provide self-service shopping experience to customers that is hassle-free and easier**. As mentioned earlier, the smart trolleys available in the supermarket are built with an intelligence system that is able to reduce shopping time at the supermarket. Therefore, E-Five Mart will be helpful and convenient especially for people who are busy and want to make everything fast. For instance, customers did not have to go to the cashier to pay for their items. Instead, with the availability of the smart trolley, the trolley can scan the price of its item and the customers can directly use a debit or credit card without the need to go to physical counters.

Second, other than fast self-services, E-Five Mart **wants to provide a seamless customer experience when buying products at our supermarket**. Speaking of seamless experience, E-Five Mart ensures that the customers are free from any mistakes, delays or setbacks when searching, buying or using its product and services. In other words, this type of customer experience is smooth and efficient. For instance, the customer will not face any

obstacles to search the products at the store simply because the trolley will show customers the direction. This element is important to the customers because it will make the businesses more user-friendly especially to elderly and people with disabilities.

Third, another reason to start this business is because E-Five Mart **wants to provide a supermarket with unlimited opening hours** since E-Five Mart operated for twenty-four hours. Based on the observation, there is no supermarket in Malaysia that is open twenty-four hours other than convenience stores. However, goods that are available at convenience stores are somehow limited compared to supermarkets. Therefore, people can do grocery shopping at E-Five Mart at any time that they want. By doing this, E-Five Mart provides quick convenience to consumers who may need quick groceries shopping late at night or even early in the morning. Undoubtedly, there are people with packed schedules or people that manage their time poorly until they are unable to make time for grocery shopping. Hence, E-Five Mart will be their savior and perfect place for them to shop.

Fourth reason to start this business is because E-Five Mart **requires less employees and manpower** because the new technology which is the smart trolley will do its jobs. As mentioned earlier, E-Five Mart doesn't have physical counters in its supermarket. All of the payment process will be done by the customer itself. In addition, with the availability of technology, the smart trolleys in the supermarket do not need to be operated by manpower. This is because after being used by the customer, the trolley can return to its original place on its own. However, it is compulsory for the business to keep the trolley well maintained.

1.3 SWOT ANALYSIS

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • It has its own specialty which is technological advancement. • Offer twenty-four operating hours. • Offer a wide range of products. 	<ul style="list-style-type: none"> • Require high capital. • Unable to attract customers with little children. 	<ul style="list-style-type: none"> • The first smart supermarket in Malaysia. • Have high demand. • Have possibilities to gain high profitability and generate positive ROI. 	<ul style="list-style-type: none"> • Rivals and competitors. • Difficult to attract customers in terms of price differences.

SWOT (strengths, weaknesses, opportunities, and threats) analysis is a framework used to evaluate a company's competitive position and to develop strategic planning. By using a SWOT analysis, the business is able to evaluate internal and external factors as well as current and future potential for the business. Therefore, identifying the core strengths, weaknesses, opportunities and threats will help the business to gain new ideas, fresh perspectives and see a better picture on how to improve the business.

First is **strengths**. As mentioned earlier, E-Five Mart is not an ordinary and typical supermarket that people will find at other places. This is because E-Five Mart is a smart supermarket that has its own specialty which will be implemented with technological advancement such as smart trolleys that make shopping at the supermarket easier for customers. Basically, E-Five Mart will have a new technology that will revolutionize the consumer experience in grocery shopping. Second, E-Five Mart offers twenty-four operating hours to provide more convenient services to the customer. This is to ensure the services meet the customer expectations since customers can go to the supermarket whenever they want to.

In addition, E-Five Mart is different from other convenient stores or supermarkets. Even though convenience stores usually opened twenty-four hours per day, they did not provide varieties of grocery goods for people to purchase like regular supermarkets. However,

regular supermarkets have limited opening hours. Hence, this is when E-Five Mart's objective to provide good services to customers takes place, since it will offer a wide range of products including toiletries, grocery, and many more with unlimited opening hours. The strengths that E-Five Mart have will make the smart supermarket different from its competitors.

Second is **weaknesses**. One of the weaknesses that are noticed before starting the smart supermarket business is it requires a huge amount of capital. One of the factors that leads to this problem is the equipment in the supermarket are extremely expensive such as the chillers, escalator installation, air conditioner, smart trolley and many more. Besides, the rental of supermarket places will be expensive since E-Five Mart intends to open its smart supermarket in urban areas. The other weakness is that E-Five Mart will not be able to attract customers that have little children. As mentioned earlier, E-Five Mart supermarket customers will rely fully on smart trolleys. The only disadvantage of smart trolleys is children unable to sit on the smart trolley because it has a weight sensor at the bottom, which will reduce the accuracy of the sensor if even one child sits on it. However, this will not stop the business from incorporating smart trolleys since the advantages exceed the disadvantages.

Third is **opportunities**. E-Five Mart will be in high demand since there is no smart supermarket yet in the chosen location and customers will use its services especially if they are in an urgency to shop for groceries. This can be a vital selling point to the business because E-Five Mart is the only supermarket that is able to offer services at all hours of the day. Next, the business also has the opportunities to gain high profitability. This is because E-Five Mart is able to help its customers immediately rather than “in a few hours”. As a result, there is a high tendency that customers feel well inclined towards E-Five Mart. In fact, customer satisfaction is one of the factors that could lead to higher profitability. Therefore, E-Five Mart has possibilities to generate substantial positive Return on Investment (ROI) due to the fact that customers are more likely to stick with a business that helps them right away.

Last but not least is **threats**. The main threats for this business are definitely the rivals and competitors. After taking into account the total cost of starting the business, it cannot be denied that the products and services available at E-Five Mart are slightly expensive compared to the competitors which are the convenient store and regular supermarket. It will be a challenge for E-Five Mart to attract customers since they will have cheaper options in the market.

BUSINESS MODEL CANVAS

Key Partners

- Customers
- Suppliers

Key Activities

- Problem-solving.
- Observing business progress in terms of whether the business is doing well or otherwise.
- Track consumer spending habits with the help of technology to help ensure correct production capacity.
- Inventory control to avoid overstocking.

Key Resources

- Advanced Equipment Workers

Value Propositions

- Implement technological advancements.
- The only supermarket that provides unlimited opening hours.
- Self-services supermarket
- User-friendly especially to elderly and disabled people (OKU).

Customer Relationship

- Able to assist customers at any time.
- Provide buying coupons to customers.

Channels

- Social Media
- Website
- Flyers
- Billboard

Customer Segments

- People who live in urban areas.
- Suitable for all ages.
- Focused on M40 and T20 groups.

Cost Structure

- Production cost
- Design cost
- Marketing cost

Revenue Streams

- Sales of Product

1.5 PURPOSE OF PREPARING BUSINESS PLAN

According to investopedia, a business plan describes the business goals and how the business plans to accomplish the goals. A business plan outlines a detailed roadmap for the company's operations, finances, and marketing. Generally, it is not a good idea to operate without a business plan because very few businesses can survive for a very long time without one. Therefore, it is crucial for E-Five Mart to create and stick to a good business plan to ensure this business survives in the market for a long time. The main objective of creating an E-Five Mart business plan is to make sure the business has adequate information needed before launching the business. Thus, the purpose of preparing a business plan will be elaborated below.

First, the purpose of having a business plan is to identify potential business opportunities by considering the technological, economic and financial feasibility. To elaborate, before opening the business, it is important to think through ideas before spending excessive amounts of money in the business and overcoming potential roadblocks to success in terms of technological, economic and financial factors. This is because if these factors are not taken seriously, it will be a barrier for E-Five Mart to succeed in this business. Through a business plan, E-Five Mart is able to analyze all the projected costs and predict possible pitfalls of each decision the business makes. Indirectly, this will help the business to see opportunities before competitors do since a business plan will provide a clearer picture to capitalize and how to take advantage of such opportunities.

Second, the business plan of E-Five Mart can be one of tools or serves as a business card to introduce the business to others such as investors or banks when it comes to seek cooperation or financial support in any kind. This is because when the business wants to have financial aid from the outsider, the first thing investors or banks want to see is the business plan. Above all, early-stage business investors want to see a return on investment (ROI). For instance, if the business can show that the company will make money for them, then the business is 90% of the way there. However, if the business has been in operation for a time, the business must have demonstrated great financial performance. In fact, investors want to feel confident by seeing a return on their investment. Moreover, the E-Five Mart business plan will act as a communication tool to persuade investors or financial organizations to provide the business with investment funds. The business can also use it to persuade others to work for the company, obtain credit from suppliers, and draw in potential customers.

Last but not least, a business plan will help in managing the business. The reason for this is because the business plan guides through each stage of beginning and managing the business from A to Z. For instance, a business plan can be a reference and strategic tool on how to structure and run the business smoothly such as focusing on necessary steps to ensure business success. Not only that, but business plans also help entrepreneurs to achieve short and long term goals.

1.6 NATURE OF BUSINESS

The nature of business for E-Five Mart is goods and services. The business concept is a smart supermarket that provides not only grocery goods, but also includes other goods such as toiletries, kitchenwares, household cleaners, pet supplies and everything people can think of is available at E-Five Mart. Besides goods, E-Five Mart also provides self-services experience to customers with the help of smart trolleys.

1.7 NAME OF PARTNERS

There are five partners involved in the operation and conducting the E-Five Mart business. The name of partner is Raja Bismi Athirah Binti Raja Badarudin as General Manager, Hani Nurina Binti Hamdan as Administrative manager, Syed Hafiz Ashraf Bin Syed Fahmey Sham as Marketing Manager, Aisyah Binti Lod as operational manager and Nur Rashidah Izzati Binti Khairil Bahri as Financial Manager.

