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# IMPORT – EXPORT BUSINESS PLAN,

Case: Kenko Oy

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Case: Kenko Oy

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ABSTRACT

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Import export businesses, also known as international trading, are one of the hottest commercial trends of this decade. Since the owner of an import export enterprise, can work as a distributor by focusing on exporting and importing goods and services that cannot be obtained on national soil. With a rapidly growing population of about 150 million, Pakistan is a major country, recognized by the international community, and is one of the most important actors in the Islamic world. Based on its geographical location Pakistan has close political and economic relations with the Middle East, Central and South Asia. It is the main gateway to Central Asia, Western China and to South Asia.

The first step towards the success of business is planning which begins with writing a business plan. There are number of plans which can be used depending on the type and actual requirement of the business. Planning is a nonstop process throughout the entire life of business. The initial planning lays further foundation and business adopts a model which actually reflects the purpose and mission of the company. Every successful business adopts a model or creates its own model to represent them to the outer world.

This paper also contains case of a company which is the actual idea for doing business of the author. The company will be in the business of import-export products and will provide consultancy and other services. In order to succeed and meet company goals, the company will rely heavily on both Social media and print media campaigns, along with maintaining public relations and personal contacts with domestic and international import-export traders. The Company's website will be a precious online platform that will showcase its operations, the product lines that it carries, how to become a trading partner with the business and policies regarding trade and business terms.

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Key words: Import-Export, Trade between Finland-Pakistan, business models,

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# 1 INTRODUCTION

## 1.1 Background of the thesis

There is no country in the world today which produces all the commodities it needs. Every country, therefore, tries to produce those commodities in which it has comparative advantage. It exchanges part of those supplies with the commodities created by other countries comparatively more resourcefully. The relative transformation in factor endowments, technology, taste etc., among the nations of the world has greatly broadened the foundations of international trade. It is thus the fact that import export business has more possible strength than almost any other businesses. For the last two decades International trade has grown immensely throughout around the world and is still continuing its upward trend. Although international trade is not a new phenomenon, the roots of trade between the countries and nations are old as humans itself and were known as barter system. Despite with the fact that the world is known as the global village and the trade between the countries is expanding rapidly and the fewer countries are dominating over International trade, there are still plenty of opportunities for manufacturers and producers discovering and getting benefits from new markets. After taking a deep analysis of Finnish market and finding the right products to Import and Export from Pakistan, the author decided to work on setting up his own Import-Export business as he found endless opportunities in this form of trade.

The basic idea is to export scrap materials of iron and steel and chemicals to Pakistan and to import marble floor tiles and plastic to Finland. Furthermore the company would provide consultation services to businesses of both countries. Trade between Pakistan and Finland was very low when compared to the potential of both countries therefore it is inevitable to start trading between two countries as there are much to discover yet. The company will focus on exports imports from Pakistan and also will provide trade consultation services to Finnish businesses to enter themselves into Pakistan.

## 1.2 Thesis Objectives, Research Questions

The main emphasis in the research of this thesis is to create the business plan for a new Import/Export company.

Another basic objective of this thesis is to provide conceptual and practical knowledge of Import Export business along with the possibility of creating new market opportunity for Finnish businessmen. The study provides a deeper knowledge of trading countries in order to know the current and past situation of business environment. As Pakistani market is not yet been much discovered by the Finnish businesses, therefore with the help of this study it will much easier for the readers to find potentials and new opportunities.

In this study the answers will be given for the following questions.

- a) How to write a successful business plan?
- b) Why business model is necessary?
- c) What are the reasons for choosing specific countries for doing business with them?
- d) What will be the products/services of the business?
- e) Who will be the consumers/buyers of products or services?
- f) What will be the modes of operations of business?
- g) How will be the business promoted?
- h) What would be the profitability of the business?

## 1.3 Limitations

The topic itself is very wide but the author decided to limit the information as the major objective of this thesis is to write a business plan for a new company and to establish a concrete set of information about the new market for Finnish businessmen. For this reason the author collected data available on the internet and used them to build solid information. The business plan contains all the necessary parts, the financial figures are based almost on the current market prices of services and the products therefore there is no assumptions involved.

## 1.4 Theoretical Framework

In this section the concrete business capability and its framework will be discussed as for this thesis enterprise architecture, business capabilities, country analysis are the main practices that contribute towards the construction and development of establishing a company.

The aim of this study is to prepare a framework and thus visually depict business competences. In order to do that, the aim of the study is to ‘‘deliver a better understanding of import export company and a new market for the Finish businesses. Strategic calculations such as in the form of its vision, mission, strategies and objectives, have been taken in the initial analysis phase. By taking a more formal method will produce a strategic structure or framework that will support the business capability structure to achieve strategic intent. The tools used to measure the quality of the thesis are PESTEL analysis of Pakistan, Business plan and then SWOT analysis of the company.

PESTEL is an abbreviation for Political, Economical, Social, Technological, Environmental and Legal factors and is used to define the special effects of the target analysis. The tool helps the company to find the facts while entering into a new country and can be use to lay the foundations for new future planning and strategies. (Allen 2001)

### Business Plan

The business plan is a set of formal business goals and a proper plan to achieve those goals. The plan explains and the mission of the company including all the products or services offered, the complete market analysis, sales forecasts, competitions and financial statements in order to show the strength of the plan.

The first is the *concept of business planning* where it is to discuss the industry and the structure of the business with any specific product or service, with a plan to make business a successful venture.

The second is the *marketplace section*, in which author explain and examines possible customers: where and who they are. Here, also give details of the market competition and how to position the products or services and compete in the

market. Finally, the *financial section* contains profits and cash flow statement, financial statements and other economic ratios, such as break-even analysis etc. SWOT analysis is an internal analysis of a company and it stands for Strength, Weaknesses, Opportunities and Threats. It is useful to develop planning and marketing strategies. Albert Humphrey was the founder of this technique when he used this in 1960's and 1970's from the data extracted from the fortune 500 companies. (Marketing Teacher 2012)

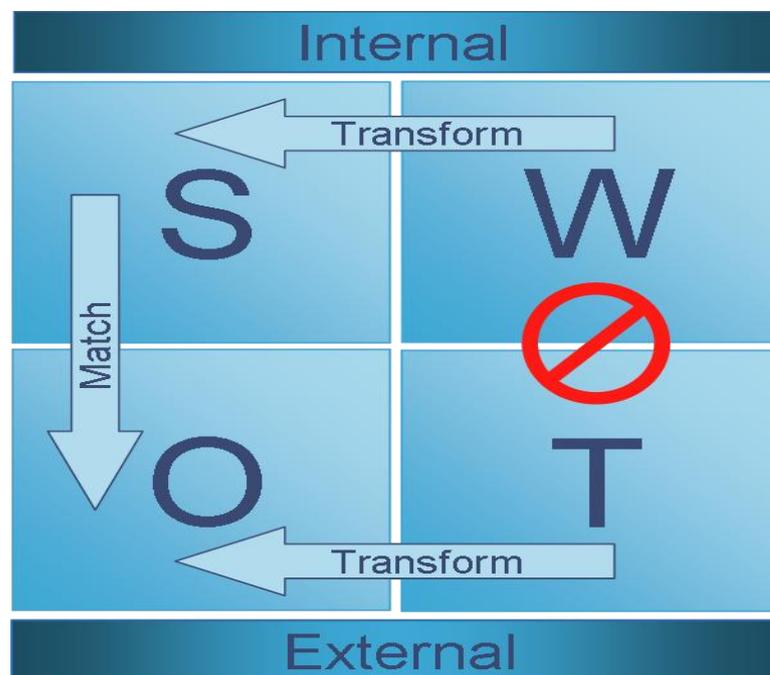


Figure 1. SWOT Analysis (Humphrey 1960)

The SWOT analysis of a business helps to answer various questions regarding the running of the business operations and profitability. These questions are crucial even today in business, and should be the starting point when looking at either a new product, or to see how to improve the net profit for a company or organization. (Lawrence 2009)

- What product/services business is selling?
- What is the method of company has to in place to sell the product/services?

- Who are business customers, who will be interested in its product/services?
- What ways can business deliver the product/services to the customers?
- What are the finances needed to create and sell this product/services?
- Who will manage all the phases from generating an idea, to having enough finance to complete the task?

