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## **1.0 EXECUTIVE SUMMARY**

Stargazing Bookstore provides customers with both services and products, which include a library and books. It provides high levels of service satisfaction and great business outcomes. Stargazing Bookstore principal goal is to deliver high-quality books from different countries in the world to people of all ages, beginning with children and progressing to adults and the elderly. Stargazing Bookstore strives for client pleasure in all aspects of service provided. Because Stargazing Bookstore is a new company in the market, there will be many factors to consider in order to ensure that Stargazing Bookstore can compete with other bookstores and meet the needs of customers, as there are many individuals working in the business industry. Furthermore, many people nowadays do not read a lot in their daily lives. Stargazing Bookstore should use this opportunity to learn and improve in order to attract more customers. The general manager, administrative manager, marketing manager, operation manager, and finance manager are the five partners that run Stargazing Bookstore. With the quality services and well-educated backgrounds of Stargazing Bookstore partners, this business will become well-known and widespread among customers. According to Stargazing Bookstore observations, this business is targeting a broad range of clients since Stargazing Bookstore is in a city, where there will be more opportunities to get customers and persuade them to use services and purchase products from Stargazing Bookstore. Stargazing Bookstore also have a cafe in the bookstore so that customers are not bored or hungry. Stargazing Bookstore hope that this business will become a well-known bookstore in the city as well as be able to provide additional services on periodically. every bookstore knows that book demand decreases year after year, but Stargazing Bookstore will ensure that this business grows. Finally, it is Stargazing Bookstore's joy to serve as a supplier for those who desire to become authors or writers and publish their books and works.

## **2.0 BUSINESS BACKGROUND**

### **2.1 Stargazing Bookstore Description**

Stargazing Bookstore has been founded and known as the business name. the reason for chose the phrase stargazing because, stargazing is the act of viewing, looking, or learning about the stars. Stargazing refers to the books in store, which are countless. Stargazing Bookstore name has its own meaning to demonstrate to customers that by stargazing, we may stimulate numerous ideas and books to explore them. Stargazing Bookstore is more focused on retailers. This business created a variety of publications, including primary books, student books, education books, fiction novels, non-fiction books, journals, and many more. Stargazing Bookstore cater to all types of customers, from children to the elderly.

Stargazing Bookstore had chosen Pasir Gudang as business location to build this idea. This business is established by five partners. They are Nuraishah Binti Ahmad, Nur Eiffa Zakiyah Binti Zulkefri, Myra Saffiyah Binti Jaafar, Muhammad Saufi Bin Mohd Khaimi and Siti Nur Najwa Binti Shahrudin. Every partner at Stargazing Bookstore has more than two years of experience in the business. With qualified staff, the operation of Stargazing Bookstore will run smoothly and efficiently.

### **2.2 Reasons Starting Stargazing Bookstore**

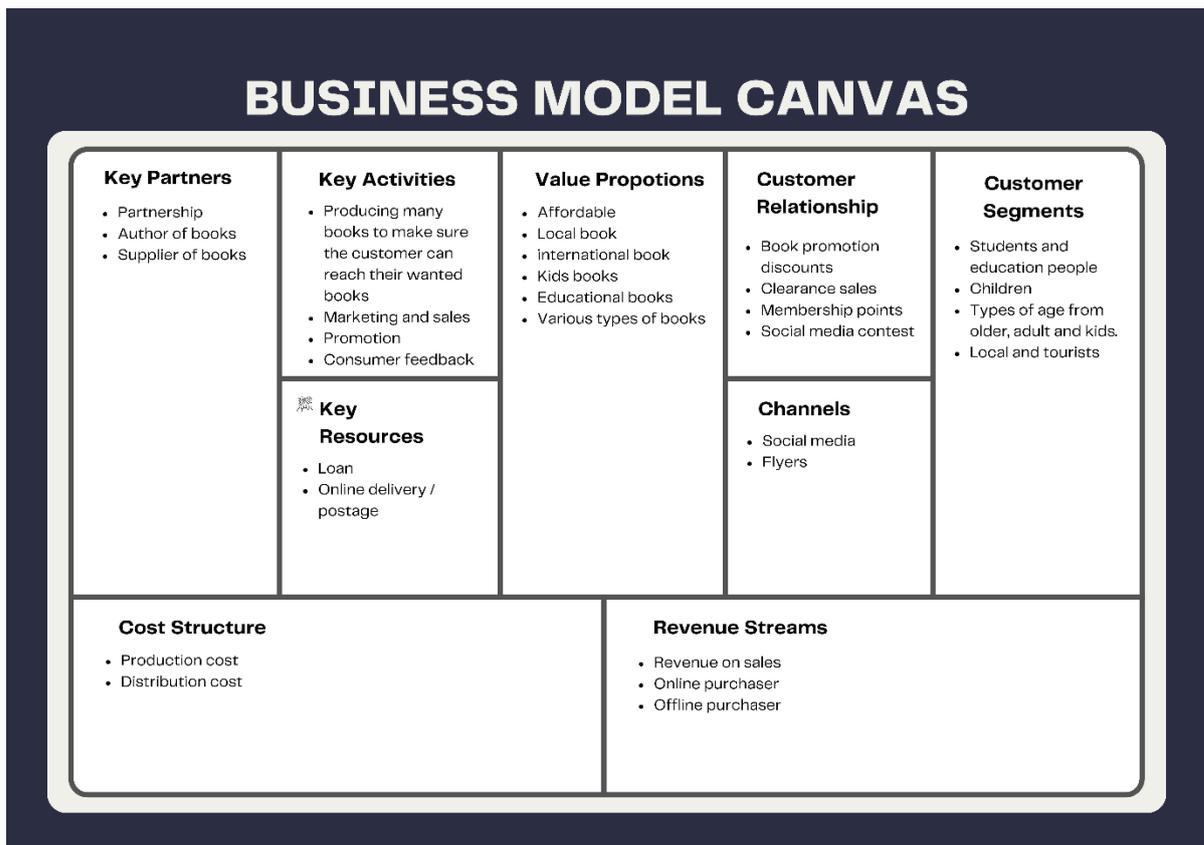
This Stargazing Bookstore was built because Stargazing Bookstore want to offer the authors to have the confidence to publish their books so they can know that their books can help people in education, work, and life. An analysis has been conducted on Andrew Yap and this analysis will be part of business references. Stargazing Bookstore used Andrew Yap as business mentor for built Stargazing Bookstore as reference. Andrew Yap is Bookxcess owner that has been successful in managing his business and become known as the attraction place in Malaysia.

The first analysis goes to interior design. The design more able to attract customer. it is because the concept used by Andrew yap are cozy and relax. The layout for Bookxcess is very systematic and unique. The know how to choose types of

shelves to avoid crowded. In Bookxcess, the workers know how to organize the formation for the furniture so it does not like fibrous.

The first issue of Bookxcess is that every book in there was sealed with a book seal, preventing customers from inspecting the content. It is inconvenient for customers to determine whether this book will benefit them. Second, the air conditioning in the bookstore is malfunctioning. We sweated and felt quite hot after spending some time roaming around the bookstore. Aside from that, the café in the bookstore is closed. Although the location appears to be a specific location for customers to buy food, there are no sellers present, and the location serves just as a decoration. So, in order to resolve the existing issue in this store, we aim to build another bookstore that will be ideal and match customer demand. The Stargazing bookstore also aims to keep the authors' original works from being illegally sold. People and customers can also learn more about various sorts of books, not just regular books, but books that they cannot find. As we all know, there are not many books available in Malaysia, especially those from other countries.

## 2.3 Business Modal Canvas



### 1. Value Propositions

- Affordable price

For value proposition is, Stargazing Bookstore offers affordable price for the customers. This is because, most of the readers are also students too, so stargazing bookstore provide cheaper and affordable price for all of the customers so that they can enjoy reading the book.

- Local book

Secondly, Stargazing bookstore also offer local book in their bookstore. This is because, local bookstores did not get the same hype as international books especially for English local book, so Stargazing Bookstore wants to help the local author to get recognition by bringing them to the store.

- International book

Beside from local book, Stargazing Bookstore also bring the international books to the bookstore. This is because, the demand for

international books is higher. If the customers buy it online, it will cost them a higher price than usual since they have to pay the shipping fee and also other fees.

- Kids book

Stargazing Bookstore also provides and sells kids books in the bookstore. Stargazing bookstore offers a variety of types of kids books for the customers, such as drawing books, picture books, reading books for the customers.

- Educational book

In addition, Stargazing Bookstore offers educational books too. This is because, most of the customers are students. For example, Stargazing Bookstore provides educational books for UPSR, PT3, SPM and also university students.

- Various types of books

Stargazing Bookstore also offers various types of books to their customers. The business also provides different types of books which are literature, self-help books, journals and many more.

## **2. Key Resources**

Key resources related to physical, human, intellectual, and financial assets that Stargazing Bookstore employs to ensure for the success and sustainability of the business model. The first key resource of Stargazing Bookstore is employees. Employees are very important to Stargazing Bookstore in providing the best service to customers. Good service can increase a person's level of interest in Stargazing Bookstore. To provide quality service to customers, Stargazing Bookstore needs to hire quality employees. For example, hiring employees who have extensive work experience, high education level, and high skills. In this way, hired workers can produce good quality services and can meet customer demands.

Second key resources of Stargazing Bookstore is loan. Stargazing Bookstore will make a loan from the bank to obtain business capital to carry out business activities. Before making a loan, a proposal will be prepared first to obtain the amount to be borrowed from the bank. Each manager such as administration manager, marketing manager and operation manager will discuss and state the amount they want to borrow from the bank in one proposal.

### **3. Key Partners**

The key partner of “Stargazing Bookstore” is partnership. This is because, the business consists of 5 people that cooperate as business partner. General manager, administration manager, marketing manager, operational manager and financial manager that are responsible in managing “Stargazing Bookstore.”

The other key partner of “Stargazing Bookstore “is author of the books. This is because, Stargazing Bookstore need to discuss with the authors of the books if they want to put their books in the bookstore.

Lastly, the last key partner is supplier of the book. This is because, supplier plays a important role because they will be supplying all the books to Stargazing Bookstore.

