

**BUSINESS PLAN FOR BRIDEBOOK.COM**

by

**Sonya Sangha  
Bachelor of Arts, Carleton University, 2005**

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## Approval

**Name:** Sonya Sangha

**Degree:** Master of Business Administration

**Title of Project:** Business Plan for Bridebook.com

**Supervisory Committee:**

---

**Sudheer Gupta, PhD**  
Senior Supervisor  
Assistant Professor  
Faculty of Business Administration

---

**Neil R. Abramson, PhD**  
Second Reader  
Associate Professor  
Faculty of Business Administration

**Date Approved:**

## **Executive Summary**

Bridebook.com will be Western Canada's first wedding resource website targeting a wide variety of audiences in Metro Vancouver. Such audiences include prospective brides, her friends and family as well as wedding planners. The services offered by Bridebook.com will enable brides to consult one reliable source for their entire wedding planning needs rather than the hassle and time commitments of visiting numerous vendors, planners and service providers. Brides are thus able to relax throughout the period up to their special day! Bridebook.com's inspiration stems from the social networking concept and web based communities that modern day computer users are seeking. Bridebook.com's mission (statement) is "to turn every Bridezilla into a Zen bride!"

### **Opportunity:**

Bridebook.com offers Metro Vancouver a unique, engaging, user-friendly, and most importantly, a one-stop shop for all brides to be. The essence of Bridebook.com lies in the premise that the brides in the Metro Vancouver are looking for making their wedding day extraordinary with minimal stress and time commitments. The traditional wedding planner will have only a few partnerships with vendors; however, Bridebook.com has an extensive list of reputable vendors that offer a wide array of themes, price points and services. With almost 24,000 brides consummating their nuptials every year in a \$4 billion industry, Bridebook.com will be the first of its kind in the currently underserved Metro Vancouver market.

**Our Customers:**

Whether one is a prospective bride in the age range of 24 to 35, a bridesmaid between 16 and 23, or an older bride (or friend) 36 years old plus, Bridebook.com is confident that its content will have something that sparks the interest of many demographics. The typical user will be web savvy and inspired to save money, time and stress. Bridebook.com does not discriminate; women of all ages, backgrounds, cultures and motivations will benefit from the services provided by this website. Vendors and Advertisers are also customers who will experience countless advantages from partnering with Bridebook.com, the most important being extensive exposure to a vast prospective client base.

**Value Proposition:**

Becoming a registered user on Bridebook.com boasts absolutely no risk to the user, as there are no fees or charges associated with use. As revenues will be extracted from multiple revenue streams of referrals and ad-based sales, Bridebook.com will offer extensive visibility opportunities for advertisers. With its comprehensive services such as photo sharing, marketplace, registry lists, music lists, new trends and vendor listings, to name only a few, Brides will never be stressed, overwhelmed, or time constrained throughout the planning months to their magical day, as everything they will need for the months to follow will be located all on one website, from the comfort of their home!

**Growth Prospects:**

The wedding market in Canada is estimated at \$3.8B and there were 20,770 weddings in British Columbia in 2008 with an average price tag of \$28,000. There are

655 wedding related vendors in the Metro Vancouver area. Once Bridebook.com has conquered 40% of that market, we will proceed with expansion plans across neighbouring geographical locations.

**Competitors:**

Currently, only six websites offering wedding information and resources exist as competitors. Majority of them serve merely as directories of wedding related vendors and provide no interactive, unique or themed material for their users. Bridebook.com will capitalize on the shortcomings of its competitors, and strive to gain majority market share.

**Management and Financials:**

Bridebook.com will be owned and operated by its CEO, Sonya Sangha, who comes from an event planning and HR background. Ms. Sangha brings an array of business contacts and clientele as well as years of industry experience in the wedding planning industry.

Bridebook.com's goal is to secure 400 vendor listings and 100 banner advertisements during the first year of operations. This will enable the firm to break even during its first year as well as make a profit of nearly \$1.2 million. In order to accomplish these targets and establish itself as the leading provider of online wedding resources for the Metro Vancouver region, the required initial start-up funding is calculated at \$86,040, which will be financed by the owner coupled with a line of credit.

## **Dedication**

For my family and friends who offered me unconditional love and support throughout the course of my education.

To my dad, you have always been an inspiration, thank you for exposing me to the business world from when I was a little girl.

## **Acknowledgements**

Thank you to my colleagues and friends; Anant Bhatti, Celeste Munger, Zeynep Arslan, Ladan Mehrabi, Sabrina Saran and Shania Khan for their expertise, insight and contributions to Bridebook.com.

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## Glossary

KSF	Key Success Factor
SEO	Search Engine Optimization
ROI	Return on Investment
QOS	Quality of Service
IT	Information Technology
HR	Human Resources
CEO	Chief Executive Officer
K	Denotes Value of Thousand

# **1: Company Concept/ Overview**

## **1.1 Company Summary**

Bridebook.com provides an interactive, engaging and informative experience for any individual involved in planning a wedding; may they be a bride, her maid of honour or friends and family, wedding consultants or local vendors. Bridebook.com specializes in providing a stress free pre-wedding planning process whilst allowing brides to complete their post-wedding tasks seamlessly.

Bridebook.com is customized for the Metro Vancouver area; however, further expansion into neighbouring geographical markets will be executed in the near future.

Although competition exists in the online wedding resource arena, Bridebook.com satisfies a niche market (Metro Vancouver) that is not saturated. Bridebook.com differentiates itself by providing an interactive community for users.

Furthermore, Bridebook.com also differentiates by incorporating a wide variety of unique resources and information particular to the Metro Vancouver area. Bridebook.com enables brides to plan their wedding in the comfort of their home rather than visiting separate vendors or sources to receive the information they require. This website provides up to date information, current trends and themes for brides with a few examples being destination weddings, ethnic weddings, same sex weddings, "green" (sustainable) weddings, as well as a section for the economically minded bride.

Bridebook.com is expected to gain viral attention from the bridal community, as it is complimentary for users and one of its kind in the Metro Vancouver area. All users may preview Bridebook.com by clicking on the website and exploring the services available to them; thus any user may be a spectator. However only registered users may actively engage in the Bridebook.com community. Registered users will receive weekly e-newsletters providing them with links to updated material and various promotions being offered on the website. Registered users will also have the ability to use the various features on Bridebook.com that will be visible to the spectator users but not accessible for use.

Bridebook.com will operate with an ad based revenue model. Bridebook.com's two tier revenue system is unique as it extracts revenues from both vendors to list their company as well as advertisers who may purchase banner ads throughout the website. This two-tier revenue system will allow Bridebook.com to extract variable revenues and grow exponentially. Revenues generated from the vendor customer segment work in the following way: suppliers and vendors will have a listing in their subsection (e.g. caterer's) and will pay Bridebook.com a base rate fee as well as a commission fee based on referral sales. Advertiser revenues will consist of firms that will commit to banner advertisements where a flat fee will be charged for advertising as well as a cost-per-click fee. The metrics for the referrals and clicks will be measured and tabulated internally at Bridebook.com.

## **1.2 Comprehensive description of product/service**

Bridebook.com's homepage will encompass a user friendly, modern, colourful, and stylish template (see Figure 1). The design template (concept only) of the homepage is inspired to have a clean and crisp feel by industry leaders in website design: Artis Tech

Media. The homepage will consist of the company name, Bridebook.com, with the company motto “where your fairytale begins” scribed underneath. Links to various social networking sites such as facebook.com, digg.com, myspace.com, twitter.com and youtube.com are provided to promote traffic. Figure 1 displays a prototype of the Bridebook.com homepage followed by a description of the website’s features and services.



Figure 1: Prototype of Bridebook.com Homepage

Under the Bridebook.com title, a user will find eight icons which will link them to various resources and information on the website. These will be visible to the spectator user; but only accessible to those who become registered users.

Summarized below are the icons on the homepage that provide the functionality behind Bridebook.com:

1. **My Wedding-** the icon “my wedding” represents the information that is particular to each user as they update and personalize their planning. Each registered user will have the option to share information with friends and family allowing them to be involved in the planning of their magical day. The user may create a password and invite friends and family to access webpage’s under “my wedding”. Users may customize who they want to see what information in their privacy settings.

Below is the list of webpage’s found under the “my wedding” icon;

- **My Wedding Checklist-** a comprehensive to-do list will be featured on a page which will be attached to each user’s profile so that progress of upcoming and outstanding tasks may be monitored in list or calendar view. A basic template will be provided, however each user may customize their list by adding or deleting tasks. Alerts will be emailed to each user when a task is incomplete.
- **My Wedding Notes-** brides no longer need multiple books, notes, business cards or information papers for their planning process. My wedding notes allows brides to keep an up to date contact list as well as update notes and information on a webpage customizable to their needs. This will eliminate disorganization and stress caused by loose papers and lost contacts or business cards. This information may be shared with



another registered user who may update information in real time.

Previous drafts will be saved until the user eliminates them from their “wedding notes”

- **My Music List-** a music list may be one of the most important aspects of entertaining guests and ensuring they are celebrating the wedding functions. Brides no longer have to store a playlist or their special song in their memory or on multiple compact disks; “my music list” will do this for them as well as allow other registered users (friends and family) to suggest their favourite songs.
- **My Registry-** brides no longer have to register for wedding gifts at one establishment. Brides may customize their wedding registry template provided on this webpage to start their life as a couple with everything they might ever need! My registry allows brides to choose items from multiple companies as they just input the brand and quantities on their list while guests are responsible for updating purchased items.
- **My Photobook-** it is very difficult to find the time to share one’s wedding albums and pictures with their loved ones shortly after tying the knot. Therefore; by creating online albums on “my photobook”, users may share their favourites while they are on their honeymoon. Guests of the wedding may also load pictures that were taken with personal cameras if they are registered users.

2. **Trends/tips-** Bridebook.com will provide the latest trends in the wedding arena on its website. This may include the year’s popular colors, the newest fashion for

the bride and the bridal party, decoration and centrepiece ideas, and tips and suggestions for local vendors.

3. **Vendors & Resources-** a list of local suppliers and resources will be provided.

The vendors listed will have a free trial for a period of four months and will pay a nominal fee after the trial period. Commission (10%) will be collected for each referral sale, where the bride (user) purchases a product or service offered by the vendor. Below is a list of supplier categories; the number beside each category represents the number of vendors that will be targeted for Bridebook.com listings; this is only a portion of the total number of vendors in each category found in the Metro Vancouver area. The numbers below are what would be a feasible proportion of local vendors so that listings for users do not get overly extensive. A capture rate of 60% will be a minimum benchmark to be retained.

