The Business Plan For Online Legal Documents Provider For New Businesses

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Introduction

This business plan report aims to provide a business plan for online legal documents providing a company for new businesses named “ClicknPick Apostilles.” The nature of the business is that it is an online service-provider enterprise that will provide consultation about the legal documents necessary to start a new business. Also, this firm will provide consultation services to the people who want to start a new business and the apostilles, as well as legal documents that are required to start the business like MOA, AOA, nondisclosure agreements, etc.

The firm’s competitive edge can be achieved by making the firm customer-oriented. The Unique Selling Point (USP) for the company will provide customers and companies with online solutions through consultation services by business experts and seminars and training programs to encourage young entrepreneurs. This guidance to entrepreneurs and new business startups, as well as informative solutions, may enable customers to understand the business process better. They would not have to go to a consultant separately and pay for him, which would be a unique selling point for the firm as it would provide value to the customers. They will get the documents and consultation services under one roof, which will be cost-effective for them as well. Also, the process of providing services to the customers, including both documentation and consultation, will be online. Customers do not have to come to the office to pick up the documents or meet the consultant. Rather, they can get information by sitting at home through the website. The project has a social cause to guide and promote young entrepreneurs; this could be a Unique Selling Point for the company.

The business model for this online documents-providing firm will be a Limited Company. A limited company is one in which the liability of the members is limited to the extent they have invested in the company. The members come together to form a strong business team and enable each other to achieve the goals effectively by aligning the services and improving standards of operations. This business model will suit this project as it is less risky to start a company, and members are only liable for the amount they have invested, not all the other losses a new company may face. Initially, this company will be facing risk in creating a brand name, and any form of loss may lead the members to bankruptcy, but with a company as a business model, the risk of bankruptcy of the members will be minimized through limited liability (Teece, 2010, p.173).

The competitors in this industry that provide these services are Rocket Lawyer, Clickdocs Legal Documents, Smarta Business Builder, EL Direct, and Net Lawman, among others.

Research shows that the trend of entrepreneurship has increased as the employment rate in the EU has been very low since 2011 (Green, 2013, p.32). There is a need to encourage young people to start businesses, and for this, they need guidance. The demand for our services is there, and these services will be provided by our firm with a social cause which can help the entrepreneurs to start their careers as well as the firms to compete with other competitors. This will serve as the USP for "ClicknPick Apostilles."

Description

For a better understanding of the business plan for this firm, McCarthy's marketing mix, 4Ps, will be applied. Through marketing mix, we will be able to put the right product at the right price, in the right place, and with the right strategies to promote that product or service. Although there are more than four p's now, according to recent research, that should be considered by the companies (Goi, 2009, p.1).

Products/ Services

This company will be an online service-providing firm. It will provide legal apostilles required for the startups and consultation services to the customers, mainly young entrepreneurs, to gain USP. We will provide them with all these legal documents, which include the Founders' agreement, Employment contract, Nondisclosure agreements, and articles of association, including MOA & AOA, etc. Shareholder agreements, bylaws, health and safety policies, the letter before action, partnership agreements, website T&Cs, etc., are also considered key documents (Edwards, 2014, p.1). In addition to that, we will provide information about the legal documents they are required to start a new business through seminars and consultations as customers value our services, which will be our competitive advantage.

Place

Finding a suitable place/ market for a business is very crucial for a business, but our business is to provide online services only to customers in the UK. There is no need to find a place/ market where your competitors are working or where the target market may pay more attention. Initially, the business will run as an online service firm, providing services through the website only. This model of business is the "Click-Only" or "Click-and-mortar" model. Through the website, customers can communicate and place orders to take services at any time. There will be a physical presence of the business office only to govern the business operations, but the services to the customers will be provided online. In the UK, London would be best for the company to have an office as most of the competitors are also near the main highway A10.

Customers can reach the firm just by sitting at home or from any place at any time. Choosing website can be beneficial for the company as it will be a new startup and require some recognition, one should not invest in developing a competitive physical presence of the firm at the initial stage. Once the company gets recognition and goodwill, it can think about expanding the business later by making the business model bricks and clicks for the customers.

Price

We will use a penetration pricing strategy for our company by offering the services at a lower price than the competitors. By using a penetration pricing strategy, our company can achieve a high volume of sales. The target market of our firm is mostly youth and people who are starting new businesses, which covers a large portion of the market. A large market portion and increased sales can cover profit margins because of penetration pricing. There are low profit margins. In this way, we can attract customers by offering slightly lower prices than the competitors. Initially, the firm does not need to target the elite market and charge premium pricing from them. After developing some recognition and a positive brand image, premium pricing can be charged. Initially, the focus is on young middle-class entrepreneurs.

There is no specific rule for effectively pricing products or services for online businesses. Sometimes, increasing prices may cause a decrease in the sale of the products, and sometimes, reducing the prices causes a decrease in demand. It is not necessary that a reduced or discounted pricing strategy will help to increase the demand and sale of the product. Pricing can be determined by the products' Price elasticity of demand. A good way to select the effective pricing strategy is to change the pricing strategies often, in this way you will be able to see how your customer is responding towards that change in price. For online businesses, there are some useful pricing strategies. Starting from psychological pricing, marketers play with the customers' psyche by showing prices with figures like 19, 299, or 499 instead of 20, 300, or 500. With this trick, people get attracted to your products and services.

