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COOPERATIVE LEARNING AND DIGITAL SKILS IN ENTERPRENEURSHIP EDUCATION

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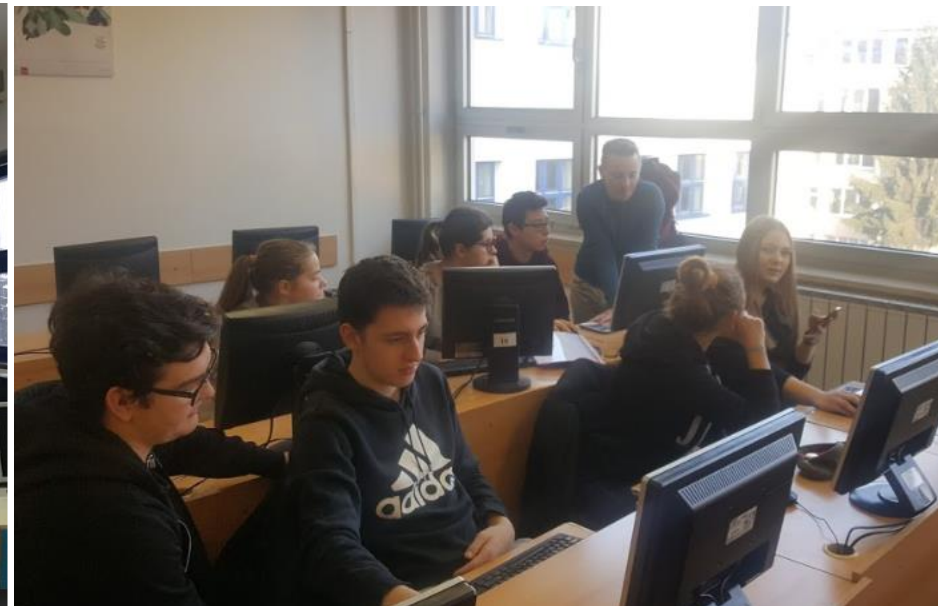

GRADITELJSKA, PRIRODOSLOVNA I RUDARSKA ŠKOLA, VARAŽDIN

„MILCO" d.o.o., Varaždin

BUSINESS PLAN

Introduction of a new product „Yogochest" and manufacturing assortment expension of MILCO food industry

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Varaždin, February, 2018.

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1. SUMMARY

Business plan is a written document describing goals of a business undertaking, and the manner in which those goals are achieved. After we had been acquainted with the project we tried to find our perfect product. This was the hardest part, as we needed to come up with something new and eye catching.

After a lot of contemplating, arguing and research we managed to come up with an idea: chestnut puree yogurt. Later we divided our crew into 3 teams: Marketing, Finance and one team to explore the market. Our marketing team had its mission: the name of our product, logo, packaging, advertisements and our vision for the team.

As expected, each participant had a different idea and it was very hard to find the best one for the product and us as a company. Finance had a simple but a tough problem to solve; to determine the approximate costs and profits that the product could bring us. The team that was instructed to investigate the market did just that with a SWOT analysis alongside. We hope that this product will be successful and that it will bring a considerable profit to the company.

2. DESCRIPTION OF THE ENTREPRENEURIAL IDEA

We are „Milco", a dietary company specialised in dairy products. We are a Croatian company, from Varaždin located in its industrial area. Currently we are a small company with only 150 workers, but big plans for the future.

Our newest product (chestnut puree yogurt with cloves, cinnamon and honey) is one of the more risky products with the surveys of mostly mixed results, but we are facing the risk with our heads raised high. Our targeted consumers are all age groups except infants, e.g. not intended for toddlers. Our primary competitors are „Vindija" (Croatia), „Dukat" (Croatia), „Mila" (Italy), „Danone" (France), „Zott" (Germany), „TINE" (Norway), „Mimosa" (Portugal).

For our supply of raw materials we mostly chose local suppliers for the honey, chestnut, milk and packaging „Strafa plastika" , but our supplier of spices is „Kotanyi" (Austria). Our source of financing is a loan of 250 000 kn which is nearly 34 000 euro, which we intend to pay back within 2 years.

3. MARKET EXPLORATION

By careful selection of product name and ingredients (chestnut yogurt) we were ready to investigate the field and our competition. Firstly, we set out to check our own country's companies that specialise in dairy products or more specifically yogurts. The more recognizable and bigger corporations such as „Vindija", „Dukat" and „Kim", as expected, produced a lot of different flavours of yogurt but thankfully none produced our kind.

Going home and getting on the computer we went on the Internet and continued our search there. As we first investigated our home country's companies we confirmed our results in the shops, then we continued and translated the name and ingredients into three languages we needed to research. We searched for the product in Portuguese, Italian and Norwegian and unexpectedly found a match. An Italian dairy company has already made and sells chestnut yogurt. After a thorough consideration and failed prototypes we finally changed the recipe, packaging and the name.

45 people of different age and sex were examined.

Questionnaire

Introducing a new nutritional product "yogurt with chestnut puree" in the production assortment of "MILCO" foodstuffs.