Based on the picture above, it will be the place for E-Five Mart. The buildings are spacious enough to operate a smart supermarket. However, it still needs to be renovated and designed to make the place comfortable for people to shop. The places that are chosen for E-Five Mart are family-friendly cities with excellent infrastructure, a host of amenities and near to residential areas which are easier for people to shop at E-Five Mart. It is important for E-Five Mart to choose the best and strategic location to attract customers. Since E-Five Mart is a smart supermarket that operates twenty-four hours daily, it will be suitable to open this supermarket in an urban area like Shah Alam for several reasons.

The first reason is the diverse customer base. Cities like Shah Alam frequently have a diverse customer and cultural base. As stated in the business model canvas (BMC), E-Five Mart are focused on M40 and T20 groups. Therefore, Shah Alam will be a suitable place because the businesses concentrated in certain consumer segments are believed to perform better in a big city with a higher population of that segment. In fact, the M40 and T20 groups more likely lived in urban areas not rural areas. E-Five Mart will have more customers in a larger population since the population in urban areas exceeds the rural area. Speaking of population, Shah Alam has a growing population because it is home to over 650,000 people since becoming a city in 2000, the population has increased to 38.5%. Hence, the increase in population will automatically increase the demand for goods and services in the market.

Second reason is customer convenience. The location chosen is convenient for customers to go because the place is located in an urban area. It is important to ensure that the location is easy to access and simple for customers to find, which will create a positive impression. The chance of E-Five Mart succeeding will increase with the right location. Meanwhile, the chance of E-Five Mart failing could rise at the incorrect location. Third, the location chosen is based on customer demand. Before choosing the place, research is conducted which involves observing the rivals, market, and many more. Therefore, E-Five Mart will be the first smart supermarket that opens in Shah Alam. Moreover, the E-Five Mart location has a big impact on its service and sales potential, therefore it needs to attract walk-in customers since it is self-service and operates twenty-four hours daily.

1.9 DATE OF BUSINESS COMMENCEMENT

The business was registered on 15 October 2022 and will be fully operated on 20 February 2023.

CHAPTER 2.0 ADMINISTRATION PLAN

2.1 Introduction to The Organization

1. Objectives

E-Five Mart always wants to **provide everything for the people who need good quality products and services**. This is so that the majority of grocery store businesses may sell goods and make the biggest profits. The rivalry from other merchants, such as fast-food chains and mass merchandisers, as well as smaller grocery store chains is fierce for E-Five Mart. Not to add, it is important to keep a relationship with the provider so that you can handle the product with care. Everyone can enter the store and use the designated trolley on their own, whether they are elderly, adults, or children. This makes the services one of the most important factors.

Furthermore, **a long-term goal where we aim for successfully mart that working for 24 hours without manpower**. Self-service supermarket is rarely or never had in Malaysia while in other country had already implemented it. Nevertheless, this can be beneficial towards the owners on representing it in this country. It also was to introduce to people the new trend self-service supermarket.

2. Organizational Vision and Mission

Vision

The vision is to become the **main choice of mart that people would go to buy their groceries**. It might take time to gain the customer loyalty to keep buying their groceries at E-Five Mart regularly. Usually, customers will make a price comparison as they also want to save money. Therefore, it is normal to experience loss early of the business. The key is how to handle the financial and faces the problem ahead to turn it into chance that can maintain the supermarket itself.

Mission

E-Five Mart aims to **gain loyalty towards the customer**. Customer loyalty is the outcome of a consistently positive experience that makes customers choose one brand to the competition. A consumer who is loyal is more likely to interact with and use your business's products. A measure of client involvement and subsequent revenues is retention. It all comes down to maintaining the clientele you fought so hard to win, giving them wonderful experiences, and keeping the value flowing. Lotus is a prime example of a loyal customer. Through great loyalty programmes, the business has been able to both keep and grow its consumer base.

2.2 The Logo and Description of E-Five Mart



The logo simplifies grocery store activities by highlighting the unique trolley, which is the highlight of the store. The trolley is one of the most well-known figures since it is so much easier to operate. Another self-service supermarket that has been put into place here with a great prospect of spreading to other states is this one.

- 'E-Five Mart' represents the business name. E for the excellent partnership that has been built. Five for five people are involved in this partnership.
- The trolley is the main item in the supermarket where it comes with specialty to scan the price, pay security, security, and others.
- The colour chosen is red and it shows how bright, safe and a must stop location for people to go. It is also an attractive colour where shows how dominant it is.

2.3 Organizational Chart

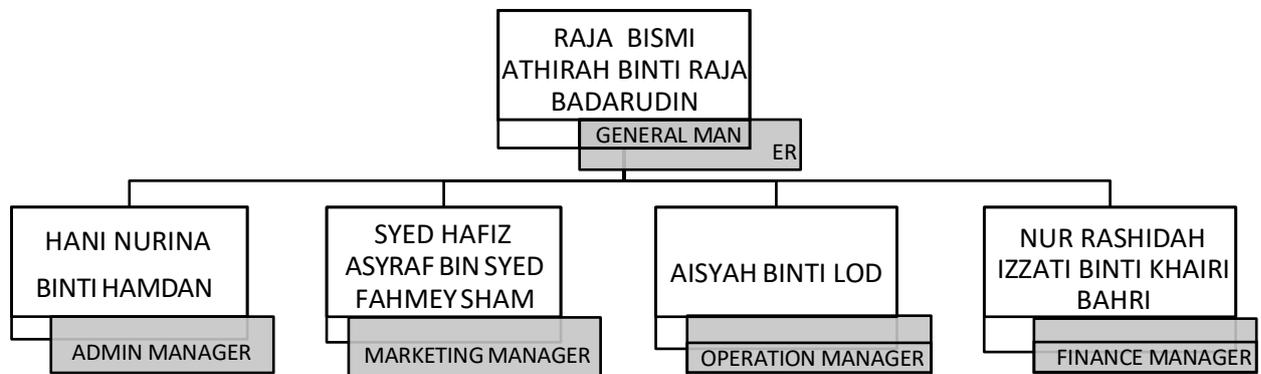


Figure: The Organizational Chart of E-FIVE MART

2.4 List of Administration Personnel / Manpower Planning

E-Five Mart consist of 5 people manpower that hold different position in the company.

POSITION IN COMPANY	NUMBER OF STAFF
General Manager	1
Administration Manager	1
Marketing Manager	1
Operational Manager	1
Financial Manager	1

2.5 Schedule of Task and Responsibilities

<u>Position</u>	<u>Task and Responsibilities</u>
General Manager	<ul style="list-style-type: none"> ▪ Organize, lead, plan and control the E-Five Mart daily operation to keep it running. ▪ Overseeing the budget and suggesting goals that create a strategic plan. ▪ Implementing and developing growth strategies ▪ Provide training for the staff needed. ▪ Decision makers in choosing and making idea of improving the business
Administration Manager	<ul style="list-style-type: none"> ▪ Plan and coordinate administrative procedures and systems. ▪ Manage the schedules and deadlines. ▪ Controlling and handling the staff salary ▪ Ensure the smooth and adequate flow
Marketing Manager	<ul style="list-style-type: none"> ▪ Develop strategies and tactics to get the word out about our business ▪ Analyzes the demand and target of customer and the most recent marketing techniques. ▪ Measure and report performance of marketing campaign, gain insight and assess against goals ▪ Analyzing product and service provide by the competitors
Operational Manager	<ul style="list-style-type: none"> ▪ Analyzes customers' feedback and need after the treatment. ▪ Responsible of E-FIVE MART achieve the set standard. ▪ Ensure all workings are manufactured in a right, cost-effective and timely manner in alignment with specifications and quality requirements.
Financial Manager	<ul style="list-style-type: none"> ▪ Keeping an eye on the company's cash flow ▪ Control profit and loss of the financial statement

	<ul style="list-style-type: none"> ▪ Identify company's year-end budget and make recommendations on how to increase revenue and cut expenses to prevent loss
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2.6 Schedule of Remuneration

POSITION	NO	MONTHLY SALARY (A)	EPF (RM) (B) (13%)	SOCSSO (RM) (C) (1.75%)	TOTAL AMOUNT (RM) (A+B+C)
<u>General Manager</u>	1	5,000	650	87.5	5,737.50
<u>Administration Manager</u>	1	4,250	552.5	74.375	4,876.875
<u>Marketing Manager</u>	1	4,650	604.5	81.375	5,335.875
<u>Operational Manager</u>	1	4,500	585	78.75	5,163.75
<u>Financial Manager</u>	1	4,750	617.5	83.125	5,450.625
Total	5	RM26,564.625			

2.7 Office Equipment & Supplies

TYPE	PRICE/UNIT (RM)	QUANTITY	TOTAL AMOUNT (RM)
EQUIPMENT			
Computer (DeLL)	4,199	5	20,995
Telephone	99	1	99
Air-conditioner + Installation	2,499	2	4,998
Wireless Router (Wi-Fi)	375	1	375
Photocopy Machine	1,299	1	1,299
Cleaning Tools (Broom / Mop / Cleaner Kit)	145	1	145
Dustbin	35.50	3	106.50
Fire Extinguisher	95	2	190
First-aid kit	45	2	90
TOTAL			RM28,297.50
SUPPLIES			
A4 Paper (per box)	59.50	2	119
Pen/ Ruler / Scissor (per box)	7	3	21
Box	6	3	18
Printer Toner	26	1	26
Notepads	2	5	10
Calculator	25	5	125
Other Expenses			500
TOTAL			819

2.8 Office Furniture and Fittings

TYPE	PRICE / UNIT (RM)	QUANTITY	TOTAL AMOUNT (RM)
Table Office	289	4	1,156
Chair Office	129	5	645
Reception Table	870	1	870
Cabinet	1,000	2	2,000
Sofa	1,800	1	1,800
Pantry Set	500	1	500
Curtain	300	4	1,200
Curtain Rod	80	4	320
TOTAL			8,491

2.9 Administration Budget

Items	Fixed Assets (RM)	Monthly Expenses (RM)	Other Expenses (RM)
Fixed Assets			
Land and Building	9,800,000		
Furniture and Fittings	8,491		
Office Equipment	28,297.50		
Office Supplies	819		
Working Capital			
Building		72,761	
Utilities		1300	
Salary, EPF, SOCSO		26,564.625	
Other Expenses			
Business Registration & Licenses			1,200
Renovation			605,000
Deposit			2,940,000
Other Expenses			500
Total	RM 13,484,933		

CHAPTER 3.0 MARKETING PLAN

3.1 PRODUCTS AND SERVICES DESCRIPTION

Marketing is the process by which a firm creates value for its customers and establishes strong customer's relationship in order to receive value in return. The objective of marketing is to attract the consumers by providing higher value, and to retain and expand existing client bases by give a satisfaction. The inclusion of specifies in the marketing plan enables business owners to evaluate the marketability of their products or services and estimate their financial needs.

