

## ***Senior Project Written Report***

### **Abstract**

The door swings open, and more people come in, flooding the store. They have come from all over Laguna Beach, and beyond, just to buy my soap. The website has just had 10,000 hits, and business is booming. What could possibly be the problem? Unfortunately, there is a problem, because there are no stores on the market that would offer a product, and service similar to mine. My goal is to make showers and bathing fun, by giving people an opportunity to buy a product that will suit their mood. They will be able to pamper themselves everyday by simply using a bar of soap. Also, I will give them a chance to see what goes into making their soap, by having the soap "Factory", in the store. Regrettably, I cannot open the store at this time due to my lack of knowledge in the field, and my low finances. Therefore, I have decided to write a thorough business plan for my senior project, which will help me prepare for my future soap endeavors.

### **Identify the Problem**

Society tells us, in order to survive we must occasionally clean ourselves. Therefore, we must use a product called soap. Soap is fairly easy to buy, just go to your local grocery store and pick up the general "soap" brands such as: Dial, Ivory, Irish Spring, and many more. However, most people are not aware that this product truly is not "soap"; it is a detergent. The Food and Drug Administration (FDA) released an article in 1979 stating the following, "Most body cleansers on the market today are actually synthetic detergent products..."(see Appendix A, tab 5). These detergents are horribly abrasive to the skin, and do not keep it healthy, as a true soap does.

Some people in society are aware of this falsehood, and these people are looking for a handmade, quality soap product. They want a product that is going to moisturize their skin, and tease their senses with a subtle fragrance. This will be my customer base. For years I have dreamed of opening my own soap store. I want to interact with customers, and let them fully experience my product. However, I have not been able to come up with a solid plan on how open the store. This is the problem that I face during my Senior Project.

### **Analyze the Problem**

The problems that I will encounter, when opening my own soap store, are numerous. However, some of these obstacles are relatively easy to overcome. For example, it is fairly easy to get my product out to the public. I could open a store, or a website. These two examples are equally feasible in today's market. I could also find information on a location, promotion ideas, and I could compare my business against the competition. All of these issues are solvable.

There are some aspects to the problem that are not as easy to solve. It would be extremely difficult to mass-produce my soap to grocery stores around the country. This is not a realistic goal. If I were to manufacture an incredible amount of soap, my product would become just like the competitions. It would be lacking quality, and would be highly impersonal. I also would not be able to go out and create a campaign, which would emphasize the need for a true handmade soap. This topic is not very interesting to most people, and it would be incredibly difficult to inform the public in this way. These issues regarding soap are never going to be solved. There will always be a detergent based soap, and impersonal products. However, what I can do is look at solving as many problems as I can. I can fulfill the demand for a high-quality soap, and I can find a location to set up business. These are the parts of the problem that I will be solving for my Senior Project.

## **Identify the Alternatives**

My main goal at this point involves, getting my product to the customer. There are many different ways to solve this problem. First, I can create my soap in a warehouse, and sell it wholesale. This will allow my product to reach the consumer without worrying about such issues as finding a storefront location, permits, and promotion. However, I would not be able to talk to my customers, and find out what they think of my product. Another option is to sell my product at a personal website. By starting a web page, I could produce my product at home, or in a factory, and then sell it directly to the consumer. I would be able to communicate with my customer, and get their feedback, that I will use to improve the quality of my soap. Another option is to open booth at the Farmer's Market in downtown Huntington Beach. I would be able to start small and work my way up into a full retail business, with a storefront location. Lastly, I could create a business plan for opening my own soap store. I have wanted to open my own soap store and factory for many years, and since I cannot realistically go out and open a store right now, creating a business plan will give me the opportunity to open my dream business on paper.

All of these suggestions would produce a solution to the problem I am facing with my Senior Project. However, not all of them are what I am looking to do. Some alternatives are not rational solutions for me at this point in the project, but a couple could work beautifully with my Senior Project assignment.

