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Royal Rafael

Bussines Report

Country: **REPUBLIC OF MOLDOVA,
CHISINAU**

Teacher: **BUGA VICTORIA**

Coordinator: **CAZACLIU RENATA**

2022



WE ARE FASHION AND COMFORT

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Contact information

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Company team members

1 Cazacliu Renata (coordinator)
2 Meiri Negrescu
3.Boboc Alexandrina

Summary

Mission Statement

Our mission is to help girls and women who spend a lot of time in a sitting position, putting pressure on the spine develop scoliosis, as well as providing a practical and comfortable look to everyday clothing.

Problem solution

In the 21st century, the practical aspect of clothes for young people is a priority, and for parents, health is paramount. Our company has tried to identify the solution to both challenges.

Rafael is the embodiment of perfection in the idea of making a new line of clothing for girls and women who are looking for practicality, but also for health.

Our company is based on the concept that the costumer should feel comfortable and confident. Our company's name reflects this idea. Royal is a symbol that shows the level of quality of our products. And Rafael symbolizes the effort and creativity our workers put in their work.

Benefits

- Our product solves a real and growing problem;
- There is no such a product at Moldavian Market.

The beginning of the business idea

When we say uniform, we think of something boring and uncomfortable.

Women have a very important role in society and their appearance in clothing is focused on the thought that women should feel comfortable.

A big influence of our project idea was the color diversity. Our project wants to create a fashion line that is healthy, ethical and aesthetically pleasing. Combining Eastern and Western culture. That's why we combined the comfortable Japanese kimono with a special corset that treats and prevents scoliosis.

We came up with the idea that every young man / woman wants to be comfortable with himself / herself.

The target market of our company are girls and women aged 13-65 (about 950 thousand people) who want to combine the useful with the pleasant.

The comparative advantage is that the customer can customize his kimono to order, requesting a more special print or text.

Our Strengths are:

Uniqueness

Fidelity

Maximum attention to customer's wishes

Punctuality

Risks:

Price increase

Lack of raw material

Lack of staff

Issues in delivery

Product

We came up with a new idea that aims to revive the fashion of the past. We want to reference the traditional Japanese Kimono but make it practical for daily activities women and girls have to encounter like: breastfeeding, desk work, long sitting in front of the computer and other activities that can result in a bad posture.

We want to make an aid that has a positive impact on the customer's back posture and keep an aesthetical look to the product. We know that many young people today have scoliosis, so we introduced a support that comes with the kimono which holds a stable and healthy spine posture.

The main material used for our product's production is cotton which is a eco-friendly material. We have two lines of products:

I. one with Japanese traditional patterns

II. one with plain colors which are intended for businesswomen and people who need an official style of clothing.



Scoliosis is a sideways curvature of the spine that most often is diagnosed in adolescents. While scoliosis can occur in people with conditions such as cerebral palsy and muscular dystrophy, the cause of most childhood scoliosis is unknown.

This is the principal idea for that we are doing kimono that will be help to woman, girls to have a correct posture and a healthy live.

Originality and Innovation

Our original we have adapted a product to the current needs of the consumer, turning it into a convenient and useful one. This type of clothing also bring health, something that is not found in other companies. is found in any product, especially as the products are made to order so we can **Originality** create models, designs, sizes as desired. Our Kimonos are going to be sewed based on each customer's particular features as body type, skin color etc. They could be shorter or longer. We will keep in mind the customer's cultural background by adding elements which define their origins or interests.

The **innovation** in our products is our desire for the products to keep the person healthy. Although many companies promise health, they fail after an amount of time. We promote ethical labour.

Looking closely, traditional kimonos are very similar to traditional Moldovan clothing.

Both traditional clothes are a longer version of the pencil skirt. Traditional costume has certain meanings (ceremonial, ritual, social status, theatrical, age-related, profession, etc.)

