



RAZAKAR CARE

Business Plan

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1. Executive Summary

'Razakar Care' is a sole proprietorship venture which aims to provide services to senior citizens and pregnant women of Sweden. The business will start from Göteborg, Sweden and expansion plans will be made after few years of experience. The services we aim to provide include home care, nursing facilities, maintenance services, healthcare and help with other services needed by elder people and pregnant women.

Sweden is a country with 19% elder population and this amount is estimated to increase in coming years. Also, Sweden is the country the highest birth rate among all Nordic countries and pregnant women don't get any services by government except getting paid leave after child birth. This is why we believe that our services can have a good growth scope and our company can sustain with good profits.

In Sweden, we will face competition from municipalities and three private companies. However, the competition will not be direct because we are planning to offer different service packages which are not being offered by these companies. We will use price penetration strategy which means that we will keep normal price for our product so that we can target greater number of customers over time.

As per our estimates, we will have growth in first, second and fourth quarter of the year and growth will be reduced in third quarter of the year. As we cannot get debt financing in Sweden and we cannot issue shares to finance our business idea, we will rely on equity financing and owner investment. We will borrow money from friends and return them the money over the time period decided. However, we believe we will be able to manage because of low cost structure of our company. We will have low setup costs in initial years and our main costs will be employee salaries. Being a sole proprietor, we will save ourselves from salary taxes and double taxation which will help us survive in initial years.

After conducting SWOT analysis, Industry analysis, Market analysis and Financial projections, we believe our business idea can be successful if product differentiation and value positioning is done properly in customer's mind.

2. Industry, Company and Product

2.1 Industry

Elderly care industry is a specialized industry which aims at fulfilling special needs of senior citizens of a country. The industry usually encompasses services such as adult day care, nursing homes, long term care, residential care, home care and assisted living etc.

The practices of eldercare industry vary in every country depending on cultural perspectives on elderly citizens. In societies with individualistic cultures, senior citizens usually live independent life and they need more care from elder care service providers. Companies operating in the industry need to be very careful not to hurt the dignity of elderly people. A large amount of elderly care in different countries usually fall under unpaid market sector and is considered a social venture.

Elderly care is a very important part of Swedish society. Of the 9.8 million inhabitants, 18 percent are above the age of 65 years and the percentage is expected to rise to 30 percent by 2030 because of large number of birth during 1940s.

In 2012, 9% of the population 65 years and older used needs assessed home care services and 5% lived in residential care (Socialstyrelsen 2013a). The coverage of both forms of services has declined sharply in recent decades, even among the oldest age groups, and today the service coverage is considerably lower in Sweden than in Denmark and Norway but on par with Finland (Nososco 2011). However, the service intensity (staffing ratio in residential care and the average number of home care hours per user) is comparatively high and, according to the OECD, Sweden is still one of the world's most generous countries when it comes to spending on eldercare. Approximately 85% of eldercare funding comes from municipal/local taxes, while another 10% comes from national taxes. Accordingly, users pay only a small fraction of the cost (5-6%) (Szebehely & Trydegård 2012).

Due to higher percentage of older population, Sweden has a high focus on public service and elder care service. In Sweden, elder people get their pension from the companies they worked for and a stipend from the government as well and are provided care and health services by local municipalities. Local municipalities take a small charge and provide nursing facilities and other elder care services to the senior citizens. Also, there have been many social organizations working for welfare of elderly people. However, the number of these organization has been decreasing since 2014. Also, municipalities usually provide services to older people in dire need and the elder person has to go through a long procedure to get approved for care services. These services are restricted to the duration the older person is in dire need for. Therefore, although Swedish welfare system is focused on providing elder care to senior citizens, there is still a big gap in the market because of highly specialized service provided by the authorities. This gap can be filled by providing services to elder people such as home care, home cleaning, maintenance, social forum and social gatherings etc.

2.2 Company

2.2.1 Our mission

Razakar care is a venture which aims to provide assistance to the two most important and yet under looked groups in Sweden; the older people and pregnant women. Elderly people constitute 19% of the total population of Sweden and by 2020, it is expected that 1 out of 10 people will be above 80. However, the personal and physical needs of these people aren't really catered in a proper way. Firstly, because Sweden is an individualistic society where older people mostly live alone away from their kids and secondly because people in Sweden don't like to ask for help or any favors. Therefore, people above 65 years of age have to manage everything on their own.

There are few services provided by municipalities to older people but they aren't very useful because older people get services after a thorough check of their need and those services are limited to few days that too in dire need. Keeping all these facts in mind, we feel the need to introduce a service organization which takes care of the elderly people of the society and makes sure elderly people feel happy and socially integrated.

Second target market of our service company is the pregnant women. Sweden is a country with a higher birth rate as compared to other Scandinavian countries. Swedish parents get a collective leave of four years once the baby is born. However, during the months of pregnancy a female has to take care of everything at home as well as do her job regularly which can become quite tiring. Therefore, we aim to provide home service to pregnant women who find it difficult to manage their daily hectic routine during pregnancy.

With the above mentioned aims in mind, the mission of this service company is therefore to,

“Provide home services to elderly people and pregnant ladies at affordable prices and organize events for these people so they don't feel loneliness and disconnection to the outside world.”

2.2.2 Vision

Our vision is to make things easier for elderly people and pregnant ladies. We want them to feel integrated in the society and share their daily life burden equally.

2.2.3 Values

With the aim of providing services to two most important parts of the Swedish society, our business is based on the values of integrity, honesty to our customers, trust and comfort. Our organization doesn't believe in doing business and earning profits out of it. Instead we believe in doing social work and getting enough money to sustain our social work over time. Therefore, for us earning profits is not the main goal instead the goal is to bring comfort and ease to the most important segments of our society.

As we are dealing with our customers at personal level, building trust and being honest is most important thing for us. We have to make sure that our activities show integrity to our aims and we build trust in our customers so they feel safe and happy availing our services.

2.3 Product Description

2.3.1 Service Process

7P's of our service

Following are the 7P's our service company will be based on. Each P will be individually discussed in later section.

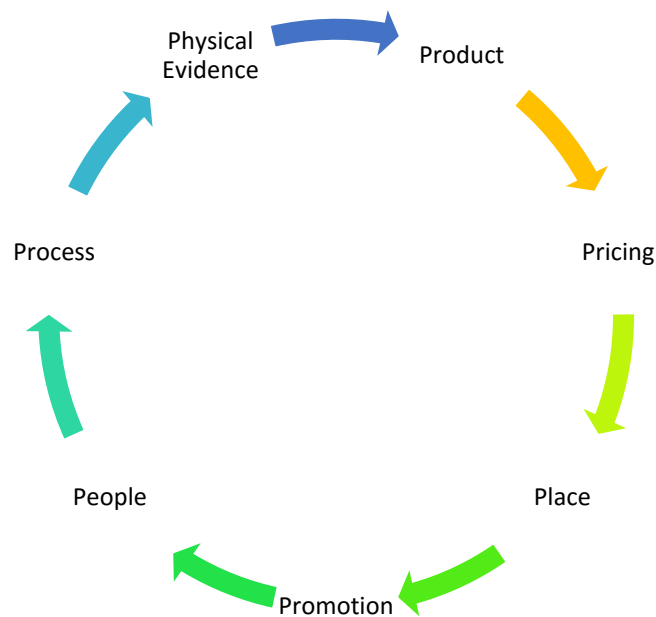


Figure 1: 7P's of service process

2.3.2 Product

A service product comprises all elements of service performance, both tangible and intangible, that create value for customers. Although one of the major characteristics of a service firm is the intangible nature of its product, still some elements in core product are tangible. Every service is comprised of two basic elements; Core product elements and Supplementary elements. Core product elements are the main elements offered and main source of revenue for the firm while supplementary elements are the additional benefits which add value for the customer and give the core product a competitive edge over similar services offered in the market.

Core product

The core product of Razakar Service Company is to provide home care facility to elderly people and pregnant ladies in Sweden to facilitate their daily life.

Our core product is divided into four packages so customers can choose the appropriate package based on their needs.

First category is the “Monthly package for elderly” in which people above the age of 65 years will be provided one hour assistance every day for full month. Second package is “One day

service for elderly” in which elderly people will call our service personnel for one whole day to help them with different tasks at home and outside. In this package, customer can avail our service for as many days as they need. Third package is “Monthly package for pregnant ladies” whereby pregnant ladies will have the option of getting one hour assistance every day for whole month. Fourth package is “One day midwife service” in which pregnant ladies can call for one day of assistance.

