



Business Plan for Interior Design Firm

By Joe Lee
Dated



Executive Summary

Creaquer Design is a interior design consultation firm which provide one stop service as well. In this private limited set up, Joe and Deren will come together where Joe will be responsible for Sales and Deren in operational.

We specialized in retail and commercial design especially fashion and jewellery retail. We have identified the growth in this field as Singapore emerged as a hub for education, tourism, healthcare and business.

Creaquer Design's DNA will be CREATIVE, QUALITY and REALIBLE. We provides functional yet sensitive design solution by responding to their physical and visual needs.

Our short term goal (1st-3rd year)

- Business development
- Achieving 50% growth each year
- Manpower growth with clearly defined roles
- Investment of Creaquer Design Office by Year 3

Our long term goal

- Business sustainability
- Achieving 50% growth each year
- Manpower growth with clearly defined roles and subsidiary
- Investment of Creaquer Design factory by Year 5
- Expansion to South East Asia Region with Creaquer Sg as HQ

1. Organisational Background

Creaquer Design is a new interior design firm specializing in interiors for retails and commercial ranged from mid to luxury interior and providing one stop services ranging from consultation to carpentry to environmental graphics.



The name "Creaquer" is make up of the DNA of the company where we yield to conceptualize and deliver CREATIVE, QUALITY and REALIBLE in our service.

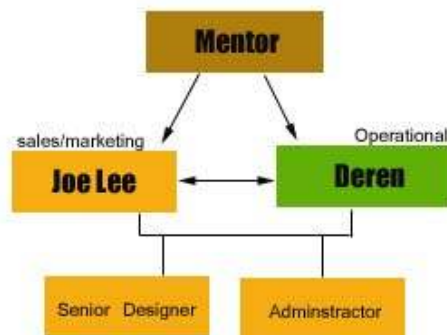
1.1 Our Vision

To be a impact and influential in Retail Merchandise Industry. And to provide the highest level in excellence and quality to our clients.

1.2 Mission Statement

Creating an interior space that is creative yet functional and sensitive to the needs of the users by responding to their physical and visual needs.

1.3 Management team-Key people



For initial set up, Joe will partner with Deren Toh where both responsibility respective in Sales/marketing and Toh in Operational. Initial staff strength will be senior designer in assisting Joe to provides creative input and drawings and an administrator to assist in general office operations and minor bookkeeping.

Joe Lee is architecture trained, interior molded epically, in retailing. She not only involved in creative design but also involve in business development in previous profile. Deren toh have more than 10 years experience in project manage and production management.

In the chart, the role of mentor will be in consultant role. Vincent Low is a business owner of Design Concept Pte. Ltd and had experience for more than 10 years. He is experienced designer as well as business context.

1. Organisational Background

1.4 Business Structure

This company will have private limited as a business structure where by the responsibility of each partner are clearly define. Joe will be responsible for business development with design responsibility of the services the firm providing. With Toh, he will be responsible for the implementation of the projects and production to ensure the quality and timeline is not compromise.

1.5 Type of Services/Products (core Business)

Creaquer Design is a one stop services for retail and commercial interior that provide professional yet sensitive consultation. We customized our design solution to suit each individual and brand's goals and expectation.

From the concepts to completion, we provide a team of dedicated professional to overlook the interior renovation for retail ranging from fashion boutique, jeweler showroom and luxury watch retail. We are not here to please only the clients but to provide what is best for them.

With the newly renovated turnkey retail, visual impact is important and we provide in house customizations environment graphics.

Creaquer one stop service:

- a. Design consultation and solution
- b. Presentation of Rendering and Drawings
- c. Design Details and Material selection
- d. Project Construction and Management
- e. Signage and Printing of Advertising.

