# 1996 <br> NEAR EAST UNIVERSITY 

## CANDY STORE

## COMPLETE MARKETING STUDY

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## UNIT ONE

## Marketing Survey

## EXECUTIVE SUMMARY

The aim of this project is defined to answer the following questions which would be the basis for our survey;
Is there enough market potential for the product/service that we intend to sell/render?
Can people show interest to this new product/service?
Can the potential market be turned into real profit?

## Conclusion :

Opening the "Sweat Heart" and "Çok Şeker" candy stores found feasible.

## Reccomendation :

The project conceptually developed in a way to find opportunities in the market and recommends possible alternatives. My recommendation is, altough it is not in the marketing field, to establish and strenghten legal conservation in order to prevent the early threats that might arise from the competitors.

## INTRODUCTION

The aim of this survey is more than a single marketing survey. It would be better to identify the survey as a feasible study based on marketing measures. I combined taste, image, acceptability, and prospected attitudes towards new consumer oriented business. The concept is to open Candy Stores named as "Çook Şeker" and "Sweat Heart".

One of my close friend is running a store in Turkey in the same line. My friend and his coleagues are planning to open these candy stores' standing points in TRNC. Thus, I tried to make a marketing survey which may be helpful for them and also which would be helpful for me to evaluate my theoratical marketing knowledge in a real life case. I tried to prepare a marketing plan based on this marketing survey which is included in the second unit of this project.

The survey comprises related response from the society. More than that future segment analysis included to the survey.

The reason I chose more complex marketing survey is to make a marketing research more meaningful and more real life applicable study.

## MARKETING RESEARCH PROCESS

## Aims \& Objectives

First of all, there was a need of defining the problem and the objectives for my marketing research. The fundamental questions that should be answered were as follows;

B Is there enough market potential for the product/service that we intend to sell/render?

B Can people show interest to this new product/service?
B Can the potential market be turned into real profit?

## Tools \& Development

## Data Sources:

## Primary Data

Marketing Research is the main approch for the primary data collectin. In the methodology section the sysyem is discribed in more depth.

## Secondary Data

Some of the required information was gathered from the secondary data sources. They were Government Publications such as;

* Üçüncü Beş Yıllık Kalkınma Programı 1993-1997

KKTC Başbakanlik - Devlet Planlama Örgütü

* 1995 Yill Programı

Resmi Gazete

* İstatistik Yıllığı 1991
D.P.Ö. İstatistik ve Araştırma Dairesi
* Yatırımo Rehberi
* Economical Issues \& Magazines

Capital, Power, etc.
Research Approaches For Secondary Data:
Observational research method was used to understand and explain the customers' responses to this new product as asupport to primary data. The business that was planned, was founded in Turkey in last year and some observations about it was also used in my research process. For example, after the pricing process, it was a big chance to compare the prices with the sales price in Turkey and decide whether it is reasonable or not.

## Contact Methods For The Secondary Data :

Telephone, fax and personal interview methods were used for contacting as as a supportive elements.

In all my research process I tried to use scientific method. I projected and estimated some of the unavailable statistics are projected and estimated according to the past statistical data, also some assumptions were made depending upon 5 year plans and independent sources such as economic magazines specially data originated from demeographic variables.

## Macro Environment

## Demographic Environment:

According to 1995 estimations the population of TRNC is 183.215 and the birth-rate is $\% 1,3$. The average age of the TRNC is 29,33 but young population under the age of 29 is $\% 53,20$. This big ratio means good profit opportunity if the product is accepted by the young population. The age statistics and distribution is as follows;

| Age | Male | Female | TOTAL | \% |
| :---: | :---: | :---: | :---: | :---: |
| $0-4$ | 9558 | 9041 | 18624 | 10,17 |
| $5-9$ | 8673 | 8197 | 17194 | 9,38 |
| $10-14$ | 6898 | 6510 | 13777 | 7,52 |
| $15-19$ | 7104 | 6838 | 13041 | 7,12 |
| $20-24$ | 8858 | 7890 | 16197 | 8,84 |
| $25-29$ | 9545 | 9332 | 18639 | 10,17 |
| $30-34$ | 8079 | 8166 | 17005 | 9,28 |
| $35-39$ | 6474 | 6436 | 13185 | 7,20 |
| $40-44$ | 4827 | 5019 | 10354 | 5,65 |
| $45-49$ | 4027 | 4383 | 8278 | 4,52 |
| $50-54$ | 3577 | 4171 | 7872 | 4,30 |
| $55-59$ | 2894 | 3655 | 6597 | 3,60 |
| $60-64$ | 2832 | 3300 | 5986 | 3,27 |
| $65+$ | 7336 | 9213 | 16417 | 8,96 |
| Total | 90.682 | 92.533 | 183.215 | 100,00 |

Table 1-Age Distribution
In order to make market segmentation easier, the following grouping and geographic distribution tables are done. Below tables would also help to understand the demographic structure better.

| Groups | Age | $\%$ |
| :---: | :---: | :---: |
| Children | $0-9$ | 19.55 |
| Teenagers | $10-19$ | 14.64 |
| Young Adults | $20-34$ | 28.30 |
| Early Middle Age | $35-49$ | 17.35 |
| Late Middle Age | $50-64$ | 11.16 |
| Retirees | $65+$ | 8.99 |

[^0]| Towns | Village | Center | TOTAL |
| :---: | :---: | :---: | :---: |
| Lefkopa | 42543 | 42775 | 85227 |
| Gazi Magosa | 47208 | 22260 | 69468 |
| Girne | 20559 | 8340 | 20641 |
| Toplam | 110310 | 73375 | 183215 |

Table 3-Geographical Population Distribution
Educational background in TRNC can be shortly summarised as follows;
Students attending kindergartens, primary, secondary and high schools are 43.407 where this number reaches \% 23,69 of total population and \% 97,80 of school age population. If the product can be distributed to the canteens of the big schools, a high sales volume can be possible.

When we look at the ethnic and racial status, we can see that there is a considerable amount of Turkish population in the island where most of them belong to the south and south-eastern part of Turkey (especially Hatay). While most of these people unite with the Cypriot majority, there is still little groups that insist on defining themselves different from the Cypriot's. In G.Magosa where there is a big group of Turkish students and Turkish minority this situation becomes more significant.

## Economic Environment:

Sectoral Shares In Total Production :
The shares of production in main sectors are as follows;

|  | 1987 | 1992 |
| :--- | :---: | :---: |
| Agriculture | $\% 15$ | $\% 13$ |
| Industry | $\% 21$ | $\% 25$ |
| Service | $\% 64$ | $\% 62$ |

Table 4 - Structure of Production
Although the share of service sector seems to decrease in 1992, this constriction is not in real values. The volume of industry and the agriculture increased due to many reasons and this resulted in relative decrease in service sector share in 1992.

## Income And Income Distribution:

I calculated the GNP per capita of TRNC as $\$ 2,159.43^{*}$ depending on the governmental data. (* Average dollar exchange rate for 1995 is calculated as 44.290 .- TL. with linear correlation depending on past data of 'Capital InfoCard'). Projected GNP growth according to the government estimates is \% 65,25 and if the devaluation of the dollar is actualised under this percentage the real income of the TRNC seems to grow in dollar base.

|  | 1995 | 1996 | 1997 |
| :---: | :---: | :---: | :---: |
| GNP | 95641154,7 | 158048487,2 | 261178581,0 |


| Population | 183215 | 185597 | 188010 |
| :---: | :---: | :---: | :---: |
| GNP per capita | 522,0159632 | 851,5681137 | 1389,173879 |
| $\$ 1$ in TL.(avr.) | 44290 | 70864 | 113382 |
| GNP per capita | $\$ 2,159.43$ | $\$ 2,272.8$ | $\$ 2,392.1$ |

(All the above TL. values are in millions $x 1000000$ )
("Devaluation is calculated as \%60 which is befitting with the last years monetary policies.) Table 5 - Income Level

## Spending Patterns:

Average total consumption per capita of 5 years from 1987 to 1992 is, $\% 86,23$. But in the last two years, the trend of consumption decreased and this is a relatively good progress for us showing that people can spend money on our product which is not a basic need. According to Ernest Engel who is a German statistician, "as the family income rises, the percentage spent on food declines, the percentage spent on housing and household operations remains constant, ant the percentage spent on other categories (clothing, transportation, recreation, health and education) and the percentage put into savings increase". Also his statement strengthens our feelings about the sales.

Also, we can consider the spending patterns of the young population of TRNC similar to those in Turkey because there is no major differences between these cultures.