- ❖ Florists: 31
- ❖ Wedding Reception & Banquet Halls: 37
- ❖ Yacht & Cruise Weddings :5
- ❖ Live Musicians & Entertainers :43
- ❖ DJ's and Mobile Music Services: 20
- ❖ Bridal Consultants & Wedding Planners: 32
- ❖ Bridal Shops & Boutiques: 30
- ❖ Wedding Decorators : 15
- ❖ Cakes: 22
- ❖ Catering & Bar Services: 20
- ❖ Men's Formalwear & Accessories: 16
- ❖ Bachelor Parties 2
- ❖ Bachelorette Party Services: 19
- ❖ Wedding registries companies i.e. The Bay, IKEA, Atkinson's, Urban Barn: 15
- ❖ Bridal Makeup & Hair Stylists: 78

- ❖ Churches/temples: 30
  - ❖ Travel agents- honeymoons: 15
  - ❖ Hotels: 18
  - ❖ Wedding Photographers: 69
  - ❖ Engagement Rings, Wedding Bands & Bridal Jewellery: 51
  - ❖ Limousines, Carriages & Classic Cars: 12
  - ❖ Romantic Lingerie & Accessories: 11
  - ❖ Wedding commissioners: 15
  - ❖ Wedding Shows & Expos: 10
- Total of 616 potential (target) vendors**

4. **Unique weddings-** an icon for unique weddings will be found on Bridebook.com for non-traditional concepts such as cross cultural weddings, same-sex weddings, destination weddings and simple (budgeted weddings and green weddings). Each unique wedding idea (below) will briefly outline trends, tips and suppliers specializing in each area.

- **Cross-cultural weddings:**

Cultural and Inter-racial marriages are a growing trend in the wedding industry as the Metro Vancouver area becomes more diverse. The following cultures will be highlighted: Chinese, Iranian, Indian, Japanese, Arabian and Filipino, with expansion to other cultures foreseeable in the near future. A page link will be created for each culture with information and a list of vendors specializing in planning for their respective culture.

- **Same sex unions:**

As a result of a BC Appeal Court's decision, same sex marriage is legal in British Columbia, effective July 8, 2003. Therefore, same-sex unions will gain exponential popularity, especially as other nations have more rigid laws.

Information and guidelines on same-sex legislation and the wedding process will be outlined and updated regularly.

- **Economical Options:**

With a volatile economy and thousands of layoffs, the demand to cut wedding costs will likely increase. This section will introduce brides to creative, yet inexpensive ideas and suggestions to ensure that their marriage begins in the positives: in both love and the bank balance. Specific vendors catering to the low-maintenance bride will be listed in the supplier directory.

- **Destination weddings:**

Many couples want to get away for their upcoming nuptials and share their magical journey as a married couple solely, from day one. Destination weddings are becoming popular not only for their minimal expenses, but also for those desire simplicity for their wedding, have extensive family around the globe that may want to come together in a holiday like setting, or could be getting married for the second or third time. This section provides users with information, resources, vendors and contacts of how to plan this magical stress free wedding option while not compromising on quality.

- **Going green:**

Wedding industry insiders say that the trend of going green with weddings is one that has staying power. Information, vendors, articles and ideas will be incorporated into the “green” page so that brides can have the option of being mindful of the ecosystem while still having an unforgettable wedding experience.

5. **Upcoming events-** upcoming events such as fashion shows, bridal shows, wine tasting events and new venues will be highlighted on a calendar that will be saved under registered users' profiles in "my wedding". These calendars may be updated and additions may be incorporated by the user if desired. Alerts will be sent to the registered user's email address to remind them of functions that they have highlighted as "high interest" so opportunities are not missed.
6. **Forums/ blogs-** this is a discussion arena where brides may discuss ideas, suggestions as well as resources they utilized. The postings on this page include content followed up with user postings that can include text, photo and video. The forums will be user monitored; users may flag content which they deem inappropriate or offensive, thus reducing monitoring costs.
7. **Marketplace-** user retention may be maximized with the incorporation of an online marketplace targeted to bridal items only. Users may sell or buy fixed price or auctioned items such as wedding dresses, decorations, doubled gifts and wedding knickknacks on Bridebook.com. Transactions on the Bridebook.com marketplace will be conducted through an online billing system similar to PayPal; ensuring limited responsibility for Bridebook.com.

A search field will be implemented under Bridebook.com's seven functionality icons. User's may easily find material specific to their interests and save time of having to peruse the website.

The middle-centre of the homepage will consist of visually appealing rotating images related to weddings (cakes, decorations, holidays, dresses, flowers, etc.) coupled with intermittent advertisements to keep the homepage eye catching and engaging. Each

picture will be linked to a related article or news item. The user will choose the speed of the rotational display by the buttons located on the bottom of the slideshow.

Below the rotational image section will be a "feature bride" photo and write-up. This will consist of a user of Bridebook.com who recently got married. The feature bride is changed bi-weekly and chosen by Bridebook.com staff. This will provide current users with a real life experience and inspirational connection to an individual who benefitted from the services provided by Bridebook.com. This fairytale-like section will incorporate pictures from the wedding along with a brief write-up on the bride's magical wedding experience.

Interchanging banner advertisements will be found on the far right column of the Bridebook.com's homepage. These ads will allow non-registered users to preview samples of the vendors that will appear under the "vendors & resources" section of Bridebook.com. These banner advertisements will provide a colourful and engaging aspect to the website while maximizing revenues for the company.

Contests and Vendor coupons will be randomly forwarded to each user's email address with a specific promotion code. This will allow Bridebook.com to have high user retention while inspiring the users to engage in more services on the Bridebook.com by creating a fun and exciting atmosphere. Bridebook.com will be responsible for prizes for the first quarter; and will engage in getting vendor sponsorships for prizes once the website gains exposure. Coupons for various vendors listed on Bridebook.com will also be offered through registered email addresses. This initiative will allow Bridebook.com to monitor referral sales and track commissions.

### **1.3 Mission Statement and Goal Statement**

The mission statement and goal statement were created to provide a clear direction for all employees of Bridebook.com. Both statements are inspirational in theme to the Bridebook.com family as well as customers. Customers of Bridebook.com are exposed to the high degree of customer service offered by the firm, whilst the employees are given a basis to work towards achieving their prescribed goals.

#### **Mission Statement:**

*To ease the stress and add “Zen” to the wedding planning process.*

#### **Goal Statement:**

*To be recognized as the #1 online resource for brides to be in the Metro Vancouver area and to reach 14 million page views by the end of year one.*

### **1.4 Objectives**

- To be a one stop shop for all prospective brides and wedding planners in the Metro Vancouver area
- To relieve the stress of vendor to vendor shopping, and introduce a complete online resource for wedding planning
- To gain high user retention by introducing a marketplace and “my photobook” which will have brides returning to the site. This will also allow Bridebook.com to gain additional users by sharing and involving family and friends in the wedding planning process.
- To allow vendors to showcase their products and services to an arena of prospective clients.

- To introduce new and up to date trends, tips and ideas for a prospective bride's upcoming wedding

The main objective of this business plan is to establish Bridebook.com as the premier resource for prospective brides in Western Canada. Bridebook.com is committed to providing its users with an experience that will give them unique and trendy resources for their special day. Furthermore, the marketing strategies and financial projections will measure and reveal Bridebook.com's achievement of its objectives by reporting and analysing user and financial data.

## **1.5 Competitive Advantage/ Niche/ Core Competencies**

Bridebook.com is a concept that will satisfy a niche market that is currently absent in the Metro Vancouver wedding market. The competitors do not retain users as they cater to limited resources, rather than a comprehensive source for all services, leaving the customer no option other than to visit numerous websites for different services. By aggregating a complete range of wedding services and resources under one website Bridebook.com will offer its customers the ease and convenience of "one-stop shopping". Additionally, Bridebook.com caters to cross cultural weddings (Chinese, Indian, Arabic, Persian, Japanese and Filipino) as well as same-sex weddings; both being emerging markets in a city such as Vancouver that supports and embraces diversity. The increasing trend for humans being more sensitive and accountable to their environment is also an area where Bridebook.com stands second to none. Incorporating a "green" philosophy will not only benefit those who already believe in sustainable practices; but will also bring awareness to those who may become inspired to showcase their newfound



commitment to Mother Earth! Furthermore, as destination weddings are increasing in popularity, Bridebook.com offers users information and resources on contacts, vendors, and geographic information to ensure that users are coupled with the relevant sources for their magical wedding experience.

The main competitors in the market are websites full of resources and information, similar to a yellow-pages directory. In contrast, Bridebook.com livens and inspires the wedding planning process by offering engaging and interactive material and opportunities. Bridebook.com is not just a site that provides information; instead, it is an online community where Web 2.0 users can create virtual relationships and bonds. Bridebook.com allows the users to share experiences, inspire ideas and learn from real life experiences.

User retention for Bridebook.com is facilitated by three methods: coupons, contests and information sharing. Emailing users' coupons for various vendors will spark interest in the website vendor directory, and user retention will be strengthened by contests and the possibility for users to win prizes. Furthermore, information sharing with friends and family will generate a larger user base, as those who desire to share information (i.e. Photos, music lists etc.) will be required to create a Bridebook.com account. The majority of the other websites have not yet broken into this domain. Bridebook.com is in the business of developing long-term relationships with our users by offering materials that may be utilized after the wedding, such as thank you notes, the marketplace and photobook.

The main inspiration behind many of the features of Bridebook.com is that the labour intensive aspect of wedding planning will be eliminated. For example, "thank you notes" is a task that many couples dread tackling; however, Bridebook.com will provide

users with a database where names, items and personalized messages can be created to send electronic thank you cards to recipients. Bridebook.com gives users greater options and flexibility in planning their wedding while eliminating the uncertainty of quality of products and services in the market.

## **1.6 Company Ownership**

To provide a high degree of legal protection, Bridebook.com will be incorporated under the laws of British Columbia and will be solely owned by its founder Sonya Sangha.

## **1.7 History and Current Status**

Bridebook.com is an idea and concept developed by five MBA students; Sonya Sangha, Shania Khan, Celeste Unger, Anant Bhatti, Zeynep Arslan and Ladan Mehrabi. At present, Bridebook.com is being executed as a start up firm.

## **2: Industry Analysis**

This chapter will analyse the wedding planning industry in Metro Vancouver and reveal the attractiveness of the market in terms of industry profitability. The application of Porter's Five Forces Model will determine if Bridebook.com will be competing in a saturated market and whether entry into this market will be successful.

### **2.1 Description of Wedding Planning Industry**

The online wedding resource industry incorporates links to local businesses involved in the every step of planning such as bridal gown retailers, florists, wedding consultants, honeymoon planners, beauty services (hair and make-up), limousine services, caterers, and photographers. These vendors are primarily independent businesses that compete to be the service of choice for couples. This competition benefits online wedding resource sites that may help suppliers stand out while generating revenue through affiliate and partnership agreements.

In terms of the social media industry, a growing trend in business communication is the rise in the importance of social media as a two-way communication channel between consumers and businesses. Social media is about sharing and discussing information and can be broadly categorized as blogs, social networking sites, as well as Internet discussion boards.

