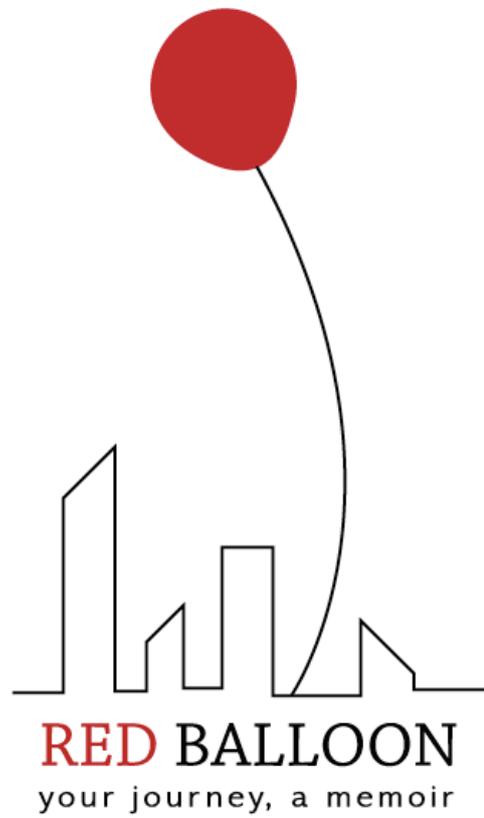


Business Plan



OWNERS

Daphne Tan
Jackson Tjam
Tan Pei Ling

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II. Executive Summary

Red Balloon offers a one of a kind, bespoke funeral solution. Considering its niche and novel business model, Red Balloon is confident of winning over business from the more traditional funeral companies currently offered in the market. Our starting point when planning for a funeral will be to highlight the key momentous occasions in our clients' lives. Aware that our clients have achieved significant success in their lives, we plan their funeral around their glowing achievements, making their journey a lasting memoir.

Committed to delivering excellent and modern funeral solutions to our end clients as well as good customer service, Red Balloon is certain that the face of the industry will be significantly modeled with this fresh injection of ideas and novelty, which hopefully, will dispel the negative connotations associated with death.

Considering the lack of such funeral planners in the industry, Red Balloon is fulfilling an urgent service gap for the new generation of ageing Singaporeans. Identified as being more educated, affluent and richer, this silver generation will span off interesting products and services catering to the new affluent. It is right in this social and cultural context that Red Balloon is born. We are positive that our services will prove attractive to the new ageing generation as more look for funeral services beyond the traditional.

At Red Balloon, we pride ourselves as being a nimble and flexible outfit. Staff only with three key players, our start up cost is relatively low since the overheads involved in the business are relatively insignificant. Based on a five events per month estimate, we will be able to break event quickly in the span of 6 months, making Red Balloon a lucrative and winning business.



III. Market Situation

Current Situation in the Market

There are currently 60 registered funeral companies in the funeral service industry and a 100 other funeral coordinators without a shop front. Despite that statistics, not one funeral company has offered bespoke funeral services.

On a national average, there are about 45 deaths per day, an approximate total of 16,500 deaths in a year.

For funeral services held in Singapore, the rituals differ according to not only religion but also the clans that the deceased belonged to. However in terms of the general physical setup, it generally follows the model shown below:

- Standard tentage setup for casket area
- Tables & chairs for guests
- Memorial setup
- Floral frame and floral arrangements
- Photo enlargement.
- Casket Package
- Glass hearse
- Embalming & makeup service
- Bus transportation on funeral day
- Mobile Toilet
- Fridge supply
- Catering/Buffer dinner
- Full 24hours funeral consultation & coordination service

A tentage will be set up usually underneath HDB blocks or funeral parlors; floral arrangement or wreaths will adorn the location; catering services will be provided and finally depending on the religion, a cremation or the burial of the dead will be performed. All of the

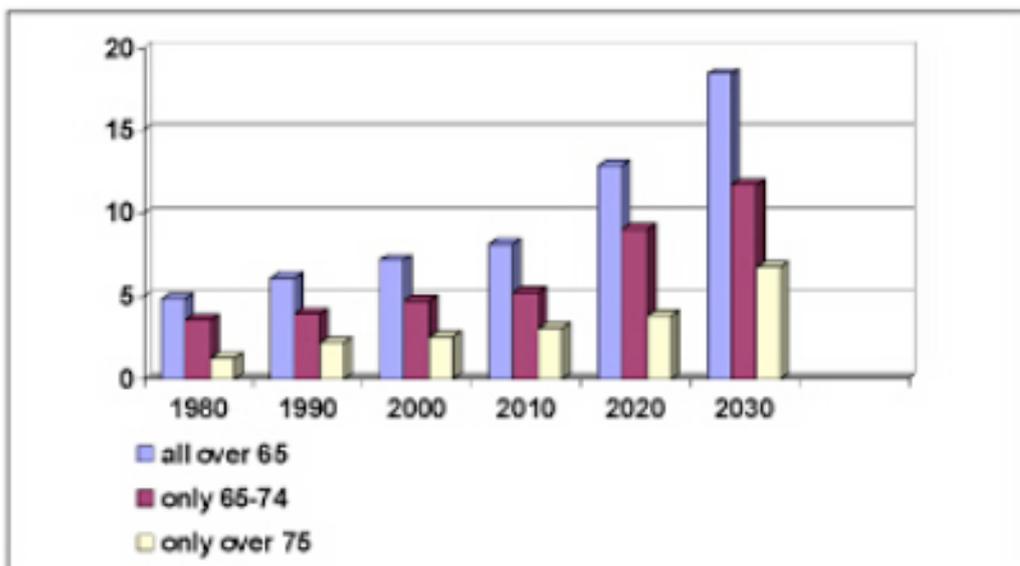


services are provided by engaging a funeral director to arrange the wake and funeral, death registration, post funeral matters such as counseling & support programs.

Market Potential

Between now and 2030, Singapore will witness an unprecedented profound age shift. The number of residents aged 65 years or older will multiply threefold from current 300,000 to 900,000 in 2030. By then, one out of every five residents will be a senior.

Singapore: Persons Aged 65 and Above as a Percentage of the Total Populations



Source: Inter-Ministerial Committee on Health Care for the Elderly (1999)

While it is well known that Singapore has one of the fastest ageing populations in the Asia-Pacific region, the speed of the demographic ageing process has been less emphasized. What developed countries experienced over a period of 80 to 100 or more years is being experienced in less than half the time in a number of countries such as Japan, Hong Kong and Singapore. The graph above provides a graphic illustration of the rapidity of the demographic ageing process in Singapore while the table below shows the demographic projections up to 2030.

Singapore: Number and Proportion of Older Persons

	1999	2000	2020	2030
No. aged 65+ (in thousands)	235	312	529	796
Proportion aged 65 +*	7.3	8.4	13.1	18.9
Median age (years)	33.4	36.9	39.3	41.2
Dependency ratio (DR)	42.0	38.7	44.9	56.4
DR (Young) 0–14 years	31.7	27.1	25.9	26.9
DR (Old) 65+ years	10.4	11.6	19.0	29.5

* Figures for 2000–30 are estimates.