Creaquer is specialise in retail design:

- a. Jewellery (Unique, Lee Hwa..etc)
- b. Luxury watches and pen (Sincere, Cortina etc)
- c. Fashion (Forever 21, Mango, etc)
- d. F&B niche (Coffee bean, Delifrance)
- e. Lifestyle (Nike, Adidas, Body Shop)
- f. IT (Epic Centre, Samsung, Etc)

1. Organisational Background

1.5.1 Retail Design

Creaquer Design specialize in retail design. Retail Design is a creative and commercial discipline that combines and utilizes many different design concepts together in the conceptualizing and construction of retail space. Retail design is primarily a specialized practice of architecture and interior design and incorporates elements of ;

a. interior decoration

Creaquer come in with aesthetics look and feel of the material be it soft or hard finishes. We want to convey client's DNA into the experience in the retail itself.

b. graphic design

Cleverly and appropriate use of the graphic will enhance the shop exposure as well as the aesthetics.

c. ergonomics

Human factor is important as the space serves human traffic that possibly high and to make the comfort level pleasing to the shoppers.

d. advertising

To incorporate an area for seasonal merchandise as advertising platform.

Retail design is a very specialized discipline due to the heavy demands placed on retail space. Because the primary purpose of retail space is to stock and sell product to consumers, the spaces must be designed in a way that promotes an enjoyable and hassle-free shopping experience for the consumer. The space must be specially-tailored to the kind of product being sold in that space.

Retail spaces, especially when they form part of a retail chain must also be designed to draw people into the space to shop. The storefront must act as a billboard for the store, often employing large display windows that allow shoppers to see into the space and the product inside. In the case of a retail chain, the individual spaces must be unified in their design.



1. Organisational Background

1.6 Business Associates

We will have a team of associate consultant/ contractors in assuring our level of excellence in our delivering of service.

a. Lighting/ Electrical

E-Onn will be our lighting consultant in providing a lighting solution for a comfort of a shopper in retailing. Creaquer believe lighting part a big role in creating a sensitive retail space.

b. Carpentry

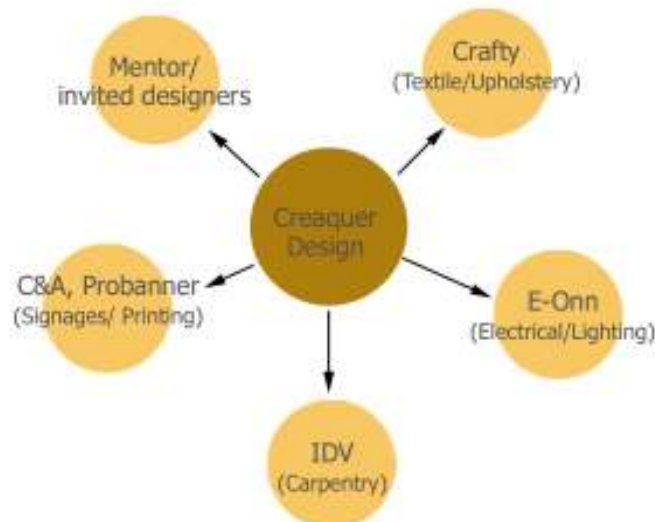
IDV as our carpentry partner where they will produce good quality works accordance to our drawings. In creating a exciting and sensitive retailing, Creaquer want to assure the best quality of the fixtures.

c. Signage/ Printing

C&A is reputable signage and acrylic company where they will support a crucial part in retail renovation of the branding. Probanner Printing is our partner in assisting us in visual impact of the retail's needs.

d. Textile/ Furnishing/ Upholstery

In retail, soft furnishing is important to create a intimate ambience. Crafty is our consultant in this area. They will partnered with Creaquer in our textile and upholstery selection in either wall furnishing or seating requirement.



In the chart shows how all associates come in the processes especially during a project proposal. As common in this field, the relationship based on mutual and past experience.

1. Organisational Background

1.7 Business Goal

1.7.1 Short term (1st-3rd year)

Business Growth

- Business development is the primary short-term goal.
- Initially, former clients and their referrals will lead to clients.
- Marketing to managers and owners of retailing will also be done.
- Achieve a two-percent net profit by the end of the first year of operations.
- We will have a network base of associate to support our services.

Asset's growth

- We will buy a office unit for our HQ at Bukit Merah equipped with meeting room, library, open garden and design studio for first 3 years.
- Our offices should be big enough to house at least 10 people.

