

# **BUSINESS PLAN OF CORAL DESIGN ACADEMY**

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## **ABSTRACT**

Interior and exterior designing is the highest paid profession in Azerbaijan in recent years and is one of the fastest-growing industries on the verge of development, innovation, technology, modernization, and needs of improving lifestyles growing rapidly day by day as the country is moving towards globalization. There are several brands supported by growing economies and rising Urbanization either in the field of fashion, designing, education, construction, or agriculture development. This industry pulls up several opportunities for entrepreneurs and professionals to enter into designing business here in Azerbaijan.

This is a business plan proposed for CORAL academy its purpose is to outline the proposed marketing strategies and opportunities. The CORAL academy aims to provide services one of its kind, currently, there is no substitute present for our customers to choose from. We have aimed to teach the most demanding and trending designing applications such as CORAL and CORONA along with some other designing and creating tools. A qualified & experienced person who is also the person behind the idea of this Academy would be teaching here. Whereas in the emerging designing market of Azerbaijan, no designing firm is willing to share their secret expertise with young aspiring designers so we took this opportunity to be a business plan for us.

This paper has been prepared using a market research and analysis approach. Many Marketing, strategic, human resource, financial analysis techniques such as SWOT, PEST, Porter's five forces analysis, financial statements, and costing management. The potential customer scanning was done using a qualitative research approach.

**Keywords:** CORAL, Design Academy, Azerbaijan, Baku, Designing, Education

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# 1. INTRODUCTION

## 1.1 Overview

MODA (Fashion, trend, style & vogue) is considered to be one of the most versatile sets of professions in the global market, attracting hundreds of thousands of professionals to life-changing opportunities in the industry. Fashion, design, trends, and vogue are underrated and commonly thought of as less professional as well as considered as low earning professions. Though, fewer people know these are one of the well-earning careers with great opportunities for skilled professionals out in the industry. To illustrate the versatility and potential of this industry following are some fields for pursuing a career in this industry:

- Field of Fashion Designing
- Field of Interior Designing
- Field of Exterior Designing
- Field of Landscape Designing
- Field of User Interface (UI) Designing
- Field of Urban Designing
- Field of Graphic Designing
- Field of User Experience (UX) Designing
- Field of Videos and Films editing
- Field of Animation Designing (Dadashi et al, 2020)

**Field of Fashion Designing:** This is the designing field that has a specialty of applying the plan, aesthetics, dress development, and characteristic magnificence to apparel and its embellishments. It is affected by culture and various patterns and has changed over the long haul and spot.

**Field of Interior Designing:** This is the designing field of art and study of upgrading within an existing structure to understand a better and utilizing spaces of the customer by keeping it stylish. Planning, exploring, facilitating, and maintaining the projects are some main tasks of an interior designer.

**Field of Exterior Designing:** This is the designing field that encounters a very close resemblance with architecture. In exterior designing, an available space that is available is being processed by defining it with some physical attributes or recreating it with the help of aesthetics.

The exterior designs can design patios, decks, gardens, or the external door but for that, they need to have the necessary knowledge of structural engineering.

**Field of Landscape Designing:** This is the designing field that involves planning, analysis, and designing of the outdoor living spaces. Nowadays it integrates a decent kind of element to make delightful and functional outdoor spaces (Sarabi & Molanaei, 2016).

**Field of Urban Designing:** This is the designing field that includes the methods such as planning, designing, implementing the features physically on any urban, rural, or historical space. Secondly, planning for supplying the municipal services to visiting and residential customers. Though this field deals with problems on a scale larger than architecture it is still not considered to be a separate field for styling and research since they both are independent of each other as the standard of one is depending upon the quality of the other. This field has a great tendency to reintegrate in the study of architecture; it is gaining momentum, especially in the United States.

**Field of Graphic Designing:** It's a profession, an art and academic subject which involves visual communications for depicting specific messages to people, with special objectives. So, it's a multi-discipline branch of design with having its basis and objectives to the definition of problems to determine the reasons for decision-making, through neural techniques, and heuristic by taking aid of digital tools

Graphic designing is the art of planning and projecting specific ideas to a certain group of people in a visually appealing way. It's a multidisciplinary branch of design that mostly uses visual composition to resolve the problems and then conveying the idea by creative & innovative skills so that the idea which is aimed to be projected is well understood by the required audience. Graphic design has a lot of types ranging from aesthetically pleasing logos and eye-catching front covers of books and magazines to visually pleasing and user-friendly interfaces of different websites and applications (Dadashi et al, 2020).

The modern world is a world of information where both facts and fiction are rapidly shared among the masses through electronic, social, and print media. That's why the role of a knowledgeable and creative graphic designer is bigger than ever as modern advertising strategies and user interfaces require a graphic design that is attractive to eyes and human friendly. It is

often misunderstood that graphic designing is only related to imagery, sketches, and drawings as it is also widely being used in transforming linguistic messages into graphic manifestation. Nowadays a lot of modern digital designing tools have been created by engineers and a good graphic designer's sole purpose is to be able to creatively use those tools beyond the understanding of the engineers who created them. The graphic designer's role is more of an interpreter than a designer because a good visual or textual interpretation and demonstration of an idea is the first step towards its success and wide prevalence and acceptance by people.

**Field of User Interface (UI) Designing:** This is a designing field that involves the process of creating interfaces using some software tool or physical tool. This UI should provide a complete visual experience to its user and should have a look and feel of the product. This is also part of prototyping your projects (Huseynova & Mazanova, 2011). Designers aim to make interfaces that users find easy to use and pleasurable. They provide graphical user interfaces or voice-controlled interfaces for their users.

**Field of User Experience (UX) Designing:** It is the method to support a user's behavior with the help of their usability, desirability, desirability, and usefulness. This all is provided by users when they interact with the product. Client experience designing includes conventional HCI (Human-computer interaction) plan and broadens it by tending to all parts of an item or administration as seen by clients. Experience plan (XD) is the act of planning processes, environments, events, journeys, occasions, and products & services with the consideration set on the norm of the client experience and socially applicable arrangements. Experience designing isn't driven by one plan discipline. All things being equal, it requires a cross-discipline point of view that thinks about various parts of the brand, business, climate, and information from the item, bundling, and retail climate to the apparel and employee's attitude.

This Field of designing the user experiences is the communication in which they set up teams to make products that give huge real-time experiences of the product in an intangible form. It incorporates the art of masterminding the whole pattern of getting and organizing the products, which include(s) performance, planning, ease of use, and testing.

**Field of Animation Designing:** It is the act of creation in which special effects and designs for other various forms of media are created. These media might include movies, video games, social media posts, and gifs. Animation designing requires both creative skills and software tools

for making animation graphics. This work is done for large-scale industries. For example, the film, marketing, and television industry.

**Field of Video and Film Editing:** A video or film supervisor is an exceptionally talented film industry worker who alters motion pictures or recordings that are already made in a raw form. Success or failure is totally in the hand of the editor with their skills they can make or break the game for the makers (Sarabi & Molanaei, 2016).

## 1. 2 Opportunity

Modern world problems require modern solutions. Nowadays clients in the MODA industry require a realistic preview of the finished product before they place an order. In old times, people used to ask for sketches to visualize the ideas from the designer. It was a lot more effort and time-consuming for the designers and a long waiting process for the clients. In modern times, with the help of some software, the process is no longer keeping you waiting for an enormous period, and even someone with no sketching skills may easily use this software to portray the ideas and make an earning from it. In modern times, everything is just a click away from us, thanks to technology, making our lives easier than ever.

**Man Behind the Idea:** This academy named “CORAL design Academy” was founded in Baku, Azerbaijan on April 19th, 2020. The name of the founder is Akrami Qasimzade who is also the founder and CEO of AQAT Design. The main initiative to establish the institution was to attract young professionals in the industry and help them polish their skills. The programs taught in “Coral Academy” help professionals to use their leisure time to focus on their innovations.

## 1. 3 Business Plan Objectives

The main objective of the business plan is to provide a path for the stakeholders to establish their business. In this case, CORAL design academy's business plan should include a list of activities and the kind of environment our business will have to deal with (Weenk & Morales, 2014).

Summing up, the objective of a business plan strategy is to distinguish, depict, investigate the

business opportunity, inspect its economic feasibility, and financial possibility. Though people nowadays argue about the need to have a business plan or for a new idea or innovative projects. Hence, the business plan holds its importance in making things clear to all its stakeholders. Whether they should improve their idea, increase their resources, or they shouldn't be continuing at all (Barrow & Brown, 2008). In this regard, the research question of this business plan can be characterized as follow: What is a list of activities and the kind of environment Coral Academy will have to deal with?

Furthermore, owners of startups should write their business plan that will outline the startup phase of their business and the outline they need to identify both of their objectives; short and long-term, as well as goals of their startups. During the first year of any new business, objectives are short-term goals therefore they should be realistic, period-based (i.e., 12 months, start-up period), and focused. The common startup objectives are to focus on sales & income, Managing Human resources, Financial Support, and growth (Kawasaki, 2015).

**Sales & Income:** A start-up might encounter ups and downs in sales, as people are only starting to find out about either your business, products, or administrations. Notwithstanding, entrepreneurs might set up goals for the financial revenues they want to get by the end of the first year. This revenue is depending upon the cost and rate of interest in each service and other resources. In the case where the entrepreneur is the only owner of the start-up, the number of products or services provided by the year-end would not be able to catch up with the initial investment. He will be able to catch up with the competition later when the business becomes well known among people.

**Financial Support:** Money is the fundamental need, in most start-ups. The entrepreneurs are young and enthusiastic, but the constraint of finances stops them. For this they acquire funding. Some of the business experts suggest getting a loan from banks or to apply for a business grant, on the other hand, some investors are ready to invest but before that, there should be a strong business plan for attracting the investors. Although, some entrepreneurs also establish sister companies to expand the nature of their business or to fill the gaps in the industry. Moreover, keep your costs as low as possible so that it gets easier to pay off loans later.

**Growth:** A common short-term objective of a start-up is the growth of the company. This type of growth is not relevant to financial growth rather focused on the growth of the company in

terms of locations, size of the company, or customers. Coral Academy would start from a limited number of students so it can minimize location costs and human resources. The objective of growth would include expanding the business to several locations and taking a local startup idea to a global level.

**Managing Human Resources:** Another initial objective for a startup is expanding its human resource and overall management of the company (Mazanov & Huseynova, 2021). As CORAL academy has a sole proprietor business, it needs to hire an assistant or few management employees. The owner will have to interview, train and delegate all the responsibilities to deserving employees.

## 1.4 Limitation

The limitations in the business plan of CORAL Academy include:

Inability to foresee potential future problems that might be encountered,

Insufficient background or backup plans

Inadequate market understanding

In most businesses, the phase of implementation ruins many great business plans in history.

Lack of realistic goals such as to think that a great audience will get inspired from the idea and pursue to be a part of our academy because until we will not have alumni, we cannot set a great word of mouth which is essential for attracting students.

There could be bias in the answers of people in the questionnaire.

There is a risk that the financial forecasting created in this business plan will create misplaced optimism about the prospects for the business.

## 1.5 Methodology

### 1.5.1 Strategy of Research

The strategy of research on the following business plan starts with data collection and study of all the background information relevant to the current approach of academia in the field of designing, interior, and exterior designing, and architecture demands in the industry of

Azerbaijan. Surveys were conducted to collect quantitative and qualitative information (Dadashi et al, 2020). Although useful information was collected through surveys, the most vital information is collected through focus groups. Focus groups also played a significant role in the design of the questionnaire.

### 1.5.2 Data Collection Methodology

Youngsters are the primary source for this study, but along with them, the middle-aged industry professionals also played a sustainable role with their long sight in the industry, providing their opinions and suggestions. The data was collected through formal observations, structured interviews, focus groups, and questionnaires conducted with industry professionals and recent clients of the industry. There were some other sources of secondary data that includes literature, blogs, and websites related to the industry (Mazanov & Huseynova, 2021).

### 1.5.3 Focus Group

As stated above, these groups of people provided important information and an asset for the data collection in this study. The focus group discussion was conducted on the young fresh graduates and postgraduates. The author conducted a focus group with Azerbaijan's student group who was studying in their final year or were fresh graduates. Along with them, we focused on designers who were pursuing careers in the designing field and wished to learn Corel skills. The criterion of aiming to learn to design was an important aspect of this business idea and research. The data gathered from the center gathering was important since the members were keen on our thoughts and we're anxious to get such assistance accessible to them.

The focus group was carried on 30th April 2021. On the day we had around ten participants with us and this discussion with our participants continued for 3 hours. The principal motivation behind the conversation was to create a conversation with respect to members' willingness and motivation toward learning through our services in Azerbaijan, in the city of Baku. Particularly concerning issues of the existing organizations offering comparative types of assistance that they had encountered, and their assumptions for ideal gaining from our academy.

#### 1.5.4 Questionnaire

The factor clarity was made sure while designing this and this questionnaire was structured in a way that they clearly understood all the questions and allowed the respondents to answer. To achieve the prime objective of our research, we used a web-based questionnaire. Likewise, a few inquiries were made on a Likert scale. In such a manner, the respondents were needed to show their level of understanding or conflict in an explanation. The survey was executed on members voluntarily. Surveys are designed to make people aware of our purpose first of all. Then they were asked questions about their interests and by keeping them engaged from basic questions we moved to figure out their wants and demands further. Questionnaires were distributed to sample participants. From one of the samples, the examination tried to get information about the ideal assistance and correspondence channel and market capacity of Coral Academy.

The intended focus group of the survey was engaged upon the measures as follows: individuals of Azerbaijan must be of age from 16 to 60 years dependent on their levels of education, currently categorized as studying, fresh graduates, and professionals. Samples were carried out online and circulated on social media in which the target audience was set to target the right age and geographically closer people. In many businesses research, analysts work to a 95 percent certainty level. On the end date of the survey, when it was closed, the questionnaires were distributed to around 1000 citizens to make the predictions reflective of the actual situation. They need to have at least 500 example studies for a city with a population the size of Baku which is the desired location of Coral Academy.

To clarify the service being offered in the least difficult phrases, furthermore, media was being to the survey by the author. Other than assisting with making a forefront experience for members, the video helped in setting up the context. iMovie is the software tool that is used to make the video, and it was uploaded and inserted into the survey hence this video was initially uploaded to YouTube. This video was made as a trailer to keep it short and catchy; the video describes what offers are proposed by Coral academy to its customers. Existing issues in designing institutes were triggered in the beginning, their affordability, etc., provided solutions and facilities from our expert service solution. After watching the video, the viewers will have a clear concept of the concept of this academy (Stephan, 2017). Lastly, to approve the review, the creator went through a co-investigation of the survey including a pilot experiment on the exploration before moving

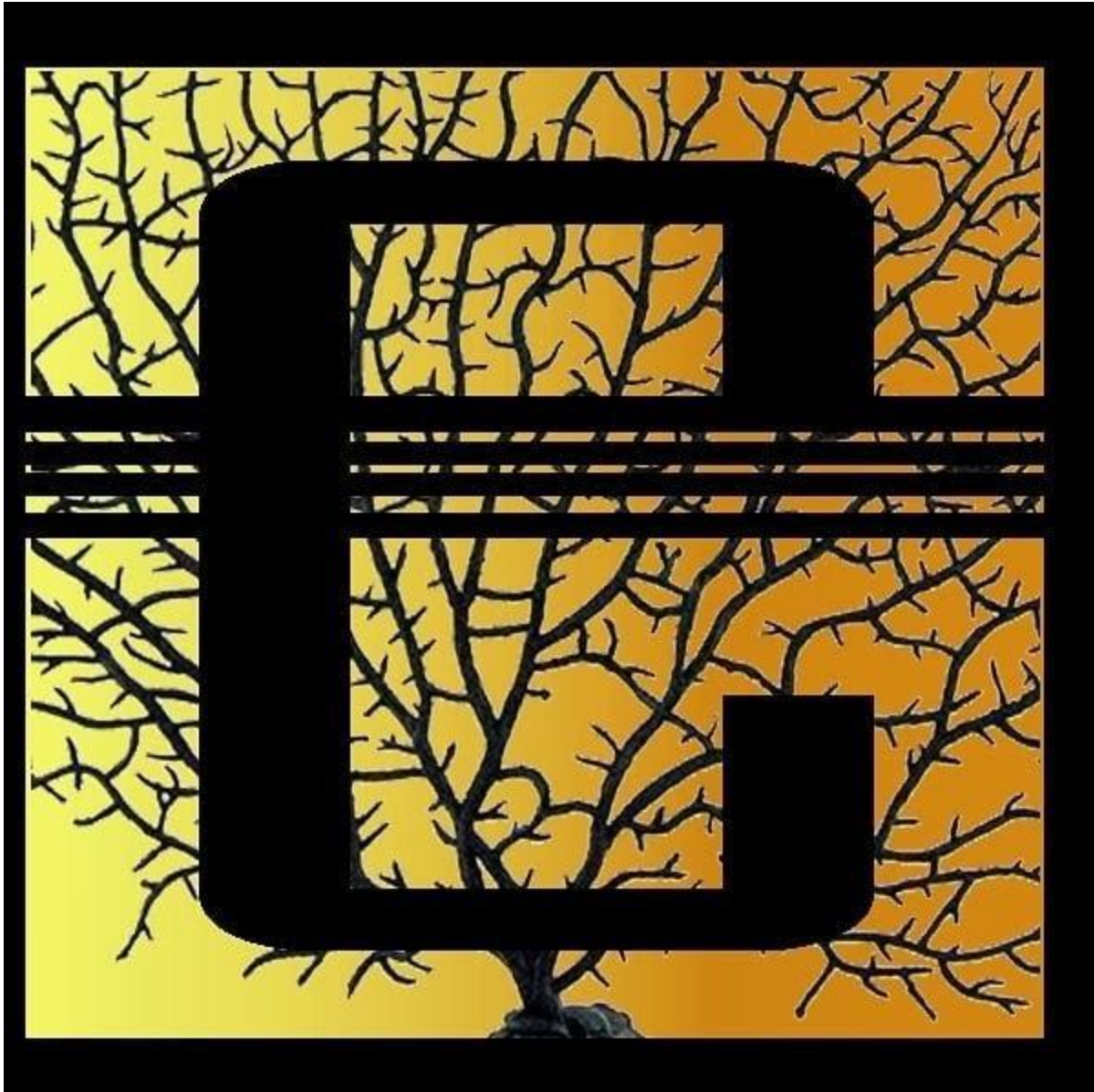
towards the principal study. The co-investigation was finished by involving ten individuals with the help of objective gathering for figuring out an explanation of biased & one-sided time required, the degree of insusceptibility, and questions (Zavvae et al., 2007).

#### 1.5.5 Data Analysis

Our research comprises both data analysis, name it qualitative or quantitative. After the collection of data, this data was further skimmed to keep the biases as low as possible. The data collection was conducted with both methods explained above, whereas this Data ran through several techniques of analytics.

## 2. COMPANY DESCRIPTION

The coral academy is a designing institution that is one of its kind. It's providing services to learn and polish the designing skills using specialized tools and software to teach you the latest techniques of designing the school is rendering its services to customers of Azerbaijan at present, the organization is using specialized marketing techniques and digital marketing for doing search engine optimization and rank its the website at the top of Google's first page.



**Figure 1:** Logo of Coral Academy

## 2.1 Mission and vision statement

### 2.1.1 Vision Statement

“We as a company that is committed to creating fashion designers with competencies and the latest skills of designing create students who will become the entrepreneurs of tomorrow and it’d create a positive impact on the world”.

This designing school will help students in improving and enhancing their skills which will help them generate revenue by using their leanings.

Another goal of the company would be to create the pro-designer and the institutions will wish to create a long-term relationship with the students so that whatever is their achievements are achievements of the organization.

### 2.1.2 Mission Statement

“The coral academy is providing a conducive and friendly environment where people can come and learn at their comfort and ease. The teachers would be approaching the transformational Leadership style, which means they would transfer the raw designing skills of students to designing professionals”.