The spending trends of young population in Turkey, according to a research done by Doç.Dr. Sahavet Gürdal (Research is "Young Population's Consumption Trends and Brand Preferences" and taken from the February 95 issue of "Capital") is as follows.

| Subjects | Share $\%$ |
| :---: | :---: |
| Food | 30.09 |
| Clothing | 16.18 |
| Transportation | 15.44 |
| School-Education | 1.31 |
| Recreation | 10.99 |
| Accommodation | 6.25 |
| Savings | 3.08 |
| Hygienic Expenditures | 2.21 |
| Health | 1.45 |
| TOTAL | 100.00 |

Table 6 - Young Population's Consumption Patterns

In the same research there are some conclusions about young population's brand preferences and their reasons of choosing a brand.

| Reasons | Share $\%$ |
| :---: | :---: |
| Reliability | 49.00 |
| Awareness-Like | 27.40 |
| Image Creation | 7.40 |
| Ease To Choose | 6.90 |
| Sympathy | 3.60 |


| Prestige Creation | 3.30 |
| :---: | :---: |
| Status Creation | 0.50 |
| Others | 1.50 |

Table 7 ~ The Factors Effecting Young Population's Brand Preferences

## Natural Environment:

There is no problem of raw materials since I plan to import goods from Turkey. The legal and the technical boundaries of importing is satisfactory.

There are problems in electricity production. Sometimes power cuts are done due to technical reasons. Since the production is done with fuel-oil, the production cost is very much and this is directly reflected to the customers.

Pollution is not a serious problem for the country in the time being but the signals of pollution are visible in the sea due to the residential savages. The savage of the city centres are poured to the sea without any filtration.

The high percentage of young population may establish a sensible public consciousness towards pollution in future years.

## Cultural Environment:

The cultural environment of TRNC is not quite different from Turkey. The religion, social and cultural values are similar to Turkey. Also people share the common humanity values such as working for future, getting married, and being honest.

## Methodology

## Sampling:

In order to have more realistic and representative sampling we used cluster sampling method according to different prospected segments. More than that I preffered to use convinience sampling within the prospected segments. Segments and the distribution of the segments are given below.

Sample size is 366 person:
Sample size $=$ Consumer population $\times 0.003$
Sample size is selected as the 0,3 percent of the real population. In order to collect that much response I distribute 500 questionere. Sampling method is used to gather datas about prospected consumer attitudes. Questioneres distributed to different segments. Within the segments random sampling method is used. The identification of segments is as follows.

## Segmentation:

Segment 1: Flowers

Children, living in three big towns, between the age of $10-14$, attending at a primary school, whose families are over the very low income level.

Flowers, like fashionable and contemporary products. They like sportive actions. Their most significant peculiarity is, they don't like meals but are the most important consumer of snacks \& nuts kind of products.

Behavioural situations are as follows;
Occasions: They buy our product on regular occasions
Benefits: Taste and pleasure
User Status: Regular User
Usage Rate : Medium to heavy user
Loyalty Status: None to medium
Readiness Status: Desirous to intending-to-buy
Attitude towards product : Positive to enthusiastic
Population : 6.652
\% 11,15 of Hot Prospect Pool
\% 7,52 of Available Market

## Segment 2: Cools

Teenagers and youngs, living in three big towns, between the age of $15-24$, attending at a school or working somewhere, whose families are over the very low income level.

Cools, also like fashionable and contemporary products. They make sport or at least want to make. Very careful about their appearance and very energetic. They listen "Music" want to impress people and want to prove themselves. They have or want to have boy or girl friends. They like to recreate and travel and have friend groups. Most of them have reference groups.

Their behavioural situations are as follows;
Occasions : They buy our product on regular or special occasions,
Benefits: Taste,
User Status: Regular User
Usage Rate : Medium to heavy user
Loyalty Status: Medium to strong
Readiness Status : Aware to desirous
Attitude towards product : Indifferent to enthusiastic
Population : 14117
\% 23,68 of Hot Prospect Pool
\% 15,96 of Available Market

## Segment 3: Deciders

Early adults or adults, living in three big towns, between the age of $25-39$, working, married with children oldest child under 10, who are over the very low income level.

Deciders, are supposed to make their vital decisions about life like marriage, children, or place of work. More serious about life but still like fashionable products. They are more selective on everything in their lives. They are also careful about their appearance but less energetic. They listen "News \& Magazines" . They like to travel but can have fewer opportunity. They have few but good friends. Most of them have reference social classes.

Their behavioural situations are as follows;
Occasions: They buy our product on regular or special occasions, Benefits: Taste, User Status: Ex-user to regular user
Usage Rate : Light to medium user Loyalty Status : Medium to absolute Readiness Status: Unaware to interested
Attitude towards product : Indifferent to positive

Population : $\quad$| 23753 |
| :--- |
| $\% 39,54$ of Hot Prospect Pool |
|  |
|  |$\quad \% 26,65$ of Available Market

## Segment 4: Grands

Adults, living in three big towns, between the age of $39-54$, working or retired, married with children youngest child over 10 , some have grandsons oldest under 10 , who are over the very low income level.

Grands, are real adults. They are at a stable period of their lives. Know what life approximately is and close to their families. Most of them are interested or aware of fashionable products because of their children or grandchildren. They listen "News" . They like to travell with their families.

Their behavioural situations are as follows;
Occasions : They buy our product on mostly special occasions,
Benefits: Taste, present,
User Status: Non-user to potential user
Usage Rate : Light user
Loyalty Status : Medium to absolute
Readiness Status : Unaware to interested
Attitude towards product : Indifferent to positive
Population : 12799
\% 14,47 of Hot Prospect Pool
\% 14,47 of Available Market

## Preparation And Format of Questionaire :

Questionere has two sections apart from the introductory part. First one is design to get related demographic information from the person who is answering. Second section of
questionnaire is designed in the semantic differential scale. If such a store exist, what would be the attitudes towards it.

## Introduction Part

The following questions are designed to have a general profile of the population of Northern Cyprus for the Candy products. The questions were prepared for a marketing survey that will be presented as a Marketing Research in Near East University and does not have a commercial purpose. The information that will be collected will be confidental.

Please answer the questions as sincere as possible. Second section questions are in a rating format. After you hear the phrase if you are mostly agree with the phrase give the highest rate 7. In a descending order 6,5,4,3,2 and 1 ratings may be given up to your response. According to the scale 1 shows the lowest rating degree.

## First Section

Interviewer / Contact Person :
Place where the questionere been answered :
Date of the questionere:
Questionee age, sex, income range, occupation, marital status.

## Second section

1) How much money are you spending on candies for one month?
2) What are the criteria for choosing a candy?
3) How much would you give for 1 kg of candy ?
4) On what occasions do you buy candies ?
5) Do you buy candies in special stores if it is available (Conditional Question)?
6) Do you think that a warm atmosphere in the store influence your buying behavior?
7) How do you define yourself as a candy consumer?
8) Where do you buy candies ?

## Distrubution of the Questionaire:

We distributed the questionere in three big cities of the island, Girne, Magosa and Lefkoşa. We select highly populated places such as town centers, governmental offices, and all kind of schools (elementary - universities). The questioneres were answered and filled simultaneously by questionnair (person distributing the questionnaire).

## Evaluation of the Questionaire

A sample questionaire is included at the appendix part.

## Results

For the segment one around $\% 30$ consumers are willing to consume presumed candy products on the given outlets.

For the segment two around \%22 consumers are willing to consume presumed candy products on the given outlets.

For the segment three around $\% 16$ consumers are willing to consume presumed candy products on the given outlets.

For the segment four around $\% 20$ consumers are willing to consume presumed candy products on the given outlets.

## Results in Graphical Representation

Graphical representation is included in apendix section.

## RECOMENDATION

## Depending On Marketing Survey Results

## Market Segmentation

I made a geographic segmentation below. I had taken the three big towns of the country and assume that only $\% 15$ of villages and $\% 98$ of centers can be reached.

Altough there are some questions related with the following demographic values it is understood that sex, family size, religion, race or nationality in demographic values can be base in my segmentation.

In my case, since candy buying process can be best explained with the basis of benefits, occasions and attitudes, behavioural segmentation will be the most important segmentation element.

# RISK EVALUATION <br> \& <br> LIMITATIONS ON SURVEY 

Marketing Survey Limitations

The most difficult part in the survey is to expect the prospective consumers to make comments or judgements that they have not tasted or seen previously. If we add the behavioral approach testing difficultiee we will come to completely intangible evaluations and assumptions.

Another limitating factor is to describe young age consumers the behavioral approach to the imaginary products. Selecting the two selling points made the assumptions more complex. (I would like to remind one more time that although the survey is for the university purpose I intend to make real life applicable survey. ref. Introduction.)

