

Industry: pet care industry

Consumers in the 45 to 54 age group are well ahead of the average with a pet ownership level of 75%. This group also ranked highest in ownership levels in both the dog and cat classification and came in second in the other classification. Consumers aged 18 to 24 were tops in the other cate-

**Canadian Pet Ownership Rates by Age Brackets, 2013 (Percent)**

Age	Dogs	Cats	Other	Any
18-24	24	27	15	56
25-34	37	43	11	63
35-44	32	44	4	59
45-54	46	47	11	75
55-64	29	33	9	48
65+	20	22	3	39

# Canadian Pet Ownership Rates by Age of Children, 2013

Among households with children, those with very young children are less likely to own pets than those with older kids. Households with children in the 12-17 age bracket are the most likely to own dogs, while households with children in the 3-5 age bracket are more likely to own cats. Overall, more than three-quarters of the households with children age six or over have at least one pet. According to Statistics Canada,

Canadian Pet Ownership Rates by Age of Children, 2013

Age of Children	Dogs	Cats	Other	Any
2 and under	30	34	8	53
3 to 5	45	48	18	70
6 to 11	52	41	16	75
12 to 17	58	47	12	77

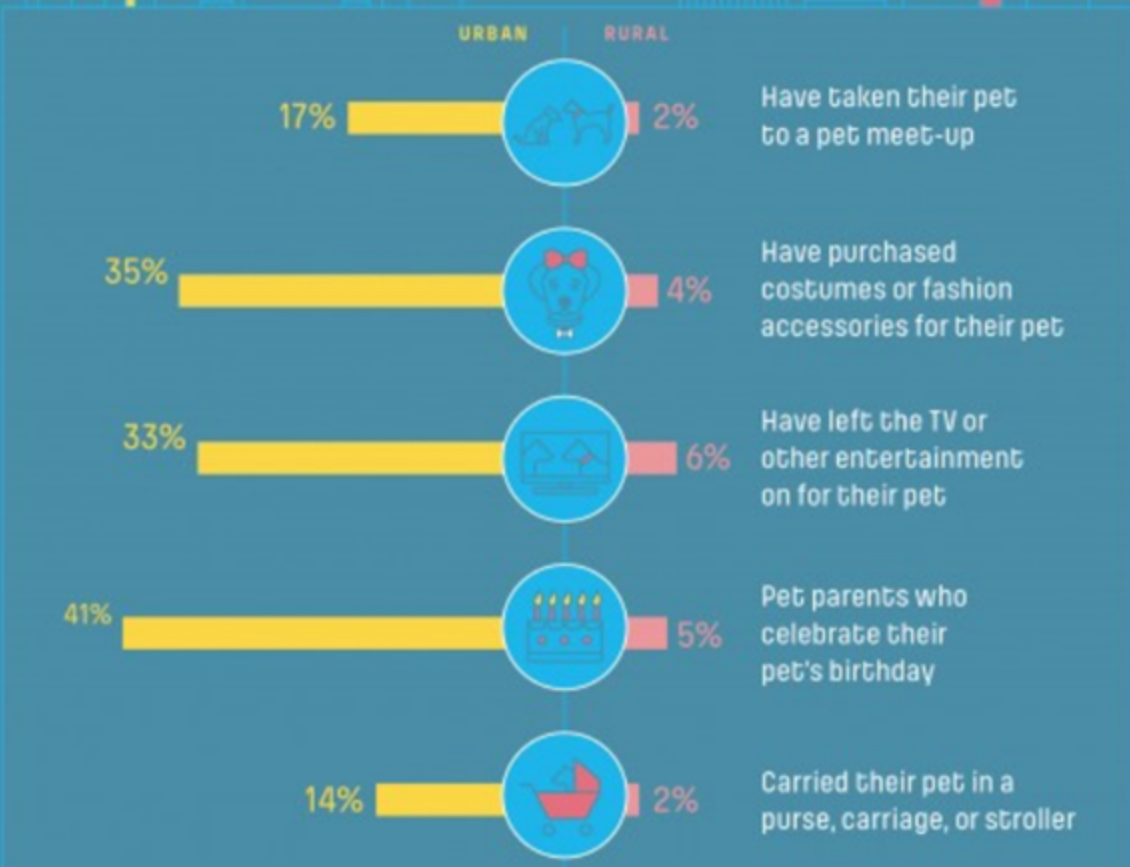
NHS Profile, from 2011, there were 6.9 million children under the age of 18 years.



# CANADIAN PET PARENTS

## URBAN vs RURAL

How far are they willing to go?