## **2.4 Purpose of Business Plan**

The goal of creating a business strategy is to determine our primary goals for Stargazing Bookstore. Stargazing Bookstore can locate, analyses, and evaluate a possible commercial enterprise by examining its technological (social media), economic, and financial capacity by having a business plan. Planning can assist Stargazing Bookstore in determining whether this final choice is beneficial or whether it will have an impact on the business operations. Furthermore, a business plan may highlight the Stargazing Bookstore strengths and weaknesses, allowing Stargazing Bookstore to develop any concept. Also, Stargazing Bookstore can identify the competition in this retailer's industry so that Stargazing Bookstore may outperform them.

The business plan helps investors in analyzing for the purpose of the investment for the business. The business plan is intended to capture the attention of potential investors and stakeholders, and it will include a financial overview. However, it must include a disclaimer, and the founder may be required to have those who receive it sign a nondisclosure agreement (NDA). The entire business plan is intended to achieve the vision idea by giving supporting facts, and it will be necessary by financial institutions and others when they become formally investors and stakeholders in the business.

Business plan has SOP that will be guideline for stargazing employee to understand in order to make the vision and mission. Standard Operating Procedure in retail is SOPs are specific plans that define how an operation or activity must be conducted. An SOP's purpose is to guarantee that there is a work flow that has been organized, it brings in the expected outcome, performance benchmarks are developed, selecting the necessary tools and resources, duties and obligations are clearly defined and the activity is carried out without confusion or mistake. Before they begin working at Stargazing Bookstore, all employees will get training in term of stocking, marketing, advertising, and customer service. The training will take about a week to complete

## **4.0 ADMINISTRATION PLAN**

#### **4.1 The mission Stargazing Bookstore**

##### **1. Stargazing Bookstore wants to inspire society to read more.**

The reason why “Stargazing Bookstore” wants to inspire society to read more is because society, especially the youngsters, did not read lot of books in their daily lives. According to the assistant professor Dr Thanaseelen Rajasakran claims that if people board the train in Kuala Lumpur or the surrounding suburbs, they would notice that the majority of commuters are glued to their cellphones, reading everything from news to social media feeds. Additionally, Dr. Tham Jen Sern observed that research has shown that just 20 percent of Malaysians are classified as "frequent readers" and that the other 80 percent are usually students who only read for exams.

So, this is the reason why “Stargazing Bookstore” exists. “Stargazing Bookstore” did not only want the people to read only for their exams, but also wanted people to always reading and continue the culture of reading in Malaysia. With the bookstore and library provided by “Stargazing Bookstore”, “Stargazing Bookstore” believes that it can attract more people to start reading again in the future.

##### **2. Providing wide range of books to satisfy the customers’ need**

“Stargazing Bookstore” wants to provide a wide range of books to the customers because some of the books are not easy to be find in Malaysia, and the customers need to pay more if they want to get the books that they want. For example, the customers need to order it through online websites, and they had to pay for a quite amount of money to get the books they want. When the customers, order it online, they need to wait for the book to be ready stock and sometimes the customers need to wait for a month for the books to be arrive at their houses.

So “Stargazing Bookstore” is being a helper by providing a wide range of books to the customers, and the customers do not have to wait for a long time in order to get the books. Additionally, “Stargazing Bookstores” also trying to bring all of the books that are popular in overseas to the bookstores and sell it at the cheapest price as possible.

##### **3. Exceeding customers’ expectation in the book requirements**

The third mission that “Stargazing Bookstore” wants to achieve is exceeding the customers expectations in the book requirements. This is because, each one of the customers must have their own expectations about the books that they read. So “Stargazing Bookstore” tries the best to fulfill the customers expectations by bringing in the book that meets with the customers’ requirements. Beside that, to achieve the mission, “Stargazing Bookstore” will also conduct a survey about the liking of the customers toward the books that they like.

#### **4.4 The vision of Stargazing Bookstore**

The vision of “Stargazing Bookstore” is becoming the largest books provider in Malaysia. This is the reason why “Stargazing Bookstore” chose “BookXcess” as the role model for the business to look up for. “BookXcess” is one of the biggest and cheapest bookstores in Malaysia, so the business can use “BookXcess” as the role model and improve any problems that might be occurs in the future. By becoming a bookstore that provides a large number of books is not easy and needs a lot of process in order to achieve the mission. But everything needs an effort, with the hard works from each one of the employees of the “Stargazing Bookstore”, the business believe that it can achieve it in the future.

#### **4.5 The objective Stargazing Bookstore**

- Stargazing Bookstore wants to bring in high- quality books from various countries.

The first objective of “Stargazing Bookstore” is to bring in high-quality books from various countries. This is because the customers not only care about the contents, cover of the book and story line of the book itself, but they also care about the quality of the book when they buy them. When the customer gets the high-quality material of the book, they will feel that it is worth paying for the book and they will also be excited to read it.

In addition, the texture of the book itself plays an important part because if the material of the paper is in low-quality, it is hard for the customers to read it and will lead them to a reading slump. So, it becomes the objective of “Stargazing Bookstore”

to bring in high-quality books from various countries so that the customers will be satisfied with the products in “Stargazing Bookstore”.

- **Stargazing Bookstore wants to be a safe place for the customers.**

The second mission of “Stargazing Bookstore” is to become a safe place for the customers. The meaning of safe place is, the business wants the customers to be comfortable and relaxed when they visit the bookstore. This is because, when it comes to reading, most of the customers want to enjoy their reading in a quiet place. So, by providing a library for the customers, it can make them relax while enjoying their reading session.

Beside that, the students that come from different institutions can come to the “Stargazing Bookstore” to do their assignments or revise the syllabus peacefully. This is because, “Stargazing Bookstore” library is built for the students who did not have a suitable place for them to study and the students who wants to read and relax. So, it becomes the second objective of “Stargazing Bookstore” to be a safe place for the customers.

#### **4.4 The Logo of Stargazing Bookstore**



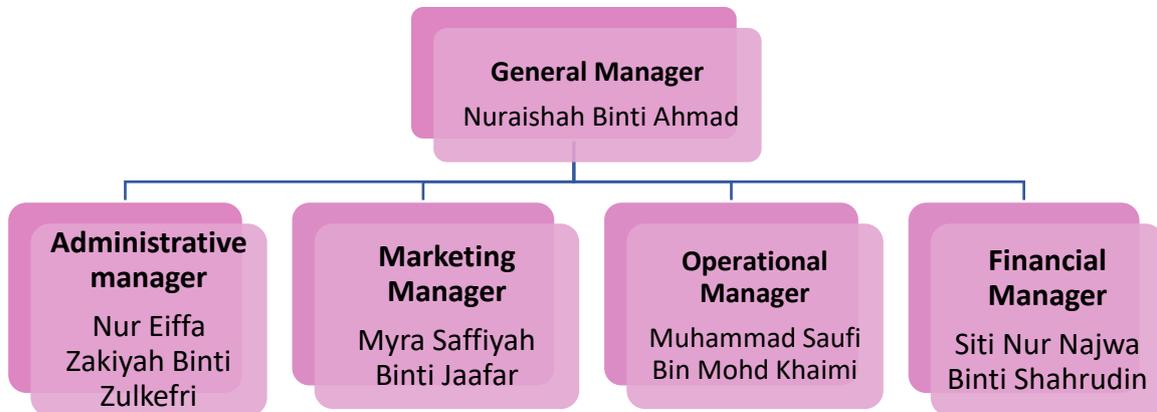
*Figure: Logo of Stargazing Bookstore*

According to the business logo, it has 3 element that related to the business. Firstly, people, star, and book. The people in the logo indicate that the customer who comfortable to read in “Stargazing Bookstore”. It is to show that how warm and pleasant the bookstore is. This is because, beside from providing books to the customers, “Stargazing Bookstore” also provide a reading space or library for customers to enjoy and read their book peacefully. The customers can enter the second-floor space to read books or do their works and assignments.

By providing reading space or library to the customers, they can enjoy every reading they read. Furthermore, the star is referred to the book in the bookstore. As we know there are many stars up the sky. This shows how many books in store that “Stargazing Bookstore” have. “Stargazing Bookstore” is not only providing the latest books on the bookstores, but also provide the oldest books that are hardest to be find in another bookstores in Malaysia.

Lastly, the picture of open-book and the flower in the middle of the book. “Stargazing Bookstore” choose this picture because to show to the customers that it has variety type of choices that the customers can choose. For example, the “Stargazing Bookstore” not only have fiction and non-fiction but educational, motivational books and many more. If the customers come to the “Stargazing Bookstore”, it can guarantee that the customer will be satisfy and come again.

#### 4.5 Organizational chart of Stargazing Bookstore



*Figure: Organizational chart of Stargazing Bookstore*

“Stargazing Bookstore” consists of five people of partnership. The one that is responsible for the “General Manager” is Nuraishah Binti Ahmad. A general manager oversees the entire operations of the business while also raising productivity and departmental profitability. She is in charge of managing a number of aspects of a firm, such as employing personnel, maintaining running budgets, initiating price reductions and many more. Next, the one that is responsible for the “Administrative Manager” is Nur Eiffa Zakiyah Binti Zulkefri. Administrative managers oversee payroll and personnel records and assist with scheduling. In addition to setting policies and processes to make sure that staff workers are properly taught and self-assured in their abilities, she creates reports to offer to other clerical roles.

The one that is responsible for the “Marketing Manager” is Myra Saffiyah Binti Jaafar. She would conduct market research, comprehend consumer trends and preferences, develop marketing strategies and budgets, supervise the production of marketing collateral, and carry out any other pertinent duties necessary to boost the company's sales. Next, the one that is responsible for the “Operational Manager” is Muhammad Saufi Bin Mohd Khaimi. He is in charge of organizing, planning, and

managing operations, service delivery, and manufacturing and production processes to achieve the desired result of a high-quality good or service that meets client needs. Lastly, the one that is responsible for the “Financial Manager” is Siti Nur Najwa Binti Shahrudin. She will compute the pro-forma cash flow, income statement, and balance sheet for the next three years, as well as other corporate budgets.