## **Identifying the Criteria**

In order to have a successful Senior Project, I must come up with certain criteria to evaluate my alternatives against. I have looked at the possible alternative solutions, and have come up with the following criteria, which will give me the availability to focus on the specific needs for this project.

### 1. Customer Appreciation

I want to be able to talk to my customers, and obtain opinions from them regarding their feelings towards my product. I also want to demonstrate the soap making process, and explain to them how it works. They should be able to see the ingredients I use in my product, and all the work that goes into making a single bar of soap.

### 2. Location

By opening a store locally, I would avoid a tremendous amount of competition because there are not many soap shops around southern California. This is a major factor considering the product that I am going to be selling is something that can be obtained by going to the supermarket, or onto the Internet. The store should be equipped to make and sell the soap all in one location.

### 3. Finances

At this point in time, and for this problem I cannot go out and open a store, or create a massive amount of soap. I do not have the finances to cover such expenses, and I do not have enough time or experience to start a business that will sell the products I create.

These three criteria for opening my business are what I will base my final decision upon. The elements are crucial to obtaining my goal, which is creating a soap business, in which I feel truly fulfilled as an entrepreneur.

## **Evaluating the Alternatives**

In the *Identify the Alternatives* section, I discussed four different solutions to solve my main problem, which is how to create a soap business that will get my product to the consumer. The four different solutions are as follows: sell my soap wholesale, sell my soap online, sell my soap in a venue similar to downtown Huntington Beach's Farmer's Market, or write a business

plan which will prepare me to open a store where the customer could come visit, buy, and see how soap is made Using the criteria previously stated, I will be evaluating these four feasible solutions and determine the solution that best fit my needs.

Solution #1: To sell my product through a wholesale market.

This solution does not pass any of my criteria. By selling wholesale to other companies I would not be able to meet my customers, beat out my competitors, or have the finances to cover such expenses.

Solution #2: To sell my product online.

This solution passes criteria number one, but unfortunately does not pass the other two criteria. I would be able to get feedback from my customers, but they would not be able to see or smell the product and learn how it is made. I also would have a tremendous amount of competition, and would not have the finances to produce and sell the soap online, let alone have the knowledge to create a website.

Solution #3: To sell my product in a venue similar to the Farmer's Market.

This solution passes two of the criteria that I have set up, but does not pass one of the most important criteria. In selling my product at a venue, which is similar to the Farmer's Market, I would be able to get a considerable amount of feedback, and it would be fairly inexpensive to setup a booth every week, lowering overhead. However, my customers would not be able to see the product being created, and realize what goes into this intricate process.

Solution #4: Write a business plan, which will allow me to set up my future soap store.

According to the criteria that I created, this solution is the one and only solution I could put to use. Opening my own store would give me the opportunity to show

my customers what goes into the product they will purchase. I will get feedback from them, and I will also be able to finance this endeavor, because it only requires paper and patience.

Through evaluating the four practical solutions I came up with in *Identify the Alternatives*, I have been able to narrow down these possible options into one concrete solution. By creating a business plan, I will be able to fulfill all my needs, and create the best possible way for me to get my product to the consumer.

## **Implementation**

Frustrating, successful, encouraging, and destructive. These are all words that define my feelings of the Senior Project. After I had chosen my solution from the evaluated criteria, I had to implement the solution to solve my Senior Project problem. This was easier said than done. In order to solve the problem I had to research many different areas, which would give me the information I would need to complete my Senior Project.

Initially, as I was beginning my research, I was incredibly frustrated. The more information I looked up, the more questions I found I had to answer. I looked up permits, and discovered there are about ten different permits for starting a business, and they all had a fee attached to them. It would be more expensive than I had anticipated starting a business (see Appendix B, tab 2). I also looked up information with the Small Business Association (SBA), and realized that to receive a loan, I had to borrow one hundred and fifty thousand dollars. This loan did not seem accessible for a small business.