During assistance hours, the services we will provide include cleaning the house, doing groceries, helping with documentation, helping with any maintenance work, cooking food or helping with any travelling trip. Apart from these four packages, we will have two packages free of cost as we aim to bring maximum ease to our target market. First package in this category is “Accommodation package” whereby we will find young people who are looking for accommodation and they will be given a place to live in the elderly people’s house. These people will be allowed to live for free and in return they will have to take care of their landlord, give him/her company, cook food for them, clean and do rest of activities for them.

As Sweden is a country where finding accommodation can be a big headache for people, we will meet their demand by helping them find a place for free and in return they will have to take care of their landlords. Second package in this category is “Fika festive” whereby group activities will be arranged for elderly people and pregnant women so they fulfill their social needs. These events will be organized on monthly basis and employees will be asked to volunteer for managerial activities. We believe that with such kind of activities, we can make our customers happy and help them have a better social life at an elderly age.

Package name	Offer
Monthly package for elderly	One hour service per day for thirty days
One day package for elderly	A whole day service (6 hours)
Monthly package for pregnant women	One hour service per day for thirty days
One day package for pregnant women	A whole day service (6 hours)
Volunteer activities	
Fika festive	Coffee parties and get together for elderly and pregnant women
Accommodation	People looking for accommodation will be given opportunity to live with older people for free and in return they will be asked to take care of them and help them with everything

Figure 2: Services offered

Supplementary Services

In addition to the core products, several supplementary services will also be offered to satisfy the customer and gain a competitive edge by adding value for the customer. This will be done

by catering to some of the exceptions that the customers ask for including things like taking care of their pets, helping them with health routines and reminding them of the various activities they have to do. Every service product comprises of eight essential elements that complete the flower of services. Of these elements shown in petal below, Information, order taking, billing, and payment are the facilitating elements while hospitality, safekeeping, consultation and exceptions are the enhancing elements.

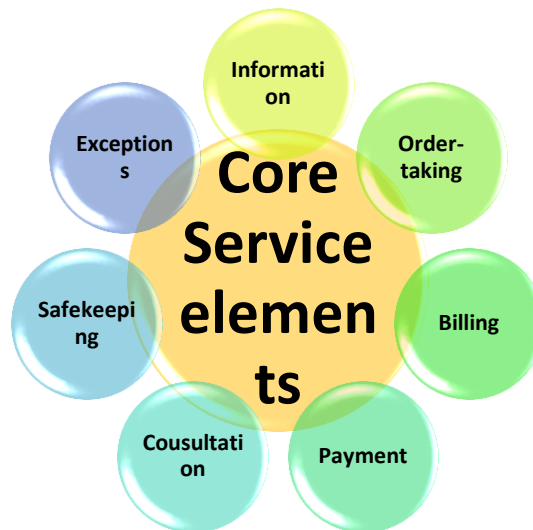


Figure 3: Core service elements

Facilitating Elements

Information: Information is a key facilitating element for our service because it will help our customers decide the right package and help us keep track of their demands so we can remind them of their meetings and importance activities. First step of collecting information will be done by phone call made by customer or their first time visit in which we will ask them about their requirements. After our first call, we will pay a visit to the customer's house and guide him/her according to their requirement. It will be made sure that information collected from customers is kept private and information shared with customers will be simple and easy to understand in order to avoid any confusion.

Order taking: Once information has been gathered and provided to the customer, order taking will be done by the operator. The operator will stay in constant contact with the customer in order to clear any confusion and make sure customers don't feel overloaded.

Billing: Once order is taken, billing will be done by the operator and customers will be allowed to pay online, pay by cash or pay by credit card. In order to make things easier for our customers, monthly package customers will be given the option of paying in two installments.

Payment: Payment as mentioned above will be done by the customer at the tie of subscription to the service. Customers who subscribe for daily package will pay at the start of the day and customers who subscribe monthly package will be allowed to pay either once at the start or in two installments during the month. Payment will be accepted in either of these forms: Online payment, Cash in hand, Payment by credit card.

Enhancing Elements

Consultation: Consultation will be given to customers by operator or by the employee visiting them after their call. Consultation will be given about which package the customer should subscribe to and what events can they attend according to their requirements. As we are offering four paid packages and two free of cost packages, this phase will make sure that customers are able to subscribe to right package without any confusion.

Hospitality: As our employees will have direct and longtime contact with our customers, the attitude of employees will play a crucial role in achieving customer satisfaction and long term customer value. Therefore, our employees will be given training to greet the customer with respect and not make them feel bad about availing service because of their age or health condition. Instead it will be assured that our employees make customers feel comfortable, respected and relieved. Alongside this, hospitality will be ensured by the receiver of the call as well and by anyone who comes in direct contact with the customer.

Safekeeping: Our Company will ensure safekeeping for our customers in case of any damage. In case of any injury to the customer because of our mistake or any material loss, the company will be liable to pay for the damage.

Exceptions: We will cater to exceptional demands of the customers such as taking care of pets or helping them with any travelling trip, buying tickets for them and giving them company if they feel lonely.

2.3.3 Price

Pricing is a very essential thing for a business whether it is operating in a service industry or manufacturing industry the reason being that the survival of business depends on profits generated and growth over the years. This cannot be done until a reasonable price is charged that the customer is willing to pay and it at the same time covers the costs affiliated with generating that service.

As our company is offering four different kinds of services, pricing will be done accordingly. It is important to mention here that our main goal is not to earn profits therefore we will keep our prices low to normal so maximum number of people can avail our services and make their older life easier.

Our target market includes elderly people ranging from 65-80 years and above. In Sweden, everyone at the age of 65 and above gets a pension from government named as “national retirement pension” which is SEK 11, 428 per month and they also get pension from the company they worked for. Sweden is included in international comparative studies on income and income inequality. Among all the European countries, Sweden is ranked among the countries with the lowest incidence of low income of the elderly. In Sweden, only 3% of the people above age 65 fall under the poverty line. These statistics show that our target market is financially stable and therefore ready to pay a normal price for our services. When it comes to pregnant women, every pregnant woman gets her normal salary (SEK 31,000-45,000 or more) depending on their position in the company. Sweden is a stable economy and people have free medical facilities and education which saves them money for other activities. Also, parents in Sweden don’t have to worry to save money for education of their children as every child gets free education and some extra money for their living. For the pregnant women, price for

package one will be kept slightly low in order to attract more women. As both our target markets are financially stable, they will not have any problem in paying to avail our services.

Our company will follow **Penetration pricing strategy** which means that we will keep our prices low to medium in order to attract more customers and gain higher market share. Following is the price list of our services based on our pricing strategy.

Package	Price	Target Customer
<i>Monthly package for elderly</i>	5000/month	People with age 65 and above
<i>One day package for elderly</i>	600/day	People with age 65 and above
<i>Monthly package for pregnant women</i>	4000/month	Pregnant women
<i>One day package for pregnant women</i>	600/month	Pregnant women
<i>Fika festives</i>	Free	Depend on the activity
<i>Accommodation</i>	Free	Older people

Figure 4: Pricing strategy

Revenue Management

To ensure revenue management, we have categorized our services in different fences and charged different price for each category. Revenue management will be ensured by keeping costs down as we are not charging very high price. Therefore, our main focus as a company will be on keeping our costs down and do as much fencing of our services as we can.

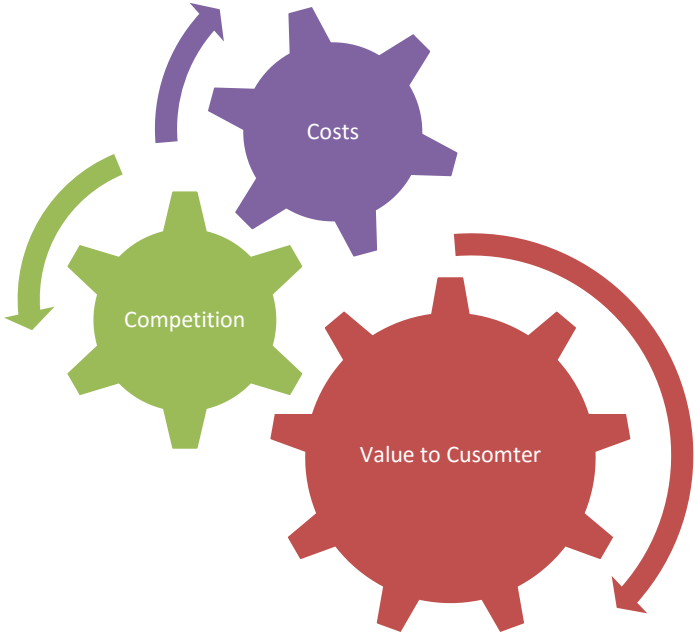


Figure 5: Revenue management

2.3.4 Place

This particular marketing mix 'P' deals with when, where and how the service is provided to the customer. For any service industry time is a crucial factor and to ensure convenience, providing right service at right time is extremely important.