### 1.5 Research Method and Data Collection

Research method and data collection should be collected and use cautiously depending up on the characteristic and objective of the study taken. The chosen method provides data which are either quantitative and some of methods data are qualitative. In quantitative method the prime focus is on numbers and frequencies instead of on its significance and experience. Some of the examples for quantitative method can be experiments, questionnaires and psychometric tests which deliver information to analyze statistically. Quantitative methods are related with the methodical and experimental method and are criticized for not giving an in depth explanation.

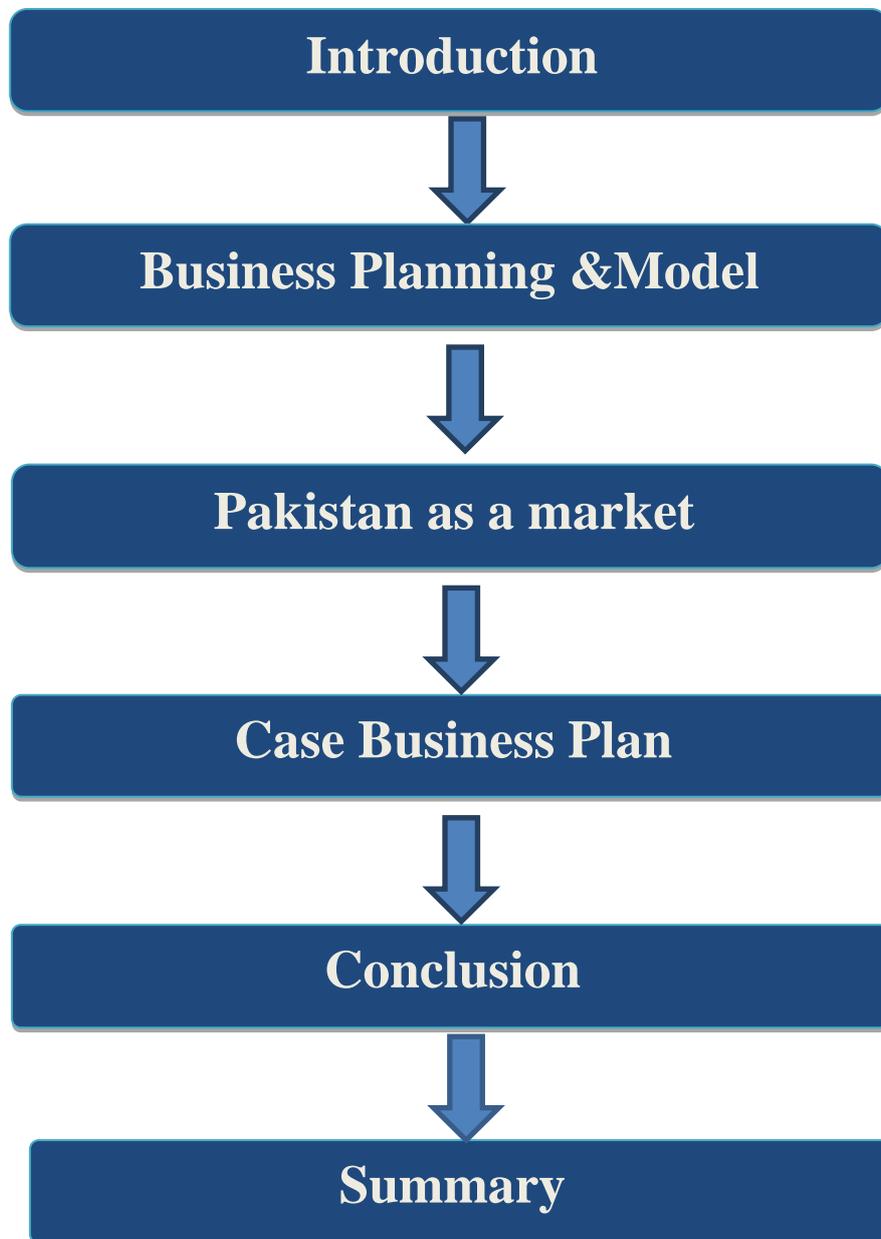
On the contrary qualitative methods are methods of gathering and organizing data which are apprehensive with recounting implications, along with diagram statistical conclusions. Common examples of qualitative methods are case studies and interviews. Qualitative provide a more in depth and rich description of the study to be taken into consideration. (Allen 2001)

This thesis is based on both methods qualitative such as detailed theoretical explanations and quantitative methods which includes financial statements, statistical analysis etc.

### 1.6 Thesis Structure

The thesis is divided into two main parts, theoretical where all the principal theories are defined such as Objectives, business planning, country analysis and then the case company business plan. The other section is comprised of financial charts and calculations which depicts the profit/loss of the case company.

However in order to illustrate the following diagram represents the whole structure of the thesis.



#### Elements of the Thesis

The figure above explains the basic overview of the contents of the study and it further leads to the detailed information contained in this document.

The thesis will be start with the Introduction of the topics and reasons for writing thesis and some questions will be explained later in the topic. After that there will be brief explanation of business planning and related theories would be explained. This chapter will also include topics such as planning techniques and business models.

There is than brief country description which will lead to the core of thesis. The case company is a model business plan which is actually the main idea of writing this thesis. The topic will be concluded in the last chapter with final conclusions and recommendations.

Business planning includes all the objectives, plans and actions that one envision in order to ensure business's survival and growth. A business plan is a necessary roadmap for the success of every business.

## 2 BUSINESS PLANNING

This living document normally plans 3-5 years onward and summaries the direction a company should be going to take to generate revenues.

The second most important purpose of business planning is to move towards a particular direction where an existing company wants to expand its current operations and continues to generate revenues. Business planning defines what is desirable or necessary in order to achieve goals and to manage the expansion process of a company, particularly in respect to financing new services, increasing sales and marketing strategies, or designing a new mode of communications substructure to encounter the future needs of the proposed expansion. (Anthony 2008)

On the whole, any type of business plan entails deep examination, careful assessment of all identified features, and projecting possible results of different possibilities that are open for the company. This flexible process can take numeral procedures; some of them are comparatively one-dimensional, while others are exceptionally comprehensive and complicated. Nevertheless, the basic task of business planning is essential for the business person establishing a new business, and also for the already established company that demands to expand or to complete the promotion of new products or for the acquisition of business contenders. (Anthony 2008)

### 2.1 The Eight Key Elements of a Business Plan

*Executive Summary:* As the name suggests this includes the overall outline of the business planning. The summary entails the entire picture of the business and the reader gets the knowledge of the business to be started.

*Market Analysis:* This section illustrates the knowledge about the specific industry of the business would be. A market analysis focuses the entrepreneur to become familiar with all the features of the market so that the target market can be properly defined and the company can be situated exactly in order to collect its share of sales.

*Company Description:* This is a basic and a high level look of the business and it explains how different features of the business will act all together. It should involve information about the nature of the prospect business as well as the crucial factors that will make the business unique and successful.

*Management and the Organization:* This section includes the overall organizational structure of the business and details about the ownership of the company and prime management levels within the company.

*Marketing and Sales Strategies:* This particular section defines the market in which the company will compete and engage its operations thus it is the life blood line of the business. As marketing creates customers and customers generates sales so this section defines strong marketing strategies that induces revenues.

*Services or Product line:* In this section, the main services or products that are actually sold are explained. This includes brief details of the products or service lines.

*Funding Requirements:* This part explains the financial requirements that the company needs to carry out its operations.

*Financials:* After the clear market strategies and objectives of the business, the company needs to explain the financial forecast of the business. This can be next 3 or 5 years

## 2.2 Types of Business Plan

Business plan serve as a proper guide line for owners, executives and investors as the businesses startup to grow through different stages. The key reason of writing a business plan is to clarify and investigate each aspect of business from the perspective of the owner of the business. A business plan is just not a one-size-fits-all paper; neither is it a 50-page manuscript without giving and explaining a core message to its audience. Instead a business plan must visibly replicate the

business from its core and what formulates it special or unique is no matter what is the purpose you need for, it should display the true picture of business. Businesses which are already running may need to target new future markets or explore new opportunities for expanding their operations more conventional start-up business plan may be one that owner could apply by placing the basic structure for the future projects. Hence it is very important to choose the right type of business plan consecutively to convey the exact message to the target audience. (Wisesyracuse Wordpress 2012)

In short a business plan is a road map which actually helps and provides guidelines to the business owner or management throughout the whole process, it is crucial to think about precisely what one would be the exact use of that plan. Identifying and knowing the right stage of business operations can further assist to develop an exact business plan that can match with the true requirements of the business. (Wisesyracuse Wordpress 2012)

#### a) Startup Plans

A startup plan is also known as a feasibility plan. Due to its simple format which normally begins with brief executive summary and mission statement of business, company, future plans and operations and a market analysis. Although the owner or the planner doesn't have the precise numbers, it's always a smart idea for owners to contain a beginning analysis of pricing, costs, and other credible expenses to manage financial section.