The decor of the Moldovan costume is based on the harmony of natural colors (white, beige, gray, black, tan, yellowish), on stylized geometric and vegetal ornamental motifs. The technique of adornment is one -, two-, three-color point embroidery: simple cross stitch, "full" or "hub" embroidery on counted threads-segmented and free-naturalistic.

Our company members



Cazacliu Renata is our Managing Director and Head of Sales & Customer Service. Her has the responsibility of leading the team and product development.

Valeria Covali is Company Secretary & Financial Manager is in charge of managing the finances and keeping the team organized.

Meiri Negrescu is our IT Manager and looks after our online presence and supports, Buga Victoria is our mentor, and support manager, comerciant consulting.

What we have learn:

- **It is important to allow each team member to contribute to discussions, otherwise they will stop putting ideas forward.**
- **To compromise so that you can reach an agreement.**
- **Poor communication between the team hindered productivity. To improve this we created a shared email address and group chat.**
- **To stay focused and not get distracted. This was challenging during exams as some members have had external exams while others have not. At times this led to a feeling that not all members were contributing equally.**

Marketing plan

4P - Price

The final price was calculated according to our production costs (around 15 EUR) and the purchase capacity of local people (see graph 1). The average salary in Republic of Moldova is about 330 EUR. Therefore we considered our highest selling price to be no higher than 25 EUR per product.

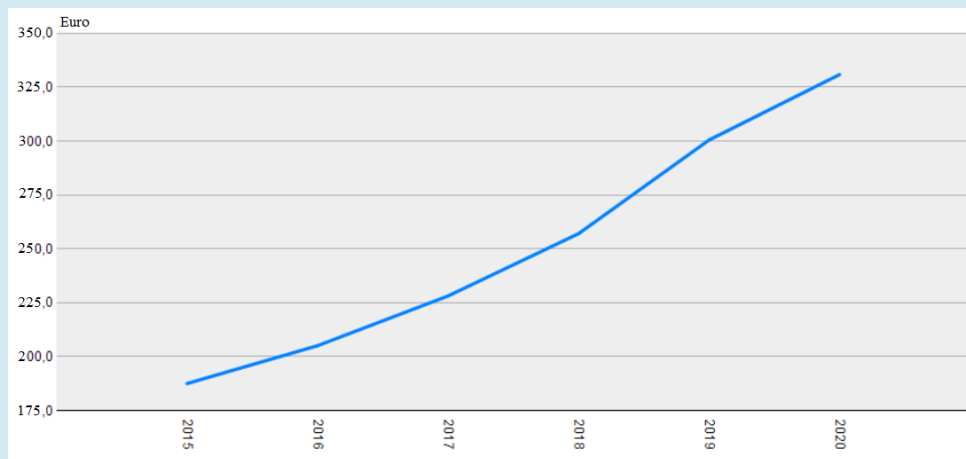


Fig. 1 Average monthly earnings

Place - Chisinau, Republic of Moldova

Due to the favorable location, in the largest city of the country, the market is vast, the opportunities for expansion are great. We managed to sell 5 products online. We work with pre-orders. From the moment of receiving the orders, performing the necessary measures, the customer receives the product within 5 days if it is within the Chisinau municipality. If it is out of time, add 1-2 days delivery time.

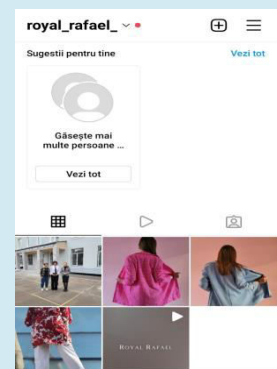
Promotion

We know that the future is going to be based online, that's why we focus on creating a base following on big platforms like Instagram or TikTok. We want to invest in an online store in the future. Although we want actual live stores, we understand that we need a lot of investment.