As a service company which targets older people and pregnant women, our main concern is to be available for our customers round the clock wherever they want. As a startup, we will start from Göteborg, Sweden and our office will be in Jarntorget which is one of the most crowded areas of the city. Our company will offer office assistance as well as personal visits on customer's demand. This is because we don't want to older people to do the hassle of searching for our company and travelling to reach us. Therefore, we will ask about their address or the nearest coffee shop to their place and will send our employees to the destination.

The medium of communication used to avail the service will be through a telephone call and face to face meetings. We will also have online booking and consultation on our website so that people who use internet can reach us easily.

Distribution of our services comprises of three interrelated elements: Information and promotion flow, Negotiation flow and Product flow.

Information and promotion flow deals with how to make customers interested in availing the service, which we will do through phone calls and promotional activities.

Negotiation flow is to give the customer the right to use the service, which we will do when the customer will make a phone call or contact the service provider.

Lastly, Product flow is to make the service available at various service spots, and we have three spots for our customers: Online service, face to face meeting and Office visit.

2.3.5 Promotion

Providing customers with information is vital. Customers need to know about the service and the costs associated. In order to create awareness of our product and to provide information to customers, different marketing techniques would be used.

As our target market is older people and pregnant ladies, we will rely on newspapers advertisement. Apart from newspapers, we will use word of mouth and customer rating to promote our service. This will encourages a clientele as word of mouth is more reliable and trustworthy. Also, we will have our own website and we will develop a mobile application in sixth month of our operations.

Lastly, our events will help us create more awareness and reach greater number of people. To maintain relationships with existing customers, a comprehensive and up-to-date customer database will be required. Furthermore, the database will be used in a personalized way to organize different social events where older people can get together and have social interaction. Also, for pregnant ladies different sessions and events will be organized so they can meet other ladies in the same phase and have open discussion. This will help us reach more audience and create more awareness in our target market.

Owing to the intangible nature of our services, we will face challenges related to Abstractness, Generality, Non-search ability, and mental impalpability. To overcome this problem customers will be given a good assistance in first meeting and our advertisements will be clear and easy to understand.

Communication Mix

Personal Communication: The Word of mouth would be the most common tool for promoting the brand, although generated outside the organization. Telemarketing tools would not be used, as they would tarnish the image of the company.

Advertising: Advertising by mail will be the most common used tool. A three month marketing campaign would be run whereby our Ad of size 240*400 will be displayed in Barometeren which is the best seller newspaper in Sweden. Also a Facebook page will be maintained to adhere to customer queries and inform customers about upcoming events. Apart from newspapers, print ads will be posted on boards at Tobak shops where old people usually sit and interact with others. Also print ads will be posted on boards in libraries so people can get familiar to us.

Publicity and PR: Volunteer events and student housing with older people help us reach broader audience as people will hear about us from different sources.

Instructions and Manual: On our website, we will provide manual to ease the process of selection and registration for our customers.

Corporate Designs: Uniforms would be given to the employees and the ordinary staff to create familiarity and awareness of our product in broader market.

2.3.6 Process

Our main aim is to create ease for our customers and therefore we have to ensure that our service process is simple and easy to access. Following are the stages of our service process.

Act 1: Introductory Stage

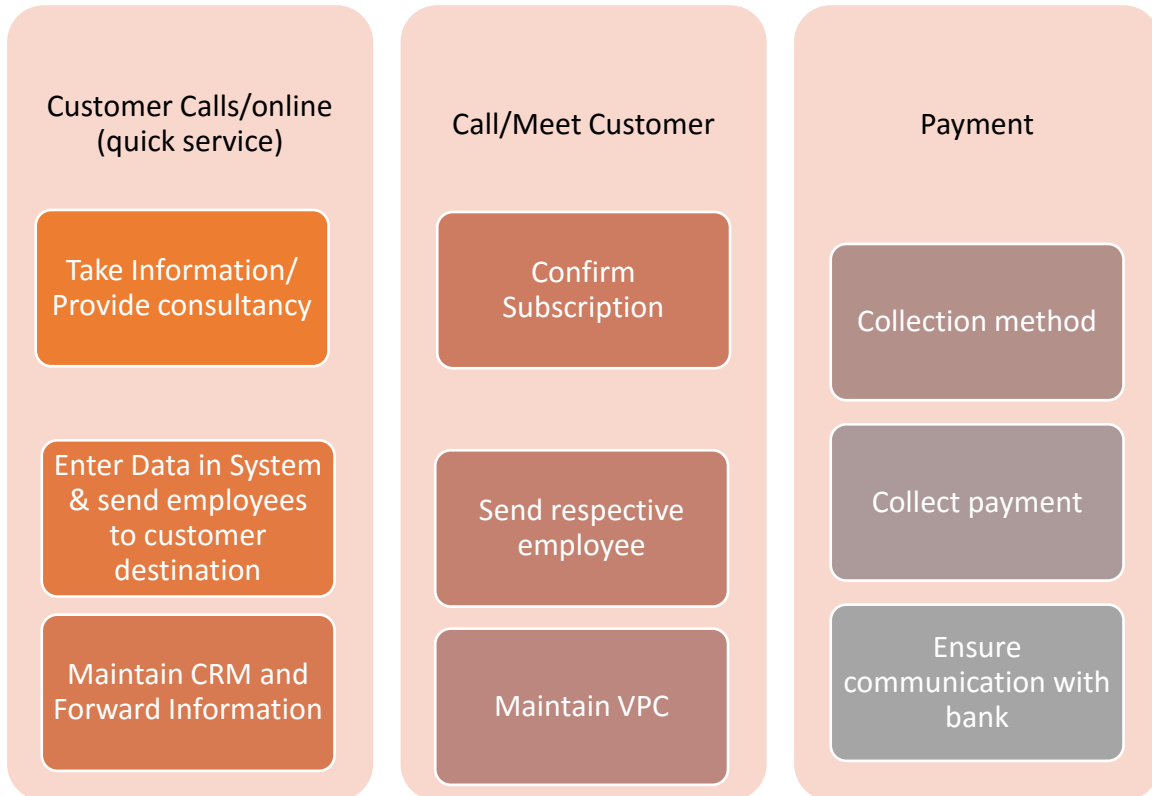


Figure 6: Introductory stage

The service process will begin when the customer reaches us by either paying a visit, calling or online reservation. As the customer calls, on the back end the operator will open the database, enter necessary details and check whether the customer is old or new. Every operator will be given a script to follow and a manual that guides him/her about general rules and packages available. When a new customer calls, basic information such as name, age, address and mode of information delivery. As the customer tells the preferred interaction mode and his/her address, next step will be to deliver information to the customers on their destination.

After providing consultancy, customers will be given time to think and decide. Based on their decision, customer subscription will be done and respective employee will be sent to perform the service. At the time of subscription, customer will be asked to sign a form and following information will be collected.

- ✓ Name
- ✓ Age
- ✓ Contact number
- ✓ Email address (If any)

- ✓ Customer's address
- ✓ Social Security number
- ✓ Package they need
- ✓ Hours of service
- ✓ Payment mode and information
- ✓ A signed agreement, confirmation of agreement

After collecting the information, the customer account will be checked properly which will include credibility check, security records check and then the customer will be provided specific service. At the back end, appointing right employee will be done. Once the employee is appointed, he/she will be given number, address and instructions about the service.

Once customer subscribes to the particular package, next stage will be of collecting payment. At the front stage, customer will be asked about the payment mode and payment will be collected. At the back stage, communication with bank would be maintained to ensure secure payment.