The coral academy aims to expand its business in other cities of Azerbaijan whereas currently, they're only operational at the main metropolitan city of Azerbaijan. It's a new venture hence Coral Academy is also hopeful to bring economic prosperity to Azerbaijan. How? First, the organization itself will hire its human resource, and similarly, they will also create young designers in the field of designing. Another aim is to create a conducive environment that will help you to increase your skills along with your hands-on experience. Likewise, at the macro level, the organization also aims to create the economic prosperity of the country by increasing growth and generating more employment.

## 2.2 Service Description

The coral academy teaches various subjects of designing using some of the latest software which is coral and CORONA. These subjects have got the latest course outlines with theoretical and practical parts. The academy is unique in its nature because these subjects were not taught this way before. The resource persons who are teaching the subjects are the most experienced ones. It's a complete institution that is not only allowing them to cram the things instead they should learn to create designs practically.

Following are the fields which are being taught at the academy

- Field of Fashion Designing
- Field of Interior Designing
- Field of Exterior Designing
- Field of Landscape Designing
- Field of User Interface (UI) Designing
- Field of Urban Designing
- Field of Graphic Designing
- Field of User Experience (UX) Designing
- Field of Videos and Films editing
- Field of Animation Designing (Dadashi et al, 2020)

Regress use of CORAL and CORONA tools for learning and career counseling. Students can select from a wide range of Field of Fashion Designing, Field of Interior Designing, Field of Exterior Designing, Field of Landscape Designing, Field of User Interface (UI) Designing, Field of Urban Designing, Field of Graphic Designing, Field of User Experience (UX) Designing, Field of Videos and Films editing, Field of Animation Designing. These are the subjects which the students can choose from. When the Students will get enrolled, the student will get a complete orientation which will help them understand their strengths, and then based on those strengths they will be advised to choose what's best for them.

### 2.2.1 Students Record and Progress of the Assessments

The most important thing of any learning is that students should be assessed on what they are doing appropriately and what not. The coral academy wants to be the best designing school and for this purpose, they gather the information regarding all the assignments and quizzes which students are performing. Their performance will be recorded in a database. Every student will have their profile and the profile would have the class activities, self-assessments, quizzes, and against it they would be graded, and further, the remakes would be given to improve their designing skills. This is really

Important because it will help them in understanding what their work is and what they can do better. This database will help them develop long-term and sustained relationships between the organization and its students.

### 2.2.2 Students assistance, Online Recorded Classes & Timetable

Coral academy student assistants and online recorded classes are for facilitating the students. It provides consultation, learning online and also gives the facility for doing the fee transaction online. These all facilities will help coral academy to develop a personal relationship with the students.

### 2.2.3 The Website of the CoralAcademy

- Along with all other facilities, Coral Academy has also launched a devoted website for its students. Since lockdown and all the business has switched to online. The next big thing for the coral academy was also their website where students can come for the following purposes: To get the information about the courses, the various disciplines, the enrolment procedure
- To get enrolled in the courses and finally to get started
- The online evaluation
- The same website is used for the marketing purposes of the academy to attract the new students

## 2.3 Competitive Advantage

The coral academy has gained a competitive advantage for various reasons. Coral academy doesn't only offer designing courses but also provides theoretical and practical experience in designing. Its uniqueness is the utilization of technology and software for teaching the designing subjects. It's the first time in Azerbaijan that someone came up with something big. The Coral academy has a very prime location which helps you to avail yourself of the opportunity and makes it easier for the students to reach out to school. The use of software and the competent resource person makes it unique among all other designing schools.

## 2.4 Key Partnerships

### 2.4.1 Resource Person

Successful businesses are the one which starts with a stronger relationship of the organization between its resource person and students. It is always advisable that employees of the organization which in our case are the teachers should always work with aligned goals. In this regard, teachers are the resources. They should be very clear about the vision, goals, and objectives of the organization. They will be working as a team. The students deserve to get all the best of the knowledge the resource person should be willing to teach all the skills which they actually have acquired over time and that will only be possible if they're dedicated and committed to the organization. In Azerbaijan, this kind of school was not present before this project.

### 2.4.2 Business Partners

A business cannot stand solely, they need to be associated with multiple business partners. The list of partners is all those with which you work together to run the business activities and also are the ones who are responsible for business expansion.

### 2.4.3 Franchises

The coral academy is thinking of moving into various cities of Azerbaijan and then to other countries. Whoever will buy the franchises will also be our business partner. So those strategic partners can open up the franchises of the coral academy. The organization has made separate plans for calculating the goodwill of the company.

### 2.4.4 Investors

According to the financial perspective, the most vital part of the business is its investors. Investors are the one who responsible for raising the capital for the organization with which the company will start its operations and manage its work capital. The coral academy needs a large amount of capital for buying the software programs, the computers, and the marketing expenses. This capital will be provided by 2 already contacted angel investors It will also spend a huge

amount on the salaries of the resource person who are the asset of the organization in a real sense.

#### 2.4.5 Suppliers

Every organization aims to create a good relationship with the customers which are students in this scenario and with the suppliers too. Suppliers are the teachers who will be providing the designing kits, tools, and supplies. So why is it important to maintain a good relationship with all these so that the quality, resources, finances will be managed and the uniqueness will be maintained? This will instantly lead to a flawless teaching school.

#### 2.4.6 The IT and website specialist

The IT and website specialist Te also a part of coral academy's strategic business partners. They are working under the roof of the coral academy. Website and digital marketers are the outer faces of the company. They are giving unique kinds of experiences to the customers. The website team is responsible for creating a website that is user-friendly and the interface should look presentable so that whoever comes to the website for their queries will be converted into the client. The IT department is the one which is responsible for managing the software which is used for designing.

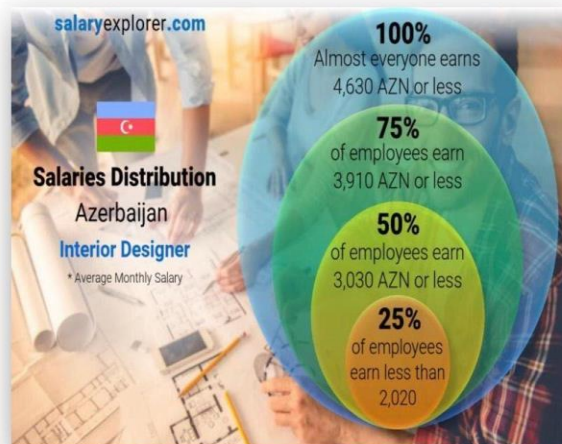
### 2.5 Industry Overview

The designing industry of Azerbaijan is showing massive growth all the time. Not only this industry is constantly growing worldwide. Let's take an example of one form of designing which is graphic designing. The average salary of graphic designers ranges from 840 AZN monthly to 2,920 AZN monthly.

## Graphic Designer Salary Distribution in Azerbaijan



## Interior Designer Salary Distribution in Azerbaijan



**Figure 2: Graphic Designers and Interior Designing Salary Distribution in Azerbaijan**

The designing industry has turned out to be the most promising one for Azerbaijan. It's creating new employees and the economy has a lot of scope for the designer's industry. The figures for the salaries of designers are attached. Further details of the industry are available under the section of industry analysis.

### 2.6 Growth Strategy

Ccoral Academy follows the aggressive growth strategy. It aims for rendering quality and polished skills of designing and making great designing professionals.

The coral academy must focus on the segment of those people who're interested in pursuing the career of designing. That is our target audience in real essence and, They're the ones who will convert into students and increase the enrollment in our design school.

Catering to the target market will help the academy to take the right decisions and that it moves on the journey of growing successfully. cCoral Academy should focus more on the student feedback also they have conducted the research. Based on the research results the academy is

continuously introducing new fields of design. Whenever the academy wants to introduce new programs, they must conduct the orientation at the head branch of the coral academy.

Similarly, Coral Academy is seeking to collaborate with new investors and other people are interested in opening up the franchises that are the future growth strategy but the academy is keen that the organization has spent a lot of hard work and dedication to maintain the quality of designing school so all the franchises must follow the footsteps and make sure that the same curriculum and the same transformational teaching style is followed. They have started from the smaller scale with few students and only one resource person and they're growing to a larger scale with more students and more resource people. The coral academy wants to follow the two traditional and digital methods of marketing for running the market campaigns of the coral academy.

The first year is the most crucial one for the coral academy because in the meantime they will gather the funds for the capital organization and they will also develop a compact marketing plan.

In the essential year, the association will make an affecting technique and a got approach going preceding expected future progression by opening five additional bits of coral relationship in other in head metropolitan spaces of Azerbaijan objective on getting more straightforwardness and making an as solid brand that affiliations would find in the following year.

Setting and appearing at the compensation target allows the affiliation a chance to duplicate the model into a more critical market. The methodology is to make it to different metropolitan locales and get any little setting everything straight foundations that nearly run out of the business, yet in the interim has qualities and openings for progress. Regularly, such an organizing school had its current understudy's pool. Moreover, by advancing changed relationships with individuals who ran the past figuring everything out, or people who need to begin a business, the coral establishment could develop its new development. By driving this undertaking, the makers are sharing the hazard while focusing on speedy new development. In any case, the association should be expressed in choosing the sensible figuring of everything out of school.

The association is ready for development by keeping up cash-related obligations, expecting market skims, and using more asset individuals for instruction, as it needs them. In any case, the association ought to be mindful so as to get a fiscally reasonable framework to the augmentation of the orchestrating, in case of an unanticipated hang in the surprising economy.

At last, the affiliation will develop its informational focus point, which will begin a confined scale by picking HR clearly from the understudy pool. It will offer decisions rather than empowering the market and blueprint. Perseveringly improving the relationship as demonstrated by a market-driven way to deal with and oversee direct meandering into new spaces of obliging new development, the business is set up to address the difficulty of seeing and abusing new freedoms where they exist.

## 2.7 Legal Status

Coral's academy will be a private limited company or the liability limited company (LLC), which in Azerbaijan isn't difficult to arrange.

A liability limited company is a business substance that has rights and commitments as displayed by a liability limited company. Under the chance of Liability limited company, from a general viewpoint, finance backers are not as time goes on submitted of the methods that the company embraced, and investment-related partners are not in peril for the occasion that the company bears more than the offers that they have in the organization. In the Liability limited company, the loss is limited up to the investment which they've made only and They don't have to sell off their assets to meet the obligations of loss end, every cash related help has a duty as much as the offers the individual cases. Furthermore, the organization has its resources and obligations. Likewise, if the association's commitment beats the affiliation's riches, the overabundance obligation isn't the duty of the cash-related help. If the affiliation gets cash, the benefits are appropriated by the proportionality of the offers they have. The cash-related advertiser will get a piece of the benefits called advantage and the total relies upon the size of the benefit acquired by Private restricted and generally speaking, business parts are set up to sell affiliations or things.

## 2.8 Ethical Considerations

Coral academy promises to be the most honest, reliable, and aims to transform the students by providing them top-notch designing skills. In the terms of business, it aims not to do any sort of discrimination against any gender, race, ethnicity, class, or particular religion. It promises not to promote or do any hate speech against any class. The academy aims to promote environmental stability. It aims to dispose of the garbage in the most environmentally friendly method. It's using renewable energy sources for energy production. The resource person determines that they will teach the best of their knowledge.

## 3. INDUSTRY & MARKET ANALYSIS

### 3.1 Industry Analysis

The industry of modern design is not very old, though people in Azerbaijan have always been evolving for a better future. Keeping in view the architectural land of Azerbaijan which is very old and preserved. The history of architecture begins from naturally formed caves by the inhabitants of Azerbaijan. Some of the caves were discovered at the land of Talish, Nakhichevan, Zangilan, Kalbajar, Caucasus, Gadabay, and Fizuli. Qalaca or Horukdas are names of high rocks that made the structures of buildings such as Cycloped and dolmens building (Marina, 2017). Talking about the selection of a city for our academy is Baku, which is the capital city of Azerbaijan. This city has a prime location that lies on the western shore of the Caspian Sea. Anderson Peninsula lies on the southern side of Baku. This Aberson Peninsula has a wide curved sweep of Baku's Bay (Bedford, 2017). Baku has from the late nineteenth century towards the twentieth century been surrounded by lavish European historical buildings and modern buildings and towers. As you pass through the city, exploring the architectural layers of history will unfold for you and bypass different eras of Azerbaijan in front of your eyes.



**Figure 3:** Tower of Flames, Baku

**Baku's Architecture has four unique flavors:**

- Lavish Style
- The Soviet Union in the neighbors
- Middle-Aged inner city
- State of the art designs

One of the examples of state-of-art designs is the Flame towers in Baku. Azerbaijani history and culture both have deep affiliations with flames. Like the history such as Zoroastrian worship and natural gas reserves in the modern days that add up to the country's economy greatly. These natural gas reserves help in paying for the skyline. Flame Towers in Baku is the ultimate experience of contemporary architecture. The three-tower structure with triangular and curved design has its resemblance with flaring flames. This tower was built on a hill and it is as tall as 182 meters. This height makes it the tallest tower in Azerbaijan and an icon on its own. For experiencing the magic of this tower, you should visit it after dawn when it glows in the color of flames and the Azerbaijani flag alternatively (Bedford, 2017).

When we talk about Azerbaijan Interior and exterior designing have a great scope because of the rich architectural land and modern age needs. People of Azerbaijan are looking forward to reconstructing, renovating, or buying new properties to make homes, apartments, flats, institutes, offices, buildings, and other construction sites. Baku has become a land of recreation from all around the world. So, for this purpose new recreational sites, hotels, returns, and resting areas are being made and more projects are on their way.

Moreover, Educational institutes are also growing rapidly (Zavvae et al., 2007). Azerbaijan hosts international students, building for facilities to facilitate its international students and the designing companies get fat money for completing such projects. When we look at some exceptional points that attract students from all over the world that includes:

The land of Azerbaijan has remained an attraction for archeologists as two million years ago traces of human civilizations were discovered from the land of “Koroglu” in the “AmazighCave”.

This country is filled in as models which are eminent in numerous nations around the world. It has an extremely old and antiquated culture that has models like “Oghuzname”, “Kitabi-Dede Gorgud”, & “Koroglu”(Stephan, 2017).

Azerbaijan has played an extremely important role in the expansion of commercial and political relations as being a bridge between Europe and Asia. It creates a new model of the economy for the development of the region(Zavvae et al., 2007).

The importance of the fashion industry can be seen as the city just celebrated the fifth season of Azerbaijani fashion week. It is a city that has been awarded to Zaha Hadid for creating the best of the best architecture, has rich oil reserves, and is the host of the formula one race. (Stephan, 2017). The organizers arranged the fashion shows mostly arrange their shows in centralized and popular “Stone Chronicle Museum” This museum is an art on its own as it has rocks carved and displays contemporary artists made with marble from the history year back to 2000 B.C. (Stephan, 2017). On the verge of giving support to the fashion industry, and the Instagram hashtag was introduced. The hashtag #IWearAzeri had a purpose to generate the interest of the general public and make them feel proud of what they wear. This gave support to the local designers and one of motivation to introduce fashion designing courses in our academy. An

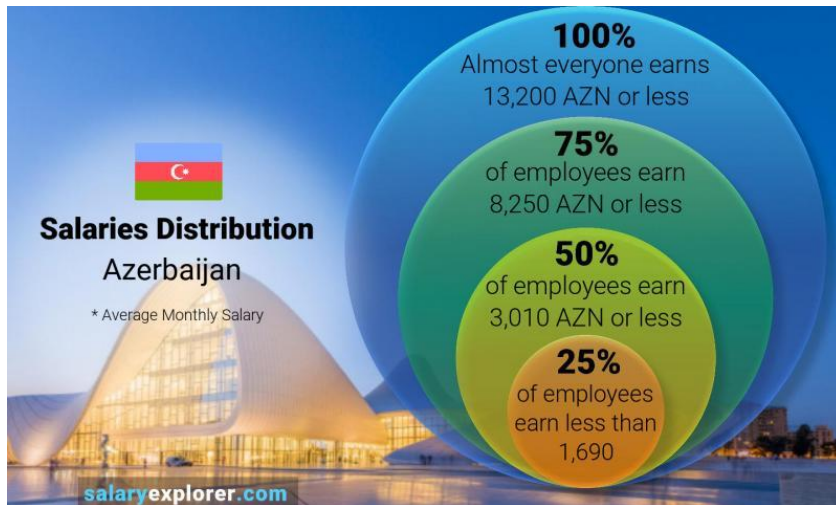
Azeri fashion industry said in an interview during the fashion week that “It’s not about new designers, as such. It’s about new ideas”. For breaking through the global fashion industry, the Azeri brands need a systematic approach. They need to understand the local and global market needs and create some differentiation with an atelier format. They should be educated to get access to the latest available fashion capitals and latest fashion trends (Stephan, 2017).

These days customers in the MODA (Fashion, trend, style & vogue) industry require a sensible review of the completed item before they submit a request. In previous eras, individuals used to request representations to imagine the thoughts from the fashioner. It was much more exertion and tedious for the designers and a long sitting hectic time for the customers. In current occasions, with the assistance of some product, the interaction is done keeping you hanging tight for a gigantic period, and even somebody with no outlining abilities may effortlessly utilize this product to depict the thoughts and make an acquisition from them. In present-day times, everything is only a tick away from us, because of innovation, making our lives simpler than at any other time as current world issues require present-day arrangements (Sherrow, 2006).

Thousands of professionals pursue this career for gaining a life-changing opportunity in the industry. Previously, Fashion, design, trends, and vogue were underrated and commonly thought of as less professional as well as considered as low earning professions (Zavvae et al., 2007).

### 3.1.1 Industry Size & Growth

To teach individuals CORAL & CORONA in native languages to make virtual interior and exterior designs is not very common in Azerbaijan. People here either pursue international education or online courses. On the other side people from other countries come here and opt for an interior designing business here in Azerbaijan. This industry is growing rapidly in Azerbaijan and around the world. A person who is employed as an interior designer in Azerbaijan commonly earns about 2,970 (AZN) (Choi & Sundholm, 2020) monthly. This salary ranges from 1,460 AZN to 4,630 AZN lowest to highest. These salary ranges are the average per month salary including transport, housing, and other incentives. Despite this, if you are working in an interior designing industry in Azerbaijan your salary will vary based on different factors such as your skill set, experience, or location. Below is the chart depicting the salaries of interior designers in Azerbaijan.



**Figure 4:** Salaries distribution (Source: Salary explorer.com)

An interior designer is likely to be a moderate job based upon bonus incentives because it has generally been less involved in direct revenue-generating activities except of course. The people who get the highest bonuses among all are those who are involved in the revenue-generating cycle (Stephan, 2017). There is another survey conducted by salary explorer researchers which came to a conclusion that is one of the highest jobs from all other jobs. Interior designers are paid higher than architects in Azerbaijan according to an explorer researchers' survey conducted in 2021. The following table shows a bar chart showing statistics in the form of a bar chart. Interior designers have huge scope in the current market and the latest technology that CORAL Academy is offering to teach will take you from zero to boom (Choi & Sundholm, 2020).

**Figure 5:** Comparison of Average Monthly salary

The region of Azerbaijan is the name of a geographical land at the end of Iran's northwestern side. This land is bounded by the Aras River on its North, The Republic of Azerbaijan & Armenia, the province of Kurdistan resides on the south, The province of Gilan, and the Caspian Sea resides on its east, and Turkey and Iraq on its west. While discussing the atmosphere of houses of Azerbaijan's architecture, it is divided into two levels; a horizontal and a vertical level (Dadashi et al, 2020).

Horizontal Level: This level is based on the hierarchical access from the outside along with the layering of darkness and light in correspondence with the central core of the yard.

Vertical Level: This level is determined by the path and rise of the water (Dadashi et al, 2020).