#### 4.6 Administration Personnel Schedule of Stargazing Bookstore

<b>Position</b>	<b>No of Personnels</b>
General Manager	1
Administration Manager	1
Marketing Manager	1
Operation Manager	1
Financial Manager	1

*Table: List of Administration Personnel*

<b>Position</b>	<b>Task and responsibilities</b>
General Manager	<ul style="list-style-type: none"> <li>• Accountable for leading the “Stargazing Bookstore” toward the company's vision, purpose, and goals.</li> <li>• To plan, organize, lead, and control the daily operations of “Stargazing Bookstore”, region, operating unit or division.</li> <li>• Acts as a decision-maker and collaborates to collect ideas to better the company.</li> <li>• Make sure that all the tasks at “Stargazing Bookstore” are being completed as intended by keeping an eye on them all.</li> </ul>
Administration Manager	<ul style="list-style-type: none"> <li>• Responsible for organizing the "Stargazing Bookstore's" whole personnel administration plan.</li> <li>• To make sure that all equipment in the bookstore is adequate and can be used for the “Stargazing Bookstore”.</li> <li>• To make sure the systematic management system in the “Stargazing Bookstore”.</li> <li>• Controlling and handling the salaries of the “Stargazing Bookstore”.</li> <li>• To discuss the responsibilities and position description for the "Stargazing Bookstore”.</li> </ul>
Marketing Manager	<ul style="list-style-type: none"> <li>• Responsible for planning marketing strategies to gain profit for</li> </ul>

	<p>the "Stargazing Bookstore".</p> <ul style="list-style-type: none"> <li>• Surveying the marketing's scale, aims, and shares for the "Stargazing Bookstore".</li> <li>• Analyzing the products and services from rival companies.</li> <li>• Do the marketing mix for "Stargazing Bookstore" as a device for planning and carrying out the marketing campaigns.</li> </ul>
Operational Manager	<ul style="list-style-type: none"> <li>• Responsibility for ensuring that "Stargazing Bookstore" achieves the desired stand.</li> <li>• Analyze the needs and comments of the buyer after the purchase.</li> </ul>
Financial Manager	<ul style="list-style-type: none"> <li>• Responsible in charge of the cash flow for three years.</li> <li>• Responsible for planning business budget of "Stargazing Bookstore".</li> <li>• Managing and overseeing accounting, investment portfolios, financial reports, and all forms of financial research for "Stargazing Bookstore".</li> <li>• To maintain control over the "Stargazing Bookstore's" financial statements and profit or loss.</li> </ul>

***Table: Schedule of Tasks and Responsibilities***

#### **4.7 Remuneration of Stargazing Bookstore**

Table: Remuneration of the workers Stargazing Bookstore

<b>POSITION</b>	<b>NO</b>	<b>MONTHLY SALARY (RM) (A)</b>	<b>EPF (RM) (B)</b>	<b>SOCSSO (RM) (C)</b>	<b>TOTAL AMOUNT (A+B+C)</b>
General Manager	1	4,000	520	70	4,590
Administration Manager	1	3,500	455	61.25	4,016.25
Marketing Manager	1	3,500	455	61.25	4,016.25
Operational Manager	1	3,500	455	61.25	4,016.25
Financial Manager	1	4,000	520	70	4,590
<b>Total</b>	<b>5</b>	<b>RM 21,228.75</b>			

*Table: Remuneration of the workers Stargazing Bookstore*

#### 4.8 Administration budgets Office Furniture, Fitting and Office Supplies

Type	Quantity	Price (Unit) (RM)	Total amount (RM)
<b>FURNITURE AND FITTINGS</b>			
Office chair	5	250	1,250
Office table	5	390	1,950
Conference table	1	625	625
Conference chair	10	150	1,500
Cabinet	2	1,500	3,000
Sofa	1	1,700	1,700
Coffee table	1	200	200
Pantry set	1	700	700
Whiteboard	1	270	270
<b>TOTAL</b>			<b>RM 11,195</b>

*Table: List of Office Furniture and Fittings*

Type	Quantity	Price (Unit) (RM)	Total amount (RM)
<b>EQUIPMENT</b>			
Printer	1	3,500	3,500
Computer desktop	5	2,400	12,000
Wireless router (Wi-Fi)	1	349	349
Air-conditioner	2	1,500	3,000
Telephone	1	520	520
<b>TOTAL</b>			<b>RM 19,369</b>

*Table: List of equipment*

Type	Quantity	Price (Unit) (RM)	Total amount (RM)
<b>SUPPLIES</b>			
A4 paper (per box)	2	60	120
Pen (per box)	3	20	60
Printer ink	1	400	400
Calculator	2	30	60
Notepads	10	2	20
Other expenses			200
<b>TOTAL</b>			<b>RM 860</b>

*Table: List of office supplies*

Items	Fixed assets (RM)	Monthly expenses (RM)	Other expenses (RM)
<b>Fixed assets</b>			
Furniture and Fittings	11,195		
Office Equipment	19,369		
Office supplies	860		
<b>Working Capital</b>			
Rent		5,500	
Utilities		2,000	
Salaries, EPF & SOCSO		21,228.75	
<b>Other expenses</b>			
Other expenses			200
Deposit (rent & utilities)			200,000
<b>TOTAL</b>		<b>RM, 260,352.75</b>	

*Table: Administration budgets*

## **5.0 MARKETING PLAN**

## **5.1 Marketing Objectives**

Stargazing Bookstore objectives are as follows:

- ✓ To ensure that Stargazing Bookstore becomes familiar among 40% of the citizens in Pasir Gudang within the first three months.
- ✓ To be the most visited bookstore in Pasir Gudang after a year of opening.
- ✓ To increase sales up to 30% by the year 2028.
- ✓ To increase profits up to RM1million for the next 5 years of operation.
- ✓ To reduce production costs up to 3% by the year 2028.
- ✓ To increase market, share up to 25% by year 2028.
- ✓ To penetrate the market up to 50% and become the number one choice of the customers.
- ✓ To provide 50% of feedback from the customers.
- ✓ To enter the global market and in the next seven years of operation, our company are able to compete with the other competitors and become one of the strongest competitors in the industry.

## **5.2 Service Description**

Stargazing Bookstore is a bookstore that serves the citizens in Pasir Gudang especially the students, that also provide reading section and also café services as it is the uniqueness of the bookstore. People nowadays are more attracted to places that have aesthetic vibes in them as that is the concept of the bookstore. This is because, the environment in bookstore is calming, while there are many spots of taking pictures that they could take and post it on social media as it could become one of the strategic ways to attract people from outside Pasir Gudang to come to the bookstore.

Stargazing Bookstore will become one of the best bookstores as this bookstore provides services other than just a normal bookstore. The bookstore will come in two levels which the first level is the main entrance located and we also provide a mini café that serves pastries and coffee that suitable for the customers to enjoy while reading such as croissants, tart, cappuccino, and latte. In addition, Stargazing Bookstore also provides self-service kiosk machines in the same levels to make it easier for the customers to purchase or borrow books from the bookstore. It is one of the innovations

that this bookstore brings as it is easier for the customers since they can only search the book name and check the availability of the books. Other than that, it can save time as the customers will no longer need to queue to borrow or buy books. This is because, on the self-service kiosk machine also has provide the payment section as the bookstore have many options of payment method. The customers can choose to either pay using QR code and payWave at the machine or pay by cash at the counter manually.

Stargazing bookstores also provide reading areas in the second level where people can borrow books from the bookstore and even do their task or assignments there while enjoying the services that are provided. In addition, the business also provides loyalty cards for the customers to collect all the points to get discounts. Each purchase of the customer will get a stamp on their loyalty card. Next, Stargazing bookstore's operation hours are from 10 am to 10 pm which is open every single day except on Friday which it will be operated from 10 am until 2 pm only. While this bookstore will be closed during public holidays such as Hari Raya and Christmas and may only be closed for one or two days only. Overall, the customers' feedback will help the business to become better and their satisfaction really matters as to maintain the good name of the business.

### **5.3 Target Market**

#### **Segmenting Market**

The activity of categorizing or segmenting a market's potential customers based on different criteria is known as market segmentation. Consumers that respond similarly to marketing strategies and who have traits in common, such as a shared interest, need, or location, make up the segments. Its goal is to ensure that businesses may segment their clientele to promote their goods and services more effectively.

- **Geographic Segmentation**
  - **Demographic Segmentation**
  - **Psychographic Segmentation**
- 
- **Geographic Segmentation**

The division of a business's market depending on geography is known as geographic segmentation. Using geography, a market can be divided into cities, regions, countries, and international regions. The three types of markets are rural, suburban, and urban. It can identify the product that the customer needs at a specific place utilizing this segmentation.

Stargazing Bookstore, Taman Cahaya Masai, 81700, Pasir Gudang Johor is the location that the business has chosen to operate the business and it can be said to be an urban area. The location that the business chose is suitable and very strategic as there are many universities nearby and it is also slightly from the main city area. Therefore, it is easier for the citizens and students in Pasir Gudang to access the bookstore as the target is the youngsters and students. It is also considered as a very strategic plan since there are no bookstore in Pasir Gudang that is near to the universities. Thus, it will be the best luck to operate this bookstore in this place.

- **Demographic Segmentation**

Market segmentation based on age, race, region, gender, family size, ethnicity, income, and education are known as demographic segmentation. To assist a business, target its customers more precisely, demographics can be split into a number of markets. The business provides services to people of all ages and genders. Stargazing bookstores offer services of borrowing and buying books for all ages from children to the eldest, especially the youngsters which are universities' students. This is because, in this bookstore, it provides all types of books which are suitable for all group of age.

- **Psychographic Segmentations**

Based on the customer's lifestyle, psychographic segmentation divides the market into different divisions. AIO surveys, which measure activities, interests, and opinions, are one kind of lifestyle measurement technique. It examines several factors that could have an effect on consumer attitudes, expectations, and behaviors. It was created in the 1970s and looks at the attitudes, values, personalities, lifestyles, and communication preferences of customers using behavioral and social sciences.

Based on the research that the business did, part of the citizens come from students since there are about 71 schools and 10 universities in Pasir Gudang. It has become one of the reasons for the business to open the bookstores there where we provide the

most important things, which are resources for the students that are seeking information and knowledge for their educational purpose. However, after the business has collected feedback from the citizen, it can finally conclude that people nowadays tend to seek for information through their gadgets instead of reading book manually as the globalization has become more advance.