## Risk \& Performance Evaluation If Busines Starts To Operate

If the risk evaluation of a business is done carefully at the beginning it will help the owner to pre-eliminate these risks and increases the percentage of success possibility. For this reason according to me, the business owner, the risks can be summarised as follows ;

The sales volume of the second product "Çoook Şeker" that will be distributed was projected according the person number providing the "Sweet Heart"'s sales volume. Since the sales are not specially calculated for the "Çoook Şeker" this projected sales volume taking the basis of person numbers may be faulty. Also two products are serving to the same market segments and this may result a double consideration of the same segments in different products.

Although there are some risks as mentioned in the above paragraph, there is also a positive signal if we depend on the total market potential. As you can see from the sales volumes and segment sizes these numbers are really reasonable percentages of the total potential.

From another point of view, the projected income is satisfying enough and this high profit opportunity makes the whole project worth trying.

For a last word, I am believing to the strong profit opportunity in this business and the overall marketing survey underlines my strong feeling.

## UNIT TWO

## MARKETING <br> PLAN

## Marketing Research Process :

Aims \& Objectives:
First of all, there was a need of defining the problem and the objectives for my marketing research. The fundamental questions that should be answered were as follows;
no Is there enough market potential for the product/service that we intend to sell/render?

P Can people show interest to this new product/service?
b Can the potential market be turned into real profit?

## Tools \& Development:

## Data Sources:

## Primary Data

Marketing Research is the main approch for the primary data collecting. In the methodology section the sysyem is discribed more in depth.

## Secondary Data

I gathered the required information from the secondary data sources. They were Government Publications such as;

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D.P.Ö. İstatistik ve Araştırma Dairesi
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Capital, Power, etc.

## Research Approaches for Secondary data:

I used observational research method to understand and explain the customers' responses to this new product as asupport to primary data. The business that I planned, was founded in Turkey in last year and I used some observations about it in my research. For example, after the pricing process, I had the chance of comparing the price with the sales price in Turkey and decide whether it is reasonable or not.

## Contact Methods:

I used telephone, fax and personal interview methods for contacting as as a supportive elements.

In all my research process I tried to use scientific method. I projected and estimated some of the unavailable statistics are projected and estimated according to the past statistical data, also some assumptions were made depending upon 5 year plans and independent sources such as economic magazines specially data originated from demeographic variables.

## Macro Environment :

## Demographic Environment:

According to 1995 estimations the population of TRNC is 183.215 and the birth-rate is \% 1,3. The average age of the TRNC is 29,33 but young population under the age of 29 is $\% 53,20$. This big ratio means good profit opportunity if the product is accepted by the young population. The age statistics and distribution is as follows;

| Age | Male | Female | TOTAL | \% |
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| $50-54$ | 3577 | 4171 | 7872 | 4,30 |
| $55-59$ | 2894 | 3655 | 6597 | 3,60 |
| $60-64$ | 2832 | 3300 | 5986 | 3,27 |
| $65+$ | 7336 | 9213 | 16417 | 8,96 |
| Total | $\mathbf{9 0 . 6 8 2}$ | $\mathbf{9 2 . 5 3 3}$ | $\mathbf{1 8 3 . 2 1 5}$ | 100,00 |

Table 1 -Age Distribution
In order to make market segmentation easier, the following grouping and geographic distribution tables are done. Below tables would also help to understand the demographic structure better.

| Groups | Age | \% |
| :---: | :---: | :---: |
| Children | $0-9$ | 19.55 |
| Teenagers | $10-19$ | 14.64 |


| Young Adults | $20-34$ | 28.30 |
| :---: | :---: | :---: |
| Early Middle Age | $35-49$ | 17.35 |
| Late Middle Age | $50-64$ | 11.16 |
| Retirees | $65+$ | 8.99 |

Table 2-Age Distribution by Groups

| Towns | Village | Center | TOTAL |
| :---: | :---: | :---: | :---: |
| Lefkosa | 42543 | 42775 | 85227 |
| Gazi Magosa | 47208 | 22260 | 69468 |
| Girne | 20559 | 8340 | 20641 |
| Toplam | 110310 | 73375 | $\mathbf{1 8 3 2 1 5}$ |

Table 3 - Geographical Population Distribution
Educational background in TRNC can be shortly summarised as follows;
Students attending kindergartens, primary, secondary and high schools are 43.407 where this number reaches \% 23,69 of total population and \% 97,80 of school age population. If the product can be distributed to the canteens of the big schools, a high sales volume can be possible.

When we look at the ethnic and racial status, we can see that there is a considerable amount of Turkish population in the island where most of them belong to the south and south-eastern part of Turkey (especially Hatay). While most of these people unite with the Cypriot majority, there is still little groups that insist on defining themselves different from the Cypriot's. In G.Magosa where there is a big group of Turkish students and Turkish minority this situation becomes more significant.

## Economic Environment:

Sectoral Shares In Total Production:
The shares of production in main sectors are as follows;

|  | $\mathbf{1 9 8 7}$ | $\mathbf{1 9 9 2}$ |
| :--- | :---: | :---: |
| Agriculture | $\% 15$ | $\% 13$ |
| Industry | $\% 21$ | $\% 25$ |
| Service | $\% 64$ | $\% 62$ |

Table 4 - Structure of Production
Although the share of service sector seems to decrease in 1992, this constriction is not in real values. The volume of industry and the agriculture increased due to many reasons and this resulted in relative decrease in service sector share in 1992.

Income:

| Savings | 3.08 |
| :---: | :---: |
| Hygienic Expenditures | 2.21 |
| Health | 1.45 |
| TOTAL | $\mathbf{1 0 0 . 0 0}$ |

Table 6 - Young Population's Consumption Patterns

In the same research there are some conclusions about young population's brand preferences and their reasons of choosing a brand.

| Reasons | Share \% |
| :---: | :---: |
| Reliability | 49.00 |
| Awareness-Like | 27.40 |
| Image Creation | 7.40 |
| Ease To Choose | 6.90 |
| Sympathy | 3.60 |
| Prestige Creation | 3.30 |
| Status Creation | 0.50 |
| Others | 1.50 |

Table 7 - The Factors Effecting Young Population's Brand Preferences

## Natural Environment:

There is no problem of raw materials since I plan to import goods from Turkey. The legal and the technical boundaries of importing is satisfactory.

There are problems in electricity production. Sometimes power cuts are done due to technical reasons. Since the production is done with fuel-oil, the production cost is very much and this is directly reflected to the customers.

Pollution is not a serious problem for the country in the time being but the signals of pollution are visible in the sea due to the residential savages. The savage of the city centres are poured to the sea without any filtration.

The high percentage of young population may establish a sensible public consciousness towards pollution in future years.

## Cultural Environment:

The cultural environment of TRNC is not quite different from Turkey. The religion, social and cultural values are similar to Turkey. Also people share the common humanity values such as working for future, getting married, and being honest.

## Competitors :

## Industrial Competitors :

The industrial competitors for our product/service may be the nuts companies both doing sales in individual shops and both sold in retailers. Also I considered the snacks, chocolate, and packaged sugar drops as our industrial competitors.

## Number of sellers :

There are two shops doing individual sales of nuts and candy in Kyrenia region.

Also there is a manufacturer of nuts branded as "TenTen" which have their own distribution channels. They give their product to retailers.

In the other side the snacks such as "Ruffles", "Patos", "Maçips"; chocolates such as "Ülker", "Milka", "Bounty" ; and sugar drops such as "Polo", "Olips", "Jelibon" are distributed to retailers and available to the customers in every major retail shop.

## Sales volume :

The sales volume of two individual nuts shop in Kyrenia is avaragely 2.500 .000 .-TL. in one day which amount to 750.000 .000 .- to *1.050.000.000.TL. in one year (* The tourist season average is calculated as 5.000 .000 .-TL.). If we consider that there is 15 nuts shop in three big towns the total amount increases to 11.250 .000 .000 .- TL. to 15.750 .000 .000 .- TL. yearly.

The sales volume of all other nuts \& snacks companies reach to an amount of 75.000 .000 .- TL/ $/$ month in one retail shop. And the approximate yearly sales volume of all industrial competitors reaches to ; 135.000.000.000.-TL. (* Retailers are calculated as 150)

Yearly total sales volume of all industrial competitors reaches to the amount of approximately 150.750.000.000.-TL.
**Note: All of the above calculations and assumptions depend on my interviews with the staff working for the above industrial competitors.

## Entry \& Mobility Barriers :

There is no major barriers to enter in the market such as, high capital requirements, economics of scale, patents and licensing requirements, scarce locations / raw materials / distributors reputational requirements and so on.

Also , there is no major barriers to exit from the market such as, legal or moral obligations to customers / employees / creditors, government restrictions, low-asset salvage value and so on.

