



Gift Shop

Business Plan

[YEAR]


A place where you buy emotions


Information provided in this business plan is unique to this business and confidential; therefore, anyone reading this plan agrees not to disclose any of the information in this business plan without prior written permission of the Company



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1.

Executive Summary

Vision Statement

Mission Statement

Keys to Success

The Business

Target of the Company

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Vision Statement

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Mission Statement

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Keys to Success

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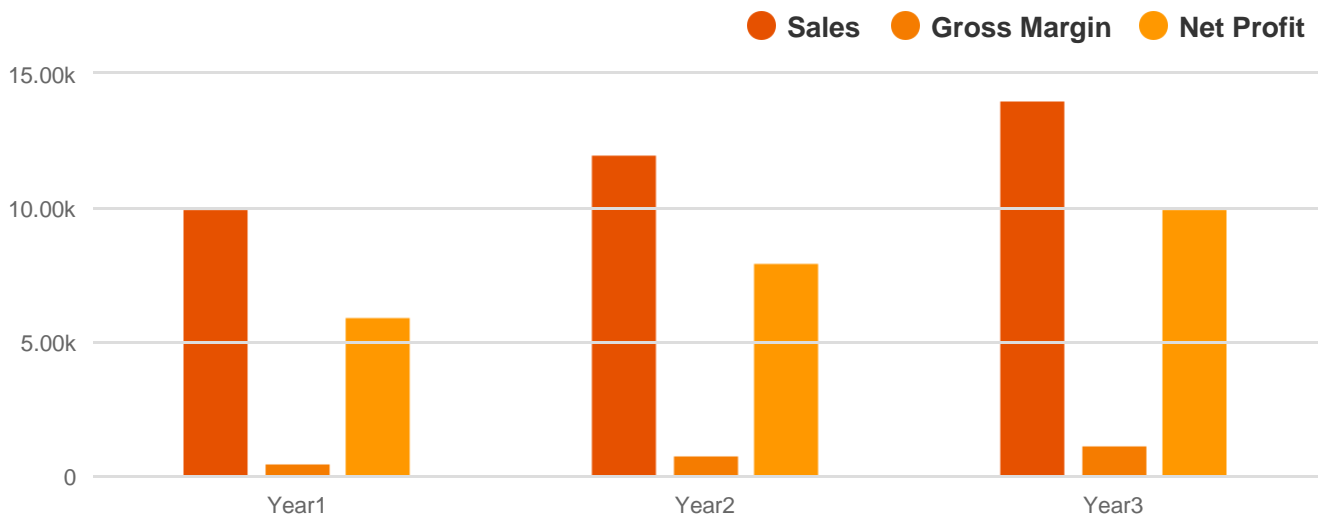
The Business

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Target of the Company

Our target is to be the best and the most popular business of our type in Las Vegas and to earn a profit margin of \$10 k per month by the end of the first year.

3 Year profit forecast



Financial Year	Sales	Gross Margin	Net Profit
Year1	10000	500	6000
Year2	12000	800	8000
Year3	14000	1200	10000

2.

Company Summary

The Purpose of starting a business

Company Ownership

Start-up Summary

Funding Required

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The Purpose of starting a business

