

## **Business Plan: Flatulence Fix, A Foraged Fennel Tea**

### **Executive Summary**

Flatulence Fix is a Fennel Tea crafted to help with indigestion, bloating, and most of all flatulence. It brings a unique product to the market that also has a positive effect on the environment. Fennel is one of many invasive species in Marin County that are very detrimental to our native ecosystems, they overpower native plants, stealing resources and upsetting the natural biodiversity. I will work to restore the biodiversity by foraging this fennel while at the same time providing a much needed product to our gassy society. So many products are sourced from far overseas, especially tea. Additionally, many antacid products and other medications have side effects. The necessity lies in a local solution to flatulence that is relaxing, delicious, and has no side effects. The product is easily marketable as it is beneficial to our local environment and can be marketed as a sort of “gag gift.”

Flatulence Fix’s mission is to provide the community with a sustainably and locally sourced product for gas and indigestion that has a positive effect on the environment. We are committed to solving the plague of our gassy society while benefiting the local environment, securing a bright future for all. Our brand is based on being lighthearted, empathy, reliability, transparency, and locally and sustainably sourced materials.

The product will be mainly sourced from the hills that form the ridge around Terra Linda. They are the closest to my home and have large clumps of fennel growth that are easily accessible and harvestable. 30 minutes of harvesting with one person gets about 30-40 servings of tea. If working as a team then more units can be harvested. I will store the fennel in my bedroom or if there becomes too much, our spare room. The packaging I will order online.. The fennel will be packed into individual compostable tea bags and those into larger canvas pouches with a label with the logo and a description of the product. My house will also work as a place where the product can be assembled.

My businesses’ main market objective is to sell 100 units by the end of May securing a consumer base and learning more about the market. My first main strategy is online marketing. I plan to send out messages including a description of the product and explaining its positive effects on already established email lists such as MarinSEL and SEI. As another aspect of online marketing I will establish a website where customers can learn more about the product and place orders. Finally, I will advertise on the website Nextdoor. A second strategy I will use is speaking to businesses about selling or advertising my product. I plan to approach the new Zero Waste Marin store that sells zero waste sustainable product. I think they could be interested in a sustainable and local product. I will also talk to businesses related to tea such as Peet’s Coffee and Tea, Starbucks Coffee, and local cafes and coffee shops. A third strategy is to advertise in person in front of businesses such as Scotty’s Market and Marinwood Market. I would offer free samples of units with just a couple of servings to build interest in my product. I would also have full sized units for sale.

My role as CEO will be to assist in whatever field necessary, encourage employees, and progress the company. I am the right for this role based on my vast experience in leadership roles. I have been parts of countless group projects and businesses, both in school and in the real world. I have experienced both successful and unsuccessful environments in these groups and truly believe I know how to nurture an environment that both is lighthearted and fun but also effective, profitable, and progressive. I am empathetic and believe I will be able to work with business partners in a way where everyone is invested, driven, feels heard, and is happy to be part of the business. Because of the small size of the staff,

decisions will be discussed as a company, hearing everyone's opinions before the CEO makes the final, unbiased call.

## **Business Plan**

Positioning Statement: Flatulence Fix, a Foraged Fennel Tea is the Tea for our gassy society, which also helps the environment by fighting invasive species.

### Business Description:

Flatulence Fix is a Fennel Tea crafted to help with indigestion, bloating, and most of all flatulence. My business brings a unique product to the market that also has a positive effect on the environment. Fennel is one of many invasive species in Marin County that are very detrimental to our native ecosystems, they overpower native plants, stealing resources and upsetting the natural biodiversity. I will work to restore the biodiversity by foraging this fennel while at the same time providing a much needed product to our gassy society.

### Need:

So many products are sourced from far overseas, especially tea. Additionally, many antacid products and other medications have side effects. The necessity lies a local solution to flatulence that is relaxing, delicious, and has no side effects.

