

COLORFUL CHILDHOOD CREATIVE ART WORKSHOP PROJECT

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ABSTRACT

This business plan is titled "Xi'an Science and Technology High-tech Education Group's Colorful Childhood Creative Art Workshop", with children aged 3-12 as the target customers and children's art education training in Xi'an, China as the core product. Combining the modern enterprise management theory, human resource management theory, PEST model, Porter's five forces model, SWOT analysis and other theories studied during the MBA, the basic concept and basic situation of the company was explained, focusing on industry analysis, market analysis, marketing plan, management team building, action plan design, product development plan design and financial forecast, in order to guide the establishment of the company and the development of various businesses. This project is expected to sell 400 users per year for each age group, and a total of 2,000 users per year for all 5 age groups. With this, the first year will achieve 10 million in sales, with an estimated net profit of 3 million. At the same time, we plan to create a brand flagship store in Xi'an in three years, and carry out ten chain experience stores in the surrounding 10 prefecture-level cities, and achieve an annual user volume of 10,000, an annual output value of 50 million, and an annual net profit of 15 million in the third year.

Keywords: Creative art workshop; Business plan; Market analysis; Marketing plan; Financial analysis

INTRODUCTION&COMPANY DESCRIPTION

China is the world's most populous country, and the entire population attaches great importance to children's education, especially quality education such as aesthetic education. As the capital of the 13th dynasty and the capital of Shaanxi Province, Xi'an has a rich history, concentrated educational resources, stable economic development and a large population. This has laid a solid and good foundation for the planning, landing and development of the project of Colorful Childhood Creative Art Workshop of Xi'an Science and Technology Education Group.

The project will integrate the existing high-quality educational and teaching resources of Xi'an University High-Tech Education Group and use the creative art workshop as a new business direction, positioning the users at the stage of children and childhood.

The project leader, Mr. Wu Voyage, has more than ten years of experience in front-line art education and teaching management, and Xi'an Science and Technology High-tech Education Group has strong schooling strength and financial strength, and has long focused on

education investment, while there are not many children's creative art workshops on the market in Xi'an, Shaanxi Province, with less competition and strong market demand.

The core products and services of Xi'an KU High-Tech Education Group's Colorful Childhood Creative Art Workshop project are as follows.

Product One: Doodle Art

Age: Suitable for 3-4 years old children

Product Two: Children's crafts

Suitable age: Suitable for 5-6 years old children

Product Three: Children's artwork

Suitable age: Suitable for children aged 7-8

Product Four: Painting Art

Age: Suitable for children aged 9-10

Product Five: Professional Art

Suitable age: Suitable for children aged 11-12

Service One: Directly operated by the group

Service Two: Chain operation

This project takes "Xi'an Science and Technology High-tech Education Group Colorful Childhood Creative Art Workshop" as the name of the company.

Company Mission: To bring creative art education into thousands of families and return to the colorful childhood.

Company Vision: To be the benchmark of creative art education for children in China

Company values: Seeking truth, making good, and achieving beauty

INDUSTRY ANALYSIS

2.1 Industry Size, Growth Rate and Sale projections

First, from the industry scale: China's art training market is large and has a wide audience.

Second, from the industry growth: primary and secondary school art education and training-based market has more than 300 billion market, and is growing at a rapid rate of 30% per year, each year to participate in various types of training for young children more than 100 million people.

Third, from the sales forecast: according to the age of the audience can be divided into children's art training, art high school candidates training and adult art training, of which children's training occupies a major share.

2.2 Industry Trends

Environmental trends:

Combined with the PEST model: that is, P is political (Politics), E is economic (Economy), S is social (Society), T is technology (Technology), the market macro environment of the children's art education and training industry is specifically analyzed as follows.

One is from the political side of the factor, many areas of aesthetic education into the secondary school entrance examination points and will be gradually extended to the whole country, will effectively activate the stock market of non-disciplinary training.

Secondly, from the economic perspective, the national income continues to grow to provide sufficient motivation for education expenses.