General information (circle):

AGE: <18 18-25 25-45 >45

SEX: M F

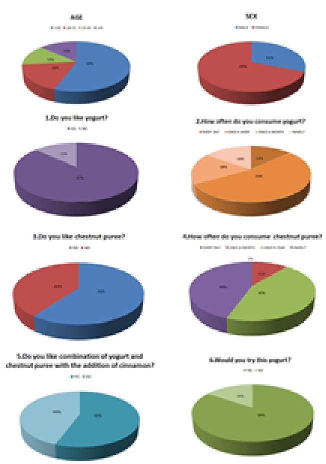
The following questions apply to the new product, and please circle what you think is based on your eating habits:

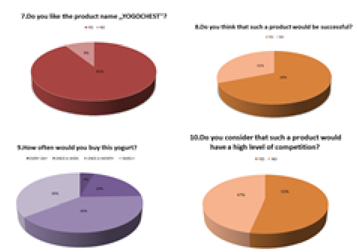
1. Do you like yogurt?
   YES NO
2. How often do you consume yogurt?
   1 (every day) 2 (once a week) 3 (once a month) 4 (rarely)
3. Do you like chestnut puree?
   YES NO
4. How often do you consume chestnut puree?
   1 (every day) 2 (once a month) 3 (once a year) 4 (rarely)
5. Do you like combination of yogurt and chestnut puree with the addition of cinnamon?
   YES NO
6. Would you try this yogurt?
   YES NO
7. Do you like the product name, "YOGOCHEST"?
   YES NO
8. Do you think that such a product would be successful?
   YES NO
9. How often would you buy this yogurt?
   1 (every day) 2 (once a year) 3 (once a month) 4 (rarely)
10. Do you consider that such a product would have a high level of competition?
   YES NO

The results shown in the table:

	1	2	3	4	YES	NO
1.					39	6
2.	6	24	8	7		
3.					27	18
4.	0	5	20	20		
5.					25	20
6.					38	7
7.					41	4
8.					31	14
9.	2	9	18	16		
10.					24	21

3.1. GRAPHICAL REPRESENTATION OF A QUESTIONNAIRE





During the survey we turned more to young people because we think that our future lies with them.

Most people like yogurt and most eat it at least once per week, which is a good prospect for our product.

Only 10% more people love Chestnut puree and consume it rarely so we will try to raise the consumption of this product to the consumption of 85% of people.

We were not sure if people would fancy the name "YOHOCHEST" for our product so we asked them and most people liked it.

It is believed that the product would be successful, people would buy it at least once per month and probably have a big competition but with good raw materials and advertisements would make our product competitive in the market

4. SWOT ANALYSIS

Swot analysis presents an important link in the analytical process of each project as it provides information about the organization and the project team. This analytical method is often applied due to its simplicity that enables good strategic planning of project development and organization themselves.

SWOT analysis is characterised by two perspectives: organizational, conditioned in present and past time, and the prospects of the environment focused on the future. The name itself is the acronym of English phrases.

Strengths

Weaknesses

Opportunities

Threats

Benefits of SWOT analysis

The key element of the formulation option is to harmonise organizational strengths and weaknesses with the opportunities and threats that exist on the market. When properly used, SWOT analysis can provide good basis for formulating the strategy. SWOT analysis is widely recognized in marketing and management literature as a systematic way to achieve the goal.

Disadvantages of SWOT analysis

According to Mintzberg (1994) SWOT is a little effective method because it is rooted in the current perception of the organization. In practice, this is often an activity that is not being implemented well. After identifying all important points, it is not known what to do with the generated data. Regarding the use of information generated to implement strategies, the SWOT analysis is not prescriptive.

4.1. IDENTIFICATION OF STRENGTHS, WEAKNESSES, OPPORTUNITIES & THREATS

STRENGTHS & WEAKNESSES

- The strengths of companies are identified in the form of what the company possesses and potentially leads to increased competitiveness and must be based on facts.
- Strengths and weaknesses are tangible (equipment, buildings, etc.) and inexhaustible (organizational culture, strategies, etc.) of the company's resources. SWOT analysis does not contain all the features of the company, but only those that relate to the key success factors.

OPPORTUNITIES & THREATS

- They are developed as a consequence of the global environment (legal, political, technical-technological, economic, social and societal influences)
- Threats are all situations that are unfavourable for the enterprise and which can endanger and slow down the achievement of organizational goals and endanger the future of the enterprise, whereas opportunities are the main favourable situations in the business environment. The purpose of the analysis is to force the manager to anticipate important events that could affect the company

STRENGTHS	WEAKNESSES
S_1- high nutritional composition S_2- product quality S_3- originality	W_1 - weak financial situation W_2 -short shelf life
OPPORTUNITIES	**THREATS**
O_1- Increase in demand for the product O_2 - new ways of packaging O_3 - favourable market trends	T_1 - unfavourable economic situation T_2 -the appearance of competition

4.2. RANKING ACCORDING TO IMPORTANCE AND PROBABILITY OF OCCURRENCE

Ranking depends on specific forces, weaknesses, opportunities and threats, where their ranking has the role of reflection on possible further procedures.