Awards recognition

- We will become involved in local association design competitions such as IDCS and President's Awards

1.7.2 Long term goal

Business Growth

- Business sustainability and building brand name will be our long term goal
- We will have a strong base our client and new client.
- We will focus on maintaining the client and providing quality services.
- Achieve a ten-percent net profit by the end of the each year of operations.

Asset's growth

- We will buy our own factory cum office unit at AMK.

Awards recognition

- We will not only involved in design competition but also business excellence awards.

2. Business Model

2.1 Operation System

2.1.1 Facility

For first two year, we will rent an office space enough for max 8 people equipped with a meeting room cum library where meeting client is possible and internal brainstorm can facilitate with the resources.

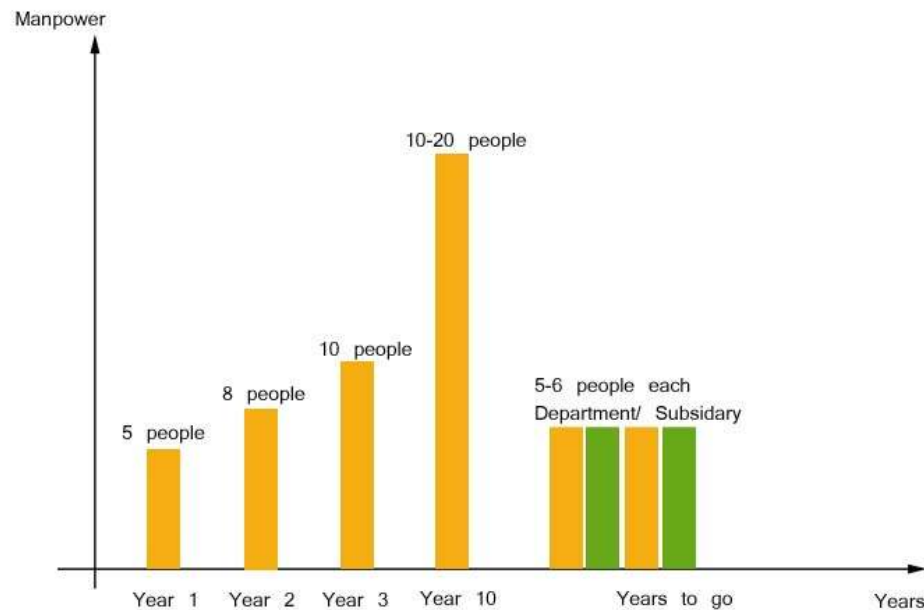
We will have at least 3 desktop ready for staff and laptop for partner will be on own. For a start, we will basic necessity ready eg A3 printer, fax, photocopier, stationery and pantry.

By end of 3 year we want to buy an office space near AMK with expansion of a factory in mind. With own office, we able to operate smoothly with max 10 staff. In this office, we will house a reception area, meeting room with library, pantry/lounging area and working area for 10people including one room for directors.

Our long term is to expand and grow our different department which required a factory space to accommodate carpentry, signage and printing. It is crucial that our office is near to factory to assure communication between production and office is reachable.

2.1.2 Manpower

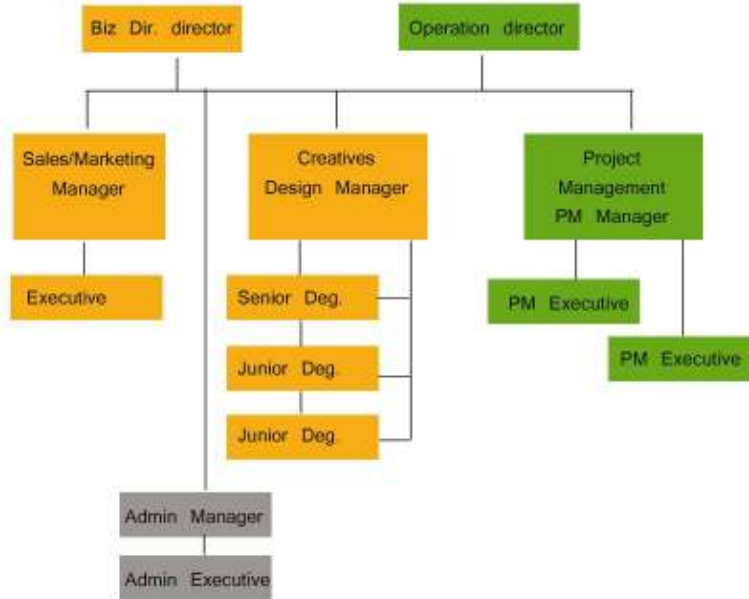
Manpower is an asset to a firm. We want to grow right and talented people.



