

# LAS



CUSTOMER EXPERIENCE CONSULTING FIRM  
BUSINESS PLAN NOVEMBER 2023

LAYLA CLINE  
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# Executive Summary

LAEI is a visual merchandising and store design consultant firm; our mission is to revitalize in-store experiences to make them more personal for consumers and boost sales. The company was created to increase sales through a brick-and-mortar presence to give customers a personalized experience with their favorite brands and feel valued by them. By creating a more customized customer experience, we can boost customer loyalty, which in exchange will boost longer-term sales. The service we perform uses consumer surveys and cutting-edge AI technology to gain data on current consumer emotions and in-store experiences of a brand. Based on that data, a cumulative ranking occurs based on eye-catching appeal, sensory engagement, personability, education, and interactivity. After the cumulative ranking, we give brands new ways to revitalize their in-store experience to make the shopping experience feel more personalized. Our service differs from other companies because we use AI technology to sift through various online platforms to get genuine customer emotions about the brand. Our target market is mid-sized companies with brick-and-mortar stores that do not have an in-house customer experience department. These brands seek a specialist to boost their sales and gain better consumer traction.

On average, companies spend about \$56 per square foot; retail stores are about 5,000 square feet, making the average cost of a store renovation about \$280,000 (Ritter, I. and Solomon, S.). The TAM volume for retailers with brick-and-mortar stores in the United States is 1,000,645, making the national sum for retail renovations about \$280,180,600,000. The SAM of those retailers selling hard goods is 428,784, making the national cost for a retail renovation \$120,059,520,000. If we can gain 10% of those retailers to be our consumers our SOM will be \$11,200,595,200. Our team consists of Layla

Cline as founder and CEO, Monica Rogati as Chief of Technology, Data, and Innovation, David Hoey as our Advisor, and Stephanie Martz as Chief of Counsel. We expect to achieve a positive net income for our financial goals within the first three years. Our funding goal is \$100,000 to create our startup.

## Company Description

The company is an S Corporation to avoid double taxation, and it allows the company to gain capital. Since the company is an S Corporation, it is owned by the shareholders and founder, Layla Cline. The company's headquarters will be in Manhattan, New York City, because of the city's wide availability of different company headquarters and brick-and-mortar stores.

The company is solving the problem of building better customer relationships through brand intimacy and loyalty of their customers through brick-and-mortar shopping. We plan to solve this problem by using AI research data to rank companies on current customer experiences in their stores and based on these rankings, give floor plans, supplies, and construction teams to build a better customer experience. The target audience is mid-sized retailers with a brick-and-mortar presence. These retailers focus on apparel, accessories, home furnishings, beauty products, gift stores, and other hard goods. These companies need a customer experience team and struggle to make in-store sales. They are consumer-driven and want to better themselves and create more personalized customer connections. They are companies that value DEI (Diversity, Equity, and Inclusion) and the sustainability of their goods and their company. The short-term goals for the company are to gain 10% new customers over the next ten months, to create more foot traffic on our social media platforms, and to raise awareness of the company.

# Market Analysis

The total addressable market nationally is \$280,180,600,000 for retail renovations with brick-and-mortar stores. We plan to start our business within the United States and focus on businesses with brick-and-mortar stores in the States. The graph below shows that since 2012 retail business are on the incline, so our audience is continuously growing in the States. Once we understand the United States market, we will expand our services to other countries in the Western hemisphere and eventually expand to the Western markets, starting in Europe. We target mid-sized businesses in the United States that focus on selling hard goods. These companies value consumer loyalty, DEI, and sustainability of their products. They partake in the four-shopping seasons for their consumers. They typically stand and follow the current trends that are happening. Gartner states, "the top 20 consulting providers collectively gained 0.9% market share in 2022, thereby increasing their share from 67.6% in 2021 to 68.5% in 2022 (Gartner\_Inc)." This data would put our firm's market share around 1% since we are a start-up business. The most significant competitors are companies that have an in-house customer experience team. Tweak Streak and Digital of Things are the most significant competitors for out-of-house companies. We set ourselves apart from our competitors by using AI driven data to compile our research.



# NO. OF RETAIL BUSINESSES

No. of private retail establishments in the U.S. from 2012 to 2022



SOURCE: U.S. BUREAU OF LABOR STATISTICS

**RETAILDOGMA**

# Services

We provide research through AI data and consumer surveys to see how consumers feel about their current shopping experience. Based on the research, we give each company a comprehensive score based on eye-catching appeal, sensory engagement, personability, education, and interactivity. After the scoring process, we consult our clients on different avenues to recreate and revitalize their current store displays. Compared to in-house and out-of-house companies, the most significant difference from our company is using AI research data to understand customers' feelings through a wide range of internet data to compile a scoring system for each company. The value to our market is creating a more personalized experience for consumers to increase long-term consumer loyalty and sales in brick-and-mortar settings. We will be patenting our AI technology and ranking system of companies to allow ourselves to stand apart from our competitors. The future of our company is to make "stores of the future" which reduce waste through technological marketing. We want to create personalized consumer experiences based on the retailer's values. To allow the consumer to be educated on their favorite brands and what they are doing to better themselves and the world.