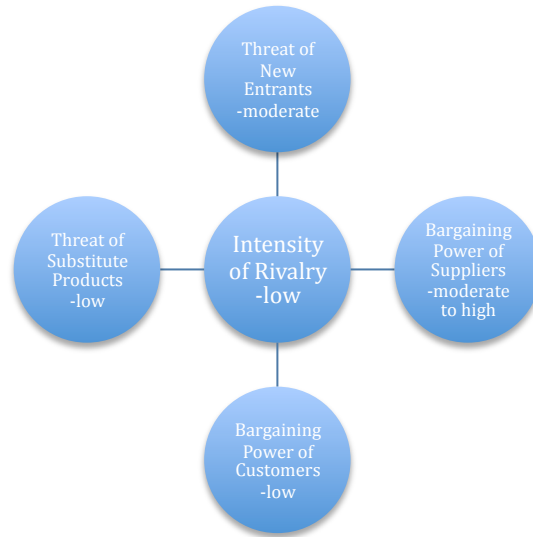
The concepts of online social networking partnered with online bridal website is an idea that is unfamiliar to brides in British Columbia as it is an unsaturated market by

other firms. As the lives of women are becoming increasingly busy, they seek less time consuming routes to satisfy their planning needs. Many may consult with wedding planners; however, most desire a more cost effective and personal touch of planning their own weddings.

## **2.2 Porter's Five Forces Model**

Porter's Five Forces framework for industry analysis (1979) will be applied to conduct a qualitative evaluation of Bridebook.com's strategic position and business strategy development. The Five Forces; threat of new entrants, threat of substitutes, bargaining power of suppliers and bargaining power of customers will reveal the intensity of rivalry in the wedding planning industry. Analysis of the five factors will determine Bridebook.com's key success factors that are the strengths of the firm that will give them competitive advantage in the market.

## Online Wedding Resource Industry



**Figure 2: Porter's Five Forces Model for Wedding Planning Industry**  
(Porter, 1979)

### 2.2.1 Threat of New Entrants

Profitable markets that yield high returns will draw firms, resulting in many new entrants, which will effectively decrease profitability (Porter, 1979). Unless incumbents can block the entry of new firms, the profit rate will fall towards a competitive level of perfect competition. Bridebook.com will undergo extensive efforts to ensure that it can remain competitive to deter any new interest in the market.

Bridebook.com will achieve high product differentiation, as the existing competitors in the market do not incorporate the many features that make Bridebook.com

so promising. Many of the competitors in the online wedding resource industry are also just vendor listing sites and do not incorporate the engaging web 2.0 functionality.

Capital requirements will be low as there will be no need for an office, staff will be limited, and operations will only consist of website design, hosting and maintenance. This may attract new firms to the industry.

Switching costs to buyers will be non-existent or very low as there is no user fee for registered users of Bridebook.com. Most of the competitors in the industry utilize ad based revenue models, so it is highly unlikely that users will incur exit fees. All that is required by users to access Bridebook.com is an Internet connection (which is a staple in most households); therefore there will be no equipment or installation costs. The ease of access and use of Bridebook.com will enable users to have little or no learning costs or cognitive effort.

The access to distribution channels for selling Bridebook.com to customers (vendors advertising) is mainly through a direct channel. This is accomplished through the firm's sales force in addition to web-based initiatives.

Few government policies exist in the execution and introduction of Bridebook.com with the exception of privacy policies that will be aggressively incorporated.

The incumbent's (myweddingsvictoria.net) defense of market share is not significant as it is tailored to the Victoria market. Vancouver does not currently have a similar bridal resource website, so a large untapped market share exists. However, many prospective brides may consult other independent bridal websites (dress vendors,

photographers, makeup artists etc.) or larger wedding sites (i.e. Martha Stewart Weddings, weddingbells.com, InStyle Weddings etc.) for their bridal needs.

As evidenced by the current market demand section below, the industry growth rate is stable. Although couples may either cut down on the costs of their wedding due to economic conditions, or plan more lavish weddings suitable to their personal preferences; the growth rate of the industry will always be steady; prospective couples will always have the need for wedding resources.

**Threat of New Entrants is moderate, as minimal barriers to entry exist for new incumbents.**

### **2.2.2 Threat of Substitutes**

According to Porter (1979), the existence of close substitute products increases the propensity of customers to switch to alternatives in response to price increases (high elasticity of demand). An analysis of substitute products below will determine the demand of the services provided by Bridebook.com.

The major substitute to Bridebook.com would be the services offered by independent wedding planners. Wedding planners serve the higher price point of the market as they have considerable costs attached to their services, whereas Bridebook.com is free of charge to users. This results in low switching costs for users to use Bridebook.com and discontinue with current providers. Although a prospective bride may have a wedding planner to coordinate the wedding, however, brides will most likely still research and browse the Internet to find inspiration, ideas and vendors they may want to

employ. Complements are dating sites such as: Lavalife, PlentyofFish and Shaadi.com etc., which will be targeted for partnerships by Bridebook.com.

### **Threat of substitute products is low**

#### **2.2.3 Bargaining Power of Suppliers**

According to Porter (1979), suppliers of raw materials, components, labor, and services (such as expertise) to the firm can be a source of power over the firm as they may refuse to work with the firm, or charge excessively high prices for unique resources. Therefore, the bargaining power of suppliers must be determined to avoid any prospective unfavorable situations that may halt operations.

The main suppliers for Bridebook.com are the web hosting company, the web designer, the writer(s) and website maintenance clerks to ensure that Bridebook.com operates seamlessly. These four suppliers; although crucial for operation; have very high competition as they face many competitors with similar products in a local geographical area. Metro Vancouver has a plethora of web hosting and design firms that compete on price and differentiation of the products and services they offer.

The supplier with the most power or threat would be the writer as this individual(s) provide the content of the website. There is heavy reliance that the information provided by the writer is current, trendy and relevant to the users. Writers may differentiate by having more extensive knowledge of the wedding industry.

Furthermore, the maintenance of the website is key to operations as a high standard quality of service will ensure that the website is accessible to users at all times and additionally served to them in a fast and secure manner.



Patents, copyrights and licenses will protect Bridebook.com's suppliers from engaging in forward integration; suppliers cannot legally copy proprietary information, similar to non-competitive clauses in agreements. All suppliers will be required to sign non-disclosure and non-competitive agreements.

**Supplier power is moderate to high**

#### **2.2.4 Bargaining Power of Customers**

According to Porter (1979), the bargaining power of customers is the ability of customers to put the firm under pressure which also affects the customer's sensitivity to price changes. Bridebook.com will ensure that users and advertisers have minimal buying power while demand for its services remains high.

Bridebook.com has two types of customers: vendors that advertise on the website and end users of the website. Because the Metro Vancouver area does not have many competitors in the online wedding resource industry, a higher proportion of buyers (users and vendors) as compared to sellers currently exists.

Vendors or advertisers may choose to advertise in newspapers, magazines or bridal shows; this gives them options that create competition for Bridebook.com. Therefore, vendors have significant bargaining power, but only until Bridebook.com gains popularity and exposure. With the rise and adoption of e-commerce tapping into the bridal market and breaking into Vancouver, more businesses will lose any competitive advantage if they fail to participate in web based advertising initiatives.

Switching costs are significant for vendors (advertisers) as they may already have advertising agreements or contracts with competitors. It may be costly to terminate

agreements that are already in place. For example, advertising in a newspaper or magazine and then switching to Bridebook.com before the first agreement is fulfilled may be costly to smaller businesses. Bridebook.com will overcome this concern by offering a free trial period to vendors.

Alternately, users have minimal buying power. The website; being one of it's kind in Metro Vancouver will be the unique as it is tailored for it's respective geographic area. The alternatives that exist in the market are located in the United States and Eastern Canada and will be not be relevant to the Metro Vancouver user. Furthermore, as weddings are considered as one of the most important milestones in any individual's lifetime, any services that assist in planning will have high importance to the end user. Furthermore, brides are becoming increasingly involved in planning their own weddings, personalizing their functions and creating a unique and memorable experience. End user buyer's may consult other established resources (e.g. Martha Stewart Weddings); but will ultimately rely on the information provided by Bridebook.com as they require local vendors in Metro Vancouver to carry out their wedding planning.

Switching costs are very low for end users as Bridebook.com does not charge a user fee; therefore it can supplement magazines and bridal shows; which are two popular resources for information that are commonly frequented by brides.

**Buyer Power is moderate for vendors and low for end users.**

### **2.2.5 Intensity of Rivalry**

For most industries, the intensity of rivalry is the major determinant of the competitiveness of the industry (Porter, 1979). Rivals may compete aggressively and in non-price dimensions such as innovation, marketing, or sales to beat their competitors.

Metro Vancouver does not currently have any local bridal resource websites. The rivals that currently exist are bridal resource websites found in Eastern Canada and one in Victoria (refer to section 4.1- competition). These competitors are a minor threat to Bridebook.com as they are geared for a different geographical area and target market. Other competitors are well known “big name” bridal websites such as Martha Stewart Weddings, Instyle Weddings, Wedding Bells and Modern Bride. Majority of the big name competitors are targeted to an American audience. Although the relative size of the competitors may exceed that of Bridebook.com, it is likely that prospective brides will peruse the websites just to gain ideas and inspiration that they will search for in their local markets.

The industry growth rate for Canadian marriages is on the decline; in 1989: 190,600 marriages were recorded, but by 2000, this number was just 157,400—its highest level in five years (StatsCan). Although marriage rates are on the decline, cohabitation is becoming increasingly accepted. However, couples that cohabit will more than likely marry in the near future as their pseudo-marriage will prove compatibility and increase confidence that separation or divorce will be unlikely. Marriage rates may be declining in Canada; but British Columbia has seen a slight increase in marriages over the past five years (see section 2.1- market demand). The legalization of gay marriages and influx of

immigrants are also promising trends that may increase the marriage rate in Canada's most popular wedding destination.

Bridebook.com is a differentiated website as it is a one-stop shop for wedding planning. Brides no longer have to visit music communities for playlists, have different scrapbooks, notes and business cards (contacts) to be organized, sell their stuff on EBay or Craigslist or even yard sales, share their photographs on non trusted photo sharing sites, or consult many phone books, websites or vendors to buy their perfect dress, flowers, cake or the numerous other products and services for their weddings; all they have to do is visit Bridebook.com! Users of Bridebook.com will experience significant timesavings, cost savings and stress by obtaining the information they require for wedding planning from the comfort of their own homes. Furthermore, friends and family can be more actively engaged in the website to the extent that the prospective bride enables the privacy settings for her account. Bridebook.com is committed to innovating, growing, and suiting the needs of its users.

Switching costs are minimal for users and minimal to moderate for advertisers as Bridebook.com offers no user fees and a free trial period for advertisers; both have no risk in the forefront, and very minimal risk in the future as they both gain experience, information and exposure from Bridebook.com.

As consistent with any business entering a new market or industry, exit barriers do exist. Users must be informed that their information and online contributions to their user profiles may become obsolete. Bridebook.com may have to continue providing minimal services even if it does exit the market. Furthermore, contracts with suppliers and advertisers may have to be researched and measured so legal implications do not

exist. Considerable capital requirements have also been committed to research, implementation and operations; all providing a valid incentive to remain a key player in the market.