Source: Inter-Ministerial Committee on Health Care for the Elderly (1999)

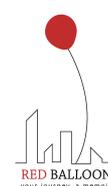
The baby boomers represent the leading edge of this coming age wave. This generation fuelled our economy after their birth and was the recipients of an evolving education system, the forerunners of industrialization, and the main contributors of Singapore's economic expansion and progression. These seniors will be healthier, better educated and richer.

Now, this same generation will continue to fuel the market for goods and services related to age and its special needs and demands – varied products and services catering to the ageing process. As with the experiences of other ageing societies, seniors will not only become important social and political voices, but a key consumer group as well.

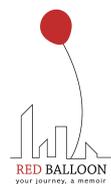
As the seniors population becomes increasingly affluent and will wield spending power surpassing those of past ageing cohorts across the developed world – the United States, Japan, Korea, Australia and Europe – the “silver industry”, which has products and services catered for older persons, is already a burgeoning one. In South Korea, it is estimated that the size of the silver industry will spiral from S\$29 billion in 2000 to S\$69 billion by 2013.

Not only that, this new group of consumers will also hold significant wealth and power. According to gerontologist Ken Dychtwald, president of the Age Wave think tank in San Francisco, ‘Americans aged 50 and above control \$7 trillion (70%) of all US wealth, bring in \$2 trillion in annual income and account for 50% of all discretionary spending.

This silver industry will spawn interesting products and services. It varies from new housing options such as retirement housing with lifestyles suited for seniors to new education services such as Third Age Education.



It is in this social and cultural context that the inception of Singapore's first bespoke funeral services came to fruition.



IV. Company Description

Red Balloon's Vision & Mission

It is our vision...

Professionals with a passion for people

It is our mission...

To care for you as we would care for members of our own family by injecting fresh, unique and creative ideas into funeral industry in the highest quality and professional manner so that you will have more options for your own funeral planning. As a result, it will create a more heartfelt and heartwarming final farewell for everyone.

It is also our policy to serve each and every family to the best of our abilities. We believed in providing excellent customer service and going an extra mile to guide our clients through this period in life.

Nature of Business

Red Balloon makes up a group of passionate funeral planners, wishing to not only provide the ultimate dignified and personalised solution for bereaved families but also to try dispel the taboo connotations associated with death.

Name Significance

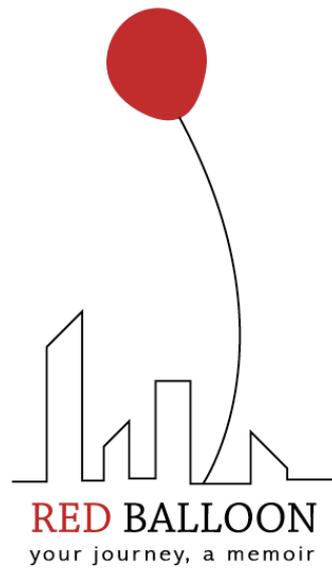
Bearing in mind the sensitive and taboo nature of our business, it is important to have a company name that is relatively neutral and indirect. The name, Red Balloon, is void of meanings that are directly associated with “death”, “die”, “departure” etc. At the same time, the name also creates interest among consumers. Not only does it pique their curiosity, it will also spur consumers to find out what Red Balloon is all about. The name is also modern; unlike what is commonly found in the market, lending an extra emphasis on the unique nature of our business.

Brand Statement

Red Balloon promises high quality and excellent delivery of bespoke funeral services. Catered not only to clients' preferences, Red Balloon assures that all clients will enjoy topnotch customer service. We care for all our customers and aim to foster long lasting relationships.



Brand Signature



Logo Significance

The red balloon symbolizes a sense of hope and peace for the bereaved families. The balloon hovers above the city skyline, to signify departure. This helps to showcase the nature of our business without being too direct. The city skyline on the other hand lends a modern slant to the entire look and feel. At the same time, it highlights the novelty and freshness of Red Balloon.

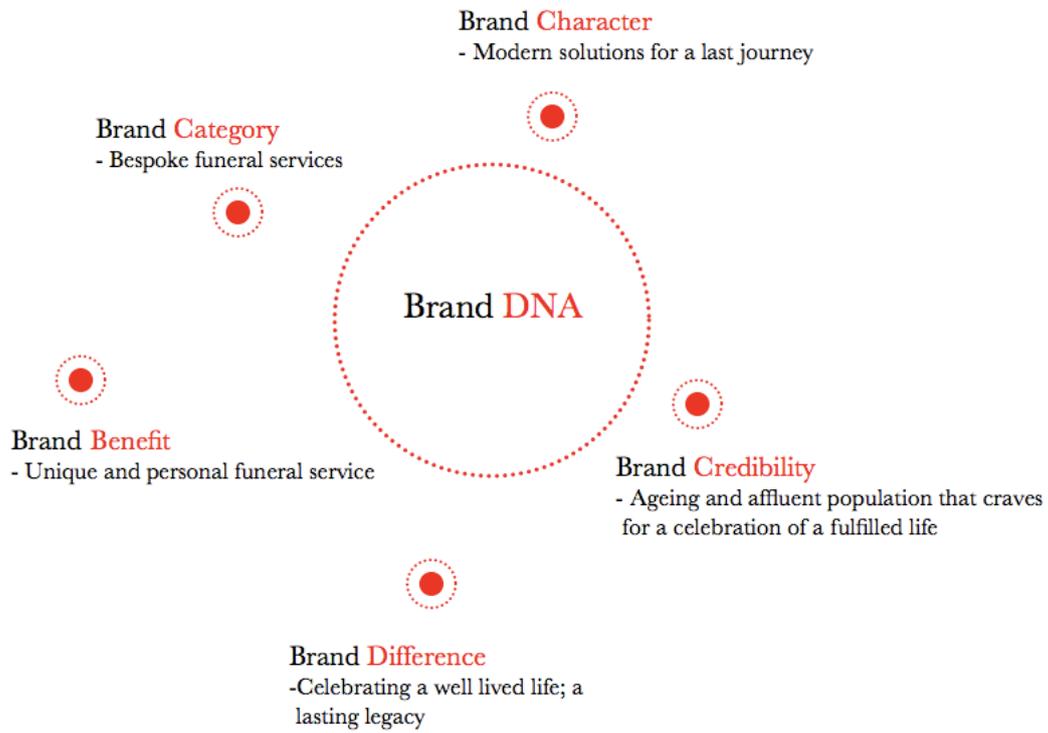
Tagline Significance

“Your journey, a memoir”