The management normally uses such type of business plans to attract future potential partners or current business investors or partners. This plan enables the users to decide whether it is feasible to profitable to continue with existing business idea or to gauge whether it is worth pursuing another business in future. If the planner makes a decision to step into business, it is always possible to make necessary changes or editions in business plan according to overall business environment. As the business grows, there is always possible to edit sections out and add details. (Articles Bplans 2012)

#### b) Internal business plans

Internal business plans target an audience within the existing business. These plans are usually written internally by management so to evaluate a proposed future project. The plan contains a brief description of the company's current operating status, including prepared costs and profitability. It is also necessary to calculate in these plans, if and how the business will repay any how much capital will be needed for the proposed future projects. It may provide some information about project marketing, hiring and technical costs and can include a market analysis which further illustrates target demographics, market size and the market's positive consequences on the company's overall income.

#### c) Operations Business Plan

An operations plan is a formal type of internal plan and is also called as an annual plan. It consist of business milestones, deadlines and targets for future or current projects and every day jobs of different operational team members and office managers, This type of plan is mainly used to stay on track to assemble management chief goals. Proper planning is the key to achieve business goals which allows the company to allocate its priorities; and focuses on final results by tracking down the entire progress of business operations. The operation or annual plan basically covers the inner workings of the whole system of a business. The plan also defines the management roles and responsibilities for doing and achieving different progressive tasks. (Articles Bplans 2012)

Financial statements or cash flow statistics may also be included in this type of business plan. For example, to achieve business milestones one need to have adequate funding for their future accomplishments, and the owner will need to track his/her progress to know how much they're spending and how much the business is earning in return.

This type of business plan emphasizes mainly on a certain business area or division in case if the business decision makers decide to launch new product/service can develop a growth plan before the launch. Later this plan might act as external plan depending if business requires investment from outside, this can be done by including details about management and company progress in past

few years. As explained earlier operation plans are exclusively internal plans that consist of essential information related to company operations. This plan specifies implementation markers and deadlines for the coming year. On the other hand, an internal plan may be used to set up the steps for possible future growth or development that is needed on the inside of specific division of business unit. It is necessary for company to include future sales forecasts and possible expenses for future business projects instead of complete financial projections. (Articles Bplans 2012)

### 2.2.1 Strategic business plan

This plan provides a thorough map of a company's goal along with the proper instructions to how it will achieve those goals; it lays out a foundation plan for the whole company. A strategic business plan normally contains five basic essentials: vision of business, mission statement, description of important success factors, strategies for achieving objectives and an implementation plan. This plan carry outs all the levels of a business into a complete big picture by motivating employees to work efficiently and mutually to finally produce a winning conclusion to the companies goals and its objectives. (Wisesyracuse Wordpress 2012)

### 2.2.2 Feasibility Business Plan

This type of business plan is a study which is conducted sequentially to determine whether the business will thrive or not. This investigation can be carried out by the businesses which are already established and are at a certain stage when the business wishes to introduce a new product or service in the market may need this plan. Such plans are an attempt to determine strengths and weaknesses of an existing business beside with the opportunities and threats present in the overall business environment, if anyone will purchase the service or product a company wishes to sell, or just to analyze if the venture can turn a profit or loss. Such plans are not just limited only to certain sections unfolding the need for the product or service, but also it holds detailed background of the business operations in the past

and its target demographics and required capital for future. (Wisesyracuse Wordpress 2012)

### 2.2.3 Growth Business Plans

It is essential for businesses to outline their development evaluation consecutively to use them either internally or externally. Growth plans or expansion plans are comprehensively portrayals of projected expansion of business. In cases when company grows it always requires investment, at that stage growth plan which includes complete metaphors of the company including its leading management and expert officers, this information can be used to convince prospective future investors by showing true potential of the business.. On the other hand if a growth plan does not require investment the plan may just include financial sales and expense projections by ignoring obvious details. (Wisesyracuse Wordpress 2012)

## 2.3 Business planning techniques

Writing a business plan is not an easy job and it requires a serious attitude towards business operations. This element is mostly ignored by small or medium size companies mainly because lack of human or other resources or it might be lack of knowledge in planning methods. To succeed in planning, learning valuable procedures and processes factors can remove this knowledge gap. Although the main objective of business planning is important and crucial in order to determine the right direction of the business towards future growth and expansion.

### 2.3.1 Primary Planning Types

Business planning has different types and has various flavors in it mainly depending on the size of the company and sector of the industry. Though, there are three basic plans that mainly apply to all types of business entities irrespective of their size. By using successful and most appropriate techniques depending on the requirement, a business can achieve its goals and objectives by accepting

effective business planning methods because strategic planning and marketing is the primary need for any running business even for nonprofit organizations.

i. Business Plans

One of the crucial usages of business plans begins when business seeks external financing options or investment opportunities; it lays down the foundation for the planning role of management or for the owner. Starting from brief executive summary and actual product/service details followed by market analysis and financial projections of coming next three or five years it defines the whole concept of business venture.

The owner should paint an intense, yet conservative, picture of his/her ideas and building the foundation for believing the business will succeed in future. During the search for external investment or for seeking financing options, the management should bring all major past performances of the business into the plan. The amount required for loan should be backed by the plan that how and in when business will be able to repay those debts. (Wisesyracuse Wordpress 2012)

ii. Strategic business plan

A strategic plan performs as guide for a business sequentially to determine its right direction. Normally owner of a business and/or senior management produce such plans and are based on entity's vision, mission, values and core business strategies with historical data and future forecasts and are thus more conceptual. It contains important organizational goals that identify available options and business resources which can be helpful to develop or change business current outcomes. It can be compiled by using modern business or industry trends and can further add into planned strategy so to make it more unique and possibly achievable. Although these type of plans are not long term plans, but they should be able to project six or twelve months. (Smallbusiness Chron 2013)

### iii. Marketing business plans

It is a fact that even an excellent business strategic plan happens to fail if they don't market and sell the products or services and bring any targeted results. A marketing plan outlines the overall marketing strategies and tactics of a business. A solid marketing plan will help the owner/management to achieve their gross income targets. Another effective method for producing and writing a winning marketing plan can be done by adding a SWOT (strengths, weaknesses, opportunities, and threats) analysis in it which is also beneficial in writing strategic plan as a basic foundation technique. Additionally it can be combined with four P's--product, price, publicity, and place—in order to achieve effective marketing results.

#### 2.3.2 Universal business planning techniques

All the businesses establish with a basic concept of planning and choosing appropriate techniques which they apply to their business according to demanding situations. To make business planning come alive and further succeed in the unpredictable economy, generally there are three basic simple performances that must be continually employed by the owners or management. First and foremost part is setting up most realistic yet measurable goals. Secondly, be aware of and correspond effectively with your customer base or your market niche. Third, attract and hold the best employees the company can afford in order to maintain consistency and progressive growth. Without having these three fundamental components in the process of business planning can create risks failure on a massive scale. (Smallbusiness Chron 2013)

#### 2.4 Business Model

A business model is a sustainable way of doing business. (Nielsen 2012).The plan implemented by a company to generate revenue and make a profit from operations is known as business model. The business model covers all the components and purposes of the business, and the revenues it generates and the expenses it incurs during its operations.

