A WRITTEN REFLECTION ON THE APPLICATION OF THEORIES IN ENTERPRISE

Enterprise Class
Class 11G1E
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I. INTRODUCTION

1. Group Members

We are Joie Enterprise, an enterprise project team from class 11G1E, consisting of four following members:
- Van Canh Yen Vy
- Dao Khanh Ha
- Truong Quang Bao
- Ngo Quynh Huong

2. Summary of Reflection

Grade 11 CEP's Enterprise Project has been a notably new experience for four of us, providing us a new opportunity obtain useful skills and showcase our versatility in order to complete our assigned duties. The skills acquired could be divided in five different categories as follows.

II. MARKET RESEARCH

1. The importance of market research

- We acknowledge that every important business decision must come from thorough process of market research. Market researches provide us with necessary information to understand our customers' identity (whether our target market is of younger or older age), their genders (to decide if we should concentrate on forming a sales model targeting males or females), their preferences, in order to know their consumption patterns. This is essential for us to be fully able to serve them, for instance, knowing which types of products will be able to sell the most.

2. Methods used and the mechanics

- The Joie Enterprise decided to conduct two types of researches: Primary and Secondary Research.
- In regards to the primary researches, we designed our surveys, both online and on paper, and sent out to a sample of every grade from Grade 6 to Grade 9. More copies were sent to Grade 6 and Grade 7 students, as they were our predicted target market. A number of close relationships was used to introduce our surveys to Grade 10 and 11 in order to save the amount of paper printed. In the end, we managed to obtain a total of 109 sets of results. The results of our survey were presented in our pre-selling presentation in front of school judges. These are also attached in the Evidence page. *Refer to page 13-14.*
- We conducted our secondary researches by collecting information from the Internet. Our questions were 'Among Facebook and Instagram, which of them would give us the most user interaction?' What we found was surprising:

although the majority use Facebook, 'real interaction' ranks higher when businesses use Instagram as a marketing platform.
*Refer to page 14.*

3. Examples of Results with Inference

DECORATION FOR PERSONAL ITEMS: YES/NO
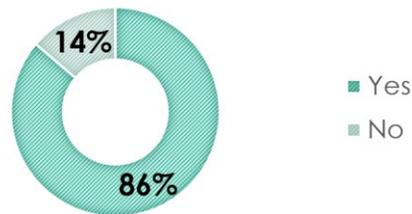
This apparently showed that the option of selling decorative items was prospective, thus it was included in our selling list.

Students' Money Brought to School
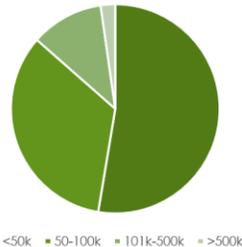
This result suggested that we should consider setting the price at an affordable level.

4. Limitations of our researches
- Primary Research:
    o Took a considerable amount of time and effort to design a survey, since we wanted to ensure that our form is properly and attractively presented to give our potential customers a good first impression of our team.
    o Printing cost was involved.
    o The process of collecting and collating the paper-based surveys was daunting (we had to hand out surveys in person) and may contained human errors when calculating the results.
    o Plenty of answers were irrelevant and inappropriate.
    o Questions asking for long answers were skipped or not answered fully.

- Secondary Research:
    o Some data was irrelevant for our target market (The fore-mentioned Facebook vs Instagram was a study conducted by Forrester, an American market research company, thus the data might not be able to apply for Vietnamese students.)

- Some data might be inaccurate. For instance, prices for products published on online platforms had a wide disparity between different suppliers, thus some prices had been raised for personal benefits, which gave us difficulties in determining the right prices to sell ours for.

5. Possible Improvements
    - Primary Research
        - We could have had our survey fully online to save printing costs and effort. This could be achieved by utilizing as best as possible out of our personal relationships.
        - Conduct interviews to ask for long-answer questions.
        - Review and rephrase the questions to prevent people from being confused, which might have led to irrelevant answers.
    - Secondary Research
        - Change our sources of information to Vietnam-based sources to obtain more relevant information.
        - Cross-compare our data to increase its accuracy.
        - Join communities that sell our products, e.g. keychains, to see our sellers set their price, in order to know our lowest possible cost to buy supplies.
        - Generate new questions to research if a specific question's results are not up to date.