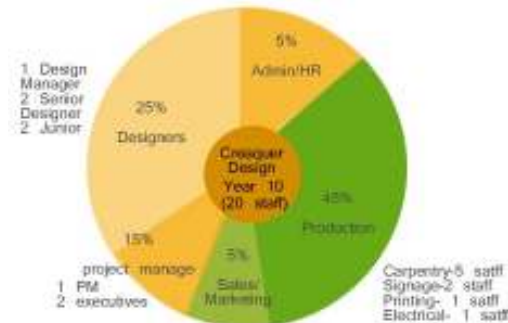
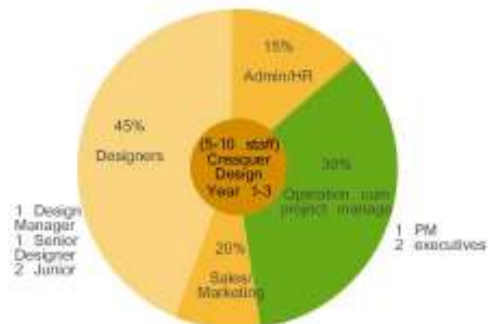
In the growth graph, we expect a slow and steady growth for first 3 years and star burst from year 3 onwards. Capping at 20 people at year 10, Creaquer Design to have subsidiary department of 5-6 people. This will not only grow the potential leaders but also have amore proper 2 way communication.

2. Business Model Operating System

2.1.2.1 Organizational Chart (By Year 3)



2.1.2.2 Staff and Job Descriptions



Job Descriptions

Design Manager

- Attending meeting with clients for brief
- Setting the design brief

Senior Designer

- To assist Creative Director in brainstorming the interior design

Junior Designer

- To assist SD in preparing drawings, rendering and material.

Sales and Marketing Manager

- To assist Director in Business Development planning

Sales and Marketing Executive

- To assist Manager in executing the plans

Project manager

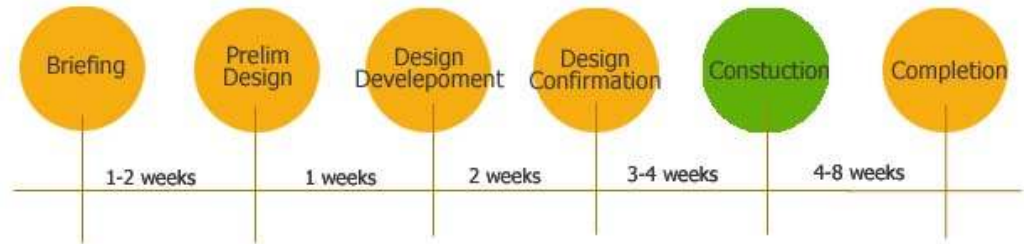
- To plan and execute renovation interior work
- To schedule and to budget