The entrance door, courtyard, and porch are components of the hierarchy of spaces that allows reaching the interior of the house, keeping the privacy of the inner garden intact. This industry needs to present design patterns following the indigenous culture of Baku, Azerbaijan. It gives a desirable order to the structure of these cities. Since the modern-day pattern is also derived from the mysterious and hidden architectural heritage of the past. It is observed that the modifications in the field of the urban spaces, structure, cultures, materials. Layouts, and proportions (Stephan, 2017). It will lead to economic savings, improvement in the quality of spaces, enhance the comfort of users, and increase the sense of belonging. From (Saeedeh et al, 2020) research resulted in proving the spatial identity, provided knowledge about cities of the Azerbaijan region, the spirit of the house, and ways to achieve it. While looking at the solution every designer needs to find a suitable housing model, keeping in mind the perspective of creating a stable and peaceful place for an Azeri identity house. Then, by examining the modern and traditional architecture of homes it is well understood that the species of Azerbaijan's houses have undergone many changes over the years, Both in terms of structure and way of life & use of space. What is a more important thing to note is the lack of attention of modern architecture in the area to the concepts and principles. Concepts that are replaced sometimes unknowingly by unfamiliar definitions of others. Eroding changes in the house's architecture in the cities of the region of Azerbaijan in several cases have resulted in the removal of a space and its true meaning from the minds of people (Choi & Sundholm, 2020). This is because the same audience has raised needs that over time these responsive spaces of the same needs have disappeared or declined. Spaces such as the connecting space are among those items that are based on field perceptions lacking in the lives of the people of this region. The quality of spaces in some cases is indicated by the changes in joints of communication joints of the spaces, changes in the position & manner of entering the space, the shape and pattern of the plan, lightning and function of the space, and lastly the physical adaption of the house according to the lifestyle of the family living in the house (Choi & Sundholm, 2020).

**Figure 6:** The effect of physical pattern & lifestyle in the periods in homes in the region of Azerbaijan, Ardabil, Tabriz, and Zanzan (Dadashi et al, 2020).

### 3.1.2 Porter's Five Forces Analysis on CORAL Academy

Micheal Porter provided a framework to analyze the competition for our businesses. There is a general perception of organizational strategy based upon organizational research done by professionals that it should encounter the threats and opportunities in the external environment of an organization (Gunney & Bulut, 2010). A sustainable strategy always rests upon the knowledge of the structure & manners on which industry changes. Porter (2014), gives an argument over the aim of strategists. The strategists should aim to identify & deal with the competitive advantage by deeply observing the rivals, or inspecting a wider perspective that competes against our organization (Porter, 1979). Perhaps, progressive technology and various opinions on strategic management. For example; Customer Interaction, planning future activities, and creating value for a customer in the long-term using innovative ways may have shifted Porter's 5 forces of thinking that previously dealt with competition in an existing environment to seek opportunities in fresh innovative markets (Fulmer & Vicere, 1996). Therefore, to some extent, if organizations are up to the mark for stepping out of their current competitive market to become a leader in a new marketplace (Porter, 2014). Porter's five forces can be related to today's innovative environment. Below are Porter's five forces discussing the Designing industry and the Coral academy.

#### *3.1.2.1 Competitive Rivalry among the Industry*

There are three academies: Code Academy, Baku design Academy, and Aydin Oglu academy which are rivals to CORAL academy. These are the predicted competitors of our academy. How we are going to differentiate from our rivals is going to be our competitive advantage. The CORAL academy is the sole academy that is directly connected to construction, interior, and exterior design fields. All the students will have hands-on experience after they finish the courses with us. Secondly, the application CORAL is firstly introduced in Azerbaijan by CORAL academy in the classes. CORONA and CORAL applications make work easier, enlightened, and professional for the students.

### *3.1.2.2 Bargaining Power of the Suppliers*

The bargaining power of the suppliers in the scenario of CORAL academy is high or medium, due to the prices being fixed and high here and a few suppliers are available for providing these services. When it comes to a similar academy, there is only a countable number of suppliers available so they can compete highly on their grounds and each is winning a battle on their own as long as there are not enough trained people available in the market (Porter, 2014).

Additionally, customers of this industry will have to deal with changing costs when they will have to switch between suppliers. Lastly, High probability is currently present in reference to the bargaining power of suppliers.

### *3.1.2.3 Bargaining Power of Buyers*

The bargaining power of buyers is not a threat to the CORAL academy as there are a limited number of suppliers and the buyers don't have a lot of options to choose from. To an extent they only have limited people to provide these teaching facilities (Kotler et al, 2014). High value and low costs are already kept as a part of the strategy so this force should be least dangerous when we are analyzing the competition for our business. According to customers' perspective, this is the current need of the customers rather than a want or luxury. The present need is the ultimate demand according to the basic marketing principles of need, want, and demand (Kotler et al, 2014). The buyer is not able to bargain on his end due to limited-service providers so he has to sacrifice to pay the suppliers whatever they charge.

### *3.1.2.4 Threats of New Entrants*

Not everyone has the charisma to teach even if they are very professional, they do not know how to teach similarly many teachers don't have the practical experience they lack professionalism and lack of knowledge and practice on latest tools and technologies so, it gets very difficult to serve this cup of tea. In the beginning we are not really in a threat of new threat, this is an innovative project and many people here in Azerbaijan still lack when it comes to innovation. To start this business is a simple undertaking yet to support it is troublesome in light of the fact that it needs a ton of momentum, statistical surveying, skill, and experience. Not every person can

track down the ideal showing mentor for these courses here in Azerbaijan also, many planning firms here are not able to teach others because of their privileged insights which they cannot impart to others. We have wanted to break this platitude by furnishing individuals with the creation with development. New entrants can enter the market after the success of this Academy to make up a niche market (Porter, 2014).

### *3.1.2.5 Threats of Substitutes*

The obstacle of substitution of products or services is an impacting force according to Porter (2018), to compete with CORAL academy in the long term. There is a threat of substitutes in this business industry. Although there is a very thin proportion of substitutes at this moment due to a lack of people who are willing to take this initiative (Fulmer & Vicere, 1996). Many youngsters here who are skilled and talented tend to move to other countries like Russia, Ukraine, America, and Canada, etc. from Azerbaijan. So as soon as they finish their courses, they opt more for moving to another country and that is the reason why this market is not yet developed here in Azerbaijan. At the same time, in the long term after ten years following the success, similar or close to CORAL academy substitutes would be developed (Porter, 2014). To start this business is an easy task but to sustain it is difficult because it needs a lot of current market research, expertise, and experience. Not everyone can find the perfect teaching coach for these courses here in Azerbaijan. Secondly, many designing firms here are not willing to educate others due to their secrets which they cannot share with others. We have planned to break this cliché by providing people with the creation with innovation.

### *3.1.3 Sustainable Advantage*

Competition is a crucial element in every business. Competitive advantage is the ultimate goal to achieve which companies incorporate in their strategy in product development (Mullins, 2020). Strategies can be kept as a secret, the problem that enables the rival to copy your strategy somehow but for earning a competitive advantage the organization should either earn or exhibit a quality or combination of attributes that will enable them to outperform their competitors. The sustainable advantage is not easy to achieve at the time it is not easy to copy and at the time the competitive advantage needs continuous innovation (Sustasmawati, 2008). This is what Coral

Academy aimed for; it played its card in terms of gaining competitive advantage by providing high tech software tools like Corona and Corel which is not widely taught in Azerbaijan and that too in native language.

Furthermore, there are important factors for sustaining the competitive advantage for our academy which are as followed:

**Organizational culture:** The culture of any organization shows the way the whole organization works as a team to make their business successful. The team works together to focus on their common goals and according to research, a company that has strong organizational culture is likely to be performing better than an uncultured organization (Coleman, 2013). Coral Academy has formulated its strong vision and mission statement which directs towards the company's targets. This will make it crystal clear for their employees in which direction they should move. Organizational culture and strategy are two important constituents in a service-based business and have high impacts on customer relationships. Despite being a start-up where the sole director of Coral Academy is the main leader of this company. There will be certain executives hired for managing the academy's major activities like marketing, Human Resources, MIS, financing, etc. Which would be led by the Director. So, leadership culture will be adopted by Coral Academy (Stephan, 2017).

**Location:** Selection of location is another major factor in sustaining our competitive advantage and for our service, we chose the Prime Capital location of the Country. Baku being the Capital of Azerbaijan holds great significance around the world it is known as the central hub for all the economic activities of the country (Fulmer & Vicere, 1996).

**Dynamic Services:** There should be a great emphasis on word dynamic as it means changing rapidly according to customer's needs and market demands. The same is the case here that we are planning to keep our services dynamic that will grow rapidly and would be updated with every latest trend followed by designers around the world(Gunney & Bulut, 2010). This will contribute to the company's sustainability, rather than only working on a single type of software there are multiple choices available to choose from. Innovative designing, practices, implementations, and then testing are a way of creating a sustainable advantage over our competitors (Fulmer & Vicere, 1996).

**Proprietary Elements:** The knowledge base of teachers would be an intellectual property element. The presence of an intellectual property is one of the things which is very difficult to replicate. Although a patent cannot be attained on businesses it cannot protect the logo, name, slogan, and brand. For hiring teaching staff, their degrees, skill sets, and certificates of employees' education will differentiate us in the market. Trainers will be recruited from educated designing schools and experience in the specific field as a basic requirement, then before educating the actual class, the trainer will be provided with in-house training from seniors and virtual practices.

**Loyal Customers:** When an organization provides quality services and exceptional customer experience are those factors that will have a crucial impact in making your customers loyal towards you (Stephan, 2017; Choi & Sundholm, 2020).). An outstanding customer service will be provided by conducting workshops, International Conferences, Industry visits, Field practices, presentations, and Diploma certifications. A satisfied customer not only becomes loyal, but they are also the reasons to spread good word of mouth. In the same way, a dissatisfied customer will recommend in their common circles not to acquire our services.

**First to Market:** CORAL Academy is introducing intensive design training. It is one of its kind. A unique first to the Market idea of teaching technical designing courses in the native language at a very reasonable price. The idea is to make professionals in the minimum period. People nowadays prefer to see how their exterior or interior space is going to look after even before it is revamped (Fulmer & Vicere, 1996). So that is why these advanced tools help to create prototypes, a structure that will have a complete look and feel (Mullins, 2010).

**Access to expertise, Special skills, and talent:** CORAL Academy is not planning to compete based on the price at the same time prices will be very nominal keeping in view with porter's strategy to provide the best value to customers in which would be the reason to gain competitive advantage in the long run. It is very important to gain the knowledge, right expertise, and talent that would be above customers' expectations. Another factor is creating strong networking. This can be done by making contacts with experts of relevant institutions(Gunney & Bulut, 2010).

## 3.2 Market Analysis

### 3.2.1 Market Size & Growth

Since there are only upper-class or lower-class people residing in Azerbaijan currently by the vast majority of progressive people and especially in the capital Baku which is the capital city of Azerbaijan has the most civilized population and ongoing development, where the CORAL academy will first start its business. The ideal customers would be classified as students, Fresh graduates, and professionals who are inspiring to learn designing or further polish their skills with advanced applications. The size and growth of the market of Azerbaijan would be defined by the target and future growth potential predictions.

**5.4%**

Unemployment rate

**16%**

Women in Azerbaijani Parliament

**12%**

Land area covered by forest

**73.6**

Life expectancy at birth

**38.5**

Infant mortality rate, deaths per  
1,000 live births

**65**

Internet users per 100 inhabitants

**Figure 7: Major Indices of Azerbaijan as Defined by the Global UNDP Website**

According to a United Nations development program (UNDP) report in the year 2020 Azerbaijan takes its position as the 88th number among the countries in the world that strives to implement sustainable development goals for humans into their markets & economy. The success of Azerbaijan is given in (About Azerbaijan, 2014): “In the twenty years of independence, Azerbaijan has achieved a great deal. The high levels of economic growth in recent years led to considerable improvements in the many key socio-economic indicators. Per capita income reached \$7,600, 2014 (Early Learning centers in Azerbaijan, 2021). Therefore, making Azerbaijan an upper-middle-income country. In 2014 According to the human development Index that listed Azerbaijan ranks 78th which was previously ranked 101st in 2005, putting the country in “the high human development” category. The strong economic growth allowed major investments in infrastructure and a steep decline in poverty rates from 46.7 percent in 2002 to 5 percent in 2014.”

Azerbaijan has now stepped forward on to the new development framework, the agenda till the year 2030 for Sustainable Development, embracing the three dimensions of stability such as economic, social, and environmental, and implementing the 17 global goals. The current statistics as given by World’s Bank website which is relevant for our business plan to consider are as following:

**Figure 8: States of Markets (World bank, 2020)**

According to data provided by the UNICEF Azerbaijan website, A UNICEF Education Leyla Hassanova commented on the topic of early education in Azerbaijan as: “In rural areas, where access to service and information is limited and families have low socioeconomic status, the environment for childhood development is not very favorable. There are limited opportunities for pre-school children to be exposed to any kind of development, be it cultural, educational, or social. For it was crucial that we find a way to reach those children”. The ministry of education will be continuing to strengthen the practices in more than 50 communities based Early Learning centers around the country supported by UNICEF (Early Learning centers in Azerbaijan, 2021).

The Ministry of Education in the country has put a great emphasis on learning and will continue to strengthening practices in more than 50 community-based Education centers in addition to these fifty more centers across the country would be established by the Government of funded by the State budget, UNICEF, and European Union (Early Learning centers in Azerbaijan, 2021).

**ECONOMIES**

	2015	2016	2017	2018	2019	2020
GDP (USD million)	53,016.1	37,866.9	40,843.6	47,112.4	48,174.2	42,607.2
Real GDP Growth (% growth)	1.0	-3.1	0.2	1.5	2.5	-4.3
Inflation (% growth)	4.0	12.4	12.8	2.4	2.7	2.8
Unemployment Rate (% of economically active population)	4.9	5.0	5.0	4.9	4.9	6.4
Exchange Rates Against US Dollar (AZN per USD)	1.0	1.6	1.7	1.7	1.7	1.7

**Figure 9:** Economical Statistics of Azerbaijan (Source: Azerbaijan Country Fact File Euromonitor International)

Our market is highly dependent on the people's demands for affordable and high-quality space designing. Affordable and social housing should be considered a part that is integral of the real estate market, as a way forward to promote social cohesion and inclusion, urban development, growth of the economy, reduction in housing pressure, and a type of policy alternative to address the issue of informal statements (Shirinov, 2020). The Agency of State housing development has been set to improve the standard of living by meeting the housing needs of Azerbaijan's citizens and to contribute to the realization of the state policy for the development of the economy of the nation. The aim of setting up this agency is to broaden every opportunity for the country's citizens to own affordable living space, based on sustainable and continuous development to hit our targets, and for establishing or financing a long-term payment system for the sale of the apartments, work has been done with the relevant state institutions. The main source of funding here in Azerbaijan is the Mortgage system.

However, opportunities for cooperation with state banks in the country have been assessed to ensure the long-term funding of the sale of apartments. In total, 1390 flats out of 1634 apartments owned by the state housing Development Agency have been received by the citizens

on preferential policies. In this matter, 514 citizens got apartments by their investments and 876 citizens got mortgage preferential loans. All those apartments were delivered to the citizens in a completely renovated, furnished kitchen, heating equipment, gas, water and meters for electricity. By following the strategic Road Map Action Plan, State Housing Development Agency constructs apartments with the framework of relevant programs funded by the state budget based on state orders, and as improving housing conditions for government agency's employees, enterprises, and organizations (Mida, 2020). Accordingly, based on the project construction works have a positive impact on the constructional development sector of the country. It encourages the production, application, and operation of building materials and equipment and providing new jobs to people. This stated project will stimulate the investment attractiveness of the sector and this will have a significant impact to gain expert practices in designing, learning, and implementing their ideas on real estate. The CORAL academy has deeply done market research following the current news and released articles so we can align our strategies with consumer needs.

<b>Criteria</b>		<b>TOTAL</b>
		<b>235488</b>
<b>Number of state registration of property rights</b>	initial	<b>68899</b>
	anew	<b>166589</b>
<b>Including;</b>		
Personal accommodation and country house	initial	<b>16075</b>
	anew	<b>24224</b>
Apartment (privatization)	initial	<b>27213</b>
	anew	<b>40797</b>
Land areas	initial	<b>20484</b>
	anew	<b>95479</b>
Non-residential building	initial	<b>1229</b>
	anew	<b>2796</b>
Non-residential areas	initial	<b>3566</b>
	anew	<b>2630</b>
Real estate complex	initial	<b>288</b>
	anew	<b>615</b>
Multi-story apartments	initial	<b>44</b>
	anew	<b>24</b>
Perennial plantings	initial	<b>0</b>
	anew	<b>24</b>

**Figure 10:** Statical data about state registration of the implementation of the rights on real estate for 2019 (Statistics of State Service for Real Estate Registration)

### 3.2.2 PESTLE Analysis

A renowned business measurement tool for understanding the external market PESTLE analysis is used previously it only consisted of four components; PEST (Political, Economic, Social, and Technology) by the advancements turned into PESTLE adding Environmental and Legal factors arising in businesses. External environment analysis is done for the business in which it is planning to operate. These factors cannot be controlled but an organizations’ management internally but relevant strategies can be introduced to tackle these external issues. For that, we first need to identify these factors one by one so the managers and the entire force can make changes to the business model for growth and development (Gupta,2013). This analysis will supplement this business plan in generating the Strengths, Weakness, Opportunities, and threats matrix. With the help of PESTLE; analyzing the environment, organizations can take advantage of opportunities and figure out potential threats that the organization can face in the future.