III. TRADING RESPONSIBILITIES & PERSONAL REFLECTION

1. Common Objectives
    - Each and every member share these goals and responsibilities:
        - Create positive impression on customers.
        - Actively contribute to trading strategy alterations to generate the most sales figures, hence the maximum profit.
        - Constantly manage the business to avoid breakdowns.
        - Maintain our enthusiasm throughout the period, have our final goal in mind: creating better lives for targeted children supported by our chosen charity.

2. Roles Objectives
    - The team was split up into different roles, which rotated every week, and each has its own responsibilities:
        - **Business Manager**
            - Responsible for overlooking the entire process.
            - Identify any issues associated with the process from ordering to delivering.

- Responsible for Human Resources management – bonding team members and encourage every individual's contribution.
- Responsible for any mistakes done by the team.

o **Advertisement, Display & Decoration Manager**
- Responsible for displaying brand image and product appearance.
- Study whether certain advertisement methods work and act accordingly.
- Collect customers' comments regarding products' display and decoration styles.
- Manage the business' social media platform.

o **Purchasing & Inventory Manager**
- Manage stocks and create a plan to re-order supplies.
- Seek for the most affordable suppliers who are still capable of producing high-quality goods.
- Responsible for any goods delay and stocks shortage.

o **Financial Manager**
- Responsible for cash inflows and outflows.
- In charge of storing money to avoid money loss.
- Generate weekly financial record and give financial opinions to other team members.

o **Shop Assistant**
- When assigned, the member(s) must stand at the stall and is/are responsible for all public trading activities.

3. Personal Reflections

The following states how each member feels about their assigned roles during the 8-week period:

Van Canh Yen Vy

I was initially assigned as the Business Manager. Little did I know, this role was daunting. A Business Manager does not only represent the brand, but is also responsible for nearly everything within the organization. The role forced me to design a proper schedule, assign work for others and set deadlines. It encouraged me to create new productive habits and become a more disciplined individual. Hence, the task was arduous but

rewarding. I have also been assigned to other roles, and each one of them requires anyone to devote their passion and fulfill the common responsibilities, in which I have completed the tasks up to standards. If there is one thing that I want to change about my personal performance during these weeks, it would be to stay calm and train myself to work well under pressures.

Ngo Quynh Huong

Since I have enjoyed marketing activities for long, I was initially assigned as the Advertisement, Displaying & Decoration Manager. For me, much difficulties were not experienced as this is the type of work that I favor. I have learned how different methods of advertising affect particular types of customers, and was able to apply learned theories. I have also discovered that such one-size-fits-all advertising strategy does not exist, and an advertising specialist needs to be able to reach as much audience as possible using different creative methods. In regards to other roles, I have fulfilled by duties but with less enjoyment as with Advertisement management. Through this eight-week period, I have acquired a new skill, or mentality for a better term, that creativity is extremely important in almost every working sector nowadays, and that any individual should not limit themselves into 'boxes'. I believe that once I start concentrating on improving my creativity, I will be able to stand out among candidates and will be favored by employers in the future.

Dao Khanh Ha

Due to the fact that I have adequate experience in managing finances for organizations, I was assigned as the Financial Manager in the first week. This role was also the most frequent one I get during the weekly rotations. It was rewarding but hard at the same time, as I needed to overlook the inventory level, changes in prices and costs, and any trading activities in order to produce the financial report. During rotations, I was surprised to see that I was capable of doing other things with positive

feedbacks. I was able to gain certain benefits when trying out other roles as well, for instance, the requirement of being capable of looking and manager things from a bird's-eye view of a Business Manager has given me the opportunities to look at things from different perspectives, hence I successfully suggested a new advertising strategy to reach customers who are excluded from our target market. This newly obtained skill will surely be significantly beneficial for me in the future.

Truong Quang Bao

At first, I thought to myself that, ''This is just a simple project that involves only buying and selling. There shouldn't be any difficult tasks.'' That was my mistake. Through the role-rotation mechanics, I have learnt that these seemingly basic tasks are actually demanding. It was hard at first as different roles require different skill sets, but eventually, I have obtained for myself one of the essential skills when entering the future workforce: versatility and flexibility. Thanks to the project, I have discovered what it takes to become a Business Manager, a Financial Manager, a Product Manager, etc. One tweak that I would like to make in regards to my individual performance is that I wish I had shown more passion and enthusiasm when doing the assigned tasks. One possible reason for this might be because I didn't have enough sense of belonging in the group. This could have been improved by talking and contributing more in the group's process.