Act 2: Delivery Stage

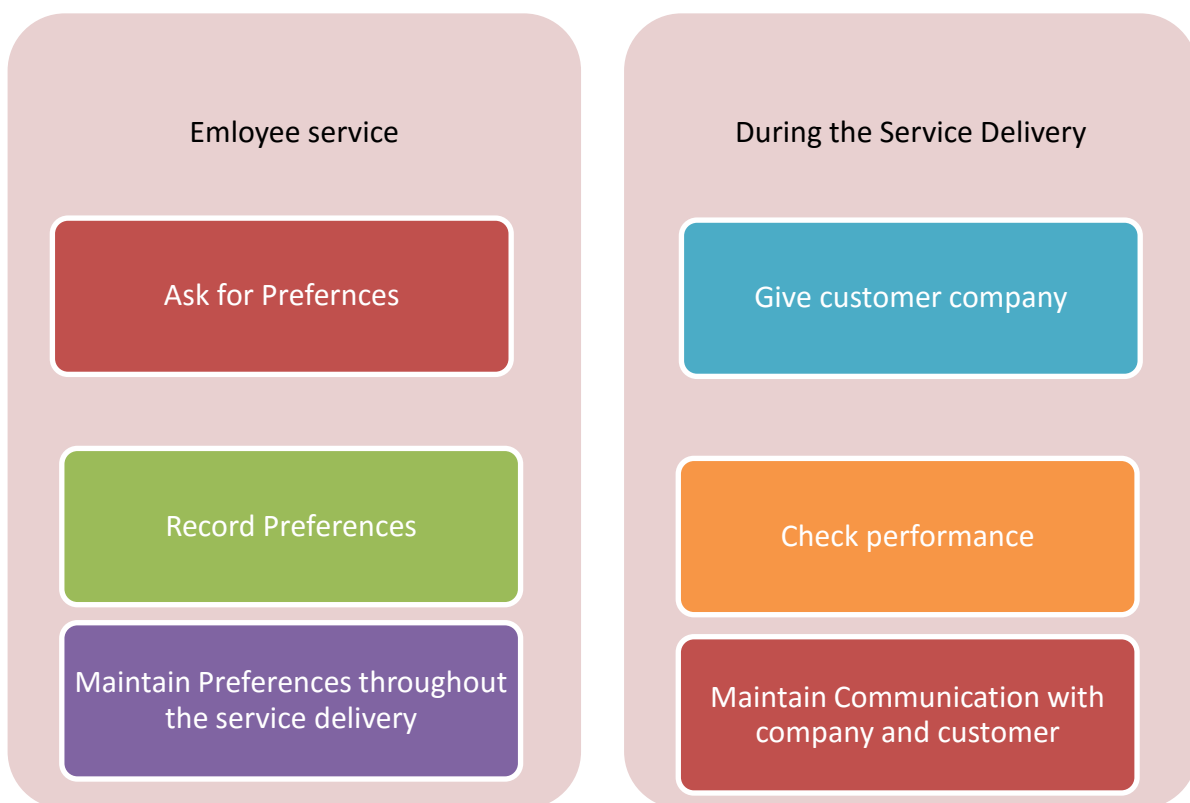


Figure 7: Delivery stage

Based on the specific package subscribed by customer, employee will be sent to the destination where they will have to first ask preference of the customer, tasks that need to be completed and record these preferences. After recording the preferences, employee will start

delivering the service and meanwhile the operator will call the customer to ensure they are satisfied with the service provider.

At the back end, throughout the service delivery system, the office staff will monitor performance of the employee and monitor timing of service delivery. This will help maintain efficiency in employees and understand ways to enhance customer satisfaction.

Act 3: Post Encounter Stage

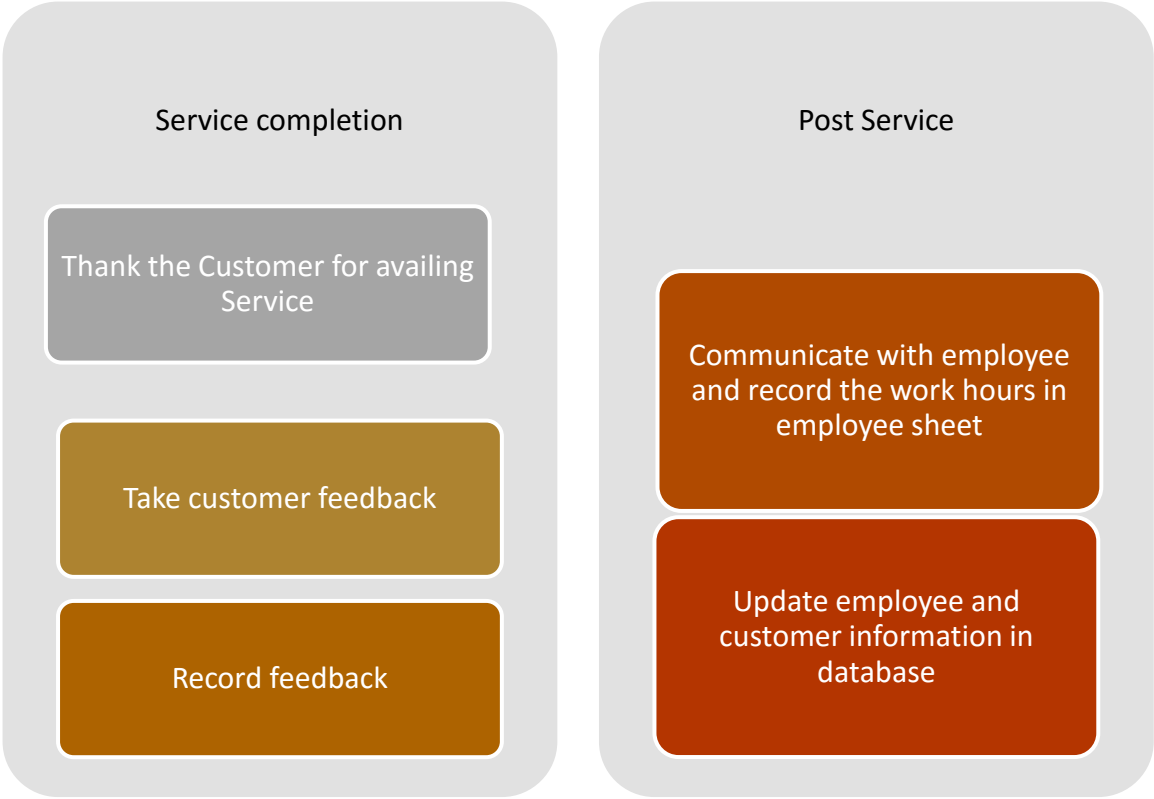


Figure 8: Post encounter stage

As the employee delivers the service, customer will be thanked personally and feedback will be taken either online or through confidential phone call or letter posted to the customer. Once feedback is collected, it will be recorded for employee training and improvement of the service. At the back end, feedback will be taken from employee and will be recorded and feedback from customer will be given to employee. Also, employee will be asked to record the work hours in employee sheet and sign the sheet in order to maintain employee record. After collecting information from employee and customer, the information will be recorded and updated in database. Here is the logo of our company.



Figure 9: Company logo

Standard Setting

There will be some standards for the customers as well as the staff.

- The customer will have to place the order 1 hour before they want to avail the service.
- Call shifting from the operator to the employee should take no more than 60 seconds.

Physical Environment

Service environment helps a service provider create a distinctive image and unique position in the mind of the customer. It acts as a message-creating medium, an attention-creating medium, and an effect-creating medium. Service environment consists of all the determinants that help to create experience for the customer. For our company, the service environment starts from the office until the service delivery.

- All employees of our company will have a uniform with the company's logo which will help us create recognition and increase customer familiarity.
- Our employees will travel on public transport which will help us reach broader audience and increase customer association.
- The office will be well decorated because as the customer will rarely visit the office as most of the orders will be taken through phone calls and personal visits.
- Customers would be asked what kind of scent they want and the preferred scent will be applied in their house.



Figure 10: Russell's Model of Affect

Razakar Service Company aims to provide a pleasant experience to all the customers with a least arousal hence the service provides a relaxing experience.

2.3.7 People

Choosing right employees will be very important for our service company because of direct interaction of customer and employees. As this company is a sole proprietorship, the owner will act as the operator and will maintain the accounts, operate calls and manage office work. Our service company will not hire employees on permanent basis instead employees will be hired on hourly basis and salaries will be paid on hourly basis. Therefore, employees will be a variable cost for us. Temporary hiring is done because we aim to hire more employees as the number of customers grows.

To hire employees, CVs will be taken and formal interviews will be done. Through interviews, it will be ensured that employees have the patience, motivation and integrity to perform the job and they can handle unanticipated situations calmly. Once, employees are selected based on their interview, they will be put in assessment tests where they will be given different group activities and challenges to perform. Through these activities it will be ensured that employees can actually handle the situation very well and are able to perform the tasks allotted to them. Once employees are selected, each employee will be called when a service will be required from them. Given the tough demands of the job, different activities will be conducted to ensure employee motivation and satisfaction. These activities include Fika, social events, training, job shuffling and feedback sessions where employees will be able to discuss their feeling about the job and complications they face with the head of the department. These activities will help ensure employee motivation and retention which will increase customer satisfaction and long term customer relationship management.

Following are few things which will be practiced to ensure employee motivation.

- **Clear task assignment:** Employees will be given a proper explanation of the nature of their task, the time they need to work for and expected outcome. This will be done to ensure that the customer doesn't need to discuss expected tasks with the employee so frustration can be minimized.
- **Employee appraisal:** Employees who perform well at their job will be given bonuses, and special tickets to different events based on their preferences.
- **Remove other irritating factors:** We will try to minimize factors which can irritate the employees such as sending an employee on double duty, not giving leaves when they want, and giving too much feedback right after they complete the service delivery process.