Practically the phrase “*business model*” is used for varied different reasons of informal and formal descriptions to correctly explain center characteristics of a business, as well as known purpose, trading practices, target customers, infrastructure, operational strategies, organizational structures and finally policies. A general regular review and collective study of manager responses in a particular survey defines business models as the overall plan of organizational structure to endorse a commercial opportunity. Additional extensions to this plan logically accentuate the make proper use of those descriptions or coherences in business model explanations as mechanism by which entrepreneurs generate unusually successful growth. (Sbx Ox 2013)

Every time when a business is established, it explicitly or implicitly employs a particular business model that fully portrays the planning picture of the value conception, delivery, and incarceration methods employed by the business endeavors. The real meaning of a business model is that it plainly defines the method by which the business enterprise allocates value to its buyers and exchange value for each other. It eventually give birth to assumptions by management that what actually their customers desire and how the customers identify their products or services in the market and finally how they can turn those assumptions into reality and turning value into profits for the business. (Nielsen 2012)

#### 2.4.1 Examples of Business Model

There are some business models which are hundreds of years old and also there are some of those only a handful of years old, such as Internet premium models. Some of the most profitable companies didn’t originate new business models; they lent a business model from another industry or a company. Following are the some of the various business models.

a) Bricks and clicks business model

This is a type of business model in which a company combines both offline (bricks) and online (clicks) presences. For example when a store offers the online shopping but allows picking them from their local store.

b) Collective business model

This model amassed buying power and does not give ongoing royalties like a franchise. Typically it occupy's many businesses that are coming together for purchasing, advertising, or operational purposes. One example can be collaboration between modern university campus and Science Park offers combined resources to local business firms and builds community of innovators between their own employees and these firms.

c) Direct sales model

Direct selling is a dual mode used both for direct sales and advertising to consumers at other than usual business location. These sales are made randomly through unique party plans, trade exhibitions or through other arrangements. Text book explanation of this is: "The straight personal presentation and demonstration and sale of products and services to buyers mainly at their homes or at their job places. (Sbx Ox 2013)

d) Value added reseller model

As the name suggest, it is a model which brings added value to a product providing opportunity to seller to resell but with some new modifications and more specifications which add some value to the unusual product or final service of the business. Such additions are usually related with the industry in nature and consist of some vital features which are also important for the distribution process therefore it requires vast VAR system also. It is one of the newest cooperative company models which can support companies in development cycles and is acknowledged mainly by Technology oriented industries specially Software Companies. (Alexander Cowan 2013)

e) Franchise

Franchising is a common exercise and a successful business model. The franchisee acts as a substitute for franchisor instead of building regular chain stores at some other locations. The more the franchisee is successful the more successful a franchisor would be. Despite large benefits a franchisee gets, it also has a straight risk in the business as it has to invest for both franchisor and royalties. (Sbx Ox 2013)

f) Cut out the middle man

The model is the removal of mediators in a process of supply chain and thus cuts out the role of middle man in its trading cycle. As an alternative way of doing business, traditional and common supply channels (such as a broker, wholesaler, agent or distributor) are not the regular participants in this type of model instead via the Internet companies deal directly with every customer. Another example can be which ignores traditional three-step delivery by avoiding the warehouse distributor. (Thomas 2008)

g) Canvas business model

For developing new or documenting existing business models Business Model Canvas (BMC) is a well planned management model which describes a firm's value design, consumers, and infrastructure including finance resources. This simple model helps businesses to describe, challenge, design and invent a model which defines the whole purpose of an entrepreneur. The model was designed by Alexander Osterwalder based on his previous work on the ontology of the models. This model offers planned and well structured tools to operate business activities additionally with flexible and convenient creativeness without lack in business general arrangements. The Canvas has following nine elements: (Alexander Cowan 2013)

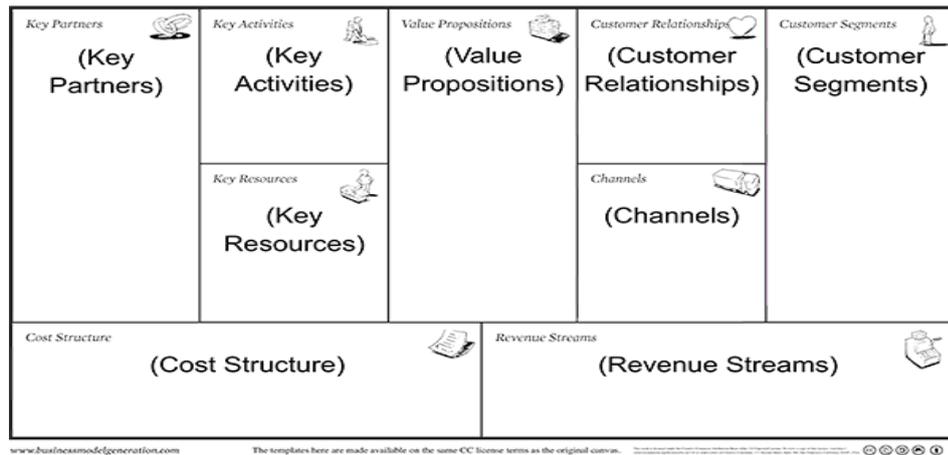


Figure 2. Key elements of Canvas model (Alexander Cowan 2013)

The above figure 2. Contains the key elements of Canvas Business model and is explained below:

1. Customer Segments: Who are the business major customers?
2. Value Propositions: What is most convincing about the plan? Why do will customers buy or use? Products/services.
3. Channels: How are these product/ services promoted, sold and delivered?
4. Customer Relationships: How does business interact with its customer?
5. Revenue Streams: How does the business produce revenues from the value propositions?
6. Key Activities: What exclusively strategic effects does the business do to provide its propositions?
7. Key Resources: What exceptional strategic assets essentially the business has to compete?
8. Key Partnerships: What can the company not do so it can focus on its Key activities?
9. Cost Structure: What are the business' main cost drivers? How are they related to revenue?

### 3 PAKISTAN AS A BUSINESS PARTNER

Pakistan has the most open and liberal investment policy in the South Asia region therefore over 600 foreign or multinational companies are present. There are no restrictions on the inflow or outflow of finances for remittance of profits, capital, debt service, capital gains, returns on rational property, or expenses for imported inputs. Pakistan has well developed infrastructure and legal systems are rooted base to attract investment. This contain inclusive road, rail, sea links; good quality telecommunications and modern IT services; new company laws and long-standing business culture. According to World Bank's 2013 'Doing Business Report' surveys the ease of doing business in global international markets, ranked Pakistan at 107 among the 185 economy surveyed. By evaluation, regional competitors China and India ranked 99 and 132 respectively. (The World Bank 2013)

#### 3.1 Why Pakistan as Business partner

##### a) Geographical Location

Pakistan is the gateway to the Central Asian Republics, Western China, together with strong and long-positioned relations with the Middle Eastern and South Asian countries. Covering an area of approximately 796,095 kilometers square which is equivalent to the total land area of France and the United Kingdom. The coastline of Pakistan is 1,046km along with the Arabian Sea and the Gulf of Oman in the south and shares its land borders of 6,774 km in total (2,430km with Afghanistan, 523km with China, 2,912km with India and 909km with Iran). Pakistan shares also a sea border with Oman, and is separated from Tajikistan by the cold; narrow Wakhan Corridor with Russia. Geopolitically Pakistan resides in an important place creating intersection for South Asia, the Middle East and Central Asia. (Pakistan Tourism 2014)

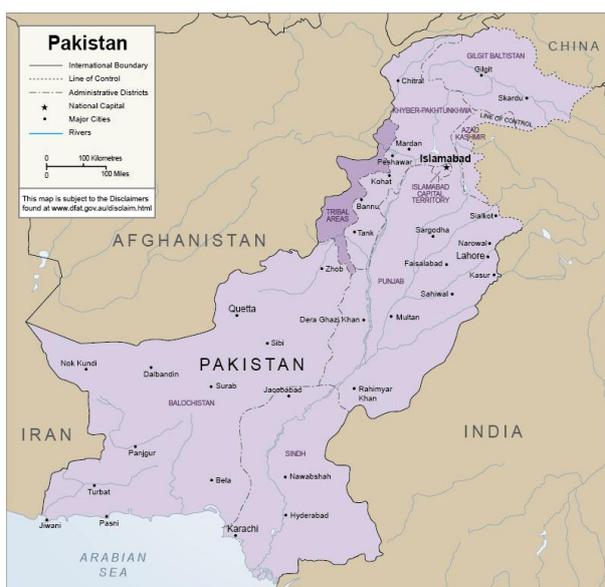


Figure 3. Geographical location of Pakistan

### 3.1.1 The domestic Market of Pakistan

Pakistan has a population of over 183 million (the world's 6th-largest), GDP per capita is low: the nation's 2012 PPP-adjusted GDP per capita of approximately US\$2900. The country has semi-industrialised economy which mainly includes textiles, chemicals, food processing, agriculture and other industries. According to Asian Development Bank report, Pakistan has strong prospective for higher economic growth, which is crucial to provide a suitable accommodation for a fast increasing working age population. The country is rich with its substantial natural resources, and sufficient existing opportunities which can improve agricultural productivity and a ready marketplace for a developed manufacturing and service sector. The manufacturing sector is another important sector of the economy of the country having much contribution in the progress of Pakistan's today economy. The sector is one big component of the industrial sector covering almost 63 percent share of the overall industrial sector. (Pakistan bureau of statistics.2013)