4. Roles Rotation

	Week 1	**Week 2**	**Week 3**	**Week 4**	**Week 5 – Week 8**
Vy	Business Manager	Advertising Manager	Financial Manager	Product Manager	Rotation order is similar to order shown in Week 1 – Week 4
Ha	Financial Manager	Business Manager	Product Manager	Advertising Manager	
Huong	Advertising Manager	Product Manager	Business Manager	Financial Manager	
Bao	Product Manager	Financial Manager	Advertising Manager	Business Manager	

IV. Communication and Collaboration
1. Methods of Communication and Collaboration

- Verbal Communication
  - We took advantages of the chances we had to meet at school to communicate about the project.
  - This was performed in the setting of the classroom.
  - This method is quick, easy to have enforce two-way communication, is immersive as attention is normally drawn to the speaker(s).
- Non-verbal Communication
  - This type of communication proceeded when members were at remote places from each other. It is via social networking, Messenger in particular.
  - Despite being less convenient than verbal communication, Messenger was the only networking platform that we have in common, thus any notices or discussions can be performed through Messenger and have everyone received and understood.
  - However, we encountered a number of limitations:
    - Not everybody has the same schedule and go online at the same times, thus this method is not suitable for transmitting urgent messages.
    - Due to the lack of body language, it is considerably more difficult to explain personal ideas to others.
    - A wide disparity in texting styles can have downsides in terms of comprehension.
- Collaboration
  - As discussions raised in oral conversations and text messages are not effectively recorded for further references and actions, we decided to make use of another platform for collaboration: Google Drive.
  - Mechanics: We created online Google Docs and Google Sheets for content writing works and financial records, respectively. Members are able to edit works simultaneously with others.
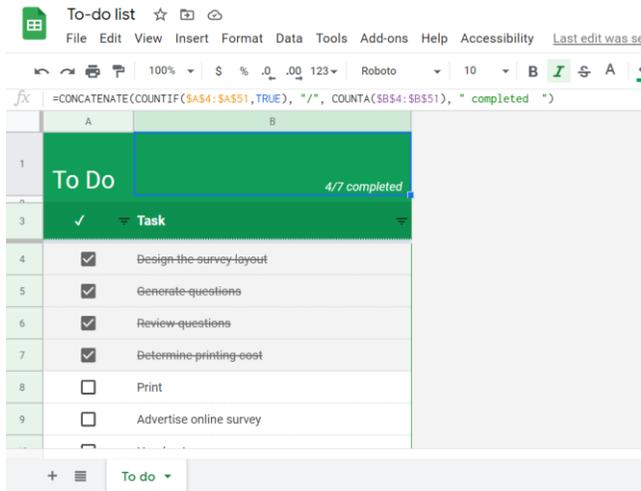
Image.

Online to-do list created by Google Sheets

- o Using Google Drive, we were able to create a work-only space, which was easy to navigate when necessary.
- o Also, with this collaboration space, team members are able to edit and express their ideas within the works, which is easier than explaining by pure texting on Messenger.
- o Distractions were mostly removed.
- o The process was continuous as one member did not have to wait for another member to send in the work.
- o Limitation(s): Members were not accustomed to this style of work, leading to extending allocated time longer than expected.

2. Suggestions for Improvements
    a. Make the most time and effort out of face-to-face conversations as this is the most effective method of communication.
    b. Set schedules for online time: one has to check the group messages at least once before 9 pm every night.
    c. Organize online video meetings every weekend instead of every month to take advantages of verbal communication (the most effective in our belief) via online platforms. This will ensure that members are all kept up and are given the opportunities to express their suggestions, which are always heard and taken note of since online meetings are highly interactive.

For evidence of Communication and Collaboration, refer to page 15.

V.   Pricing & Marketing Strategies

1. Marketing Strategies

We agreed to follow the rule of Marketing that we have learned in iGCSE Business Studies, trying to give good performances in all marketing mix 4 P's – Product, Place, Price, Promotion. The following states our initial planning and changes occurred.

- We had emphasized the importance of making wise decisions on product choices, then came up with a variety of those choices. We had first decided to target both male and female students, hence our product range was at first very wide.

  → It turned out to be our first mistake. The products intended to reach males, building blocks in particular, were mostly unsold as the majority of customers came were female. The minority of males bought keychains.

  Solution: We decided to **cut the stocks** of building blocks and alter the intended cost spent on these into cost spent on other fast-selling products, in this case, keychains and other decorative items.