Executives

- To assist PM in execute renovation interior work

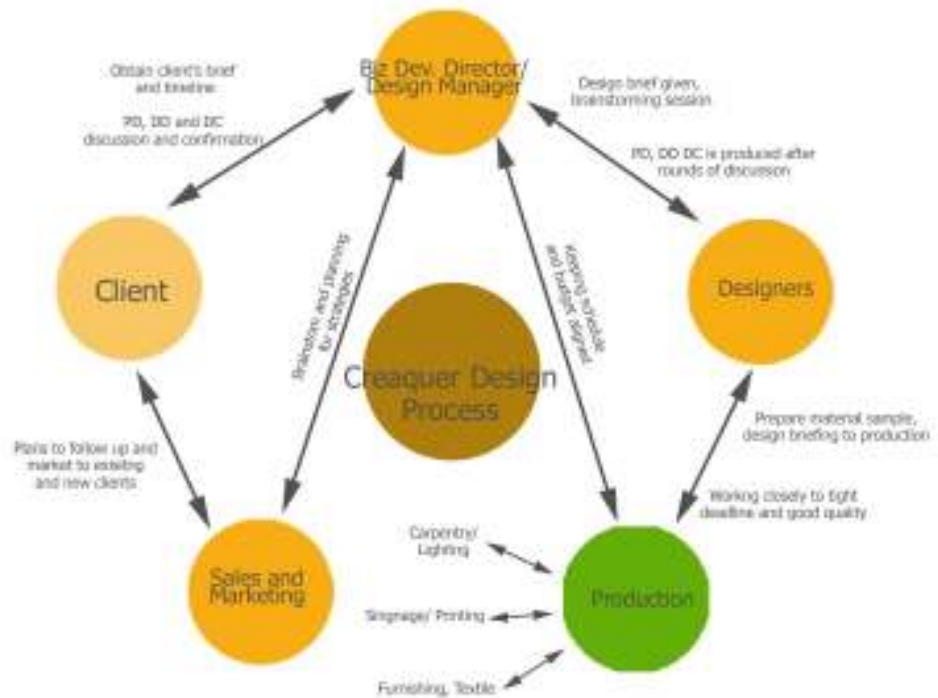
2. Business Model Operating System

2.1.3 Processes



Creaquer Design is proposing a design and project timeline as a guide for staff and clients. From obtaining the brief, Creaquer will research and propose a prelim design for client's first cut.

After which 2 more cut will be make and once confirmation is make, construction will proceed. From the timeline, a project lifeline estimated will not be more than 3 months including renovation.



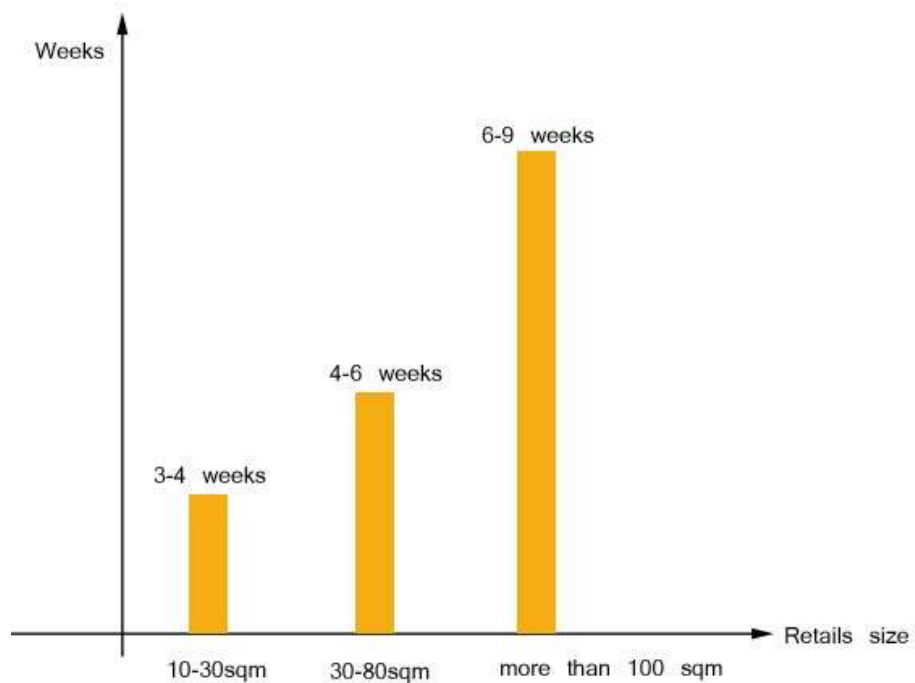
Above process showing how Creaquer Design works relating to each roles and their responsibilities. From the chart Creaquer Design will practice 2 ways communications.