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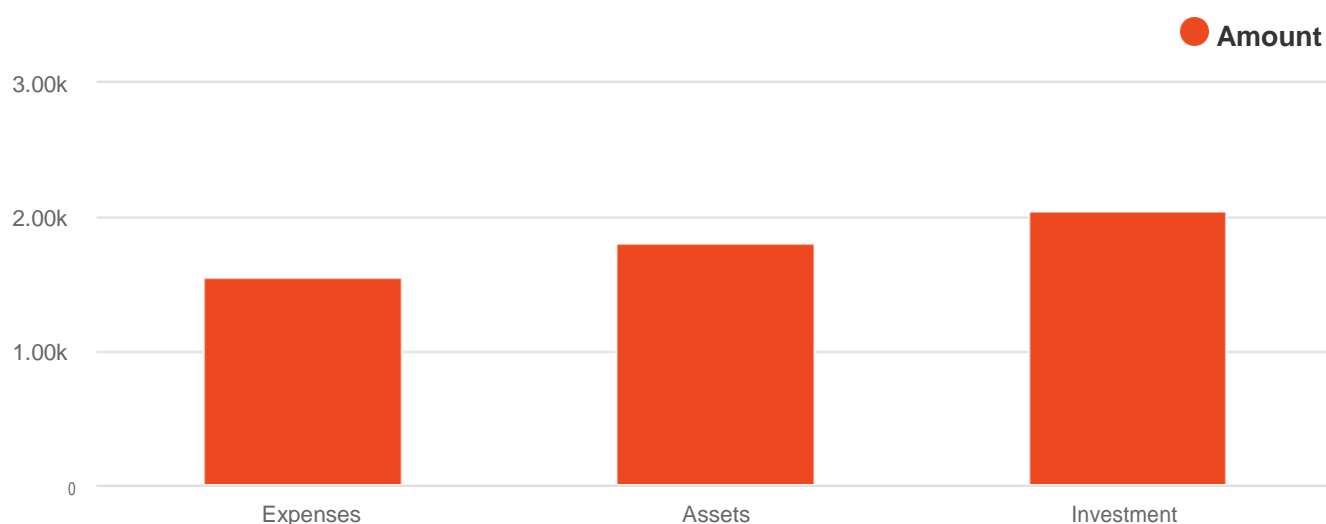
Company Ownership

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Start-up Summary

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Startup cost



Cost distribution	Amount
Expenses	1550
Assets	1800
Investment	2050

Funding Required

The detailed start-up requirements, start-up expenses, total capital, and liabilities as forecasted by experts, is given below:

Startup Expenses	Amount
Legal	\$55 300
Consultants	\$0
Insurance	\$32 750
Rent	\$32 500
Research and Development	\$32 750
Equipment Expenses	\$32 750
Signs	\$1 250
TOTAL START-UP EXPENSES	\$187 300
Start-up Assets	\$220 875
Cash Required	\$332 500
Start-up Inventory	\$32 625
Other Current Assets	\$232 500
Long-term Assets	\$235 000
TOTAL ASSETS	\$121 875
Total Requirements	\$245 000
START-UP FUNDING	
START-UP FUNDING	\$273 125
Start-up Expenses to Fund	\$151 875
Start-up Assets to Fund	\$123 000
TOTAL FUNDING REQUIRED	\$0
Assets	\$23 125
Non-cash Assets from Start-up	\$18 750
Cash Requirements from Start-up	\$0
Additional Cash Raised	\$18 750
Cash Balance on Starting Date	\$21 875
TOTAL ASSETS	\$373 125
Liabilities and Capital	\$0
Liabilities	\$0
Current Borrowing	\$0

Startup Expenses	Amount
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (interest-free)	\$0
TOTAL LIABILITIES	\$0
Capital	\$620 125
Planned Investment	\$620 125
Investor 1	\$0
Investor 2	\$0
Other	\$0
Additional Investment Requirement	\$0
TOTAL PLANNED INVESTMENT	\$620 125
Loss at Start-up (Start-up Expenses)	\$313 125
TOTAL CAPITAL	\$251 875
TOTAL CAPITAL AND LIABILITIES	\$251 875
Total Funding	\$255 000

3.

Products and Services

Product Description

Service Description

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Product Description

The following is an overview of our product line by category:

Printing Products

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Customized Apparel

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Home Accessories

Start writing here...

Personal Care Accents

Start writing here...

Pet Products

Start writing here...

Specialty Gifts

Start writing here...

Service Description

Start Writing here...

Plastic Gift Cards

Start writing here...

Customization Services

Start writing here...

V.I.P. Customer Appreciation

Start writing here...

Corporate Gift Program

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4.