At the time I was looking up this information for various sections of a typical business plan, I was getting extremely irritated. Essentially, I gave up, and decided to concentrate on college applications, and other classwork. I did not have the patience to finish the project at that

point in time. But as the weeks and eventually months wore on, the more behind I fell. I did not pay attention to the timeline I had set up, and fell drastically behind schedule (see Appendix A, tab 3). Unfortunately for me, I realized I had put the project off too much, too late.

Once I began researching again, I researched all the time. I would spend hours on the computer looking up information on soap products (see Appendix B, tab 1), locations (see Appendix B, tab 3 and Appendix D), and financials (see Appendix D). I went to Star Real Estate, and picked up information about commercial properties, and from that information I found my location. That was the turning point in my project.

After I decided on a location, everything fell into place. I had already done research on the products I will be selling (see Appendix D), the general costs of equipment, and how to write a business plan. But with a location, I could research permits, competition, and promotion. I went down to Laguna Beach, and picked up a business license, and the hazardous materials information card that is required by the City of Laguna Beach (see Appendix B, tab 2). When I was in the Laguna Beach area, I went and took pictures of my location, and the surrounding area (see Appendix C). I then went back another day to scope out competition and take more pictures. I felt like I was going to be able to finish my Senior Project. That was not something I was confident of a week before.

I researched hard for a good two weeks, and found all the materials I would need to write a successful business plan. Fortunately, for me, I organized my information, and knew exactly where everything was. I was able to put together my information in a matter of hours. I added graphs, numbers, and sketches, anything that would be helpful in pitching my Senior Project. I feel I was able to put together a realistic plan, with realistic figures, because of the research I had done.

Overall, I am very happy with my Senior Project, and the final results. I learned many different skills because of it, and no matter how much I wanted to give up or quit CIBACS; I was able to finish the project with a smile. I am very proud of my business plan, and I feel I will be ready to open a business as soon as I find the financial and personal means to do so.

### **Evaluate the Outcome**

One week to go. I have been living in a "cave". And I feel I will never again see the light of day. No, this is not a part of my mystery assignment, but the troubles with my Senior Project. Throughout the year, I have had the dread of doing my Senior Project looming over my head, and once I was able to successfully complete the project I was able to look back on what I had Accomplished and smile. When evaluating my Senior Project, three measurements of success that stick out are: the completion of my business plan, budgeting of time, and the knowledge I will take away from this project.

Looking back on my Senior Project, only one thing seems important. Did I finish what I set out to do? And I did finish the project. I successfully completed, and organized a fully functional business plan. I researched many different areas in order to finish the plan, including: product information, permits, locations, competition, and financials (see Appendix B). This took many hours of hard work and dedication, and it was only through this hard work and dedication that I was able to finish the project.

Unfortunately, obtaining the information took me longer than I had originally anticipated due to my procrastination. I put off the project too long, and did not give it my full attention until the last two months of the project (see Appendix A, tab 3). I was so busy worrying about other classes, filling out college applications, and dealing with personal problems that I did not give the Senior Project the attention it deserved.

By doing the Senior Project, I learned many different skills that I am sure to carry away with me for the rest of my life. I learned the importance of a dream, and how to pursue it. I learned about time management, and the importance of organization. I also learned how truly difficult it is to open a business. The kind of self-trust and drive it takes to open something such as a soap ftre, is not something that just comes to you during the night. A person must dedicate himself or herself to the business, almost like a marriage. It is not something anyone should jump into without fully realizing the work it takes to run a business.

I would my Senior Project a success because I completed the business plan, and gained more knowledge from this project than any other project I have done in high school, regardless of my procrastination problem. My CIBACS senior year has filled me with an array of emotions including anger, a sense of accomplishment, joy, and frustration. Finishing a project this size has left me feeling confident of my abilities as a student, and I feel I am now prepared to take the next educational leap, college.