2. Business Model Operating System

2.1.3 Processes

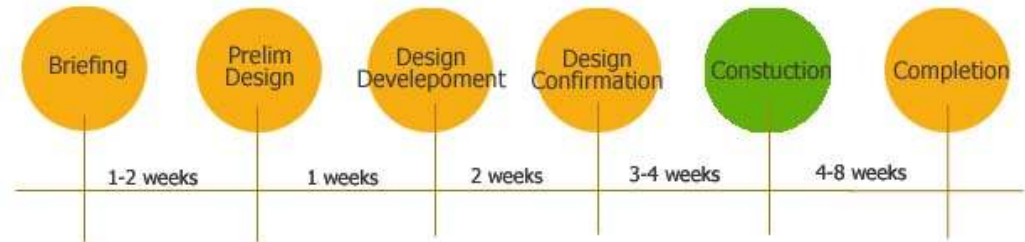
For renovation project to complete , it depend on a few factor:

- a. Management requirement
As Creaquer is expertise in retailing, we are under the management of the certain shopping mall. Factors including if the shopping centre is new, the period to avoid due to festival and many more.
- b. Client requirement
As client is most likely to be paying the rent even during renovation, it is crucial for them to expedite the works. However we will not compromise quality over constraints
- c. Project size
Depending on the size of the retail shop, it ranges from weeks. Below chart is a estimated timeline.



2. Business Model Operating System

2.1.4 Payment mode and contracts matter



Design Fees

- Quotation on design fees based on client's brief will be submitted. Upon confirmation, Creaquer will proceed to Prelim Design.
- Upon Prelim design, 30% payment of the design fees.
- Upon the Design Confirmation, 70% of the remaining.

Fees including the Concept design rendering, drawings set and details

Terms: 14 days

Construction and Renovation fees

- Quotation on fees based on Design Confirmation will be submitted. Upon confirmation, Creaquer will proceed to Construction.
- Upon commencement, 50% payment of the design fees.
- Upon the middle of renovation, 30% of the remaining
- Upon Completion, 20% of the reaming

Fees including the construction based on Design Confirmation and project management.

Terms: 14 days

2. Business Model

2.2 Financial Chart

	Year 1	Year 2
Investment Capital	\$70,000	
Initial set up cost	\$45,000	
<u>One time</u>		
Licences (ROC, etc)	\$200	-
Hardware & software (desktop, printer, Windows and Design software, etc)	\$10,000	\$6,000
Renovation Works	\$5,000	-
Loose fixtures (Tables, chairs and cabinets, etc)	\$1,000	\$500
Rental Deposite	\$3,000	-
Membership of association (SRA, IDCS..etc)	\$500	\$500
	\$19,500	\$7,000
<u>Ongoing cost</u>		
Rental	\$1,500	\$1,500
Utilities	\$100	\$200
Salaries	\$10,000	\$18,000
Stationery	\$50	\$100
HR benefits (medical leave, insurans, Annual leave and insurans)	\$2,000	\$4,000
Internal and telephone charges	\$200	\$200
Postage and supplies	\$50	\$100
Magazine Subscription	\$50	\$100
Accounting/Company secretary	\$2,000	\$2,000
Transporation premium	\$2,000	\$2,000
Marketing cost	-	\$2,000
	\$17,950	\$30,200
Total Expenses:	\$37,450	\$37,200

The initial set up cost will \$45,000. For one time expenses, we will estimated use \$20,000 for the new company set up.

To run a operation each year, first year is estimated at \$17,950 and with expansion of manpower each year, the expenses will increase.

3. Marketing

3.1 Market Analysis

3.1.1 Singapore market

Growth Trends in interior field in Singapore

Singapore government is promoting the country as hub for businesses, tourism, education and health. With all people from around the world coming to Singapore for either short or long stay, retails and shopping centre is mushrooming around with new hubs at strategic shopping heaven like Orchard.