Market Analysis

Market Trends

Target Market

Marketing Segmentation

Market Analysis

Product Pricing

Market Trends

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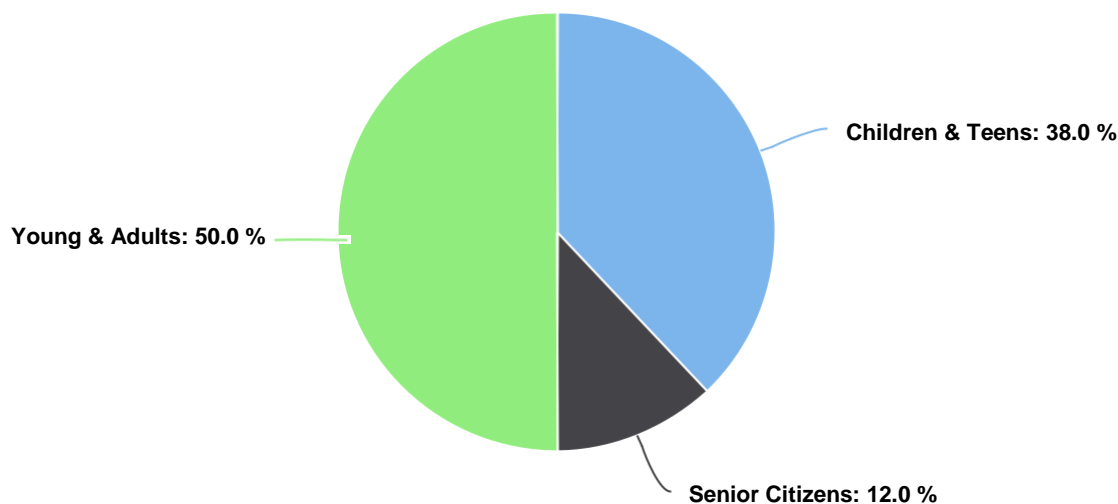
Target Market

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Marketing Segmentation

Our customers belong to every age group. To understand the needs of our customers, Wellington Gifts & Cards Shop has divided them into three groups, as given here:

Marketing share



Segments	Market share
Children & Teens	38
Senior Citizens	12
Young & Adults	50

The detailed marketing segmentation of our target audience is as follows:

Young & Adults

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Senior Citizens

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Children & Teens

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Market Analysis

The detailed market analysis of our potential customers is given in the following table:

Potential Customers	Growth	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Children & Teens	48%	22 334	32 344	43 665	52 544	66 432	10,00%
Senior Citizens	32%	12 867	14 433	15 999	17 565	19 131	15,32%
Young & Adults	20%	11 433	13 344	16 553	18 745	20 545	13,43%
Total	100%	46 634	60 121	76 217	88 854	106 108	9,54%

Product Pricing

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5.

Strategy and Implementation Summary

Competitive Analysis

Marketing Strategy

Sales Strategy

Competitive Analysis

Key Competitive Strategies



Customized Services

These "tailor-made" services offer the customer a personal connection to the product that he/she is purchasing. This type of service is not commonly offered in today's retail marketplace.



Printing Services

The added printing products service within the gift shop is unique for a gift shop. This will enable customers to bring in personal photographs and mementos or email digital images to create greeting cards, 12-month calendars or business cards. These types of items then become personal keep-sales and one-of-a-kind type merchandise.



Handmade/Handcrafted Products

The handcrafted products will be designed by owner Mrs. Dora Wellington as well as outside entrepreneurs. We will showcase their crafts on consignment. This will also broaden our own product line.



Brand Identity

The proprietary products that we design will be distinguished from other products by brand labels. Our brand name merchandise makes up 50% of our present product line. Promoting "brand recognized" merchandise connects the customers to products that represent high-quality and dedicated customer service.

Key Competitive Weaknesses



Range of Product Line

Although Wellington Gifts & Cards Shop's present product line is unique and high-end merchandise, the range of our products is considered small in relation to more established businesses. Yet these items are engaging and personable.



Location of the Gift Shop

Because the area is in its developing stages of residential and commercial enterprise zones, business traffic is relatively slow. However with time, west midtown will undoubtedly generate a traffic-flow of curious residents and outside customers.