## Market Competitors :

There is no market competitor in my business since it is a new business area. I don't expect a fast competitive environment in a short period. I expect the quickest entry to the market not before than six months. I want to use this time advantage to establish a strong goodwill. I think that the competition will come up because of attractive profit opportunity and most probably the attack of the competitor will be on the price. In such a case, I will try to achieve differentiation with promotional materials. Also, I plan to be give a quick response and be a tiger competitor in a case of competition.

## Market Segmentation :

## Market Segmentation Procedure :

I made a geographic segmentation below. I had taken the three big towns of the country and assume that only $\% 15$ of villages and $\% 98$ of centers can be reached.

I don't think that sex, family size, religion, race or nationality in demographic values can be base in my segmentation.

In my case, since candy buying process can be best explained with the basis of benefits, occasions and attitudes, behavioural segmentation will be the most important segmentation element.

## Market Segments :

## Segment 1: Flowers

Children, living in three big towns, between the age of $10-14$, attending at a primary school, whose families are over the very low income level.

Flowers, like fashionable and contemporary products. They like sportive actions. Their most significant peculiarity is, they don't like meals but are the most important consumer of snacks \& nuts kind of products.

Behavioural situations are as follows;
Occasions : They buy our product on regular occasions
Benefits : Taste and pleasure
User Status: Regular User
Usage Rate : Medium to heavy user
Loyalty Status : None to medium

Readiness Status: Desirous to intending-to-buy Attitude towards product : Positive to enthusiastic

Size : 6.652
\% 11,15 of Hot Prospect Pool
\% 7,52 of Available Market

## Segment 2: Cools

Teenagers and youngs, living in three big towns, between the age of 15 24, attending at a school or working somewhere, whose families are over the very low income level.

Cools, also like fashionable and contemporary products. They make sport or at least want to make. Very careful about their appearance and very energetic. They listen "Music" want to impress people and want to prove themselves. They have or want to have boy or girl friends. They like to recreate and travel and have friend groups. Most of them have reference groups.

Their behavioural situations are as follows;
Occasions : They buy our product on regular or special occasions,
Benefits : Taste,
User Status : Regular User
Usage Rate : Medium to heavy user
Loyalty Status : Medium to strong
Readiness Status : Aware to desirous
Attitude towards product : Indifferent to enthusiastic

| Size : | 14117 |
| ---: | :--- |
|  | $\% 23,68$ of Hot Prospect Pool |
|  | $\% 15,96$ of Available Market |

## Segment 3: Deciders

Early adults or adults, living in three big towns, between the age of 25-39, working, married with children oldest child under 10, who are over the very low income level.

Deciders, are supposed to make their vital decisions about life like marriage, children, or place of work. More serious about life but still like fashionable products. They are more selective on everything in their lives. They are also careful about their appearance but less energetic. They listen 'News \& Magazines". They like to travel but can have fewer opportunity. They have few but good friends. Most of them have reference social classes.

Their behavioural situations are as follows;

Occasions : They buy our product on regular or special occasions, Benefits: Taste,
User Status: Ex-user to regular user
Usage Rate : Light to medium user
Loyalty Status : Medium to absolute
Readiness Status: Unaware to interested
Attitude towards product : Indifferent to positive
Size : 23753
\% 39,54 of Hot Prospect Pool
\% 26,65 of Available Market

## Segment 4 : Grands

Adults, living in three big towns, between the age of $39-54$, working or retired, married with children youngest child over 10 , some have grandsons oldest under 10 , who are over the very low income level.

Grands, are real adults. They are at a stable period of their lives. Know what life approximately is and close to their families. Most of them are interested or aware of fashionable products because of their children or grandchildren. They listen "News". They like to travell with their families.

Their behavioural situations are as follows;
Occasions : They buy our product on mostly special occasions,
Benefits:Taste, present,
User Status : Non-user to potential user
Usage Rate : Light user
Loyalty Status: Medium to absolute
Readiness Status : Unaware to interested
Attitude towards product : Indifferent to positive
Size : 12799
\% 14,47 of Hot Prospect Pool
\% 14,47 of Available Market

## Researching and Selecting Target Markets :

## Estimating Current Demand :

## Total Market Potential :

The percentage of people between the age of 5 and 54 is \% 73.98 (*2(\%)) of the total population and this is our potential market. We plan to reach $\% 98$
" $1=\% \|$ of these people living in town centers and $\% 15(* \mathrm{lb}(\%))$ of them living n villages of the three big towns which is our available market. \%73.98 of the s. zlable market is qualified available market for us.

$$
\mathbf{Q}=\mathbf{n} \times \mathbf{q} \times \mathbf{p}
$$

| Sespect Pool | All of the population | $\% 100$ | 183.215 |
| :---: | :---: | :---: | :---: |


|  | Center | *1a(\% <br> ) | *2(\%) | Center Total |
| :--- | :---: | :---: | :---: | :---: |
| Lafisosa | 42775 | 98 | 73.98 | 31012 |
| G Magosa | 22260 | 98 | 73.98 | 16139 |
| Gsrne | 8340 | 98 | 73.98 | 6047 |
| TOTAL | 73.375 | 98 | 73.98 | $\mathbf{5 3 . 1 9 8}$ |


|  | Village | *1b(\% <br> ) | *2(\%) | Village Total |
| :--- | :---: | :---: | :---: | :---: |
| Lefsosa | 42543 | 15 | 73.98 | 4721 |
| G.Magosa | 47208 | 15 | 73.98 | 5239 |
| Girne | 20559 | 15 | 73.98 | 3084 |
| TOTAL | 110.310 | 15 | 73.98 | $\mathbf{1 3 . 0 4 4}$ |


| Prospect Pool | A definite amount of <br> all the population | $\% 36,16$ | $\mathbf{6 6 . 2 4 2}$ |
| :---: | :---: | :---: | :---: |
| Hot Prospect <br> Pool | After subtracting the very <br> low income level (\%10 est.) | $\% 32,54$ | $\mathbf{5 9 . 6 1 8}$ |

$$
\begin{gathered}
\mathbf{n}=59.618 \\
\text { (Number of Buyers ) }
\end{gathered}
$$

If we assume that, 200 gr . of sale is made to a customer in one month;

$$
\mathrm{q}=0,200 \times 12=2,400 \mathrm{~kg} / \text { year } \times \text { capita }
$$

$$
\mathrm{q}=2,4 \mathrm{~kg}
$$

(Quantity Purchased By an Average Buyer)

$$
\text { qTot. }=143.083 \mathbf{k g}
$$

The sale price of the good is 400.000 .- TL. in Turkey and if we take the same number as the basis of calculation ;

$$
\begin{gathered}
\mathbf{p}=\mathbf{4 0 0 . 0 0 0 . - T L .} \\
\text { (Estimated Price) }
\end{gathered}
$$

We can calculate the total market potential as;

$$
\begin{gathered}
\mathbf{Q}=\mathbf{5 7 . 2 3 3 . 2 8 0 . 0 0 0} .-\mathrm{TL} . \\
(\$ 1,292,239.33 \mathrm{app} .) \\
\text { (Total Market Potential) }
\end{gathered}
$$

I think the above number is the maximum total market potential. In order to compare or understand the reliability of this number I used another way of calculating the total market potential with the chain-ratio method. I am using the information above in Table 5 and 6 to make some of my assumptions and also I depend on my observations.
$Q=$ Hot prospect pool $x$ Income $x \%$ Spent on food $x \%$ Spent on snacks and nuts $\mathrm{x} \%$ Spent on candies $\mathrm{x} \%$ Will be spent on our product

$$
\begin{gathered}
\mathrm{Q}=59618 \times \$ 2,159.43 \times \% 65 \times \% 5 \times \% 35 \times \% 40 \\
\mathrm{Q}=\$ 585,771.08 \\
\mathbf{Q}=\mathbf{2 5 . 9 4 3 . 8 0 1 . 3 4 0 .} \mathbf{T L}
\end{gathered}
$$

This number found above shows the minimum possible market potential.

## Estimating Sales :

I think my products' life cycle shape will be somewhere between 'Fad' and 'Fashion' type. I hope a short adaptation stage for my product and an early peak. I am planning to take needed corrective decisions to prevent a fast decline.

Since my product is a frequently purchased product I will take into consideration of repeat purchase sales.

## Estimating First Time Sales:

$$
q t=r \times q \times(1-r)^{t-1}
$$

I think that eventually $\% 80$ of Flowers, $\% 60$ of Cools and Deciders, and $\% 40$ of Grands will try my product. That makes a weighted average of $\% 55,63$ (33163 person) of the market potential.

Since my product has a Fad Type' product life cycle the penetration rate of untapped potential will be high. But also the periods will not be longer than 6 months. So I choose rate of penetration of untapped potential as $\% 55$.