Relative or competitive pricing is also beneficial for new startups. Research and learning about the prices other competitors are offering to the customer can guide the newbies in pricing their products accordingly. The demand for the product/ service is there, but charging slightly higher or lower prices as compared to the competitors may help the firm communicate to the customer that you are offering a premium or affordable service/ product (Quarton, 2015, p.1). In the penetration pricing technique, sales can be increased by reducing the prices of the product/ service, which, as a result, discourages the competitors because they sell products/ services at a lower profit margin. The target is not the elite class market in penetration pricing. Profit goals can be met by hitting a large target market and a high volume of sales. Some other strategies are available for online businesses, such as image pricing based on the brand name, discount pricing to capture more market share and sales volume, and flexible pricing that gives the option to charge different markets at different rates.

Pricing strategies should be selected based on the demand elasticity of the products and services. If the demand for the product/ service is elastic, a slighter change in the price will affect the demand for the product/ service. However, if the demand for the product/ service is inelastic, the price fluctuation will not have any significant effect on the sale of the product/ service.

As we know, the trend of starting new and innovative businesses is getting popular among youth and legal documents for opening a new business are essential and required by the authorities if someone wants to start a business legally. This shows that the demand for this service is inelastic and rising in the market. People are bound to take the services of the consultants and legal documents providing companies. The pricing strategy for our business will be the penetration pricing strategy.

Promotion

As we are providing services only through the website, it is very beneficial for the firm to promote its brand name and its products/ services by adopting promotional strategies like search engine optimization and social media promotional tactics.

A search engine optimization technique is crucial for an online business that provides services just by using the “ Click-Only” business model. In search engine optimization, your website is made more visible in the search engines. Companies with only an online presence should adopt this promotional strategy to increase their sales. If the link to your site comes at the top of the search relative to the services you are offering, chances are higher that the customer will open your site before clicking on any other site. Your website should be properly indexed, and for a new firm, optimizing the search engine will not be a heavy investment. Another strategy that our firm will adopt is promotion through social media sites. For interactive marketing, free-of-cost promotion, and better customer satisfaction, social media sites play an important role in promoting different businesses in this era. People are often engaged in many social media sites.

They spend a lot of their time exploring Facebook, Twitter, Instagram, and Skype, etc. There is a huge opportunity for marketers to promote the firm and its products and services in cost-effective ways. Besides being cost-effective, social media promotion helps promote positive word of mouth and create an improved brand image. Interaction with the customer provides them with the opportunity to know and understand the firm in better ways, which results in increased customer satisfaction, loyalty, and positive feedback.

As there is a social cause behind opening the business, i.e. encouraging the youth to start new businesses, seminars and events can be conducted as promotional activities. From such events, the firm will not just fulfil corporate social responsibility but can also use these activities as promotional strategies. Through this event, the goodwill of the firm will increase, and the potential customers/ target market get to know about your services in a better way by attending these seminars.

Employees/ Staff

As this is a small business and will be in its initial stages, it does not require many people to cater to the customers' requirements. Three people can do the job and provide services to the customers. There will be two members who will act as the directors and decision-makers to make financial, managerial and operational decisions, etc. They will manage and evaluate the performance of the employees and remunerate them accordingly. They will provide expert advice to young entrepreneurs and to those who are going to start their businesses. They will provide information to the customers over a call/ video call or in-person meeting. One member will be required to take and complete the documentation orders. The job will include taking orders and making appointments, plus making the required documents. One person will be on a contractual basis outside the organization to do the job of marketing and promotion. His job will be to manage the social media sites and make marketing and promotional strategies for the firm. The structure of the firm will be pyramid hierarchical because the directors will have more responsibilities. They will be the owner of the company, so the other employees will report to them.

Customers/ Client

Our customers will be young entrepreneurs and existing businesses that require legal documents in the UK. The company will cater to employed as well as unemployed customers who want to start a business. The main focus of our consultation services will be on unemployed customers who are willing to start a business. Customers can access the firm's website at any time of the day and place an order. They can get appointments for consultation from the website, too. After getting the appointments, they can get information from the experts about the process of opening new businesses and the legal documents required for their desired businesses. They can decide whether they want to meet the expert in person or talk to them on a call/ video call. They will have the option to place an order or get information if they have any queries over the Facebook page. Through Facebook messages and calls, customers will be entertained, and they will have access to services at any time of the day.

Future Plans

In future, the company is supposed to have a good brand name and brand recognition. By providing services to the customers efficiently, customers will be satisfied with the firm, and it will allow the firm to generate a handsome profit and cover its costs. Only when the firm becomes a successful online legal document provider will it be able to expand its business. For expanding the business, the company may use the Ansoff matrix. Through the Ansoff matrix, the possible growth strategies for the firm can be generated (Watts, 1998, p.102). In Ansoff Matrix, four strategies could be made to expand the business.

- Market Penetration strategy
- Market Development strategy
- Product Development strategy
- Diversification strategy

A market penetration strategy is useful if the firm wants to increase its market share and market growth in the existing market with existing products. A market development strategy is useful when the firm wants to expand the business by selling the current products in a new market. A product development strategy is used when the market is the same, but the firm wants to offer new products to the customers. In diversification, the business will launch a new product line in a new market.

Future Plan Strategies

The strategy that should be used by the firm, which provides online legal documents, should be market development through franchising. When the firm becomes profitable and has sufficient market share, it should develop the market through a market development strategy through franchising. Franchising is a business structure used when the business becomes successful on its own and proves to be successful in making a good brand name. Once the company establishes a good brand name, it can permit people to use your business model by opening franchises of your business and providing services in their areas by using your brand name, just like McDonald's did after its success and expanding its business globally. So, we will look forward to using a market development strategy by providing franchising services to other people and changing the business model by making the business "Clicks and Bricks," i.e., from online to physical business for expansion.

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