Marketing Strategy

Pricing Strategy

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Promotion Strategy

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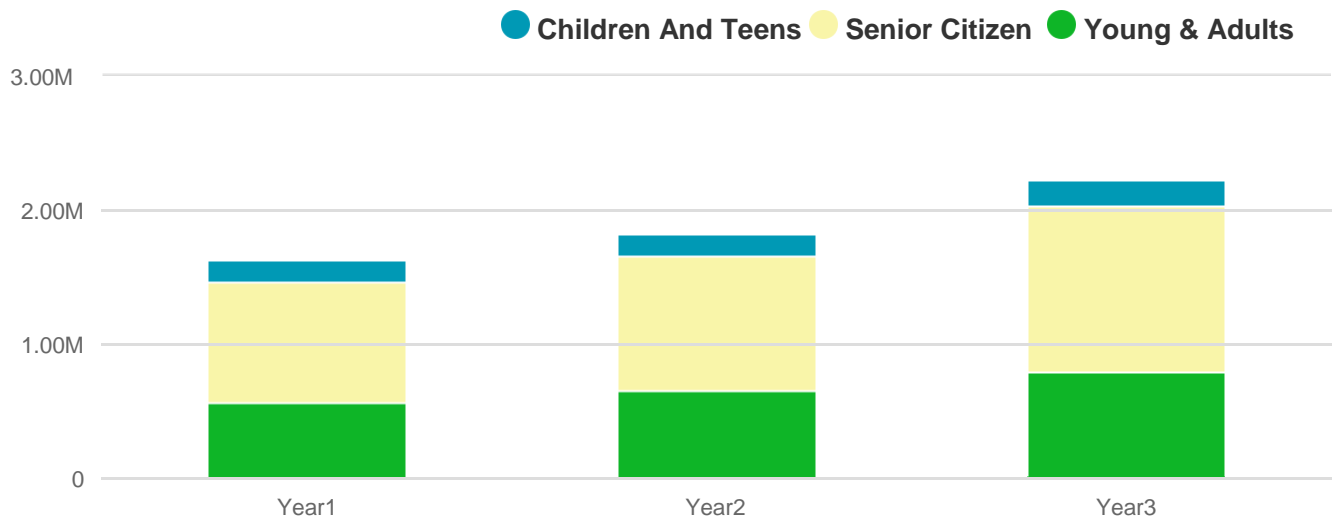
Marketing Channels

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Sales Strategy

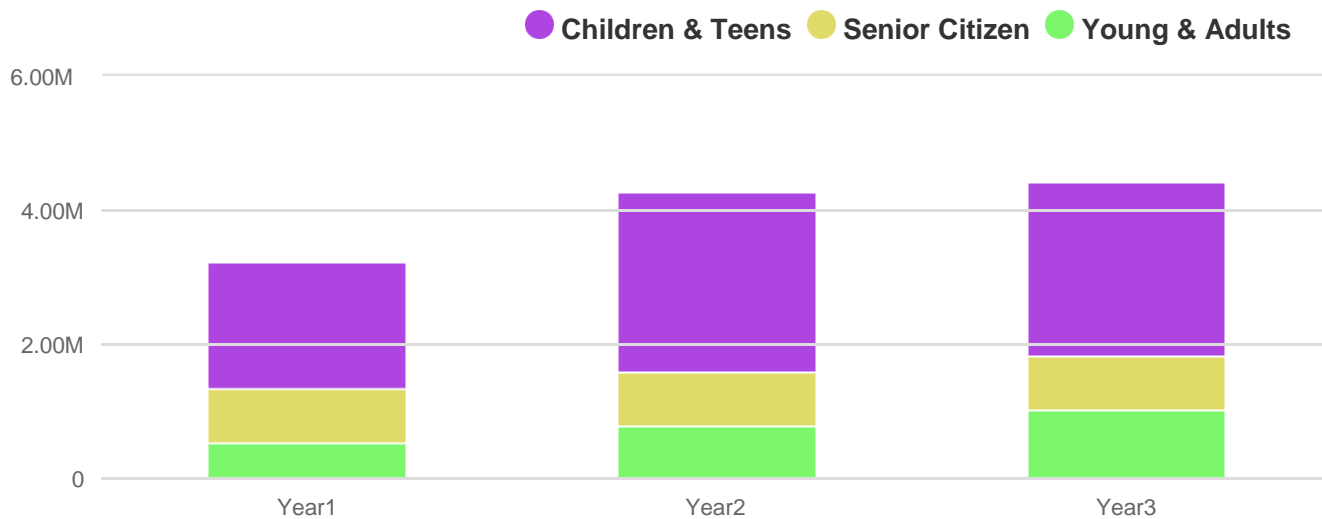
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Sales Yearly