3. Market research and analysis

3.1 SWOT Analysis

To understand our market and competitors, SWOT analysis was conducted. SWOT analysis consisted of an analysis of the Strengths, Weaknesses, Opportunities and Threats our companies might face in future. Based on the analysis, strategic plan and value proposition of the company was decided. Following is the SWOT analysis of our company.

Strengths	Weaknesses	Threats	Opportunities
<p>1) Market innovators: Our company is the one of its kind and the first company to provide elder care and pregnant women care in Sweden. We believe that being the first I market, we will have the benefit of gaining a high market share.</p> <p>2)Trend setters: Being the first I the market, we will be able to be the trend setters in the market</p> <p>3) Business Model: Our business model is a cost effective model which means that our sunk costs to start the company which will make it</p>	<p>1) Organization structure: As our company will be registered as sole proprietorship, we might have some operating burden on the sole operator of the company.</p> <p>2) Funding requirements: In Sweden, debt financing is not possible unless a company is not owned by a Swedish resident. As our company is a start-up and we are not permanent residents of Sweden, we don't have the option of debt financing. Therefore, the only option we have is</p>	<p>1) Legal laws: Sweden is not an attraction to investors because of high taxation and lesser chances of debt financing. Although it secures banks and the government because of high taxation but start-up companies might find it hard to pay 30% taxes during the initial stages of development.</p> <p>2) Sensitivity of the business model: Our business model is sensitive because of our target market which are elder people and pregnant women.</p>	<p>1) Expanding product base: As we gain experience in the market, we will consider expanding our product base to cater more needs of elder people.</p>

<p>easy to cover the initial costs</p> <p>4) Temporary recruitment: As most of the employees will be hired on temporary basis, we will be able to cover our fixed costs easily and it will be easier to change employees who don't perform well.</p> <p>5) Marketing plan expenditure: As our target market is very well defined, our marketing expenditures will be low because of the selective medium of communication to our customers.</p>	<p>equity financing.</p> <p>3) Market innovator: Although being a market innovator will be our strength, it might be hard for us to settle down in the market and convince our customers that they need our services.</p>	<p>3) Municipalities: The biggest and only competition we face in our business are the local municipalities. Municipalities charge very low fee for the services they provide. Although we will provide more specialized services, our business has the opportunity to differentiate from municipalities but they will still be a big competition for us.</p>	
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Figure 11: SWOT Analysis

3.2 Competitors

Our main competitors are the municipalities, cleaning companies in Sweden, private companies and volunteer social organizations. Currently, every local municipality is responsible to provide services needed by the elder people living in the area. The services provided by municipalities are limited and this gives us an opportunity to penetrate in the market and achieve high market share. However, as municipalities are run and monitored by government and are pure welfare organizations, we will have to make sure our target market differentiates us from municipalities because we aim to cover the gap these municipalities haven't been able to cover so far and this will require product differentiation and right positioning in customer's mind.

Second biggest competition we will face is from cleaning companies which provide specialized cleaning in case an old person dies and they maintain the exterior of apartments. These companies can be our competition for cleaning services we will provide. However, our company is much more than cleaning house and maintenance for elder people. It is about making daily life easier for them and helping them with things such as shopping, grocery, social work etc.

There are six big volunteer organizations working in Sweden aimed at providing services to the elder people. These organizations recruit young people as volunteers and ask them to help specific older people by living with them, sharing their food, giving them company, helping them bath and everything else they need help for. However, since 2014 the number of these organizations has not shown any significant increase compared to increasing elder population in Sweden. This leaves us a gap of a big chunk of customers who we can target and help during their elderly age.

Swedish eldercare sector started facing competition in initial years of 2000 when municipalities started exposing their own eldercare units to competition and invited private organizations to take part in competitive tendering. This process favored major companies, which have been more successful in bidding for contracts, and they have also grown as a result of merging and taking over smaller companies. As a result, the private sector, especially in residential care, has become dominated by large corporations (Szebehely 2011; Grant Thornton 2012). In 2012, 86% of all private residential care facilities were run by for-profit companies and close to half of them (46%) were run by two large actors, Attendo Care and Carema Care.¹⁸ A third large actor is Aleris. In 2005 all three corporations were bought up by private equity companies (Arfwidsson & Westerberg 2012).

It is worth mentioning here that we will not face any direct competition as such because there are currently no companies giving the services we aim to provide. Our competition will be indirect and this will act as an opportunity to understand the market better and come up with strategies to fill the gap left by our indirect competitors. The three largest competitors mentioned above are providing their services in residential care which means providing residence to older people. However, our business model is different and this is why we believe there is a lot of opportunity of growth in our respective business sector. This being said, we also understand that after couple of years we might have competition from new market entrants. But we believe that our success will be guaranteed by the long term commitment and trust we will earn in customers which will help us retain our customers in long run despite of competitors in market.

3.3 Industry Analysis

Industry analysis consists of an analysis of the five characteristics of our industry in general and their effect and counter effect on us as a company. Following is the Porter Five force's analysis for our industry and the strategies to cope with every characteristic.

Porter's Five forces	Level	Effect on company	Strategic plan
Threat of new entrants	Medium-High	Competition in future	Need for continuous innovation and product development. We need to ensure product differentiation so customers don't confuse our services with the services provided by three big market players Attendo Care, Carema Care and Aleris.
Threat of substitute products or services	High	Customer switching can be high	Increase long term benefits for customers, ensure trustworthiness and long term customer relationship management so that customer's don't prefer alternatives and substitutes over our product. Position our product in customer's mind in a unique way and offer unique value proposition through personalized marketing (Sending thank you letters and feedback requests).
Bargaining power of customers	Low	Ease of pricing: We can change our prices and convince customers to vail our services.	Make sure customer's trust us and believe in our vision.
Bargaining power of suppliers	Low	Cost effectiveness	No direct suppliers. Indirect partners such as employees can affect our relationship with customers so we need to ensure employee motivation and we need to ensure effective communication between our service centre, employees and respective customer.
Intensity of competitive rivalry	Low-Medium	Indirect competition. We can expect direct competition in long run.	Swedish rules ensure low rivalry by protecting individual company rights and this will save us from future rivalry.

Figure 12: Porter's five force analysis

4. Sales forecast and market share

Initially, sales forecast for this project has been conducted for a time period of three years (2016-2018). The forecast has been done based on expected growth rates in each quarter. As Sweden is a country with extreme winter season and few months of summers, we expect our sales to grow constantly for three quarters of winters and each year we expect sales to reduce during summers because people usually visit their elder family members and therefore not much elder care services are needed and so is the case with pregnant women. Sales were calculated individually for the four different packages we aim to offer and a total sum of sales was calculated for each quarter. The figure below shows sales forecast for a period of three years.

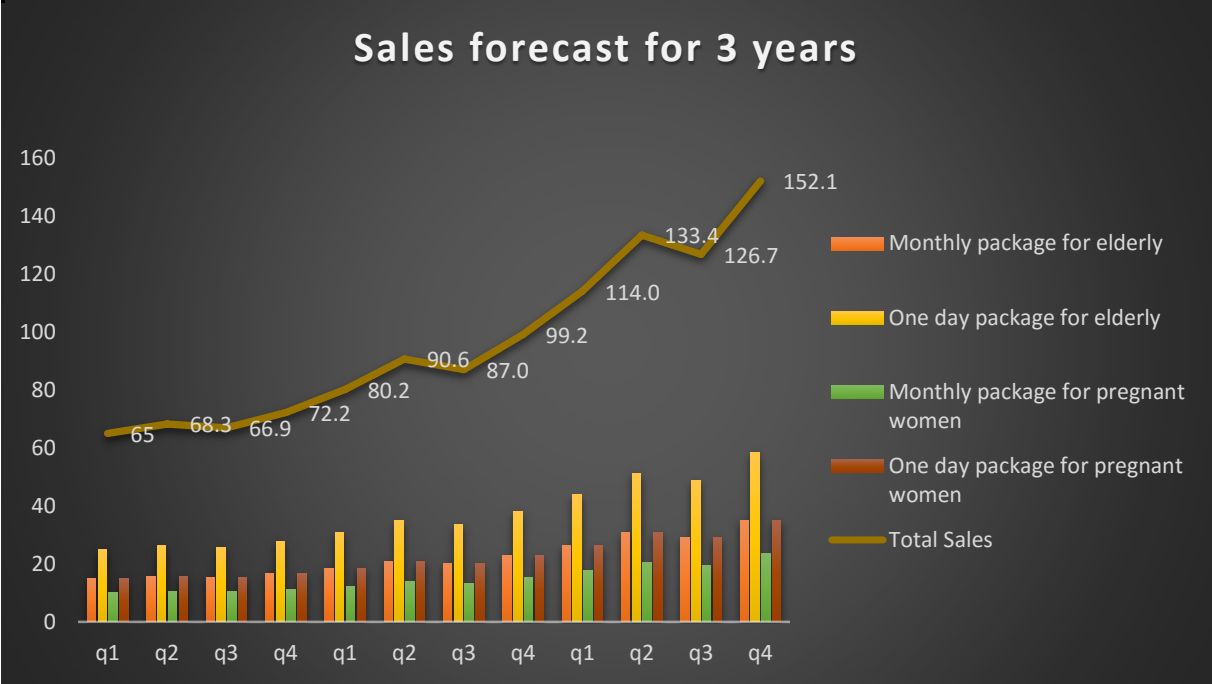


Figure 13: Sales forecast for three years

As a growing small sized company, our major goal is not to achieve a very high market share. We expect to stabilize our revenue structure for long term survival and grow gradually over the years. Although we will be the market innovators, still we don't expect to invest a lot of money initially. This is because we will solely rely on equity and some borrowings from our family members. Therefore, we will try to stabilize our operations and reinvest profits cleverly so that we can sustain without debt and we don't end up having solvency issues in short run.