A business needs both a marketing plan and a business plan. The marketing plan outlines the steps or actions that will be taken to attain the plan's objectives. A well-structured and effective marketing plan includes a product description, target market, market size, sales forecast, marketing planning, strategy, and a marketing budget. In other words, the marketing plan contributes to the company's expansion within its industry.

E-Five Mart chooses to operate a supermarket that sells goods and services because it aims to make it convenient and efficient for customers to purchase their daily necessities. The concept of this business is that consumers will place the things they wish to purchase into a "Smart Trolley" and be informed of the total price and can make the payment using a debit card. There is also a counter for customers who prefer to pay with cash.

E-Five Mart offers a 24-hours service where customers can but at their convenience. Counter service is only available from 10a.m. to 10p.m. Customers that come after the following hours must use the "Smart Trolley" and pay with a debit card. This operation is similar to that of any other supermarket, as E-Five Mart sells a variety of everyday requirements such as, dry goods, toiletries, etc. This company is a partnership that operates in Shah Alam.

3.2 TARGET MARKET

Segmenting Market

Market segmentation is a marketing phrase that refers to the grouping of prospective consumers with comparable demand and responses into distinct groups or segments. Market segmentation enables businesses to target distinct groups of consumers who evaluate the value of specific product and services differently. E-Five Mart focuses on three types of market segmentation;

- i) Demographic Segmentation**
- ii) Geographic Segmentation**
- iii) Psychographic Segmentation**

Demographic Segmentation

Demographic segmentation is a technique for market segmentation in which a company's target market is segmented based on demographic data such as age, gender, education, income, etc. It assists the company in identifying their customers so that their demands can be met more efficiently.

E-Five Mart offers all ages, religions, and genders with goods and services. Anyone can shop at E-Five Mart, whether old, young, male or female customers. E-Five Mart also provides a variety of amenities, such as toilets, and prayer rooms for Muslim customers.

Geographic Segmentation

Geographic segmentation is a type of market segmentation that categorizes potential clients depending on their location. Geographic segmentation enables marketers to target customers in a country, city, or region with messages that appeal to their particular desires and requirements.

E-Five Mart will open its operation in Shah Alam, Selangor. The business is located in a commercial business district region, which is a very strategic location. This is due to the location's is surrounded by business office areas, banks, restaurants, a textile shopping mall, and a university. E-Five Mart is well-suited to open there because the location is more accessible. This is the ideal opportunity for E-Five Mart to establish a mart there.

Psychographic Segmentation

Psychographic segmentation is a research technique used to examine customers and divide them into groups based on psychological traits, such as personality, lifestyle, social status, activities, interests, opinions, and attitude. It examines several potential influences on consumer purchase behaviour, including customer attitudes.

3.3 MARKET TREND AND MARKET SIZE

Market Trend

E-Five Mart discovered that residents in Shah Alam have problems purchasing groceries because they work late at night. Existing supermarkets are now only open until 10 p.m., and customers are unable to purchase items after that hour. As a result of the establishment of E-Five Mart, residents in Shah Alam may now buy things at their leisure because the store is open 24 hours a day. So E-Five Mart can make profit in 24 hours.

Market Size



Population of targeted customer in Shah Alam

= 513,444 people

Gender	Person
Male	263,510
Female	249,933

Population x Average Price = Market Size

513,444 x 200 = RM102,688,800(MARKET SIZE)

Our sales forecast is 5% from market size.

RM102,688,800 x 7% = RM7,188,216 (PER YEAR)

From sales forecasting E-Five Mart would be able to generate how many consumers per year.E-

Five Mart price is RM50 per consumer.

RM7,188,216 /50 = 359,411consumers per year.

359,411/12 = 29,951 consumers per month. (213, 940 per month)

29,951/30 = 998 consumers per day. (7,140 per day)

No	Service	Estimate Sales Per Consumer (RM)	Total Estimated Sales/Monthly (RM)	Total Estimated Sales/Yearly (RM)
1	Goods and Services	50	599,018	7,188,216

3.4 COMPETITION: STRENGTH & WEAKNESS OF COMPETITORS

COMPETITOR	STRENGTH	WEAKNESS
Lotus	<ul style="list-style-type: none"> • Biggest grocery retailer • Leading market share • Geographically diversified • Efficient supply chain network 	<ul style="list-style-type: none"> • Decrease in operating profits • Low-cost strategy • Fined for selling expired food • Poor operational performance in specific markets
Giant	<ul style="list-style-type: none"> • One of the biggest and most popular retail food stores • Strong brand loyalty and customer centricity is established with the company • Wide variety of products with quality being the important priority 	<ul style="list-style-type: none"> • Less into strategic partnerships and alliances which increases brand visibility • Intense competition means limited market share
Aeon	<ul style="list-style-type: none"> • Good market presence 	<ul style="list-style-type: none"> • World wise presence is very less compared to global leaders • Inventory holding is large which is a concern

3.5 MARKET SHARE

Market share is defined as the division of market or sales between companies who operate in the same industry. It will take into account the number of competitors, their experience, their strengths and shortcomings. The table below compares market share before and after E-Five Market entered the market.

Market share before the entrance of E-Five Mart:

Competitors	Market Share (%)	Total Market Share (RM)
Lotus	43	22,078,092
Giant	19	9,755,436
Aeon	38	19,510,872
TOTAL	100	51,344,400

Market share after the entrance of E-Five Mart:

Competitors	Market Share Before Entrance (%)	Market Loss (%)	Market Share After Entrance (%)	Total Market Share (RM)
Lotus	43	2	41	21,051,204
Giant	19	1	18	9,241,992
Aeon	38	3	35	17,970,540
E-Five Mart	-	-	6	3,080,664
TOTAL	100	6	100	51,344,400

3.6 SALES FORECAST

Sales forecast for Month:

Month	Sales Forecast (RM)
January	390,270
February	490,250
March	300,000
April	458,952
May	710,356
June	620,500
July	840,250
August	425,050
September	430,670
October	930,950
November	740,290
December	850,678
TOTAL	7,188,216

Sales forecast by Year:

Year	Percentage Increase (%)	Sales Forecast (RM)
1	5	7,188,216
2	15	8,266,448
3	25	10,333,060

3.7 MARKETING STRATEGY

Product & Service Strategy

Name	E-Five Mart
Goods & Service Quality	All the goods that E-Five Mart sells are of high quality. The service E-Five Mart offer is also simple and effective.
Service Package	Goods & Services
Service Differentiation	E-Five Mart offers a 24-hours service where customers can but at their convenience. Counter service is only available from 10a.m. to 10p.m. Customers that come after the following hours must use the “Smart Trolley” and pay with a debit card.

Pricing Strategy

Pricing strategy will be based on the competition's strategy. E-Five Mart will provide the greatest pricing to customers.

Place/Distribution Strategy

E-Five Mart will open its operation in Shah Alam, Selangor. The business is located in a commercial business district region, which is a very strategic location. This is due to the location's is surrounded by business office areas, banks, restaurants, a textile shopping mall, and a university. E-Five Mart is well-suited to open there because the location is more accessible. This is the ideal opportunity for E-Five Mart to establish a mart there.

Promotion Strategy

E-Five Mart's advertising strategy includes purchasing a signboard, distributing fliers, and hanging a banner. This strategy is utilised to acquire more customers from other cities while also ensuring that the company is well-known. Aside from that, E-Five Mart uses social media as part of its marketing strategy. This is one of the simplest ways to E-Five Mart do promotion. Using cutting-edge technologies, we can successfully expand our business. The supermarket will be promoted on Facebook and Instagram by E-Five Mart.