## 5.4 Market Trend and Market Size

- **Market Trend**

The increasing number of students and trendy lifestyle have the potential to increase demand for books. As a result, it has become a needs for the citizens especially students in Pasir Gudang to have bookstores and libraries to become one of the main resource for studies as the number of students are increasing. In addition, one of the business concerns is for people to keep practicing reading books instead of reading through their gadgets. Thus, Stargazing Bookstore will become one of the initiatives to maintain and attract the people to get in love with reading.

- **Market Size**

14 years and below	26.3
15 - 64 years	70.7
65 years and above	2.9
18 years and above	69.2

Total	360,621
Citizen	332,151
Non-Citizen	28,470
Male	194,327
Female	166,294

*Source: Politika.My*

- Targeted customers from the population of Pasir Gudang, Johor  
: 344, 393 people.

AGE CLASSES	PERCENTAGE	PERSONS
14 years and below	26.3%	94843
18 years and above	69.2%	249550

- Population x Average Price = Market Size  
:  $344,393 \times 40 = 13,775,720$  (Market Size)

- Sales Forecast is 3% from market size.

:  $13,775,720 \times 3\% = 413,272$  (per year)

The estimated price for each book is RM40.

$4,132,712 / 40 = 103,318$  customers per year.

$41,327 / 12 = 3,444$  customers per month. (RM 137,760 per month)

$3,444 / 30 = 115$  customers per day (RM 4,600 per day)

No.	Purchase	Estimate Sales per Purchase	Total Estimate Sales/ Monthly (RM)	Total Estimate Sales/ Yealy (RM)
1	Books	RM40 x 3,444	137,760	413,272

### **5.5 Competition – Strength & Weakness of Competitors**

<b>Competitors</b>	<b>Strength</b>	<b>Weakness</b>
Book Xcess	One of the most famous bookstores in Johor and have various types of books for all group of ages.	Most of the books were not the latest version.
Website – Book Depository	The people could access the latest one easily and the price is cheaper	The people could feel less joy reading through the screen and can cause myopic

### **5.6 Market Share**

Market share is defined as the division of the market or sales among businesses engaged in similar commercial activity. It will take into account the number of rivals as well as their strengths and shortcomings. The market share breakdown before and after the business entered the market is shown in the table below.

Market share before the entrance of Stargazing Bookstores:

<b>Competitors</b>	<b>Market Share (%)</b>	<b>Total Market Share (RM)</b>
Book Xcess	77.78	28, 770, 000
Online – Book Depository	64	23, 670, 000

Market share after the entrance of Stargazing Bookstores:

<b>Competitors</b>	<b>Market Share Before Entrance (%)</b>	<b>Market Loss (%)</b>	<b>Market Share After Entrance (%)</b>	<b>Total Market Share (RM)</b>
Book Xcess	77.78	1	76.78	28, 483, 650
Online – Book Depository	64	1	63	23, 383, 650

## 5.7 Sales Forecast

### Sales Forecast for a Year:

<b>Month</b>	<b>Sales Forecast (RM)</b>
January	14, 380
February	20, 620
March	31, 220
April	32, 440
May	34, 760
June	35, 870
July	36, 770
August	37, 410
September	39, 110
October	40, 210
November	43, 502
December	46, 980
<b>Total</b>	<b>413, 272</b>

### Sales Forecast by Year:

<b>Year</b>	<b>Percentage Increase (%)</b>	<b>Sales Forecast (RM)</b>
1	-	413, 272
2	15	542, 152
3	25	628, 072

## 5.8 Marketing Strategy

- **Service Strategy**

<b>Name</b>	<b>Stargazing Bookstore</b>
Service Quality	The bookstore is built with many advanced technologies such as self-service kiosk machines and all the staff graduated with suitable as the position that they carried, and some of them were already have experienced. The books in the bookstore are also up to date and latest versions.
Service Package	RM 40 + free loyalty card and a stamp for every purchase = RM40
After Sales Service	Customers can leave their review or feedback on the official websites of Stargazing Bookstore.

- **Pricing Strategy**

A pricing plan based on the tactics of the competitors will be employed. The company will provide the best price that is neither too high nor too low compared to its rivals.

The table below shows a comparison of prices between Stargazing Bookstore and its rivals.

<b>Competitors</b>	<b>Price (RM)</b>
Book Xcess	65
Online – Book Depository	45
<b>Stargazing Bookstore</b>	<b>40</b>

- **Place/Distribution Strategy**

The business provides a direct service to the customer with advanced technology where they do not have to queue to be served. Thus, it is efficient and can save time. The location of the bookstore was also near to the city and in residential as well as universities area. Therefore, it is easier for people to come and access Stargazing

Bookstore. In addition, the bookstore also provides a mini café in it to make the readers feel more joy while reading.

- **Promotion Strategy**

Advertising

Advertising is one of the strategies that the business applied for people getting to know about the existence of Stargazing Bookstore. for example, the business spent on buying flyers and creates a social media account and a website for people to reach the bookstore in easier way. the business decided to make an official account, with username; @stargazingbookstore.my on Instagram. in addition, the business also bought a slot to advertise the account.

The table below shows the budget spent on promotions.

<b>Items</b>	<b>Price (RM)</b>
Flyers	200
Online advertise slot	70

### 5.9 Marketing Budget

<b>Items</b>	<b>Fixed Assets (RM)</b>	<b>Working Capital (RM)</b>	<b>Other Expenses (RM)</b>
<b>Fixed Assets</b>			
Machines	50, 000		
Furniture	15, 000		
Van	36, 000		
<b>Working Capital</b>			
Promotion		270	
Maintenance		1000	
<b>Other Expenditure</b>			
Other expenditure			500
<b>Total (RM)</b>	<b>101, 000</b>	<b>1,270</b>	<b>500</b>

## **6.0 OPERATIONAL PLAN**

## **6.1 Operational Activities**

### **Operation Objectives**

Operations are consistently ranked as one of the most critical functions in any business organization. It is critical for a business to effectively manage its operations to guarantee that it can create goods or provide services in accordance with the criteria, level of quality, and timeframe that customers require. In addition, the term "operations management" can be described as the administration of business procedures inside an organization with the goal of producing the best level of efficiency that is humanly achievable. It is concerned with transforming raw resources and human labour into finished goods and services in the most effective and efficient manner feasible to maximize an organization's profit. It entails the responsibility of ensuring that the operations of the business are effective in terms of meeting the requirements of the customers while also making the most efficient use of the resources that are available. It is in charge of the day-to-day management of the production process as well as the long-term capacity planning of the organization. After establishing appropriate operational goals for each department, a business strategy can be designed to accomplish those goals. These are the objectives of Stargazing:

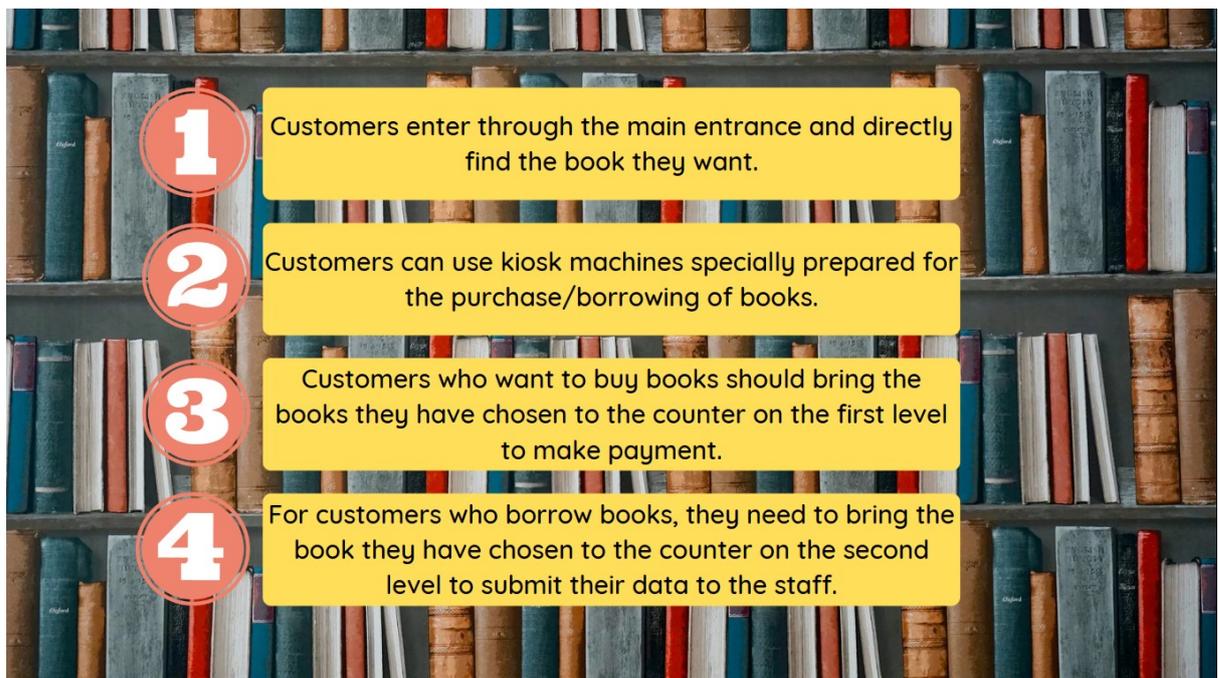
1. Having a system that can take the place of the manual library management system.
2. To have a database that keeps information about users and books.
3. Give the users a reliable way to search.
4. Create a user-friendly environment that is simple to grasp.
5. Attractive user interfaces that help users explore the system.
6. To encourage people to read books instead of using gadgets as a source of reading.
7. To help customers in getting books that are difficult for them to find.

If a company is unable to realize its goals and make adequate preparations for fundamental shifts, it runs the risk of losing crucial lead time and momentum in the fight against such shifts when they materialize. A lack of direction in a corporation leads to difficulties with morale among its personnel because, from their point of view,

the future is unknowable, unpredictable, and beyond their ability to influence. These disheartening findings can only be understood as a threat to employment, which has a negative impact on productivity as a direct result. Because of this, the importance of strategic planning in company cannot be overstated.