4.1 Monitoring

In order to monitor progress and performance of our project, a three month market and company analysis will be done. In this analysis, we will compare actual results with forecasts and see the gaps that need to be filled. Also, we will use regular feedback forms from customers as well as employees as a source of performance evaluators for a quarter. These forms will help us understand the service areas which need improvement as well as help us

design strategies to ensure employee as well as customer satisfaction. Moreover, customer database will be created and updated regularly which will be a source of market analysis as we will gather information on background of our customers, location, occupation, income level and frequency of service. The database will also help us evaluate our service packages and help us focus on bringing new offers in future based on customer backgrounds and different needs.

5. Organization and Management

5.1 Organizational structure

For initial sustainability and tax savings, our company will operate as sole proprietor which means the company will be run by a single owner. As our customer base is not permanent initially, we plan to hire employees temporarily to save salary taxes and salary expenses. The number of employees hired will be equal to number of customers per because one employee will serve one customer in short as well as long run. Therefore, our organizational structure will be flat initially with less defined authority and more focus on team work because team work will enable us to achieve mutual understanding and consent between our long run goals and employees.

6. Marketing strategy

6.1 Market penetration

Being one of its kind in the market, we expect to gain a large share of customers by ensuring high customer trust and long term relationship with our customers. Market penetration will be done by ensuring product differentiation and right positioning in customer's minds. Currently, we don't face any direct competition, however our indirect competitors can easily become substitutes especially municipalities. Therefore, as a start-up company, we will need to ensure effective communication of product differentiation and long term customer relationship management by continuous performance feedback and customer support services.

6.2 Sales force

As mentioned earlier, we will hire employees on temporary basis. The number of employees will grow as the number of customers will grow in order to minimize delays and maximize customer satisfaction.

6.3 Recruitment process

In order to recruit employees, CVs will be taken at the start of each quarter and the CVs will be accessed based on language skills, location, flexibility of hours, preference and availability to work on temporary basis, skills related to elder care or care and home service generally.

After accessing employees, calls will be made for initial screening and interviewing. During interviews, employees will be asked general questions and specific questions related to the job and after passing the interview successfully they will be passed through screening tests. In screening test stage, employees will be put through different situation tests where they will be given different job situations. Screening tests will help us evaluate if employees can actually perform through different situations and handle job stress and customer interaction.

It will also be made sure that selected employees have good knowledge of Swedish language as well as English language. After selections, CVs will be saved and employees will be called based on their time and days preferences. When employees will provide service to a specific customer, both customer feedback and employee feedback will be taken so that improvements can be made and loop holes which effect employee motivation can be overcome.

Following is the process of recruitment of the company.

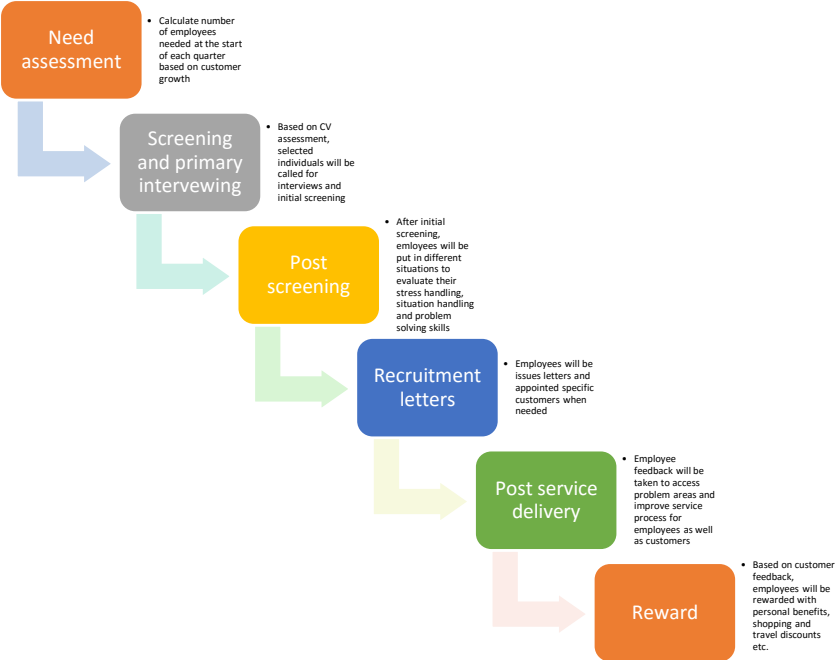


Figure 14: Recruitment process for our company

7. Funding

7.1 Current and future funding needs

To finance our operations and start up as a company, we will use equity financing and borrowings from friends. As we cannot take a bank loan, we will rely on equity funding. Initially, according to the estimates made, we need office supplies of 50000 Kronor and cash of 50000sek which will be financed from owner equity (70000 Kronor) and borrowings from friends (30000 Kronor). Friends will be returned their loans after one year time period and we

will use the net income as a reinvestment in the business and use the funding to sustain our operations. As we are a service business, our investments will mostly be used for R&D and market analysis or office maintenance. Therefore, it will be easier to start the company on low finances and sustain in initial years on equity financing. This low funding requirement is one of the reasons we find this business model implementable and successful in future.

8. Calendar

Our company will start its operations officially in January 2016. We aim to set up an office in Jarntorget Göteborg, Sweden. During first three months, we will expect to get customers based on our initial references and personal marketing. In first three months, we will conduct our marketing activities along with normal operations. At the end of first quarter, market analysis and company analysis will be conducted and our position will be evaluated.

9. Risks and critical problems

No business exists without risks of different kinds and problems on the way. However, a clever risk assessment can help evaluate the feasibility of business model. For our business model, following are the risks we assume and the problems we see coming in our way.

9.1 Funding restrictions

Sweden is a country with strict funding requirements which makes it unattractive for investment and business startup. As a startup company, we will not be able to get debt financing and therefore our only source of financing will be equity financing which means that we need to have enough money in bank account to start the business venture. Also, later in future, this might create a problem of solvency in case of payment delays from our customers which aren't a problem right now because of the secured payment rights in Sweden and payment by card being the most used medium. However, in future we might face the problem of solvency in case our customers delay payments or hold payments for different reasons. In that case, we will not be able to get short term debt financing to finance our short term operations.

9.2 Competition regulations

Sweden is a country with very strict and fair competition laws whereby competitors aren't allowed to have any unfair practices to increase sales. Although over the last decade, municipalities in Sweden have encouraged private firms to enhance elder care services however this trend cannot be assured in the coming years. Municipalities are very close to the government and therefore they can play a great role in changing current legal laws for private companies running in the industry.

9.3 Product positioning

Our services can easily be confused by customers with other substitutes because of the interchanging nature of services provided by all competitors and substitutes available.

Therefore, product positioning is a very important thing for our company and we need to make sure that customers understand our value proposition and they have clear understanding of our services versus the substitutes available. To make sure that customers have the right position of our product in mind, we will have to ensure effective personal communication and assistance with our customers.

9.4 Sensitive nature of our business

The services we aim to offer are very sensitive and personal to our customers which is why we need to make sure that our customers don't feel offended or helped. We need to make sure that our customers don't get the feeling that their dignity is effected because Swedish people prefer to live independent life without help. The sensitivity of our business model makes it very important for us to ensure customer ease and respect. We believe that there is a potential in the market and the business model is feasible despite of aforementioned risks because of following reasons:

9.5 Low cost structure

Our business model doesn't have a very high initial cost instead the setup costs are very low because of the personal nature of our services. To start as a company, we need a small office and no specific departments or delivery places because we will deliver service at customer's home. Because of a low cost structure and initial investment, it is easy for us to manage equity financing as a startup company.