World's Top 20 Most Globalized Nations

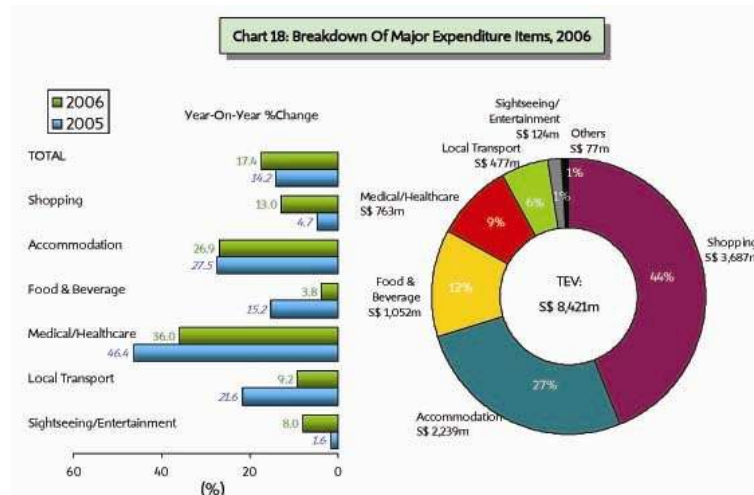
Rank	Country
1	Singapore
2	Switzerland
3	United States
4	Norway
5	Denmark
6	Canada
7	Netherlands
8	Australia
9	Austria
10	Sweden
11	New Zealand
12	United Kingdom
13	Finland
14	Norway
15	Israel
16	Czech Republic
17	Germany
18	Germany
19	Indonesia
20	Belgium

SOURCE: A. T. Kearney/FOREIGN POLICY Institute Globalization Index 2006

Singapore is the most globalize nation in the survey which show Singapore has a most friendly, wide base for business opportunities.

With the globalization, Singapore is attracting a lot of visitor daily ranking Changi Airport as the most busiest airport.

In a survey done by Ministry of Tourism, shopping is their major expenditure. The sales generated is very promising.



With these potential, shopping centre mushrooming especially in Orchard Road which known for shopping heaven. All these retailer not only local brand but famous brands that pioneer and anchored in Singapore. With this, it boasts the market of the interior and renovation field.

Not to mention, a retail be it fashion or jewellery, they are ready to invest money to make over their retail at least 2-3 years once to give shoppers a new experience. By that saying, the growth of the interior services and renovation is promising.

3. Marketing

3.2 The market needs and gap

With competition in retailing, the business owner is looking more than just a interior service that provide them nice drawings.

They are looking for creative styling for their brand that will speaks out loud of their USP. With the high rental of the leasing, they are also have short timeline for their renovation. This is where they need reliable interior company who deliver what is promise and expected by the client. As all these are brands that carving out a niche, quality is something they looking for to.

Creative, Reliable and Quality is what the client looking for.

3.2.1 The Competition

With the demand of one-stop interior services, a lot company mushrooms sharing a bite on the pie.

Some of the bigger and reputable company will be KINGSMEN and INPRODEC where they provide one stop service. They have at least 15 years in the field and was known to anchor big brands in the retailing.

Some of the smaller company like IMAGE creative which in retailing niche in SPA and salon.

A checked on number of interior design firm, there are...

The competition is fierce, but the demand is there.

3.3 Target Audience

Our target market will be clients from a wide range of ages where their works in fashion and retails line. They may be manager in retail chain or marketing exec in fashion line, we are looking out for even Business developer director to be our network base.

Their mindset is open to trend and changes, knowledgeable and confident and at some point fore sighted. Their mentality will be cost conscious, quality conscious and commitment conscious.

Our target audience may involved traveling, social dinners and sports.

We will focus on Singapore and South east Asia where mainly capital city like Bangkok, Manila and KL will be our expanding zones.

3. Marketing

3.4 Marketing strategy

Below time chart is proposed strategy that will be implemented. For the first 3 year, Creaquer will be building the brand name and reputation in the interior field.



From year 3 onwards, sustain the firm with good relationship with our clients will be the main focus as we believe good client is good business. In running a interior firm, direct referral will achieve better result.

From year 10 onwards, we want to be playing a active role in the field where we influence the retailing and interior sector.

3.4.1 Building a brand

We bring one of a kind design solution for your needs.