**Intensity of rivalry is low.**

Summarizing the above; overall, the online bridal resource industry in Metro Vancouver is a very attractive market as switching costs to users are low, differentiation is high, a high value added factor exists (time, money, stress), competition is scarce and demand is consistently moderate. Because the Metro Vancouver area is an untapped market, this may be an attractive industry for new incumbents to compete. Therefore, Bridebook.com must continually employ a differentiation approach that retains the current customer base but also attracts new users.

## **2.3 Key Success Factors**

Bridebook.com has many key success factors (KSF's) that enable it to have a competitive edge in its market. A list of the KSF's are categorized into seven main functional areas below:

- **People-** The management and staff of Bridebook.com have extensive expertise in departments such as IT, Finance, Marketing & Sales and HR; majority of the employees have significant experience in wedding industry which will enable them to bring their innovative ideas and skills to the online wedding resource industry. This key success factor is identified in the threat of substitute products factor as Bridebook.com's exceptionally experienced employees will deter customers from becoming interested in substitute products.

- **Resources-** Apart from the fine pool of skilled employees outlined above, Bridebook.com will have a plethora of suppliers and vendors in the local wedding planning trade, giving users a wide variety of choice no matter what their culture, wedding theme or budget may be. This key success factor is identified in the bargaining power of suppliers factor as the numerous suppliers (and options) will not place Bridebook.com in an unfavourable power position.
- **Innovation-** Bridebook.com is committed to constantly innovating and updating the website contingent to consumer demand and market research. The business concept is based on innovation and introduces a new service to prospective brides; Bridebook.com will match its innovative response to customer needs by having a solid understanding of the items lacking in the current market. Additionally, Bridebook.com will be extremely sensitive to changing market trends and any related legislation. This key success factor is identified in the intensity of rivalry factor as Bridebook.com competes aggressively in non-price dimensions.
- **Marketing-** The marketing initiative will be extensive so as to create a strong brand image and create high brand awareness. Ample opportunity for marketing at the numerous bridal shows exists. This will be beneficial as the organizers of these events supply each vendor with an attendee list of brides which can be exploited as a target market list. Furthermore, majority of the marketing will be self-driven as the information sharing aspect of Bridebook.com will expose the website to an extended market and the links to social networking sites will result in mass exposure of Bridebook.com. User retention post-wedding will be attributed to the personalized experience that the marketplace, photobook, and online community offer. The non-existent user fee and free trial period for

advertisers will attract attention as switching costs will be low. This key success factor is identified in the intensity of rivalry factor as Bridebook.com competes aggressively in non-price dimensions.

- **Operations-** Bridebook.com will have extensive and strong relationships with suppliers. The ease of use and interactive and engaging nature of Bridebook.com also offers advantages to both the consumer and the firm as it is groundbreaking territory in the online wedding resource industry. The simple organizational structure of employees divided into their business unit allows each department to focus on their core competencies. Also, the distribution channel does not involve any intermediaries which allows Bridebook.com to keep costs to a minimum and deliver its services directly to the user. This key success factor is identified in the bargaining power of suppliers and threat of new entrants factors as the efficient and productive operations of Bridebook.com will deter interest in the industry as well as reduce the dependability on specific suppliers.
- **Finance-** A firm and credible commitment to investment in emerging and growth markets will be undertaken by Bridebook.com. As this venture incorporates solely online functions, there is a cost savings variable that works to the firm's advantage; the financial resources may be allocated to marketing, innovation or increasing the sales force. ROI is therefore very high. This key success factor is identified in the threat of new entrants factor as the credible financial commitments made by Bridebook.com will prove that it is a fierce competitor and dedicated to remaining in the market.

### 3: Market Analysis

Conducting a market analysis will determine the demand for Bridebook.com's services. Such metrics as income, wedding statistics and competitors will reveal whether the wedding planning market in Metro Vancouver is saturated and if high user uptake will be expected.

Bridebook.com's concept is rooted in both the online wedding resource industry and the social media industry. Approximately 150,000 couples plan to get married in Canada this year, spending an average of \$25,883 on their wedding days, making the wedding industry a \$3.8-billion concern. (Bonoguore, 2009).

Although marriage statistics show that marriages across Canada have been on the decline, the province of British Columbia reveals the contrary. The number of weddings taking place in British Columbia, in particular, has been quite consistent over the past five years, as shown in Figure 3:

	2004	2005	2006	2007	2008
<b>BC Marriages</b>	22,080	20,007	20,660	20,697	20,770

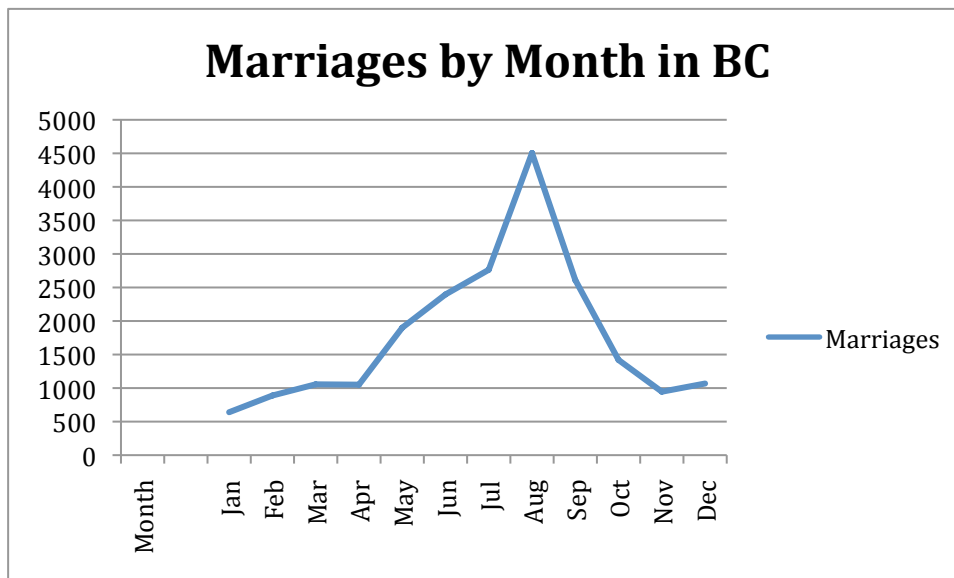
**Figure 3: Marriages in BC**

(Source: Statistics Canada, CANSIM, Last modified: 2009-03-26)



The Metro Vancouver wedding industry contributes more than \$200 million annually to the local economy; over 11,000 weddings a year take place in the region (Morton, 2007). This presents a very promising opportunity for Bridebook.com to tap into a market that is currently underserved in its industry.

The annual cycle in the wedding industry is highly predictable in BC with a consistent seasonal distribution. As illustrated in the Figure below, the trend reveals a rising number of weddings in May and June with the highest peak occurring in August. From August onwards, the number of weddings decreases substantially in the winter months.



**Figure 4: Marriages by Month in British Columbia**

(Source: Ministry of Health and Health Planning, 2002)

Thus, the market demand for an online wedding resource guide will be year long, not only in the offseason as prospective brides plan their weddings, but also in the spring and summer months as wedding proposals and engagements take place.

### 3.1 Industry trends

- **Destination Weddings:** Couples are no longer opting for a traditional ceremony incorporating many attendees. Significant cost savings as well as a stress free holiday are the main benefits of destination weddings. Destination weddings have gained popularity and this area has been growing both in dollars and a percentage of the Canadian wedding market. The most popular destinations for a “trip down the international aisle” include Hawaii, the Caribbean Islands, Europe and South America. This trend is becoming such a feasible option that; “demand for destination hitching has grown to the point that one in every 10 Canadian weddings is a destination wedding” (Hyatt and Isbister, 2008). Significant cost savings result from destination weddings; giving couples a head start on not only their honeymoons, but also on their savings during an unstable economic period.
- **Green Weddings:** Wedding industry insiders say that the trend of going green with weddings is growing exponentially to more than 30 per cent of Canadian weddings from 10 per cent eight years ago (Harris, the Province, 2004). Eco-friendly weddings look at the details as well as the bigger picture to develop strategies that will minimize the impact on the planet. This trend is especially relevant in the environmentally conscious Vancouver market. Implementation of environmentally low-impact elements may include eco-friendly drycleaners, purchasing cruelty-free cosmetics for the bridal party, supplanting traditional wedding favors with donations to the couple's favorite charity, using china and silver instead of plastic, following vegetarian or organic menus at the reception,

emailing invitations and thank you notes, composting leftovers or donating them to a soup kitchen, and arranging eco-honeymoons. With Canada being a nation of vast environmental resources; Canadians recognize the need to incorporate a “green philosophy” in all aspects of life; including their nuptials (Harris, 2004).

- **Ethnic/Cross-cultural Weddings:** Inter-racial marriage is a growing trend that the wedding industry is starting to serve. Increasingly, cultural wedding specialists and resources are needed to help arrange weddings in Vancouver's multicultural community, especially for those who are unsure of the customs and traditions of their ethnic spouses race or religion. Furthermore, the influx of immigrants, from a diverse array of countries moving into Canada, present another untapped market providing a promising future for the wedding resource industry.
- **Same-Sex Weddings:** Vancouverites are well known for embracing diversity, evidenced by their title as the “Gay capital of Canada”. British Columbia legalized same-sex marriage on July 8, 2003, and of all same-sex couples, 19.5% were married, representing 700 same-sex weddings (Read, 2004). According to the 2006 census, there has been an 11% increase in the number of same-sex common-law couples over the past five years. Same-sex marriages do not only involve Canadians; many couples from all over the globe travel to Vancouver to solemnize their nuptials. Capitalizing on this niche market will enable Bridebook.com to differentiate itself from its competitors and provide a complete resource of wedding planning service for its gay clients.
- **Economical Options:** With a volatile economy and thousands of layoffs, the demand to cut wedding costs will likely increase. About 25 per cent of couples plan to slice their wedding budgets in half, and one in 10 intend to cut back costs

by 75 per cent, according to a nationwide survey recently released by retailer David's Bridal (Corcoran, 2009). This section will introduce brides to creative, yet inexpensive ideas and suggestions to ensure that their marriage begins in the positives: in both love and the bank balance. Specific vendors catering to the low-maintenance bride will be listed in the supplier directory.

### **3.2 Demographic Segmentation**

The age segments present in British Columbia in 2006 that represent the typical age that most individuals get married falls between the 20-34 age range as shown in the Figure 4 below. Although this may be the primary target for vendors, the target market section in the succeeding paragraph will demonstrate that Bridebook.com will strive to attract all markets mentioned below as the website is complimentary for users and is a resource based service.