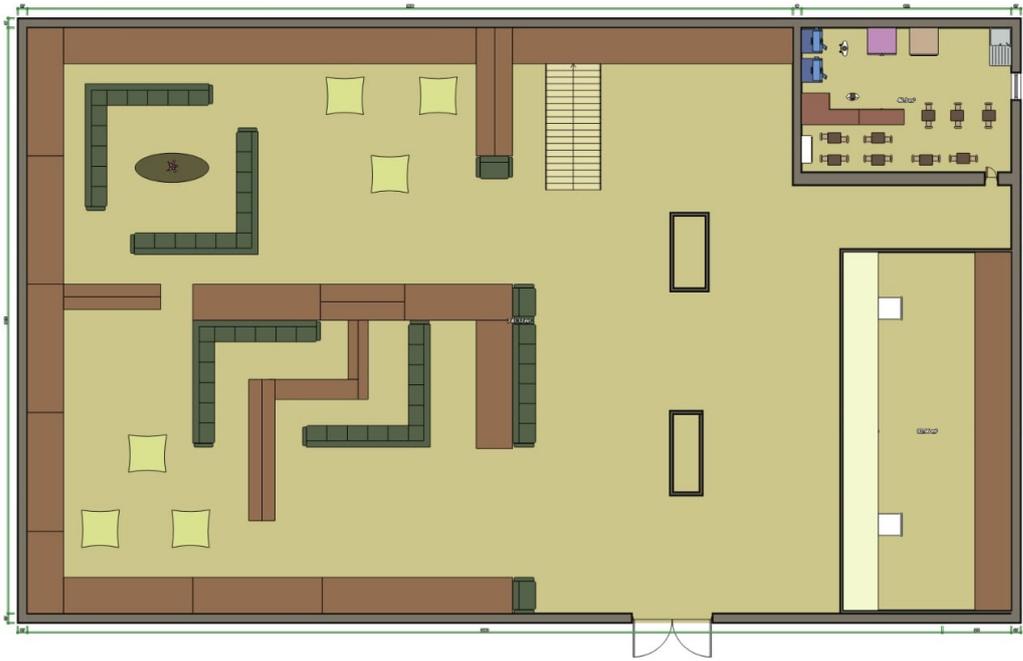
## **6.2 Process Planning**

Process planning in entrepreneurship refers to the process of designing and organizing the steps, resources, and systems required to produce a product or deliver a service. This includes identifying the materials and equipment needed, determining the most efficient production methods, and establishing quality control procedures. The goal of process planning is to minimize costs and increase efficiency while ensuring that the final product meets the desired specifications and customer requirements. The following is the process planning for the Stargazing Bookstore company:



*Stargazing Bookstore's Process Planning*

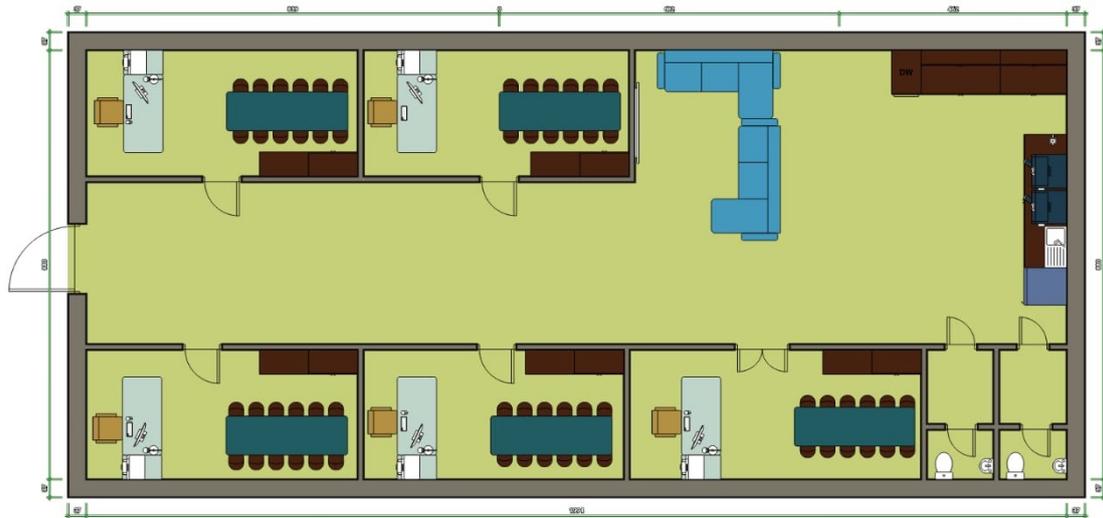
### 6.3 Operation Layout



Floor 1 Stargazing Bookstore



Floor 2 Stargazing Bookstore



Office Stargazing Bookstore

The design that “Stargazing Bookstore” choose is warm and cozy, the business also provided many facilities for the customers so that they are comfortable to study, reading books and also purchase books. Beside that, “Stargazing Bookstore” also provide customer-service center for the customers. This is because, if the customers have questions to ask regarding about the books, price and many more, there is customer-service center that can helps the customers to solve the problems.

For the second floor of the “Stargazing Bookstore”, the business provided the study room for the students to study. This is because, when the students want to find any resources regarding about their assignment, they have the place for them to study quietly. In addition, the customers can also read the books that they bought on the second floor, with the library that provided for the customers and also the students, it can make them to enjoy reading and searching the information that they need.

For the “Stargazing Bookstore,” there are five rooms that being provided for the workers. The reason why it has separated room for each one of the workers is because, “Stargazing Bookstores” wants to give the privacy for the workers to do their works in a peaceful situation. Beside that, “Stargazing Bookstore” also provide a meeting room for the workers so that, it is easier for them to discuss about the new ideas that can improve the sales of the “Stargazing Bookstore.”

In addition, “Stargazing Bookstore” also provide additional facilities to the workers and the clients. “Stargazing Bookstore” wants the workers and also the client to get the best treatments and also experiences when they make business with

“Stargazing Bookstore”. Beside that, it can also motivate the workers to work harder because of the peaceful and positive environment that being implemented by the “Stargazing Bookstore”.

PARTITION	DESCRIPTION
 <p data-bbox="461 824 587 857">Counter I</p>	<p data-bbox="842 622 1425 819">Counter 1 is placed on the first level for the purpose of purchasing books. Customers can purchase books and pay for them at counter 1.</p>
 <p data-bbox="461 1205 587 1238">Counter II</p>	<p data-bbox="842 965 1425 1272">Counter 2 is located on the second level of the library. The function of this counter 2 is for borrowing books. Customers who want to borrow books can show the books they want to borrow at counter 2. All customer data will be collected at this counter.</p>
 <p data-bbox="461 1664 587 1697">Mini Cafe</p>	<p data-bbox="842 1435 1425 1637">A mini cafe is available for customers who want to relax while drinking at the cafe. Customers can also read books at the table that has been set up in the mini café.</p>



Kiosk Machine

Kiosk Machine is provided to make it easier for customers to choose/buy the books they want. Customers just need to press "search", and enter the title of the book they want.



Bookshelf

Bookshelves are provided to place the books provided by Stargazing Bookstore. A total of 6 units of bookshelves are provided to place all the books.



Library Table

Library Table is specially prepared for customers who want to read books at Stargazing Bookstore. The table provided certainly provides comfort to readers to read books.



Toilet

Stargazing Bookstore provides 4 toilets. Two toilets are located on level 1 and two more toilets are located on level 2. Toilets for the disabled are also available.

## 6.4 Capacity Planning

Capacity planning is the process of determining the amount of resources (e.g. labor, equipment, materials) required to meet the demand for a product or service. This can include identifying the maximum production capacity of a facility, determining the number of employees needed to meet demand, and forecasting the materials and equipment needed to produce the desired output. The goal of capacity planning is to ensure that the organization has the resources in place to meet customer demand while minimizing unnecessary costs. It is a key part of the overall production and operations management strategy. The following is the calculation of capacity planning for the Stargazing Bookstore company:

INFORMATION	CALCULATION
Total workdays	30 days
Number of customers in a month	3,444 customers/month
Daily customer	$3,444/30 = 115$ customers/day
BOM cost per patient	$144,425/3,444 = \text{RM}41.94$
No. of population in Pasir Gudang, Johor	344,393
Sales forecast monthly	$\text{RM}40 \times 3,444 = \text{RM}137,760$
Sales forecast yearly	$\text{RM}137,760 \times 12 \text{ months} = \text{RM}1,653,120$
Market size	$(344,393 \times \text{RM}40) \times 3\% = \text{RM}413,272$

## 6.5 Material Planning

### BILL OF MATERIAL

MATERIAL	QUANTITY	PRICE/UNIT (RM)	TOTAL PRICE (RM)
Paper Bag	1,000	1.80	1,800
Notebook	200	4.00	800
Dictionary	100	40.00	4,000
Children Books	500	20.00	10,000
Cooking Books	500	40.00	20,000
Educational Books	500	50.00	25,000
Primary Books	500	30.00	15,000
Fiction Books	500	40.00	20,000
Non-fiction Books	500	40.00	20,000
Novel	500	37.00	18,500
Audio Books	100	40.00	4,000
Comic	100	19.00	1,900
Notice Board	1	300.00	300
Poster	100	15.00	1,500
Clock	1	100.00	100
Speakers	12	60.00	720
Barcode Scanner	2	130.00	260

Air Fresheners	10	20.00	200
Brooms and Other Cleaning Equipment	-	25.00	25
Decoration	-	170.00	170
Fire Extinguisher	3	50.00	150
<b>TOTAL</b>			<b>144,425</b>

#### SUPPLIERS OF LIBRARY ITEMS

NO	MATERIAL	SUPPLIER
1	Paper Bag	JIN HEE STATIONERY & OFFICE SUPPLIES
2	Notebook	JIN HEE STATIONERY & OFFICE SUPPLIES
3	Dictionary	AHBOOK SDN BHD
4	Children Books	SILVERFISH BOOKS SDN BHD
5	Cooking Books	BOOKURVE SDN BHD
6	Educational Books	PUSTAKA RAKYAT SDN BHD
7	Primary Books	PUSTAKA RAKYAT SDN BHD
8	Fiction Books	LITTLE WILD DREAMS Co., Ltd
9	Non-fiction Books	LITTLE WILD DREAMS Co., Ltd
10	Novel	AHBOOK SDN BHD