- We initially expected excessive promotion would benefit the business, i.e. printing more leaflets, attaching more posters, etc.
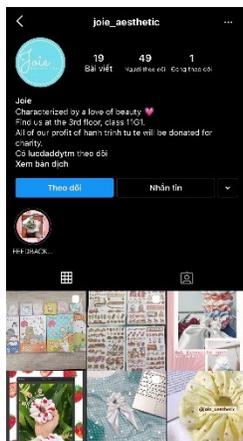
   → It turned out that the compulsory advertising methods (an ads video, class-to-class advertising) were enough. The only method that we used frequently throughout the course was to post on **social media**, which in our belief has contributed to higher number of sales. Display of products at the stall was also an important factor as it effectively promoted our brand without added costs. Hence, we assigned our Advertising Manager to manage our social media page, Instagram, and take care of our goods display.

- In our first brainstormed plan, we spent an excessive amount of time thinking of which types of products to sell. We initially decided to keep those products throughout the whole period.

  → In reality, we saw good opportunities when we tried to switch up the product types every 2 weeks. This may be because frequent

customers prefer new, unique items than buying the same thing over and over again. Eventually, starting from week 3, the Product Manager was responsible for **finding new products and suggesting it to the group**.

➔ For instance, in the first few weeks, our product range included keychains, scrunchies, building blocks, stickers. The sales of keychains rocketed in the first 5 days, then constantly declined afterwards. Only a few customers asked for specific keychains, which would eventually raise the cost of shipping per item, therefore we decided to stop selling keychains. We switched to adding stationery items to our list. (This situation also applied to scrunchies – one of our best selling items in the first phase of the period)
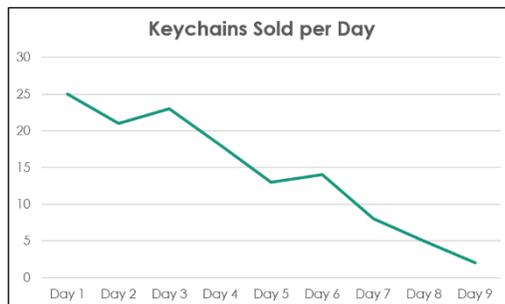
Image. Number of sales generated for keychains per day from Day 1 to Day 9

2. Pricing Strategies

We applied our acquired knowledge from iGCSE Business Studies and Enterprise theories, which were learned in the Enterprise periods before our planning & selling time, into the process of determining our pricing strategies. The following states our initial plan and how it changed over time.

Week 1 - Week 3

Item Name	Price	Unit	Strategy
Keychains	35000	Piece	Competitive
Stickers	20000	Pack	Competitive
Nanoblocks	75000	Piece	Competitive
Scrunchies	20000	Piece	Competitive

Week 4 - Week 8

Item Name	Price	Unit	Strategy
Stickers	30000	Pack	Cost-plus
Scrunchies	30000	Piece	Competitive
Pens	20000	Pack	Cost-plus
Highlighters	50000	Pack	Cost-plus
Bullet Journal items	45000	Pack	Cost-plus

- During the first phase, we researched our competitors and discovered that their selling list were quite similar, e.g. stickers, scrunchies. Therefore we decided to apply competitive pricing, which would help us to stand out from our competitors.
    i. We then realized that customers did not usually compare prices across different stalls, so compressing our prices in order to compete was not necessary; therefore we thought that we should replace our strategy to another.
    ii. Cost-plus pricing: To maximize our profit, ensure that returns are made, and make it easy for us calculate prices, we applied cost-plus pricing to our products. The margin of plus-profit was 40%.
    iii. Our only exception is 'Scrunchies' as higher prices using cost-plus pricing strategy might deter our customers and make them divert to buying from other business'.
    iv. We experienced our new strategy during Week 4 and saw positive impacts as sales did not only raised but also made the Financial Manager and Product Manager's work less daunting.

VI. APPLICATION OF BUSINESS THEORY

1. Market Research – Theory applied
    - Using all the knowledge acquired during two years of studying iGCSE Business and a few periods of Enterprise, we acknowledge the importance of effective market research (*selling the right product to guarantee sales and generate profit*), which led to our decision to invest much of our effort to design the content and layout of the surveys and selective internet searching process.
   *For evidence of Market Research, refer to page 13.*

    - Qualitative vs Quantitative Research:
        o Qualitative data: open-ended questions that require long answers. We understand that this type of data can provide us insights regarding the target market, thus we added two qualitative questions, as shown in the Evidence.
        o Quantitative data: questions that require numerical data/answers. This helps us to analyze our market and customer patterns in the most

straightforward way. This is why the majority of our survey questions are quantity-based.