According to the Ease of Doing Business report 2013 published jointly by The World Bank and International Finance Corporation, ranked Pakistan 107 amongst

181 countries. This ranking brings Pakistan highest in the South Asian region which means higher than India and Russia. (The World Bank.2013)

#### b) Trading with EU

The EU being Pakistan's most significant trading partner enchanting trade rate of 21.2% of Pakistan's total exports.EU-Pakistan trade enlarged by nearly 4.7% per annum in the middle of 2007 and 2011. Major exports of Pakistan to EU are mainly textile and leather products which is about 75% of total exports.

However Pakistan's imports from the EU largely comprise of mechanical and electrical machinery with chemicals and pharmaceutical products. (European Commission 2013)

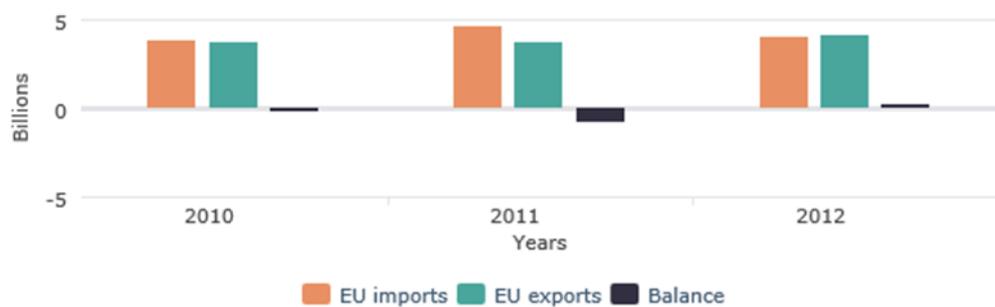


Figure 4. EU imports-exports (European Commission 2013)

For promoting bilateral trade and increasing opportunities both EU and Pakistan formed an association of a Sub-Group which works jointly under the commission of both parties. The main purpose for this association is to discuss bilateral trade policies, development projects and also to meet trading challenges. The European Union has provided immense trading opportunities to Pakistan by permitting Pakistani exports to enter EU under reduced tariffs through EU's Generalized Scheme of Preferences and as a result over 78% of Pakistani products enter EU at preferential rates. In addition to that Pakistan would get the Generalized Scheme of Preferences (GSP) plus status by end of current year 2013 which will further provide a better market right of entry of Pakistani products and services to EU markets. (European Commission.2013)



Figure 5. Pakistan GDP growth rate (Trading Economies 2014)

The above figure 5 shows the yearly annual GDP growth of Pakistan. It is clear that the economy of the country did flourish in the past few years. The main reason for this growth is increase in exports and decrease in imports. However the local economy struck with high inflation rate. The price in general commodities rise which also lead to increase in the price of export products.

### 3.2 Pestel Analysis of Pakistan

#### a) Political

Pakistan came into being on August 14th, 1947, to form an independent state from the British rule in the world. The foundation of Pakistan was catalyst to the largest demographic movement in human recorded history. Over seventeen million people including Hindus, Muslims, and Sikhs-were reported to have relocated in both directions between India and the second wing of Pakistan (the eastern wing is now Bangladesh). Pakistan is governed under the constitution of 1973 as amended, which provides for a federal parliamentary form of government. The president, who is head of state, is elected to a five-year term by an electoral college drawn from the national parliament and provincial assemblies.

The government is headed by the prime minister, who is selected by the National Assembly. The political system takes place in the country within the background

of a federal republic, where the system of government has been parliamentary, presidential, or semi-presidential in the past. In the current parliamentary system, the President of Pakistan is the largely formal head of state; the Prime Minister is head of the current government. Executive power is only exercised by the government and Legislative power is largely vested in the Parliament through political consensus.

Pakistani business agencies are free to move from one corner to other end of the country. They have right to register their vote in that area and they will get same benefits as local residents. Pakistan government also provides protection to residents which move from one province to another; they only have to inform the local "Municipal Court" that they have moved from one city to another. (Political Analysis of Pakistan.2012-13)

a) Economical

The economy of Pakistan is 25th major economy globally in terms of purchasing power, and the 45th largest in absolute dollar terms. Agriculture is the spine of Pakistan's economy which employs over 40% of the country's total population. Rice, wheat, sugarcane, Cotton, vegetables, fruits, and tobacco are the chief crops, and cattle, sheep, and other poultry are raised for business purposes. There is also a fishing industry and seafood's are also a major industry of the country. Manufacturing having contribution of total 63 percent share on the whole industrial sector which has further divided into three main sub-components; namely the Large-Scale Manufacturing (LSM) with has share of 50.9 percent, Small Scale Manufacturing with share of 7.6 percent and Slaughtering with the component share of 4.5 percent. Mining and quarrying comprise of 14.74 percent share to overall industrial sector. (Pakistan Economic Policy Analysis)

Pakistan has enormous amount of consumable reserves of coal, limestone, china clay, fire clay, rock salt and onyx marble, dolomite, silica sand, gypsum and granite, as well as precious and semi- precious stones. Mining and exploration of minerals and other rich ores through efficient methods, deliver appropriate and economical advantage and a reasonable edge to the country's economy. The

sector recorded an increase of 7.6 percent during the fiscal year 2012-13 besides 4.6 percent last year. As compared to previous few years the economy of Pakistan has shown a steady figure which brought growth in GDP rate also.

(Pakistan Economy Survey 2012-13). The figure 6, further explains exports of Pakistan by country.

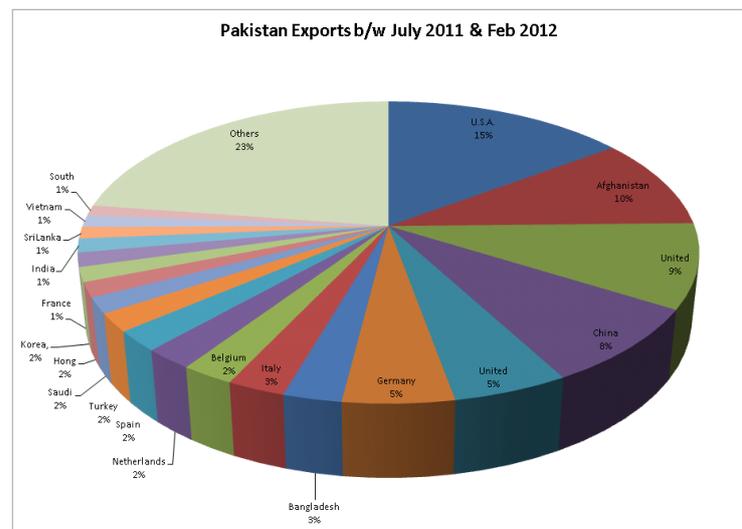


Figure 6. Exports of Pakistan 2011-2012 (Pakistan bureau) 2013

## b) Social

The relationship between structure and dynamics of society, politics, and economy play a vital role in defining the development and spatial dissemination of expansion and social transformation. The implication of this connotation on social organization in Pakistan varies vividly besides different classifications such as gender, class, culture, ethnicity, and age. Principally, there are remarkable changes in the pace of variation between the rich, poor, urban and rural areas for both genders males and females etc.

The foremost problem in the development policy and practice in Pakistan has been the absence of concrete focus on the issues investigating the part of sociological factors, because political and economic models and methodologies

have completely controlled development organizations and decision-makers. There is an urgent need to integrate sociological discernments into development research policy and further alteration into daily life practices. Such kind of research-based indication is a pre-condition for informing the public strategy in a way that it is capable to solve the determined social difficulties in Pakistani society. There is also an essential need to analytically evaluate the variations in social groups, establishments and standards of the general public in the framework of its pre and postcolonial antiquity and modern-day encounters.