Age in Years	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-59	60+	Total	Percent
15-19	66	-	-	-	-	-	-	-	-	66	0.28
20-24	312	1,923	-	-	-	-	-	-	-	2,235	9.54
25-29	68	2,069	3,285	-	-	-	-	-	-	5,422	23.14
30-34	12	522	2,674	1,882	-	-	-	-	-	5,090	21.73
35-39	5	140	723	1,563	866	-	-	-	-	3,297	14.07
40-44	-	43	199	508	930	507	-	-	-	2,187	9.34
45-49	-	17	51	170	370	677	400	-	-	1,685	7.19
50-59	-	10	26	70	182	401	769	816	-	2,274	9.71
60+	-	3	5	9	30	54	130	418	522	1,171	5.0
TOTAL	463	4,727	6,963	4,202	2,378	1,639	1,299	1,234	522	23,427	
Percent	1.98	20.18	29.72	17.94	10.15	7.0	5.55	5.27	2.23	-	100

**Figure 5: Matrix of Bride and Groom Age Demographics**

(Ministry of Health and Planning, 2006)

Furthermore, the 2006 census revealed the median income for individuals in 2005 was \$42,230 (Statistics Canada, 2006). Utilizing income a demographic indicator for Bridebook.com may not be relevant as the services provided by Bridebook.com are of no charge to the user. Also, all vendors listed on the website will cover all ranges of budgets for prospective couples. Culturally, it is found that the parents and relatives of the couple to be contribute a significant portion of the costs associated with the wedding. For all these reasons, economic indicators are not heavily weighed into the strategy or business plan of Bridebook.com.

### **3.3 Target Market**

Bridebook.com's target market is broken up into two groups:

- 1) Users
- 2) Vendors and Advertisers

#### **1) Users**

Three categories of users are outlined below:

##### **A) Scopers:**

This group of customers is extremely web savvy. They peruse the Internet for news and information, and they expect information to be transferable instantaneously. The rise of instant communication technologies made possible through use of the internet, such as email, texting, and IM and new media used through websites like YouTube and social networking sites, may explain this group's reputation for being peer oriented and for seeking instant gratification. Scopers may be bridesmaids, or younger sisters or friends of the bride.

##### **Demographics:**

Age: 16 - 23

Gender: Female

Income: Less than \$30,000/year

Education: High School or College student

Family Life Cycle: Single, Dating

##### **Psychographics:**

Social; extremely tech savvy, enjoy communicating through social networking sites such as Facebook, MySpace, YouTube, etc

Buying motivators: want cutting edge information, brand conscious

**B) Brides (primary target)**

Our target market is female, with an average age of 28 years of which 68% are college graduates, 89% are employed and the average household income is approximately \$81,000. They will spend an average of \$28,000 on the wedding and over \$4,000 on the honeymoon. They reside in the Lower Mainland and come from any number of the various cultures thriving in Vancouver.

Having been raised in Canada, this group is accustomed to having a multitude of options available to them and open-minded views. Brides are specific and choosy with their matrimonial details and are intrigued by information resources that expand this realm of possibilities and provide useful and innovative suggestions. They are usually planning their weddings while working and balancing a social life, so they want information to be important and effective. Our target market will gladly ask for what she wants, engage in an ongoing dialogue and frequently share her opinions about brands with the online public.

**Demographics:**

Age: 24 – 35

Gender: Female

Family life cycle: Engaged

Income: Less than \$50,000/year

Education: College/University students or graduates

Social class: Middle, and upper middle class

**Psychographics:**

Social, liberal minded, web and tech savvy; lifestyle revolves around work and socializing, have a supportive outlook on multiculturalism

Buying motivators: Concerned with quality and on obtaining a good 'fit' with their ideal conceptions/wedding dream

**C) Supporters**

Supporters are mothers, sisters, friends of the bride and past brides. They may have ideas to suggest or other ways to help and support the bride during her wedding process. Many have experience having previously being a bride and feel they can pass their wisdom forward with respects to what worked and what did not, lending insight.

**Demographics:**

Age: 36 - 55

Gender: Female

Family life cycle: Married

Income: \$50-\$75,000.00/year

Education: College/university graduate

Social class: Middle, and upper middle class

**Psychographics:**

Enjoy offering opinions and insights; realists, trust themselves and their friends

Buying motivators: Based on affordable quality, need to believe that they are receiving value

**2) Vendors and Advertisers**

Bridebook.com's other target market consists of the vendors and advertisers of the website. This group understands that social networking sites harness the age-old power of the word of mouth recommendation and can be powerful marketing tools. They believe



that interacting with users and customers through social media is the next evolution in consumer relations for firms.

### **3.4 Overall Direction of the future of the Industry**

The future of the wedding planning industry is secure as marriage is not a fad or trend. Although common-law relationships are on the rise, research has shown that these couples will eventually sanctify their commitments once compatibility has been established. Overall, the demand for a wedding resource website will most certainly be required as the overall market is not set to shrink significantly. Moreover, as society changes its views and beliefs' on relationships (homosexuality), the environment (green or sustainable practices) and the economy (budget conscious), new potential markets have, and will continue to emerge. Furthermore, when a country or province has more modern views, such as British Columbia, new opportunities for markets may arise. An example of such a situation is when same-sex marriages were legalized and an influx of same-sex couples from around the world travelled to British Columbia to sanctify their commitment to one another. Additionally, British Columbia, more specifically Vancouver, is well known to attract tourists from around the world due to its beauty and activities suited to all ages. Vancouver recently being rated as one of the world's best cities to reside furthers British Columbia's reputation. This may be an opportunity to promote Vancouver as a destination wedding location or a permanent home for any seeking a change from their home country.

The Internet has become a part of everyday life and many tasks that were previously completed manually or personally are now done over the web. As society focuses on careers due to the unstable economy; couples are trying to find any way to cut

down on costs; one way is to cut down on fuel usage. This is where the Internet plays a large role; consumers now have the option of satisfying their “to-do” lists from the comfort of their own home rather than pursuing the traditional brick and mortar route. Not only does the Internet allow individuals to save money; they also save time and are better equipped with options through researching or browsing the web.

Social media consisting of blogs, videos, forums, and various social networks provides channels of information to be shared. Based on the Internet trend report from Morgan Stanley, “social connections” account for 16% of the time spent online. Furthermore, the Internet plays a crucial role in affecting consumer purchase. Indeed, information found online has more power to influence customers’ decision than any other media of television, magazines, newspapers, or radio. Bridebook.com will emphasize the above information when engaging in sales initiatives for advertising to vendors.

### **3.5 Challenges affecting the Industry**

Although the wedding industry is considered recession-proof, the economic downturn leaves people no choice but to reduce their spending on their wedding. According to a nationwide survey recently released by retailer David's Bridal, about 25 per cent of couples plan to slice their wedding budgets in half, and 1 in 10 intend to cut back costs by 75 per cent (Corcoran, 2009). Couples may prefer smaller wedding celebrations with a shorter guest list. Cost cutting also means that fewer couples will hire wedding planners, as they will be considered as unnecessary costs especially if the resources are available for couples to plan their own weddings.

The current economic recession may prove to be a minor setback on the wedding industry spending on traditional advertising has been trimmed. In such an environment, social media could prove to be the most cost-effective way to sell to vendors.

The increasing popularity of common-law unions is transforming family life in Canada, according to data from the 2001 General Social Survey. Over the past three decades, common-law unions have become more and more popular, especially among younger women across the country who may dedicate their time to their education, careers or social life. It is a known fact that women are getting married at a later age than in previous years. However, such a situation may be beneficial to the wedding industry in the long run as educated and career driven women may have the resources to afford more spending on their wedding day.

## 4: Competition

Although the wedding planning industry in Metro Vancouver is fairly unsaturated, a few competitors still exist, albeit in another geographical market. An analysis of the current direct and indirect competitors will enable Bridebook.com to build on its shortcomings (of service) and capitalize on its strengths by focusing on its key success factors.

### 4.1 Direct competitors

Competitive analysis has revealed that six websites exist in Canada offering bridal resource services. However, the majority of the incumbent competitors operate in Eastern Canada while only one has its operations in Western Canada in BC.

The following is a list of direct competitors with a brief description of their services, regions of operations and Alexa traffic ranks:

*1) **www.bestforbride.com*** (Rank 116,934) located in Toronto, Ontario. Bestforbride.com is a bridal and eveningwear boutique offering services in the Toronto, Canada. It enables users to make online purchases and rent products at the Bride's Rental Department. Moreover, users are informed about discount offerings from vendors. Bestbride.com also allows former users to share their experience with Best For Bridals and Evening Wear

Boutique by providing testimonials. Their online store provides shipping services to customers in Canada, USA, Europe, Australia, Africa and New Zealand.

**2) *www.frugalbride.com*** (Rank 205,772) located in Toronto, Ontario. Frugalbride.com is an online wedding magazine showcasing a large selection of vendors from across Canada to assist in wedding planning. The ‘Babbling Brides Bulletin Board’ enables users to create an account to not only plan their special day but also their ideas with other users. Also, the website offers tips as users attempt to reach a vendor through the website.

**3) *www.weddingbook.com*** (Rank 229,557) based in New York, USA. This site helps couples and vendors easily find and interact with each other. In Canada, it caters to Ontario customers only. It enables users to create a profile and plan their wedding ceremony in detail. Also, users can generate proposals, request previously written proposals and evaluate them. Weddingbook.com has an interactive Facebook group that enables users to interact with other users and add a wedding book application to their profile.

**4) *www.dressfinder.com*** (Rank 497,536) located in Minitonas, Manitoba. Dress Finder has links to formal dress and wedding dress designers around the world. It helps users browse all designers for wedding dress by country. However, it does not focus on different aspects of a wedding ceremony, nor does it offer interactive and engaging content for users.

**5) *www.mycanadianwedding.com*** (Rank 949,653) located in Markham, Ontario. The site provides a Canada-wide wedding vendor directory. It has a forum for users to exchange their ideas. While their forum is similar to Bridebook.com, articles on the site lack

research and writing quality. Users can view the wedding gallery where they can view many pictures of wedding dresses, flowers and cakes. The gallery provides links to a retail store near in their area.

**6) *www.weddingsvictoria.net*** (Rank 1,362,258) located in Victoria, British Columbia.

The website offers wedding business directory in Victoria, BC. There is no forum for users to share their wedding ideas and experiences, nor can they create a profile to plan their weddings.

**7) *www.weddings.ca*** (Rank 2,087,573) located in Montreal, Quebec. It is an online resource centre for wedding planning but does not enable users to engage in the website and interact with other users.

Website	Traffic Rank (popularity measure)	Online Since	Click Stream
www.bestforbride.com	116,934	Jun 11/05	google.ca (36.3%) google.com (25.8%) yahoo.com (11.9%) torontodresses.com (6%)
www.frugalbride.com	205,772	Feb 26/00	google.com (59.9%) google.ca (26.9%) yahoo.com (6.4%)
www.weddingsbook.ca	229,557	Feb 29/96	google.com (65%) yahoo.com (20%) facebook.com (15%)
www.dressfinder.com	497,536	Dec 12/02	google.com (82.61%) dressy.com (17.9%)
www.mycanadianwedding.com	949,653	Mar 20/04	google.ca (58.82%) google.com (41.2%)
www.weddingsvictoria.net	1,362,258	Dec 4/05	weddingvancouver.net
www.weddings.ca	2,087,573	No data	google.com (50%) google.ca (50%)

**Figure 6: Direct Competitors in Canadian Wedding Planning Industry**

## 4.2 Indirect competitors

Two types of indirect competitors exist in the wedding planning and resource industry: “big name” competitors, individual vendors and wedding planners.

