



INVESTMENT PROPOSAL

Business venture information	The new business venture is an online strength-training program. Members, as well as non-members, can join through the website. Customers will be charged \$25 per month through direct debit, and they will have access to videos, articles as well as nutrition tips and diet plans.	
Upfront cost of the business venture	The total cost of the business venture is \$36,800	
Amount requested	We would like to request the amount of \$20,000	
Available funds	We currently have \$20,000 available	
Expected sales (first month)	The marketing team conducted a survey to see if current members would be interested in joining an online program. They also conducted research to identify the expression of interest for online programs in the market and they expect 150 sales in the first month with the number increasing in the following months.	
How will the business capital be used	Website Development	The Bounce Fitness Web Design team will have to organise where the content will be uploaded and how customers will be charged. After analysing the project requirements with the IT team, we were advised that the overall cost will be \$12,000.

	Advertising & Promotion	<ul style="list-style-type: none"> • Social media posts (Facebook and Instagram) • 100 flyers on the reception desk • Five (5) Posters inside the fitness centres in key locations <p>After analysing the project requirements with the marketing team, we were advised that the overall cost will be \$2,000 for 8 weeks to launch and promote the new business venture. After the initial 8 weeks, they believe that they will only need an extra \$500 per month to keep promoting the online programs. The current monthly cost for advertising all the services Bounce Fitness offers is \$2,500 per month.</p>
	Wages & Salaries	<p>Two of the fitness instructors are working full time and three of them are working on a casual basis for 15 hours per week. Their wages are below: Full time: \$6,400/month Casual employees: 40/hour</p> <p>The casual fitness instructors are currently working 15 hours per week but will be required to work 5 hours extra to assist with the development of the videos for 8 weeks. So, the Sydney centre will need to spend \$4,800 (\$40 x 5 hours x 3 fitness instructors x 8 weeks) on wages for the new business venture.</p>
	Video development cost	<p>We will need to engage a team to develop our videos professionally. We found an experienced team of videographers that agreed on \$600 per video. Their services include filming, editing and use of the latest equipment</p>
	Contingencies (unexpected costs)	<p>\$3,200 will be requested to cover any unexpected costs</p>
How will the new business venture assist the implementation of Bounce Fitness's business plan:	<p>The new online strength training program will assist the implementation of Bounce Fitness business plan by supporting the achievement of the financial goals for each fitness centre described in it.</p> <p>Financial Goals for each centre for the coming year</p> <ul style="list-style-type: none"> • Return on investment of at least 15% • Increase net earnings by at least 10% • Achieve a market share of 15% in each area 	

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| | <ul style="list-style-type: none">• Increase sales 5% by June 30 through marketing initiatives• 30% new memberships after December |
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