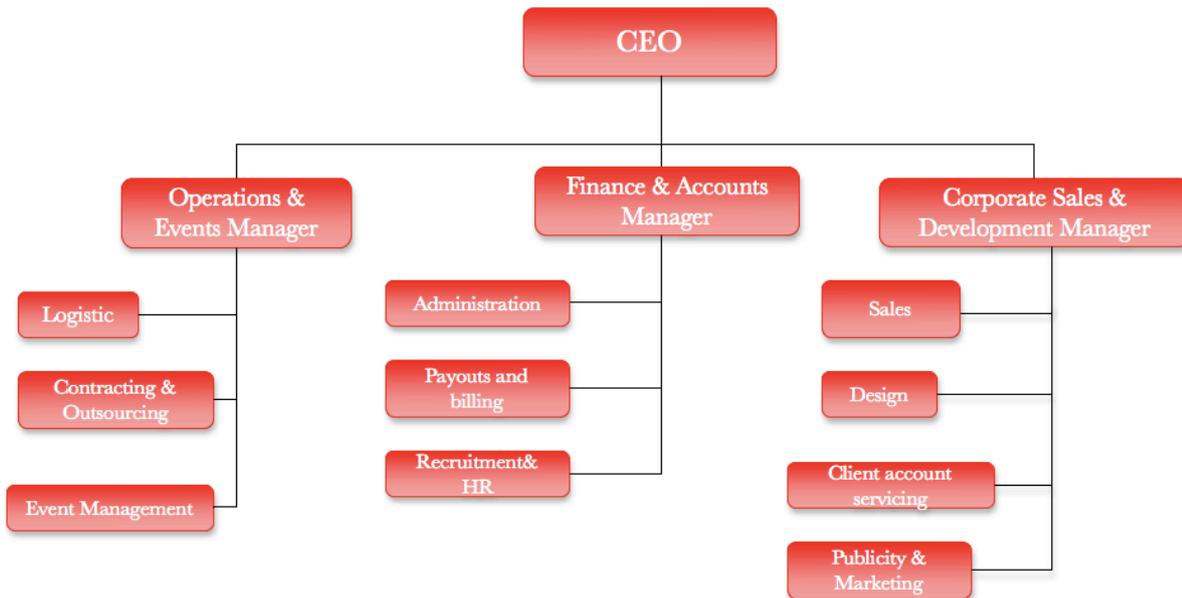
Our business concentrates on helping our clients leave behind a long lasting legacy. As the main focus is on featuring and highlighting important and special moments in our clients’ lives, “your journey, a memoir” informs our consumers how their well-lived lives will take centre stage at their funeral service. Instead of grieving over deaths, Red Balloon celebrates our clients’ fulfilled and meaningful lives.



Brand DNA



Red Balloon's Organisation Chart



Red Balloon's Directors

Jacksan Tjiam

Finance & Accounts Manager

Jacksan was born in Indonesia. At the age of fifteen, he came to Singapore to pursue his high school studies. He graduated from Marsiling Secondary in 2002. He holds a diploma in Civil & Structural Engineering from Singapore Polytechnic.

Currently he is enjoying working in the service-retail line in Singapore, as he is able to interact with people from all over the world and witness many unusual characters from people that he meets. He always has the interest in design, especially Visual Arts and hope to pursue his dream in future.



He constantly improves himself by attending workshops, has a strong work ethic and versatile to the working environment. Furthermore, he is a fast learner who always set a high standard in his work. With his experience in sales related industry and purchasing, he will be able to foresee any changes in the market and swiftly find a solution, thus any setback will be anticipated in advance.

Ever the enthusiastic and diligent person that Jack is, he is finding new joy in working at Red Balloon as the finance and accounts manager.

Daphne Tan Shu Min

Corporate Sales & Development Manager

Graduated from SHATEC (Singapore Hotel and Tourism Education Centre) with a Diploma in Tourism Management in year 2006, Daphne's experience in Administrative, Food and Beverage Operations and Events Operations have made her realized the importance of having a correct work attitude, presentation and good social interaction skills. Also, after working in the MICE Industry for 2 years, she has been exposed to holding major events overseas and is now a confident and motivated individual who enjoys accepting new challenges, with extensive experience in a strongly team orientated pressurized environment.

She sets high standards in working to succeed and to improve herself constantly. She has an effective attitude with a strong work ethic and the ability to achieve and maintain consistently high standards.

Daphne is currently taking up a part time Advanced Diploma in Multimedia Design for her own interest and is working full time at Army museum of Singapore as a Hospitality Officer. Her expertise and enthusiasm in the tourism and creative industry reflects her versatility and ability to recognize and define creative and technology requirements, coordinating both in to coherent technology strategies that meet deadlines and deliver results.

At this point in her career, she is seeking new professional challenges and opportunities where she can continue to provide strong, decisive and creative driven results with a good service.

Tan Pei ling

Operations & Events Manager

Pei ling graduated from the National University of Singapore with an Honors degree in Sociology. During her stint at a statutory board, she was exposed to organizing major events for the local youth sector. Placed in charge of logistics, she found joy working with people from various walks of life and had fun interacting with such diversity.



After a year and half, she decided to fulfill her childhood dream of becoming a visual arts communicator. On top of pursuing a part time diploma, she now works at the Ministry of Community Development, Youth and Sports in charge of the line up of events for the President's Challenge.

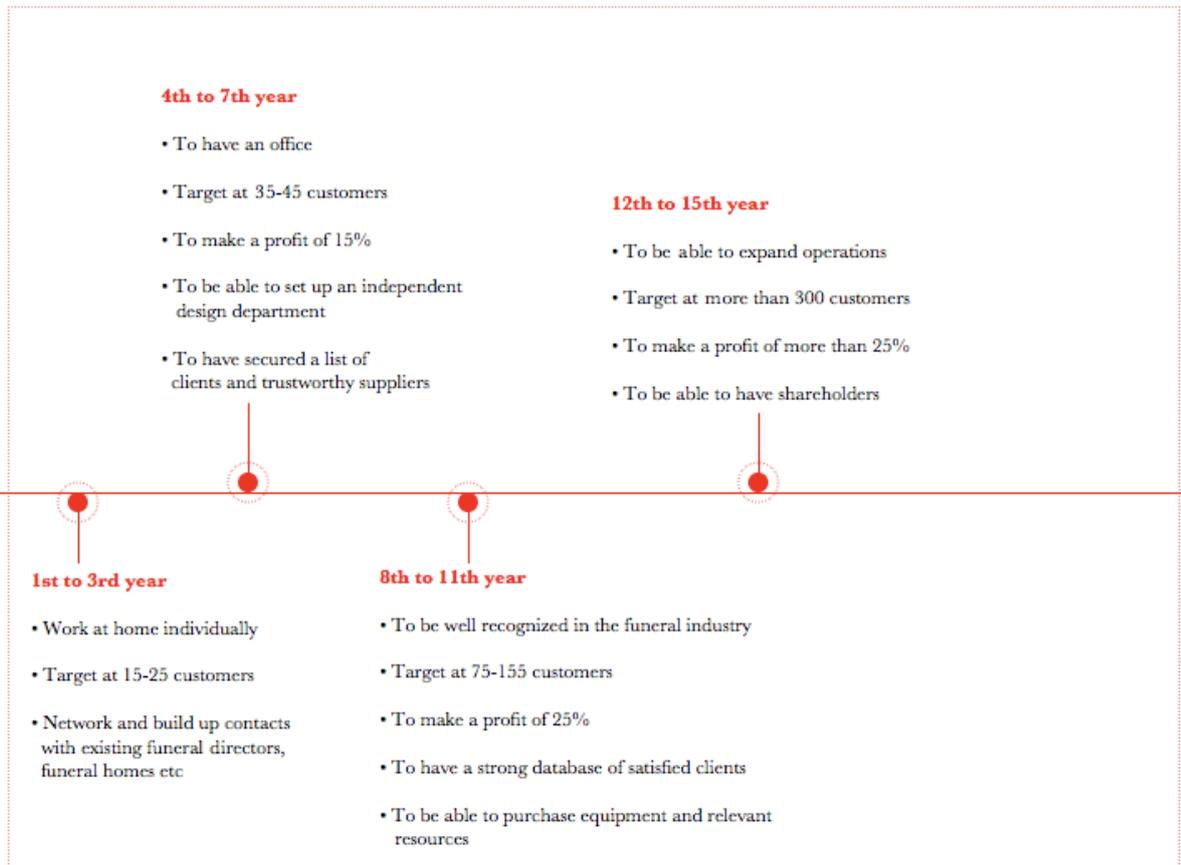
Boosting of a year long of fund raising events, Peiling once again can put her expertise to use. She enjoys working with external partners such as Singapore Flyer, People's Association, F1 and other major organizations to organize key fundraising events for the beneficiaries under the President's Challenge umbrella.