So I calculated the first time sales as follows ;

$$
q 1=(0,55)(0,5563)(1-0,55)=0,306
$$

$$
\begin{aligned}
& q 2=(0,55)(0,5563)(1-0,55)=0,138 \\
& 2 \\
& q 3=(0,55)(0,5563)(1-0,55)=0,062 \\
& 3 \\
& q 4=(0,55)(0,5563)(1-0,55)=0,028
\end{aligned}
$$

So in four periods purchases done as first time sales to new customers are;

| Period | $\mathbf{q}$ | Hot Prospect Pool | First Time Sales |
| :---: | :---: | :---: | :---: |
| $\mathbf{1}$ | 0,306 | 59.618 | $\mathbf{1 8 . 2 4 3}$ |
| $\mathbf{2}$ | 0,138 | 59.618 | $\mathbf{8 . 2 2 7}$ |
| $\mathbf{3}$ | 0,062 | 59.618 | $\mathbf{3 . 6 9 6}$ |
| $\mathbf{4}$ | 0,028 | 59.618 | $\mathbf{1 . 6 6 9}$ |

## Estimating Repeat Sales :

To estimate repeat sales is very much dependable on the assumptions. I tried to make realistic estimations.

Since I trust on the product (the sales done in Turkey also prove this reality) I think that \% 80 of the first time sales will repeat purchase. The person that made the second purchase can desire the product $\% 8$ less than his second purchase. As stated above, if the customer makes only one purchase in one month and one period is 6 months then avaragely $18243 / 6=3041$ person will buy my product and $\% 80$ of this number (2433) will do repeat sales in the second month. The following months' repeat sale rate will be $\% 72, \% 64, \% 56$, $\% 48, \% 40$ respectively. With this method I calculated the repeat sales as follows;

| F.T.Sales | $:$ | Average Monthly First Time Sales |
| :--- | :--- | :--- |
| Mon. | $:$ | Month |
| R.S.Total | $:$ | Repeat Sales in the (Mon.)'th month. |
| Total M.S. | $:$ | Total Monthly Sale in the (Mon.)'th month. |

The Sales Of The 1st. Period

| F.T. <br> Sales | Mon. | $\mathbf{1}$ <br> $\mathbf{\%} \mathbf{8 0}$ | $\mathbf{2} \mathbf{7 2}$ <br> $\mathbf{\%}$ | $\mathbf{3}$ <br> $\mathbf{\%} \mathbf{6 4}$ | $\mathbf{4}$ <br> $\mathbf{\%} \mathbf{5 6}$ | $\mathbf{5}$ <br> $\mathbf{\%} \mathbf{4 8}$ | $\mathbf{6} \mathbf{4 0}$ | R.S. <br> Total | Total <br> M.S. |
| :---: | :---: | :---: | ---: | ---: | ---: | ---: | ---: | ---: | :---: |
| 3040 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3040 |
| 3040 | 2 | 2432 | 0 | 0 | 0 | 0 | 0 | 2432 | 5472 |
| 3040 | 3 | 2432 | 1751 | 0 | 0 | 0 | 0 | 4183 | 7223 |
| 3041 | 4 | 2432 | 1751 | 1121 | 0 | 0 | 0 | 5304 | 8344 |
| 3041 | 5 | 2432 | 1751 | 1121 | 628 | 0 | 0 | 5932 | 8972 |
| 3041 | 6 | 2432 | 1751 | 1121 | 628 | 301 | ${ }^{*} 0$ | 6233 | 9273 |

(*0 : 121 repeat sales will be in the next month)

The Sales Of The 2nd. Period

| F.T. <br> Sales | Mon. | $\mathbf{1}$ <br> $\mathbf{6} \mathbf{8 0}$ | $\mathbf{2}$ <br> $\mathbf{\%} \mathbf{7 2}$ | $\mathbf{3}$ <br> $\mathbf{\%} \mathbf{6 4}$ | $\mathbf{4}$ <br> $\mathbf{\%} \mathbf{5 6}$ | $\mathbf{5}$ <br> $\mathbf{\%} \mathbf{4 8}$ | $\mathbf{6}$ <br> $\mathbf{\%} \mathbf{4 0}$ | R.S. <br> Total | Total <br> M.S. |
| :---: | :---: | :---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| 1371 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | $* 121$ | 1492 |
| 1371 | 2 | 1097 | 0 | 0 | 0 | 0 | 0 | 1097 | 2468 |
| 1371 | 3 | 1097 | 790 | 0 | 0 | 0 | 0 | 1887 | 3258 |
| 1371 | 4 | 1097 | 790 | 506 | 0 | 0 | 0 | 2392 | 3763 |
| 1371 | 5 | 1097 | 790 | 506 | 283 | 0 | 0 | 2675 | 4046 |
| 1371 | 6 | 1097 | 790 | 506 | 283 | 136 | $* 0$ | 2811 | 4182 |

(*0 : 54 repeat sales will be in the next month)
The Sales Of The 3rd. Period

| $\begin{aligned} & \text { F.T. } \\ & \text { Sales } \end{aligned}$ | Mon. | $\begin{gathered} 1 \\ \% 80 \end{gathered}$ | $\begin{gathered} 2 \\ \% 72 \end{gathered}$ | $\begin{gathered} 3 \\ \% 64 \end{gathered}$ | $\begin{gathered} 4 \\ \% 56 \end{gathered}$ | $\begin{gathered} 5 \\ \% 48 \end{gathered}$ | $\begin{gathered} 6 \\ \% 40 \end{gathered}$ | R.S. <br> Total | Total M.S. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 616 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 54 | 670 |
| 616 | 2 | 493 | 0 | 0 | 0 | 0 | 0 | 493 | 1109 |
| 616 | 3 | 493 | 355 | 0 | 0 | 0 | 0 | 848 | 1464 |
| 616 | 4 | 493 | 355 | 227 | 0 | 0 | 0 | 1075 | 1691 |
| 616 | 5 | 493 | 355 | 227 | 127 | 0 | 0 | 1202 | 1818 |
| 616 | 6 | 493 | 355 | 227 | 127 | 61 | * 0 | 1263 | 1879 |
|  |  |  |  |  |  |  | 4935 |  | 8631 |

(*0:24 repeat sales will be in the next month)
The Sales Of The 4th. Period

(*0 : 11 repeat sales are ignored)

## Total Sales:

From the above tables, total sales are derived and shown on the table

| $\mathbf{1}$ | 18243 | 24084 | $\mathbf{4 2 3 2 7}$ |
| :---: | :---: | :---: | :---: |
| 2 | 8227 | 10960 | $\mathbf{1 9 1 8 7}$ |
| 3 | 3696 | 4935 | $\mathbf{8 6 3 1}$ |
| $\mathbf{4}$ | 1667 | 2221 | $\mathbf{3 8 8 8}$ |

Students attending kindergartens, primary, secondary and high schools are 43.407. If I can reach $\% 50$ of this young population in their schools or in big supermarkets, it would make 21704 person. Or if I can reach adult market segments in above places I will probably reach 30000 person and approximately 70000 total sales volume in the same period.

## Estimating Future Demand :

The factors that may influence the future their effect on the total demand is calculated and shown below ,
$\triangleleft$ Real increase in income;
If we assume that the current policies in foreign currencies are followed in future years, then the real income increase will be \% 5,25 (Table 5).
$\diamond \quad$ Increase in total population ;
The growth rate of the population will directly effect the sales volume because of the increase in the hot prospect pool and it is \% 1,3.
$\triangleleft \quad$ Increase in consumption of our good;
If we assume that our good will be spent more due to people awareness and likeness of our good, the consumption will increase. We assume that the growth in quantity purchased by an average buyer is $\% 10$.

Growth Estimation Of Future Demand $=\% 5,25 \times \% 1,3 \times \% 10$

$$
\text { GEFD }=\% 68,25
$$

## Marketing Mix Elements :

## Product :

The products I plan to sell is candy which is a non-durable convenience good. In four total group (fruit flavoured, chocolate covered, sugar drop, gelatined) there is 75 different kind of candies.

One of the product group will be better in quality and will be sold in our shops. The other group will be cheaper and will be distributed to retailers. In branding the products separate family names will be used.

The first group which will also be the name of the shops be "Sweet Heart" and the second group brand name will be "Çoook Şeker".

## First Group : Sweet Heart

In attractively decorated shops at the town centers of Lefkoşa, Gazi Mağusa and Girne 75 different candies will be available to the customers on a self-service basis. The candies will be in jars. The customer will take a recyclable paper bag at the entrance and chose any candy at any amount with a spoon.