2. Inventory Management – Theory we wish we had applied
   - During the period, we experienced a number of days that are either lack sufficient inventory level or have abundant amount of stock. Therefore, we think that knowledge about 'Inventory' will help us to avoid this problem.
   - This can be done by:
     o Analyzing the market stock level and set the minimum and maximum level of inventory.
     o Regularly monitor stock level
     o Calculate lead time
     o When the stock reaches its reorder level, the Product Manager is required to contact the suppliers and start adding stock, while being aware of lead time.
     o Stop ordering when stock reaches its maximum level.

EVIDENCE / REFERENCES

Online survey link: https://forms.gle/e5DAgxcaxWaR73Ut8
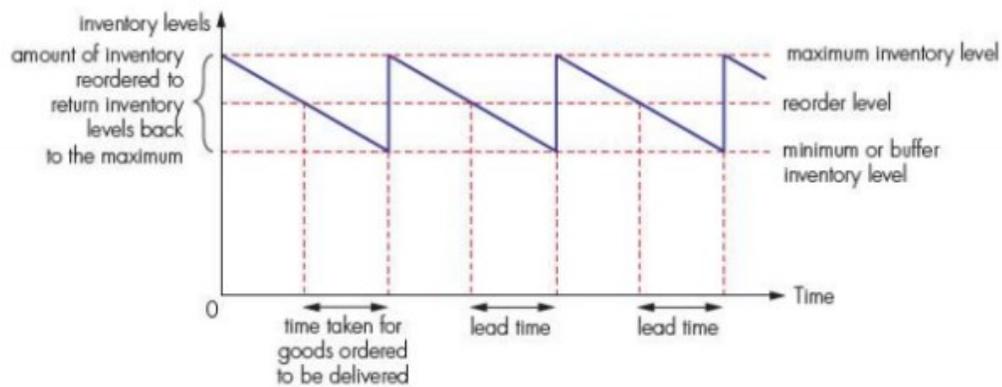
Paper-based survey design on Word:

Students' Money Brought to School

■ <50k ■ 50-100k ■ 101k-500k ■ >500k

DECORATION FOR PERSONAL ITEMS: YES/NO

14%

86%

■ Yes
■ No

New Product Rating

Nanoblocks Types

40%   26%

34%

■ Stormtroopers
■ Darth Vader
■ BB-8
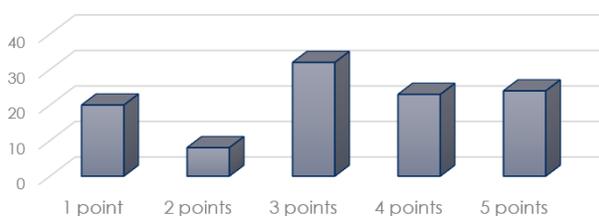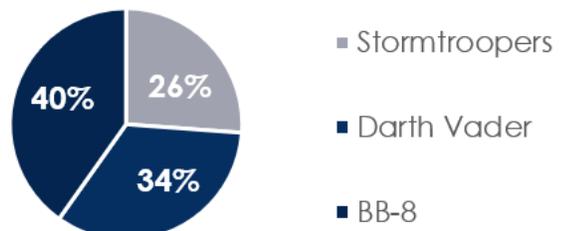
Scrunchies Potential Customers Rate

27%
17%
15%
41%

☐ Will definitely buy   ☐ May buy
☐ May not buy   ☐ Will not buy

Keychain Types

■ Dinosaur
■ Koala
■ Fox
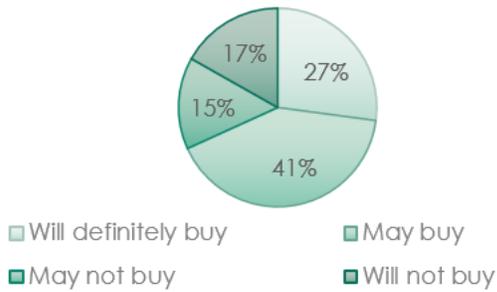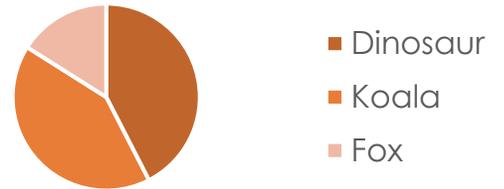
SECONDARY MARKET RESEARCH EVIDENCE