Budget for promotion:

Items	Price (RM)
Signboard	3000
Flyers	200
Banner	500

3.8 MARKETING BUDGET

Items	Fix Assets (RM)	Working Capital (RM)	Other Expenses (RM)
Fix Assets			
Warehouse	3000		
Building Rental	4000		
Vehicles	70000		
Working Capital		3700	
Promotion			3000
Other Expenditure			
Total (RM)	77000	3700	3000

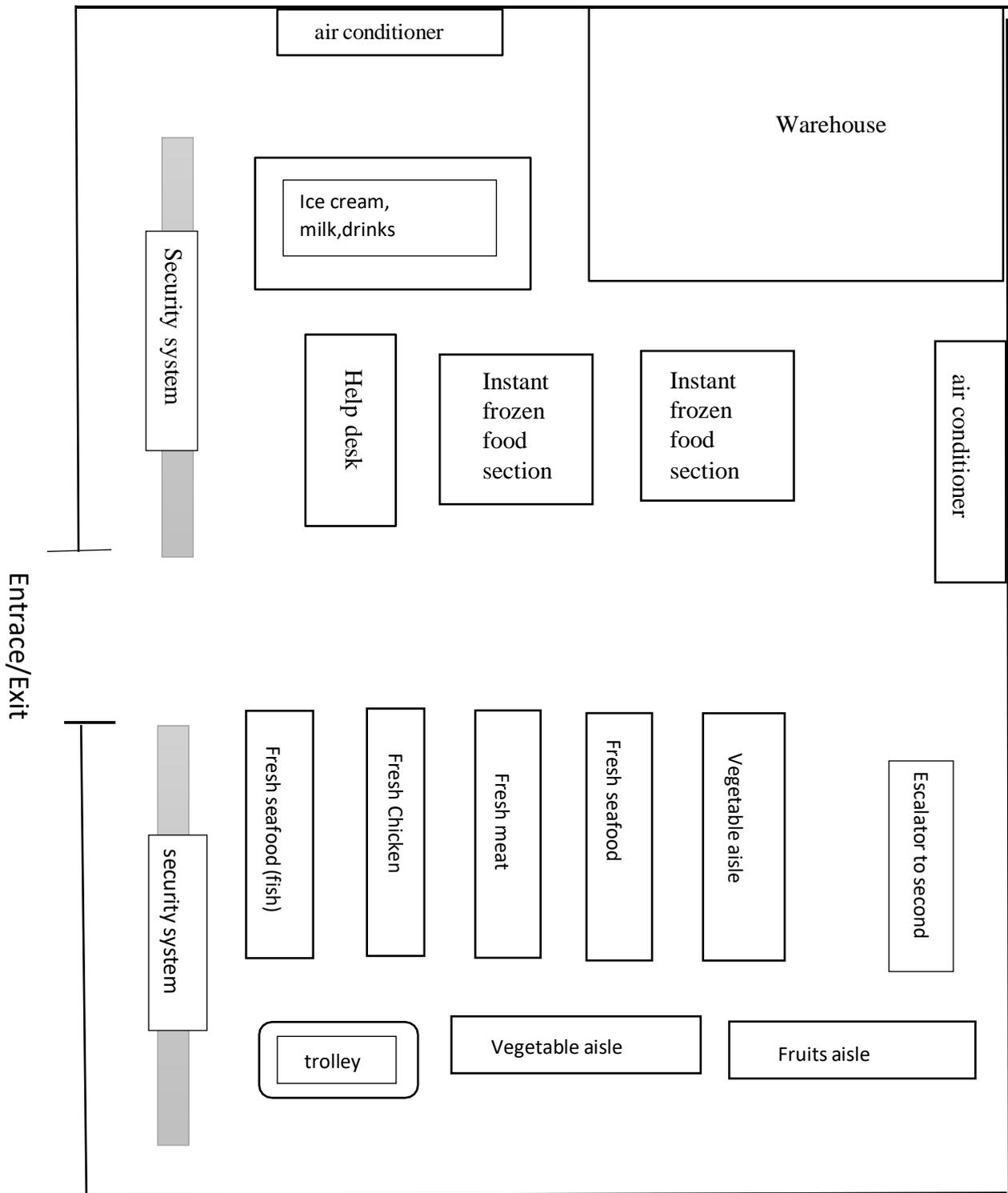
CHAPTER 4.0 OPERATIONAL PLAN

4.1 Process Planning

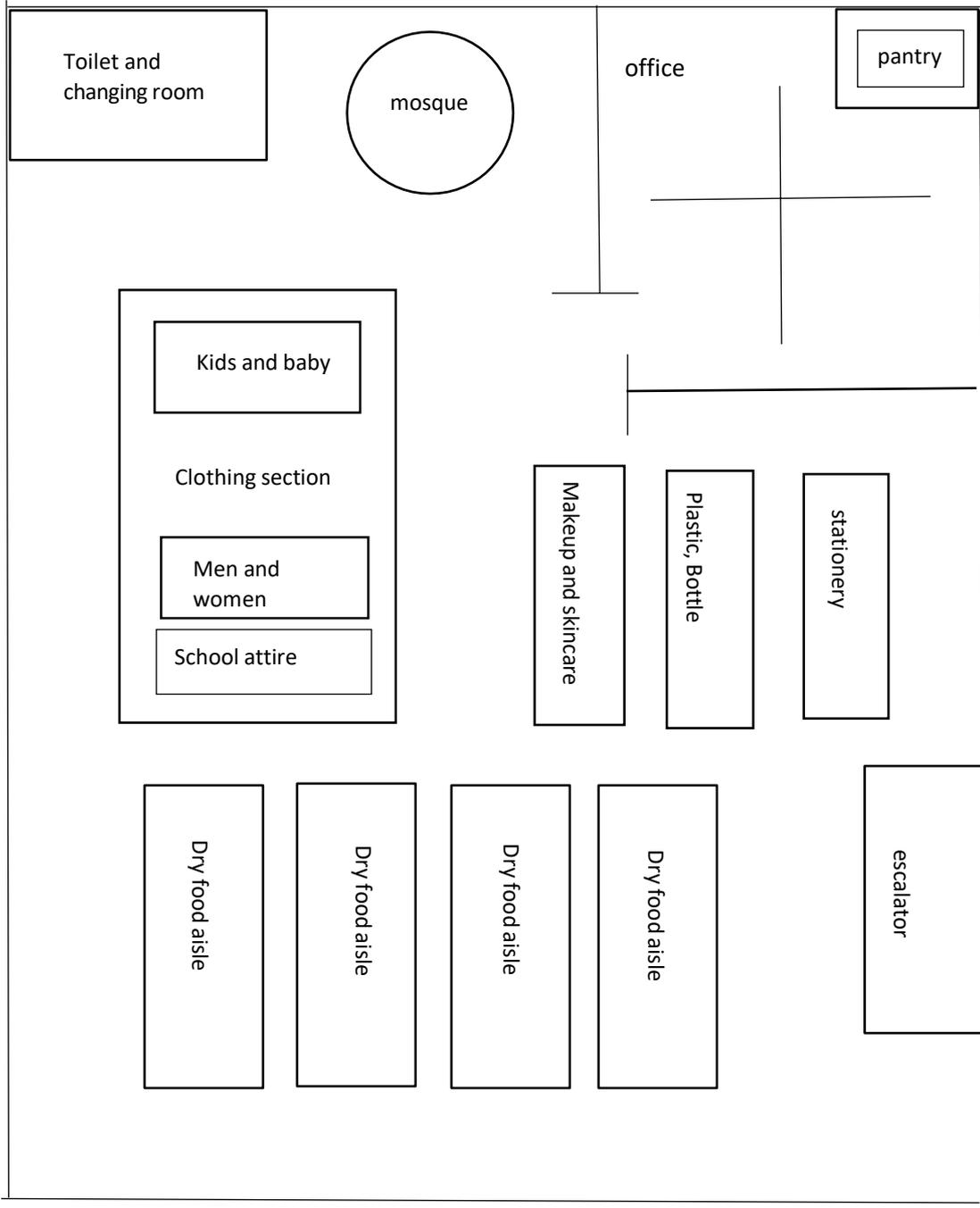


4.2 Operation layout

First Floor Layout



Second Floor Layout



Partition	Description
 <p data-bbox="240 434 440 465">Security system</p>	<p data-bbox="810 230 1358 591">Security system that will help to tighten the security and help to track if any theft cases happen. This is because E-Five Mart use automatic and smart trolley, security system will detect if any buyers try to steal or go out without make any payment.</p>
 <p data-bbox="240 835 368 866">Help desk</p>	<p data-bbox="810 611 1358 813">Help desk is where E-Five Mart workers will give help to the customers that cannot make payment using the smart trolley</p>
 <p data-bbox="240 1111 379 1142">Warehouse</p>	<p data-bbox="810 875 1347 943">Where all the stocks and items are being keep before they go out to the main shelf.</p>
 <p data-bbox="240 1330 405 1361">Smart trolley</p>	<p data-bbox="810 1149 1358 1285">E-Five Mart speciality ; Smart trolley that make payment way easier than before. Customers only need to check out and payusing their phone.</p>
 <p data-bbox="240 1576 408 1608">Seafood aisle</p>	<p data-bbox="810 1368 1337 1435">Seafood aisle where fresh fish is put on their steel shelf.</p>
 <p data-bbox="240 1789 408 1821">Chicken aisle</p>	<p data-bbox="810 1619 1251 1650">Where chickens are display on ice.</p>
 <p data-bbox="240 2002 368 2033">Meat aisle</p>	<p data-bbox="810 1834 1257 1901">Meat are place on the cold shelf to prevent from getting rot.</p>

		<p>Vegetables and fruits keep on cold shelf to avoid them from getting bad.</p>
		<p>Public toilet that can be use by staff and customers.</p>
		<p>Praying room complete with praying mat.</p>
		<p>Other than wet and frozen food aisle.</p>
		<p>Escalator that connect first and second floor. Suitable for trolley.</p>
		<p>Pantry in the office specifically for the workers.</p>
		<p>Office space to all the managers and workers to use.</p>

4.3 Capacity Planning

Information	Calculation
Total work days	30days
Number of customers in a month	10,697 customers/month
Daily Customers	$10,697/30 =$ 357 customers per day
BOM cost per customer	$481,305/10,697 =$ RM45
Number of population in selected location (Shah Alam)	513,444
Sales forecast monthly	$RM100 \times 10,697 \text{ unit} =$ RM1,069,700.
Sales forecast yearly	$RM51,344,400 \times 5\% =$ RM2,567,220
Market Size	$51,444 \times 100 =$ RM51,344,400