Big name competitors are magazines, bridal websites, or television shows that are based and located in the United States. Below is a list of major competitors in this market:

- Martha Stewart weddings (magazines, website and television show)
- Instyle Weddings (magazine and website)
- Modern Bride (magazine)
- Realweddings.com (website)
- Weddingbells (website and magazine)
- Today’s Bride (magazine and website)
- Various cultural magazines and websites

Although brides may visit or research into the major name competitors prior to getting married; this will not affect the success of Bridebook.com for the following reasons;

- Brides will consult many resources to gain inspirations and ideas for their wedding but will rely on a localized resource to find the things necessary to carry out these inspirations; such as Bridebook.com.
- Bridebook.com can also provide quality of standard with local vendors
- A personalized relationship with vendors and a personalized touch will also attract users who previously relied on big name competitors.

Indirect competitors include individual vendors providing services in the Vancouver area who are currently not partnering with Bridebook.com. Paper magazines who deal with wedding information or advertisements are also competitors. Print media, magazines, newspapers, flyers and bridal shows are also compete with Bridebook.com on a minor scale.

Wedding related competitors on established social networking sites such as Facebook will also be indirect competitors. However, Bridebook.com will establish altruistic relationships with these social networking sites so that users utilizing one site will gain exposure to the partner site and vice versa.

Wedding planners are indirect competitors with Bridebook.com as they are a resource that prospective brides may utilize. However, with the recent economic downturn and other factors, many brides are considering to carry out the planning themselves. Wedding planners will be incorporated into the Bridebook.com strategy so they may obtain the latest trends, discover new vendors, get discounts and advertise to a large and targeted prospective customer base.

### **4.3 KSF's and Competition**

Many opportunities exist for Bridebook.com to be a fierce competitor in its industry. Bridebook.com's direct competitors lack in providing local geographical vendors and contacts for prospective brides. The key success factors identified in Bridebook.com's business strategy provide them with competitive advantage as its rivals do not place high importance on constantly updating and innovating the services and features they offer. Furthermore, the employees of Bridebook.com (People KSF,



identified in threat of new entrants), are experts in not only the wedding planning resource industry, but also experts in their geographical market. The competition has employees that are experts in departments, for example, a Marketing Executive with years of marketing experience, but not in the same industry. Brides no longer have to question the credibility of advertisements and vendors; Bridebook.com does that for them. Furthermore, this innovation allows for Bridebook.com to offer a plethora of services: being a one-stop shop for all things bridal, whereas the competitors may focus only a few subject areas.

Bridebook.com has one main threat for competition in its industry. The greatest threat is that the majority of the competitors are big name brands that have high attractiveness and exposure to customers in the industry. These big name brands may be around the globe and thus have greater credibility. However, Bridebook.com may avoid such threats by constantly innovating to the likes of its customers, engaging in extensive marketing efforts and keeping strong ties within the local business community.

## **5: Marketing and Sales Strategy**

### **5.1 Marketing and Sales Objectives**

Bridebook.com's marketing objectives are to:

- A) Inform the target audience about features and benefits of Bridebook.com and its competitive advantage, leading to a 70% market share for all prospective brides in Metro Vancouver.
- B) Increase the user base by 5% each year, and increase vendor and advertising clients by 10% each year.
- C) Achieve 95% user, vendor and advertiser retention each year.
- D) To achieve high brand recognition, preference and loyalty by users.

### **5.2 Marketing Strategy**

Bridebook.com will engage in extensive marketing efforts (human and financial) prior to, during, and post launch of the website. To spark the public's awareness and interest in the vast services offered; Bridebook.com will utilize any opportunities and avenues to ensure that entry of this new service, into a new market, will be successful. Bridebook.com has excellent positioning in a market that is unsaturated and has high demand for its services. However, it is imperative that Bridebook.com repositions itself continually as the market, demand and consumer modify. Bridebook.com is committed to

re-evaluating its marketing strategy to ensure that the consumer's tastes and the websites offerings are well aligned. The marketing mix of product, price, promotion and place will be summarized below under each subsection.

### **5.2.1 Product Strategy**

Refer to sections 1.2 (Comprehensive description of product) and 2.3 (KSF's) for the product strategy.

### **5.2.2 Promotional Strategy**

The objective of the promotional strategy is to enable a viral uptake of Bridebook.com. Because the success of Bridebook.com depends heavily on users, vendors and advertisers awareness and uptake of the website and its services; the promotional strategy will focus on all three potential clients.

#### **5.2.2.1 Advertising**

Bridebook.com will engage in extensive advertising efforts prior to launch so that consumers anticipate the arrival of the services this website offers and excitement and hype for Bridebook.com is generated. Advertising will be conducted through a variety of channels and mediums:

- a) Radio- Bridebook.com will advertise on the local radio stations that represent its target market's which include; theBeat 94.5 FM, Virgin Radio 95.3 FM, 96.1 FM CHKG (multicultural station), Jack 96.9 FM and theFox 99.3 FM. Partnerships

with each radio station advertised in will be pursued so that radio interviews may be offered.

- b) Television- low budget television interviews with local news and programs will be prospected. This initiative would be extremely beneficial for Bridebook.com as it would be low budget (zero cost) to the firm and would result in mass exposure to the entire geographical market pursued by Bridebook.com. Shows under consideration include, the local news channels (CTV, for a brief story or news brief), Breakfast television (CityTV) and Shaw TV for local programming in a variety of cultures.
- c) Newsprint- Bridebook.com will focus its newsprint advertising efforts on attaining story or articles in the local newspaper as opposed to advertising extensively with ads. Various writers for each newspaper will be prospected and contacted so that Bridebook.com may benefit from free advertising through stories sharing positive information. Such newspapers include, but are not limited to, the Province, the Vancouver Sun, transit papers such as the Metro and 24 Daily, Georgia Straight, Business in Vancouver, Vancouver Courier and all local community newspapers in all of Metro Vancouver's 22 municipalities (Langley, Delta, Richmond, Burnaby, North and West Vancouver etc.). Furthermore, ethnic newsprint such as the Asian Star, Voice and etc. will be pursued for both advertising and story material.
- d) Internet- Bridebook.com's concept and target market are both based on the web; therefore, advertising must be conducted through this medium also. Advertising to the web-savvy target market must be done on websites that they frequent

regularly. Such websites include social networking websites that are visited (numerous times) daily. Facebook, Twitter, YouTube, Digg.com and MySpace are the primary networking sites where user accounts and videos (ads) will be created and implemented to attract a loyal and strong fan base. These initiatives will be at an extremely low cost (labour costs only), yet, would reach a large audience representing a majority of the target market. Furthermore, if the budget allows, Google Ads will be purchased so that Bridebook.com will have a strong presence on the Internet when individuals search for wedding information. Search Engine Optimization (SEO) will be pursued to improve rankings in search engine results.

- e) Magazines- will be an advertising medium that will be utilized after Bridebook.com's breakthrough and breakeven point, as this would be extremely costly. However, local magazines would be an avenue that Bridebook.com would be interested in participating in, primarily as a story or article as opposed to advertisements.
- f) Brochures and Business Cards- Bridebook.com will develop brochures that will be given out to all prospective users, vendors, advertisers and the general public. Personalized business cards engraved with employee names as well as generic Bridebook.com business cards will also be printed for the same purpose. Brochures will be distributed to existing vendor's physical locations as well as prospective advertiser and vendor's locations to penetrate a greater market share.

#### **5.2.2.2 Sales Promotion**

Bridebook.com must retain its current users, vendors and advertisers as well as spark the interest of new prospective clientele. An incentive must be offered to achieve this goal. Such incentives include, but are not limited to, contests offered to users where a winner is selected and rewarded with a prize. Prizes will be the financial responsibility of Bridebook.com initially, however, after vendor and advertising relationships have been established, Vendors and Advertisers will be prospected to engage in these efforts.

Bridebook.com will create and distribute vendor coupons by partnering with its vendors and advertisers, through both email and in person (at marketing and sales events). This initiative will be the main retention promotional strategy. Users will be excited and encouraged to keep utilizing the website so that they may benefit from cost savings of vendors. Furthermore, wedding planners will be a user type that will be attracted as they may utilize these savings from partnerships they do not currently have! Emails will be distributed to users updating them on new material, trends, blogs, and vendors on Bridebook.com. This will be optional to users who may choose to receive e-newsletters or may opt out of this opportunity or may select the items that they would like to receive emails on. Users may also “invite” friends to register on Bridebook.com as Photobook, Marketplace, My Registry, and information sharing may only be conducted through registered users.

#### **5.2.2.3 Publicity**

To engage with the public, the employees at Bridebook.com will all be required to join a networking body such as a Chamber of Commerce, a community committee, or a

fundraising or charity body. Bridebook.com will be respectful of the time employees spend on generating publicity of this firm, and thus, allocate paid hours to engage in such efforts. This will keep all members of the team active in the community. This will benefit employees themselves (career and personal development) as well as Bridebook.com (marketing and sales). The Marketing and Sales departments will attend the majority of industry events from tradeshow to store openings and anniversary events to support the local businesses. Bridal and Wedding shows such as the East-West Bridal Conference, Welcome Wagon Bridal Showcase, Vancouver Bridal Showcase, Bridal Exhibition (2009 and 2010), Annual Wedding Fair as well as smaller more intimate private wedding fairs and showcases that may take place. Attendance at these events will allow the team to focus both marketing (for users) and sales (vendors and advertisers) efforts at the same time.

### **5.2.3 Pricing Strategy**

Users will not pay any fees for using Bridebook.com or its services. The main revenue stream will be achieved through advertisements and vendor referrals. A complimentary four-month trial period will be offered to all new vendors and advertisers.

Bridebook.com will have a dual pricing strategy to maximize revenues:

- A) Pay Per Click Model- advertisers will have their ads placed in a banner format as well as dispersed throughout the homepage and subsequent webpages. In addition to paying a flat fee, advertisers will also be charged \$0.02 for every time a user clicks on their advertisement. A very conservative and modest 0.5% click through rate is expected from Banner ads due to industry averages and trends. The

advertising rate for Facebook.com is \$0.01 per click, however, Bridebook.com promises a greater return on investment (ROI) as it reaches a more target audience; those interested in planning a wedding!