P	E	S	T	L	E
Political	Economic	Social/Cultural	Technology	Legal	Environment
<ul style="list-style-type: none"> <li>• Stability of Government</li> <li>• Potential changes to legislation</li> <li>• Global influences</li> </ul>	<ul style="list-style-type: none"> <li>• Economic growth</li> <li>• Employment rates</li> <li>• Inflation rates</li> <li>• Monetary policy</li> <li>• Consumer confidence</li> </ul>	<ul style="list-style-type: none"> <li>• Income distribution</li> <li>• Demographic influences</li> <li>• Lifestyle factors</li> </ul>	<ul style="list-style-type: none"> <li>• International influences</li> <li>• Changes in information technology</li> <li>• Take up rates</li> </ul>	<ul style="list-style-type: none"> <li>• Taxation policies</li> <li>• Employment laws</li> <li>• Industry regulations</li> <li>• Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>• Regulation and restriction:</li> <li>• Attitudes c customers</li> </ul>

**Figure 11: PESTLE Analysis (Source: ICT Business)**

Below we will discuss each external factor influencing CORAL academy:

*3.2.2.1 Political Factors that Impact Coral Design Academy*

One of the results of this great design policy is the selection of Helsinki with its partners as the World Design Capital of 2012 by the embed theme design in Life (Anne Veinola, 2012). With Coral Academy's proximity to Azerbaijan and with the majority of their customers based within the city of Baku, we have a great opportunity to build on the reputation of Baku as a strong design hub. Designing is actively being marketed by Azerbaijani Organizations and having the title of the European Union Eastern Partnership program will still be fresh in customers' minds. If CORAL: designs take the right direction in terms of marketing, now is the good time to establish it as a brand and increase its customer base (Kerikn e & Chochia, 2016). Our design academy has closely analyzed the following factors before entering or investing in the particular designing market:

- Risk of Invasion of military
- Importance of Home, Renovations, Furnishing, or reconstruction sector in the country's economy and political stability
- Protection of Intellectual property
- Level of corruption; especially levels of rules & regulations on consumer goods sides
- Tariffs and Trade regulations
- Bureaucracy & Governmental interference in home furnishing and Designing industry
- The legal structure for contract enforcement
- Antitrust laws regarding interior, exterior, software designing
- Favoring trading partners

- Regulations on Pricing; if there are pricing regulations mechanism for buying designs teaching equipment
- Taxation; Rate of Tax and incentives
- Legislation on wages; minimum wage rate and overtime rate
- Obligatory employee benefits
- Working day legislation in related business
- Institutions safely regulation given in the government policies
- Course designing and other requirements in related business

### *3.2.2.2 Economic Factors that Impact Coral Design Academy*

There are several economic factors such as inflation rate, savings rate, economic growth, and foreign exchange rate. These factors are the determinants that sum up demand and supply and sum up the investment of any economy. Whereas microeconomic components like norms of competition are those which have an impact on the competitive advantage for the business. CORAL design academy can use a country's economic factors such as growth rate, spending abilities of consumers, etc. To predict the success of both the environment and that of the organization. While conducting this PESTLE following economic factors are considered by this particular business:

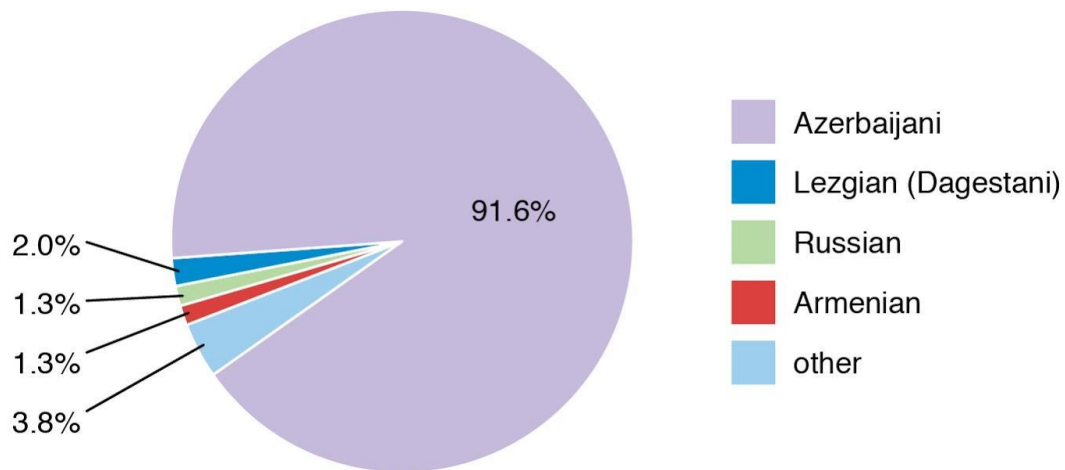
- The intervention of the government in the free market and related goods
- The economic system of Azerbaijan; stability and type of system of a country
- Stability of host country currency and exchange rates
- Financial market's efficiency; As being a single owner CORAL Academy would need to acquire capital from the investors
- Interior, exterior, and software designing infrastructure's quality
- The comparative advantage of hosting country and consumer goods sector within Azerbaijan
- The Level or skills in the workforce of the academy should be quite skillful
- Literacy rate of the economy
- Hiring and productivity costs in the economy

- Stages of the business cycle; prosperity, and recession.
- Rate of inflation
- Rate of interest
- Rate of unemployment
- Rate of economic growth
- Income of discretionary

### 3.2.2.3 Social Factors that Impact CORAL Design Academy

Several factors are impacting social culture. The way of doing things highly impacts the culture of an organization in any environment. Shared attitudes and beliefs of the people living in the society plays an important role in how marketers in Our academy will understand the customers of the targeted market and how we will design the marketing techniques for interior, exterior, software designing industry consumers.

#### Ethnic composition (2009)



© Encyclopædia Britannica, Inc.

**Figure 12:** Ethnic composition of Azerbaijan (Encyclopedia Britannica, 2009)

Social factors that leaders of coral design academy in PESTLE analysis have identified are as following:

- Class structure. Hierarchy and power structure in the relevant society as Azerbaijan has become a country of upper-middle-class people
- The skill level and demographics of the majority
- Literacy rate as well as education standard in the coral design academy
- Culture why is the combination of gender roles, social and conventional norms of Azerbaijan
- Entrepreneurial superiority and emerging startups in the country. Some societies encourage entrepreneurship while others don't.
- Attitudes of the society that comprises are health, consciousness, And environmental factors
- Interests in the leisure time

#### *3.2.2.4 Technological Factors that Impact CORAL Design Academy*

Factors coming from technological advancements such as involvement of Artificial intelligence. Technology is rapidly disrupting multiple industries across the country. One of the greatest examples of technological advancement can be seen in the transport industry. Over the past five years, this industry has been transforming fast. This advancement has not even given a chance to players of the market to deal with this change. For example, the well-established taxi business was being dominated by players like Uber and Similar services. In the same way, the automobile industry is moving towards automation for example as Google and manufacturing are disrupted by companies like Tesla that introduced electric cars to the world. Coral academy not only has to do technological analysis of relevant industries but we also Have to analyze the speed at which technology disrupts the industry. The slow speed of technological disruption will give more time while the fast speed of technological disruption will make it difficult for us to cope with the changes as a new designing application might require a new trainer which would not be available readily.

#### **3.2.2.5 Environmental Factors that Impact Coral DesignAcademy**

There are different environmental standards and differences which will impact the profitability of an organization in particular markets. Even though within a country there are often different environmental laws and liability laws for different states. Such as in the United States, two states Texas and Florida Do have different liability laws in the matter of any mishaps or environmental disaster. In the same way, there are many European countries that provide productive tax breaks to startup companies that are operating. For an entrepreneur, before entering into new markets or starting a new business in an existing business it should evaluate the Environmental standards that are needed to operate in that market. Some of the common environmental factors that a firm should tackle beforehand are as following:

- Climatic change
- Weather
- Pollution
- Environmental regulatory laws
- Regulations on air and water pollution
- Recycling
- Waste management in the sector of consumer's good
- Attitude towards sustainable and green environmental development
- Support and positive attitude towards renewable energy
- Species under danger

#### *3.2.2.6 Legal Factors that ill Impact Coral Academy*

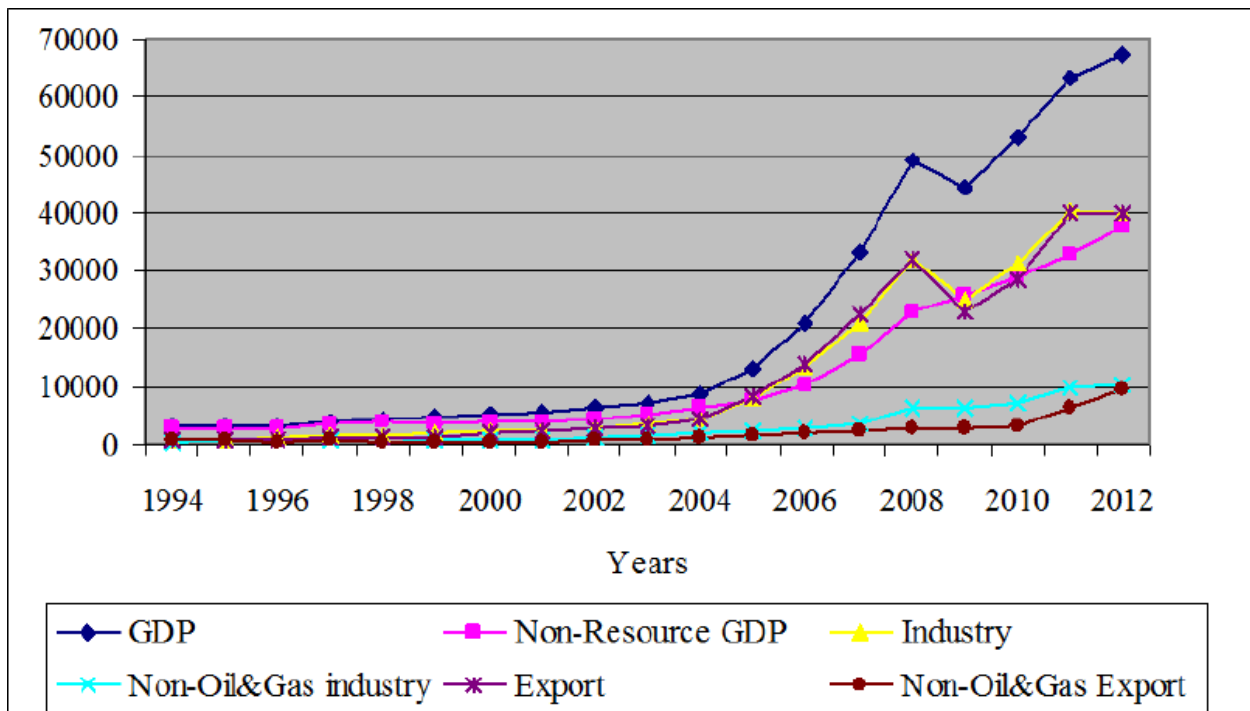
In numerous countries, the present legal institutions and frameworks are not sufficient to protect the intellectual property rights of an organization. A business should carefully evaluate these factors before entering such markets as it can lead to the company's secret of Rhys the whole competitive edge. Several legal factors that coral design academy leadership will consider before entering into this entirely new market are:

- Antitrust laws in interior, exterior, software designing industry and overall, in Azerbaijan
- Patents, copyrights, or intellectual property law
- Discrimination law

- Consumer protection and online shopping
- Laws of health and safety
- Laws of employment law
- Laws of data protection

In many European countries, customers are the core of any business, they are the Center of attention and ultimate reason of being of any organization, they determine what product or service would be delivered by us. In our case the business has been developed to fulfill the following need for the following customers:

The primary target market of Coral design Academy is middle or upper-middle-class students.



**Figure 13:** Comparative trends in Azerbaijan Gross domestic products and Gross domestic products components in million USD (Source: Research gate)

From the Boston Consulting Group Database (2020), the segment of students has been increasing rapidly because international students are coming toward Azerbaijan for higher education due to its great archeological significance. The secondary target market of the oral academy is professionals working in the designing field who are aiming to learn the latest tools and techniques needed to further enhance their needs.

We have planned to expand our branches within the city and outside Baku in the future, and later considering globalization as the applications CORAL & CORONA are learned and used at the industrial level worldwide (Kerikmãe & Chochia, 2016).

### 3.2.3 Competitors Analysis

Understanding your competition and competitor's power is as important as understanding your company's strengths and weaknesses as it is critical to make sure the company will grow and survive in this competitive environment (Sarabi & Molanaei, 2016). There must be a unique value for getting a competitive advantage but luckily Coral academy is one of its kind and is the first mover in the market who is going to teach the most advanced application in their institutions. There are a couple of sole teaching academies operating in Baku but their training is not that advanced. Another differentiating feature would be introducing technology in every service provided. Either it is automated training or an online institution's activities. We are aiming to build a strong brand by introducing the newest software and offering low pricing. The academy also believes in strong social media marketing for creating and sustaining a customer's base

Due to the increasing demand for teaching design, there is both a lack of native language trainers and institutions and there is only an online courses option available for the customers. The design of the business and the applications chosen are specifically to satisfy our selected targeted market which mostly consists of aspiring students and professionals (Sarabi & Molanaei, 2016).

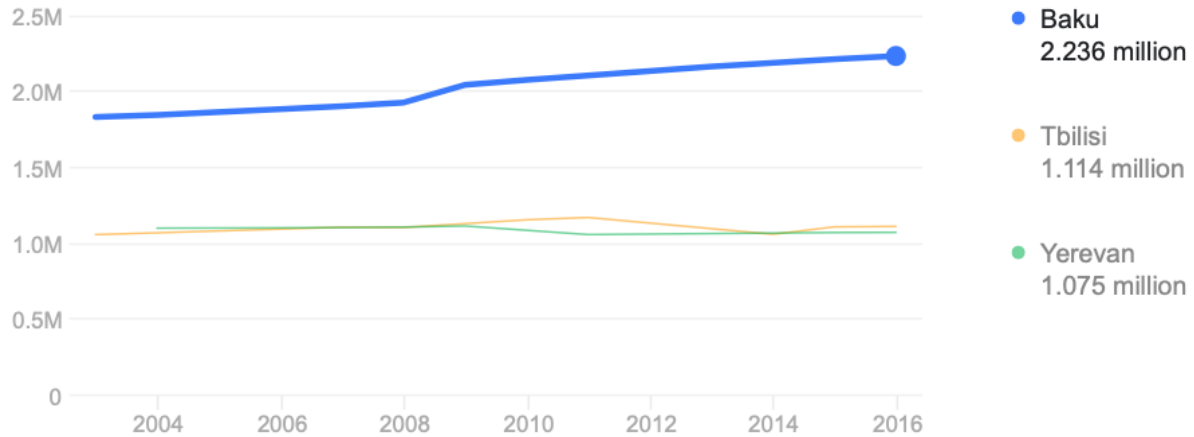
### 3.3 Market Research (Questionnaire Results)

The Questionnaire-based survey was conducted for CORAL academy. This questionnaire was conducted

The survey was conducted from July 1<sup>st</sup> to July 30<sup>th</sup>, 2017, and 442 responses were collected. Unfortunately, 41 responses were incomplete therefore invalid, which left only 401 surveys.

### 3.3.1 Characteristics of Respondents

## 2.236 million (2016)



**Figure 14:** Current population of Baku, Azerbaijan (Source: United Nations)

This research population is the city of Baku, Azerbaijan. The capital city of the country is the center of major economic activities and is the education hub. The current population of the city is 2.236 million and consisted of a census sample of people of two age groups. One age group aged 18-25 years old and second age group of 25-45-year-old. The major highlights of the descriptive statistics for the respondents are given below.

The purpose of targeting these age groups was to keep our audience relevant. All the aspiring candidates for our academy fall in these groups, omitting any exception. The young adults who are currently studying or would be recently graduated fall in the age group of 18-25 and likewise, the second age group is for young professionals or experienced professionals who would be seeking advanced designing skills.

## Clasification of Respondents based upon their Age



**Figure 15:** Age group of Respondents

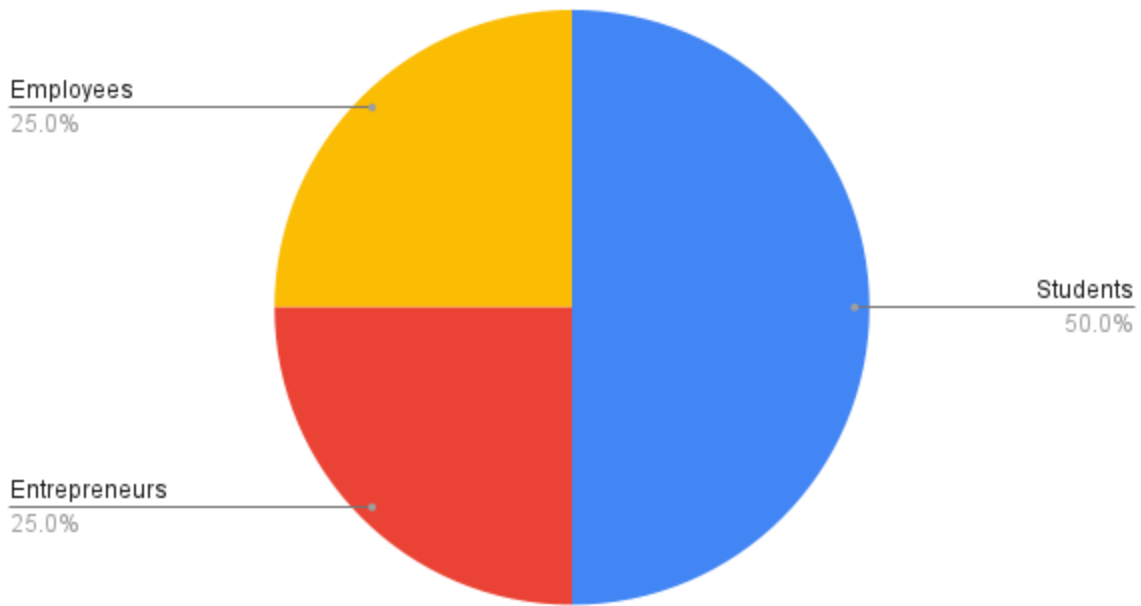
### **Age Group:**

18-25

25-45

The majority of respondents were either students or working professionals. Some of them were working in the private sector and some were entrepreneurs and start-up aspirants as there are a lot of design firms here in Azerbaijan but none of them are willing to teach others and keep their secrets intact. Knowing our respondent's occupation was important as a person's educational background or occupation have a direct impact on quality of life, and it is also a determinant of their income.

## Clasification of Respondents based upon their Occupation



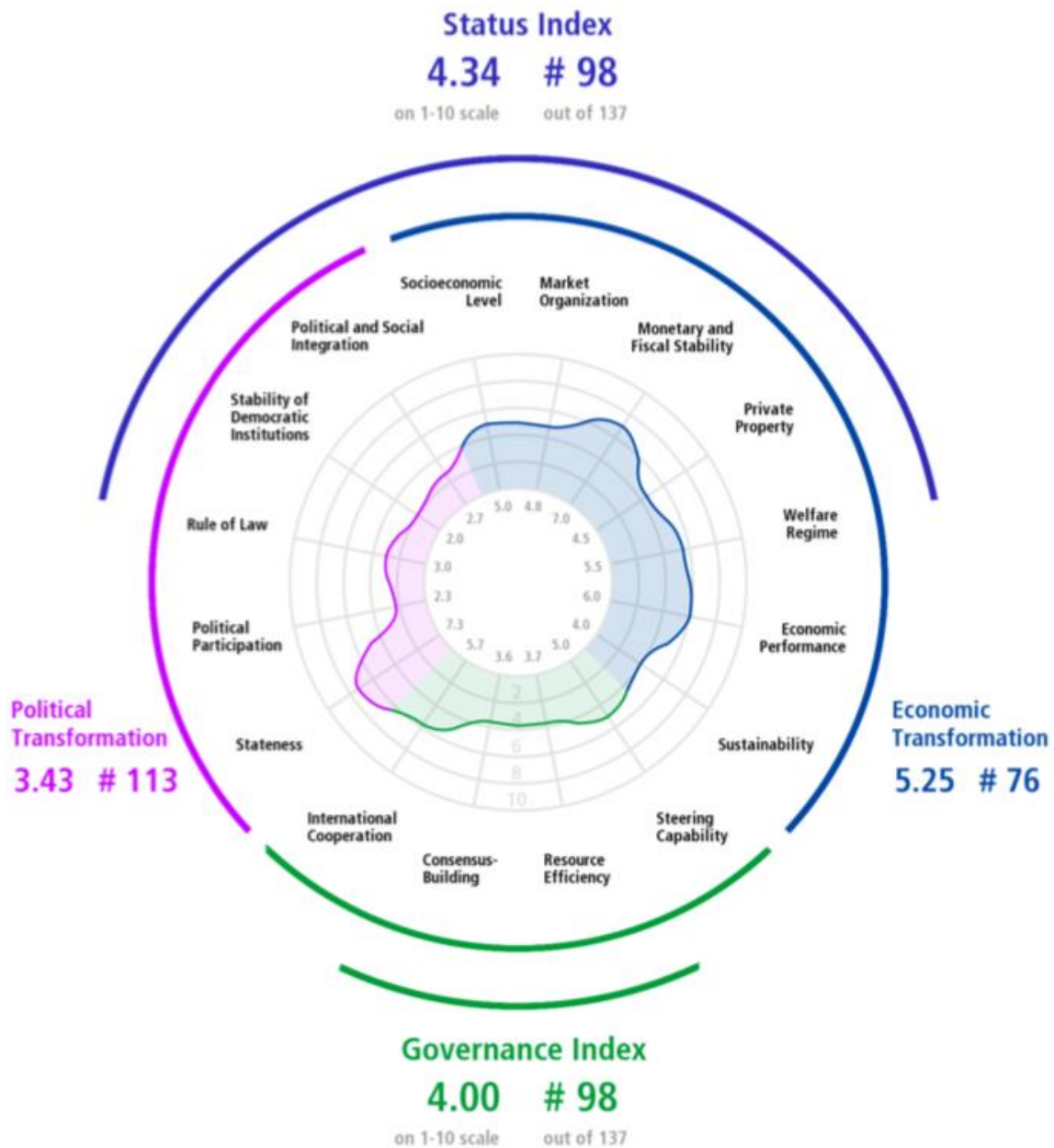
**Figure 16:** Occupation of Respondents

### **Occupations:**

Students

Employees

Entrepreneurs



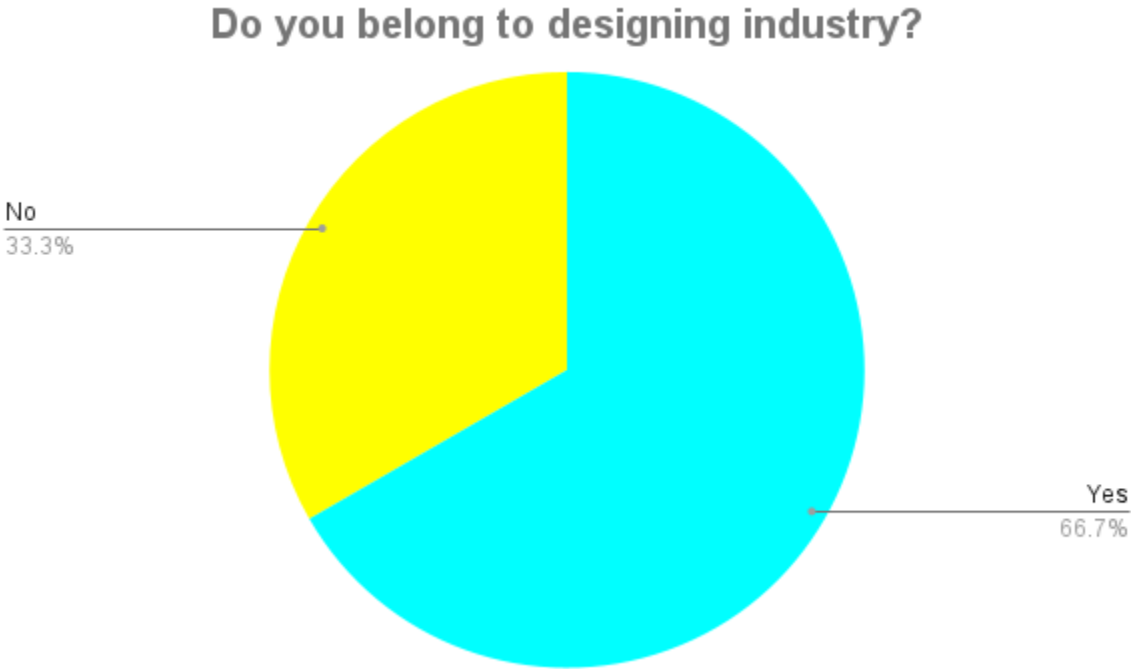
**Figure 17: Socio-Economic Status of Respondents**

After the further classification of respondents based on their socioeconomic status about 5.25 people on the scale of 1-10 have gone through an economic transformation were as about 3.43 people on the scale of 1-10 have gone through political transformation the figure above briefly explains each transformation based upon factors like Market organization, Monetary and fiscal stability, private property, Welfare regime, Economic performance, Sustainability, Steering

capability, Resource efficiency, Consensus building, International cooperation, Satedness, Political participation, Rule of Law, Stability of Democratic Institutions, Political & Social Integration, and Socioeconomic level.