### Market Opportunity:

My target audience is white middle-class women ages 30-60. They have the money and the interest to purchase my product. They could be people looking for a healthy, positive, and sustainable tea that is locally source or one that helps with indigestion and flatulence. The product also targets those looking for a sustainable, cheap, and funny “gag gift” or stocking stuffer. Everyone has the friend/family who is known for their flatulence. My product also appeals to people aware of the many invasive species in Marin County who will be happy to see people working against it.

The persona profile that I developed to better understand my target audience is a middle aged white mother. Someone who economically is middle to upper class. Their interests are reading, hiking, and doing other things outdoors. They are educated and have knowledge of the local ecosystems and nature. They get their media from the New York Times, Books, and Newspapers And of course, drink tea.

### Market Research:

#### Secondary Research:

- Americans consumed over 8.3 billion servings of tea, over 3.8 billion gallons
- United States is the third largest importer of tea
- 4 in 5 consumers drink tea
- 87% of millennials drink tea
- Only 23% is bagged, or loose herbal tea
- Fruit and herbal tea (not black or green tea) accounts for a quarter of American Tea consumption

There is a large market for tea in the United States and with the benefit of an environmental factor the product has a large chance of doing well in California. The research also gives me information on how to

successfully market and package the tea in order to play to the largest amount of customers. If possible I need to find away to sustainable produce a bagged product as it is more likely to be used. I also should market more to younger generations, something I didn't expect as 87% of millennials drink tea.

Primary Research:

Survey: <https://www.surveymonkey.com/r/HJ39567>

- 75% of responders don't normally drink tea
- Those who do spend 10-20 dollars on it a month
- Though most people don't drink tea 1/3 of people surveyed would be likely to buy a product that uses traditional medicine
- 50% of people would pay more than \$1-\$2 for a product that benefits the environment

I think that the reason that my responses were not avid tea drinkers is because I didn't effectively poll my target audience. However I did learn that there is a market for my product in people willing to try it and pay a premium price.

Market Demand:

To determine my market demand, I researched statistics on the United States Census website. I had to do some estimating to determine the specific target market. I started by determining the percent of the target market that might purchase my product. From there I could figure the specific number of customers who would buy my product in a year. Finally, this number, multiplied by the profit from each customer annually gives the annual revenue from the product in total. My estimated annual revenue is \$12,000.

Competitive Analysis:

My biggest advantage over my company's competitors is the fact that I am locally sourced and the environmental benefits. Many companies donate money to environmental funds or programs but don't have the direct impact built into my brand that I do. What I learned from my research of other brands was data on the number of servings in one unit of the product. I need to figure out how many servings to include in 1 unit of my product at a price that can still meet the competitive market of the other brands. I also should push forward the aspect of my brand being organic because not all of the competitive tea brands can offer that premium.

### **Brand Description:**

Mission Statement:

Flatulence Fix's mission is to provide the community with a sustainably and locally sourced product for gas and indigestion that has a positive effect on the environment.

Values Statement:

Flatulence Fix is committed to solving the plague of our gassy society while benefiting the local environment, securing a bright future for all.

- Sustainably and locally sourced
- Empathy
- Light-hearted
- Reliable

- Transparent

**Vision Statement:**

A sustainable answer to our gassy society.

**Slogan:**

Flatulence Fix provides a sustainable answer to indigestion that benefits the environment

While workshopping ideas for a brand name and slogan I wanted something concise and to the point. I decided on Flatulence Fix, A foraged fennel tea. It describes the product, in a light hearted way and then has a slogan that describes the environmental factor and further defines what the product is. My brand values emphasize being transparent, reliable, and light-hearted creating a very user friendly environment.

**Marketing Objectives, Strategies, and Tactics:**

My businesses' main market objective is to sell 100 units by the end of May securing a consumer base and learning more about the market. My first main strategy is online marketing. I plan to send out messages including a description of the product and explaining its positive effects on already established email lists such as MarinSEL and SEI. As another aspect of online marketing I will establish a website where customers can learn more about the product and place orders. Finally, I will advertise on the website Nextdoor.