B) Commission Model- each company listed under the “vendor” category on the homepage will include a link to their website. Every time a user clicks on the link provided by the vendor; Bridebook.com will track the registered user’s information and will request the vendor to pay a 10% commission fee (pre-tax) from the revenue they generate from the user Bridebook.com referred. The trust that the vendor will supply Bridebook.com with appropriate and accurate commissions will be on the contract of service and expected through the strong business relationships built on trust.

#### **5.2.4 Distribution Channels**

As Bridebook.com is a web-based company, no intermediaries or individuals participate in the flow of products or services from producer to end-user. Therefore, Bridebook.com offers its services directly from its website to any prospective user. This offers a competitive advantage to Bridebook.com as distribution costs may be kept to a minimum while operational efficiency may be increased. The sales team may be considered as a distribution channel as they sell advertising space and build relationships with the vendors and advertisers. Because marketing, sales, advertising etc. are done “in-house” at Bridebook.com; there is a decreased probability of the hold-up problem.



### **5.3 Sales Strategy**

The sales strategy for Bridebook.com will be implemented in the early stages of website development to obtain vendor and affiliate contracts. Although it is possible to target vendors and advertisers utilizing the same promotional methods as users (evidenced above in the advertising and promotions sections), it is imperative that Bridebook.com demonstrates that a large user base will be retained so that advertisers and vendors may see a high ROI opportunity. Therefore, users must be attracted at the same time as vendors, as the success of the website depends on both consumers seeking the existence of one another simultaneously.

The main sales objective is to capture 40-60% of the vendor list provided in section 1.2 (Comprehensive Description of Service). Vendors will be found and considered by market research (online resources, yellow pages, directory listings).

Networking and establishing relationships with vendors and advertisers to promote word-of-mouth advertising will form a part of the core strategy. Vendors in neighbouring industries (e.g. florists and decorators) will already have strong partnerships that may utilize the word of mouth communication technique, especially if a positive message is being delivered. Bridebook.com's sales approach will be to develop warm leads through networking in the community and by building solid relationships through attentive follow-ups and current firm, market and industry statistics.

Bridebook.com will utilize a direct sales distribution technique where sales are conducted through the firm's employees. Vendors and advertisers will be pursued through extensive personal selling. The sales and marketing employees will pay site visits to vendors and solicit Bridebook.com and the advantages of partnering with this company

geared for success. During meetings and visits, brochures and print collateral will further illustrate the details and array of the services provided as well as the benefits of being in a vendor listing or advertiser with Bridebook.com. Personal selling may also take place at industry events, wedding shows, cold calling, and email notifications.

Because clients will receive a complimentary four-month trial period to advertise or be listed in the vendor directory, they have nothing to lose but to try out the services of Bridebook.com. Therefore, when this period expires, the sales and/or marketing manager will pay a site visit with the vendor for a follow up.

## 6: Management and Organization Summary

### 6.1 Organizational Structure

Bridebook.com will begin with a very simple and strategic organizational structure. As an online firm Bridebook.com will keep staffing to a minimum and allocate a Senior Manager to each functional department so that they may focus on their core competencies enabling organizational effectiveness. The CEO is the head of the firm and has ultimate decision-making power; however, each functional unit operates with high autonomy, as its respective head employee is an experienced and skilled professional. A chart with the organizational structure and reporting hierarchy as well as the responsibilities of each employee are outlined in Figure 7 below:



**Figure 7: Organizational Structure for Bridebook.com**

- CEO- the owner of Bridebook.com, Sonya Sangha, will be responsible for all and any sizeable strategy decisions of Bridebook.com. Ms. Sangha comes from an extensive event planning background with a promising array of business contacts that will be of great value to Bridebook.com. The CEO will execute all human resource functions of the firm and will have sizeable accounting and payroll experience. The CEO must approve all major expenditures.
- Sales Manager- will drive the sales department of Bridebook.com by prospecting and attaining future clientele such as vendors and advertisers. The Sales Manager will work closely with the Marketing Manager and each will fill in work overloads for the two departments.
- Marketing Manager- has the responsibility to gain Bridebook.com awareness with its users and the general public. This position will have an extensive workload and responsibility in the first few months before, and of Bridebook.com execution.
- IT Manager- will monitor and update the website with current data, technology and layout designs. The IT Manager will have extensive IT experience as this individual will be solely responsible for maintaining contact with the web hosting firm and ensuring minimal website downtime or technical difficulties. The IT Manager will also work with the other employees to gain feedback on site improvements or suggestions, and thus be an innovator.
- Writer/Editor- will provide up to date, trendy, and innovative editorial material for Bridebook.com. This individual will have extensive industry experience as well as media and sales contacts within the Metro Vancouver area. The writer/editor will

work closely with the IT Manager to update the website. The Writer/ Editor will also be responsible for updating and monitoring the blogs on the website.

- Co-op students from various universities and colleges will be retained on an as-needed basis. They will bring a cost effective, innovative and young touch to Bridebook.com.

The salaries of the above employees will be based on current industry standards during the Bridebook.com launch time. To retain employees; Bridebook.com will offer flexible work schedules, bonuses based on performance and employee recognition and growth opportunities. Expansion of the Bridebook.com workforce will be considered when growth exceeds employee capabilities and when Bridebook.com becomes interested into breaking into other geographical markets.

## **6.2 Consultants/ Partnerships/ Suppliers**

Contracts with consultants, suppliers and partnerships will be considered and established for the departments where it is not feasible to employ full time staff.

The main supplier for Bridebook.com is a reliable and reputable IT firm (web hosting company). Bridebook.com will outsource many IT functions with the exception of the design and ongoing maintenance of its website. Majority of the website development, design and web hosting will be done by a reliable industry leader in IT. It is of the utmost importance that we ensure that this provider be stable and have room for expansion. Bridebook.com's site must have its own dedicated server and it must have almost perfect uptime.

The only other suppliers necessary for operations are office equipment suppliers, however, this supplier will not be crucial for operations as equipment shopping may be

done at various discount stores to keep costs to a minimum. Spot contracts with freelance writers to supplement the in-house editor/writer would be beneficial as they will provide articles for the website on an “as needed” basis on current industry trends.

Bridebook.com does not have the pressing need to have a long-term contract with a law firm. Therefore, Bridebook.com will work with an independent lawyer and pay a “per visit” fee.

Partnerships with local vendors and suppliers will be established and encouraged through the Sales Department of Bridebook.com. Extensive financial and human resources will be allocated to achieve the targets of vendors, advertisers and users.

### **6.3 Legal Environment**

As the domain name will be purchased for the firm during the planning stage it may not be necessary to copyright Bridebook.com until the website is published in the second quarter of year 1. Ultimately, Bridebook.com will not seek copyright protection until necessary.

Bridebook.com will employ a lawyer on a contract basis to oversee the legal and privacy policy agreements of the website operation. This also includes any contests or events that Bridebook.com may participate in or sponsor as well as any legal implications of the marketplace.

## **7: Operational and Implementation Plan**

### **7.1 Production and Delivery**

Prior to kickoff, all employees and staff will have a teambuilding session where ideas and relationship building will be discussed. Everyone will be encouraged to embrace the corporate culture: a fun, interactive and helpful attitude is encouraged for all employees. An intensive one day training program and manuals on Bridebook.com will take place on the first day of work.

The majority of IT functions will be outsourced. Artis Tech Media is an industry leader in website design as it has worked with such firms as Lululemon, Chip Wilson and Mt.Seymour, and thus will be Bridebook.com's first choice. In Vancouver has an excellent reputation and has provided website hosting for various firms (focusing on boutique hotels) in the Metro Vancouver area. The In Vancouver is a first-rate web hosting choice for Bridebook.com as they have 99.9% uptime, guarantee of quality of service (QS) for hosted websites, provide around the clock customer support for clients, quick and easy access to update and maintenance of hosted websites and provide extensive Search Engine Optimization (SEO) services. Furthermore, the content (articles, blogs, trends etc.) will be written by the editor and contracted freelance writers until it is feasible to hire full time writers. Our team will be responsible for all marketing initiatives as well as social networking. We will therefore focus on our core competencies of

marketing and sales: attracting users and selling ads. Marketing and Sales will be two functions that will be executed early on to achieve growth and stability.

The first quarter will be allocated to set up. The basic structure of the website will be designed, trial clients for the opening of the site will be secured, and buzz about our new site will be generated at trade shows and bridal fairs. To kick off our opening, we will create buzz by having incentives for users to check out the site. This may be done by having online contests on the site with prizes; the Marketing department will bear the financial costs. Future contests will have prizes furnished by affiliates and advertisers. In the second quarter of year one, generating page views and attracting advertisers and vendors is going to be the big focus of our efforts. This will be accomplished by the generous allocation of financial and human resources to Marketing and Sales.

We aim to move into another geographical market when Bridebook.com is in a sound financial position. Some of the options for locations include Calgary, Edmonton, Winnipeg, Montreal and Ottawa. Toronto is an option, however, the market is comparatively saturated and needs extensive research if it is to be considered. Expanding into the United States will be a long term goal of Bridebook.com; this may be accomplished through acquisition by a large American firm (exit strategy).

## **7.2 Customer Support**

Customer support will be minimal as Bridebook.com is a resource based website that will provide the user with any necessary information. Furthermore, the forums and blogs are user regulated which will eliminate substantial human resource, financial and cost considerations. However; to provide customer service to users and vendors; email addresses will be provided on the contact us page for;



- Users- who may have technical, account related or feedback questions and advice.
- Vendors- who may have technical issues or may want to renew their subscription
- Advertisers- who may have technical issues, new updated advertisements, or who may want to renew their subscriptions.
- The CEO will also provide their email address for contact purposes

A phone number will not be provided on the website as Bridebook.com will not have the capabilities to provide telephone customer service in the first few years of operations. The CEO, IT Manager, Sales Manager and Marketing Manager will be provided with cell phones for contact purposes.

### **7.3 Equipment**

The equipment necessary for Bridebook.com will be limited as it is a home-based business with all employees working from a home office. However the following equipment and supplies will be required:

- Computers (for CEO, IT Manager and Editor/Writer)
- Office supplies (for all home offices)
- Cellular phones (for CEO, IT Manager, Sales Manager and Marketing Manager)
- Computer equipment (for design, maintenance and updating material)
- Marketing material such as banners, brochures, business cards and promotional gifts

## **7.4 Supplier Contracts**

The web design and IT firm are extremely important in operations of Bridebook.com and thus it is imperative that Bridebook.com's CEO and IT Manager select them with quality and on-time performance in mind. While the official deadline for the opening of the site will be in the first year of operations, it is important that there be a functional prototype available as a selling tool prior to launch. For this reason, the selected web design company should not be the cheapest tender, but the one with the best chance of on-time and on-spec completion of the job. This company will be retained to maintain the website as it experiences growth and modifications.

## **7.5 Location**

As a web based business, the actual location of Bridebook.com's office is not a pressing issue. Initially Bridebook.com will be a home based business where all employees will work from their home offices; however by 2010, there are plans to expand the facilities into a well equipped and operational office. Although Bridebook.com will eventually require office space for employees and staff to work from it does not have to be prime retail space. The location will be based in Metro Vancouver and will be rented or leased at an approximate cost of \$3000 per month. When expansion occurs to new geographical markets, rather than set up regional offices, we will add staff in our Vancouver office to handle the new region remotely (with the exception of Sales and Marketing Managers).