With a belt of experience of organizing events and possessing key contacts with people that she has worked with, Peiling is enjoying her stint at Red Balloon as the Operations and events manager.



V. Company Values and Culture

Red Balloon's Proposed Milestones



Red Balloon's SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Unique position in the funeral industry • Specific segregated target groups • Flexible and customizable funeral solutions • Personal service that helps clients to fulfill last wishes • Dispel taboos on death; novel and fresh perspective • Acts as a central node that connects to external stakeholders e.g. funeral homes, funeral directors, contractors etc • Low start up cost • Partners with insurance companies and banks 	<ul style="list-style-type: none"> • Reliant on external contacts and networks • Lack of trustworthy contacts in the funeral industry; inexperienced • Small startup - shortage of manpower to run events • Legalistic limitations - requests from clients may not be easily realized • Easily replaceable; barriers to entry are low
Opportunities	Threats
<ul style="list-style-type: none"> • Ageing population across most developed countries • Increased levels of affluence and education among the ageing population • Celebration of lives and legacies as way of departure • More awareness about death and illnesses • Niche, unexplored market in the funeral industry; monopoly 	<ul style="list-style-type: none"> • Conservative, negative notions about death; death as taboo • Competitive industry; prone to copycats • External important partners such as funeral directors, funeral homes may not wish to work with the company • The middleman easily cut out

Role of Operations & Events Manager

- Plan, direct, or coordinate the operations of the business
- Leads funeral projects and performs other wishes and duties as requested from the client(s)
- Ensure the successful implementation of the funeral service by performing appropriate work load distribution and team training
- Troubleshoots problems that may occur in the midst of planning for the funeral service



- Liaise and coordinate with external partners such as funeral homes, directors, contractors, caterers etc for funeral services
- Serves as lead contact in the team with external vendors and suppliers for logistical support
- Sources for relevant contacts and resources to ensure a smooth implementation of the service
- Must be able to work under constraints such as time, manpower, budget etc
- Manages daily operations of the company by implementing operating procedures and ensures standards are met
- Interact with relevant authorities and government agencies (e.g. National Environment Agency) to resolve customer service concerns, and ensure regulatory compliance standards are met
- Works with other department managers to ensure the success of the funeral service/event

Role of Finance & Accounts Manager

- Oversees the preparation of financial reports, directs investment activities, implements cash management strategies
- Responsible for cash flow planning, finance and bank –related matters
- Provide accurate and timely costing information and analysis on the company's performance
- Ensure timely and accurate submission of management financial reports to the various managers
- Approves expenses and manages the budget for the operations department
- Approval of purchase orders and vendor pricing for funeral services and related events
- Analyses available data to offer ideas on how to maximize profits
- Establish and maintain the company's pay system and is overall in-charge of pay roll for staff in the company



- Design and implement performance evaluation systems such as pay-for-performance plans and bonuses
- Develop and execute recruiting plans
- Administrative duties and recordkeeping

Role of the Corporate Sales & Development Manager

- Ensures the strategic communication of company's messages over the mass media and online platforms
- Responsible for building media relations, both locally and internationally
- Devise media strategies to facilitate excellent media coverage and publicity for the company
- Manage media relations and public relations including feedback
- Conceptualize and develop communications and publicity collaterals, such as posters, banners, website, email
- To identify potential new clients and develop new accounts
- To be able to negotiate with clients and effectively close business deals
- To ensure excellent customer satisfaction levels with every customer engagement.
- Prepare and conduct high impact presentations
- Work with operations and finance departments to develop comprehensive solutions to address clients' needs and other business opportunities
- Develop and maintain good professional relations with existing client accounts



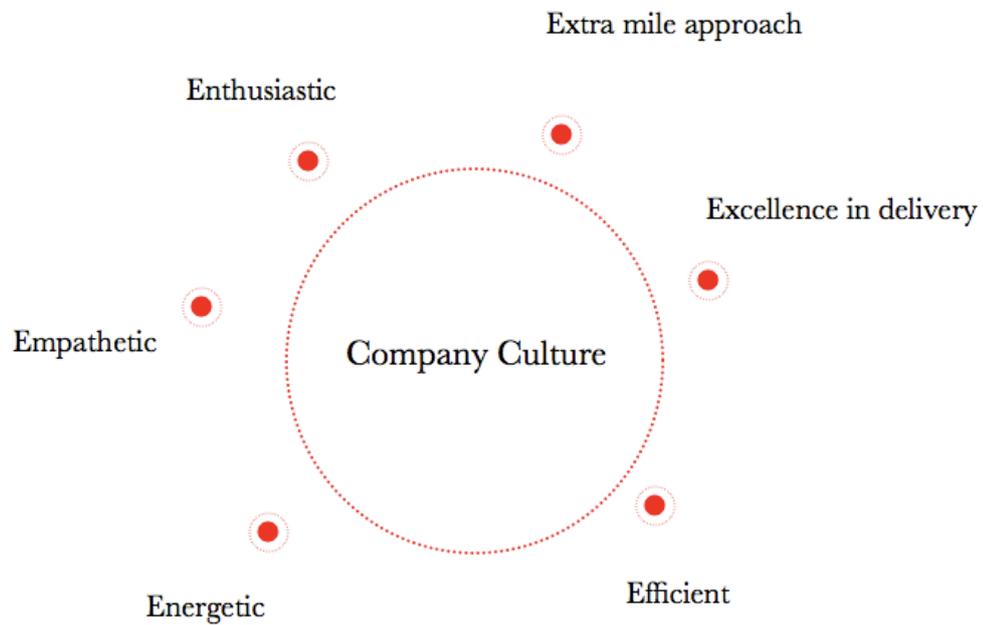
VI. Management and Organisation

Red Balloon's Values

- Dedication to every client's needs
- Excellence in delivery and execution of funeral services and other related events
- Seamless teamwork to achieve success together
- Simplicity in work processes and openness

Red Balloon's Culture

The 6 "E"s



Empathetic

to be compassionate and caring towards our fellow workers and customers

Energetic

to have great energy and vitality for the work at the company

Enthusiastic

to enjoy and be excited about all aspects of the company and the work

Efficient

to be focused and achieve maximum productivity in all aspects

Extra mile approach

to go the extra mile for customers and keep them as top priority

Excellence in delivery

to be proud of the company and maintain high standards in all aspects of work



Red Balloon's **Employee**

- **Customers as top priority**

Provide excellent customer service and to fulfill their requests as much as possible

- **Sensitive to cultural traditions and customs**

Respect cultural traditions across all ethnic groups and religions without discriminating against any

- **Open-minded**

Able to consider new ideas and hold unprejudiced views

- **Creative**

Able to brainstorm and come up with original and innovative ideas

- **Resourceful**

Able to find quick and clever ways to overcome difficulties

- **Ground breaking**

Able to be inventive in every aspect of the given assignments

- **Passionate**

Eager to learn and continuously find room for improvement

- **Situational leader**

Able to guide the team forward and accomplish common goals

- **Adaptable / flexible**

Versatile with the task given so that workflow will be more efficient

- **Analytical**

Having the ability to analyze the problem and find a proper solution to tackle it

- **Pro-active**



Always think ahead and will take steps to prevent errors while preparing for the worst-case scenario

Red Balloon's Employee Work Code

24/7 Availability

All employees must be contactable at all times. In case of emergency or immediate cases, individual must inform the Operations Department without delay

Accountability

All employees must follow through all events and funeral services while adhering to all requests from the customers. Interim reporting must be performed to all managers at appropriate intervals.