Although we want to expand in all countries, we can't afford the opening of stores in other countries other than Moldova. Delivery will be paid depending on the customer's location. We do not have competition. Being the pioneers of this idea, we ensure future buyers through this fact. We have a page on Facebook, Instagram, we use gmail for more and secure contacts



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Finances

Raising capital

As every other business we also needed initial capital. For this reason we sold 80 shares with nominal value of 1.0 EUR each.

We raised our initial capital through selling shares to friends and family and a small number of fundraisers at school and we didn't rely on fundraisers for the bulk of our initial capital.

Income

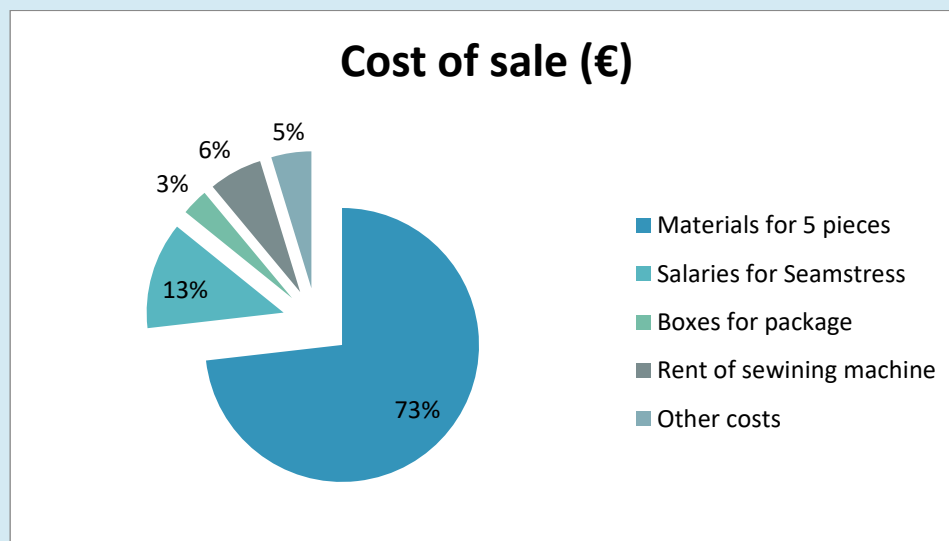
Price	23 €
Sales volume	5
Revenue from sales	115 €

Production Costs (€)

Materials for 5 pieces	58,00€
Salaries for Seamstress	10,00€
Boxes for package	2,50€
Other costs	3,75€
Rent of sewing machine	5,00€
Total expenses (cost of sale)**	79,25€
Operating profit*	35,75€

*Delivery are not calculated, its depend of country and destination.

**The price of 2 euro will not be calculated depending on the size of the order only.



Our profit will be distributed between shareholders, we decide that all money we will collect and to invest them in future product and marketing.

$$\text{Resource efficiency consume} = \frac{\text{operating profit}}{\text{cost of sales}} * 100 = \frac{35,75}{79,25} * 100 = 45,11\%$$

$$\text{Profitability of sales} = \frac{\text{operating profit}}{\text{sales income}} * 100 = \frac{35,75}{115} * 100 = 31,08\%$$

We plan to produce one kimono a week. In about 11 weeks of activity of the school company we will be able to recover the value of the investment (80 euro).

Operating profit = 7,15 => 80€/7,15€ ~ 11 pieces

Guaranty

Guaranty is provided for all our products as long as the damage isn't done against the instructions of the product. EX: Washing the Kimono (cotton) at over 30 degrees. The washing instructions are listed on the tag which includes the information of production of the product.

Financial plan for the future

After we collect from profit the desired amount for investors we will start by doubling the production. Also we hope to buy the sewing machine that cost a estimated aprox 250€. We know that our product a real need and important for our country and for the everyone who want to invest the money in a really health and beauty.

In the future we plan to have more models for customers to fall in love with, we won't have a warehouse because we will strike to work independently on orders. We will have contracts with companies that produce gorgeous fabrics and steams tresses to achieve any fad of customers.