A second strategy I will use is speaking to businesses about selling or advertising my product. I plan to approach the new Zero Waste Marin store that sells zero waste sustainable product. I think they could be interested in a sustainable and local product. I will also talk to businesses related to tea such as Peet's Coffee and Tea, Starbucks Coffee, and local cafes and coffee shops. Finally I want to approach Good Earth a health food store in Marin.

Finally, a third strategy is to advertise in person in front of businesses such as Scotty's Market and Marinwood Market. I would offer free samples of units with just a couple of servings to build in interest in my product. I would also have full sized units for sale.

**Operations:**

- 1) First 6 months:

The product will be mainly sourced from the hills that form the ridge around Terra Linda. They are the closest to my home and have large clumps of fennel growth that are easily accessible and harvestable. 30 minutes of harvesting with one person gets about 15-25 servings of tea. I will store the fennel in my bedroom or if there becomes to much, our spare room. The packaging I will order from amazon. The fennel will be packed into individual compostable tea bags and those into larger canvas pouches. My house will also work as a place where the product can be assembled. Using these factors the entire operation of production should become operational within two weeks of harvesting and packaging.

- 2) Subsequent 12 months:

Operations for this time period should be similar to the first 6 months. I predict that my home should still be able to act as the place to store and produce the product. What might change is where I source aspects

of the product from. The fennel can only be sourced in the late summer and fall. This means that it has to be harvested in mass during this season. The amount of fennel foraged in this time period will be a lot more than that of the first six months. Also, in the subsequent year, I might have expanded the product into stores this would mean that I might have to alter the product to meet what they want to sell. Specifically, the packaging of the product.

### **Management:**

Necessary Positions:

- Head of Production - Foraging Materials, Ordering Materials, making the product

Needs to be able to stay organized and produce the product effectively.

- Marketing - outreach into the community, advertising

Needs to be personable, outgoing, and strategic. Would be helpful if they have background in social campaigns and/or social media.

- Someone to keep track of numbers but also help with production, sales, and marketing

This person would have to be organized and good with numbers. However they need to be able to be flexible and help with everything else in the company.

My role as CEO will be to assist in whatever field necessary, encourage employees, and progress the company. I am the right for this role based on my vast experience in leadership roles. I have been parts of countless group projects and businesses, both in school and in the real world. I have experienced both successful and unsuccessful environments in these groups and truly believe I know how to nurture an environment that both is lighthearted and fun but also effective, profitable, and progressive. I am empathetic and believe I will be able to work with business partners in a way were everyone is invested, driven, feels heard, and is happy to be part of the business

Assuming the business continues past the initial 6 month span, the employees will be paid on an hourly rate or in terms of the units produced. Because of the small size of the staff, decisions will be discussed as a company, hearing everyone's opinions before the CEO makes the final, unbiased call.

The payroll and operating expenses together are 12,411. The Gross Margin/Total Sales is equal to 73.8% so the subsequent yearly break even amount is 10,448. Within the first 6 months Flatulence Fix is projected to bring in a revenue of 1,520, with another 8,900 in the subsequent year. The startup cost is only \$31.6, the price of production for an inventory of 15 units. So the break even amount is \$152.2 because there is no payroll.

### **Pricing:**

A single unit of Flatulence Fix costs 1.76 dollars to make. Similar companies sell similar products for around \$7-8. A unit of Flatulence Fix will cost \$8.00, a little more than other brands but a low increase the target market is willing to pay for a local and sustainable product.

### **Assumptions:**

- The sales will increase as time goes on

- The increase in price from the first 6 months onward won't lower the amount of sales
- Production and Inventory can keep up with sales

Personnel: Employees will get paid an hourly rate of \$11.00 an hour. Working an average of about 5 hours a week.

Operation:

The operation costs for the first 6 months will be relatively low, just the cost of the supplies to assemble the product and any costs for advertising. During the next year the cost will go up as business is expanded, perhaps other products are introduced, there are increased costs for advertising and marketing, and payroll.