4.4 MATERIAL PLANNING

No	Material	Category	Quantity	Safety Stock	Total Requirement	Price/Unit (RM)	Total Price (RM)
1	Wheat Flour	Dry/Canned Goods	600	200	800	4	3,200
2	Yeast	Dry/Canned Goods	600	200	800	1	800
3	Salt	Dry/Canned Goods	600	200	800	2	1,600
4	Sugar	Dry/Canned Goods	600	200	800	4.50	3,600
5	Milk Powder	Dry/Canned Goods	600	200	800	7	5,600
6	Brownie Mix	Dry/Canned Goods	500	200	700	20	14,000
7	Peanuts and Nuts	Dry/Canned Goods	500	200	700	4.50	3,150
8	Pasta	Dry/Canned Goods	600	250	850	5	4,250
9	Grains	Dry/Canned Goods	600	200	800	5.50	4,400
10	Beans	Dry/Canned Goods	500	200	700	3.50	2,450
11	Spices	Dry/Canned Goods	600	200	800	4	3,200
12	Dried Fruit	Dry/Canned Goods	500	200	700	7.50	5,250
13	Baking Powder	Dry/Canned Goods	600	200	800	3	2,400
14	Canned Tuna	Dry/Canned Goods	700	300	1,000	7	7,000
15	Canned Sardine	Dry/Canned Goods	700	300	1,000	4.80	4,800

16	Cereal	Dry/Canned Goods	700	200	900	11.50	10,350
17	Chips	Dry/Canned Goods	500	100	600	3.50	2,100
18	Chocolate Chips	Dry/Canned Goods	500	100	600	8	4,800
19	Crackers	Dry/Canned Goods	600	200	800	5.20	4,160
20	Candy	Dry/Canned Goods	600	200	800	2	1,600
21	Chocolate	Dry/Canned Goods	600	100	700	4.50	3,150
22	Gummy Bear	Dry/Canned Goods	500	100	600	6	3,600
23	Ketchup	Dry/Canned Goods	700	200	900	5.85	5,265
24	Mayonnaise	Dry/Canned Goods	700	200	900	8.50	7,650
25	Chili Sauce	Dry/Canned Goods	800	300	1,100	5.90	6,490
26	Pickles	Dry/Canned Goods	500	200	700	14	9,800
27	Yellow Mustard	Dry/Canned Goods	500	200	700	9	6,300
28	Oats	Dry/Canned Goods	600	200	800	9.90	7,920
29	Hamburger/ Hot Dog Buns	Dry/Canned Goods	400	100	500	8.50	4,250
30	Vegetable Oil	Dry/Canned Goods	800	300	1,100	30	33,000
31	Olive Oil	Dry/Canned Goods	700	200	900	15	13,500
32	Jelly/Jam	Dry/Canned Goods	800	300	1,100	13.50	14,850
33	Salad	Dry/Canned	600	200	800	7.90	6,320

	Dressing	Goods					
34	Soda (can)	Dry/Canned Goods	600	200	800	2.20	1,760
35	Soda (bottle)	Dry/Canned Goods	600	200	800	3.90	3,120
36	Kordial	Dry/Canned Goods	500	100	600	10	6,000
37	Pasta Sauce (Bolognese/ Carbonara)	Dry/Canned Goods	600	200	800	5	4,000
38	Rice	Dry/Canned Goods	600	300	900	18	16,200
39	Instant Noodles	Dry/Canned Goods	800	300	1,100	4.20	4,620
40	Yogurt	Refrigerated Item	500	100	600	7	4,200
41	Whipped Cream	Refrigerated Item	400	100	500	9	4,500
42	Milk	Refrigerated Item	400	100	500	6	3,000
43	Butter	Refrigerated Item	400	100	500	11	5,500
44	Cheese	Refrigerated Item	500	100	600	10	6,000
45	Frozen Food	Refrigerated Item	600	200	800	12	9,600
46	Meat (preserved)	Refrigerated Item	500	100	600	12	7,200
47	Ice Cream	Refrigerated Item	600	100	700	8	5,600
48	Laundry Detergent	Cleaning	500	100	600	23	13,800
49	Paper Towels	Cleaning	500	100	600	13	7,800
50	Toilet Paper	Cleaning	500	200	700	15	10,500

51	Trash Bags	Cleaning	500	200	700	6	4,200
52	Diapers	Cleaning	600	100	700	60	42,000
53	Wipes	Cleaning	400	100	500	4.20	2,100
54	Air Freshener	Cleaning	400	100	500	7	3,500
55	Fresh Fruits	Perishable Goods	400	-	400	-	2,300
56	Fresh Vegetables	Perishable Goods	400	-	400	-	2,600
57	Fresh Meat	Perishable Goods	400	-	400	-	5,000
58	Fresh Fish	Perishable Goods	300	-	300	-	4,200
59	Egg	Perishable Goods	600	200	800	6	4,800
60	Feminine Wash	Toiletries	500	100	600	10	6,000
61	Sanitary Pad	Toiletries	700	200	900	10	9,000
62	Shampoo	Toiletries	500	100	600	12	7,200
63	Conditioner	Toiletries	500	100	600	12	7,200
64	Body Wash	Toiletries	600	200	800	15	12,000
65	Toothbrush	Toiletries	500	100	600	4	2,400
66	Razor	Toiletries	500	100	600	7	4,200
67	Shave Cream	Toiletries	500	100	600	12	7,200
68	Toothpaste	Toiletries	600	100	700	10	7,000
69	Face Cleanser	Toiletries	600	100	700	20	14,000
70	Lotion	Toiletries	500	100	600	17	10,200
TOTAL							481,305

LIST OF SUPPLIER FOR MATERIAL

There are many suppliers for material. Below is the list of suppliers for material in E-Five Mart.

No	Material	Supplier
1	Wheat Flour	Tanjung Emas Trading Sdn Bhd
2	Yeast	Tanjung Emas Trading Sdn Bhd
3	Salt	Tanjung Emas Trading Sdn Bhd
4	Sugar	Tanjung Emas Trading Sdn Bhd
5	Milk Powder	Tanjung Emas Trading Sdn Bhd
6	Brownie Mix	Tanjung Emas Trading Sdn Bhd
7	Peanuts and Nuts	Tai Sun Lim Kee Food Industries (M) Sdn Bhd
8	Pasta	Tastyly Food Sdn Bhd
9	Grains	Tastyly Food Sdn Bhd
10	Beans	Tastyly Food Sdn Bhd
11	Spices	Tastyly Food Sdn Bhd
12	Dried Fruit	Tai Sun Lim Kee Food Industries (M) Sdn Bhd
13	Baking Powder	Tanjung Emas Trading Sdn Bhd
14	Canned Tuna	Tanjung Emas Trading Sdn Bhd
15	Canned Sardine	Tanjung Emas Trading Sdn Bhd
16	Cereal	Tanjung Emas Trading Sdn Bhd
17	Chips	Tanjung Emas Trading Sdn Bhd
18	Chocolate Chips	Tanjung Emas Trading Sdn Bhd
19	Crackers	Tanjung Emas Trading Sdn Bhd
20	Candy	Meika Food Industries Sdn Bhd
21	Chocolate	Meika Food Industries Sdn Bhd
22	Gummy Bear	Meika Food Industries Sdn Bhd
23	Ketchup	Tanjung Emas Trading Sdn Bhd
24	Mayonnaise	Tanjung Emas Trading Sdn Bhd
25	Chili Sauce	Tanjung Emas Trading Sdn Bhd

26	Pickles	Tanjung Emas Trading Sdn Bhd
27	Yellow Mustard	Tanjung Emas Trading Sdn Bhd
28	Oats	Tastyly Food Sdn Bhd
29	Hamburger/ Hot Dog Buns	Ramly Food Marketing Sdn Bhd
30	Vegetable Oil	Tanjung Emas Trading Sdn Bhd
31	Olive Oil	Tanjung Emas Trading Sdn Bhd
32	Jelly/Jam	Tanjung Emas Trading Sdn Bhd
33	Salad Dressing	Tanjung Emas Trading Sdn Bhd
34	Soda (can)	Tanjung Emas Trading Sdn Bhd
35	Soda (bottle)	Tanjung Emas Trading Sdn Bhd
36	Kordial	Tanjung Emas Trading Sdn Bhd
37	Pasta Sauce (Bolognese/ Carbonara)	Tastyly Food Sdn Bhd
38	Rice	Tanjung Emas Trading Sdn Bhd
39	Instant Noodles	Tanjung Emas Trading Sdn Bhd
40	Yogurt	Petaling Jaya Dairy Sdn Bhd
41	Whipped Cream	Petaling Jaya Dairy Sdn Bhd
42	Milk	Farm Fresh Milk Sdn Bhd
43	Butter	Petaling Jaya Dairy Sdn Bhd
44	Cheese	Petaling Jaya Dairy Sdn Bhd
45	Frozen Food	JM Frozen Foods Supply Sdn Bhd
46	Meat (preserved)	JM Frozen Foods Supply Sdn Bhd
47	Ice Cream	Tanjung Emas Trading Sdn Bhd
48	Laundry Detergent	Tanjung Emas Trading Sdn Bhd
49	Paper Towels	Tanjung Emas Trading Sdn Bhd
50	Toilet Paper	Tanjung Emas Trading Sdn Bhd
51	Trash Bags	Tanjung Emas Trading Sdn Bhd
52	Diapers	SJ Circle Sdn Bhd
53	Wipes	Tanjung Emas Trading Sdn Bhd