Third, from the social aspect, the emergence of new industries has led to a change in employment structure, a large shortage of art, film and television, digital media art talents, high salaries, the enthusiasm of the relevant application professions rose, and the art training market benefited.

Fourth, from the technical side of the factors, China's in-school system of art education resources are insufficient, the teacher shortage is large, the regional development is more unbalanced, giving rise to off-campus art training market, national legislation to encourage private art training institutions.

From the micro-environmental level of the market, this project uses Michael Porter's five forces model for analysis as follows.

Supplier and customer bargaining power: The customers of the children's art education and training industry are mainly parents who are concerned about the physical and mental growth of their children. For these customers, their main deciding factors for choosing an educational institution are the professionalism of the teachers, the standardization of the center and the humanized education system, and the price of the course is not the main basis for their consideration.

Threat of potential new entrants: the entry threshold of this industry is still low, and it is easy for new competitors to enter the industry.

Threat of substitutes: the curriculum design of this project is modular and serialized, with good competitiveness and scientific. Therefore, this program is not easy to be replaced at present.

The degree of competition from industry competitors: Xi'an Science and Technology High-tech Education Group's Colorful Childhood Creative Art Workshop project can only get a share in the children's art education market by adopting a scientific and reasonable product design and corporate strategy with more competitive advantages.

Business trends:

First, the number of students in kindergarten to junior high school in China exceeds 200 million, children's art training market size of nearly 100 billion, children's art training cycle is long, the future with the penetration rate and customer unit price to improve the scale is expected to double.

Second, China's art exams from 2019 onwards more than a million people, the training market size of more than 40 billion, of which art training occupies an overwhelming advantage, so the future will certainly drive the huge development of the children's art training market.

Third, with the development of the concept of aesthetic education and the internationalization process, the market demand for children's art and art training, children studying abroad art training, etc. to enhance, coupled with the influence of media culture and other elements, the future of the children's art market has a good business potential.

MARKET ANALYSIS&MARKETING PLAN

3.1 Market Segmentation and Target Market Selection

In terms of market size, China's art training market is large and has a wide audience.

In terms of market segmentation, art education and music education occupy the first and second place in the types of art education parents want their children to receive, respectively.

From the point of view of user consumption, the children's art training market has a wide audience base and can maintain high growth in the long term.

Based on the above market analysis and the actual development of Xi'an Science and Technology High-tech Education Group, we position our core products and target market as follows.

The core product of Xi'an Science and Technology High-tech Education Group's Colorful Childhood Creative Art Workshop project is children's art education training.

Target market selection: Based on the above market segmentation, the target market population of this project is mainly children and their parents ; the age of the target market population is chosen to be children aged 3-12 and their parents of the right age; the economic income of the target market families is chosen to be the middle class, which accounts for the highest proportion, so as to facilitate the expansion of the user market. The target market is Xi'an, the capital of Shaanxi Province, and within three years, the target market area is Xi'an, with the city as the center and the surrounding cities radiating to form 10 schools by providing chain management services.

3.2 Competitor analysis

SWOT Analysis	
Strength	Group brand advantage, successful cases and educational resources advantage, the team is passionate.
Weakness	The average age of the executive team is not high, and the project is new and therefore risky.
Opportunity	The current historical opportunity of integration and upgrading of the education and training industry.
Threat	Education and training industry currently has low threshold and fierce competition.

3.3 Pricing Strategy

In the marketing and pricing of this project, because the children's art education training is a brand new education product of Xi'an Science and Technology High-tech Education Group, a competitive pricing strategy was mainly adopted to facilitate marketing. After researching and comparing the pricing of similar products, and considering the operating cost of the project and the value generated to customers, the final pricing was 60 hours for all five age groups (two hours per class, 30 classes in total, one class per week, and a cycle of classes throughout the year), with a uniform fee of 5,000 yuan per student. That's about \$170 for each two-hour class. At present, the teaching content of this project basically belongs to the highest value of this price among similar products in Xi'an, that is, the cost performance occupies a better competitive advantage in the market, while being able to ensure basic operation and profit.