Excellent customer service standards

All employees to put customers and their requests as top priority, as well as deliver high standards of customer service.

Sensitivity towards customs and taboos

The word "DIE" is considered as taboo within the company and when meeting up with clients. Employee must practice sensitivity in terms of attire, behaviour, language and others when meeting clients and executing the funeral service.

Equal welfare

All employees to be treated equally regardless of their post in the company.

Teamwork

All employees to be cooperative and cohesive in work processes to ensure that related events and funeral services are delivered efficiently.

Mutual respect

All employees to respect and accommodate one another's working styles. Professionalism at all times is a must.

Open channels of communication

Employees are encouraged to voice out constructive feedback to help the company improve its overall quality of services.





VII. Marketing Plan

Our Unique Selling Proposition (USP)

Unlike the traditional funeral services that are commonly offered in the industry, Red Balloon focuses on providing a modern and creative funeral service that highlights the deceased's life and legacy. Instead of grieving over the family's loss, Red Balloon offers an opportunity to instead celebrate. Some of our services include:

Themed bereavement services - We are creative, flexible and novel in providing personalized funeral solutions that cater to the deceased and family's tastes and wishes. Some of this includes using theater-like sets, props, photos, and special effects to depict the life and interests of the deceased.

Auxiliary Services – We seek to extend our portfolios by providing services that families often use, including videography and photography services, autobiography of the deceased, and family archiving of photographs and other memorabilia.

Internet Technology - We provide the option, at a monthly cost, of memorial websites, where mourners can post pictures and comments about the deceased. Webcast funerals are the newest trend in the traditional funeral industry, appealing to friends and family who can't attend funeral services. Families can also order CD or DVD copies of a funeral or memorial service.

Target Groups

Our company has identified four key target groups:

1. Preplanning death

Individuals that already have a clear idea of how their entire funeral ceremony will be like and wish to assert a certain level of personality into the funeral service. They are also affluent, tertiary educated, open-minded, are free thinkers and are keen to new ideas;

2. The new third age

The new generation of the aging population (50 years and above) will be another key target group. Not only affluent, they are middle class, educated and enjoy a high quality of life. They own country club memberships, travel often, are Internet savvy etc. Funeral services for this particular group will emphasize on making important testaments and legacies to having lead well lived and fulfilled lives;

3. The deceased

The family or loved ones of the newly bereaved that requires immediate funeral solutions for the final journey.



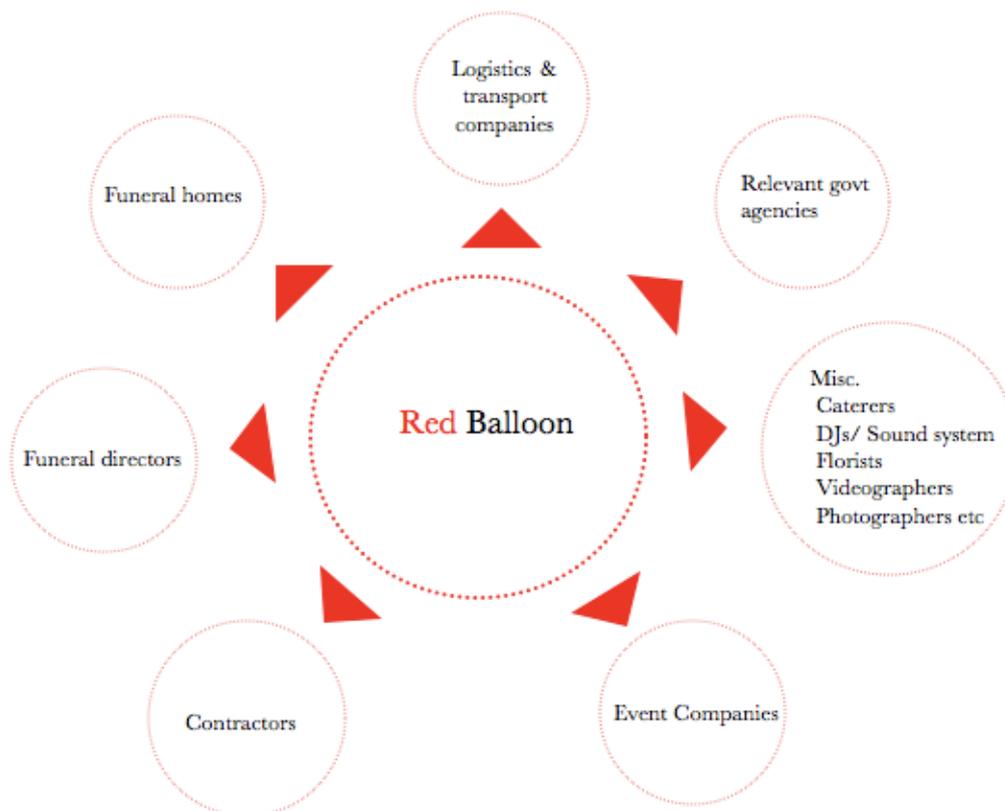
4. **Animal and Pet lovers**

We realized the increasing need for loving pet owners to provide a funeral service for their pets. We offer a personalized funeral service for the pet and pet sympathy cards. On the Internet, we can also set up a website to commemorate the clients' departed companions with poems, anecdotes, and photographs.