Financial Year	Children And Teens	Senior Citizen	Young & Adults
Year1	158745	895665	568654
Year2	164548	1004512	658457
Year3	186541	1245587	784512

Sales Forecast



Financial Year	Children & Teens	Senior Citizen	Young & Adults
Year1	1887030	802370	539320
Year2	2680320	815430	770230
Year3	2588240	823540	1002310

Detailed Sales Forecast

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	Year 1	Year 2	Year 3
Unit Sales			
General and Specialize Gifts	1 887 030	2 680 320	2 588 240
Decorative Artworks	802 370	815 430	823 540
Customized Apparel	539 320	770230	1 002 310
Accessories	265 450	322 390	393 320
TOTAL UNIT SALES	3 494 170	4 588 370	4 807 410
Unit Prices			
General and Specialize Gifts	\$140,00	\$150,00	\$160,00
Decorative Artworks	\$600,00	\$800,00	\$1 000,00
Customized Apparel	\$700,00	\$800,00	\$900,00
Accessories	\$650,00	\$750,00	\$850,00
Sales			
General and Specialize Gifts	\$2 149 800	\$2 784 000	\$3 383 200
Decorative Artworks	\$120 050	\$194 500	\$268 500
Customized Apparel	\$50 110	\$71 600	\$93 000
Accessories	\$139 350	\$194 600	\$249 850
Direct Unit Costs			
General and Specialize Gifts	\$0,70	\$0,80	\$0,90
Decorative Artworks	\$0,40	\$0,45	\$0,50
Customized Apparel	\$0,30	\$0,35	\$0,40
Accessories	\$3,00	\$3,50	\$4,00
Direct Cost of Sales			
General and Specialize Gifts	\$989 300	\$1 839 000	\$2 679 700
Decorative Artworks	\$66 600	\$119 900	\$173 200
Customized Apparel	\$17 900	\$35 000	\$52 100
Accessories	\$19 400	\$67 600	\$115 800
Subtotal Direct Cost of Sales	\$1 294 100	\$1 699 400	\$2 104 700

6.

Management Summary

Personnel plan

Average Salary of Employees

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Personnel plan

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Average Salary of Employees

The following table shows the forecast data about employees and their salaries for the next three years.

	Year 1	Year 2	Year 3
Co-Manager	\$85 000	\$95 000	\$105 000
Accountant	\$50 000	\$55 000	\$60 000
Sales Executives	\$187 000	\$194 000	\$201 000
Decorators	\$55 000	\$60 000	\$65 000
Drivers	\$85 000	\$95 000	\$105 000
Customer Care Officer	\$50 000	\$55 000	\$60 000
Salesman	\$245 000	\$252 000	\$259 000
IT Experts	\$85 000	\$95 000	\$105 000
Front Desk Officer	\$50 000	\$55 000	\$60 000
Security Officer	\$85 000	\$95 000	\$105 000
Total Salaries	\$435 000	\$462 000	\$489 000

7.

Financial Plan

Important Assumptions

Break-even Analysis

Projected Profit and Loss

Projected Cash Flow

Projected Balance Sheet

Business Ratios

Important Assumptions

The financial projections of the company are forecast on the basis of the following assumptions. These assumptions are quite conservative and are expected to show deviation but to a limited level such that the company's major financial strategy will not be affected.

