

Feasibility Analysis

by [Name]

Course

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Date

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Revenue Resources

The “Wedding Experience” is built based on the Singapore’s ability to achieve multi-racial society. Garnefeld et al. (2013) cite that revenue streams represent the building blocks through which the company generates income (p.18). In other words, revenue stream is the lifeblood of the company. The main sources of revenue income include commission from sales and forecast state of website subscription. The company would be receiving commission depending on the seats sold. For example, if the sales of the seats are high, the commission is expected to be high. Gallego and Hu (2014) assert that dynamic pricing mechanism depends on the market condition and the negotiation power of the buyer. Therefore, if couples required more items, the commission would rise. Advertisement generates revenue from newspaper and web. The “Wedding Experience” provides a platform through which other auxiliary products or services would be advertised. The “Wedding Experience” is also collaborating with local online display web users to advertise products and services worth more than \$ 2 million. According to Aguirre, Mahr et al. (2015), website promotes sales as well as improves branding (35). Subscription to the “Wedding Experience” services would also act as a revenue stream to the business. Subscription to the “Wedding Experience” services App contributes to about 40% of the revenue realized by the company. The forecast sales from subscription are expected to achieve a monthly revenue growth due to increased consumer traffic. From the growth perspective, the estimated sale for the first month is \$.... The financial resources are expected to be generated from grin venture team, loans, investors, and government grants. Investors who find the business lucrative would be willing to invest more money to the business. As such, the business receives money for its operation.

Cost Driver

The cost varies depend on the volume of output and time. The cost drivers at the “Wedding Experience” affecting cost structure are advertisement, employee’s salaries, and information technology professional services. According to Atasu et al. (2013), an organization should gain an insight into its cost structure (p.1102). This enables an organization to adopt appropriate cost model in relations to size and importance of each cost driver. Advertisement fees and employees salaries are fixed cost. This is because the company incurs the cost every month. Although the cost might vary depending on the inflation rate, the company has to include it in its cost structure. Fixed cost enabled the organization to operate regardless of sales volume (Proctor 2012). In other words, employees’ salary and advertisement are crucial to the organization, since they increase sales volume and productivity. Information technology is both fixed cost and variable cost in the business (Proctor 2012). This is because the company buys computers and other gadgets to be used in installation. In addition, the company allocates money to carry out maintenance, implementation, and development. Information technology enables the business to create platform for advertisement and subscription. In fact, information system attracts business investors and consumers.

Critical Success Factor

Critical success factor is competency or activities a business must possess in order to be profitable. The revenue model used by the “Wedding Experience” ensures that the business delivers the promised service as required by the organization. For example, business intends to promote good customer relationship. In addition, the business desires to maintain good relationship with bridal shops, wedding planners, and hotels. This is achieved by forecasting on the current and future demand of wedding cloths in the wedding industry. The forecast on sales

is essential in obtaining information on the nature of cash flow, revenue, and cost. Garnefeld et al. (2013) assert that knowing what the company requires in business environment enables them to achieve business target and lower fixed or variable cost (p.21). This is because the company is focused on items enabling it to attract customers and investors. The coordination between the business and other stakeholders, such as wedding planners and hotels enables the business to receive feedback necessary to improve their services and products. The business would engage in extensive research to strengthen marketing channel in Singapore. For example, the business would carry wedding expo to legitimize available brands. In this process, the business intends to attract both local and international tourists to sustain the business.

The business is considered sustainable, since it is culture unique. In other words, the products and services offered align with cultural need of Singapore citizens. Singapore is a multi-racial nation with four races, and it is number 6 in Asia and number 24 in the world's tourist attraction (Garnefeld et al. 2013). The business decided to venture into wedding industry due to shortages experienced in the industry and high level of revenue, since people are willing to spend more money on wedding materials. Richer families often organize wedding events due to their financial status. The business would use defensive strategy, such as flanking defense, whereby the business would establish its market share and defend it.

References

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