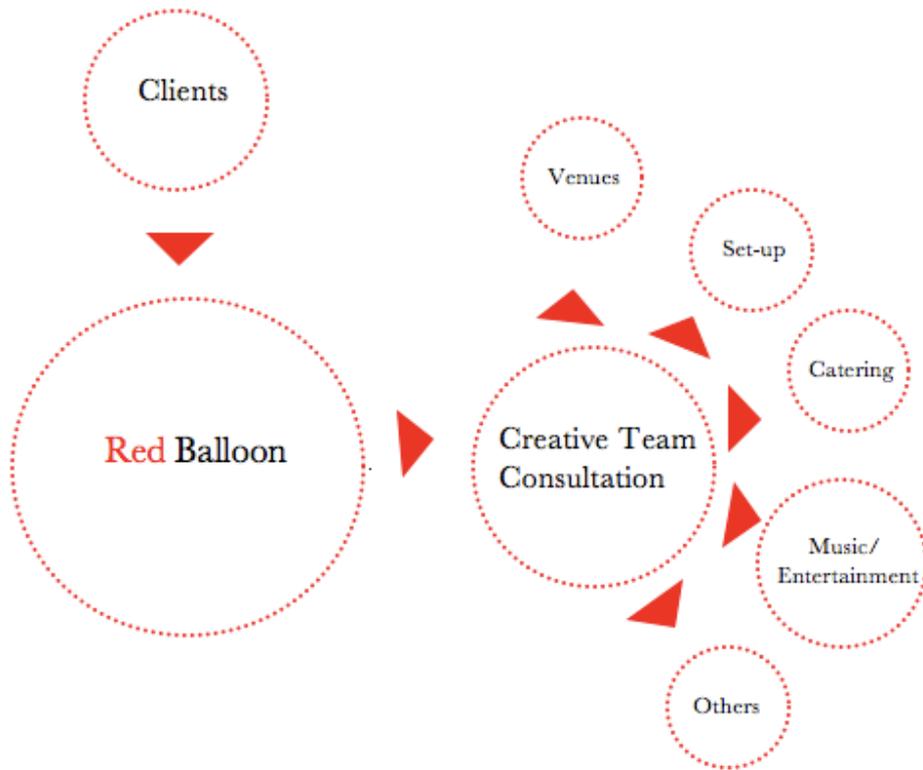
Our funeral service is unique in that you provide your own customized funeral plan from pre- to the post-funeral matters. For example, clients can decide on the venues (beach, places of interest, top of a skyscraper, etc); have their own customized coffins; (designer's made, environmentally friendly, special/unique shape, etc) and even how they wish to scatter their ashes.

We assure you that nothing is too difficult for us to handle; all legal matters and personalized special requests will be dealt with and liaised accordingly with the National Environment Agency (NEA; <http://www.nea.gov.sg/passesaway/index.htm>).

Red Balloon's Business Model



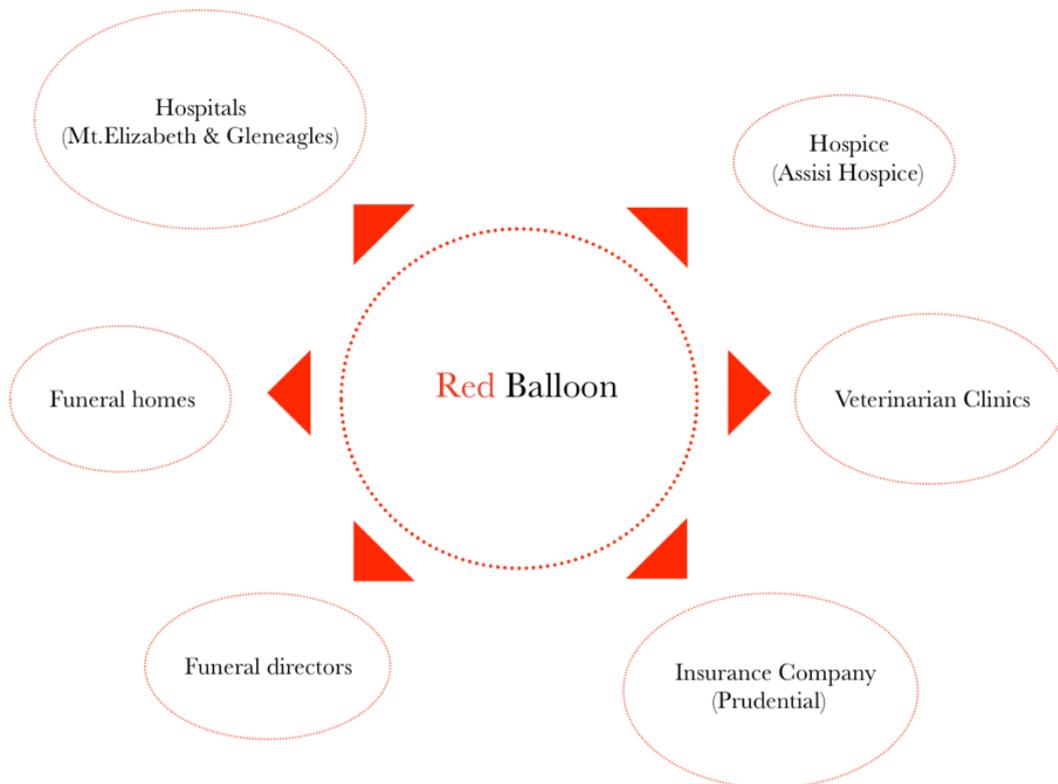
Red Balloon acts as main connecting node with other relevant stakeholders and partners in the funeral business. By positioning ourselves as a do-it-all service, funeral directors and homes can come to Red Balloon to fulfill any particular, unusual requests that the bereaved may have. Red Balloon will also establish linkages and contacts with other critical key players such as contractors, government agencies, logistics and transport companies and others. Other than playing the chief point of contact, Red Balloon also obtains our business by packaging and selling customized funeral solutions for our clients.



A client goes to Red Balloon for funeral planning services. A creative team will be assigned to the client to advise on the theme and feasibility of the service. Once a proposal has been confirmed, the creative team will start the planning and implementation. From selecting and booking of venues to providing music and entertainment, Red Balloon will customized a set of solutions that are in line with the client's objectives. Eventually it will be implemented and executed by the creative team on the day of the service.



Red Balloon's Marketing Channels



Marketing to Major Corporations - Marketing death services to individuals can be difficult. Some funeral homes have begun marketing to major corporations to include funeral services as an employee benefit. Operators typically offer discounts on funeral services to employees and grief counseling as an adjunct to personal counseling. Red Balloon intends to target big companies that have an extensive HR policy to include Red Balloon's services as part of employee benefits.

Marketing to Hospitals

Red Balloon recognizes the immense potential that hospitals will pose to the business and hence intend to target hospitals as a major marketing channel. Red Balloon intends to tie up with hospitals in the following ways:

- **Commission**, for each client who require our service, the hospital will be given a 15% commission from our standard funeral package.
- **Publicity**, we will feature the hospitals in all of our web advertisements for free. Not only will it help to increase the profile of the hospitals, it will also give them an edge to be recognized as being the first in the region to have such a special service.



- **Staff benefit**, this is only entitled to the immediate family members of the hospital staffs. Even though death is a mourning and painful experience, Red Balloon will try to provide the best possible care for their family to help them pass through this difficult time, in line with one of Red Balloon's missions.

Marketing to **Hospices**

Hospices are another lucrative and important marketing channel. Tying up with the hospices through subtle advertising e.g. placing brochures, name cards and other collaterals at the front counters of hospices, and word of mouth can help to promote Red Balloon's services.

Doctors, nurses as well as staff can help to recommend Red Balloon for their patients. In exchange, Red Balloon will provide:

- **Commission**, for each client who require our service, the hospital will be given a 15% commission from our standard funeral package.
- **Publicity**, we will feature the hospitals in all of our web advertisements for free. Not only will it help to increase the profile of the hospitals, it will also give them an edge to be recognized as being the first in the region to have such a special service.

Marketing to **Mount Pleasant Animal Hospital, Pet Hotel and Veterinarian clinics**

- **Commission**, for each client who wants our service, the clinic will be given a 15% commission from total proceeds.
- **Publicity**, we will highlight the clinics in our web advertisements for free.
- **Complimentary interment**, Red Balloon will give a proper burial for those stray animals that are killed by abuse or accident.'

Marketing to **Insurance Companies**

- **Premium package**, 10% of the premium package will be use to finance the insured's funeral service with Red Balloon.