9.6 Tax savings

We are operating as a sole proprietorship which means that our business will be registered as sole ownership business. This will give us the edge of saving high percentage of taxes in initial years which will lead to more retained earnings and investments in the company. Also, our company will save salary taxes because we will hire employees on temporary basis.

9.7 High growth market

The market we are targeting is one of the most highly growing segment of Swedish population and in coming years, the percentage of elderly people is expected to increase at a higher rate which will bring more customer base for us. We believe that by ensuring honesty and long term customer satisfaction, we can ensure a large customer base in future. The nature of our business and the potential benefits we forecast outweigh the risks associated to this business model which is why we believe this business idea can be a success if executed properly with careful positioning and value delivery.

10. Financial Plan

Financial projections for our company can be found in this section. We projected financial statements for a time period of three years. Revenues and cost analysis was done on a

quarterly basis with a separate projected growth rate for each period. Following section describes the projected statements for a period of three years.

10.1 Estimated Income Statement

In order to make income statement for the next three years, sales were estimated based on estimated growth rate. Calculations were done on quarterly basis with a separate growth rate for each quarter. Depending on our target market and their preferences, we estimate increasing growth for first two quarters, decreasing growth for third quarter and again increasing growth for fourth quarter. Sales were calculated individually for the four packages we will offer and the respective costs were calculated respectively. Our cost structure is simple because of our nature of operation. Our costs include fixed website cost in first month, one time office equipment costs, rent costs every month, office maintenance costs every month and salaries of employees. Salaries would be variable cost for us because we will hire employees on temporary basis. Our profit and loss sheet shows that we will have losses for first year and will earn profits in next year. Loss is first year is because of the high one time website costs and office equipment costs. For first year, we will not be obliged to pay taxes because we won't be earning any profits. However, for second and third year we will pay 30% taxes on our income.

Following is the sales estimate and income statement for our company for a period of three years.

		SALES PROJECTIONS											
		Q1	Q2 G 5%	Q3 G	Dec Q 4 G 8%	Q1 G 11%	Q2 G 13%	Q3 G	Dec Q 4 G 14%	Q1 G 15%	Q2 G 17%	Q3 G	Dec Q 4 G 20%
			0,05	0,02	0,08	0,11	0,13	0,04	0,14	0,15	0,17	0,05	0,2
Monthly package for elderly	15 5000/month	75000	78750	77175	83349	92517,39	104544,7	100362,9	114413,7	131575,7	153943,6	146246,4	175495,7
One day package for elderly	25 600/day/ 5 times	75000	78750	77175	83349	92517,39	104544,7	100362,9	114413,7	131575,7	153943,6	146246,4	175495,7
Monthly package for pregnant women	10 4000/month	40000	42000	41160	44452,8	49342,61	55757,15	53526,86	61020,62	70173,71	82103,25	77998,08	93597,7
One day package for pregnant women	15 600/day/ 5 times	45000	47250	46305	50009,4	55510,43	62726,79	60217,72	68648,2	78945,43	92366,15	87747,84	105297,4
Total Sales		235000	246750	241815	261160,2	289887,8	327573,2	314470,3	358496,2	412270,6	482356,6	458238,7	549886,5
Yearly sales			Y1			Y2			Y3				
		984725,2				1290428				1902752			
		COST PROJECTIONS											
Fixed Website cost	3000	3000											
Office asset	50000	50000											
Fixed cost Office rent	7000/ month	21000	21000	21000	21000	21000	21000	21000	21000	21000	21000	21000	21000
Fixed cost Maintenance	1000/month	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000
Variable employee costs		214500	225225	220720,5	238378,1	264599,7	298997,7	287037,8	327223,1	376306,5	440278,7	418264,7	501917,7
Marketing expenses													
Print media		12000			8000	12000			8000	12000			8000
Total cost		291500	249225	244720,5	262378,1	288599,7	322997,7	311037,8	351223,1	400306,5	464278,7	442264,7	525917,7
Yearly costs			Y1			Y2			Y3				
		1047824				1273858			1832768				
		-63098,4	0	0	0	16569,21	0	0	0	69984,78	0		

Figure 15: Sales and cost worksheet

Razakar Care			
PROFIT AND LOSS ACCOUNT			
	Year 1	Year 2	Year 3
	Sek	Sek	Sek
Sales	984725,2	1290427,52	1902752,39
Cost of Sales	1047823,64	1273858,31	1832767,6
Gross Profit	-63098,44	16569,2094	69984,7827
Gross Profit %	-6,41%	1,28%	3,68%
Overhead expenses	0	0	0
Income Before Taxes	-63098,44	16569,2094	69984,7827
IBT Margin	-6,41%	1,28%	3,68%
Taxes(30%)	0,00	4970,76	20995,43
Net Income	-63098,44	11598,45	48989,35

Figure 16: Income Statement

10.2 Estimated Cash management

As a startup, we will be an equity based company and therefore we will not have to worry about debt payments and solvency issues. As our company is a small sized company, we cannot issue stocks which is why we will have to rely on personal investments or seeking potential investors. However, luckily our cash needs are not as dire as other business models as we don't need big amount of initial investment to start the project. We will invest 50000 sek to purchase office equipment and set up our initial company.

Once we start operating, our business model will be totally cash based which means that we will take payment from customers the moment we deliver our services to them. In Sweden, people prefer to use card as a mode of payment therefore we will accept payments from card and from the cash received, we will make our payments for the fixed as well as variable expenses mentioned above. We will not keep cash in hand because of the credit business nature in Sweden. We will accept and make our payments solely through card.

10.3 Estimated Balance Sheet

Our company will have a simple balance sheet because of the non-complex nature of our business operations. We will start with current assets in our bank account of worth 50000 sek and fixed office equipment of worth 50000 sek and on the other side of the balance sheet we will have owner investment of 70000 and borrowings from friends of worth 30000 sek. With this balance sheet, next year we will have negative cash because of the losses in operations which will reduce our total balance and in the third year we will again get positive balance because of net income in that year's operations. Initially, we will not buy any company rights and we will not have receivables, payables, debt payables, stocks and shares investment because of the complex financing rules in Sweden. Following is the projected balance sheet for a time period of 3 years.

Year 1				Year 2				Year 3			
Assets		Liabilities & Equity		Assets		Liabilities & Equity		Assets		Liabilities & Equity	
Current Assets		Current Liabilities		Current Assets		Current Liabilities		Current Assets		Current Liabilities	
Cash	50000		0	Cash in hand	-13098,4		0	Cash in hand	61598,45		0
Non current assets		Non Current Liabilities		Non current assets		Non Current Liabilities		Non current assets		Non Current Liabilities	
Office equipment	50000	Borrowing from family	30000	Office equipment	50000	Borrowing from family	30000	Office equipment	50000	Borrowing from family	30000
Equity		Equity		Equity		Equity		Equity		Equity	
	Owner Investment		70000		Owner Investment		70000		Owner Investment		70000
					Retained earnings(Losse)		-63098,44		Retained earnings(Losse)		11598,45
Total Assets	100000	Liabilities+ Equity	100000	Total Assets	36901,56	Liabilities+ Equity	36901,56	Total Assets	111598	Liabilities+ Equity	111598

Figure 17: Balnce Sheet

10.3.1 Break-even analysis

Breakeven analysis is conducted to estimate the number of target sales that need to be made in order to control costs of the company. It is the point where costs of the company are equal to its sales and therefore in order to sustain company need to make sales more than the breakeven volume. For our company, breakeven analysis was conducted for a time period of three years. First total variable costs were calculated individually for the four packages we will offer and then the variable costs were calculated for each unit sold. Second step was calculation of fixed costs per unit. To calculate fixed costs, first the percentage of revenue per package was calculated for total number of units sold. This percentage is multiplied with the total fixed cost to estimate the percentage of fixed cost as portion of revenues. After calculating fixed cost for total revenues, fixed cost per unit was calculated. After calculating fixed costs, total costs were calculated for each quarter by adding fixed and variable costs. After calculating total costs, plot was drawn to see the point where sales and costs intersect and breakeven point was estimated. The number of breakeven units is 67 which means that we need 67 customers to equalize our costs with sales. Following is the breakeven analysis for our company.