### BUT DEEP DOWN WE'RE ALL THE SAME, RIGHT?



**71%** of Canadians are happier after owning a dog



**33%** of Canadians have increased self esteem after owning a dog



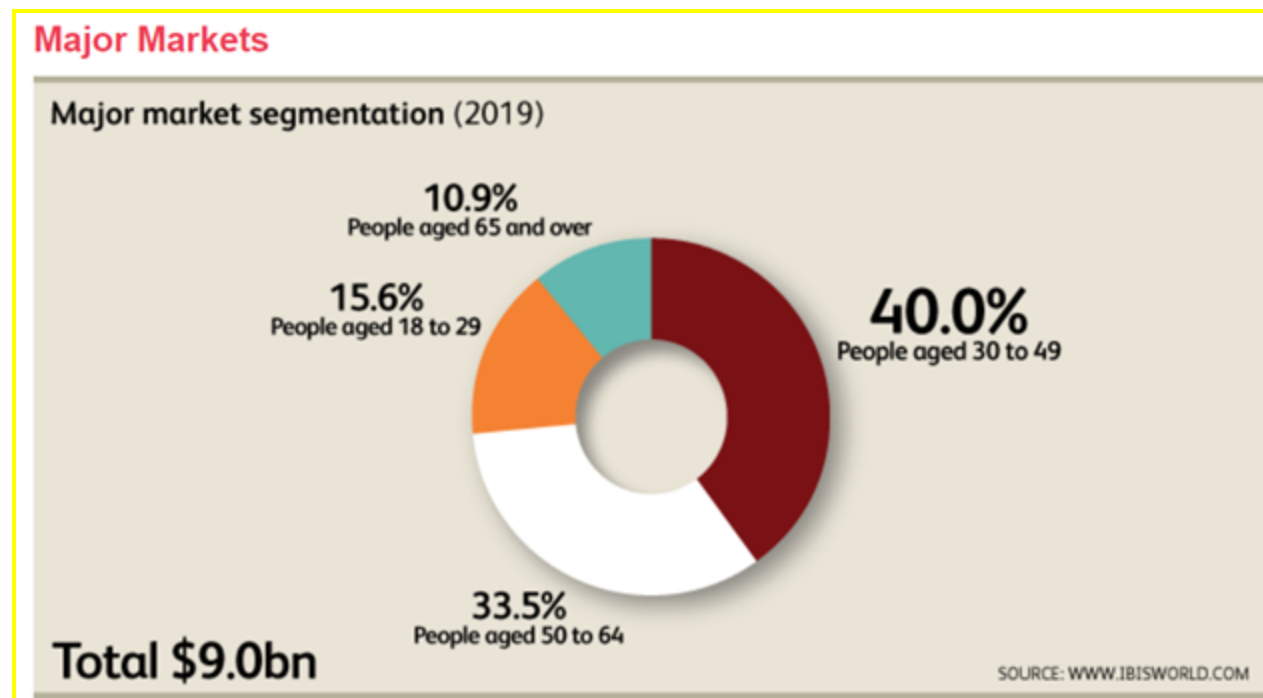
**27%** of Canadian spend more time with family after owning a dog

## LOCATION: WINDERMERE

**WHY:** our target market consists of 30-64 year olds, and a high number of people aged in this bracket live here, that is 5341. Also a large number of the highest revenue generators, 30-49, live here that is 3904. Thus this location will enable us to target our services effectively to those who highly demand them.

Employment Income levels as of 2017:

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110023901&pickMembers%5B0%5D=1.1&pickMembers%5B1%5D=2.7&pickMembers%5B2%5D=3.1&pickMembers%5B3%5D=4.3>



**TARGET MARKET:** Based on the above the profitable segment is aged between 30- 49 years with high incomes. Hence our target market consists of high income young Canadians aged between 30 to 49 in the urban area Windermere.

30 to 49 could consist of young married individuals, couples or singles.

**PRIMARY RESEARCH:** 30-49 years old expenditure on pets

What do they consider their pets as?

What pet services do they spend on most, and how often do they need these pet services?

How often do they travel?

What do they expect from pet stores?

### COMPETITION:

1) PETVALU: Windermere location provides frozen raw (raw-based diet for pets), and dog wash [https://petvalu.com/frozen-raw/?location=10298%2087%20St%20NW,%20Edmonton,%20AB%20T5H%201N6,%20Canada&radius=10&filter\[\]=30534](https://petvalu.com/frozen-raw/?location=10298%2087%20St%20NW,%20Edmonton,%20AB%20T5H%201N6,%20Canada&radius=10&filter[]=30534)

Location: **Windermere Crossing**

**Address:** 1141 Windermere Way SW, Edmonton, AB T6W 2P3

2) Pet Planet Currents of Windermere: sells pet food <http://www.petplanethealth.com/products/>

Location: **Currents of Windermere**

**Address:** 5148 Windermere Blvd, Edmonton, AB T6W 0L9

3) Tail blazers: wide range of pet food and pet products available <http://www.tailblazerswindermere.ca/about.html>

Location: Windermere Plaza, 320 Windermere Rd NW, Edmonton, AB T6W 2Z8

4) Pet land: parties, pet food and products like feeder bowls, accessories, and grooming products. Services: pet school <https://www.petland.ca/pages/dog-products>

Location: **Currents of Windermere**

**Address:** 6268-6004 Currents Dr NW, Edmonton, AB T6W 0L8

5) oh my dog spa and grooming- grooming, bath and dry, bath and tidy, <https://www.ohmydogspa.ca/prices>

**Inquire about their price**

### CONSUMER PROFILE

**INCOME-** Average income between 43500 to 63600

LIFESTYLE- They treat pets like their children hence owning a pet is a large emotional commitment. Thus Caresworth aims at proving its consumers with an emotional value in order to better appeal to the target audience.

