

**Task 6**

**Guided practice**

You are going to continue writing the proposal in Task 7 of Unit 8. Study the investigation conclusions of the proposal and the handwritten notes below. Use all the information to complete the recommended proposal and conclusion.

**Investigation conclusions**

The investigation findings show three possible ways for the company to tap into the youth market, all of which have both pros and cons.

Although providing new services to youths would be a flexible and achievable option since it would involve the lowest cost and the least extra manpower, the expected customer growth will be limited and the positive publicity achieved will be short-term. The benefits of this option are therefore relatively limited.

**Acquiring** a company that specialises in youth beauty services would involve the least risks as the acquired business already has a solid clientele and staff who are familiar with the daily operations. However, this would involve the highest cost among the three options. The estimated customer growth would also be limited to the loyal customers of the acquired business, and the positive publicity gained would be short-term.

The third proposal of opening a new store can expand Ting Ting's customer base by more than 2,000 people and achieve extensive, long-term publicity. The cost will be high but still affordable. Therefore, this is the best option in terms of cost, customer growth and publicity. Opening a new shop that targets the youth segment would also have other benefits, such as helping to build an energetic image for the company. Moreover, concerns about manpower can be easily resolved.

**Selection considerations**

1. Cost
2. Customer growth
3. Manpower involved
4. Positive publicity

*This is the one.*

**Implementation**

Implementation plan

*HK\$5,500,000 for first year* → *rent, staff salaries, promotion, etc.*  
*(store to be launched within 10 months)*

Recommended actions to make the proposal more effective

1. New store in Causeway Bay with affordable rent → popular with young people
2. Invite trendsetter for promotion, set up loyalty programme for old and new customers

Specific measure to address possible concern

*Transfer staff from current branches ⊖ smooth operations ⊕ new staff learn from seniors*

**Pro for company (short-term)**

- Sensational concept, grand opening, new loyalty programme & other activities → excitement among new and loyal customers

**Pros for company (long-term)**

- Revenues ↑ ∴ young clients ↑
- Enhanced position ∴ weak link removed & image improved *Weakness*

## Recommended proposal

Following the Investigation conclusions, the recommended proposal is opening a new store that \_\_\_\_\_

Among the three proposals, this one \_\_\_\_\_

\_\_\_\_\_

Promising short-term and long-term benefits for the company

### 1 Implementation

The new store, costing about HK\$5,500,000 in the first year for rent, staff salaries, promotional activities, etc., should be open within 10 months.

In order to enhance the proposal's effectiveness, it is proposed that \_\_\_\_\_

\_\_\_\_\_

Recommend actions to make the proposal more appealing

To reach as many potential customers as possible, \_\_\_\_\_

\_\_\_\_\_

Regarding the manpower issue, \_\_\_\_\_

\_\_\_\_\_

Suggest specific measure to address possible concern

### 2 Elaboration on benefits

This proposal would provide the following short-term and long term ~~to~~ benefits to the company

Benefit 1 - sub heading (Generating customers' excitement)  
With a sensational store concept, a grand opening, a new loyalty and various other activities, such as lucky draw,

Add a subheading and explain the first benefit

The new store is likely to attract both new and existing loyal customers. By inviting the pop-singers to do the performance, the grand opening will attract lively online and offline discussion. It is believed that these activities will generate customer's excitement.

## 2- Increasing / Boosting Revenues

Opening a new shop which targets the young clients would result in an increasing of the revenues. Even though it might take two to three

years to break even, it is estimated that the percentage of young clients can grow up by approximately 50% and thus increase the company's sales and profits.

Add a subheading and explain the second benefit

## Enhancing leading position

By opening up new ~~our~~ channels and new geographies, ~~young~~ market leaders in one region can expand the <sup>young</sup> market penetration and ~~so~~ local reach, so that the weakness of the ~~to~~ company will be removed continuously. As ~~the~~ advertising we have a advertising, such as magazine, TV and newspaper. ~~the~~ the company image will be improved.

Add a subheading and explain the third benefit

## Conclusion

Overall, among the three proposed ways of reaching the youth market, opening a new store is the best option. p.135

Add a concluding appeal