	Year 1	Year 2	Year 3
Plan Month	1	2	3
Current Interest Rate	10,00%	11,00%	12,00%
Long-term Interest Rate	10,00%	10,00%	10,00%
Tax Rate	26,42%	27,76%	28,12%
Other	0	0	0

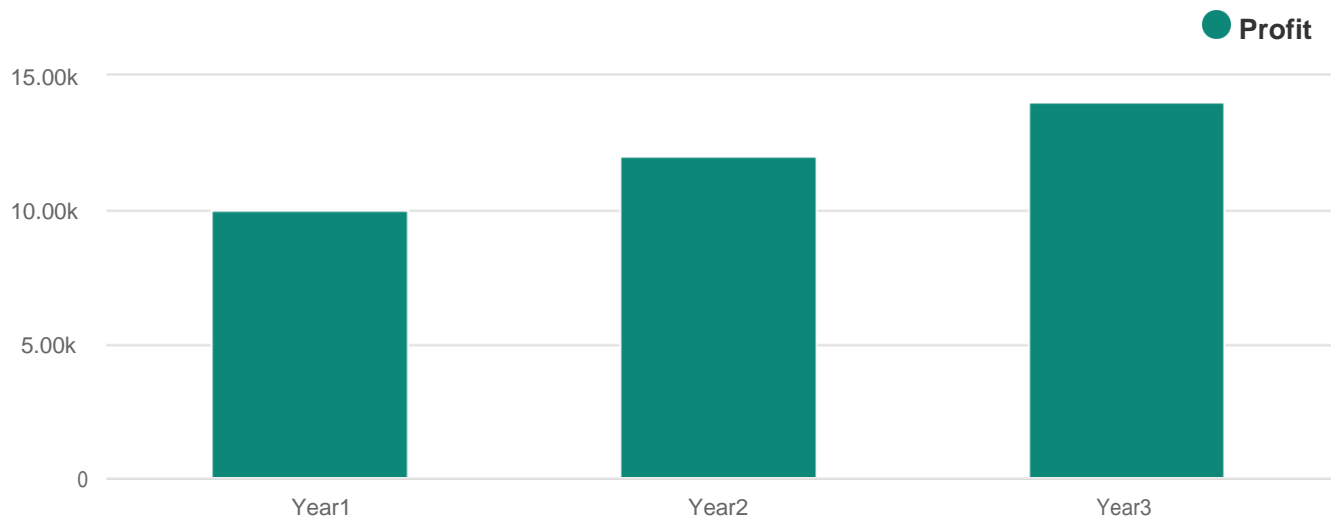
Brake-even Analysis

Monthly Units Break-even	5530
Monthly Revenue Break-even	\$159 740
Assumptions:	
Average Per-Unit Revenue	\$260,87
Average Per-Unit Variable Cost	\$0,89
Estimated Monthly Fixed Cost	\$196 410

Projected Profit and Loss

	Year 1	Year 2	Year 3
Sales	\$309 069	\$385 934	\$462 799
Direct Cost of Sales	\$15 100	\$19 153	\$23 206
Other	\$0	\$0	\$0
TOTAL COST OF SALES	\$15 100	\$19 153	\$23 206
Gross Margin	\$293 969	\$366 781	\$439 593
Gross Margin %	94,98%	94,72%	94,46%
Expenses			
Payroll	\$138 036	\$162 898	\$187 760
Sales and Marketing and Other Expenses	\$1 850	\$2 000	\$2 150
Depreciation	\$2 070	\$2 070	\$2 070
Leased Equipment	\$0	\$0	\$0
Utilities	\$4 000	\$4 250	\$4 500
Insurance	\$1 800	\$1 800	\$1 800
Rent	\$6 500	\$7 000	\$7 500
Payroll Taxes	\$34 510	\$40 726	\$46 942
Other	\$0	\$0	\$0
Total Operating Expenses	\$188 766	\$220 744	\$252 722
Profit Before Interest and Taxes	\$105 205	\$146 040	\$186 875
EBITDA	\$107 275	\$148 110	\$188 945
Interest Expense	\$0	\$0	\$0
Taxes Incurred	\$26 838	\$37 315	\$47 792
Net Profit	\$78 367	\$108 725	\$139 083
Net Profit/Sales	30,00%	39,32%	48,64%