54	Air Freshener	Tanjung Emas Trading Sdn Bhd
55	Fresh Fruits	Fresh Select Sdn Bhd
56	Fresh Vegetables	Fresh Select Sdn Bhd
57	Fresh Meat	Fresh Select Sdn Bhd
58	Fresh Fish	Fresh Select Sdn Bhd
59	Egg	Fresh Select Sdn Bhd
60	Feminine Wash	Wipro Unza (M) Sdn Bhd
61	Sanitary Pad	SJ Circle Sdn Bhd
62	Shampoo	Wipro Unza (M) Sdn Bhd
63	Conditioner	Wipro Unza (M) Sdn Bhd
64	Body Wash	Wipro Unza (M) Sdn Bhd
65	Toothbrush	Wipro Unza (M) Sdn Bhd
66	Razor	Wipro Unza (M) Sdn Bhd
67	Shave Cream	Wipro Unza (M) Sdn Bhd
68	Toothpaste	Wipro Unza (M) Sdn Bhd
69	Face Cleanser	Wipro Unza (M) Sdn Bhd
70	Lotion	Wipro Unza (M) Sdn Bhd

4.5 MACHINE AND EQUIPMENT PLANNING

Items	Quantity	Price Per Unit (RM)	Total Cost (RM)
Smart Trolley	100	1,000	100,000
Hand Pallet Truck	30	780	23,400
Post Racks	50	255	12,750
Air Conditioner	15	3,099	46,485
Horizontal Air Curtain Merchandisers	10	2,350	23,500
Vertical Air Curtain Merchandisers	10	2,200	22,000
Reach-In Refrigerators	10	1,662	16,620
Reach-In Freezers	20	4,260	85,200
Display Chiller	12	2,280	27,360
Wall Gondola	50	300	15,000
Total			372,315

4.6 Man power Planning

No. of worker required = $\frac{\text{Planned rate of production per day} \times \text{Workers Standard}}{\text{Worker Productive Time Per day} \times \text{Production Time/Unit}}$

= 357/12 hours

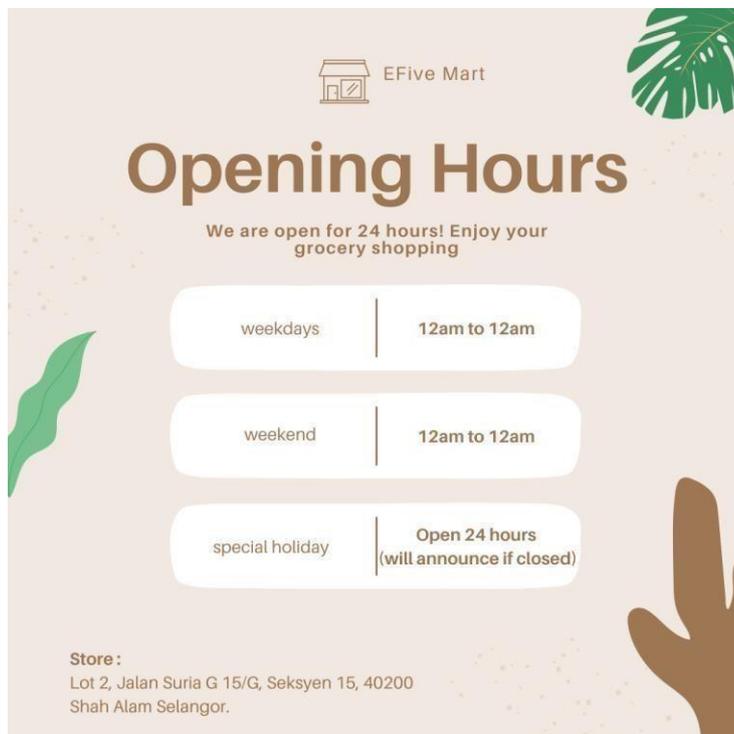
= 15 (workers)

4.7 Overhead Requirement

Table below shows the total of overhead requirement cost.

Fixed Overhead	Cost (RM)
Office Equipment	28,297.50
Business Registration & Licenses	1200
Variable Overhead	Cost (RM)
Utilities	13,00
Salaries,EPF,SOCSSO	26,564.25
Promotion	3700
Total	61,061.75

4.9 Business and Operating Hours



E Five Mart is operating for 24 hours a day to help everyone get the stuff they need and match everyone's schedule. All customers can buy stuff they need regardless the time and it help people that want to buy something for emergency. This is E-Five Mart speciality compare to other grocery store or supermarket.

License,Permits and Regulations required

Starting a business in Malaysia required company to have a valid business license that are register legally according to the law. All the stuff mention above such as license, permits, registration and approval are very important before company is able to start their businesses. E-Five Mart applied for all needed and required licenses in order to start the business smoothly.

List of general license required:

1. Company Registration
2. Company and employees income tax registration
3. Employees provident fund
4. Social security organisation
5. Human resource development fund
6. Business premise license and sign board license

Operation Budget

Table below show the operation budget.

Item	Fixed Assets (RM)	Monthly Expenses (RM)	Other Expenses (RM)
Fixed Assets			
Machine	372,315		
Operation Equipment Furniture and Fitting	28297.50		
	8491		
Working Capital		481,305	
Raw Material Carriage inward and duty			
Other Expenditures			
Deposit for rent Deposit for utilities			
	383,103.5	481,305	0

Implementation Schedule

Activities	Deadlines	Duration
Incorporation of business	Oct - Dec 2022	3 months
Application for permit and license	Oct - Dec 2022	3 months
Searching for premise	Nov - Dec 2022	2 months
Premise Renovation	January 2023	1 months
Procurement of machines and operation item	Feb - March 2023	2 months
Recruitment of staff	Feb 2023	1 months
Installation of machines	March 2023	1 months

SUPPLIER OF MACHINE AND EQUIPMENT

No	Items	Supplier
1	Smart Trolley	MDT Innovations Sdn Bhd
2	Hand Pallet Truck	Sypex Supplier Sdn Bhd
3	Post Racks	Sypex Supplier Sdn Bhd
4	Air Conditioner	Daikin Malaysia Sdn Bhd
5	Horizontal Air Curtain Merchandisers	Soonly Refrigeration Trading
6	Vertical Air Curtain Merchandisers	Soonly Refrigeration Trading
7	Reach-In Refrigerators	Soonly Refrigeration Trading
8	Reach-In Freezers	Soonly Refrigeration Trading
9	Display Chiller	Soonly Refrigeration Trading
10	Wall Gondola	Suntech Storage System Sdn Bhd

CHAPTER 5.0 FINANCIAL PLAN

5.1 DEFINITION OF A FINANCIAL PLAN

Financial management is crucial for the organization to manage all the organization's funds. The financial management means planning, organizing, directing, and controlling the financial activities such as utilization of funds of the organization. So, it is the main key of the business plan and involve the calculation of the total project cost, the choices of financial source and preparation of financial projection in term of pro forma statement which includes the cash flow, income statement and balance sheet.

Financial roles are expressing and accepting divergent points of views and concerns especially from the Board, providing insights on trends and forecast as well as initiating management in a more objective manner to create more values and sustainability of the business along with my team members. On top of that, financial also takes the accountability in the identification of company's current and possible future problems which are most probably related to finance. Evaluation of suitable measures to overcome any matters and subsequently submission of recommendation to the Board are necessary with the purpose of assisting E-Five Mart to perform better in the future.

The objectives of financial plans are:

- To determine the size of investment.
- To ensure the initial capital is sufficient.
- To identify and propose the relevant sources of finance.
- To maximizing the profits while using smallest cost.
- To keep balancing the cash flow of the business.

In brief, the financial report serves as the company's core, assisting in the tracking of receiving and exiting funds for future planning initiatives.

5.2 PROJECT IMPLEMENTATION COST

MARKETING EXPENDITURE	
Fixed asset	RM
Warehouse	3,000
Building Rental	4,000
Vehicles	70,000
Working capital	
Promotion	3,700
Other expenditure	3,000
TOTAL	83,700

ADMINISTRATIVE EXPENDITURE	
Fixed asset	RM
Land & Building	9,800,000
Furniture and fitting	8,491
Office Equipment	28,298
Office Supplies	819
Working capital	
Capital	72,761
Utilities	1,300
Salaries, EPF & SOCSO	26,565
Other expenditure	
Pre-Operations	
Deposit (rent, utilities, etc)	2,940,000
Business registration and licences	1,200
Renovation	605,000
Other expenditures	500
TOTAL	13,484,933

OPERATION EXPENDITURE	
Fixed asset	RM
Machine & Equipment	578,615
Working capital	
Raw materials	481.305
Carriage inward and duty	500
Other expenditure	
Pre-Operations	
TOTAL	1,060,420

5.3 SOURCE OF FINANCE

- Overview

For a business organisation, the most significant component of beginning a firm or a new venture is locating sources of business finance. It necessitates the greatest amount of effort and attention. The sources of business finance are classified according to ownership, time, period, and control, among other factors, and are evaluated and applied in various situations.

In source of finance, it can be classified of the source generation, ownership and control that can be used by the based-on time period.

Financial resources in bases on period:

- ❖ Long term which is operated for five years and above.
- ❖ Medium term, basically focused on three to five years.
- ❖ Short term, which is less than a year.

Ownership and control divide into two:

- ❖ Owned such as the assets that owned by the owner by involving the equity, preference, joint ventures fund, convertible debentures, and any sources that came from the owner or brought by the owner.
- ❖ Borrowed which is a term that the business borrows from other resources such as international and commercial banks.