## **7.6 Milestones to Track Company Success**

Bridebook.com has targets for vendor memberships and advertising sales as mentioned in the Company Overview section. Once these targets are achieved for the Vancouver market, it will then be necessary and beneficial to move into another geographical location. As each subsequent geographical area is exploited to its full sales potential, we may consider being sold to a larger firm as mentioned in the exit strategy (refer to Section 11).

## **8: Financial Plan**

### **8.1 Overview**

Due to the nature of web-based firms such as Bridebook.com, start-up costs are relatively minimal when considering the ROI. Start-up expenses will be funded through the owner's personal funds as well as support from friends and family. A line of credit may also be retained as a precautionary measure. It is the owner's aspiration to carry no debt and minimal overhead allowing Bridebook.com to break even after the first year of operations. A start-up expense summary, income statement and balance sheet found below will summarize and predict Bridebook.com's financial position within a five-year period.

## 8.2 Start up Costs

<b>START UP EXPENSES</b>		<b>Information</b>
Computers/ Equipment/ Software	\$10,000	5 computers x \$2,000
Home Office Equipment (5 employees)	\$5,000	
Legal Expenses	\$3,000	Incorporation documents/ Contracts
Insurance	\$500	Annual cost
Business License	\$200	Annual cost
Logo and Brochure Design	\$1,000	Photographs, design & write-up
Cell Phone	\$6,000	5 x \$100 x 12
Stationary- Business Cards & Brochures	\$1,000	Malito Printers
Advertising	\$15,000	Radio, Print (magazines/ newspaper)
Promotions (Bridal Shows and Events)	\$7,000	Bridal show fees /promo materials
Website Design	\$9,300	Artis Tech Media
Web Hosting	\$4,000	In Vancouver Web Hosting (SEO and reports)
Travel (employee gas re-imbursments)	\$7,000	
Domain name purchase	\$2,700	<a href="http://EstiBot.com">http://EstiBot.com</a> Domain Appraisal
Subtotal	\$71,700	+20% MISC (\$14,340)
<b>Total Start Expenses</b>	<b>\$86,040</b>	

### 8.2.1 Assumptions for Start up

- Each employee will be provided with a cell phone, a laptop, fuel reimbursement (sales calls and event attendance) and home office equipment during the first year of operations as Bridebook.com will not have a physical office location.

- A miscellaneous 20% of total start up expenditures has been included in the calculations as a safety measure for any additional unplanned expenses that may arise.
- All figures represent a higher end, conservative quotes, valuations and calculations to accommodate any fluctuations in amount due to uncontrollable variables.
- All unused capital for the start up expenses will be allocated to retained earnings for consecutive periods.

### 8.3 Income Statement

<b>Projected Income Statement</b>					
	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
Sales	2,160,000	3,260,000	4,320,000	4,536,000	4,762,800
Operating Expenses	293,700	297,200	350,350	402,008	424,674
Operating Profit	1,866,300	2,962,800	3,969,650	4,133,992	4,338,126
Income Tax	559,890	888,840	1,190,895	1,240,197	1,201,437
Net Profit	1,306,410	2,073,960	2,778,755	2,893,795	3,136,689
<b>Operating Expenses:</b>					
Rent	0	\$3,000	\$3,150	\$3,308	\$3,474
Office Equipment	\$5,000	\$2,000	\$2,000	\$2,000	\$2,000
Computer Equipment/ Updates	\$10,000	\$500	\$500	\$2,000	\$500
Legal Expenses	\$3,000	\$1,000	\$1,000	\$1,000	\$5,000
Insurance/ Business License	\$700	\$700	\$700	\$700	\$700
Cell Phone	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Stationary	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Advertising	\$15,000	\$15,000	\$10,000	\$10,000	\$10,000
Web Hosting	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Promotions	\$7,000	\$7,000	\$5,000	\$5,000	\$5,000
Travel Allowances	\$7,000	\$2,000	\$2,000	\$2,000	\$2,000
Miscellaneous	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Wages	\$220,000	\$240,000	\$300,000	\$350,000	\$370,000
<b>TOTAL OPERATING EXPENSES</b>	293,700	297,200	350,350	402,008	424,674

### 8.3.1 Assumptions for Income Statement

- All figures are projected amounts and have been calculated to be a very liberal representation of expenses that may occur, over-projected funds will be allocated to retained earnings in the subsequent period.
- Sales projections are based on the following assumptions, targets and figures;

Vendor Sales= 616 total vendors (target of 400 retained) X \$600 cost  
(\$300 first year)= \$240,000 (year 2-5) and \$120,000 (year 1)

Referral Sales= total average expenditure = \$26K (actually spend \$8K on  
vendors listed on website) X 10% commission rate X 5,000 (of  
23,000 potential brides in market)= \$4,000,000 (year 2-5) and  
\$2,000,000 (year 1)

Banner Ad Sales= 100 (target firms) X \$800.00 per year = \$80,000 (year  
2-5) and \$40,000 (year 1)

- During the first year, sales targets may not be achieved to their full potential as Bridebook.com dedicates and adjusts to this new market. By year 3, it is projected that all full sales targets will be achieved, with a 5% increase in sales revenues in years 4 and 5 as expertise, contacts and relationships are solidified in the Metro Vancouver market.
- The corporate tax rate (federal and provincial combined) based in British Columbia will be 30%, which is the current tax rate for 2009.



- No initial rental expenses will be incurred during year 1, as Bridebook.com will be based in its owner's home office. However, in 2010, an office location will be pursued with an industry standard rental fee of \$3,000 (with a 5% rental increase calculated in each subsequent year).
- Legal expenses will be high at onset as various contracts and necessary incorporation documents will require the services of an experienced law firm. A conservative amount of \$1,000 has been budgeted in to allow for variance, with an expense of \$5,000 in year 5 as Bridebook.com aims to sell its firm and may require legal expertise.
- Travel allowances will be reduced significantly when office space is retained and meetings and sales consultations may be conducted on site.
- A \$15,000 miscellaneous figure has been allocated to unforeseen expenses.
- Wages are based on (slightly higher than) industry standards to ensure employee satisfaction and retention.

## 8.4 Forecasted Balance Sheet

Forecasted Balance Sheet					
ASSETS	FY 2009	FY 2010	FY 2011	FY2012	FY 2013
Current Assets:					
Cash	\$86,000	\$2,160,000	\$3,260,000	\$4,320,000	\$4,536,000
Equipment	\$10,000	\$500	\$500	\$2,000	\$500
Depreciation	\$400	\$800	\$1,200	\$1,600	\$2,000
Total Current Assets	\$95,600	\$2,159,700	\$3,259,300	\$4,320,400	\$4,534,500
<b>Total Assets</b>	\$95,600	\$2,159,700	\$3,259,300	\$4,320,400	\$4,534,500
<b>LIABILITIES &amp; SHAREHOLDERS EQUITY</b>					
Current Liabilities:					
Tax Payable	\$0	\$0	\$0	\$0	\$0
<b>Total Current</b>	\$0	\$0	\$0	\$0	\$0
Non-current liabilities:					
Accounts Payable	\$0	\$0	\$0	\$0	\$0
<b>Total Non-current Liabilities</b>	\$0	\$0	\$0	\$0	\$0
Shareholder's Equity:					
Retained Earnings	\$95,600	\$2,159,700	\$3,259,300	\$4,320,400	\$4,534,500
<b>Total Shareholder's Equity</b>	\$95,600	\$2,159,700	\$3,259,300	\$4,320,400	\$4,534,500
<b>Total Liabilities and Shareholder's Equity</b>	\$95,600	\$2,159,700	\$3,259,300	\$4,320,400	\$4,534,500

## **9: Growth Strategy**

The long-term growth strategy for Bridebook.com is to gain extensive user numbers by being the #1 bridal resource website in Western Canada. Furthermore, vendor and advertiser retention is crucial for the financial success of Bridebook.com. Thus, extensive human and financial resources will be allocated to Marketing and Sales from inception to the first few quarters after launch. All employees of Bridebook.com will be functional across all other units, with the exception of the IT and Writing departments. However, on IT and writing downtime, these employees will carry out a variety of other tasks to assist in organizational efficiency.

Key hires such as additional sales and marketing personnel, spot contracts with freelance writers, and an in house bookkeeper (doubled as an accountant) will allow each of the departments to be fully equipped for operations by focusing on their core competencies rather than shifting to work overloads across departments. An insurance agent and law firm will be partnered with so as to provide Bridebook.com with extensive legal protection.

Expanding operations into other markets in Canada was another option that would be considered dependant on the success of Bridebook.com in Metro Vancouver. Such locations would include Victoria, Kamloops, Kelowna, Edmonton, Calgary, Winnipeg and Saskatoon if market research proved to be supportive of the Bridebook.com concept.

Upon success of the bridal market, Bridebook.com will research developing affiliate sites such as Babybook.com, Workbook.com, Familybook.com and Travelbook.com, to break into neighbouring industries and markets. This will provide extensive branding to the (Name)book.com websites and attract the same users throughout their lifetime milestones.

## 10: Risks

Bridebook.com faces moderate risks as an online business. Some of potential problems or risks include:

- Not obtaining the required capital to achieve operating efficiency
- Inflated targets for advertising during a downturn in the economy
- Lack of uptake and interest by users
- Target market having strong brand loyalty to competitors
- Unreliable and inexperienced IT supplier- loss of data and ineffective security
- Human resource turnover or employee dissatisfaction

Risks may be reduced or avoided by:

- Extensive planning and market research
- Monitoring progress and benchmarking
- Re-evaluating goals regularly
- Adapting to market needs/ trends
- Inspiring and motivating the team to perform at peak levels
- Ensuring web design is well-planned out: concise, clean, user-friendly, logical
- Allocating generous financial resources to marketing efforts

## 11: Exit Strategy

At the end of year 5 and hopefully at the peak of Bridebook.com's popularity, the CEO will attempt to sell Bridebook.com to theknot.com (<http://wedding.theknot.com/wedding-planning.aspx>). In 2009, theknot.com purchased Wedsnap, a Facebook wedding planning application for \$3.2 million USD and also acquired breastfeeding.com for its other category, thebump.com. Theknot.com operates in the Toronto market, but has almost no content for Western Canada. Bridebook.com will be the Western Canadian piece of the mosaic of sites that makes up theknot.com.

Another possible buyer for Bridebook.com is a larger electronic magazine such as Conde Nast's brides.com which has a very limited Canadian section in its regional section of its site. Bridebook.com is the perfect addition for a larger American company looking to expand its reach into the Canadian market.

Despite Bridebook.com's promising outlook, should the business not thrive, all assets acquired by the company as well as the proprietary technology will be liquidated with the proceeds paying off any liabilities.

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