Issues such as social transformation, ethnic stiffness, religious based sectarian violence and struggle for the peace and supremacy in Pakistan need to be explored in the background of a multilingual, multiracial society that is handling with the encounters of ever-changing arrangements of domination and fragility. Large and growing domestic market includes 140 million consumers with growing incomes and a growing middle-class moving to refined daily consumption habits. The country has strong human resources including English speaking technical non technical work force, cost-effective managers and labor force. One of the main advantages for the new entrants would be that over 70% of population is under 30. It means there is a huge pool of young people and market opportunities. (Pakistan State-Analysis 2009)

#### c) Technological

Information Technology is being used both by developed and developing countries for the improvement of performances. Similar to other developing countries, this technology is also being applied aggressively in all the organizations of Pakistan. Due to the decreasing cost in the I.T services, both in hardware and software, IT has spread very fast now into all the industries of Pakistan. Internet service which was started in 1995 in Pakistan is being improved constantly through these years, along with upgrading telephone infrastructure and varied services. IT is widely being used in all government and private organizations for daily different organizational tasks. IT ministry is now responsible for monitoring all the IT related issues. There are now over 30 million internet users in Pakistan, 15 million of whom browse the web using their mobile phones.

The country has its own Space and Upper Atmosphere Research Commission (SUPARCO), besides national projects the national space agency is involved in several different International projects such as EnerGEO project titled “Energy Observation for Monitoring and Assessment of the Environmental Impact of Energy Use” which is headed by European Commission, under the Global Earth Observation System of Systems (GEOSS) program. (Pakistan National Space Agency.2014) On the other side several measures have been taken acceptable to improve the quality of food items. The National Technical Working Group (NTWG) on Fruit and Vegetable the country has introduced application of Good Agriculture Practices (Global Gap), according to worldwide standards. (Technology Newspaper 2014)

#### d) Environmental

The economy of Pakistan has recently shown steady GDP growth in recent past years. On the other hand, human well-being is critically in need of the continued convenience of necessary and fundamental green environmental services and preservation of natural resources. Pakistan’s natural assets are increasingly under pressure due to a rapid growth in population rapid urban development and continuous unsustainable practices. Due to shortage in natural water resources Pakistan is appearing in the list of water stressed countries.

Unlike other developing countries, Pakistan is also standing in front row of environmental complications mainly because of the demographic growth, absence of public mindfulness and proper education, disastrous carelessness and misuse of water and several other natural resources and mainly, ill planning of both urban and industrial extensions. Air pollution, inadequate water stock, hygiene, agricultural soil filth, deforestation and land range deprivation are added core environmental challenges for Pakistan. In response to the environment and climate change, in recent years environmental friendly policies including number of development projects are being sponsored by both Federal and Provincial Governments in order to progress the country towards the volume of significant institutions to cope with cumulative environmental degradation. These continuing projects are under operations to address and plan modern methods some of

projects are Sustainable Land Management toward Combat Desertification in Pakistan, Global Change Impact Study Centre, Establishment of Clean Development Mechanism (CDM) Cell, Establishing National Multilateral Environmental Agreements (MEAs). (Asian Development Bank 2013)

Forests in Pakistan covers only 4.224 million hectares which is only 5.2% of the total land area of 87.98 million hectares which has recently shown a slight increase. More than 150,000 ha of old forest lands are being changed for no forestry purposes. With the rapid population growth in the country, forest areas are in growing danger, demand for watershed and subsistence uses including daily usage such as firewood and grazing. Although Pakistan has a network of 225 Protected Areas, covering an area of total 9,939,480 ha which is 11.5% of the total land area of Pakistan. The protected areas (PA) consist of 19 national parks, 99 wildlife nature reserves, 96 games reserves and 16 unclassified. Almost 5700 different species of flowering plants are found in Pakistan. (Pakistan Tourism 2014)

#### e) Legal

Since its creation in 1947 Pakistan has had three major constitutions, adopted in 1956, 1962, and 1973. The 1973 constitution was the result of a combine consensus among all the political parties then finally represented in the parliament. According to the constitution, Federal Parliamentary System of government is implementable with the President as the Head of State and the commonly elected Prime Minister as Head of government. There is a Supreme Court in Pakistan and a High Court in each of four provinces, and other courts working out civil and criminal jurisdictions within their constitutions. The Supreme Court and High Courts have been well-known under the constitution and other courts have been recognized by or below the Acts of Parliament or Acts of Provincial Assemblies.

Foreign investors in Pakistan have full security and other benefits. The Foreign Private Investment (Promotion and Protection) Act 1976 provides guarantee to foreign investments by giving them repatriation to the level of the innovative investment. (Global Economic Symposium 2012)

### 3.3 Trade between Pakistan and Finland

Both countries Finland and Pakistan have huge potential in different economical sectors thus it provides a big opportunity to private sector of both countries to work forward and should increase their bilateral trade. At present the bilateral trade figures between the countries is not significant. In year 2013 the total investment from Finnish companies was just \$3.8 million and during year 2012 Pakistan imports from Finland worth \$188 million and exports to Finland were only \$52 million.

Pakistan's biggest exports to Finland are from textile industry such as clothing, woven and cotton fabrics and other related articles followed by sports and gymnastic equipments, kitchen cutlery and other appliances and electrical medial equipments. However Finnish exports to Pakistan are chemicals, electrical equipments, paper and paperboard items, motor engines and heavy industry tools and heavy machinery.

## 4. BUSINESS PLAN OF THE CASE COMPANY "KENKO OY"

### 4.1 Executive Summary

The author's idea is to establish an Import/Export company which will provide complete consultation and Market exploration services. The aim of the company is to act as a bridge between Finnish and Pakistani businessmen by providing complete trading services. The company is also intended to import and export in demand items such as Seafood from Pakistan to Finland and scrap materials from Finland to Pakistan. The idea of creating Kenko Oy as a company is mainly because of the prime fact that the both countries Finland and Pakistan has huge trading potential and current volume of trade between the countries is low as compared with the trading partners of Pakistan in other Scandinavian countries.

The customers of Kenko are divided into two main categories; the primary customers would be the companies that are already engage in the same line of business (Import/Export) or the companies who wish to expand their market, and the secondary customers will be wholesalers of in demand products.

The competition in the market is low and very few companies are trading exclusively at the same level of services and products of Kenko oy. This will provide a huge advantage to Kenko in order to create its reputation and its own Market niche.

### 4.2 Business Description

The company Kenko Oy will offer import/export brokerage services plus consulting services. The whole function includes the supplier/buyer identification, contracting and consultation for future Market expansion. The secondary operation of the company will be the acquisition of in demand goods for trading purpose in Finland and Pakistan. This includes exportation of scrap material and its products to Pakistan and importation of seafood items from Pakistan to Finland. As the author have good communication skills in the local languages of both of the countries as well as excellent command in English language.

Services

The primary operations of the business will be providing consulting services to the businesses, in addition to market exploration services. Other source of income for the company would be the trade in different foreign in demand products which the company would sell locally to wholesalers.

Following are the main services of Kenko Oy:

- Buyer/Supplier Identification.
- Contracting.
- Consultation.
- Market exploration services.

Products

- In demand products such as scrap material and seafood items.

#### 4.3 Marketing Plan

The marketing strategy is to create a market niche that focuses primarily on the customers involved in import/export business. To meet the required goals Kenko Oy will develop a creative online presence by building a dynamic website and placing the complete profile of products and services and necessary information to connect with its customers. Further the company will invest and utilize modern practices to advertise it using social media campaigns and will maintain its presence inside online directories and other search engines sequentially by using modern marketing techniques to make a clear presence of the company on the internet.

Kenko Oy will establish business relationships with wholesalers, retailers, and distributors both domestically and internationally. The author has extensive experience and already business contacts within the industry, he will draw on these existing relationships to build a network of brokers that source products on behalf of the company. For successive sales and profit results, the company will apply marketing strategies including frequent social media campaigns and other advertisement platforms, such as through personal contacts, print and media and by maintaining public relations. Moreover Kenko Oy, is also intended to build

partnerships with other companies in order create a network of importers and exporters.