3.4 Sales process and promotions Mix

This project mainly adopts the experiential sales process, that is, through the promotion of mixed methods, external classroom teaching session display and in-store children's art open class experience, to immersive high-quality classroom experience to complete the final consumer orders.

The mixed sales plan of this project is as follows.

First, positioning marketing; Second is the difference marketing; Third, data marketing; Fourth, telemarketing; Fifth, on-site marketing.

Combined with the above sales process and promotional mix plan, the specific distribution and sales plan for this project is as follows.

Positioning marketing; Differential marketing; Data marketing; Telemarketing.

MANAGEMENT TEAM AND COMPANY STRUCTURE

According to the pre-development needs of the project, the collection of the actual needs of the operation of this project, the specific settings for the principal (general manager) of the general responsibility system is mainly responsible for the vice principal, a total of six different departments, each department set a person in charge.the senior management includes the chairman, the president (general manager), and three vice presidents. There are six departments: Curriculum Development Center, Teaching Operation Center, Teaching Service Department, Market Development Department, Administration and Personnel Department, and Finance and Logistics Department, each with one middle-level manager. The management team, as the main backbone of the executive team, will be gradually expanded and replaced in the development process in accordance with market changes and campus development. The responsibilities of the management team in the current organization are as follows.

OPERATIONS&PRODUCTION PLAN

5.1 Operations Model and procedure

The main campus of Xi'an KU High-Tech Education Group's Colorful Childhood Creative Art Workshop project in Xi'an is directly operated by the group and registered as a limited liability company, striving to build a brand flagship store. After the capitalization of each investment shareholder, each branch campus of Xi'an KU High-Tech Education Group will set up a shareholders' meeting, a board of directors, a supervisory board and an executive unit such as the chairman in accordance with the relevant provisions of the company law.

The specific plans for the operation mode of the main campus and sub-campuses are as follows.

Main Campus: Directly operated by the Group

The first campus of Xi'an KU High-Tech Education Group's Colorful Childhood Creative Art Workshop project, Xi'an Campus, is directly operated by the Group, and is committed to building this into a flagship store, so as to establish a brand and benchmark and form a demonstration effect.

Sub-campus: Chain operation

Functions	Number of people	Levels	Responsibilities
President	1	High Level	Overall responsibility for the project's investment and financing and directional decisions
Principal (General Manager)	1	High Level	Fully responsible for the daily operation and management of the project
Vice President of Teaching and Learning	1	High Level	In charge of Curriculum Development Center and Teaching Operation Center
Vice President of Marketing	1	High Level	In charge of the teaching service department and the market development department
Vice President of Administration	1	High Level	In charge of the administration and personnel department and the finance and logistics department
Director of Curriculum Development	1	Middle Level	Responsible for curriculum development and teaching research
Director of Instructional Operations	1	Middle Level	Responsible for teaching management and classroom operation
Director of Instructional Services	1	Middle Level	Responsible for teacher communication and teaching security
Director of Market Development	1	Middle Level	Responsible for consultation and promotion, enrollment and branch expansion
Director of Administration and Personnel	1	Middle Level	Responsible for administration, recruitment and general affairs
Director of Finance and Logistics	1	Middle Level	Responsible for logistics, procurement, maintenance and financial assets
Total	11	5 people in the senior level and 6 people in the middle level.	

Xi'an KU High-Tech Education Group's Colorful Childhood Creative Art Workshop project is expected to continuously radiate around Xi'an within three years and form 10 branch campuses by providing chain management services.

5.2 Operation strategy and plans

The first phase of business strategy and plan of Xi'an Science and Technology High-tech Education Group's Colorful Childhood Creative Art Workshop project is divided into three years of implementation, that is, three years to create a brand flagship store in Xi'an and carry out 10 chain stores in 10 prefecture-level cities in the vicinity, the third year to achieve an annual user volume of 10,000 people, an annual output value of 50 million, and an annual net profit of 15 million.