Marketing to **Funeral Homes & Directors**

- **Commission**, for each client who wants our service, the funeral directors will be given a 10% commission from the standard funeral package. Notice that the percentage is different from hospitals and clinics; this is due to their different level of services.
- **Immediate family's care**, the scheme is the same as for the hospital staffs. This is only entitled for the funeral director's immediate family who call for our service and Red Balloon will waive away the consultation fees.

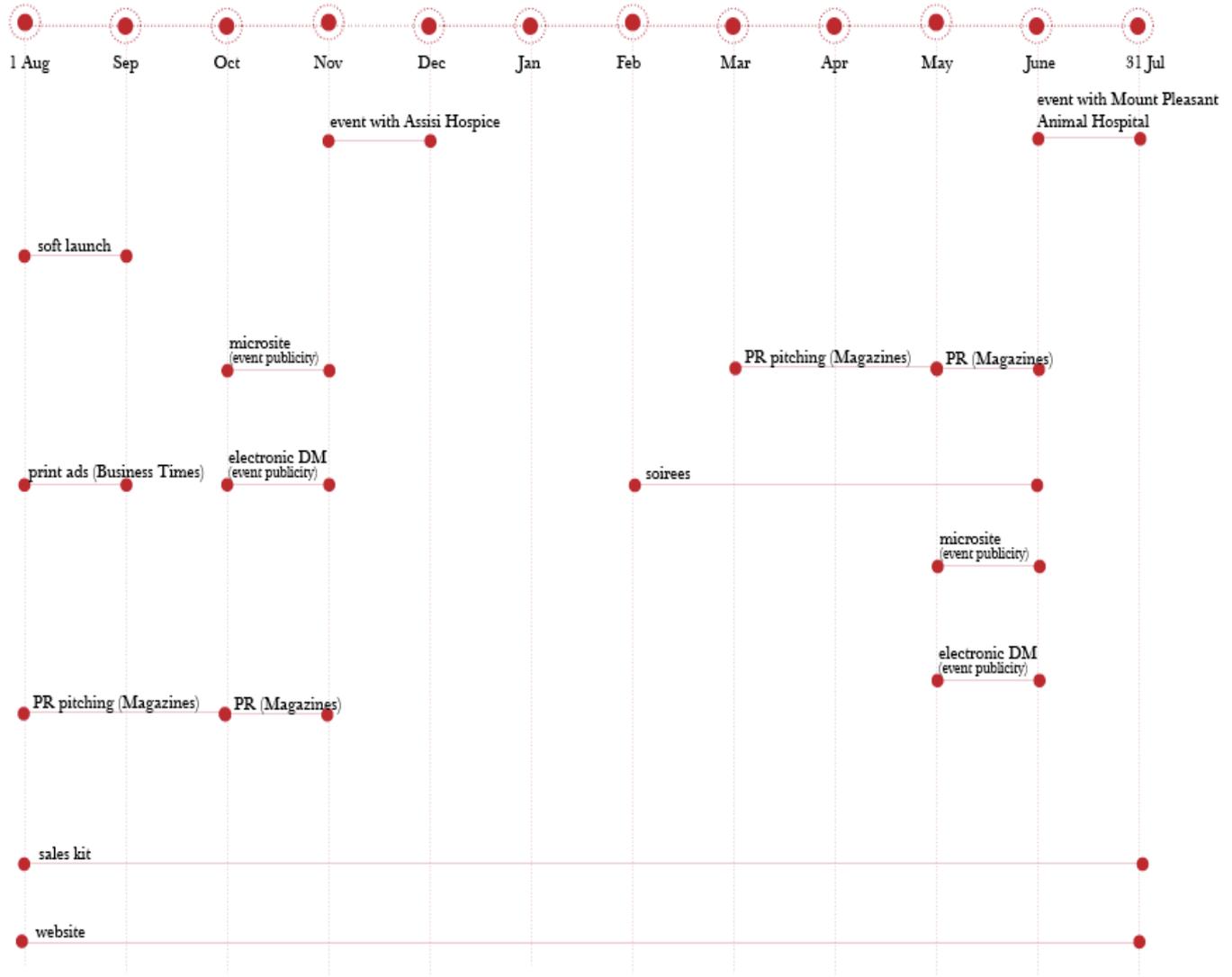


2009

Phase I

2010

Phase II



VIII. IMC



There will be a total of two phases.

Phase I will focus primarily on three chief things: 1. Soft launching the business; 2. raising awareness; and 3. heightening knowledge of Red Balloon's services among our key target group.

From August to September, Red Balloon will soft launch its business through creative ambient advertising. Red balloons will dot the green spaces outside strategic MRT stations such as Raffles Place, Tanjong Pagar and City Hall. End consumers will be invited to visit the Red Balloon website and find out more.

During the same month, a series of teaser advertisements will be featured in Business Times on the 1st, 15th and 29th of August. This is done so as to attract their attention and retain their memory of Red Balloon. On the last week of August, a copy driven advertisement will inform the readers Red Balloon's business in detail.

Red Balloon will also write in and approach several magazines such as Peak, ICON, Arena and Forbes about our business and services offered. We will also take this opportunity to inform them of the upcoming event with Assisi Hospice in December.

From October to November, articles that feature our business and services will hopefully be showcased in the earlier PR pitching.

During this month, we will also begin to send out our sales kit to potential business partners such as established funeral homes, hospitals, hospices, veterinarian clinics, insurance companies and others. Through this approach, we hope that it will entice the various partners to tie up with Red Balloon.

From November to December, we will set up a separate microsite publicizing for our event with Assisi Hospice in mid December. An electronic direct mailer will also be sent out to various media partners, potential clients etc to invite them for the event.

The event will be a tie in with Assisi Hospice to plan for one of the patients' funeral. This will be mainly pro bono work to publicize not only our services but to also perform charity work. Patients that are unclaimed will be entitled to a cheaper discount off our total prices.

Phase II of the IMC plan will concentrate on building the business. Given the sensitive nature of the business, we will focus primarily on PR, personal selling, networking and word-of-mouth advertising.

For that, we plan to continue sending out sales kit from January to July, hoping to widen our market reach as much as possible. On top of that, we will also organize soirees and invite key guest speakers at each function. Keeping it to a tight group of no more than 15, Red Balloon hopes to use this time to expand our contacts and know more key partners that can help to



build our business. A key speaker will anchor such sessions and exchanges of learning points can be made.

For January to February, we will plan a soiree that helps to share our event planning experience with Assisi Hospice with other companies that are keen on building a solid CSR strategy and how our services can be a good area to look into.

As for February to March, we will plan another soiree that to invite all our media partners to thank them for covering not only the Assisi Hospice event but also the soft launch of the business, featuring our business in important magazines as well as other potential partners that are keen in exploring the services of Red Balloon further.

Depending on the success and feedback of the initial two soirees, other soirees will be planned from March till July accordingly. Themes may change depending on the pertinent concern during the month.

In order to increase the segment of Red Balloon's target audience, we will also organise pro bono funeral services for pets. We hope to target animal and pet lovers that are looking for ways to organise fitting and loving farewells for their trusty companions. To enhance the visibility of our services, Red Balloon will write to relevant pet magazines, in hopes that a feature can be done for our event with Mount Pleasant Animal Hospital in June.