## Marketing and Sales

Our pricing strategy is a value-based pricing strategy, which is determined by our service's value to our clients. Since our company focuses on revitalizing the store in the long term, our prices will mirror the potential ROI. Our pricing will range from **\$5,000-\$15,000 per store**, depending on the size and complexity of the store's redevelopment. If we work for a company that plans to redesign multiple stores, our pricing will double or triple depending on how many stores we are redesigning. The pricing can go up depending on different floorplans or other obstacles we might encounter along the way. As we gain more traction from our clients, the future for the next three to five years is to earn a percentage of 0.25%-1% of the profits stores make from their brick-and-mortar sales due to our services. Since we are a consultancy firm, we can deliver our services remotely or on-site. We will work primarily on creating a robust online presence to create networking opportunities to bring in clients.

Our promotional plan includes integrated online marketing through different platforms like social media, emails, and paid advertising. We can bring brand awareness to other companies by attending industry trade shows and conferences. Performing case studies, webinars, and workshops can show potential clients the change we are making. In the future, we can implement a referral program for our loyal customers to gain percentages off their services when they refer or bring in a new client. Our sales team will consist of individuals educated in in-store impacts and business-to-business services. These people will be the ones who attend different trade shows and conferences to bring in potential clients. Also, they will be the people who sit in on the first meetings with clients on their various options for our services. These people need to be highly educated in our services and know how



to sell. Our projected sales for the next three years are to gain 70-100 clients within year three and to make around 3-4 million in revenue.

# Operational Plan

We have a three-tier service system. Our first service is through our assessments. The service includes gathering AI data, consumer surveys, and on-site evaluations. The following service we provide is redesigning. This service offers working collaboratively with our clients to make birds-eye views, planograms, and 3D CAD-generated in-store designs. Finally, our last service is through materials for our clients to access and build their future stores. We will provide materials, technology, and human resources to make the store a reality.

For the importance of consumer confidentiality, we will have nondisclosure agreements for our customers to use their names in our marketing. Secondly, we will have contracts for our materials in case they decide not to use our floor plans, so we can protect the work of our employees from not being extorted by our customers. For example, if a customer likes our floor plans but not our pricing for the redesign, they legally cannot take any ideas from our initial floor plans, or a lawsuit can accrue. We will have to outsource to professionals within different fields for contracting, custom fixtures, and specific technology integrations.

We will deliver our services starting with consulting and collaboration throughout the analytics and redesign phase; these can occur remotely or on-site. Next, we will provide our floor plans and refurbishment plan to meet customer expectations, and if they do not, we will go back to the drawing board to show them new ideas. Lastly, we will have quality assurance with our services because we will always meet or exceed industry standards.

Two of our key milestones are within the first year to have five big-name clients representing our business to establish credibility,

work ethic, and promise. The second milestone is to grow in the diversification of clients and their industries. We want to be able to market ourselves to different businesses no matter what their products or services.

# Financial Plan

## Income Statement and Net Income for Years 1-3

### Net Sales

2024-2025 \$50,000

2025-2026 \$95,000

2026-2027 \$180,500

### Net Income

2024-2025 -\$68,450

2025-2026 \$26,550

2026-2027 \$206,550

### Break Even

According to our net income statements, we plan to break even during the beginning of quarter four during year two.

### Expenses and Covering Expenses

Sales: \$4,500

Marketing: \$4,950

Operations: \$9,000

We plan on covering our expenses through our startup expense of \$100,000 which will be paid through crowdfunding and owner expenses. After the initial funding of the company, expenses will be paid through sales and operations.

### Raising Capital and Fundraising

For the beginning startup cost of the business, we will approximately raise \$100,000 through crowdfunding and owner investment. After the

initial cost for the business, we will only need to raise a few more funds by the end of our second year. Later on, the company will go public to raise capital.

## Management Team

Layla Cline is the founder and CEO; she graduated from West Virginia University with a degree in fashion merchandising and is pursuing her master's degree in creative business leadership from the Savannah College of Art and Design. Her experience with customer experience teams happened through her time at GNC as a space planning, design, and merchandising intern and as an interior design intern at Yeager. She has worked on programs like JDA Space Planning, Citrix Space Planning, Adobe Stager, Browswear, and other technological applications. Throughout her education, she has worked with companies on window displays and executed displays.

The Chief of Technology, Data, and Innovation is **Monica Rogati**. She received her undergraduate degree from the University of New Mexico in Computer Science and her Masters and PDH from Carnegie Mellon University in Computer Science. Her primary experience is through LinkedIn as a Senior Data Scientist, a VP of Data at Jawbone, an Equity Partner at Data Collective, and she has been an AI Advisor. Since 2012, she has advised many companies on AI in different industries by building intelligent data products or teams, machine learning, AI infrastructure, collecting data, and building recommender systems.

Our Advisor is David Hoey. He is the Senior Director at Bergdorf Goodman. He has changed the industry and made history through visual merchandising and customer experience at Bergdorf. Our Chief of Counsel is Stephanie Martz, the Chief Administrative Officer, and General Counsel of the National Retail Federation since 2017.

For our team's future, as we expand and grow, we plan to bring on a Chief Operating and Sustainability Officer, Chief DEI and Human Resources Officer, and Chief Financial Officer. As the company grows, it is essential to have experts in their field to help our company

flourish. We want to put our employees' safety and work satisfaction first, so we ensure we have someone responsible for enforcing DEI requirements and consistently improving our company's work culture.

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