Decoration of the shop will be majorly pink. Inside will be well illuminated. There will be a light smell in the shop, also very low volume music.

I want to create an image with these shops also with the help of being new in the market.

The cost of this group candy is avaragely 197.916.- TL/kg. The inventory of this product, will be 617 kg (average monthly sales volume).

## Second Group: Çoook Şeker

This group is lower in quality and price. With this product I want to reach mostly to the students in their school's canteen. I plan to build thirty jars having stands in $3 \mathrm{~m} \times 0.75 \mathrm{~m} \times 0.30 \mathrm{~m}$ dimensions. The jars will be filled according to the preferences of the retailers. These stands will be used in distribution the product.

The cost of this group candy is avaragely 156.250 .- TL/kg. The inventory of this product, will be 617 kg (average monthly sales volume).

## Place :

I am planning to operate in 3 shops located in Lefkoşa, G.Mağusa, Girne and sited in the city centers for "Sweet Heart". They will be very well decorated to provide attractiveness. Layout for a shop is included.

Also I am planning to distribute "Çoook Şeker" to the supermarkets or big retailers in three big towns. Also to the canteens of schools in this area. The aim of this distribution is to make product close to the customers. I will use 15 stands for this purpose.

## Price :

I am planning to follow two different pricing strategy for the two group. In the shops I will going to follow a slow skimming strategy. In "Çoook Şeker" I will follow slow penetration strategy. Before the competition I will try to enjoy high profit ranges.

## Total Cost \& Pricing: "Sweet Heart"

Decoration Expenses
Store Fixtures
50.000.000.- TL.
100.000 .000 .- TL.

Shops rents
Employee Salary + Taxes
Miscellaneous Shop Expenses
60.000.000.-TL/mon.
35.000.000.- TL/mon.
5.000.000.- TL/mon.

Fixed Cost Operating Cost
150.000.000.- TL.
100.000.000.-TL/mon.

From the above Total Sales table;
$74033 \times 0,200 \mathrm{~kg}$ per sale $=14806,6 \mathrm{~kg}$ total sale will be done in 4 periods ( 24 moths). That will make $616,94 \mathrm{~kg}$ monthly. So expenses are;
$100.000 .000 / 616,94+150.000 .000 / 14806,60=172.221 .-$ TL. expense/kg.
Product wholesale price is 950.000 TL . in 6 kg . packages and if we add \% 25 for the expenses like tax and freight costs the product's price is ;

### 197.916.-TL/kg.

Total cost of the product is ;

### 370.137.- TL/kg

The sales price of this product in Turkey is 400.000 .- TL. so also being parallel to my pricing strategy I am planning to sell the product to $\mathbf{6 0 0 . 0 0 0}$.- TL/kg. that will provide avaragely $\% 62,10$ mark-up margin.

## Total Cost \& Pricing: "Çoook Şeker"

Distribution Stands
Distribution Costs
Operation Costs
Fixed Cost : 75.000.000.- TL.
Operation Costs : 75.000.000.- TL/mon.
From the paragraph, above under the Total Sales table ;
$70000 \times 0,200 \mathrm{~kg}$ per sale $=14000 \mathrm{~kg}$ total sale will be done in 4 periods (24 moths). That will make 583 kg monthly. So expenses are;
$75.000 .000 / 583+75.000 .000 / 14.000=134.002$.-TL. expense $/ \mathrm{kg}$
Product wholesale price is 750.000 TL . in 6 kg . packages and if we add $\%$ IS for the expenses like tax and freight costs the product's price is ;
156.250.-TL/kg.

Total cost of the product is ;

### 290.252.- TL/kg

The sale price will be $\mathbf{4 0 0 . 0 0 0}$.- $\mathbf{T L} / \mathbf{k g}$ that will provide 109.748.TL. profit perkg. which is $\% 27.44$ mark-up.

## Promotion :

Although I am planning to make a low promotion, I will use different promotion strategies for the market segments.

For the whole segments the objective of the promotion will be to increase the share of usage with an advertising budget that will not excess \% 15 of the gross profit.

I am planning to use outdoor and radio media channels to make advertisements.

Also for every segment an appropriate promotion material (balloon for the children for example) can be given as present (especially when the competition drives in.) Table 7 will be taken in consideration for the young segments.

## FINANCIAL PLAN

## Proiected Financial Statements : Balance Sheet : <br> "Sweet Heart" \& "Çook Şeker" <br> Projected Balance Sheet <br> After 1 year of Operation

| Assets | Liabilities |
| :---: | :---: |
| Current Assets | Current Liabilities |
| Cash 677.727.297.- $(3$ mon.Oper. Costs +1 mon. Inv.) | Accounts Payable 212.727.297.- <br> (1 month inventory balance) |
| $\begin{array}{ll}\begin{array}{l}\text { Inventory } \\ \text { (For } 2 \text { months) }\end{array} & 425.454 .594 .- \\ \quad \text { Current Assets___1.103.181.891.- }\end{array}$ | Current Liabilities__212.727.297.- |
| Fixed Assets | Owner's Equity |
| Store Fixtures 135.000.000.- <br> Less : Acc. Dep. 90.000.000.- | G.Tatar, capital__1.030.454.594.- |
| Distr. Stands 75.000.000.- |  |
| $\begin{array}{ll}\text { Less : Acc. Dep. } & 50.000 .000 \text {.- } \\ \text { Fixed Assets } & 140.000 .000 .-\end{array}$ |  |


| Total Assets | Total Liabilities + Owner's Equity |  |
| :--- | ---: | ---: |
|  | $1.243 .181 .891 .-$ | $1.243 .181 .891 .-$ |

The money to establish and run this business will be approximately 1.500.000.000-TL. as you can see from the balance sheet.

## Income Statement :

## Projected Income Statement

| Sales |  |
| :--- | ---: |
| Cost Of Goods Sold : |  |
| Beginning Inventory |  |
| Purchases during the year |  |
| Goods available for sale | $2.345 .454 .533 .59 .000 .-$ |
| Less: Ending Inventory | $2.771 .187 .657 .-$ |
| Cost Of Goods Sold | $212.727 .297 .-$ |
| Gross Margin | $2.558 .460 .360 .=$ |
| Operating Expenses | $4.683 .519 .640 .-$ |
| Gross Profit From Operations | $1.860 .000 .000 .-$ |

## CONTROL \& RISK EVALUATION

## Control Process :

The standards will be the above sales projections. If this sales volume can not be achieved then the promotion budget will be increased and intensive advertising will be used.

## Risk \& Performance Evaluation :

If the risk evaluation of a business is done carefully at the beginning it will help the owner to pre-eliminate these risks and increases the percentage of success possibility. For this reason according to me, the business owner, the risks can be summarised as follows ;

The sales volume of the second product "Çoook Şeker" that will be distributed was projected according the person number providing the "Sweet Heart"'s sales volume. Since the sales are not specially calculated for the "Coook Seker" this projected sales volume taking the basis of person numbers may be
faulty. Also two products are serving to the same market segments and this may result a double consideration of the same segments in different products.

Although there are some risks as mentioned in the above paragraph, there is also a positive signal if we depend on the total market potential. As you can see from the sales volumes and segment sizes these numbers are really reasonable percentages of the total potential.

From another point of view, the projected income is satisfying enough and this high profit opportunity makes the whole project worth trying.

For a last word, I am believing to the strong profit opportunity in this business and the overall project evaluation underlines my strong feeling.


APPENDIX

## PPENDIX 1

## troduction Part

The following questions are designed to have a general profile of the population of lorthern Cyprus for the Candy products. The questions were prepared for a marketing arvey that will be presented as a Marketing Research in Near East University and does not ave a commercial purpose. The information that will be collected will be confidental..

Please answer the questions as sincere as possible. Second section questions are in a ating format. After you hear the phrase if you are mostly agree with the phrase give the ighest rate 7 . In a descending order 6,5,4,3,2 and 1 ratings may be given up to your aponse. According to the scale 1 shows the lowest rating degree.

## Inst Section

tterviewer / Contact Person : $\qquad$
Place where the questionere been answered
Date of the questionere $\qquad$
Age $\qquad$
Male Female
Maritial Status $\qquad$
Dccupation : $\qquad$
hcome Range : $\qquad$

## Second section

1) If you take the basis as 1.000 .000 .- TL. how much money would you spend on candies for one month?
2) I always buy candies in closed packages.
3) I always select clean and neat places to buy candies.
4) I always prefer the new brands.
$7 \quad 6$ 6
$5 \quad 4$
43 32 21 $\qquad$
5) I always prefer attractive form of candies.
6) I would pay $1.000 .000 .-$ TL for 1 kg . of candy on a special candy store
$\begin{array}{lllllll}7 & 6 & 5 & 4 & 3 & 2 & 1\end{array}$
7) I buy candies in leisure times.

| 7 | 6 | 5 | 4 | 3 | 2 | 1 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- |

8) I buy candies for pleasure.
$7 \quad 6$
9) I buy candies at special days.
10) I can buy candies at any time of the day. | 7 | 6 | 5 | 4 | 3 | 2 | 1 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 7 | 6 | 5 | 4 | 3 | 2 | 1 |
11) I buy candies on special occasions.