STRENGHTS

	S1	S2	S3
S1	-	S2	S1
S2	-		S2
S3	-	-	-

2x (S2)
1x (S1)

OPPORTUNITIES

	O_1	O_2	O_3
O_1	-	O_2	O_3
O_2	-	-	O_3
O_3	-	-	-

2x (O3.)
1x (O2.)

WEAKNESS

	W_1	W_2
W_1	-	W_1
W_2	-	-

1x (W1)

THREATS

	T_1	T_2
T_1	-	T_2
T_2	-	-

1x (T2)

4.3. ANALYSIS OF THE RELATIONSHIP BETWEEN THE OPPORTUNITY WITH STRENGHTS AND WEAKNESSES, AND THREATS WITH STRENGHTS AND WEAKNESSES

In this step, it is necessary to identify strengths, weaknesses, opportunities and threats by recognising which forces can be affected by the reduction of certain weaknesses, that is, which opportunities can be used to address specific threats. By some power we can affect more weakness or more strength can affect some weakness.

RANG S	RANG W	RANG O	RANG T
S_2	W_1	O_3	T_2
S_1	W_2	O_2	T_1
S_3	-	O_1	-

(W_1, S_2, O_3) – weak financial situation- product quality, favourable market trends

- We can fix our company's weak financial situations with high product quality and favourable market trends

(W_2, O_2) – short shelf life – new ways of packaging

- With new ways of modern packaging we can prolong our short shelf life of product.

(T_1, O_3) – unfavourable economic situation - favourable market trends

- The problem of unfavourable economic situation can be improved by favourable market trends

(O_2, S_3, T_2) – The appearance of competition – new ways of packaging, originality

- The appearance of competition can be solved with new modern ways of packaging and originality of product

5. MARKETING

GOAL

Our goal of marketing our product is to manage future, predictable events with desire to achieve the best possible result and minimize unwanted business outcomes.

MISSION AND VISION

The mission and foundation of mere existence of our company is to improve life quality of our customers and to promote healthy life. Our company is manufacturing milk products, which are focused on health of our customers.

Mission: "One yogurt a day keeps doctor away"

Vision: "One Yogochest a day equals better day"

5.1. MARKETING MIX (4P)

PRODUCT:

Yogurt is packed in plastic bottles, net mass 200g. The wrap around the bottle contains pictures of ingredients used in the product. The combination of colours used for decorations is a mixture of blue and red.

Packing:

Declaration:

INGREDIENTS 100g	m (g)	kcal
Yogurt	79,56	175,62
Fats	3,4	30,6
Sugar (honey)	4,48	17,9
Cinnamon	0,12	0,31
Chestnut puree	12,44	26,5
TOTAL	100	250,82

COUNTRY OF ORIGIN: Croatia
NAME OF MANUFACTURER: "MILCO" d.o.o., Varaždin
CONDITIONS OF WARRANTY: keep in dry and cold place

PRICE

The promotion price of our product is 9kn (1,21€)

PROMOTION:

Free degustation on stands in shops will be used as a test for quality of our product that will be put on market. Product will be presented by video advertising.

PLACE (DISTRIBUTION):

Channels of distribution would be shops, bakeries, and some smaller shops. Means of transport used for this product need to be with special devices in order to contain the product unchanged.

6. PRODUCTION ORGANISATION

The research and analysis, which were conducted, gave us more than satisfying results and helped us greatly with further processes and further realisation of our business idea. Thus, a well-organised production process is initiated in order to produce optimal product with optimal features through minimal costs.

Solely safe and healthy ingredients will be used; raw cow milk pasteurised for about 10 minutes on temperature of 75°C (pasteurisation is a thermal treatment which is conducted at temperatures between 55°C and 75°C, it kills microorganisms and inactivates enzymes in food), in addition to a microorganism culture, fermented at 40°C for about 12 hours.

After the fermentation, the milk is cooled and a fermented milk base is added followed by homogenisation of the product. Furthermore, ingredients necessary for achieving taste, smell and other features of the final product are added. That includes chestnut puree (manufacturer: Ledo), chestnut honey, ground cinnamon (manufacturer: Kotanyi), rum-sugar (manufacturer: Podravka). Milk is obtained from a farm in the surroundings of Varaždin.

In the end the mixture is chilled and packed in adequate packaging. The product is stored in appropriate conditions.

The experimental process of chestnut puree yogurt production has been conducted in laboratories of our school, Graditeljska, prirodoslovna i rudarska škola Varaždin.

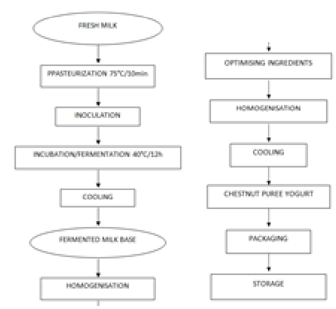
Product recipe :

RECIPE	MASS (g)	MASS FRACTION (%)
Milk	500	82.96
Chesnut puree	75	12.44
Chesnut honey	23	3.82
Milled cinnamon	0.75	0.12
Rum sugar	4	0.66
IN TOTAL	602.75	100

The number of needed workers and structures are: one technologist and five workers. Number of working hours per day is 8 h, per week is 40 h and per month is 176 h. Investors are: bank (credit) and own resources.