#### 4.4 Competition

There are several small and medium size companies who are engage in the same line of business as Kenko Oy. The advantage to Kenko Oy would be that it's unique market and its high investment on marketing and promotion strategies.

#### 4.5 Business Model

It is important for companies to select an appropriate business model sequentially to find a clear road map for their future plans. There are different types of models which companies can adopt according to their own needs.

Following is the model Canvas model which Kenko Oy will adopt to run business operations.

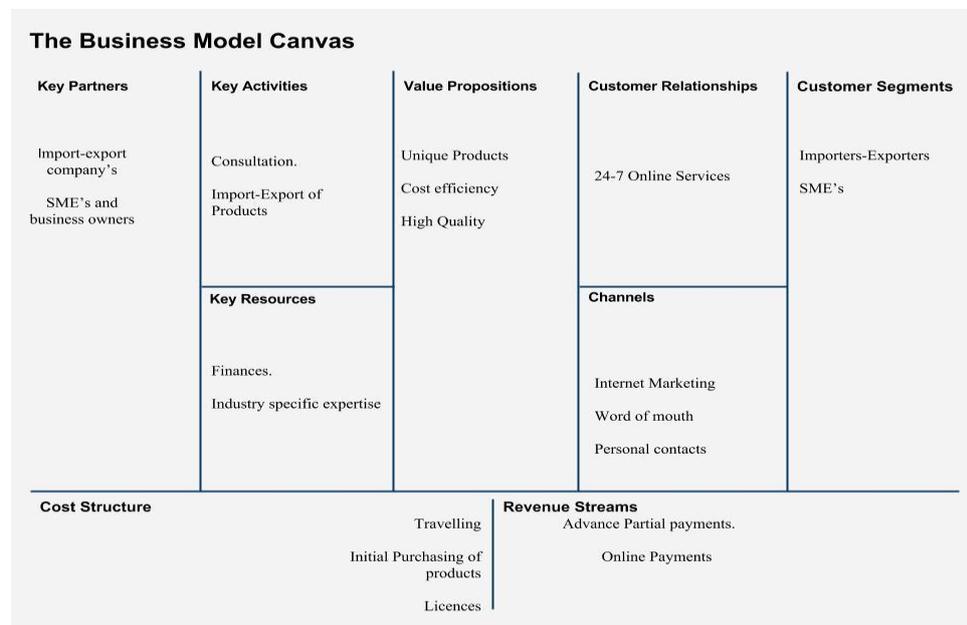


Figure 7. Kenko Oy Business model

### **Customer Segments**

The customers of Kenko Oy would be the importers and exporters and small and medium size companies which are engage in the process of growth and expansion. The entrepreneur will engage them by offering different products and services so to create his own market niche.

### **Value Propositions**

The products are unique in a way that in a current market situation there are no other businesses which are doing business with the products from Pakistan and Finland. Thus it will give an edge to the entrepreneur to compete in the market by offering those products with high quality and lower rate.

### **Channels**

Social media marketing and other internet marketing tools will be the core source for Kenko Oy to convey her message to its target audience. Other sources such as word of mouth, referrals and personal contacts would be secondary source.

### **Customer Relationships**

In order to maintain and retain customer relationship the entrepreneur will provide 24-7 online services in order to communicate with his customers.

### **Revenue Streams**

Due to the nature and type of business, there are generally two different types of revenue streams such as Advance partial payments which will be paid at the time of order and other will be online transfers method partially before and after the sale or purchase of products and services.

**Key Activities**

Kenko Oy will be engage in two major activities, consultation and sale and purchase of in demand products.

**Key Resources**

The key resource for the business are the finances it owes to run its operations. These resources will be utilized to meet daily expenses and to buy different products.

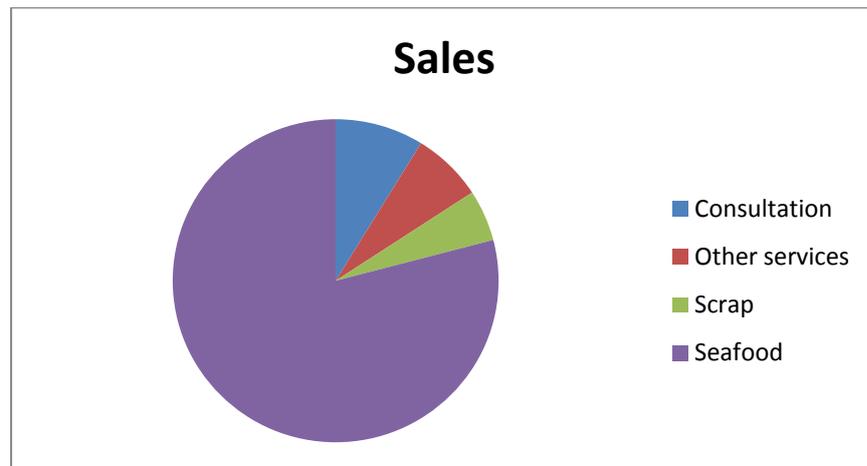
**Key Partnerships**

Kenko Oy will also make efforts to create partnerships or represent other businesses in each country. The partners will be from the same industry i.e. importers-exporters or other SME's engage in international trade.

**Cost Structure**

The main cost of the business will incur at the beginning during the purchase of products. Also travelling is another cost as the entrepreneur will carry out business operations with different other companies located in other cities.

Table 1. Projected sales map



The Table 1, above shows the projected sales of the company. The major source of income would be seafood items and consultation to other companies. The company is also intended to provide other services such as market survey's and online trading practices.

#### 4.6 Financial Plan

Financing is a core business element and without a proper financial management a business cannot be created. It intends to provide information how much finances are needed to run business. The figures used can further be used in calculating several other statements such as sales and gross profit margin etc. The financial section is also necessary if the business is seeking loans or outside investment. These statements provide a clear picture of the business as where it is standing financially or is it wise to invest in to the business. Following is the projected financial plan for the case company.

Table 2. Projected financial plan - investments

<b>Initial investments</b>	
Telephone, communications hardware and software, etc.	200.00
Marketing expenses; business cards, advertising, etc.	500.00
Investments, total	700.00
<b>Need for capital</b>	
Expenses for the first months of operations	1 000.00
Required cash assets	1 700.00
Need for working capital, total	2 700.00
Cash reserve (EUR)	1500.00
Need for capital, total	4 900.00
<b>Financing</b>	
Own cash investments	1 000.00
Financing, total	1 000.00
<b>Loans</b>	
Finnvera loan	5 000.00
Loans, total	5 000.00
Available financing, total	6 000.00
<b>Summary</b>	
Shortage of financing/financing surplus	1 100.00

The table above shows the financial statement of Kenko Oy. The figures are collected from different sources and are based on most recent market prices.

## 4.7 Sales Summary

The following represent the complete detail of future sales for Kenko Oy  
Table 3. Sales forecast for the case company

<b>Product, product category or service</b>	
Name of the product or service	Consultation Services
Unit price (exclusive of tax)	600.00
Purchases and costs/unit (exclusive of tax)	
Sales estimate per month, quantity	5.00
Total sales	3 000.00
Total purchases	0.00
Sales margin, EUR	3 000.00
Sales margin, %	100.00
<b>Product, product category or service</b>	
Name of the product or service	Market Exploration Services
Unit price (exclusive of tax)	800.00
Purchases and costs/unit (exclusive of tax)	
Sales estimate per month, quantity	3.00
Total sales	2 400.00
Total purchases	0.00
Sales margin, EUR	2 400.00
Sales margin, %	100.00
<b>Product, product category or service</b>	
Name of the product or service	Trading (Scrap)
Unit price (exclusive of tax)	350.00
Purchases and costs/unit (exclusive of tax)	120
Sales estimate per month, quantity	5.00
Total sales	1 750.00
Total purchases	600.00
Sales margin, EUR	1 150.00
Sales margin, %	65.71

<b>Product, product category or service</b>	
Name of the product or service	In demand Products (Seafood)
Unit price (exclusive of tax)	9
Purchases and costs/unit (exclusive of tax)	2.5
Sales estimate per month, quantity	3000
Total sales	27 000.00
Total purchases	7 500.00
Sales margin, EUR	19 500.00
Sales margin, %	72.22

The above table shows the total sales and sales margin that kenko Oy can earn. The company is intended to offer high quality products but in the beginning the company will concentrate on building relations and hence will make sales on low margins.