Source of generation from internal and external sources:

- ❖ Internal sources specifically, are from the Efvemart earnings such as profit, sales on assets of Efvemart, which is it comes from the business itself.
- ❖ External sources are basically the funds from the outside of the business such as loan, modal, and others.

5.4 PROJECT IMPLEMENTATION COST & SOURCES OF FINANCE E-FIVE MART

E-FIVE MART							
PROJECT IMPLEMENTATION COST & SOURCES OF FINANCE							
Project Implementation Cost			Sources of Finance				
Requirements			Cost	Loan	Hire-Purchase	Own Contribution	
Fixed Assets						Cash	Existing F. Assets
Land & Building			9,800,000			800,000	9,000,000
Furniture and Fittings			8,491	8,000			491
Office Equipment			28,298	200		98	28,000
Office Supplies			819				819
Warehouse			3,000				3,000
Building Rental			4,000			1,500	2,500
Vehicles			70,000	70,000			
Machines and Equipment			578,615	416,300	100,000	26,150	36,165
Working Capital							
	1	months					
Administrative			100,626	100,626			
Marketing			3,700	3,700			
Operations			481,805	481,805			
Pre-Operations & Other Expenditure			3,549,700	3,549,700			
Contingencies			1,024,034	1,024,034			
	7	%					
TOTAL			15,653,087	5,654,364	100,000	827,748	9,070,975

5.5 CASH FLOW PRO FORMA STATEMENT E-FIVE MART

E-FIVE MART CASH FLOW PRO FORMA STATEMENT																
MONTH	Pre-Operat ions	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL L YR 1	YEA R 2	YEA R 3
<u>CASH INFLOW</u>																
Capital (Cash)	827,748													827,748		
Loan	5,654,364													5,654,364		
Cash Sales		390,270	490,250	300,000	458,952	710,356	620,500	840,250	425,050	430,670	930,950	740,290	850,678	7,188,216		
TOTAL CASH INFLOW	6,482,112	390,270	490,250	300,000	458,952	710,356	620,500	840,250	425,050	430,670	930,950	740,290	850,678	13,670,328		
<u>CASH OUTFLOW</u>																
Administrative Expenditure																
Capital		72,761	72,761	72,761	72,761	72,761	72,761	72,761	72,761	72,761	72,761	72,761	72,761	873,132	873,132	873,132
Utilities		1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	15,600	15,600	15,600
Salary, EPF, SOCSO		26,565	26,565	26,565	26,565	26,565	26,565	26,565	26,565	26,565	26,565	26,565	26,565	318,776	318,776	318,776
Marketing Expenditure																
Promotion		3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	44,400	44,400	44,400
Operations Expenditure																
Cash Purchase		481,305	470,654	350,486	252,354	552,486	524,624	846,514	163,546	132,643	23,569	316,656	636,144	4,750,981		
Payment of Account Payable																
Carriage Inward & Duty		500	500	500	500	500	500	500	500	500	500	500	500	6,000	6,000	6,000
Salaries, EPF & SOCSO																
Other Expenditure																
Pre-Operations		3,500												3,500	3,500	3,500
Deposit (rent, utilities, etc.)	2,940,000													2,940,000		

Business Registration & Licences	1,200														1,200		
Insurance & Road Tax for Motor Vehicle																	
Other Pre-Operations Expenditure	605,000														605,000		
Fixed Assets																	
Purchase of Fixed Assets - Land & Building	800,000														800,000		
Purchase of Fixed Assets - Others	496,098														496,098		
Hire-Purchase Down Payment	26,150														26,150		
Hire-Purchase Repayment:																	
Principal		1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000	20,000	
Interest		417	417	417	417	417	417	417	417	417	417	417	417	417	5,000	5,000	
Loan Repayment:																	
Principal		94,239	94,239	94,239	94,239	94,239	94,239	94,239	94,239	94,239	94,239	94,239	94,239	94,239	1,130,873	1,130,873	
Interest		23,560	23,560	23,560	23,560	23,560	23,560	23,560	23,560	23,560	23,560	23,560	23,560	23,560	282,718	226,175	169,631
Tax Payable														40,114	40,114	0	0
TOTAL CASH OUTFLOW	4,868,448	709,513	695,362	575,194	477,062	777,194	749,332	1,071,222	388,254	357,351	248,277	541,364	900,966	12,359,541	2,643,455	2,586,911	
CASH SURPLUS (DEFICIT)	1,613,664	-319,243	-205,112	-275,194	-18,110	-66,838	-128,832	-230,972	36,796	73,319	682,673	198,926	-50,288	1,310,787	-2,643,455	-2,586,911	
BEGINNING CASH BALANCE		1,613,664	1,294,421	1,089,309	814,115	796,005	729,166	600,334	369,362	406,158	479,476	1,162,149	1,361,075		1,310,787	-1,332,668	
ENDING CASH BALANCE	1,613,664	1,294,421	1,089,309	814,115	796,005	729,166	600,334	369,362	406,158	479,476	1,162,149	1,361,075	1,310,787	1,310,787	-1,332,668	-3,919,579	

5.6 LOAN REPAYMENT SCHEDULE E-FIVE MART

LOAN REPAYMENT SCHEDULE					
	<i>Amount</i>		5,654,364		
	<i>Interest Rate</i>		5%		
	<i>Duration (yrs)</i>		5		
	<i>Method</i>		Annual Balance		
	<i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Total Payment</i>	<i>Principal Balance</i>
		-	-		5,654,364
	1	1,130,873	282,718	1,413,591	4,523,491
	2	1,130,873	226,175	1,357,047	3,392,618
	3	1,130,873	169,631	1,300,504	2,261,746
	4	1,130,873	113,087	1,243,960	1,130,873
	5	1,130,873	56,544	1,187,416	-
	6	0	0	-	-
	7	0	0	-	-
	8	0	0	-	-
	9	0	0	-	-
	10	0	0	-	-

5.7 HIRE PURCHASE REPAYMENT SHCEDULE E-FIVE MART

HIRE-PURCHASE REPAYMENT SCHEDULE				
Amount		100,000		
Interest Rate		5%		
Duration (yrs)		5		
Year	Principal	Interest	Total Payment	Principal Balance
	-	-		100,000
1	20,000	5,000	25,000	80,000
2	20,000	5,000	25,000	60,000
3	20,000	5,000	25,000	40,000
4	20,000	5,000	25,000	20,000
5	20,000	5,000	25,000	-
6	0	0	-	-
7	0	0	-	-
8	0	0	-	-
9	0	0	-	-
10	0	0	-	-

5.8 PRO FORMA INCOME STATEMENT E-FIVE MART

E-FIVE MART			
PRO-FORMA INCOME STATEMENT			
	Year 1	Year 2	Year 3
Sales	7,188,216		
Less: Cost of Sales			
Opening Stock of Finished Goods			
Production Cost	4,872,704	121,723	121,723
less: Ending Stock of Finished Goods	0	0	0
	4,872,704	121,723	121,723
Gross Profit	2,315,512	-121,723	-121,723
Less: Expenditure			
Administrative Expenditure	1,207,508	1,207,508	1,207,508
Marketing Expenditure	44,400	44,400	44,400
Other Expenditure	3,500	3,500	3,500
Business Registration & Licences	1,200		
Insurance & Road Tax for Motor Vehicle			
Other Pre-Operations Expenditure	605,000		
Interest on Hire-Purchase	5,000	5,000	5,000
Interest on Loan	282,718	226,175	169,631
Depreciation of Fixed Assets	22,922	22,922	22,922
Total Expenditure	2,172,247	1,509,504	1,452,960
Net Profit Before Tax	143,265	-1,631,227	-1,574,683

Tax	40,114	0	0
Net Profit After Tax	103,151	-1,631,227	-1,574,683
Accumulated Net Profit	103,151	-1,528,076	-3,102,759

5.9 PRO FORMA BALANCE SHEET E-FIVE MART

E-FIVE MART			
PRO-FORMA BALANCE SHEET			
	Year 1	Year 2	Year 3
ASSETS			
Fixed Assets (Book Value)			
Land & Building	9,800,000	9,800,000	9,800,000
Furniture and Fittings	6,793	5,095	3,396
Office Equipment	22,638	16,979	11,319
Office Supplies	655	491	328
Warehouse	2,400	1,800	1,200
Building Rental	3,200	2,400	1,600
Vehicles	56,000	42,000	28,000
Machines and Equipment #REF!	462,892	347,169	231,446
	10,354,578	10,215,934	10,077,289
Current Assets			
Stock of Raw Materials			
Stock of Finished Goods			
Accounts Receivable			
Cash Balance	1,310,787	-1,332,668	-3,919,579
	1,310,787	-1,332,668	-3,919,579
Other Assets			
Deposit	2,940,000	2,940,000	2,940,000
TOTAL ASSETS	14,605,365	11,823,265	9,097,710

Owners' Equity			
Capital	9,898,723	9,898,723	9,898,723
Accumulated Profit	103,151	-1,528,076	-3,102,759
	10,001,874	8,370,647	6,795,964
Long Term Liabilities			
Loan Balance	4,523,491	3,392,618	2,261,746
Hire-Purchase Balance	80,000	60,000	40,000
	4,603,491	3,452,618	2,301,746
Current Liabilities			
Accounts Payable			
TOTAL EQUITY & LIABILITIES	14,605,365	11,823,265	9,097,710