6.1. PRODUCTION SCHEME

The production scheme shows the basic processes in the production of yogurt: pasteurisation, fermentation, optimising ingredients (Chestnut puree and honey, cinnamon, rum-sugar).



Scheme: Production scheme

7. FINANCIAL ANALYSIS

Financial analysis is an important tool that a financial manager uses when deciding on business operations. Financial analysis indicators are the numbers which when put in a relationship of a certain size show the success of a business. The quantity of product produced at 8 hours is 2863. The daily cost of production is 7996,86 kn. After we had made calculations shown in the table, we came to the price of the product, which amounts to 10,56 kn or 1,41 €.

Calculation of production costs:

Costs	Price	Quantity	Amount	
Raw materials	kn / kg	kg	kn	€
milk	2,2	500	1100	
chestnut puree	35	75	2625	
chestnut honey	25	23	575	
milled cinnamon	110	0,75	82,5	
rum sugar	140	4	560	
In total		602,75	4942,5	659
kalo (5%)		30,1375		
IN TOTAL		572,6125		
net mass (kg/pack)		0,2		
amount of products (pack)		2863,0625		
amount of products (pack)		2863		
Energy	kn / h	h	kn	€
water	0,45	8	3,6	0,48
electricity	1,62	8	12,96	1,728
Work force	kn / h* worker	worker	kn	€
worker	25	5	1000	133,3333
technologist	40	1	320	42,66667
Packaging	kn / pack	pack	kn	€
foil	0,15	2863	429,45	57,26
plastic	0,45	2863	1288,35	171,78
IN TOTAL		2863	7996,86	1066,248
	kn / pack	increase	kn / pack	€ / pack
PRODUCER PRICE	2,793174991	1,4	3,910444988	0,521393
WHOLESALE PRICE		1,8	7,038800978	0,938507
RETAIL PRICE		1,5	10,55820147	1,40776

7.1. MONTHLY ANALYSIS

Work days: 22

Daily costs: 7996,86kn

Daily production: 2863 p

Wholesale price: 7,04kn/p

Monthly production:

22 days * 2863 p = 62986 p

Expenses (monthly costs):

22 days * 7996,86 kn/day = 175930,92kn

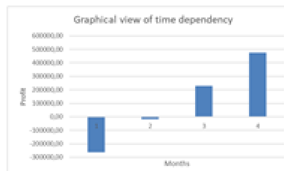
Revenues:

62986 p * 7,04kn/p = 443421,44kn

After the monthly cost calculation it is obvious that during the first two months we work with a loss. In the first month we work with a – 262074,92 kn (-34943.3226 €) and in second month with -16584,40 kn (-2211,25333 €) cost. But in the other two we already work with profit; in the third month we will work with 228906,12 kn (30520,816 €) and in the fourth month we will work with 474296,64 kn (63252,88533 €) of profit. We can see that annual profits increase from year to year.

Monthly profit display:

	1.	2.	3.	4.
INITIAL INVESTMENT (credit)	250000,00			
REVENUES	185856,00	443421,44	443421,44	443421,44
EXPENSES	175930,92	175930,92	175930,92	175930,92
CREDIT RATES	22000,00	22000	22000	22000
PROFIT (kn)	-262074,92	-16584,40	228906,12	474296,64
EURO(€)	-34943,32267	-2211,253333	30520,816	63252,88533



7.2. ANNUAL ANALYSIS

Work days: 256

Yearly vacation: 20 days

Daily costs: 7996,86 kn

Daily production: 2863 p

Wholesale price: 7,04 kn/p

Annual production:

256 days *2863p = 732928 p

Expenses (monthly costs):

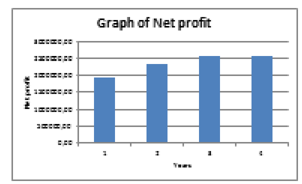
256 days * 7996,86kn = 2047196,16 kn

Revenues:

732928 p *7,04 kn/p = 5159813,12kn

Annual profit display:

	1.	2.	3.	4.
INITIAL INVESTMENT (kn)	250000,00			
REVENUES (kn)	5083491,84	5321057,28	5321057,28	5321057,28
EXPENSES (kn)	2111171,04	2111171,04	2111171,04	2111171,04
CREDIT RATES	264000	264000		
PROFIT	2438320,80	2945886,24	3209886,24	3209886,24
PROFIT TAX (20 %)	487664,16	589177,248	641977,248	641977,248
NET PROFIT (kn)	1950656,64	2356708,99	2567908,99	2567908,99
EURO(€)	260087,552	314227,8656	342387,8656	342387,8656



8. CONCLUSION

After the overall market research had been conducted we realized that the product did not exist in the market and we started planning a business plan. We surveyed the market and received positive responses that motivated us for further work. We conducted a SWOT analysis in which we used the positive side (strengths and opportunities) to solve the problems of the negative side (weaknesses and threats).

By calculating the cost of production of energy, packaging and labour inputs, we calculated the price of the product, which is 10.56 kn (1.41 €).