### 3.3.2 Respondents Behavior towards Designing

On the basis of this survey, most of the respondents were related to designing industry and most of the respondents were familiar with Coral design academy by our prior advertisement done through our social media platforms as this idea is already tested among the real audience before we would move forward with our business the trainer had already taught a batch of students and was being successful in training young designers.



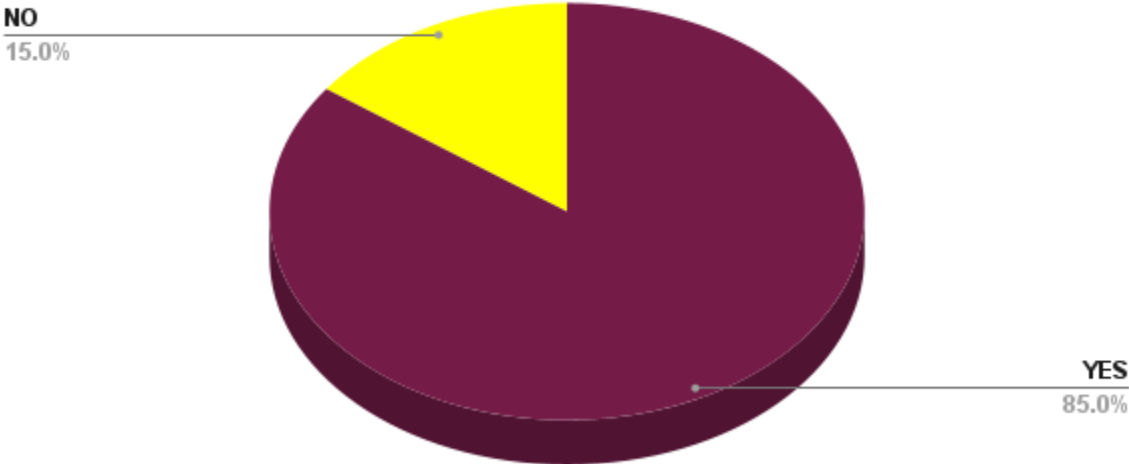
**Figure 18:** Response Graph of the Respondents

YES

No

Most people in Baku prefer professional degrees and they were well aware of CORAL design academy. Only 15 percent claimed that they didn't know about this academy already.

### Do you know about Coral design Acadmey



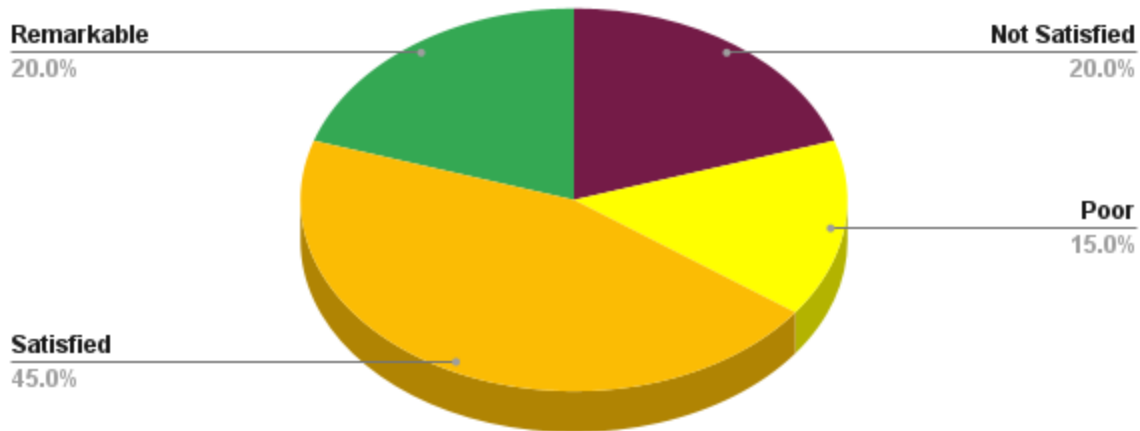
**Figure 19:** Respondent's Response to the Question regarding Awareness of CORAL Academy

YES

No

On the question about how they perceive the quality of CORAL academy to be on the scale of four qualitative measures as remarkable, satisfied, not satisfied, poor. From the results, we can see that the majority of respondents were satisfied with the services provided by Coral academy and their quality. About 15% of respondents rated it as poor and 20% of respondents rated it as not satisfied.

## How would you rate quality of service provided by Coral Acadmey



**Figure 20:** Response on Quality of Service by Bespondents

Remarkable

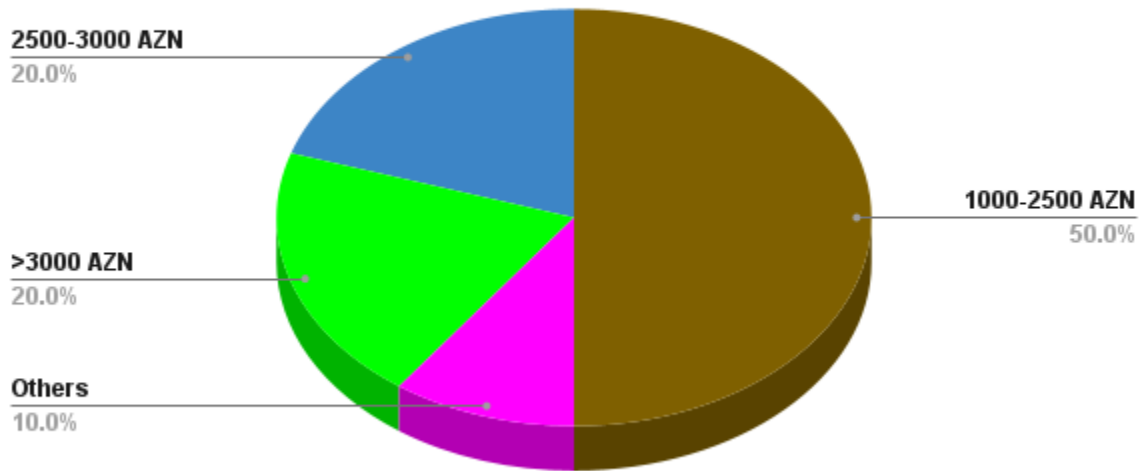
Satisfied

Not Satisfied

Poor

Next, the average fee the students were willing to pay was less than what students are paying to Azerbaijani architecture university yet, the average was still considered as everyone knows the importance of this field and everyone here is eager to learn these advanced designing skills as this is the most demanding job and it is highly paid than other jobs. Below there is one graph representing the respondents' result on how much they are willing to pay as the fee for an average designing course. Note that average fee of Azerbaijan University of Architecture and Construction is 1000-3000 AZN (Source: University's website) then there is a table extracted from salaryexplorer.com which gives statics table of comparison among different jobs and average salary in Azerbaijan; reported in year 2020.

## How much fees on average you are willing to pay



**Figure 21:** Respondent's Results

>3000 AZN

2000-3000 AZN

1000-2500 AZN

Others

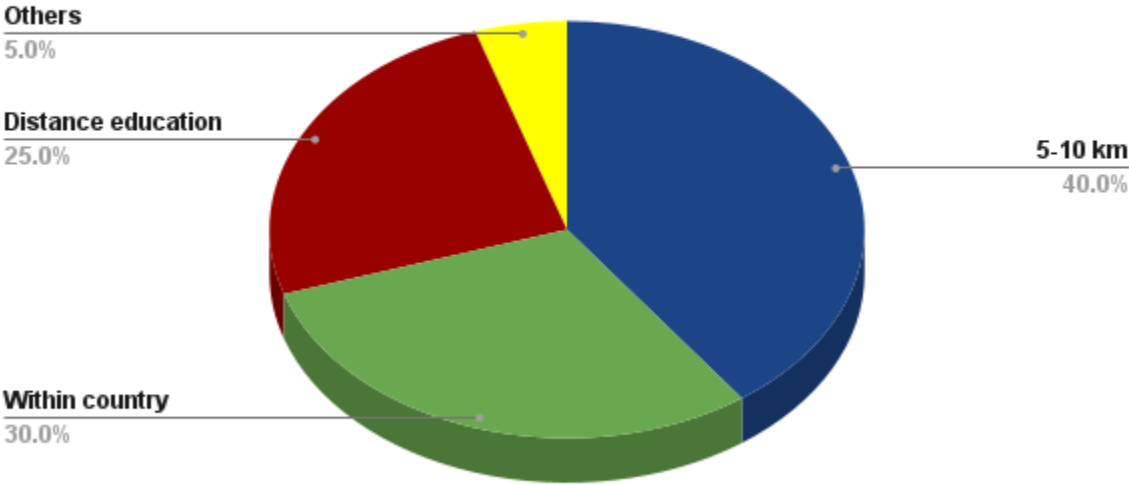
<b>Salary comparison with Similar Azerbaijan Jobs</b>		
<b>JOB TITLE</b>	<b>SALARY</b>	
<b>Architect</b>	<b>3,780 AZN</b>	<b>+27%</b>
<b>Architect Designer</b>	<b>3,300 AZN</b>	<b>+11%</b>
<b>Architectural Drafter</b>	<b>1,410 AZN</b>	<b>-53%</b>
<b>Architectural Manager</b>	<b>5,380 AZN</b>	<b>+81%</b>
<b>Architectural Technicians</b>	<b>2,019 AZN</b>	<b>-32%</b>
<b>Architecture Consultant</b>	<b>5,360 AZN</b>	<b>+80%</b>
<b>Architecture Estimating Manager</b>	<b>3,930 AZN</b>	<b>+32%</b>
<b>Architecture Specification Writer</b>	<b>1,380 AZN</b>	<b>-54%</b>
<b>Assistant Architectural Manager</b>	<b>5,200 AZN</b>	<b>+75%</b>
<b>CAD Drafter</b>	<b>15,50 AZN</b>	<b>-48%</b>
<b>CAD Manager</b>	<b>3,270 AZN</b>	<b>10%</b>
<b>Decoration And Design Assistant</b>	<b>1,570 AZN</b>	<b>-47%</b>
<b>Manager of Designing</b>	<b>4,910 AZN</b>	<b>+65%</b>
<b>Supervisor of Drafter</b>	<b>2,760 AZN</b>	<b>-7%</b>
<b>Facility &amp; project manager</b>	<b>4,880 AZN</b>	<b>+64%</b>
<b>Facility Planner</b>	<b>2,700 AZN</b>	<b>-7%</b>
<b>Interior Design Assistant</b>	<b>1,390 AZN</b>	<b>-53%</b>
<b>Interior Designer</b>	<b>2,970 AZN</b>	<b>0%</b>
<b>Kitchen Designing</b>	<b>1,800 AZN</b>	<b>-39%</b>
<b>Landscape Artist</b>	<b>2,330 AZN</b>	<b>-22%</b>
<b>Landscape Architect</b>	<b>4,310 AZN</b>	<b>+45%</b>
<b>Landscaper</b>	<b>2,050 AZN</b>	<b>-31%</b>

<b>Mapping Technicians</b>	<b>1,320 AZN</b>	-56%
<b>Mechanical Drafter</b>	<b>1,790 AZN</b>	-40%
<b>Photogrammetrist</b>	<b>1,610 AZN</b>	-46%

**Table 1:** Salary Comparison

About 40 percent of the respondents prefer to go to institutes which are close proximity to their home or work, with a minimum distance of 5-10 km, and 30 percent want the institutes to be within the city or other cities within same country whereas only 25 percent would like to go to foreign universities to get higher education and remaining was not sure about their choice. So, this concludes that the main aim of the respondents is to gain knowledge and skills where distance education doesn't even bother them. This opens up a room for promoting our business to country and global level in future.

### What radius do you prefer for choosing institute



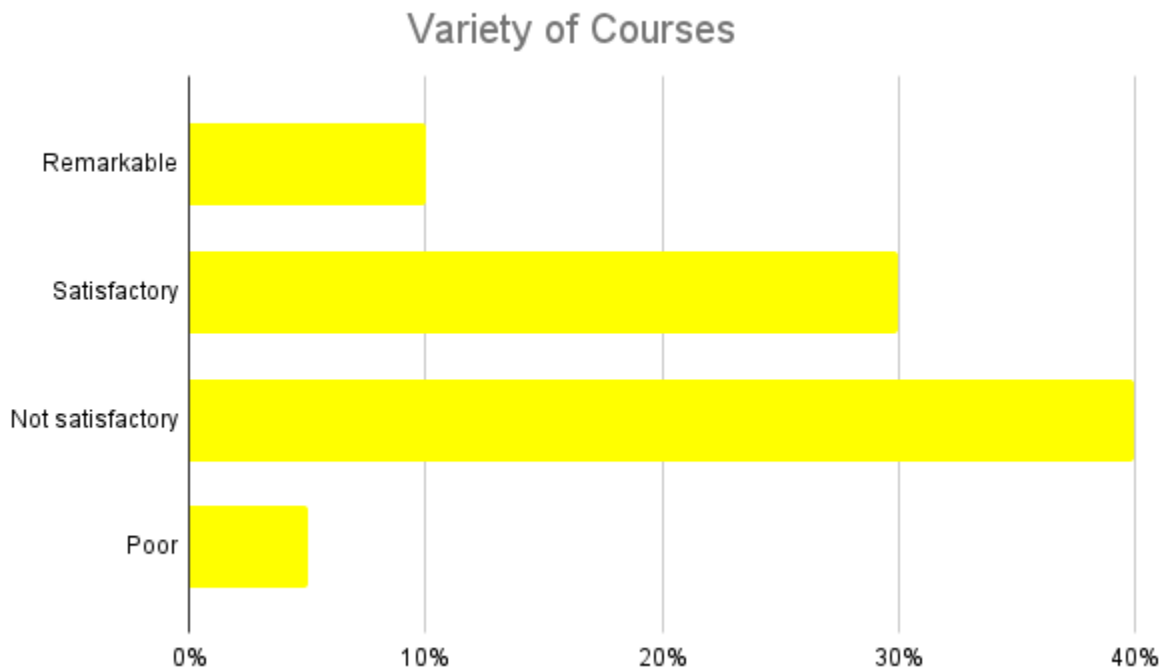
**Figure 22:** Respondents Results on Preference to Choose Their Educational Institute Distance

- 5-10 km
- Within Country
- Distance education

Others

### 3.3.3 Student's Behavior towards Existing Institutes

The respondents were also asked to rate the existing institutes which are providing this service. Currently, there are only two academies in Baku for designing and architecture and thirdly there are a couple of universities that we mentioned in our questionnaire.



**Figure 23:** Respondent's Survey In Comparison with Existing Institutes' Ratings

Remarkable

Satisfied

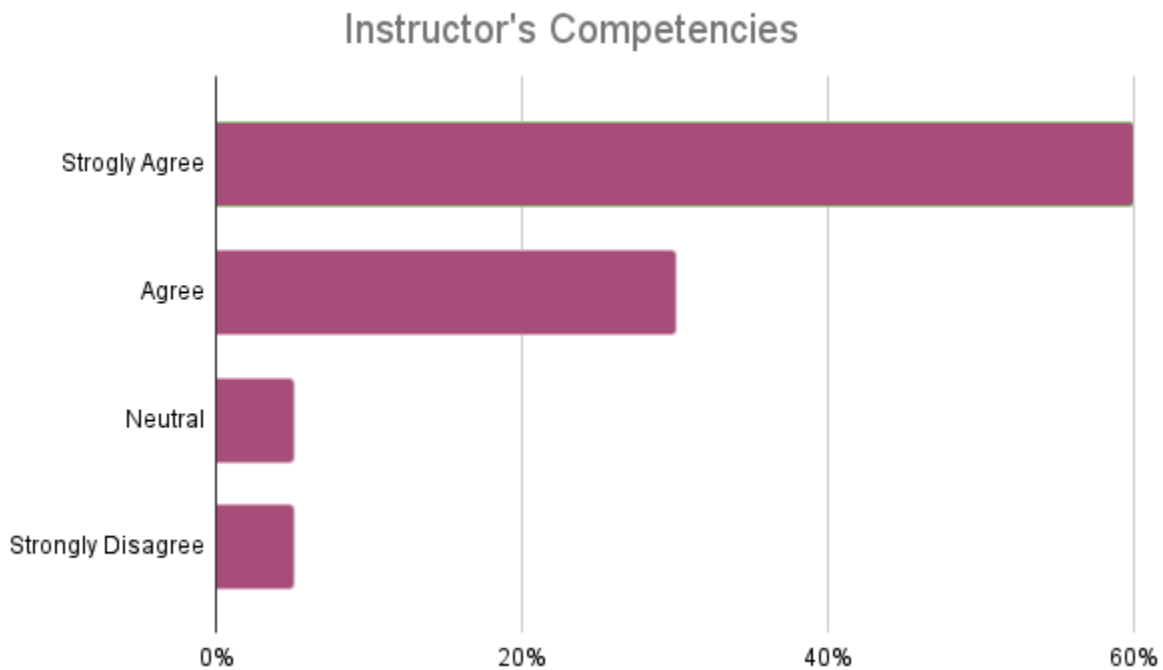
Not Satisfied

Poor

In the comparison with competencies of the instructors of existing institutes, only 5% were not aware and respondents to be neutral. The rest of 95% of the respondents felt that the instructor's competencies are an important factor when choosing an institute. Most of the respondents were

not satisfied with the current instructors available as they are not native Azerbaijani and were teaching in other medium languages. Many young students prefer instructors who can teach in their native language. This is the core competency of the coral academy as our CEO will be a well-qualified and experienced teacher who teaches Coral and Corona in the native language.