#### 4.8 Profit Plan

A profit is a necessary step taken by the owners to see whether there business operations would be successful or not. Following table 4, is profit plan which reflects the position of the business monthly and yearly.

Table 4. Profit Plan of the case company

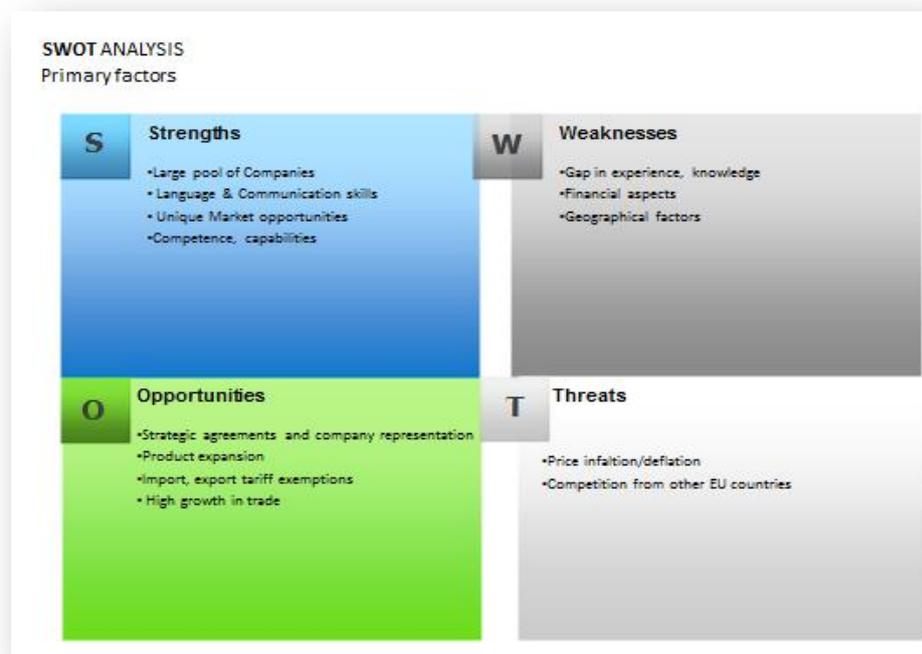
	month	1. year total	2. year	
<b>Result target</b>				
Personal earnings (net)	1800	21 600.00		
Taxes	450.00	5 400.00	0.00	0.00
Repayments of loans			2 500.00	2 500.00
Financing need	2 250.00	27 000.00	2 500.00	2 500.00
Operating margin need	2 250.00	27 000.00	2 500.00	2 500.00
Profit plan	month	1. year total	2. year	
<b>Fixed business expenses (exclusive of VAT)</b>				
Electricity, water and heat	50	600.00		
Telephone, Internet	200.00	2 400.00		
Accounting	200.00	2 400.00		
Office expenses		0.00		
Travel and/or car expenses	500	6 000.00		
Marketing	500	6 000.00		
Fixed costs, total	1 450.00	17 400.00	0.00	0.00
Sales margin need	3 700.00	44 400.00	2 500.00	2 500.00
	month	1. year total	2. year	
<b>Variable business expenses</b>				
Purchases (exclusive of VAT)	8 100.00	97 200.00		
	month	1. year total	2. year	

<b>Business profit target</b>				
Required turnover	11 800.00	141 600.00	2 500.00	2 500.00
	<b>month</b>	<b>1. year total</b>	<b>2. year</b>	
Sales, total	34 150.00	409 800.00		
Business profit	22 350.00	268 200.00		
	<b>month</b>	<b>1. year total</b>	<b>2. year</b>	
<b>Sales target inclusive of VAT</b>				
VAT rate (without the % sign)	8	8.00		
VAT, EUR	944.00	11 328.00	0.00	0.00
Total sales inclusive of tax	12 744.00	152 928.00	2 500.00	2 500.00

These detailed financial statements represent the financial position of the company. These statements will be further used for future purposes. The figures used in these calculations are very close to the actual market sales and purchase rates, therefore these reports are considered to be valid.

## 5 SWOT ANALYSIS OF KENKO Oy

A SWOT analysis represents the strengths, weaknesses, opportunities and threats for a company. It is highly recommended to do this analysis to make sure what business is actually capable of and what not. Here is the SWOT analysis for Kenko Oy.



### 5.1 Company Analysis

*On the basis of SWOT analysis* it is easy to predict the future of Kenko Oy, the company holds strengths such as market opportunities and already large pool of companies with which Kenko can create a partnership.

*The opportunities can* be ease in tariff and import-export duties which can make company to compete well in the market. Also the products can play an important role in creating market niche for the Kenko Oy.

Besides that the company would have to face threats such as change in prices and competition from other EU countries. Moreover the weaknesses can be geographical locations and some financial aspects.

## 6 CONCLUSION AND FURTHER RESEARCH

### 6.1 Answer to Research Questions

In the following table 5 answers to questions which were made in the beginning are presented.

Table 5 Research Questions answered

Questions	Answers
How to write a successful business plan?	90% explained.
Why business model is necessary?	Briefly explained in Chapter 2
What are the reasons for choosing specific countries for doing business with them?	100 % explained with most suitable resources in Chapter 3
What will be the products/services of the business?	Scrap raw material and Seafood basically every in demand products
Who will be the consumers/buyers of products or services?	Importers-Exporters from both countries and small and medium size companies
What will be the modes of operations of business?	Home based
How will be the business promoted?	Explained in detail in Marketing Plan
What would be the profitability of the business?	Please see Financial statements

From the table above, the answer to the question ‘‘ writing a successful business plan’ is answered very briefly by suggesting different types of business plans and their usage. Although still there are many things that need detailed citation and explanation. Also the country details are explained briefly but due to changing circumstances they need to be modified in future.

## 6.2 Reliability of Data

Every information used in this paper is from reliable sources, most of the sources are electronic but maintained by government official registers and government statistics. The data used to define business plans and various business models has been taken from books and different articles, therefore the reliability is considerable. As far as the business plan for the company is concerned, the figures are imaginary but still very close to the recent market trends and prices. The author has spent much time in gathering figures for financial plans, the author met personally and on telephone to different business groups and owners to compile the final numbers. Although as said earlier that business and its trends changes very fast therefore this business plan might not work for any other person or countries.

## 6.3 Further Research

It is highly recommended to conduct several other researches before implementing or conducting this business plan. This may include a thorough study of import-export procedures in both countries i.e. Finland and Pakistan. Due to the limitation those procedures could not be included in this study however the author has already gathered all the necessary information for those procedures and is well aware of new taxation or other import-export duties. Import-export policies are maintained by government decisions, thus they can be changed during the course of business and therefore it is important to understand the general rules in order to avoid any future problems. For researches it is advisable to conduct their future studies on country’s demographics and future needs. This can be achieved by conducting a market research and in depth study of country profiles. As far as Kenko Oy is concerned it is necessary to add a long term business plan because it is common to face tough competition, low sales and even loss. For

testing purpose this business model can be suitable for trading companies and for those who are interested to explore new markets and new products.

## 7 SUMMARY

The core of this study is to generate a successful business plan. In the beginning there are different types of business plans which can be used by individuals or companies according to their own needs. The topic itself is very wide and due to several limitations the author kept his focus on most appropriate information by understanding the importance of reliability and validity. Planning and writing a successful business plan requires both knowledge and time. A business plan must consist of actual facts and figures and in depth knowledge of the industry. In the past many successful businesses grew without having any initial business plans, they were just based on individual's own idea and motivation. But in today's world when there is huge competition and strict financial situations, a business plan is a key to success. A business plan acts as a road map which provides guidelines to achieve the required targets. Every business requires a certain type of business model because that reflects the picture of a business and either a business man is aware on not there business contains a model in it.

The real case of Kenko Oy provides information about business idea of the author and contains full business plan. The financial statements reflect the future of the business plan with respect to its revenues and future growth. In the conclusion, answers are provided for the questions asked in the beginning and gives recommendations for future. On the whole from the author's own experience it is advisable to start own business in Finland due to support services provided by both private and public sector and also because of business environment of the country.

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