By developing marketing tactics (marketing mix), we have created a form of packaging and declaration. The mission and vision as well as the promotional price (€ 1.21) helped us to enter the market and attract new customers.

With a detailed financial analysis we can conclude that we already work with a 3-monthly profit. Annual analysis shows us that with continuous quality work we can succeed!

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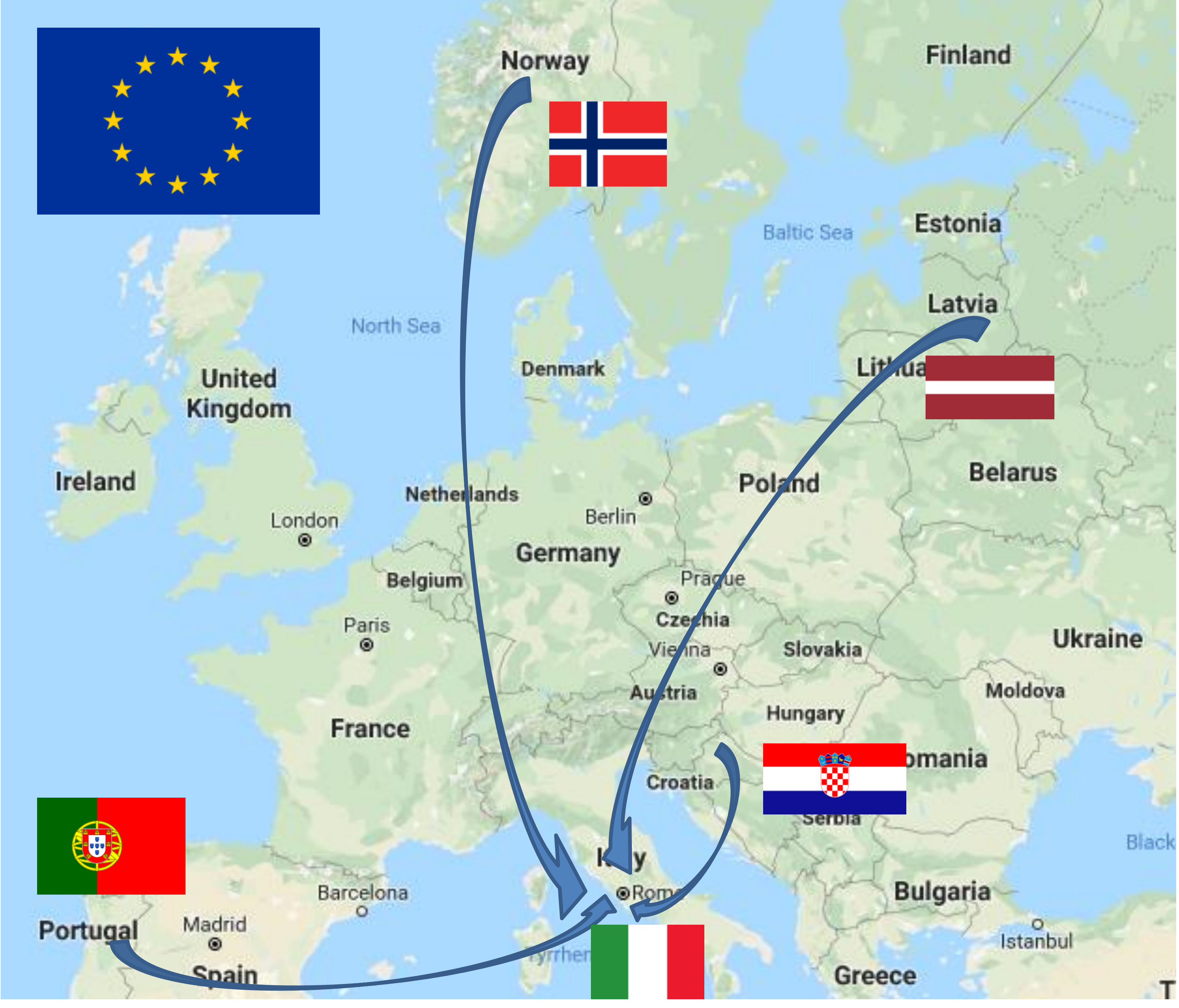
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Rome
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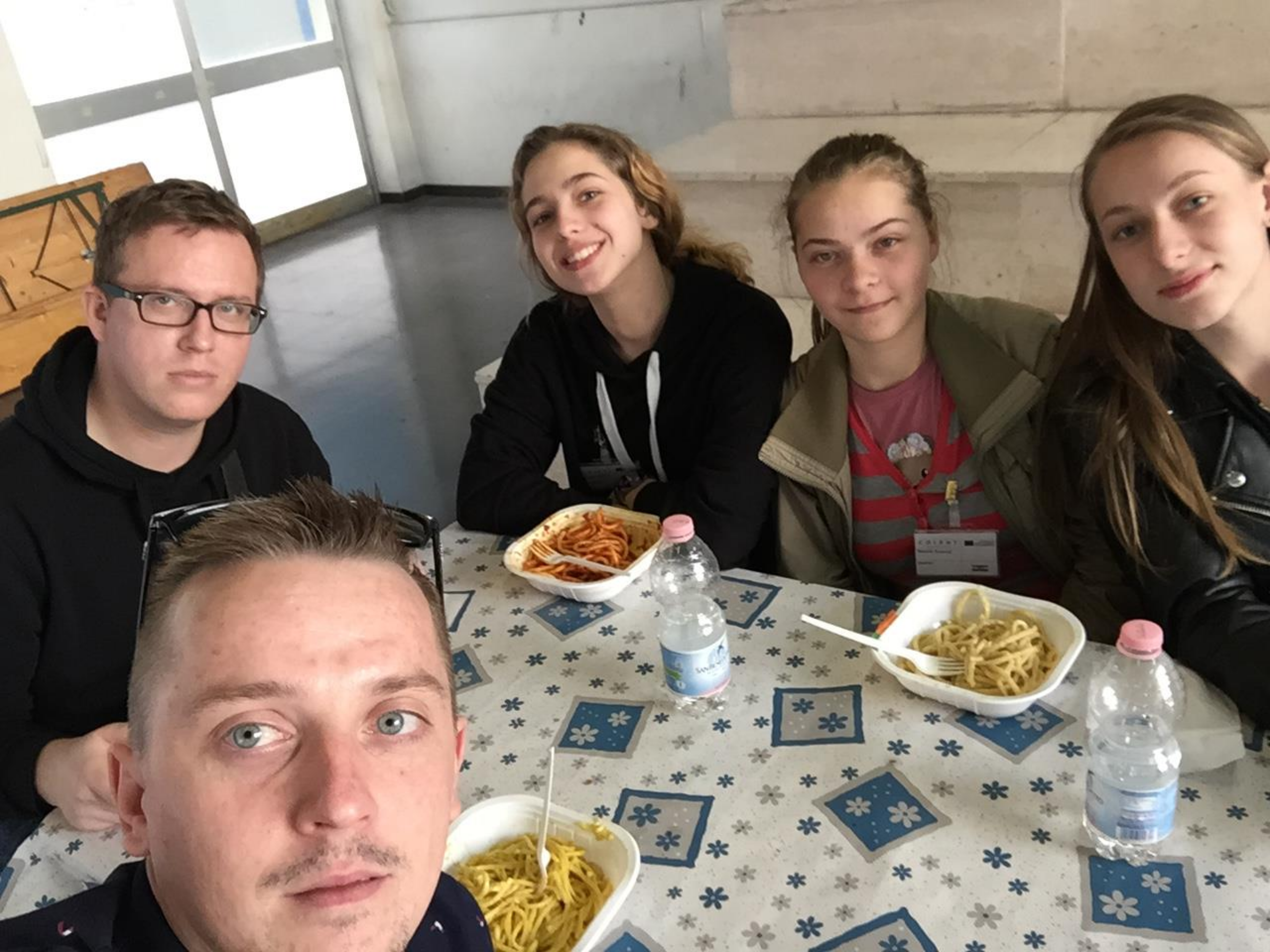
Madrid
Spain
Istanbul
Greece