The majority of the respondents were concerned with the instructor's understanding of advanced software tools and techniques as they see it as a critical factor. It constituted almost 90 percent of the total participants. About 5 percent of the respondent's responses were neutral and the remaining 5 percent were not concerned about this prior.



**Figure 24:** Respondent's Survey in Comparison with Existing Institutes' Ratings)

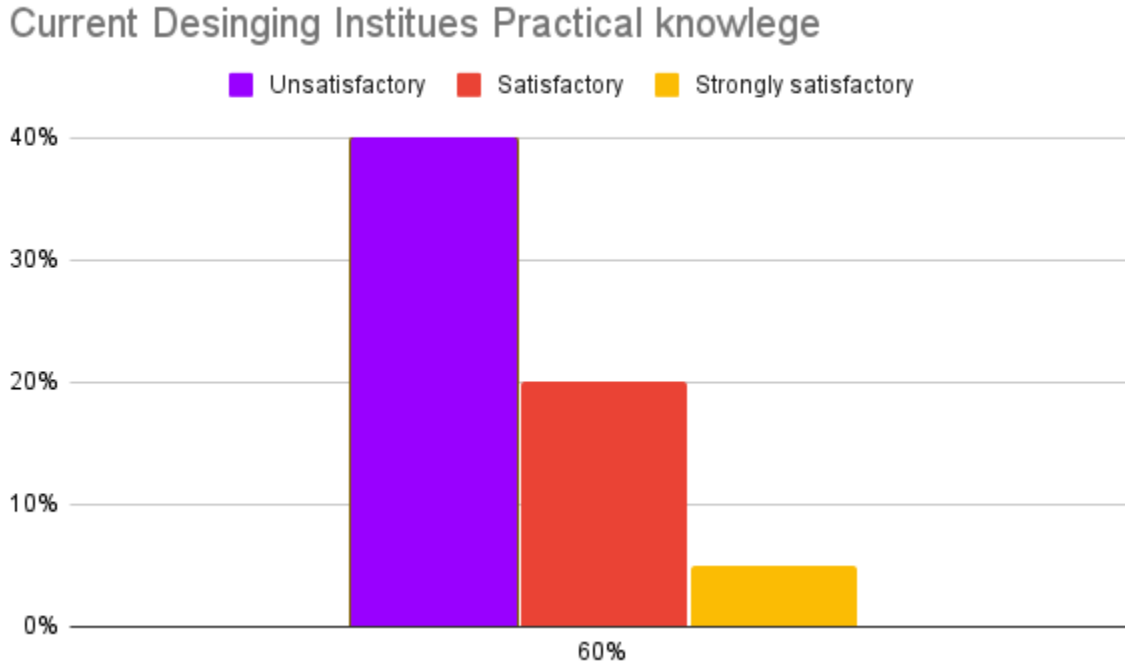
Strongly Agree

Agree

Neutral

Strongly disagree

In comparison with the practical implementation of knowledge, we asked our respondents how satisfied they are with the current institutes for providing practical training and practical implementation of theoretical knowledge given within the classes. Most of the respondents were not satisfied with existing institutions as they are not providing the students with in-field experience and practical implementations.



**Figure 25:** Respondent’s Results in Comparison with Existing Institutes’ Ratings

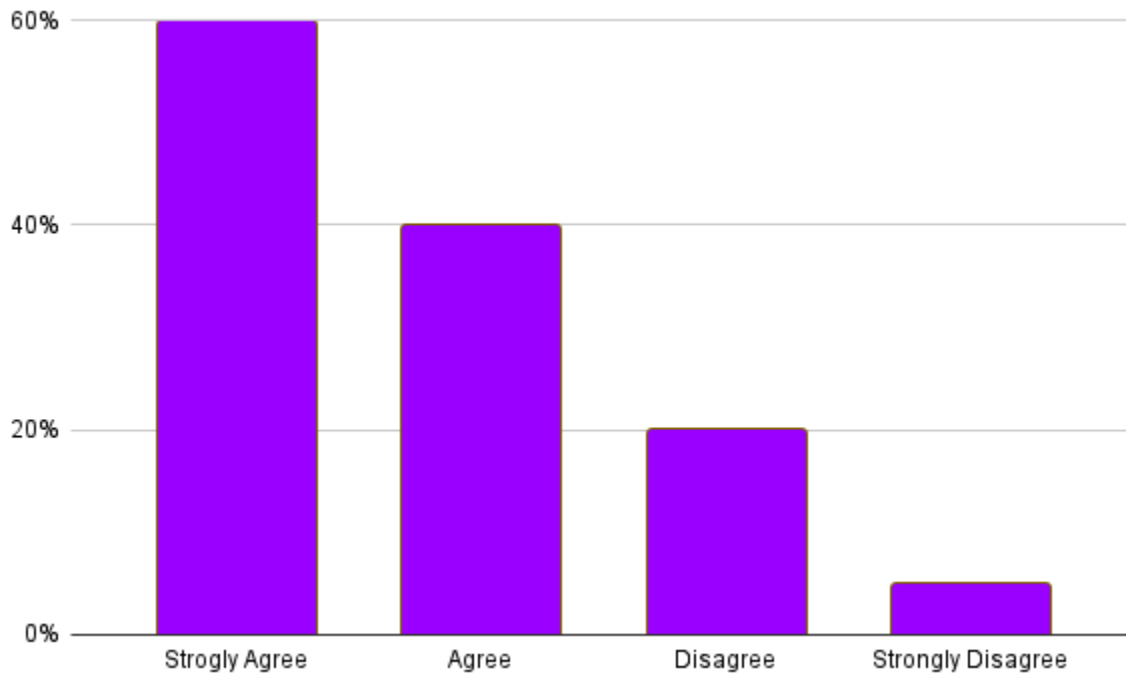
Remarkable

Satisfied

Not Satisfied

Poor

In other results, about 80 percent of the respondents considered cooperative behavior of existing institution’s management for their students as an important factor and most of them strongly agreed or agreed, whereas 20 percent of results showed disagreement and the rest of the 10 percent chose between strongly disagree.



**Figure 26:** Respondent’s Result on Importance of Corporate Behaviour in Institutions

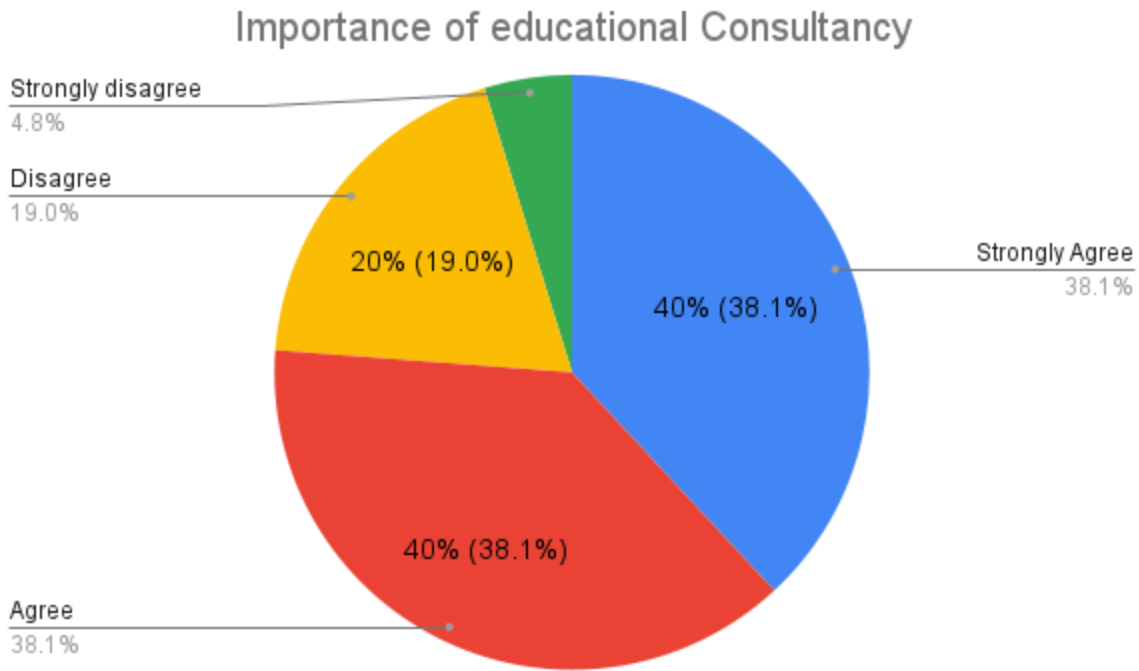
Strongly Agree

Agree

Neutral

Strongly disagree

On the importance of educational consultation, almost 53 percent of respondents marked that educational consultation in designing an academy is necessary for gaining better outcomes. The rest of the participants had chosen other options like disagree or strongly disagree.



**Figure 27:** Respondent’s Survey Importance of Educational Consultancy

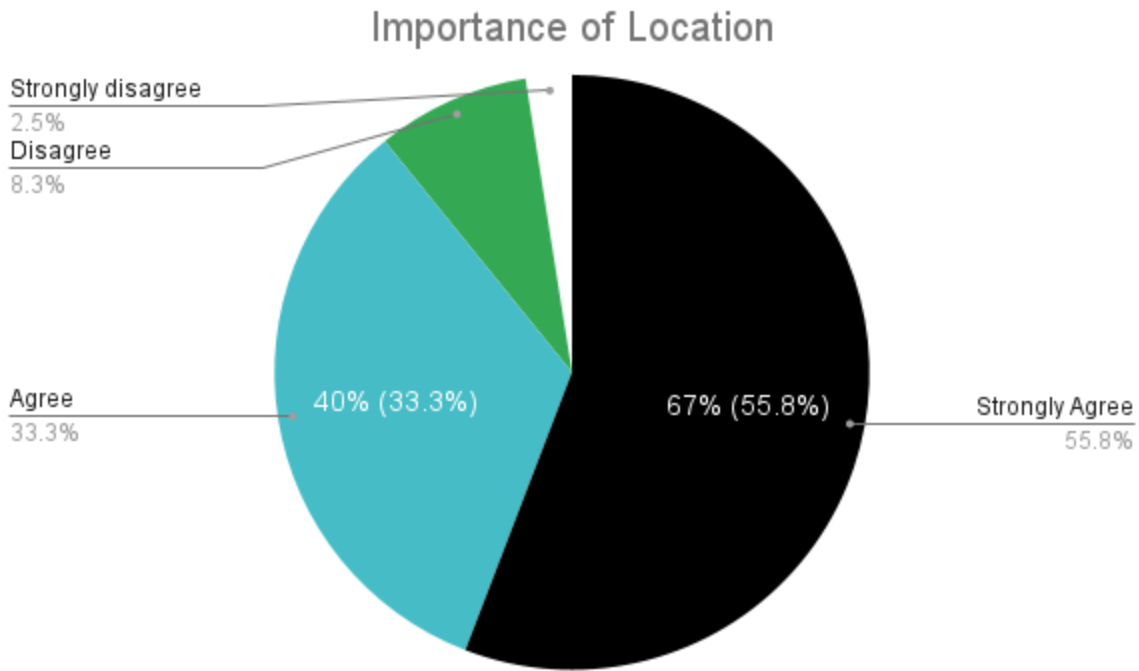
Strongly Agree

Agree

Neutral

Strongly disagree

Among the number of respondents, about 67 percent of the respondents agreed that the factors which are compared among institutions while choosing one; location of the institution or training center falls on the top of it. There was a rare number of respondents who disagreed with the statement and it was a totally one-sided result.



**Figure 28:** Respondent’s Survey Importance of Location

Strongly Agree

Agree

Neutral

Strongly disagree

In the end, by the results of the questionnaire, it is clear that the majority of participants of this questionnaire think that location, cooperative behavior, practical knowledge or experience, instructor’s competencies, and variety of major courses are important factors in any institute or training center to consider. These questions/ statements showed a higher percentage of respondents rated positively, and very few negative responses were being received. 60 percent of respondents consider the instructor’s consultations and the friendliness of the management to be an important factor. In the same way, cooperation of the management is always very positively rated which is an implicit way to attract your customers in this competitive era.

### 3.3.4 Purchasing power of Potential Customers of Coral Academy

The data provide us insights into the customer's willingness to spend money on training institutes like the CORAL academy.

#### **CORAL DESIGNING COURSE FEE/ CUSTOMER'S PURCHASING POWER-1**

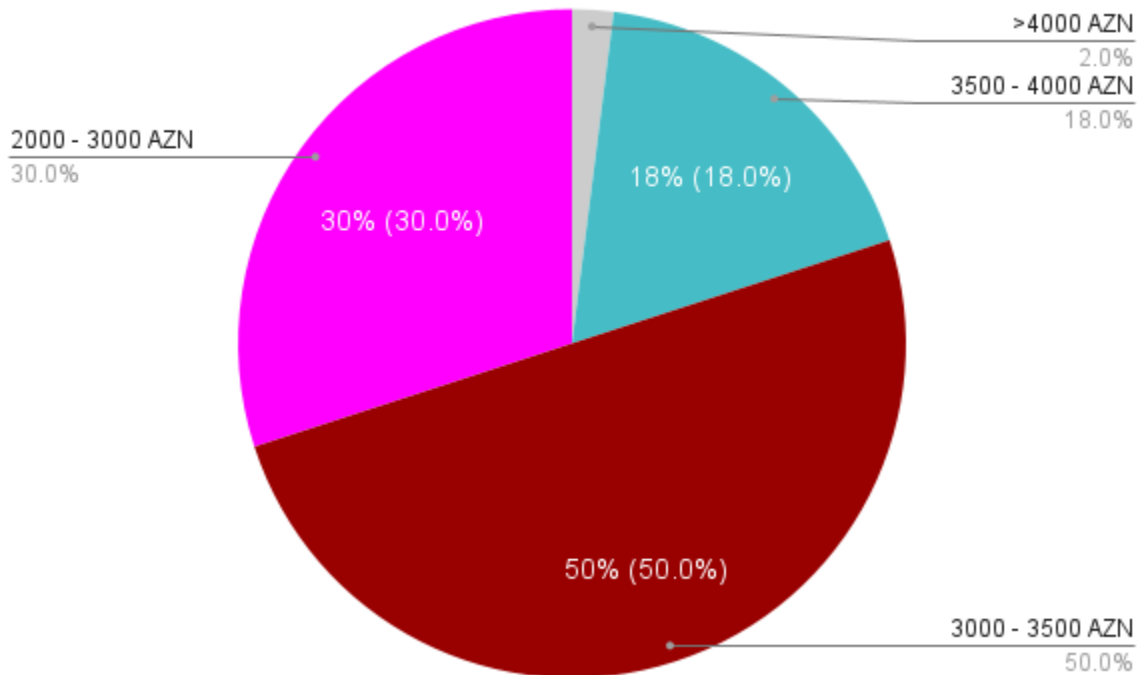
>4000 AZN

3500 - 4000 AZN

3000 - 3500 AZN

2000 - 3000 AZN

With the result of this survey on purchasing power, it suggests that about 50 percent of the respondents were willing to pay 3000 - 3500 AZN an average for CORAL designing course, 18 percent were willing to pay between 3500 - 4000 AZN whereas, 30 percent were willing to pay 2000-3000 AZN, and only a small percentage chosen >4000 AZN. This proves that our potential customer's majority was ready to pay the prices between 2000-3500 AZN



**Figure 29:** Survey Results (Potential customer's purchasing power -1)

**CORONA DESIGNING COURSE FEE/ CUSTOMER'S PURCHASING POWER-2**

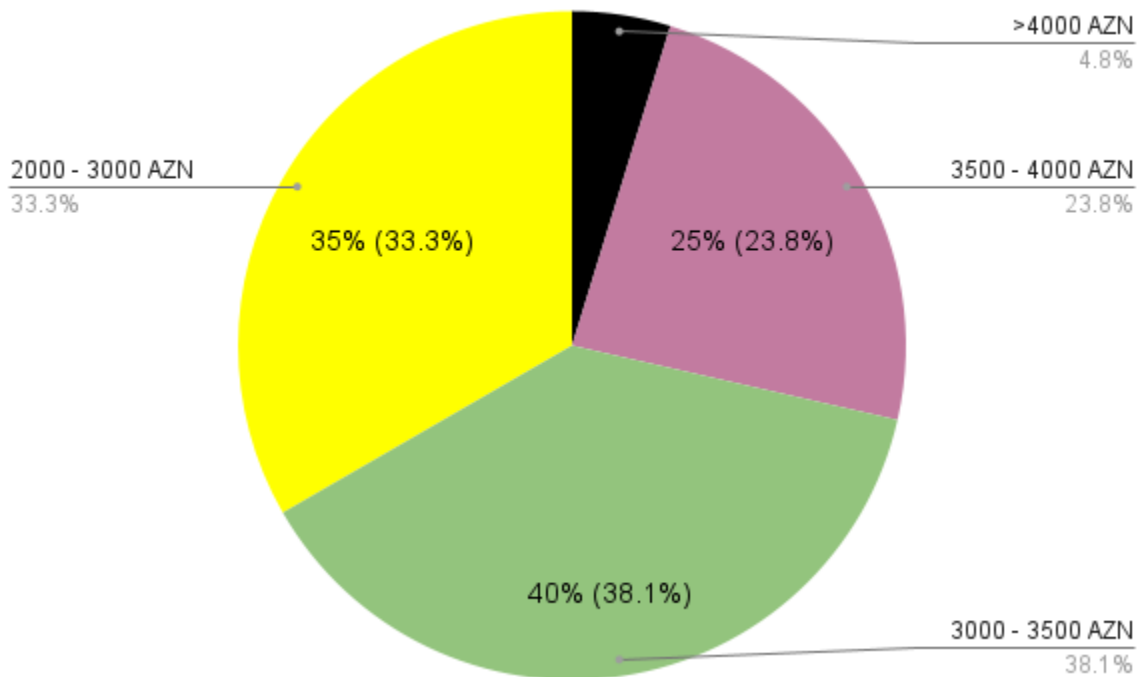
>4000 AZN

3500 - 4000 AZN

3000 - 3500 AZN

2000 - 3000 AZN

With the consequence of this overview on buying power, it proposes that around 40 percent of the respondents were able to pay 3000 - 3500 AZN a normal for corona planning course, 25 percent were able to pay between 3500 - 4000 AZN while, 35% were able to pay 2000-3000 AZN, and just a little rate picked >4000 AZN. This demonstrates that our potential client's lion's share was prepared to follow through on the costs between 2500-3500 AZN



**Figure 30:** Survey Results (Potential customer's purchasing power - 2)

**FASHION DESIGNING COURSE FEE/ CUSTOMER'S PURCHASING POWER-3**

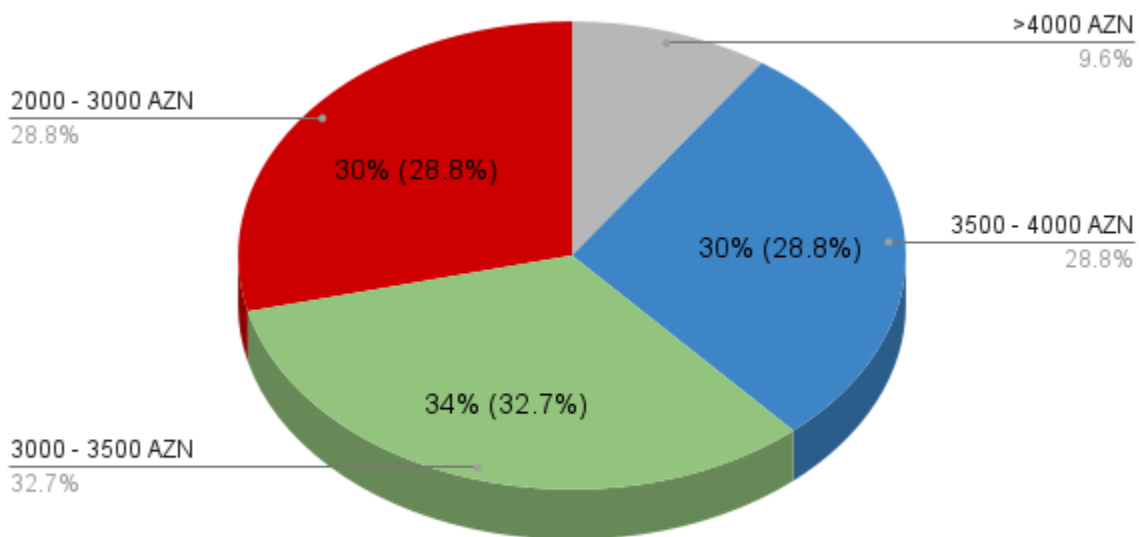
>4000 AZN

3500 - 4000 AZN

3000 - 3500 AZN

2000 - 3000 AZN

With the outcome of this outline on potential customer's purchasing power, it recommends that around 30 percent of the respondents had the option to pay 2000-3000 AZN a typical for fashion designing or photoshop designing courses, 34 percent had the option to pay between 3500 - 4000 AZN while, 30% choose the option to pay 3000 - 3500 AZN, and a tiny bit of rate picked >4000 AZN. This shows that our potential customer's lion's offer was set up to finish the expenses between 2000 - 3000 AZN



**Figure 31:** Survey Results (Potential customer's purchasing power - 3)

The provided information from these surveys collected on potential customers' purchasing power will help us to determine a suitable course fee and design for coral design academy. From the three figures above we have observed that the majority of the respondents have chosen a range within 3500 AZN for provided services. We can benefit from this figure and keep our course fee 10 percent increased or decreased from this range. Coral can also take advantage of

this and make a high profit by providing a variety of services in the form of different courses that will suit customer's needs and purchasing power.