11	Audio Books	PUSTAKA RAKYAT SDN BHD
12	Comic	PUSTAKA RAKYAT SDN BHD
13	Notice Board	JIN HEE STATIONERY & OFFICE SUPPLIES
14	Poster	JIN HEE STATIONERY & OFFICE SUPPLIES
15	Clock	GD. SHOP
16	Speakers	ANKER FLAGSHIP STORE
17	Barcode Scanner	MAJU GAJET TRADING (M) SDN BHD
18	Air Fresheners	HOMIE OFFICIAL STORE
19	Brooms and Other Cleaning Equipment	RONGFATT SDN BHD
20	Decoration	BE HOMIE ACCESSORIES
21	Fire Extinguisher	FIRE FIGHTER OFFICIAL STORE

## 6.6 Machines and Equipment Planning

<b>ITEMS</b>	<b>QUANTITY (UNIT)</b>	<b>PRICE PER UNIT (RM)</b>	<b>TOTAL COST (RM)</b>
Counter	2	800	1,600
Mini Café	1	1,100	1,100
Kiosk Machine	4	3,300	13,200
Bookshelf	6	600	3,600
Library Table	10	450	4,500
Toilet	4	3,500	14,000
<b>TOTAL</b>			<b>38,000</b>

### **SUPPLIERS OF MACHINES AND EQUIPMENT**

<b>NO</b>	<b>ITEMS</b>	<b>SUPPLIERS</b>
1	Counter	RENXIN – QUALITY & MODERN FURNITURE
2	Mini Café	WEIYOU FURNITURE STORE
3	Kiosk Machine	TECH INNOVATION SDN BHD
4	Bookshelf	SHASHINKI SDN BHD
5	Library Table	RENXIN – QUALITY & MODERN FURNITURE
6	Toilet	88 HARDWARE

## 6.7 Manpower Planning

No. of Workers Required =  $\frac{\text{Planned Rate of Production}}{\text{Worker Standard Production Time}}$

$$\begin{aligned} & \text{Worker Productive Time per day} \\ &= (58/8) \times (1/1) \\ &= 7 \text{ Workers} \end{aligned}$$

## 6.8 Overhead Requirement

Table below shows the total of overhead requirement cost.

<b>FIXED OVERHEAD</b>	<b>COST (RM)</b>
Office Equipment	19,369
Business Registration & Licenses	5,000
Insurance	1,600
<b>VARIABLE OVERHEAD</b>	<b>COST (RM)</b>
Rent	5,500
Utilities	2,000
Salaries, EPF & SOCSO	21,228.75
Promotions	270
Machine Maintenance	1,000
<b>TOTAL</b>	<b>55,967.75</b>

## 6.10 Business and Operation Hours



<b>SUNDAY</b>	<b>10am - 10pm</b>
<b>MONDAY</b>	<b>10am - 10pm</b>
<b>TUESDAY</b>	<b>10am - 10pm</b>
<b>WEDNESDAY</b>	<b>10am - 10pm</b>
<b>THURSDAY</b>	<b>10am - 10pm</b>
<b>FRIDAY</b>	<b>10am - 2pm</b>
<b>SATURDAY</b>	<b>10am - 10pm</b>

*Table above shows Stargazing Bookstore's operation hours.*

<b>OPERATION</b>	<b>REST HOUR</b>
Monday – Saturday (except Friday)	2 p.m. – 5 p.m.
Friday	11 a.m. – 1 p.m.

## **6.11 License, Permits and Regulations Required**

- **Importance of Licenses**

Obtaining the necessary licenses and permits is important for several reasons when starting a library or book access business in Malaysia. Firstly, it ensures that the business is operating legally and meets the standards set by the relevant authorities. Not having the necessary licenses and permits can result in fines or even the closure of the business. Secondly, it helps to protect the business owner and the customers. For example, obtaining a permit from the National Library of Malaysia for lending books to the public, ensures that the books being lent out are in good condition and are not stolen or illegal. Thirdly, it demonstrates to customers that the business is legitimate and trustworthy. This can help to build customer trust and loyalty, which is important for the long-term success of the business. Lastly, it can also open up opportunities for the business to access funding or other resources that may not be available to unlicensed businesses.

- **List of General Licenses Required:**

1. Business license from the local city or municipal council
2. Permit from the National Library of Malaysia for lending books to the public
3. Compliance with Building and Fire Safety regulations
4. Compliance with Copyright Act 1987
5. Compliance with Personal Data Protection Act 2010
6. Compliance with any other relevant laws and regulations such as local bylaws and zoning laws
7. Compliance with health and safety regulations
8. Compliance with labor laws and regulations
9. Compliance with tax laws and regulations
10. 7-Compliance with import and export laws and regulations if applicable

It's important to note that the above list may not be exhaustive and it's always advisable to consult with the relevant authorities and consult with a lawyer to ensure that all necessary licenses, permits and regulations are obtained and followed.

### **For Company**

- (i) Certificate of Incorporation (Form 9/Notice Section 17) – 1 Copy
- (ii) Return of Particulars of Directors, Managers and Secretaries (Form 49 / Notice Section 58) – 1 Copy
- (iii) Photos of Stargazing Bookstore premise (Front and interior of premise)
- (iv) Any one Director's NRIC / Passport as stated in Form 49 / Notice Section 58 – 1 Copy
- (v) Example of a sign that shows design and color (If applicable)
- (vi) Photos that show where the sign is (If applicable)

### **For Enterprise (Sole-proprietor/Partnership)**

- (i) Certificate of Registration of Business (Form D) – 1 Copy
- (ii) e-SSM Business Profile – 1 Copy
- (iii) Photos of Stargazing Bookstore premise (Front and interior of premise)
- (iv) Copy of any Business owner/Partner's NRIC as stated in Form 49 – 1 Copy
- (v) Sample of signboard indicating design and color (If applicable)
- (vi) Photos showing location of signboard (If applicable)

### **Activity Specific Licences**

- i) Approval of a Building Plan
- ii) Salex Tax License

### 6.12 Operations Budget

<b>ITEM</b>	<b>FIXED ASSET (RM)</b>	<b>MONTHLY EXPENSES (RM)</b>	<b>OTHER EXPENSES (RM)</b>
<b>Fixed Assets</b>			
Machine and Equipment	38,000		
Furniture and Fitting	15,000		
<b>Working Capital</b>			
Raw Materials & Packaging		144,425	
Carriage Inward and Duty		300	200
<b>Other Expenses</b>			
Other Expenses			300
<b>TOTAL</b>	<b>53,000</b>	<b>144,725</b>	<b>500</b>

## **7.0 FINANCIAL PLAN**

## **7.1 Financial Objective**

Another important task for businesses to consider and plan for is financial planning. Financial refers to everything related to finance, money, economics, accounting, and budgeting. Investing, borrowing, lending, saving, budgeting, and forecasting are all examples of money management. Financial planning encompasses all operations that apply general management norms to a firm's financial resources, such as planning, directing, organizing, fund procurement, investing, and fund return.

Financial Plan is a combination of input from administrative budget, marketing budget and operation budget. Total financial cost involves all kinds of transactions in business such as loan, hire purchase, asset purchase, sale, return on sale, purchase, purchase return and so on involving finance at Stargazing Bookstore. Finance managers are appointed to manage the finances of Stargazing Bookstore so that Stargazing Bookstore achieves set targets such as reducing cost of expenses, increasing revenue and increasing production.

### **The objective of business plan are :**

- Ensure that internal input or product can be generated at maximum number.
- Ensure that the use of existing goods is used properly without being wasted.
- Ensuring the start-up capital to run the Stargazing Bookstore business is sufficient.
- To assess the feasibility of a company concept to 70% before committing to an investment.
- Ensuring Stargazing Bookstore advanced, no losses and no financial burden of the business.
- Ensure that the repayment of business debts can be completed within the stipulated time

Financial plan is very important for a business especially for Stargazing Bookstore as it can avoid any business losses or financial irregularities by business partners. In addition, with the availability of a financial plan, Stargazing Bookstore can know the financial flows in this business. Profitability, liquidity, efficiency, and effectiveness are the four primary financial objectives.

## 7.2 Project Implementation Cost

### i. Administrative Budget

<b>ADMINISTRATIVE BUDGET</b>	
<b>Fixed Assets</b>	<b>RM</b>
Furniture & fitting	11,195
office equipment	19,369
office supplies	860
<b>Working Capital</b>	
Rent	5,500
utilities	2,000
Salaries,EPF,SOCSSO	21,229
<b>Other Expenditure</b>	
Other Expenditure	200
<b>Pre-Operations</b>	
Deposit (rent, utilities, etc.)	200,000
Business Registration & Licences	
Insurance & Road Tax for Motor Vehicle	
Other Expenditure	
<b>TOTAL</b>	<b>260,353</b>

**Total administrative budget : RM260,353**

ii. Marketing Budget

<b>MARKETING BUDGET</b>	
<b>Fixed Assets</b>	<b>RM</b>
Machines	50,000
Furniture & fitting	15,000
van	36,000
<b>Working Capital</b>	
promotion	270
maintenance	1,000
<b>Other Expenditure</b>	
Other Expenditure	500
<b>TOTAL</b>	<b>102,770</b>

**Total marketing budget: RM102,770**

iii. Operation Budget

<b>OPERATIONS BUDGET</b>	
<b>Fixed Assets</b>	<b>RM</b>
machines and equipment	38,000
Furniture and fitting	15,000
<b>Working Capital</b>	
Raw Materials & Packaging	144,425
Carriage Inward & Duty	300
<b>Other Expenditure</b>	
Other Expenditure	500
<b>TOTAL</b>	<b>198,225</b>

**Total operation budget : RM198,225**

### **7.3 Sources of Finance**

- Overview

The provision of financing to an organization to meet its needs for short-term working capital, fixed assets, and other long-term investments is referred to as a source of finance. Define internal sources of funding. The money that originates from within the company is referred to as internal sources of financing. Finance sources can be classified based on time, generation, ownership, and control, as well as geography.

In finance sources based on time, it can be classified as :

- i. **Short-term finance** which it refers to company funding from short-term sources that last **less than a year**. The same helps the organization earn cash for business operations and operating expenditures, which are normally for a lower amount. It entails raising funds through online loans, credit lines, and invoice finance.
  