Profit Yearly



Financial Year

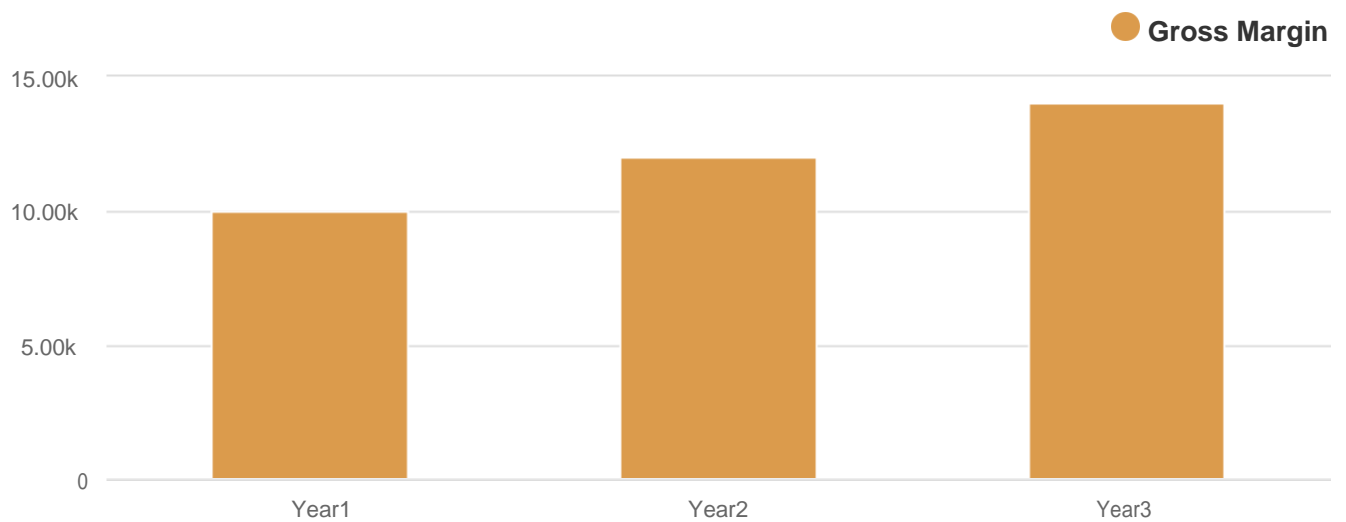
Profit

Year1	10000
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Year2	12000
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Year3	14000
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Gross Margin Yearly



Financial Year

Gross Margin

Year1	10000
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Year2	12000
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Year3	14000
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Projected Cash Flow

Cash Received	Year 1	Year 2	Year 3
Cash from Operations			
Cash Sales	\$40 124	\$45 046	\$50 068
Cash from Receivables	\$7 023	\$8 610	\$9 297
SUBTOTAL CASH FROM OPERATIONS	\$47 143	\$53 651	\$59 359
Additional Cash Received			
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
SUBTOTAL CASH RECEIVED	\$47 143	\$53 651	\$55 359
Expenditures from Operations			
Cash Spending	\$21 647	\$24 204	\$26 951
Bill Payments	\$13 539	\$15 385	\$170 631
SUBTOTAL SPENT ON OPERATIONS	\$35 296	\$39 549	\$43 582
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
SUBTOTAL CASH SPENT	\$35 296	\$35 489	\$43 882
Net Cash Flow	\$11 551	\$13 167	\$15 683

Cash Received	Year 1	Year 2	Year 3
Cash Balance	\$21 823	\$22 381	\$28 239

Projected Balance Sheet

Assets	Year 1	Year 2	Year 3
Current Assets			
Cash	\$184 666	\$218 525	\$252 384
Accounts Receivable	\$12 613	\$14 493	\$16 373
Inventory	\$2 980	\$3 450	\$3 920
Other Current Assets	\$1 000	\$1 000	\$1 000
TOTAL CURRENT ASSETS	\$201 259	\$237 468	\$273 677
Long-term Assets			
Long-term Assets	\$10 000	\$10 000	\$10 000
Accumulated Depreciation	\$12 420	\$14 490	\$16 560
TOTAL LONG-TERM ASSETS	\$980	\$610	\$240
TOTAL ASSETS	\$198 839	\$232 978	\$267 117
Liabilities and Capital			
Accounts Payable	\$9 482	\$10 792	\$12 102
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
SUBTOTAL CURRENT LIABILITIES	\$9 482	\$10 792	\$12 102
Long-term Liabilities	\$0	\$0	\$0
TOTAL LIABILITIES	\$9 482	\$10 792	\$12 102
Paid-in Capital	\$30 000	\$30 000	\$30 000
Retained Earnings	\$48 651	\$72 636	\$96 621
Earnings	\$100 709	\$119 555	\$138 401
TOTAL CAPITAL	\$189 360	\$222 190	\$255 020
TOTAL LIABILITIES AND CAPITAL	\$198 839	\$232 978	\$267 117
Net Worth	\$182 060	\$226 240	\$270 420