Instagram vs Facebook

User interactions with brands as a percentage of brands' fans or followers

	2014	2015
Instagram	4.213%	2.261%
Pinterest	0.097%	0.042%
Facebook	0.073%	0.216%
Google+	0.069%	0.044%
LinkedIn	0.054%	0.055%
Twitter	0.035%	0.027%
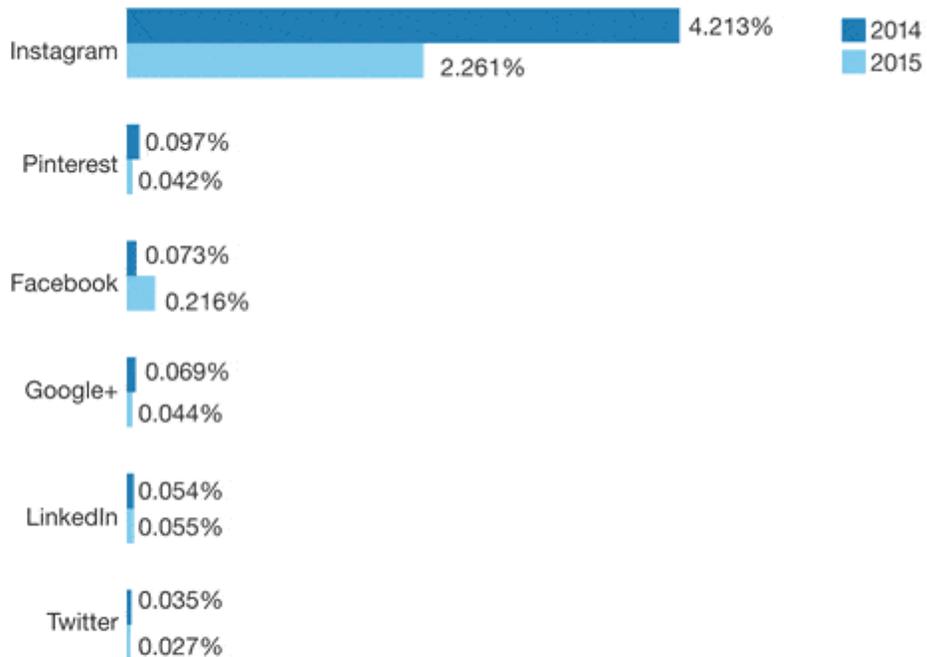
Base: 27 to 48 large brand pages on social sites

Pricing

We used shopee.vn for references.
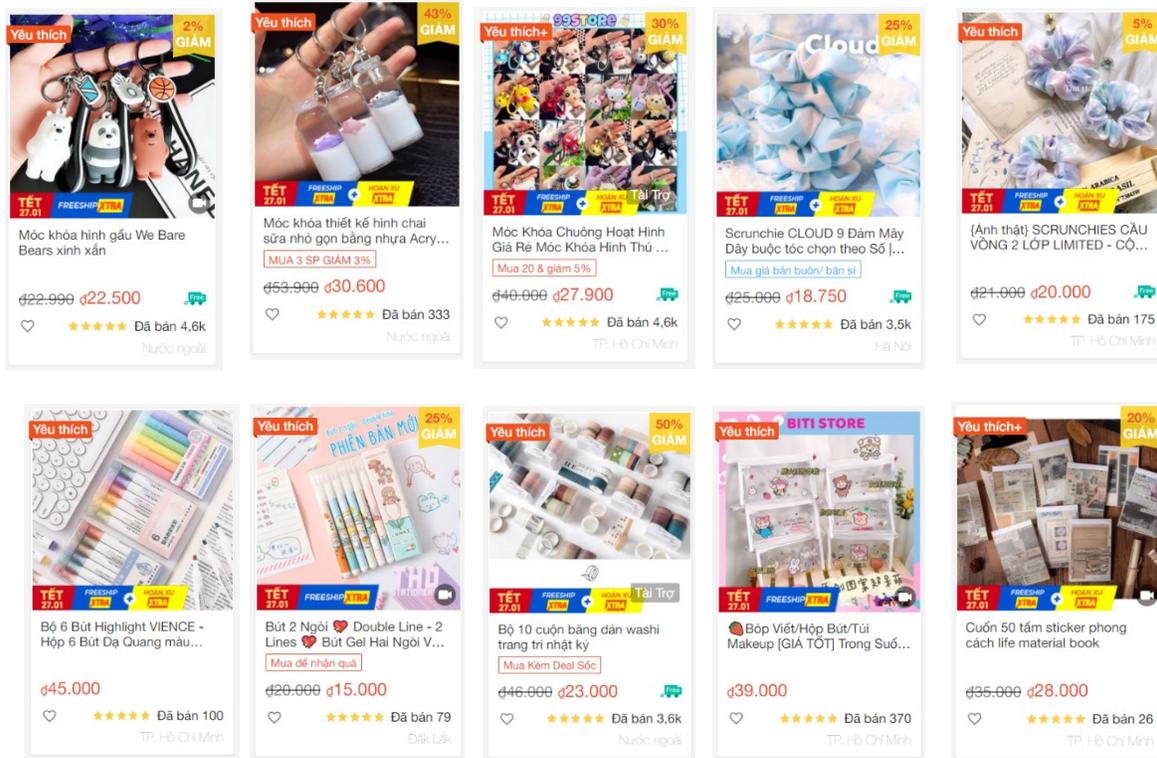
COMMUNICATION & COLLABORATION