### 3.4 Customer's Comparison

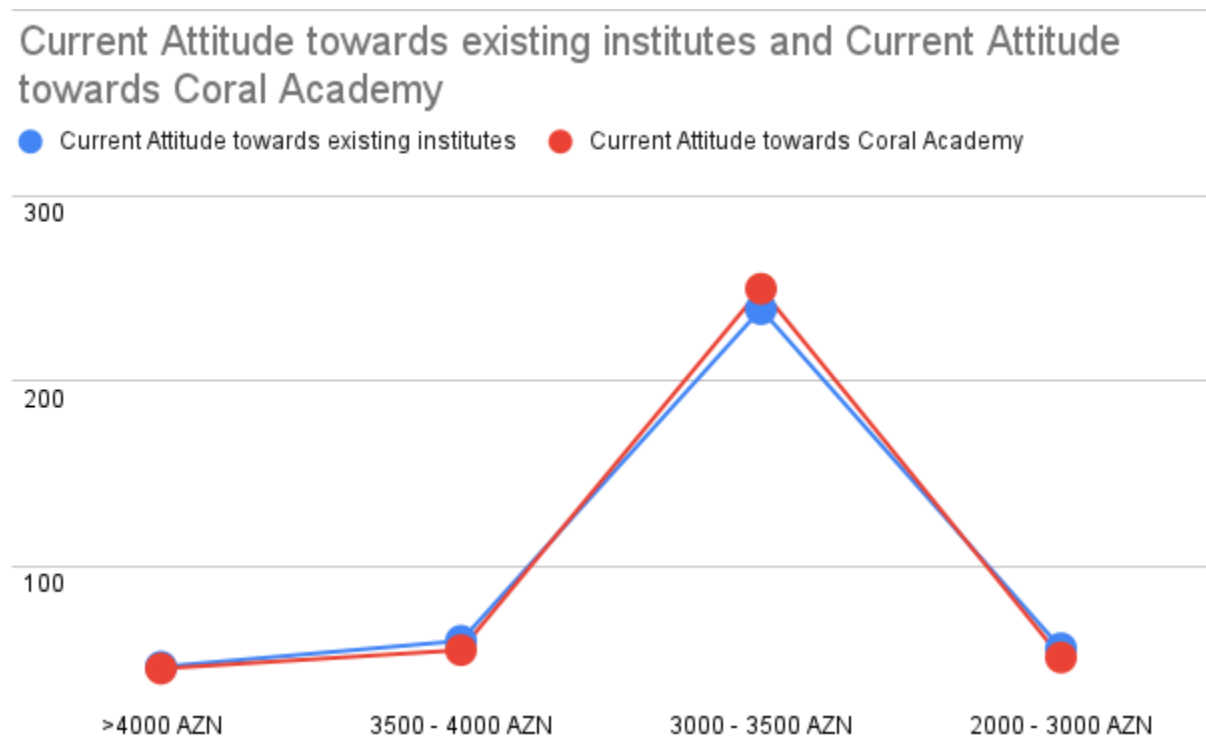
(Current Attitude towards existing institutes vs Current Attitude towards Coral Academy)

>4000 AZN

3500 - 4000 AZN

3000 - 3500 AZN

2000 - 3000 AZN



**Figure 32:** Comparison of Customers' Spending

Price Range	Current Attitude towards existing institutes	Current Attitude towards Coral Academy
46	45	>4000 AZN
60	55	3500 - 4000 AZN
239	250	3000 - 3500 AZN

<b>56</b>	<b>51</b>	<b>2000 - 3000 AZN</b>
<b>Total</b>	<b>401</b>	<b>401</b>

**Table 1:** Comparison of Customers' Spending (Total respondents:401)

Students have the inclination towards those services that can satisfy their necessities. Two different questions were asked in this survey on which the respondent answered. The first question was about the existing institutes and their willingness to pay to them among different average fee rates they got to choose which fee range are they paying to current institutes which are indicated by the blue line in that is indicating a number of respondents on each price range and willingness to pay so, on the other hand, the second question that was asked to choose a range of price for fees which they are willing to pay for advance tools. These results are indicated by the red line in that it indicates the number of respondents on each price range and willingness to pay so. On the other hand, the second question was asked to choose a range of price for fees which they are willing to pay for advanced tools (Weenk & Morales, 2014). These results are indicated by the red line in that it indicates the number of respondents on each price range and willingness to pay so.

The results show there was a slight difference in both the curves which clearly shows how the customers, who are probably the aspiring students, were willing to pay extra for getting skills and advanced tools. Summing up, the objective of a business plan strategy is to distinguish, depict, investigate the business opportunity, inspect its economic feasibility, and financial possibility. Though people nowadays argue about the need to have a business plan or for a new idea or innovative projects. Hence, the business plan holds its importance in making things clear to all its stakeholders. Whether they should improve their idea, increase their resources, or they shouldn't be continuing at all (Barrow & Brown, 2008). 250 participants said they were ready to choose Corel academy over other competitor's institutions, as we are better substitutes with more options and advancement at the same price. The rest of the respondents other than these 250 respondents; 55 of them were willing to pay 3500 - 4000 AZN whereas 51 of them were willing to pay 2000 - 3000 AZN.

### 3.4.1 Potential Customer's Expectations

Factors	Students	Professionals
Price/Fee	8	6
Accessibility	7	5
Advanced courses	7	9
Location	9	5
Tutors	7	8
Practical knowledge	9	9
Courses in the native language	9	9
Environment	7	9

**Table 2:** Survey Results(Customers' ratings each factor out of 10)



**Figure 33:** Survey Results (Potential Customer's Expectations)

The figure and the table above show the respondents of this survey which was circulated to get to know our potential customers' expectations toward coral design academy. They were evaluated among different factors which are important for any educational institution. Factors like

Price/Fee, Advanced courses, Accessibility, Location, Tutors, Practical knowledge, Courses in the native language, and Environment were presented to the respondents of this survey. Any person who would be pursuing to choose an institution would look for these qualities which can have different priorities among different people. For example, a student named Rashid would choose a university that would be teaching advanced data science. So, Rashid is prioritizing institutions upon diverse majors. Similarly, a student named Alisha would choose a university based upon its location which probably should be the capital of the country like Baku, Azerbaijan. Hence, Alisha has chosen location as her first choice while choosing her institution.

The two categories of respondents were students and professionals. Both of the types of respondents were important for coral design academy so whatever both customers prioritize the most is the main source of information for us. Among different factors, we have noticed the change in customers' opinions based on their types too as the professionals were not really concerned about fees whereas fees were an important factor for students as goes for the factor of distance from their homes. The results show us the customer's expectations on how we will plan our marketing strategy to attract the maximum number of people towards our business. Keeping in mind that respondents have chosen practical experience and courses in their native language as their priority so we will keep this as our main focus too.

### 3.4.2 Potential Customers

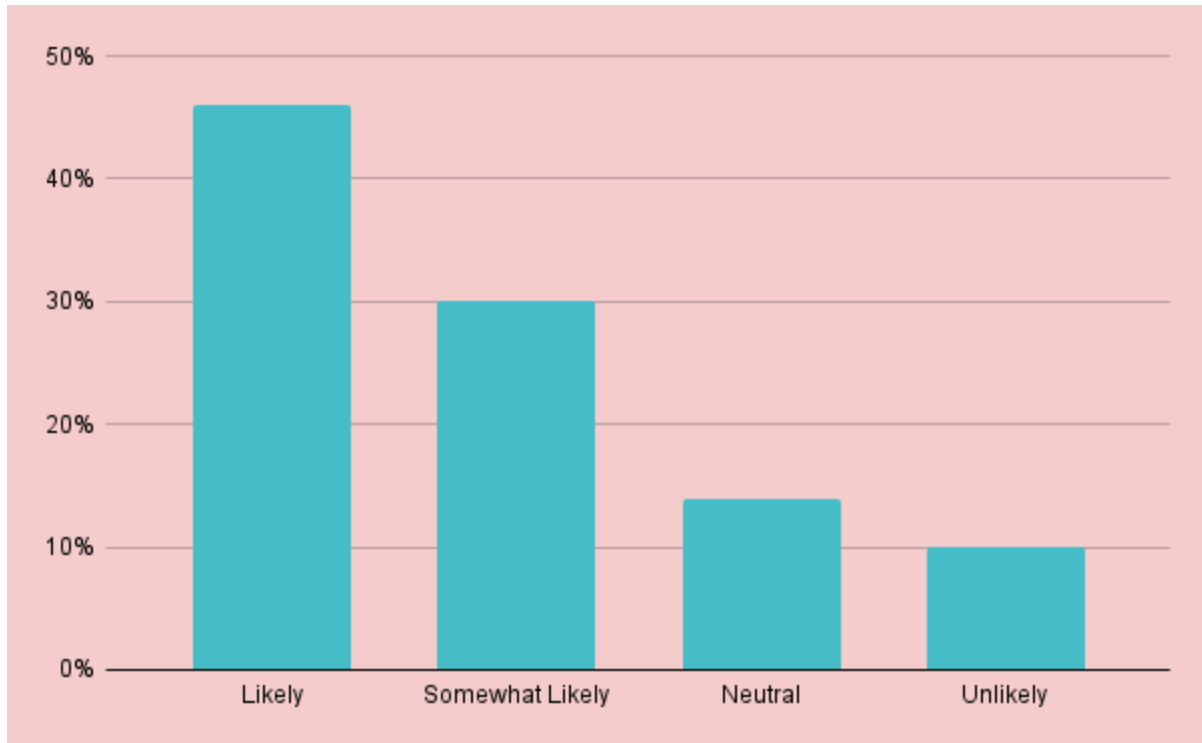
Willingness to take admission in Corel Academy

Likely

Somewhat Likely

Neutral

Unlikely



**Figure 34:** Potential Customers Readiness to Try Our Services

The first question of this questionnaire was about the respondent’s agreement to try our design training academy as our business plan is already working on a personal level and passed out the first batch of trained professionals and we recorded their responses and work to show our services and its quality. After showing them relevant material embedded in the link, we asked them to select the level of agreement, whether they would like to opt for us or not.

In which 46 percent of the respondents selected the likely option, 30 percent selected the somewhat likely option, 10 percent of respondents were neutral, and only 10 percent of the respondents selected unlikely. The results were more on the positive side than negative. As most of the respondents were most likely students and professionals who were already looking for such services, we were confident that the survey reached 70 percent of the potential customers.

This also proves that services being catered by the current designing academy or institutes in Baku should be looking forward to improving their trends and technology and first cater to the student’s needs. From the results, it is clear that there is a whole room for improvement of the quality of services already provided in this industry.

## 3.5 Analysis of Strength-Weaknesses-Opportunities-Threats

### 3.5.1 Core Strengths

#### *3.5.1.1 Unique Selling Proposition*

The coral academy is quite a unique and innovative idea. The industry of education is dynamic. It's changing rapidly and to achieve a strategic advantage, the organization has to have a unique selling proposition. This would have made them capture the market easily. So, our coral academy came up with this unique idea of teaching designing with the help of software which will make them learn quickly and start earning right after obtaining the skills from the coral academy.

#### *3.5.1.2 Prime Location*

While selecting any institutions it's always recommended to prefer the one which is mostly near to you and in the metropolitan city where all the necessities of life are readily available. Another strength of our coral academy is its prime location. This location makes it more sustainable in this competitive market.

#### **3.5.1.3 Competent Resource Persons and Conducive Environment**

This is one of the most remarkable strengths of the coral academy. The C.E.O of the organization had this vision to come up with an educational institution that considers the quality of education above anything. Hence the recruiting process was the longest and the toughest part of the formation of this organization. The coral academy has one of the best resources for people. In short, you can say the resource person of the academy is its assets. They differentiate us from others. They believe whatever should be taught to the students ought to be the best and delivered in the most conducive environment.

## 3.5.2 Weaknesses

### *3.5.2.1 The Financial Restraint Requires High Investment*

The foremost weakness of coral academy is that this setup requires a lot of investment for starting up the business. The investment is required for the infrastructure and building of the academy, then the investment is required for the computer and technology for the coral academy project. Similarly, this huge amount of capital cannot be funded by a single person hence we need to raise more capital in the form of a loan or the capital investment or equity whereas the organization has to give a hefty amount of interest and return on investments to attract the investors for a newer organization.

### *3.5.2.2 Resource Person Needs Heavy Incentives for Recruitment*

As mentioned above the core strength of the organization would be its human resource or the teaching staff to be precise. Hence, they need to be given high incentives to attract them so that they switch from their current positions. So, it's another weakness of the organization that they will be needing more salaries and more money would be required for their recruitment and training programs.

### *3.5.2.3 Heavy Market Penetration Cost for Administration and Marketing*

The coral academy was quite a new concept and it requires huge marketing for making it familiar and reaching out to the right audience.

## 3.5.3 Opportunities

### *3.5.3.1 Growing Industry for Skill-based Education*

The growing industry for skill-based learning has been continuously growing to leave more opportunities for the modern education industry.

### *3.5.3.2 The Digitalization of the Fashion Industry*

The opportunity they have come from the increased automation of the design. We're introducing the design based on the software and not that of hand-based designing.

#### *3.5.3.3 Introducing a Diverse Subject based on Design*

The market is looking for new and better subjects which would enhance their skills. The opportunities are endless and the market is really wide for those institutions which are producing productive designers.

#### *3.5.3.4 Penetration to the New Markets*

The world is huge and the franchises of institutions are quite popular. Becoming a brand recognized locally can also be an opportunity and become world-renowned which leaves a new opportunity for the business.

### 3.5.4 Threats

Similar to the opportunities, the threats also come from the external environment. And it's always the strategic aim of every business to reduce or to mitigate the threats that can hamper your business in future.

#### *3.5.4.1 The Threat of New Entrant in the Same Market*

The idea of the coral academy has a high chance of becoming success hence it's very likely that competitors will try to imitate our idea. The probability is also high that we will face a heavy rivalry from the competitors.

#### *3.5.4.2 Competitors Entering the Market at a Better Price for the Services*

As we've studied previously, the designing school requires a hefty amount of investment to launch and maintain the business activities. Hence several people in Azerbaijan's market can offer you the same services by imitating coral academy at a very competitive price per course which is another major threat to the business.

### 3.5.4.3 The Trained Resource Person can be Approached by the Rivals

The recruitment and training are the most expensive part of the coral academy. Similarly, the coral academy has spent a lot of investment on Human Resources. Perhaps Human Resources are always looking for better incentives and better employment opportunities. So, any competitor can easily imitate our idea and capture our same resource person by offering better incentives.

Hence it should be the biggest strategic question for the coral academy that they should consider various options with institutions to mitigate the risk of new entrants, retaining the student base and also retaining the resource person and achieve the level of brand loyalty by both ends.

### 3.6 Business Model Canvas for Coral Design Academy

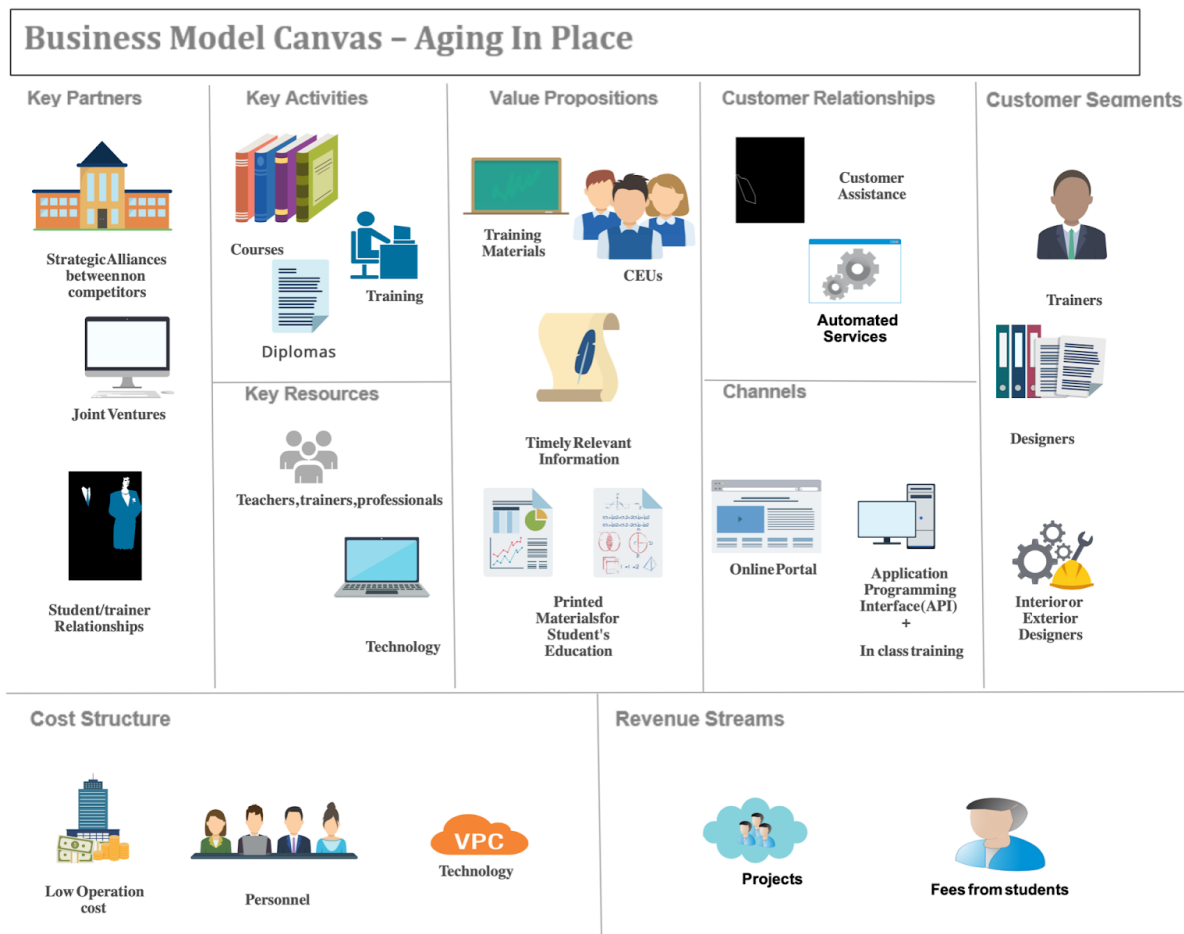


Figure 35: Business Model Canvas for Coral Design Academy

### 3.6.1 Customers' Segmentation

The target segmented market for the coral academy is the students and young professionals working in the field aging from 18-25 as well as experienced professionals aging from 25-45 years who want to learn advanced skills. Both of the customers' segments are aspiring professionals in the designing industry.