We deliver what we promise



We assure our best service to you

Creaquer Design building brand on these 3 key DNA. Our marketing strategy will echoing these traits.

3. Marketing

3.4.2 Marketing planning

3.4.2.1 Creating a brand

Creaquer Design will register as member in a few reputable association for networking, socialize, to be part of the professional group.

a. Singapore Retailer Association

As our niche is in retailing, it will be beneficial as we will be more up to beat of the tread and network with the key people especially in the yearly conferences.

b. Singapore Furniture Industries Council

As a interior firm, we want to be in tune of the latest trend in furniture as well. We provide one stop service to retailing, hence being part of the council will boast of resources.

c. Interior Design Confederation Singapore

As an interior design firm, we hope to be part of the professional group to increase trust of the potential clients. In IDCS, they yield to raise profile and quality of service for the members.

3.4.2.2 Participate in program and competition

Creaquer Design's DNA is creative, we want to maximize our juice and be recognize in the trade. We will actively participate I programs and competition to "test" and prove our DNA.

a. SPRING- Design for Enterprises

This program initiated by SPRING and encourages entrepreneurs and business owner to use design as a tools for expanding business.



**DESIGNENGAGE
FOR
ENTERPRISES**

By taking part in program, genuinely interested business owner is looking for firm to rebrand their retails. The chances is these business owner willing to take challenge in the new ideas.

Creaquer Design can partner with them in their business goals.

b. IDCS Design Awards

The Industry Award celebrates the best in their class. Interiors that are thoughtfully designed, appropriate and innovative are highly regarded and most likely to catch the attention of the judges.

c. President's Design Award

The President's Design Award is Singapore's most prestigious award for its designers and designs. It recognizes the significant achievements and contributions of the nation's design talents.

3. Marketing

3.4.2 Marketing planning

3.4.2.3 Good Service is good business (Sustaining)

Quality and reliable is Creaquer's DNA. Good service as a platform for client's referral. As we are providing service to client, we want the client to be a repeat client and even refer to new client base.

- Follow up feedback meeting after each project

We will play a active roles in reaching them and show them we care about their feedbacks.

- b. Testimonial from client after each project

- c. Newsletter for our company updates and even trend in retail line.

We want our client to be at the front line as we are in the trade and be aware of our company on-going. We want to build relationship with the clients.

- d. Providing customize, sensitive and active design solution.

As a firm basing on client's loyalty, we continue to be aware of our client's needs and offer them yearly "tune-up" for their retails be in changing of material or creating a new shop front.

3.4.2.3 Miscellaneous

- Websites

- Company car with advertising

4. Financial Plan

Pro forma

	Year 1	Year 2	Year 3
Revenue	250,000	500,000	900,000
Cost of Sales	163,000	300,000	600,000
Gross Profit	87,450	200,000	300,000
Operating Cost	37,450	37,200	50,000
Nett Profit	50,000	162,700	250,000

Year 1 of the operation, we expect to achieve 250k revenue and increase 50% each year.

Our revenue consists of:

- a.Desgin 10%
- b.Design and Build In Retail 70%
- c.Design and Build in Offices 20%

Our main niche will be in retail which involved Fashion and Jewellery. For the next 3 years, the growth of the retail sector will be gradually slow down due to the economic downturn. However, the opportunities will arise due to the clients is opening up for more options and Creaquer Design can penetrate in to give an option.

Our secondary niche will be offices where we provide services for office renovation; consists of 20% of the revenue.

Our operating cost are expected to increases at year 3 from 37,200 to 50,000:

- a. Increase of manpower
- b. Increase in general and administrative expenses
- c. Investment on office unit for Creaquer Design

5. Contingency Plan/ Exit Plan

5.1 Contingency Plan

Our yearly review will determine our growth on the targeted goals. Due to economy downturn, business growth can be minimal.

- a. Adopting flexible working style such as work from home to cut operating cost.
- b. Expansion will be minimal and investment on properties will be delayed.

Conclusion

With this business plan, Creaquer Design is ready to embark for the new journey to “spice” up the retailing sector in Singapore and ultimately in South East Asia.