➤ **Messenger**
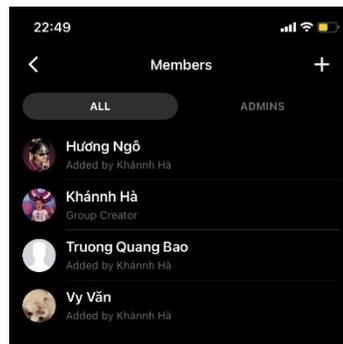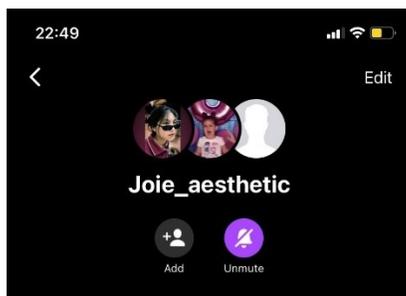
➢ **Monthly video meetings' notes**

Joie Enterprise

Video Meetings Note

▶ Sep 30

▶ Oct 31

▼ Nov 14

Huong: suggested to decrease scrunchies stocks and focus on stationery items.

Bao: suggested that Joie needs at least 2 people watching over the stall.

Ha: Number of customers per day decreased → low down the maximum and minimum stock level to avoid abundance.

Vy: asked if Joie had unsold stocks and suggested to have a promotion of 40% sales off period.

New Role Rotation:

Ha: Business Manager

Huong: Financial Manager

Bao: Advertising Manager

Vy: Product Manager & Auditor

ADVERTISEMENT

Our Instagram account: @joie_aesthetic

https://www.instagram.com/joie_aesthetic/
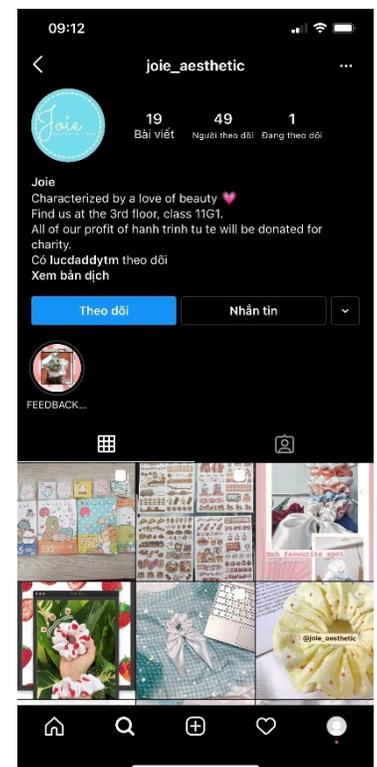
PRICING

This is our final price list during the second phrase.

Item	Price (VND)
Stickers A	25,000
Stickers B	30,000
Stickers C	15,000
HQ Scrunchies	40,000
Normal Scrunchies	35,000
Washi Tape (of 5)	20,000
Vience Highlighters	60,000
Transp. Pencil Case	15,000
Polaroid Strip of 5	30,000
Blue/Black Pens of 6	40,000
Multicolor Pens	30,000