Business Ratios

	Year 1	Year 2	Year 3	Industry Profile
Sales Growth	4,35%	30,82%	63,29%	4,00%
Percent of Total Assets				
Accounts Receivable	5,61%	4,71%	3,81%	9,70%
Inventory	1,85%	1,82%	1,79%	9,80%
Other Current Assets	1,75%	2,02%	2,29%	27,40%
Total Current Assets	138,53%	150,99%	163,45%	54,60%
Long-term Assets	-9,47%	-21,01%	-32,55%	58,40%
TOTAL ASSETS	100,00%	100,00%	100,00%	100,00%
Current Liabilities	4,68%	3,04%	2,76%	27,30%
Long-term Liabilities	0,00%	0,00%	0,00%	25,80%
Total Liabilities	4,68%	3,04%	2,76%	54,10%
NET WORTH	99,32%	101,04%	102,76%	44,90%
Percent of Sales				
Sales	100,00%	100,00%	100,00%	100,00%
Gross Margin	94,18%	93,85%	93,52%	0,00%
Selling, General & Administrative Expenses	74,29%	71,83%	69,37%	65,20%
Advertising Expenses	2,06%	1,11%	0,28%	1,40%
Profit Before Interest and Taxes	26,47%	29,30%	32,13%	2,86%
Main Ratios				
Current	25,86	29,39	32,92	1,63
Quick	25,4	28,88	32,36	0,84
Total Debt to Total Assets	2,68%	1,04%	0,76%	67,10%
Pre-tax Return on Net Worth	66,83%	71,26%	75,69%	4,40%
Pre-tax Return on Assets	64,88%	69,75%	74,62%	9,00%
Additional Ratios	Year 1	Year 2	Year 3	
Net Profit Margin	19,20%	21,16%	23,12%	N.A.
Return on Equity	47,79%	50,53%	53,27%	N.A.

	Year 1	Year 2	Year 3	Industry Profile
Activity Ratios				
Accounts Receivable Turnover	4,56	4,56	4,56	N.A.
Collection Days	92	99	106	N.A.
Inventory Turnover	19,7	22,55	25,4	N.A.
Accounts Payable Turnover	14,17	14,67	15,17	N.A.
Payment Days	27	27	27	N.A.
Total Asset Turnover	1,84	1,55	1,26	N.A.
Debt Ratios				
Debt to Net Worth	0	-0,02	-0,04	N.A.
Current Liab. to Liab.	1	1	1	N.A.
Liquidity Ratios				
Net Working Capital	\$120 943	\$140 664	\$160 385	N.A.
Interest Coverage	0	0	0	N.A.
Additional Ratios				
Assets to Sales	0,45	0,48	0,51	N.A.
Current Debt/Total Assets	4%	3%	2%	N.A.
Acid Test	23,66	27,01	30,36	N.A.
Sales/Net Worth	1,68	1,29	0,9	N.A.
Dividend Payout	0	0	0	N.A.

Want tips and tricks to starting a gift shop?

Start your dream gift shop with confidence! Discover essential tips, expert guidance, and creative ideas to launch and run a successful gift shop.

<https://artmall.co.ke/blog/category/starting-a-gift-shop/>

[121+ Creative Gift Shop Name Ideas \[+7 Brand Name Generators\]](#)

[75+ Catchy Gift Shop Slogans and Taglines](#)

[27+ Best-Selling Gift Shop Items Every Gift Shop Should Have](#)