Xi'an Science and Technology High-tech Education Group's Colorful Childhood

Creative Art Workshop project is proposed to build a new, dynamic and core competitive children's art education and training supermarket during the three-year period from 2022 to 2024, becoming the most professional, influential and authoritative children's art education and training institution in the industry in Shaanxi God and even in Northwest China. Annual business strategies and plans are as follows.

Specific business strategies and plans for the three-year period	
First Year	To build into a relatively authoritative children's art education and training institution with a certain reputation in the industry in Xi'an.
Second year	Establish comprehensive profitability and core competitiveness of the project to make it an industry leader in Xi'an, and establish 2-4 branch campuses.
Third year	Establishing 6-8 new sub-campus.Phase II Launch.

FINANCIAL ANALYSIS&FEASIBILITY ANALYSIS

6.1 Basic assumptions

(1) The basic data of this project is estimated in accordance with the company's preliminary ideas, and the expected revenue that may be achieved by this project is measured from two perspectives of cost and revenue respectively.

(2) The following calculation will not consider the subsequent equity financing, with initial own funds of 1.5 million plus investment into 5 million investment free rolling operation.

(3) Stable growth in the market volume of children's art education and training.

(4) Effective strategic adjustment of the project in the next few years and overall improvement of marketing, operation and cost control capabilities.

(5) No major substantive changes in the national economy or natural environment.

6.2 Fund Utilization Plan

The use of funds will be planned according to the business plan and start-up basic needs as follows.

Fund Use Plan		
Projects	Amount (million)	Percentage of total investment (%)
Start-up fee	50.00	8%
Teaching equipment input	100.00	17%
Introduction of teaching programs	100.00	17%
Teacher Training	50.00	8%
Promotional input	280.00	47%
Laydown working capital	20.00	3%
Total	600.00	100%

6.3 Total cost estimate

Estimated annualized total cost of ownership		
Projects	Amount (million)	Percentage (%)
Overheads	80.00	20%

R&D costs	10.00	3%
Labor Costs	150.00	38%
Marketing Costs	150.00	38%
Unforeseen expenses	10.00	3%
Total	400.00	100%

6.4 Earnings Estimates

Earnings Estimates				
Serial number	Projects	By Year		
		1	2	3
1	Operating income (million)	1000.00	3000.00	5000.00
2	Operating expenses	400.00	1320.00	2420.00
3	Profit	600.00	1680.00	2580.00
4	Operating tax	41.00	82.00	164.00
6	Income tax	94.75	279.50	658.00
7	Net profit	464.25	1318.50	1618.00

6.5 Financial Indicators

Investment Indicators	
Average Gross Margin	54%
Average Net Margin	37.78%

CONCLUSION AND FUTURE WORK

In the long-term outlook, multi-dimensional factors will continue to drive the rapid growth of the art training industry and market demand. Specific analysis is as follows.

First, the branding of the art training industry is gradually strengthened. The concentration of industry development will gradually increase, and the demand for brand recognition will rise with the consolidation of the industry.

Second, art training is gradually expanding to the international market. The inevitable trend of the marketization of China's education and training will go overseas, while overseas educational resources flow into the country.

Third, the children's training market shows a trend of merger and integration. Children's art training market will show a wave of blowout unmatched by other market segments in the future, and the current development stage of the industry is facing a historical opportunity to integrate and upgrade the merger and acquisition.

Therefore, the launch of the project of Xi'an Science and Technology High-tech Education Group's Colorful Childhood Creative Art Workshop is not only the right time, the right place and the right people, but also the early realization of the project goal, and it is expected to quickly realize the chain operation in the province, so as to achieve the purpose of the first stage of the project: namely, to create a brand flagship store in Xi'an in three years, and

to carry out ten chain operation stores in the surrounding 10 prefecture-level cities, and to achieve an annual user volume of 10,000 users, an annual production value of 50 million yuan, and an annual production capacity of 1 million yuan. In the third year, the project will achieve an annual user base of 10,000 people, an annual output value of 50 million, and an annual net profit of 15 million.

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