Nedjelja, 08.04.2018.


ECNICO COMMERCIALE DI STATO
PIERO CALAMANDREI

Ponedjeljak, 09.04.2018.


Milco




CAUSE I CAN

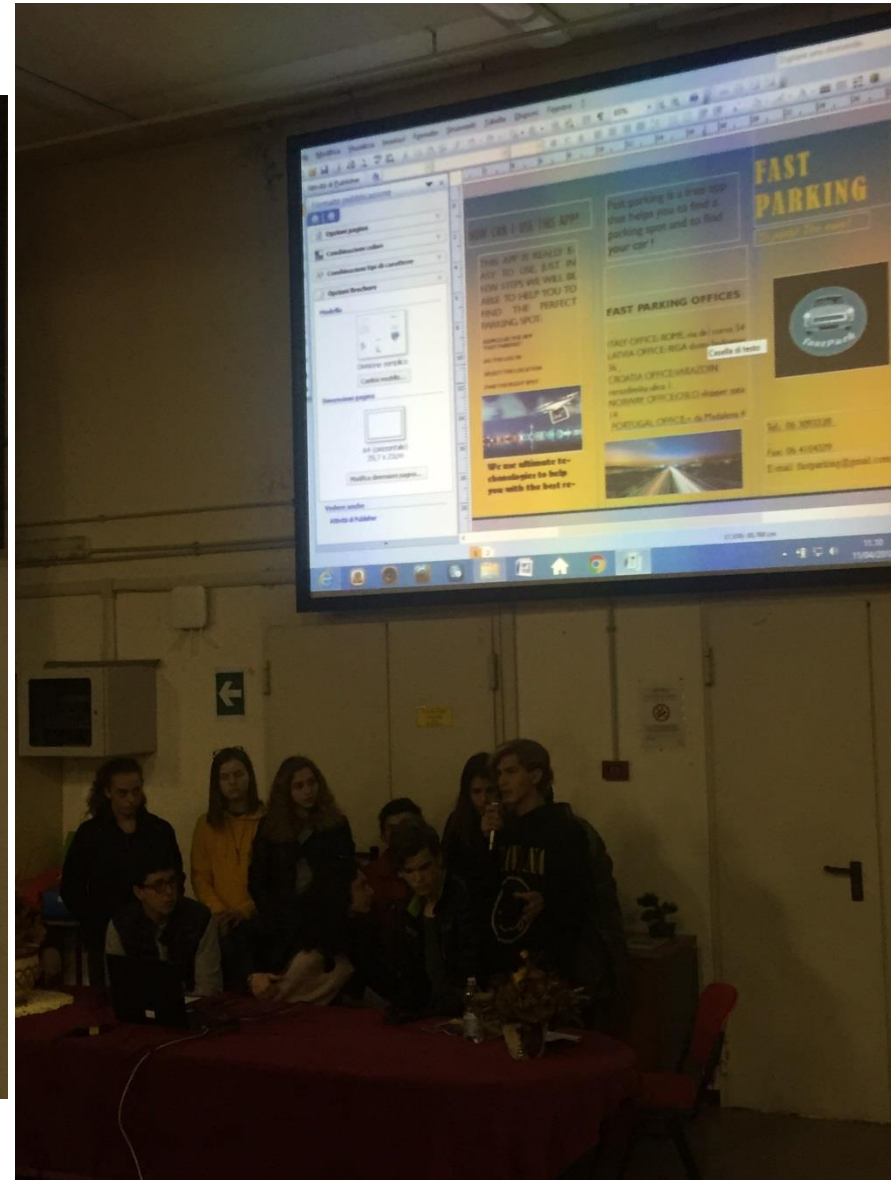
Utorak, 10.04.2018.