5.10 FINANCIAL PERFORMANCE E-FIVE MART

E-FIVE MART			
FINANCIAL PERFORMANCE			
	Year 1	Year 2	Year 3
<u>PROFITABILITY</u>			
Sales	7,188,216	0	0
Gross Profit	2,315,512	-121,723	-121,723
Profit Before Tax	143,265	-1,631,227	-1,574,683
Profit After Tax	103,151	-1,631,227	-1,574,683
Accumulated Profit	103,151	-1,528,076	-3,102,759
<u>LIQUIDITY</u>			
Total Cash Inflow	13,670,328	0	0
Total Cash Outflow	12,359,541	2,643,455	2,586,911
Surplus (Deficit)	1,310,787	-2,643,455	-2,586,911
Accumulated Cash	1,310,787	-1,332,668	-3,919,579
<u>SAFETY</u>			
Owners' Equity	10,001,874	8,370,647	6,795,964
Fixed Assets	10,354,578	10,215,934	10,077,289
Current Assets	1,310,787	-1,332,668	-3,919,579
Long Term Liabilities	4,603,491	3,452,618	2,301,746
Current Liabilities	0	0	0
<u>FINANCIAL RATIOS</u>			
<i>Profitability</i>			
Return on Sales	1%	0%	0%
Return on Equity	1%	-19%	-23%
Return on Investment	1%	-14%	-17%
<i>Liquidity</i>			
Current Ratio	0.0	0.0	0.0
Quick Ratio (Acid Test)	0.0	0.0	0.0

<u>Safety</u>			
Debt to Equity Ratio	0.5	0.4	0.3
<u>BREAK-EVEN ANALYSIS</u>			
Break-Even Point (Sales)	6,754,290	0.0	0.0
Break-Even Point (%)	94%	0%	0%

CHAPTER 6.0 CONCLUSION

CONCLUSION

In conclusion, this business plan helps the company to plan and arrange the business thoroughly and in detail. It helps to get a better picture of a business future. Through a business plan, it can be used to see if the product and services provided have the right target market, marketing expenses and whole cost for the working capital. It also helps E-Five Mart to set the priorities in the business. It helps to keep the track of the right things and allocate time, effort and resources strategically. It also helps in cash management to see if the profit is enough or not. It helps to plan and manage the cash flow and see if there are problems to be solved. As for E-Five Mart, there is no doubt that this business will be accepted by the community and thrive in the future since the business brings new experience for people to do grocery shopping which can bring convenience to consumers.

In the future, E-Five Mart could be an industry leader that is most recognizable among its competitors through all of the advancement and innovation implemented in it. E-Five Mart will be known not only in Shah Alam, but all over Malaysia and will open other branches in other states if showing high satisfactory business performance. Speaking of performance, the base for the company must be strong to achieve an excellent performance. The company administration plays an important role in the company's affairs. In the marketing plan, it can be seen that the planning of marketing is very important in order for the company to get customers and also, its recognition. In the operational plan, they need to ensure that the flow of work in making the business is going smoothly to ensure the quality of the product and services. Lastly, the financial plan really helps to manage the cash flow, expenses and also the profit. It helps to ensure the business gets the profit from the money it spends in the working capital.

Overall, E-Five Mart is a relevant and important business that provides solutions to the community and indirectly increases people's quality of life. In line with the business objectives, E-Five Mart believes that the implementation of the technology will help to bridge the existing gap that could be an obstacle for the business to achieve its objectives such as inefficient supermarket management, rising labour costs, not user friendly and many more. E-Five Mart will be the first company to introduce self-service supermarkets in Malaysia that will have a positive impact on the community. Hence, that explains why technology has both tangible and intangible benefits that will help E-Five Mart to gain profit and provide products and services that meet consumers demand. This will increase the relationship between the business and customers. To summarise, technological advancement in E-Five Mart will affect the profitability, efficiency and relationships of the business.

COMPENSATION AND BENEFITS

- Employment Act 1955

Employment law in Malaysia is generally governed by the Employment Act 1955 (“Employment Act”). The Employment Act sets out certain minimum benefits that are afforded to applicable employees. For applicable employees – any clause in an employment contract that purports to offer less favourable benefits than those set out in the Employment Act, shall be void and replaced with the minimum benefits in the Employment Act.

The protection under the Employment Act only applies to these categories of employees:

- Employees whose monthly salary does not exceed RM2,000.
- Employees who are engaged in manual labour, regardless of salary.
- Employees engaged in the operation or maintenance of mechanically propelled vehicles.
- Employees who supervise or oversee other employees engaged in manual labour.
- Employees engaged in any capacity on a vessel (subject to certain other conditions).

1) Rest day

Every employee shall be allowed in each week a rest day of one whole day as may be determined from time to time by the employer.

2) Holidays

Every employee shall be entitled to a paid holiday at his ordinary rate of pay on ten gazetted public holidays in any one calendar year, four of which shall be–

- (a) the National Day
- (b) the Birthday of the Yang di-Pertuan Agong;

(c) the Birthday of the Ruler or the Yang di-Pertua Negeri, as the case may be, of the State in which the employee wholly or mainly works under his contract of service, or the Federal Territory Day, if the employee wholly or mainly works in the Federal Territory; and

(d) the Workers' Day:

Provided that if any of the said ten gazetted public holidays falls on a rest day the working day following immediately thereafter shall be a paid holiday in substitution therefor

3) Annual Leave

An employee shall be entitled to paid annual leave of –

(a) eight days for every twelve months of continuous service with the same employer if he has been employed by that employer for a period of less than two years;

(b) twelve days for every twelve months of continuous service with the same employer if he has been employed by that employer for a period of two years or more but less than five years; and

(c) sixteen days for every twelve months of continuous service with the same employer if he has been employed by that employer for a period of five years or more, and if he has not completed twelve months of continuous service with the same employer during the year in which his contract of service terminates, his entitlement.

to paid annual leave shall be in direct proportion to the number of completed months of service.

4) Sick Leave

An employee shall, after examination at the expense of the employer –

(a) by a registered medical practitioner duly appointed by the employer; or

(b) if no such medical practitioner is appointed or, if having regard to the nature or circumstances of the illness, the services of the medical practitioner so appointed are not obtainable within a reasonable time or distance, by any other registered medical practitioner or by a medical officer, be entitled to paid sick leave, –

(aa) where no hospitalisation is necessary, --

(i) of fourteen days in the aggregate in each calendar year if the employee has been employed for less than two years;

(ii) of eighteen days in the aggregate in each calendar year if the employee has been employed for two years or more but less than five years;

(iii) of twenty-two days in the aggregate in each calendar year if the employee has been employed for five years or more; or

(bb) of sixty days in the aggregate in each calendar year if hospitalisation is necessary, as may be certified by such registered medical practitioner or medical officer:

Provided that the total number of days of paid sick leave in a calendar year which an employee is entitled to under this section shall be sixty days in the aggregate;

An employee shall also be entitled to paid sick leave under paragraphs (aa) and (bb) of subsection (1) after examination by a dental surgeon as defined in the Dental Act 1971

5) Maternity Leave

Every female employee shall be entitled to maternity leave for a period of not less than sixty consecutive days. A female employee shall not be entitled to any maternity allowance if at the time of her confinement she has five or more surviving children.

6) Overtime

For any overtime work carried out in excess of the normal hours of work, the employee shall be paid at a rate not less than one and half times his hourly rate of pay irrespective of the basis on which his rate of pay is fixed. In this section "overtime" means the number of hours of work carried out in excess of the normal hours of work per day. Provided that if any work is carried out after the spread over period of ten hours, the whole period beginning from the time that the said spread over period ends up to the time that the employee ceases work for the day shall be deemed to be overtime.

- Social Security Organization (SOCSO)

The main function of SOCSO is to provide social security protection to employees and their dependents through the Employment Injury Scheme and the Invalidity Scheme. The Employment Injury Scheme provides protection to employees against occupational injuries including occupational diseases and commuting accidents. The Invalidity Scheme provides 24-hour protection to employees against invalidity or death due to any cause outside working hours and not related to employment. Both schemes provide cash benefits to employees and their dependents in the event of unforeseen incidents, in addition to providing medical treatment, physical rehabilitation or vocational training. SOCSO also conducts implements accident prevention activities through occupational safety and health awareness programmes among employees and employers. The rate of contribution is 1.25% per month from the insured salary option. Monthly contribution is subject to the ceiling of the insured wage of RM4,000.00 per month.

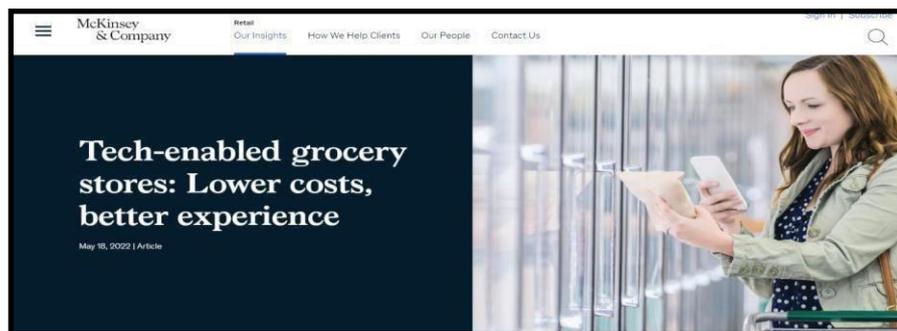
- Employer Provident Fund (EPF)

As an employer, the responsibilities include paying EPF contributions in respect of any person engaged to work under a Contract of Service or Apprenticeship. Subject to the provisions of section 52, every employee and every employer of a person who is an employee within the meaning of this Act shall be liable to pay monthly contributions on the amount of wages at the rate respectively set out in the Third Schedule (Section 43(1),EPFAct1991).

ARTICLE CLIPPINGS



One of the problems that consumers encounter when shopping at a regular supermarket.



One of the advantages of smart supermarkets.

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Financial performance graph