IX. Financials

The table below illustrates the start up costs that will be incurred in the business:

The bank loan of \$150,000 will help us to pay off our suppliers and contractors first before the client pays in full. This will ensure that we have enough cash flow even when payment is delayed.

This table illustrates the starts up cost that will be incurred in the business:

S/NO.	DESCRIPTION	QTY	COST PER UNIT	SUB-TOTAL COST	REMARKS
1	Advertisement: Website - Designing & Development	1	\$1,000.00	\$1,050.00	
	- Registration	1	\$50.00		
2	Business Registration Fee	1	\$65.00	\$65.00	
3	Paid-Up Capital	1	\$1.00	\$1.00	Requirement to set up company
4	Equipment				
	a) Laptop	3	\$1,948.00	\$5,844.00	iMac 20"
	b) 3-In-1 Fax, Print and Scan Machine	3	\$199.00	\$597.00	Brother MFC-260C Colour Inkjet Multifunction Centre
TOTAL			\$7,557.00		

The start-up costs are relatively low, as the nature of the business does not require high start up capital. The company will operate mainly from a secretariat office while working mainly from home.



The table illustrates the operating costs involved:

S/NO.	DESCRIPTION	QTY	COST PER UNIT	SUB-TOTAL COST	REMARKS
1	IMC: a) Website b) Print advertisements c) Outdoor creative media d) Event services e) Publicity for event f) Production of sale kits g) Organise monthly soirees	1	\$50,000.00 (est. budget)	\$50,000.00 (for 6 mths)	Budget costs for IMC run for the first 6 months
2	Bank Loan - Monthly Interest	1	\$1,500.00	\$1,500.00	Estimate rate of 1% per month
3	Personal Expenses a) Internet b) Mobile Phone c) Transportation d) Utilities	3	\$100.00 \$200.00 \$400.00 \$300.00	\$3,000.00	Caps on claimable expenses
4	Salary - Full time staff - CPF contribution	3	\$2,500.00 \$325.00	\$7,500.00 \$975.00	13% for Private Sector Employees
Total Cost (1 month)			\$21,308.33		
Total Cost (6 months)			\$127,850.00		

In total, the start up and operation costs will amount to:

S/NO.	DESCRIPTION	QTY	COST PER UNIT	SUB-TOTAL COST	REMARKS
1	Start-Up Cost	1 mth	\$7,557.00	\$7,557.00	
2	Operation Cost	6 mths	\$127,850.00	\$127,850.00	
Total Costs			\$135,407.00		

The forecast, based on the above costing, assumes the following:

- (a) To keep business in operations for at least 6 months
- (b) Minimum of 2 events per month

To help facilitate the costing, Red Balloon has come up with a standard five-day funeral package. The items in the package are usually the customary objects that are required for any funeral service. To align the package better with Red Balloon's core business, creative services such as creative consultation, invitation cards, photography, memorabilia will be offered as well.

In reality, however, the pricing of the funeral service will vary, depending on the requirements of the customer and his or her demands.

S/NO.	DESCRIPTION	QTY	COST PER UNIT	SUB-TOTAL COST	MARKED UP AMOUNT (30%)	SELLING PRICE	REMARKS
1	Consultation Fee	1	\$3,500.00	-	-	\$3,500.00	
2	Pre-Funeral Services						
	a) Doctor's certificate of death	1	\$250.00	-	-	\$250.00	\$250.00
	b) Transportation of body home	1	-	-	-	-	-
	c) Clothing for the deceased	1	\$1,000.00	\$1,000.00	\$300.00	\$1,300.00	-



	d) Casket	1	\$1,500.00	\$1,500.00	\$450.00	\$1,950.00	-
3	On-Site Funeral Services						
	a) Ceremonial rites	1	\$1,500.00	\$1,500.00	\$450.00	\$1,950.00	First & last night & cremation day
	b) Coaches	2	\$120.00	\$240.00	\$72.00	\$312.00	Based on 2 x 44-Seater
	c) Cremation	1	\$100.00	-	-	\$100.00	
	d) Floral Decoration	1	\$300.00	\$300.00	\$90.00	\$390.00	-
	e) Food Catering	4	\$500.00	\$2,000.00	\$600.00	\$2,600.00	Based on \$10 per pax
	f) Mobile Toilet Rental	5	\$50.00	\$250.00	\$75.00	\$325.00	2 units per day
	g) Photo development	1	\$60.00	\$60.00	\$18.00	\$78.00	1 x photo with frame
	h) Tentage setup	1	\$1,200.00	\$1,200.00	\$360.00	\$1560.00	
	i) Utilities	5	\$30.00	\$150.00	-	\$150.00	
4	Creative services						
	a) Creative consultation fees	1	\$5,000.00	\$5,000.00	-	-	
	b) Invitation cards	1	\$3,000.00	\$3,000.00	-	-	
	c) On-Site Photography	1 day	\$1,080.00	\$1,080.00	-	-	Based on 1 photographer
	(Optional) d) On-Site Videography	1 day	\$2,500.00	-	-	-	Based on 1 videographer



e) Memorabilia	1	\$5,000.00	\$5,000.00	-	-	
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Total fees to be paid to supplier (excluding Creative Services) = \$12,000.00

Total mark up fess - 30% (Excluding Creative Services) = \$14,465.00

Profit after paying supplier = \$14,465.00 - \$12,000.00
= \$ 2,465.00

Based on the assumptions below:

- (a) at least 2 events per month
- (b) to stay in business for at least 6 months

Total profit for standard package (2events) = **\$ 4,930.00**

**The above profit is only for a standard package.*

Profit for Creative Services = (\$5,000.00 + \$3,000.00 + \$ 1,080.00) - \$1,500.00 (misc fees)
= \$7,580.00

Total profit for Creative Services (2 events) = **\$15,160.00**

The forecasted profit is as follows:

No.	DESCRIPTION	COST
1	Consultation Fee (2 events per month)	\$7,000.00 (\$3,500 x 2)
2	Creative Services plus standard funeral package (2 x Standard Package per month)	\$20,090 (\$4,930.00 + \$15,160.00)
TOTAL		\$27,090.00



The break-even point of the business:

= (Total costs / Total profit) x 1 month

= (\$135,407.00 / \$27,090.00) x 1 month

≈ 5 months



X. Conclusion

Red Balloon presents a niche, modern and personalized funeral service solution, a first in the funeral industry. Plugging an urgent service gap as more Singaporeans age, Red Balloon provides an alternative for this new wave of affluent and educated consumers. Keen to leave behind a lasting legacy, Singaporeans born in the boom times of 50s and 60s will prove to be a huge untapped market in the funeral industry. Secured of a niche positioning in the market and a huge pool of growing target consumers as Singapore ages, Red Balloon has the potential to grow in the next 3 to 5 years.

Not only does Red Balloon boast of strong consumer demand for its services, the company is also equipped with a talented and nimble team that is quick to respond to customers' demands. Dedicating themselves fully to the requests of their clients and upholding the mantra of excellent customer service, Red Balloon will not disappoint. Customer satisfaction is the core of our business philosophy and is valued strongly by every employee in Red Balloon.

Red Balloon promises to be the next force and competitor to reckon with in the funeral industry. With the team's injection of creativity and fresh ideas, clients can look forward to a more fulfilling service that celebrates their lives – truly, “a journey, your memoir.”