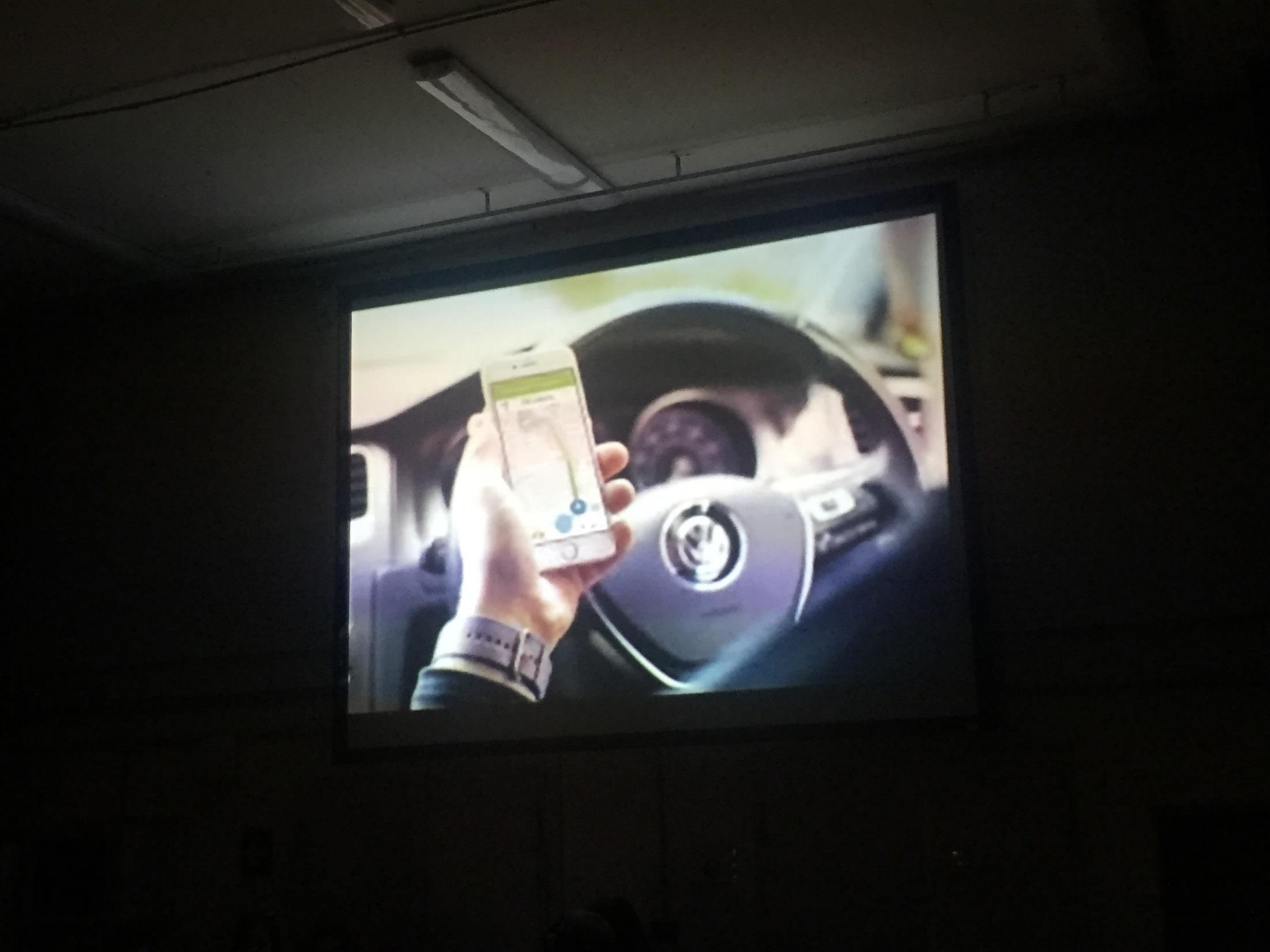

Ferrari WORLD
Abu Dhabi
Santander
PIRELLI
Santander
acer

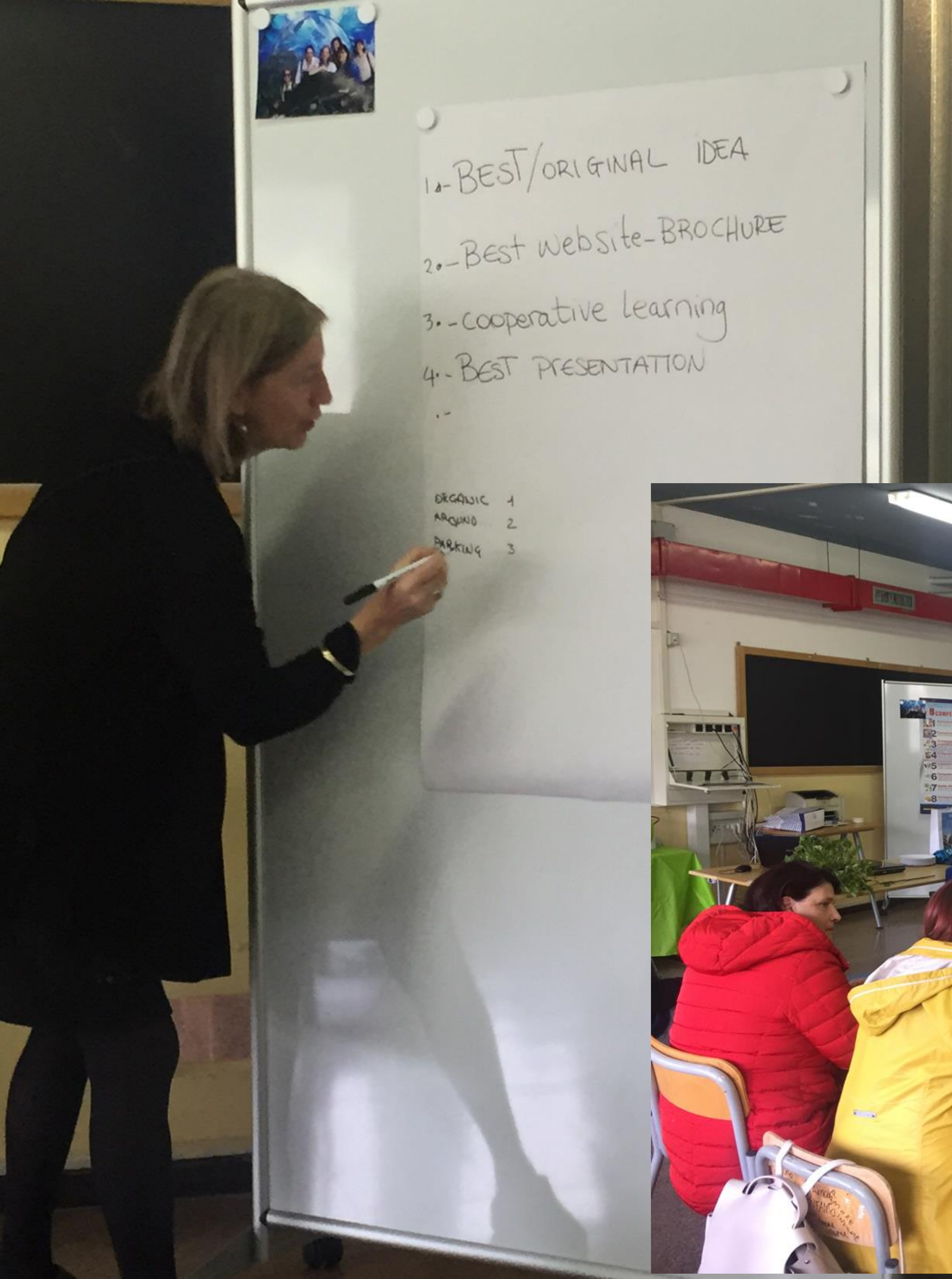

M·AGRIPPA·L·F·COS·TERTIVM·FECIT


150
GUSTI DI
GELATO
150
ICE CREAM
FLAVORS
DELLA PALMA
Gelato di Roma
OLTRE 150 GUSTI DI

Srijeda, 11.04.2018.






1.- BEST/ORIGINAL IDEA
2.- Best website-BROCHURE
3.- cooperative learning
4.- BEST PRESENTATION
ORGANIC 1
AROUND 2
PARKING 3


POSITIS SIGNIS ET ANA
SOLVTVM A·DOM·MDCCLXII


AULA "Rita Atria"




Četvrtak, 12.04.2018.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REGNI CAELORVM TV ES PETRVS ET
NC VNA FIDES
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SLIJEDI:

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- Hrvatska