- ii. **Medium-term finance** which it refers to financing for a period of **3 to 5 years** and is often utilized for two reasons:
  - when long-term capital is unavailable at the moment.
  - when deferred revenue expenditures, such as ads, are made and will be written off over a period of 3 to 5 years.
  
- iii. **Long-term finance** which is the term borrowing for term above 5 years.

Generation in finance can be classified as :

- i. Internal sources such as capital or profits of Stargazing Bookstore
- ii. External sources is money that is not from a business process such as a loan

Ownership in finance can be classified as :

- i. Owned which is a situation where owner of the business directly purchase or making loan with other person or entity buying it instead of using bank party involvement.
- ii. Borrowed which is situation where owner borrow the money from financial institutions and purchase assets using loan from financial institution.

- Stargazing Bookstore Sources of Finance

Stargazing Bookstore						
PROJECT IMPLEMENTATION COST & SOURCES OF FINANCE						
Project Implementation Cost			Sources of Finance			
Requirements			Cost (RM)	Loan (RM)	Hire-Purchase (RM)	Own Contribution (Cash) (RM)
<b>Fixed Assets</b>						
Furniture & fitting			11,195	10,075		1,120
office equipment			19,369	17,432		1,937
Office supplies			860	774		86
Machines			50,000		40,000	10,000
Furniture & fitting			15,000	15,000		
van			36,000		30,000	6,000
machines and equipment			38,000	34,200		3,800
Furniture and fitting			15,000	13,500		1,500
<b>Working Capital</b>	1	months				
Administrative			28,729	25,856		2,873
Marketing			1,270	1,143		127
Operations			144,725	130,252		14,473
<b>Pre-Operations &amp; Other Expenditure</b>			201,200	180,900		20,300
<b>Contingencies</b>	10%		56,135	50,503		5,632
<b>TOTAL</b>			<b>617,483</b>	<b>479,635</b>	<b>70,000</b>	<b>67,848</b>

## 7.4 Pro-Forma Cash Flow Statement

STAR GARDING BOOKSTORE																
CASH FLOW PRO -FORMA STATEMENT																
Month	Pre-opening	1	2	3	4	5	6	7	8	9	10	11	12	Total Year 1	Total Year 2	Total Year 3
Cash Inflow																
Capital Cash	67,848													67,848		
Loan	479,655													479,655		
Cash Sale	14,380	20,620	31,220	32,440	34,760	35,870	36,770	37,410	39,110	40,210	43,502	46,980	49,880	419,272	545,152	628,072
Total cash inflow	547,483	14,380	20,620	31,220	32,440	34,760	35,870	36,770	37,410	39,110	40,210	43,502	46,980	960,755	545,152	628,072
Cash Outflow																
Administrative Expenditure																
Rent	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,000	66,000	66,000
Utilities	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	24,000	24,000
Salaries, PPE, SCSO	21,229	21,229	21,229	21,229	21,229	21,229	21,229	21,229	21,229	21,229	21,229	21,229	21,229	254,748	254,748	254,748
Marketing Expenditure																
Promotion	270	270	270	270	270	270	270	270	270	270	270	270	270	3,240	3,240	3,240
Maintenance	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000	12,000
Operation Expenditure																
Cash Purchase	144,425	143,195	143,195	143,195	143,195	143,195	143,195	143,195	143,195	143,195	143,195	143,195	144,425	1,170,800	1,978,920	2,151,000
Garage, Inland and Drive	300	300	300	300	300	300	300	300	300	300	300	300	300	3,600	3,600	3,600
Other Expenditure	1,200													1,200	1,200	1,200
Pre-construction																
Deposit																
Rent, utilities, etc.	200,000													200,000		
Fixed assets																
Purchase of Fixed assets	99,424													99,424		
Others	16,000													16,000		
Hire-Purchase Down Payment	16,000													16,000		
Hire purchase payment:																
Principal	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	14,000	14,000	14,000
Interest	292	292	292	292	292	292	292	292	292	292	292	292	292	3,500	3,500	3,500
Loan Repayment	7,994	7,994	7,994	7,994	7,994	7,994	7,994	7,994	7,994	7,994	7,994	7,994	7,994	95,927	95,927	95,927
Principal	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	23,982	19,185	14,389
Interest	184,945	184,945	184,945	184,945	184,945	184,945	184,945	184,945	184,945	184,945	184,945	184,945	184,945	2,538,421	2,476,520	2,443,604
TOTAL CASH OUTFLOW	315,424	187,375	184,945	184,945	184,945	184,945	184,945	184,945	184,945	184,945	184,945	184,945	184,945	1,931,168	2,015,532	2,043,604
CASH IN/BILLS/DEFICIT	232,059	-172,995	-164,325	-153,725	-152,505	-150,185	-149,075	-148,175	-147,535	-145,835	-144,735	-144,443	-139,195	-157,766	-1,031,168	-2,015,532
BEGINNING CASH BALANCE		322,059	59,064	-405,261	-328,985	-411,490	-561,675	-710,750	-858,924	-1,006,459	-1,152,294	-1,297,028	-1,438,471	-1,577,666	-1,577,666	-1,577,666
ENDING CASH BALANCE	322,059	59,064	-405,261	-328,985	-411,490	-561,675	-710,750	-858,924	-1,006,459	-1,152,294	-1,297,028	-1,438,471	-1,577,666	-1,577,666	-3,508,834	-5,524,366

## 7.5 Loan Repayment Schedule

LOAN REPAYMENT SCHEDULE				
Amount		479,535		
Interest Rate		5%		
Duration (years)		5		
Year	Principal	Interest	Total Payment	Principal Balance
	-	-		479,635
1	95,927	23,982	119,909	383,708
2	95,927	19,185	115,112	287,781
3	95,927	14,389	110,316	191,854
4	95,927	9,593	105,520	95,927
5	95,927	4,796	100,723	-
6	0	0	-	-
7	0	0	-	-
8	0	0	-	-
9	0	0	-	-
10	0	0	-	-

## 7.6 Hire Purchase Repayment Schedule

<b>HIRE-PURCHASE REPAYMENT SCHEDULE</b>				
<b>Amount</b>		<b>70,000</b>		
<b>Interest Rate</b>		<b>5%</b>		
<b>Duration (yrs)</b>		<b>5</b>		
Year	Principal	Interest	Total Payment	Principal Balance
	-	-		70,000
1	14,000	3,500	17,500	56,000
2	14,000	3,500	17,500	42,000
3	14,000	3,500	17,500	28,000
4	14,000	3,500	17,500	14,000
5	14,000	3,500	17,500	-
6	0	0	-	-
7	0	0	-	-
8	0	0	-	-
9	0	0	-	-
10	0	0	-	-

## 7.7 Pro-Forma Income Statement

<b>Stargazing Bookstore</b>			
<b>PRO-FORMA INCOME STATEMENT</b>			
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>Sales</b>	413,272	545,152	628,072
<b>Less: Cost of Sales</b>			
Opening Stock of Finished Goods			
Production Cost	1,735,000	1,993,120	2,165,200
less: Ending Stock of Finished Goods	0	0	0
	<b>1,735,000</b>	<b>1,993,120</b>	<b>2,165,200</b>
<b>Gross Profit</b>	<b>-1,321,728</b>	<b>-1,447,968</b>	<b>-1,537,128</b>
<b>Less: Expenditure</b>			
Administrative Expenditure	344,748	344,748	344,748
Marketing Expenditure	15,240	15,240	15,240
Other Expenditure	1,200	1,200	1,200
Business Registration & Licences			
Insurance & Road Tax for Motor Vehicle			
Other Pre-Operations Expenditure			
Interest on Hire-Purchase	3,500	3,500	3,500
Interest on Loan	23,982	19,185	14,389
Depreciation of Fixed Assets	26,485	26,485	26,485

<b>Total Expenditure</b>	<b>415,155</b>	<b>410,358</b>	<b>405,562</b>
<b>Net Profit Before Tax</b>	<b>-1,736,883</b>	<b>-1,858,326</b>	<b>-1,942,690</b>
<b>Tax</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Profit After Tax</b>	<b>-1,736,883</b>	<b>-1,858,326</b>	<b>-1,942,690</b>
<b>Accumulated Net Profit</b>	<b>-1,736,883</b>	<b>-3,595,209</b>	<b>-5,537,899</b>

## 7.8 Pro-Forma Balance Sheet

<b>Stargazing Bookstore</b>			
<b>PRO-FORMA BALANCE SHEET</b>			
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b><u>ASSETS</u></b>			
<b><u>Fixed Assets (Book Value)</u></b>			
Land & Building			
Furniture & fitting	8,956	6,717	4,478
office equipment	15,495	11,621	7,748
office supplies	688	516	344
Machines	40,000	30,000	20,000
Furniture & fitting	12,000	9,000	6,000
van	28,800	21,600	14,400
machines and equipment	30,400	22,800	15,200
Furniture and fitting	12,000	9,000	6,000
	148,339	111,254	74,170
<b><u>Current Assets</u></b>			
Stock of Raw Materials			
Stock of Finished Goods			
Accounts Receivable			
Cash Balance	-1,577,666	-3,508,834	-5,524,366
	-1,577,666	-3,508,834	-5,524,366
<b><u>Other Assets</u></b>			
Deposit	200,000	200,000	200,000

<b>TOTAL ASSETS</b>	<b>-1,229,327</b>	<b>-3,197,580</b>	<b>-5,250,197</b>
<b><u>Owners' Equity</u></b>			
Capital	67,848	67,848	67,848
Accumulated Profit	-1,736,883	-3,595,209	-5,537,899
	-1,669,035	-3,527,361	-5,470,051
<b><u>Long Term Liabilities</u></b>			
Loan Balance	383,708	287,781	191,854
Hire-Purchase Balance	56,000	42,000	28,000
	439,708	329,781	219,854
<b><u>Current Liabilities</u></b>			
Accounts Payable			
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>-1,229,327</b>	<b>-3,197,580</b>	<b>-5,250,197</b>