### 3.6.2 Proposition of Value

The most crucial element for any business is the value it would provide to its customers. This value should be very unique in order to survive this competitive market. This value proposition is the source of competitive advantage for your business. This segment of a business canvas is the major source of value being proposed by Coral design academy to provide to its customers. Below are some of those values being explained.

Training material: Coral academy has designed a unique curriculum and course outline which will make our courses gain the worth to get the diplomas and certificates.

Continuing Education Unit: CEUs provide professionals a way to measure their skills and knowledge. It helps the professional to maintain their professional licenses.

Timely Relevant Information: Another source of value proposition is providing relevant information on time. Like advertising the new admission session before the start of the season.

Printed Material for student's education: The relevant material with practical implementation, case studies, research, and industry examples are a great source to add value to the course outline.

### 3.6.3 Relationship with Customers

For coral design academy, we have planned to maintain a relationship with our customers through customer assistance and automated services that would facilitate our communication with customers. This online customer service is a great way used by all organizations these days. Automated Services like attendance, results, assessment, schedules and others would be done

through these automated systems. Alumni and their management are also a great source of managing good relationships and spreading the good word of mouth.

#### 3.6.4 Communication Channels

For the purpose of communication both API (Application Programming Interface) and online portal would be used. Other than that, the environment in the classes would be very friendly and easy to communicate with. The coral academy would communicate with its customers through these channels. The online portal would also have access to the academy's social media platforms. People can also come to social media sites to communicate with us. Every message, recommendation, or suggestion would be taken into account.

#### 3.6.5 Revenue Streams

These are the ways in which we will make revenue. For our academy student's fees and corporate projects assigned to our teams would be a source of revenue generation.

#### 3.6.6 Main Resources

The main resource for any organization is its human resource. The same is the case with Coral academy the key resource for Coral academy would be its teachers, trainers, professionals, and students. Other than that technology is also a key resource as advanced tools like CORAL software are the source of attractiveness for our customers.

#### 3.6.7 Key Activities

The key activities are essential activities that are being undertaken by Coral design academy so that our academy would be able to fulfill its business plan. This would make the business model function. The key activities that the company would be performing are planning and designing courses, and providing training. As this is a training academy so the students would get a diploma after successful completion of their training. So, providing diplomas to students of the

academy is also one of the key activities as that needs the participant to pass the in-field practical project.

### 3.6.8 Structure of Cost

This segment of the business model helps us identify the areas where we need to plan our costing activities and make a proper structural path. For Coral design academy, hiring professionals, hiring a management team, hiring a receptionist, and other human resources needed in the academy would require a cost from the budget. Other than that, we need a cost for installing the latest technology and operational cost of business activity.

### 3.6.9 Partnership

As of the beginning, Coral academy would be collaborating with its sister company which is also the main investor for us. We are planning to do a strategic alliance with our competitors like Baku design academy. This can be done by offering a student exchange program. Other than that, joint ventures can be a key strategic partnership as joint ventures among institutes would bring great customer attraction. Another form of implicit partnership is the relationship among the students and trainers. A good relationship keeps the students motivated and encouraged.

## 4. ORGANISATIONAL MANAGEMENT

### 4.1 Human Resources Required for Academy

The employees required for the training center will be the academy owner, receptionist, trainers, training assistant, and academy manager.

#### 4.1.1 Academy Owner

The owner of the academy will be responsible for most of the things, he will have the most prestigious position responsible for planning, organizing, strategic decision making for customers, financial services, resources, employees and human resources, etc. The owner has to focus on the far future decisions and outcomes.

#### 4.1.2 Receptionist

The receptionist is always responsible for dealing with the customers directly. The receptionist deals with all sorts of customer service and problems and guides them about the company's services, greets them and schedules their appointments, and usually gives them reminders. They help customers through calls or physically present customers. Then forwards the reports to the manager of the training academy.

#### 4.1.3 Academy Manager

The manager takes the information and the appointments/schedules or even the concerns of the customers and then forwards it to the owner. They have to give the duty as the head of the operation. They have to look after all the employees and keep a check on their work and environment. Making sure all the work is getting done on time without any problems. Improving performance and giving quality services to the staff members and customers.

#### 4.1.4 Trainers

The trainer in the academy must train the students and teach them how to use specific tools and software. They train how to use tools/software like corona, coral, Photoshop, and other fashion designing tools. They will be providing detailed plans and practical tests based upon knowledge.

#### 4.1.5 Trainers Assistant

The assistant manages the work and training along with the trainers. Keep checking on the students if their concepts are clear or if they need any sort of help in understanding or using the software. Generate tests, check tests, take vivas, generate results. Provide coaching to the students and keep in contact with industries.

#### 4.1.6 Admin Department

The admin department will handle all the finances, internal services, and personal services. This department would be responsible for handling cash inflow and outflow, investments, maintenance costing, infrastructure handling, admission processing, and diploma distribution.

### 4.2 Structure of the Company

Below is the diagram which shows the basic organizational structure of Coral design academy.

**Figure 36:** Organizational Structure of Coral Academy

### 4.3 Plan of Action

#### 4.3.1 Location of Academy

A famous saying of the brick and mortar shop states, when deciding for your business three of the most important decisions are about choosing the right location, location, and location. The same we did for our business; we chose the prime location as the capital of Azerbaijan. This location has all the economic activities of major universities and training centers here. All the international students and tourists are highly attracted to this location. This strategically chosen location is close to all the major schools, offices, shops, schools, high schools, and universities.

The property size is spacious enough to hold the classes and also at the same time easy for us to pay rent.

#### 4.3.2 Functional Hours for the Academy

For Coral Academy, we aim to make our student's experience as convenient as possible. The hours for the academy to function are similar to other institutions. We would be operating in two slots one in the morning and another in the evening. The morning slot would be especially for students who can attend the training sessions from 9-12 AM. Similarly, the evening slot would be for office-going employees. These training sessions start from 6:30 - 9:00 PM. These are special to facilitate all the people equally because the majority of the students would have their working hours regularly. They will not have to take off from their work. The operational hours are tested on the students of the first batch and we have seen our customer's satisfaction with these current training slots.

#### 4.3.3 Customer Assistance Services

In the activity to assist our customer's our academy has aimed to put a great emphasis on this topic. As in the service providing firm, customer's satisfaction is an essential factor. A better customer experience and customer satisfaction act as the driving force for our business. In the Coral academy, we will provide excellent service and great hospitality to our trainers and management. From our customer's assistance representatives' customers will be provided with consultation, Service Information, admission inquiry, and payment & processing methods. The Coral academy will provide good customer service and easy access. Other than that, the company will stay connected with its potential customers, current students, and alumni through its social media platforms like Instagram, Facebook, Linked In, Twitter, and YouTube. There would also be a website and a mobile application. This platform will provide customers with current trends, promotions, scheduling, information, suggestions, and news.

#### 4.3.4 Planned Facilities & Technology

To keep the costing as efficient as possible, the facilities provided in the academy would be the latest and advanced technology. We have planned to install computers with the latest software inside the rooms and virtual practicing equipment which are needed in the interior, exterior, fashion, software, hardware designing. For the building, Coral's founder will rent a building from a previously existing business and then it will modify the rooms with a simple yet well furnished, and an infrastructure that is required from modern classrooms. Furthermore, as the business will grow the organization will be able to put more investment into the improvement of facilities and technology.

## 5. MARKETING PLAN

### 5.1 Overview of Strategy for Coral Academy

The increase in the growth of the designing industry inside the country has created room for many related businesses accompanied by the increased competition within the similar business (Wright et al, 1995). For developing a sustainable competitive advantage for your business there needs to be a close relationship built between the customers and you, this competitive advantage will lead to growth from performing above standards. Quality and productivity are not the only measures of productivity for the services business but it is also based upon how strong your relationship with your customers is with you (Ali & Anwer, 2021).

In a business environment, all the stakeholders of the business are supposed to turn their business into a joint network, and then this network will affect the productivity and quality of the business. Sustaining a loyal alumnus is always better than spending your money on spreading among entirely different niches so it is better to serve your students when they are enrolled with you.

In conclusion, when you are an owner of a small business or an entrepreneur, the most crucial challenge is how to introduce your business to its potential customers and create a value in their mind. The mission of Coral academy is to establish the brand in people's minds and increase its popularity in the customers with right positioning and a variable marketing strategy. To grow rapidly and gain the higher market share, any business would need a good strategy in marketing. The marketing strategies would comprise on branding & positioning, segmentation, service marketing, digital marketing and the marketing mix.

## 5.2 Branding & Positioning

Branding basically builds your brand image for your customer's however you want them to perceive your brand. Branding is done both for products and services but both are done in different ways for a product like some physical object such as a shampoo bottle is done differently than building a brand for services, online business, organizations, stores, malls, ideas, or places. The first thing that is done is branding is giving a name to your brand which will have a direct impact. The name is the significant identity which will also show what the business is going to sell through our name. Some global organizations like Bell labs were named after Graham Bell, and Cadbury was named after John Cadbury who opened his first shop in 1824. In the same way, Brand name also expresses its functionality as Snapchat serves as a social media platform in which you can chat with your friends and family by using snaps.

## 6. FINANCIAL PROJECTIONS OF THE CORAL ACADEMY

The financial projections are referred to the assessment of the affordability of the business in such a way that it becomes sufficient to operate its activities, purchase the material and equipment for achieving a goal which is to make a profit (Kotler & Armstrong, 2012).

In this section, we are going to discuss the sources with which coral academy has raised its capital, the costing structures, and what are the risks and returns of the investment.

### 6.1 The Source of Financing

Normally it's considered that whoever is running a business on others' money ought to be the most successful business, for instance, the banks don't have anything of themselves; they gather the money from others and invest the same capital to gain profits and against which they give a little incentive to the account holder. So backed on this the Capital was raised based on the following sources

Owner's equity

Market investors

Loads withdrawn from banks against interest

A little from the issuance of shares in the stock market

The total amount of capital that was raised for the coral academy is USD 10,000.

### 6.2 Fixed Cost Variable of the Coral Academy

So now comes the second part which is of cost. The costing is one of the most essential parts of the accounting period. Why? Because if you don't know exactly how much the cost has incurred you can't say how much profit you've earned in real-time.

So before moving on we need to distinguish between fixed and variable costs. The fixed cost is the one that has nothing to do with the number of sales and which must be incurred whether there is one student or ten. The fixed cost is normally the rent of the building, the salaries to the

resource person. Whereas the variable cost is the cost that is dependent on the enrolment of the student in the designing school.

The example is the textbooks and supplies, the licenses of the designing software, supplies for the refreshment given to the students and the resource person

### **List of the fixed cost of the Coral academy**

Amount of capital taken USD 10,000

Social media marketing USD 500 monthly

Salary of professionals, in the beginning, was initiated by a single person and it was an entirely entrepreneurial venture.

Assistant managers /receptionists salaries / coordinating staff \$2000 monthly

The rent of the academy is USD 700 monthly

Website cost and hosting domain IS USD 20 yearly

The depreciation of computers used for teaching designing

Office equipment used for the resource person

### **The list of the variable cost of the coral academy**

The textbooks and supplies

The licenses of the designing software

Supplies for the refreshment given to the students and the resource person the utility bills of classes.

### 6.3 Costs of Setting up the Start-up

<i>Start-Up Cost</i>		
<b>Building</b>	<b>USD</b>	<b>Amount</b>
Building Renovation	USD	1,000
Rent	USD	700
<b>Total</b>	<b>USD</b>	<b>1,700</b>
<b>Academy Equipment</b>	<b>USD</b>	<b>Amount</b>
Licenses	USD	1,000
Furniture	USD	2,500
Textbooks & Supplies	USD	800
Computers & Similar Technology	USD	1,200
<b>Total</b>	<b>USD</b>	<b>4,300</b>
<b>Location &amp; Administration Expense</b>	<b>USD</b>	<b>Amount</b>
Business Registration Expense	USD	2,000
<b>Total</b>	<b>USD</b>	<b>2,000</b>
<b>Advertising</b>	<b>USD</b>	<b>Amount</b>
Website hosting (per year)	USD	20
Social media Marketing	USD	500
<b>Total</b>	<b>USD</b>	<b>520</b>
<b>Total Start-Up Cost</b>	<b>USD</b>	<b>9,720</b>

**Figure 37:** Start-up Costs of Coral Design Academy

The start-up costs are those costs that are used in setting up the business initially. Based upon estimates taken from several sources on renovations for our bought building the price which was

taken from the source and was minimum was USD 1, 000 (Convert into AZN). The academy equipment costs include equipment such as License, furniture, Textbooks & Supplies, and Computer & similar technology. The cost of registration of the business of opening up a training academy is not that out of range rather it is as minimum as USD 2,000 (Convert into AZN). The registration fee needs to be processed within 14 working days after that a document of allowance is provided to the business owner. The licenses can be obtained from these three main types of Commercial entities which could be incorporated in Azerbaijan these include partnerships (General or Limited Partnerships), Joint Stock Companies, and Limited or additional liability companies. In most cases, businesses try to opt to establish limited liability companies (LLC) keeping in mind the practicality of these entities.

#### 6.4 Forecasting of Sales

This business plan assumes that about an average of 30 students per training session will join our training academy. This assumption is an average of taken from our first successful completed batch and that consisted of about forty-five students per session (Anna, 2017). For the fees for a designing course, an average of AZN 2500 has been decided as per the survey results and the competitor's analysis. For the first session, we have planned a maximum capacity of 40 students in each course which would be increased to 50 students for the second session, and till the third session which would also be the last session of the year a maximum of 60 students would be enrolled in each course. On the other hand, we have also planned to increase our trainers and fields of courses by two to three by the end of the first year. While summarizing it we can say that there will eventually be a 10 to 15 percent increase in both the number of students and number of trainers by the end of the first year.

#### 6.4 Projected Income Statement for Coral Academy

The projection of revenue is calculated over a 3 year time period to come up with a realistic potential of the business. With a 50 percent increase each year.

<b>Income Statement</b>	<b>3 Month</b>	<b>6 Month</b>	<b>1 Year</b>	<b>2 Year</b>	<b>3 Year</b>
<i>Net Revenue</i>	<b>USD 5,500</b>	<b>USD 6,250</b>	<b>USD 7,000</b>	<b>USD 15,000</b>	<b>USD 22,000</b>
Training Services	USD 2,500	USD 2,750	USD 3,000	USD 5,000	USD 10,000
Projects	USD 3,000	USD 3,500	USD 4,000	USD 10,000	USD 12,000
<b>Cost of Service Provided</b>	<b>USD 5,500</b>	<b>USD 4,250</b>	<b>USD 2,000</b>	<b>USD 5,000</b>	<b>USD 12,000</b>
<b>Gross Profit</b>	<b>USD 0(Break Even)</b>	<b>USD 2000</b>	<b>USD 5,000</b>	<b>USD 10,000</b>	<b>USD 15,000</b>
<b>Operating Expenses</b>					
Salaries	USD 2,500	USD 2,750	USD 3,000	USD 3,250	USD 3,500
Taxes on Payroll	USD 500	USD 700	USD 900	USD 1,100	USD 1,300
Rent of the building of Academy	USD 700	USD 900	USD 1,100	USD 1,300	USD 1,500
Website Hosting	USD 20	USD 20	USD 20	USD 20	USD 20
Digital Marketing	USD 500	USD 1,000	USD 1,500	USD 2,000	USD 2,500
Softwares and tools	USD 500	USD 1,000	USD 1,500	USD 2,000	USD 2,500

Cost of Depreciation	USD 2,000	USD 2,000	USD 2,000	USD 2,000	USD 2,000
Cost Reserved for Contingencies	USD 2,000	USD 2,000	USD 2,000	USD 2,000	USD 2,000
Total Operating Expense	<b>USD 8,720</b>	<b>USD 10,370</b>	<b>USD 12,020</b>	<b>USD 13,670</b>	<b>USD 15,320</b>
<b>Total Operating Profit</b>	<b>USD 3,720</b>	<b>USD 4,670</b>	<b>USD 5,620</b>	<b>USD 6,570</b>	<b>USD 8,720</b>
Tax (2%)	USD 3,645.4	USD 4,220.7	USD 5,590.4	USD 6,457.6	USD 8,545.6
<b>Net Profit</b>	<b>USD 75.4</b>	<b>USD 450.7</b>	<b>USD 30.4</b>	<b>USD 112.6</b>	<b>USD 174.4</b>

**Figure 38:** Projected Income Statement for Coral Design Academy

## 7. RISK MANAGEMENT, GROWTH, EXIT STRATEGY

### 7.1 Risk Management

Now looking at the financial aspects of business, it's very essential for any business to measure its risks and returns. According to the financial principle "the higher the risk the higher the return" The coral academy is quite a new concept and a huge investment is required for the start-up which means the risk is quite higher.

Similarly, as mentioned earlier the company has taken loans to start up its business hence it becomes vital to come up with an excellent contingency plan.

Now we'd list down all the risk which would be associated with our business and the possible solutions or the contingency plans

Firstly, for instance, we're a designing institution and what if we would not get enough or any admission of student which means almost no sales hence in such a case, we'd need to increase our marketing making it more visible online and on broads perhaps the social media marketing would be at the core because the students which are our target market, they are regressively using the social media

Secondly, with this arises the second risk that if there would be no operating cash Inflow hence, we would have to manage the networking capital in order to run the business activities smoothly hence the viable solution for this could be increasing the capital investment so that you can easily pay the short-term expenses

Thirdly, the risk of not meeting customer expectations and having a satisfied customer. It's less likely to be a risk in our case because of the service innovation which we are offering therefore we need to save ourselves from all the times. So, the viable solution, in this case, would be to take feedback from the customers which are our students so I'd suggest running the feedback after every ending semester so that we can easily evaluate ourselves based on the student experience and learn from the mistake so that we implement a different strategy to enhance the student satisfaction.

Fourthly there are high chances that our idea gets imitated by others so this risk is normally associated with every successful business. We're basically marketing ourselves based on the first

designing institutions which are advanced in using Information Technology. So, it'd not be difficult for our competitors who'd be working with a good amount of capital for reengineering their business model to the current one. So, the viable solution to mitigate this risk it's necessary for coral academies to bring rapid changes in the course structure and bringing latest innovation in their subjects which would help in retaining our students and they'd future do a good word of mouth once they enter the industry which would instantly increase the goodwill of the coral academy.

## 7.2 Growth

So, the next step for the coral academy would be growing which can be possible through penetrating into new markets in different cities and later on taking it to the global level. The recent globalization has created a stir in the business market. The boundaries are becoming invisible and it seems like the dream of every business to take their business globally.

## 7.3 Exit strategy

Last but not least, I think the exit strategy is just similar to the removal of that body part which doesn't work anymore and has a chance to damage the whole body. By taking the example of Google it launched millions of projects. A business exit strategy is an entrepreneur's strategic plan to sell his or her ownership in a company to investors or another company. An exit strategy gives a business owner a way to reduce or liquidate his stake in a business and, if the business is successful, make a substantial profit. If the business is not successful, an exit strategy (or "exit plan") enables the entrepreneur to limit losses. An exit strategy may also be used by an investor such as a venture capitalist in order to plan for a cash-out of an investment.

As this is one it's type education companies. Many others would be interested to buy it after it's quick success. So in the future if other people want to acquire his business giving us a great deal then we can go towards exiting this in the same way financing this business is a big challenge for us so if the financial planned didn't work how we planned it then in case we will not get good amount of ROI (Returns of investments), and we get under leavy debts then again the business would be in loss and we will opt to exit it.

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