- I there had been a special candy store I would always buy candy from that store.

| 7 | 6 | 5 | 4 | 3 | 2 | 1 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- |

= I am very attracted with the outer design of a store.

| 7 | 6 | 5 | 4 | 3 | 2 | 1 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- |

- Iam very attracted with the inner design of a store.
$\begin{array}{lllllll}7 & 6 & 5 & 4 & 3 & 2 & 1\end{array}$
= 1 am very much influenced from a friendly atmosphere.
= I would be influenced with a low volume of music in a store. $\begin{array}{lllllll}7 & 6 & 5 & 4 & 3 & 2 & 1\end{array}$

17) 1 am a strong user of candy.
$\begin{array}{lllllll}7 & 6 & 5 & 4 & 3 & 2 & 1\end{array}$
IE) I buy candies three times in a week.
$\begin{array}{lllllll}7 & 6 & 5 & 4 & 3 & 2 & 1\end{array}$
18) I would regularly buy a candy if I like it.
$\begin{array}{llll}7 & 6 & 5 & 4\end{array}$
4
2 1
19) I would be interested in special candy stores where I could find different types.
$\begin{array}{lllllll}7 & 6 & 5 & 4 & 3 & 2 & 1\end{array}$
20) I would buy candies from a special store where I could find differnt types.


## SEGMENT ONE Results

| Q | 7 | 6 | 5 | 4 | 3 | 2 | 1 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1 | 0 | 6 | 17 | 44 | 19 | 8 | 6 |
| 2 | 18 | 43 | 21 | 12 | 4 | 2 | 0 |
| 3 | 21 | 25 | 34 | 15 | 4 | 1 | 0 |
| 4 | 49 | 26 | 14 | 8 | 3 | 0 | 0 |
| 5 | 51 | 34 | 12 | 3 | 0 | 0 | 0 |
| 6 | 1 | 10 | 18 | 34 | 24 | 7 | 6 |
| 7 | 11 | 14 | 18 | 20 | 19 | 11 | 7 |
| 8 | 29 | 28 | 17 | 13 | 12 | 1 | 0 |
| 9 | 11 | 18 | 12 | 13 | 16 | 13 | 17 |
| 10 | 24 | 21 | 14 | 11 | 11 | 11 | 8 |
| 11 | 11 | 18 | 19 | 18 | 19 | 12 | 3 |
| 12 | 21 | 25 | 34 | 12 | 6 | 1 | 1 |
| 13 | 47 | 29 | 14 | 5 | 3 | 1 | 1 |
| 14 | 46 | 24 | 15 | 11 | 2 | 1 | 1 |
| 15 | 23 | 21 | 22 | 20 | 13 | 1 | 0 |
| 16 | 22 | 21 | 23 | 15 | 14 | 3 | 2 |
| 17 | 29 | 41 | 19 | 8 | 2 | 1 | 0 |
| 18 | 18 | 21 | 36 | 15 | 9 |  | 0 |
| 19 | 39 | 27 | 16 | 11 | 5 | 1 | 1 |
| 20 | 34 | 25 | 22 | 14 | 3 | 1 | 1 |
| 21 | 29 | 23 | 22 | 16 | 5 | 3 | 2 |
|  | Actua |  |  |  |  |  |  |
| Q | 7 | 6 | 5 | 4 | 3 | 2 | 1 |
| 1 | 0 | 21 | 62 | 161 | 69 | 29 | 21 |
| 2 | 65 | 157 | 76 | 43 | 14 | 7 | 0 |
| 3 | 76 | 91 | 124 | 54 | 14 | 3 | 0 |
| 4 | 179 | 95 | 51 | 29 | 10 | 0 | 0 |
| 5 | 186 | 124 | 43 | 10 | 0 | 0 | 0 |
| 6 | 3 | 36 | 65 | 124 | 87 | 25 | 21 |
| 7 | 40 | 51 | 65 | 73 | 69 | 40 | 25 |
| 8 | 106 | 102 | 62 | 47 | 43 | 3 | 0 |
| 9 | 40 | 65 | 43 | 47 | 58 | 47 | 62 |
| 10 | 87 | 76 | 51 | 40 | 40 | 40 | 29 |
| 11 | 40 | 65 | 69 | 65 | 69 | 43 | 10 |
| 12 | 76 | 91 | 124 | 43 | 21 | 3 | 3 |
| 13 | 172 | 106 | 51 | 18 | 10 | 3 | 3 |
| 14 | 168 | 87 | 54 | 40 | 7 | 3 | 3 |
| 15 | 84 | 76 | 80 | 73 | 47 | 3 | 0 |
| 16 | 80 | 76 | 84 | 54 | 51 | 10 | 7 |
| 17 | 106 | 150 | 69 | 29 | 7 | 3 | 0 |
| 18 | 65 | 76 | 131 | 54 | 32 | 3 | 0 |
| 19 | 142 | 98 | 58 | 40 | 18 | 3 | 3 |
| 20 | 124 | 91 | 80 | 51 | 10 | 3 | 3 |
| 21 | 106 | 84 | 80 | 58 | 18 | 10 | 7 |

SEGMENT TWO Results
Percentage

| Q | 7 | 6 | 5 | 4 | 3 | 2 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1 | 21 | 19 | 22 | 18 | 11 | 6 | 3 |
| 2 | 29 | 25 | 26 | 12 | 5 | 2 | 1 |
| 3 | 29 | 25 | 24 | 19 | 2 | 1 | 0 |
| 4 | 34 | 29 | 17 | 11 | 5 | 3 | 1 |
| 5 | 29 | 30 | 26 | 12 | 2 | 1 | 0 |
| 6 | 12 | 21 | 31 | 18 | 11 | 4 | 3 |
| 7 | 13 | 15 | 17 | 18 | 16 | 13 | 8 |
| 8 | 26 | 25 | 18 | 12 | 10 | 7 | 2 |
| 9 | 13 | 16 | 17 | 19 | 18 | 11 | 6 |
| 10 | 25 | 22 | 15 | 14 | 11 | 8 | 5 |
| 11 | 13 | 17 | 18 | 18 | 19 | 12 | 3 |
| 12 | 19 | 21 | 33 | 14 | 8 | 3 | 2 |
| 13 | 24 | 30 | 29 | 12 | 3 | 1 | 1 |
| 14 | 27 | 31 | 22 | 12 | 5 | 2 | 1 |
| 15 | 21 | 22 | 23 | 19 | 12 | 2 | 1 |
| 16 | 18 | 22 | 21 | 17 | 16 | 4 | 2 |
| 17 | 29 | 31 | 26 | 9 | 3 | 2 | 0 |
| 18 | 17 | 23 | 32 | 18 | 6 | 3 | 1 |
| 19 | 27 | 24 | 22 | 18 | 6 | 2 | 1 |
| 20 | 28 | 30 | 22 | 12 | 4 | 3 | , |
| 21 | 21 | 24 | 23 | 19 | 7 | 4 | 2 |
|  | Actual |  |  |  |  |  |  |
| Q | 7 | 6 | 5 | 4 | 3 | 2 | 1 |
| 1 | 76 | 69 | 80 | 65 | 40 | 21 | 10 |
| 2 | 106 | 91 | 95 | 43 | 18 | 7 | 3 |
| 3 | 106 | 91 | 87 | 69 | 7 | 3 | 0 |
| 4 | 124 | 106 | 62 | 40 | 18 | 10 | 3 |
| 5 | 106 | 109 | 95 | 43 | 7 | 3 | 0 |
| 6 | 43 | 76 | 113 | 65 | 40 | 14 | 10 |
| 7 | 47 | 54 | 62 | 65 | 58 | 47 | 29 |
| 8 | 95 | 91 | 65 | 43 | 36 | 25 | 7 |
| 9 | 47 | 58 | 62 | 69 | 65 | 40 | 21 |
| 10 | 91 | 80 | 54 | 51 | 40 | 29 | 18 |
| 11 | 47 | 62 | 65 | 65 | 69 | 43 | 10 |
| 12 | 69 | 76 | 120 | 51 | 29 | 10 | 7 |
| 13 | 87 | 109 | 106 | 43 | 10 | 3 | 3 |
| 14 | 98 | 113 | 80 | 43 | 18 | 7 | 3 |
| 15 | 76 | 80 | 84 | 69 | 43 | 7 | 3 |
| 16 | 65 | 80 | 76 | 62 | 58 | 14 | 7 |
| 17 | 106 | 113 | 95 | 32 | 10 | 7 | 0 |
| 18 | 62 | 84 | 117 | 65 | 21 | 10 | 3 |
| 19 | 98 | 87 | 80 | 65 | 21 | 7 | 3 |
| 20 | 102 | 109 | 80 | 43 | 14 | 10 | 3 |
| 21 | 76 | 87 | 84 | 69 | 25 | 14 | 7 |