## 7.9 Financial Analysis

<b>Stargazing Bookstore</b>			
<b>FINANCIAL PERFORMANCE</b>			
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b><u>PROFITABILITY</u></b>			
Sales	413,272	545,152	628,072
Gross Profit	-1,321,728	-1,447,968	-1,537,128
Profit Before Tax	-1,736,883	-1,858,326	-1,942,690
Profit After Tax	-1,736,883	-1,858,326	-1,942,690
Accumulated Profit	-1,736,883	-3,595,209	-5,537,899
<b><u>LIQUIDITY</u></b>			
Total Cash Inflow	960,755	545,152	628,072
Total Cash Outflow	2,538,421	2,476,320	2,643,604
Surplus (Deficit)	-1,577,666	-1,931,168	-2,015,532
Accumulated Cash	-1,577,666	-3,508,834	-5,524,366
<b><u>SAFETY</u></b>			
Owners' Equity	-1,669,035	-3,527,361	-5,470,051
Fixed Assets	148,339	111,254	74,170
Current Assets	-1,577,666	-3,508,834	-5,524,366
Long Term Liabilities	439,708	329,781	219,854
Current Liabilities	0	0	0
<b><u>FINANCIAL RATIOS</u></b>			
<i>Profitability</i>			
Return on Sales	-420%	-341%	-309%
Return on Equity	104%	53%	36%
Return on Investment	141%	58%	37%
<i>Liquidity</i>			
Current Ratio			

Quick Ratio (Acid Test)			
<b><u>Safety</u></b>			
Debt to Equity Ratio	-0.3	-0.1	0.0
<b><u>BREAK-EVEN</u></b>			
<b><u>ANALYSIS</u></b>			
Break-Even Point (Sales)	(133,821)	(158,804)	(170,329)
Break-Even Point (%)	-32%	-29%	-27%

## **8.0 CONCLUSION**

To summaries, the Stargazing bookstore is a necessary and great effort for providing the best quality service to the community. we strive to provide the nicest service possible so that customers may enjoy reading and relaxing at Stargazing Bookstore. We feel that because the location is close to a residential area, it will attract more customers in the community. Finally, learning business plan has provided Stargazing Bookstore with the ideal opportunity to establish the business. Thus, business plan is important for Stargazing Bookstore since it will show and encourage everyone to start new business by own in order to survive in the future.

Last but not least, after analyzing the business opportunity and surveying the surroundings, we finally realized that starting a Stargazing Bookstore would be the ultimate idea for us. We are convinced that Stargazing Bookstore will be recognized and well-known in Malaysia. Furthermore, we really aim to serve our customers, particularly those who wish to study in Stargazing Bookstore. Aside from that, we forecast that the Stargazing Bookstore will create enough money to cover all of the expenditures. Aside from that, Stargazing Bookstore are confident in this business ability to meet all the objectives. In fact, Stargazing Bookstore believe that this business will not suffer a loss in the first three years of operation.

The following is the capital contribution to the partnership:

Name	Position	Capital Contributing (RM)	Percentage Contribution (RM)
NURAI SHAH BINTI AHMAD	GENERAL MANAGER	300,000	30%
NUR EIFFA ZAKIYAH BINTI ZULKEFRI	ADMINISTRATIVE MANAGER	250,000	25%
MYRA SAFFIYAH BINTI JAAFAR	MARKETING MANAGER	200,000	20%
MUHAMMAD SAUFI BIN MOHD KHAIMI	OPERATIONAL MANAGER	150,000	15%
SITI NUR NAJWA BINTI SHAHRUDIN	FINANCIAL MANAGER	100,000	10%

#### **4. PROFIT AND LOSS**

All profits and losses from the collaboration will be distributed proportionally among the Stargazing Bookstore partners. Each spouse must have their own private bank account for tax purposes. Each partner's individual income account will be debited or credited for their portion of the partnership's earnings or losses, as appropriate. If a partner's income account is nil, their losses are subtracted from their capital.

#### **5. SALARIES AND WITHDRAWALS**

A partner is owed compensation for labour accomplished. A partner may withdraw their share of the income account's credit at any time.

#### **6. INTEREST**

The partnership's initial capital contributions, as well as any subsequent capital contributions, must not accrue interest.

## **7. MANAGEMENT DUTIES AND RESTRICTIONS**

Each partner must devote his or her entire working time to the running of the Stargazing Bookstore partnership and have an equal voice in its management. Neither partner shall, without the consent of the other partner, borrow or lend money for or on behalf of the partnership or make, deliver, accept any commercial paper; execute any mortgage, security agreement, bond, or lease the purchase or contract to purchase, or sell or contract to sell, any property for or of the Partnership other than the type of property purchased and sold in the ordinary course of Stargazing Bookstore's partnership.

## **8. BANKING**

All partnership funds must be placed in the name of the partnership in such checking accounts or accounts as the partners may choose. It is only accessible through checks co-signed by both parties.

## **9. BOOKS**

The books of the partnership must be held at the partnership's primary office, where all partners have unlimited access at all times. At the end of each fiscal year, the books must be balanced and closed. As of the transaction's conclusion, a final audit will be done.

## **10. VOLUNTARY TERMINATION**

By mutual consent, the partners may dissolve the partnership at any time, but they must proceed with reasonable promptness to wind down the partnership's operations.

## **11. DEATH**

If one of the partners dies, the surviving partner may opt to continue running the business as normal, buy out the dead partner's stake, or both.

## **12. ARBITRATION**

This Agreement, as well as any disputes or claims arising out of or in connection with it or its breach, shall be addressed by binding arbitration in accordance with the rules. The Parties have signed this Agreement as proof of the provisions set out herein. This Partnership Agreement (the "Agreement") is formed and entered into by and between the undersigned Partners in Stargazing Bookstore on November 1, 2022, in Pasir Gudang, Johor.

## **COMPENSATION AND BENEFIT**

### **1. Employment Act of 1955**

The main law controlling matters of employment law in Malaysia is the Employment Act of 1955 (the "Employment Act"). For qualified workers, the Employment Act requires a certain degree of protections. Any clause in an employment contract that promises to offer less favorable benefits than those outlined in the Employment Act must be void, and the applicable workers must receive the minimum benefits outlined in the Employment Act. The Employment Act only provides protection to the following worker categories:

- Workers whose monthly salaries do not go over RM2,000.
- Workers who perform manual labor, regardless of pay.
- Workers doing mechanically propelled vehicle maintenance or operation.
- Workers who monitor or supervise other workers doing manual labor.
- Personnel working on a ship in any capacity (subject to certain restrictions).

### **2. Day of Rest**

Each employee should be given a full day of relaxation each week, to be determined periodically by the employer.

### **3. Vacations**

Each employee is entitled to ten earned paid holidays annually, of which four are required holidays, paid at their regular hourly rate:

- The National Day
- The Yang di-Pertuan Agong's birthday
- The Ruler's or Yang di-Pertua Negeri's birthday
- The Workers' Day

### **4. Annual Leaves**

A worker is qualified to use paid time off during the following times:

- He is entitled to eight days of vacation each year if he hasn't been employed by the same company for more than two years.
- If he has worked for the same employer for two years or more but less than five years, twelve days for every twelve months of continuous employment.
- If he has worked for the same company for at least five years, 16 days for every 12 months of continuous service; if he has not accrued 94 months of continuous service

with the same employer during the year in which his term of service expires, his entitlement to paid leave.

## **5. Sick Leaves**

An employee is entitled to paid sick leave following an examination at the expense of the employer by one of the following: a. registered medical practitioner duly appointed by the employer; or b. if no such medical practitioner is appointed or, considering the nature or circumstances of the illness, by any other registered medical practitioner or by a medical officer.

- Where no hospitalization is necessary, If the employee has been working for less than two years, fourteen days in total in each calendar year; if they have worked for two years or more but less than five years, eighteen days in total in each calendar year; and if they have worked for five years or more, twenty-two days in total in each calendar year; or
- If hospitalization is required, as determined by such a registered medical practitioner or medical officer, of sixty days cumulatively in each calendar year:
- Employees are also entitled to paid sick leave after examination by a dental surgeon as defined by the Dental Act of 1971, provided that the aggregate number of paid sick days that an employee may take under this section in a calendar year is sixty days.

## **6. Maternity leave**

Every woman who works for an employer is entitled to maternity leave for a minimum of 60 consecutive days. If a female employee had five or more living children at the time of her pregnancy, she would not be eligible for any maternity benefits.

## **7. Overtime**

Regardless of the basis on which his hourly rate of pay is determined, the employee must be paid at a rate not less than one and a half times that amount for any overtime labor performed in excess of the customary hours of work. In this section, "overtime" refers to the number of hours worked in addition to the standard number of hours worked each day. With the exception that if any work is done after the ten-hour spread over period, the whole period starting when the spread over period finishes and ending when the employee's shift is completed will be considered overtime.

## **8. Parental Leave**

For as many as five surviving children, male employees are entitled to 2 working days of leave for the birth of their own child.

## **9. Leave for Marriage**

Employees are entitled to 5 days of leave per job for their first legally valid marriage.

## **10. Compassionate Leave**

Every employee is entitled to three back-to-back working days following the loss of a member of their immediate family.

## **11. Bonus**

Depending on the performance of the company, bonuses will be given to employees at a rate of 30% of their monthly pay.

## **12. The Annual Increment Employees**

The Annual Increment Employees will receive an annual raise ranging from 5% to 30% per year, depending on their individual success. Failure to meet the performance requirement will prevent recipients from receiving an annual raise

## **13. SOCSO**

Organization for Social Security (SOCSO) Employers and their dependents are given social security protection by SOCSO through the Employment Injury Scheme and the Invalidity Scheme. Employees are protected from workplace injuries, including occupational diseases and commuting accidents, through the Employment Injury Scheme. Employees are protected from invalidity or death resulting from any reason outside of working hours and unrelated to employment for a full 24-hour period under the Invalidity Scheme.

In the event of unforeseeable events, both programs offer monetary benefits to employees and their family in addition to offering medical care, physical therapy, or vocational training. Through programs that educate both employees and employers about occupational safety and health, SOCSO also carries out accident prevention initiatives. The insured salary option's rate of 91 contribution is 1.25% every month. The maximum monthly contribution is capped at RM4,000.00, which is the insured wage

## **14. EPF**

They must pay EPF contributions on behalf of any individual hired to work under a Contract of Service or Apprenticeship as the employer. 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 number of wages at the respective rates set out in the Third Schedule (Section 43(1), EPF Act 1991). This obligation is subject to the provisions of Section 52.