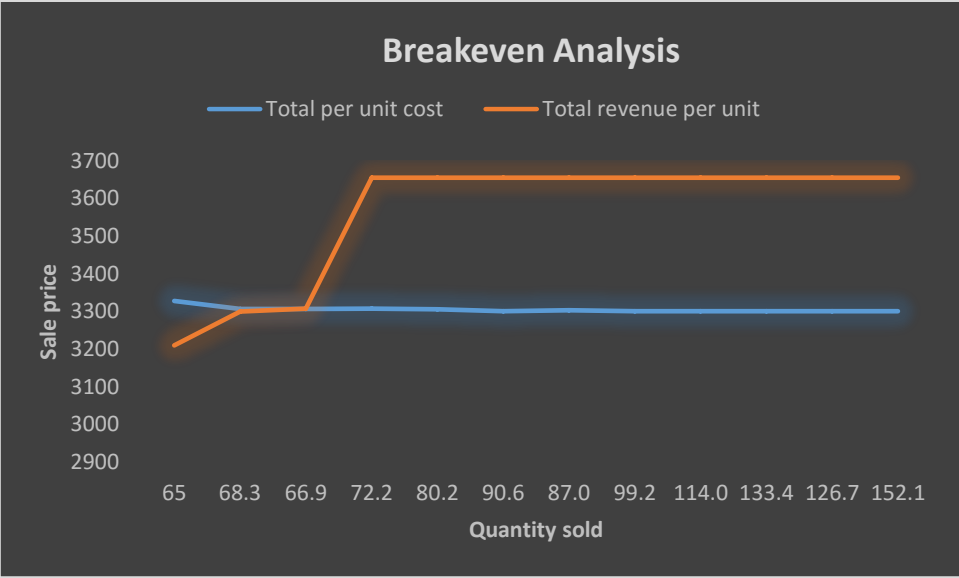


Figure 18: Break-even analysis chart

UNIT SALES												
	q1	q2	q3	q4	q1	q2	q3	q4	q1	q2	q3	q4
Time period	Q1	Q2 G 5%	Q3 G Dec	Q 4 G 8%	Q1 G 11%	Q2 G 13%	Q3 G Dec	Q 4 G 14%	Q1 G 15%	Q2 G 17%	Q3 G Dec	Q 4 G 20%
Growth rate		0,05	0,02	0,08	0,11	0,13	0,04	0,14	0,15	0,17	0,05	0,2
Monthly package for elderly	15	15,75	15,4	16,7	18,5	20,9	20,1	22,9	26,3	30,8	29,2	35,1
One day package for elderly	25	26,25	25,7	27,8	30,8	34,8	33,5	38,1	43,9	51,3	48,7	58,5
Monthly package for pregnant women	10	10,5	10,3	11,1	12,3	13,9	13,4	15,3	17,5	20,5	19,5	23,4
One day package for pregnant women	15	15,75	15,4	16,7	18,5	20,9	20,1	22,9	26,3	30,8	29,2	35,1
Total Sales	65	68,3	66,9	72,2	80,2	90,6	87,0	99,2	114,0	133,4	126,7	152,1
UNIT COSTS												
	q1	q2	q3	q4	q1	q2	q3	q4	q1	q2	q3	q4
Number of Employees needed												
Monthly package for elderly	15	16	15	17	19	21	20	23	26	31	29	35
One day package for elderly	25	26	26	28	31	35	33	38	44	51	49	58
Monthly package for pregnant women	10	11	10	11	12	14	13	15	18	21	19	23
One day package for pregnant women	15	16	15	17	19	21	20	23	26	31	29	35
Total number of employees needed	65	68	67	72	80	91	87	99	114	133	127	152
Cost per employee	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300
Variable cost per unit	3300,0	3300,0	3300,0	3300,0	3300,0	3300,0	3300,0	3300,0	3300,0	3300,0	3300,0	3300,0
Fixed costs												
Fixed Website cost	3000											
Office asset	50000											
Fixed cost Office rent	21000	21000	21000	21000	21000	21000	21000	21000	21000	21000	21000	21000
Fixed cost Maintenance	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000
Marketing expenses												
Print media	12000			8000	12000			8000	12000			8000
Total fixed cost	89000	24000	24000	32000	36000	24000	24000	32000	36000	24000	24000	32000
Average revenue From customers												
Monthly package for elderly	15	15	15	16	18	20	19	22	25	29	28	33
One day package for elderly	25	26	26	28	31	35	33	38	44	51	49	58
Monthly package for pregnant women	10	11	10	11	12	14	13	15	18	21	19	23
One day package for pregnant women	15	16	15	17	19	21	20	23	26	31	29	35
Total Sales	65	68	66	71	79	90	86	98	113	132	125	150
Monthly package for elderly	75000	78750	77175	83349	92517,39	104544,7	100362,9	114413,7	131575,7	153943,6	146246,4	175495,7
One day package for elderly	75000	78750	77175	83349	92517,39	104544,7	100362,9	114413,7	131575,7	153943,6	146246,4	175495,7
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One day package for pregnant women	45000	47250	46305	50009,4	55510,43	62726,79	60217,72	68648,2	78945,43	92366,15	87747,84	105297,4
Total revenue	235000	246750	241815	261160,2	289887,8	327573,2	314470,3	358496,2	412270,6	482356,6	458238,7	549886,5
Revenue per customer	3615,385	3655,55556	3655,556	3655,556	3655,556	3655,556	3655,556	3655,556	3655,556	3655,556	3655,556	3655,556
Average revenue												
Monthly package for elderly	5000	5250	5250	5250	5250	5250	5250	5250	5250	5250	5250	5250
One day package for elderly	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000
Monthly package for pregnant women	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000
One day package for pregnant women	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000
Percentage of total revenue												
Monthly package for elderly	6,7%	6,7%	6,8%	6,3%	5,7%	5,0%	5,2%	4,6%	4,0%	3,4%	3,6%	3,0%
One day package for elderly	4,0%	3,8%	3,9%	3,6%	3,2%	2,9%	3,0%	2,6%	2,3%	1,9%	2,1%	1,7%
Monthly package for pregnant women	10,0%	9,5%	9,7%	9,0%	8,1%	7,2%	7,5%	6,6%	5,7%	4,9%	5,1%	4,3%
One day package for pregnant women	6,7%	6,3%	6,5%	6,0%	5,4%	4,8%	5,0%	4,4%	3,8%	3,2%	3,4%	2,8%
Percentage contribution of total fixed cost												
Monthly package for elderly	5933,333	1600	1632,653	2015,621	2042,859	1205,227	1255,444	1468,356	1436,435	818,4816	861,5596	957,2885
One day package for elderly	3560	914,2857143	932,9446	1151,783	1167,348	688,7009	717,3968	839,0606	820,8202	467,7038	492,3198	547,022
Monthly package for pregnant women	8900	2285,714286	2332,362	2879,459	2918,37	1721,752	1793,492	2097,652	2052,05	1169,259	1230,799	1367,555
One day package for pregnant women	5933,333	1523,809524	1554,908	1919,639	1945,58	1147,835	1195,661	1398,434	1368,034	779,5063	820,533	911,7033
Fixed cost per customer												
Monthly package for elderly	395,5556	101,5873016	105,776	120,9145	110,4041	57,64172	62,54527	64,16874	54,58588	26,58382	29,45575	27,27385
One day package for elderly	142,4	34,82993197	36,26607	41,45641	37,85282	19,76287	21,44409	22,00071	18,71516	9,114452	10,09912	9,351033
Monthly package for pregnant women	890	217,6870748	226,6629	259,1026	236,5801	123,518	134,0256	137,5044	116,9697	56,96532	63,11947	58,44395
One day package for pregnant women	395,5556	96,74981104	100,7391	115,1567	105,1467	54,89687	59,56692	61,11308	51,98655	25,31792	28,0531	25,97509
Fixed cost per unit sold	28,05	6,61	7,02	7,43	6,11	2,82	3,19	2,87	2,12	0,88	1,03	0,80

Figure 19: Breakeven sheet

10.4 Cash Flow Statement

Cash flow statement was estimated for the second, third and fourth year. Cash flow statement was calculated by estimating cash inflows and outflows during the years of operations and from the inflows and outflows, ending cash for each time period was calculated. Following is the cash flow statement for our company.

Razakar Care			
Cash Flow Statement			
	year 1	year 2	year 3
	Sek	Sek	Sek
Cash flow from operations			
Cash Begining	0	-13098,4	
Net income	-63098	16569	48989
Cash generated from operations	-63098	3471	48989
Cash flow from investments			
Purchase of office equipment	-50000	0	0
Investment	30000		
Cash flow from financing activities			
Owner investment	70000	0	0
Retained earnings		11598,45	
Cash (End of time period)	-13098	15069	48989

Figure 20: Cash flow statement

11. Conclusion

After conducting a thorough market analysis and financial analysis for our start-up venture and doing the risk versus benefit analysis, we believe this business idea can be a success if proper value positioning and product differentiation is done. As the venture is a low cost venture, we don't worry about future repayments and solvency issues. Also, Sweden is a country with stable economic, political and legal system which makes it suitable to setup a business in the country. In short, with the projections and increasing growth of our target market, we believe our business venture can be successful.

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