| SEGMENT THREE Results |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Q | 7 | 6 | 5 | 4 | 3 | 2 | 1 |
| 1 | 5 | 33 | 10 | 10 | 7 | 25 | 10 |
| 2 | 17 | 41 | 23 | 13 | 5 | 1 | 0 |
| 3 | 35 | 20 | 16 | 21 | 5 | 2 | 1 |
| 4 | 7 | 11 | 10 | 22 | 30 | 12 | 8 |
| 5 | 32 | 23 | 15 | 20 | 6 | 3 | 1 |
| 6 | 9 | 17 | 19 | 21 | 5 | 19 | 10 |
| 7 | 6 | 5 | 27 | 17 | 16 | 17 | 12 |
| 8 | 7 | 4 | 28 | 16 | 18 | 16 | 11 |
|  | 26 | 31 | 17 | 7 | 6 | 12 | 1 |
| 10 | 24 | 29 | 19 | 9 | 4 | 10 | 5 |
| 11 | 20 | 31 | 30 | 7 |  | 4 | 3 |
| 12 | 2 | 11 | 12 | 21 | 26 | 16 | 12 |
| 13 | 10 | 50 | 10 | 6 | 6 | 12 | 6 |
| 14 | 15 | 45 | 15 | 10 | 6 | 4 | 5 |
| 15 | 23 | 21 | 22 | 20 | 13 | 1 | 0 |
| 16 | 22 | 21 | 23 | 15 | 14 | 3 | 2 |
| 17 | 29 | 41 | 19 | 8 | 2 | 1 | 0 |
| 18 | 18 | 21 | 36 | 15 | 9 | 1 | 0 |
| 19 | 39 | 27 | 16 | 11 | 5 | 1 | 1 |
| 20 | 34 | 25 | 22 | 14 | 3 | 1 | 1 |
| 21 | 27 | 26 | 24 | 12 | 6 | 2 | 3 |
| Actual |  |  |  |  |  |  |  |
| Q | 7 | 6 | 5 | 4 | 3 | 2 | 1 |
| 1 | 18 | 120 | 36 | 36 | 25 | 91 | 36 |
| 2 | 62 | 150 | 84 | 47 | 18 | 3 | 0 |
| 3 | 128 | 73 | 58 | 76 | 18 | 7 | 3 |
| 4 | 25 | 40 | 36 | 80 | 109 | 43 | 29 |
| 5 | 117 | 84 | 54 | 73 | 21 | 10 | 3 |
| 6 | 32 | 62 | 69 | 76 | 18 | 69 | 36 |
| 7 | 21 | 18 | 98 | 62 | 58 | 62 | 43 |
| 8 | 25 | 14 | 102 | 58 | 65 | 58 | 40 |
| 9 | 95 | 113 | 62 | 25 | 21 | 43 | 3 |
| 10 | 87 | 106 | 69 | 32 | 14 | 36 | 18 |
| 11 | 73 | 113 | 109 | 25 | 18 | 14 | 10 |
| 12 | 7 | 40 | 43 | 76 | 95 | 58 | 43 |
| 13 | 36 | 183 | 36 | 21 | 21 | 43 | 21 |
| 14 | 54 | 164 | 54 | 36 | 21 | 14 | 18 |
| 15 | 84 | 76 | 80 | 73 | 47 | 3 | 0 |
| 16 | 80 | 76 | 84 | 54 | 51 | 10 | 7 |
| 17 | 106 | 150 | 69 | 29 | 7 | 3 | 0 |
| 18 | 65 | 76 | 131 | 54 | 32 | 3 | 0 |
| 19 | 142 | 98 | 58 | 40 | 18 | 3 | 3 |
| 20 | 124 | 91 | 80 | 51 | 10 | 3 | 3 |
| 21 | 98 | 95 | 87 | 43 | 21 | 7 | 10 |

## SEGMENT FOUR Results

Percentage

| Q | 7 | 6 | 5 | 4 | 3 | 2 | 1 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1 | 7 | 11 | 10 | 22 | 30 | 12 | 8 |
| 2 | 32 | 23 | 15 | 20 | 6 | 3 | 1 |
| 3 | 9 | 17 | 19 | 21 | 5 | 19 | 10 |
| 4 | 6 | 5 | 27 | 17 | 16 | 17 | 12 |
| 5 | 27 | 26 | 24 | 12 | 6 | 2 | 3 |
| 6 | 34 | 29 | 17 | 11 | 5 | 3 | 1 |
| 7 | 29 | 30 | 26 | 12 | 2 | 1 | 0 |
| 8 | 12 | 21 | 31 | 18 | 11 | 4 | 3 |
| 9 | 13 | 15 | 17 | 18 | 16 | 13 | 8 |
| 10 | 26 | 25 | 18 | 12 | 10 | 7 | 2 |
| 11 | 25 | 22 | 15 | 14 | 11 | 8 | 5 |
| 12 | 13 | 17 | 18 | 18 | 19 | 12 | 3 |
| 13 | 19 | 21 | 33 | 14 | 8 | 3 | 2 |
| 14 | 5 | 33 | 10 | 10 | 7 | 25 | 10 |
| 15 | 17 | 41 | 23 | 13 | 5 | 1 | 0 |
| 16 | 35 | 20 | 16 | 21 | 5 | 2 | 1 |
| 17 | 7 | 11 | 10 | 22 | 30 | 12 | 8 |
| 18 | 32 | 23 | 15 | 20 | 6 | 3 | 1 |
| 19 | 9 | 17 | 19 | 21 | 5 | 19 | 10 |
| 20 | 6 | 5 | 27 | 17 | 16 | 17 | 12 |
| 21 | 27 | 26 | 24 | 12 | 6 | 2 | 3 |
| Actual |  |  |  |  |  |  |  |
| Q | 7 | 6 | 5 | 4 | 3 | 2 | 1 |
| 1 | 25 | 40 | 36 | 80 | 109 | 43 | 29 |
| 2 | 117 | 84 | 54 | 73 | 21 | 10 | 3 |
| 3 | 32 | 62 | 69 | 76 | 18 | 69 | 36 |
| 4 | 21 | 18 | 98 | 62 | 58 | 62 | 43 |
| 5 | 98 | 95 | 87 | 43 | 21 | 7 | 10 |
| 6 | 124 | 106 | 62 | 40 | 18 | 10 | 3 |
| 7 | 106 | 109 | 95 | 43 | 7 | 3 | 0 |
| 8 | 43 | 76 | 113 | 65 | 40 | 14 | 10 |
| 9 | 47 | 54 | 62 | 65 | 58 | 47 | 29 |
| 10 | 95 | 91 | 65 | 43 | 36 | 25 | 7 |
| 11 | 91 | 80 | 54 | 51 | 40 | 29 | 18 |
| 12 | 47 | 62 | 65 | 65 | 69 | 43 | 10 |
| 13 | 69 | 76 | 120 | 51 | 29 | 10 | 7 |
| 14 | 18 | 120 | 36 | 36 | 25 | 91 | 36 |
| 15 | 62 | 150 | 84 | 47 | 18 | 3 | 0 |
| 16 | 128 | 73 | 58 | 76 | 18 | 7 | 3 |
| 17 | 25 | 40 | 36 | 80 | 109 | 43 | 29 |
| 18 | 117 | 84 | 54 | 73 | 21 | 10 | 3 |
| 19 | 32 | 62 | 69 | 76 | 18 | 69 | 36 |
| 20 | 21 | 18 | 98 | 62 | 58 | 62 | 43 |
| 21 | 98 | 95 | 87 | 43 | 21 | 7 | 10 |

## Segment 1 <br> General Comparison



Rating 7-1


Rating 7-1


Rating 7-1


Rating 7-1

## Segment 2 <br> General Comparison



Rating 7-1


Rating 7-1


Rating 7-1


Rating 7-1

## Segment 3 <br> General Comparison



Rating 7-1


Rating 7-1


Rating 7-1


Rating 7-1

## Segment 4 <br> General Comparison



Rating 7-1



Rating 7-1


Rating 7-1


[^0]:    Table 2-Age Distribution by Groups