## Average Initial and Lifetime Pet Costs

This is a breakdown of the average and lifetime cost of pet ownership, based on the average lifespan of a cat 15 and a dog at 12 years.

### Average Initial and Lifetime Pet Costs



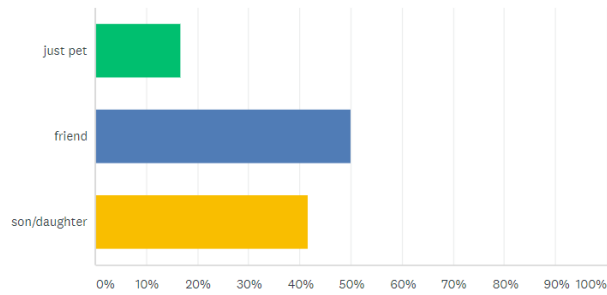

	Initial	Lifetime	Initial	Lifetime
<b>Adoption</b>	\$0-\$500	N/A	\$0-\$200	N/A
<b>Veterinary care</b>	\$45-\$200	\$540-\$2,400	\$50-\$400	\$750-\$600
<b>Vaccinations</b>	\$60-\$150	\$720-\$1,800	\$60-\$150	\$900-\$2,250
<b>Spaying/neutering</b>	\$35-\$200	N/A	\$0-\$200	N/A
<b>Dental Care</b>	\$0-\$500	\$0-\$7,500	\$0-\$500	\$0-\$7,500
<b>Medications</b>	\$24-\$500	\$288-\$7,500	\$0-\$500	\$0-\$7,500
<b>Grooming</b>	\$0-\$1,200	\$0-\$14,400	\$0-\$300	\$0-\$4,500

SURVEY MONKEY DATA

AS AT NOV 24

## what do you consider your pets as

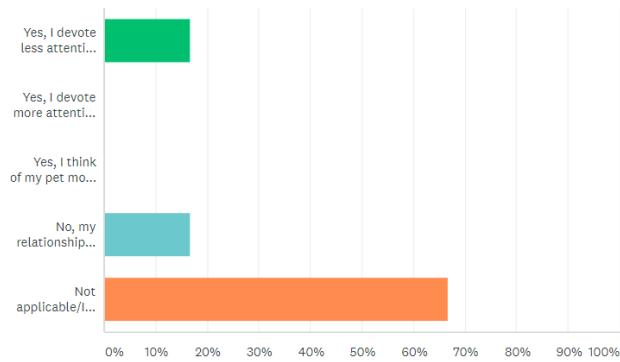
Answered: 12 Skipped: 0



ANSWER CHOICES	RESPONSES
▼ just pet	16.67% 2
▼ friend	50.00% 6
▼ son/daughter	41.67% 5
<b>Total Respondents: 12</b>	

## If you have children, would you say that your relationship with your pet has changed since you've had kids?

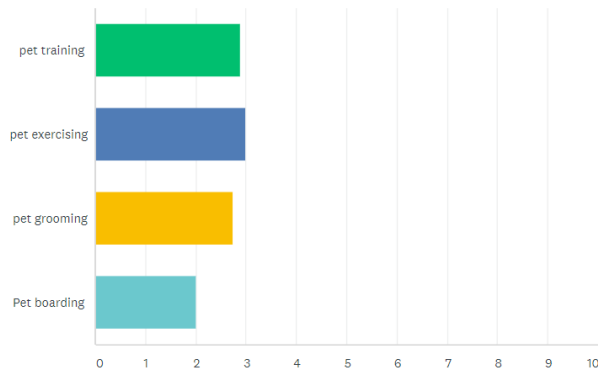
Answered: 12 Skipped: 0



ANSWER CHOICES	RESPONSES
▼ Yes, I devote less attention to my pet	16.67% 2
▼ Yes, I devote more attention to my pet	0.00% 0
▼ Yes, I think of my pet more like an animal and less like a child	0.00% 0
▼ No, my relationship with my pet has not changed	16.67% 2
▼ Not applicable/I do not have children	66.67% 8
<b>Total Respondents: 12</b>	

### what kind of pet service do you need the most?

Answered: 12 Skipped: 0

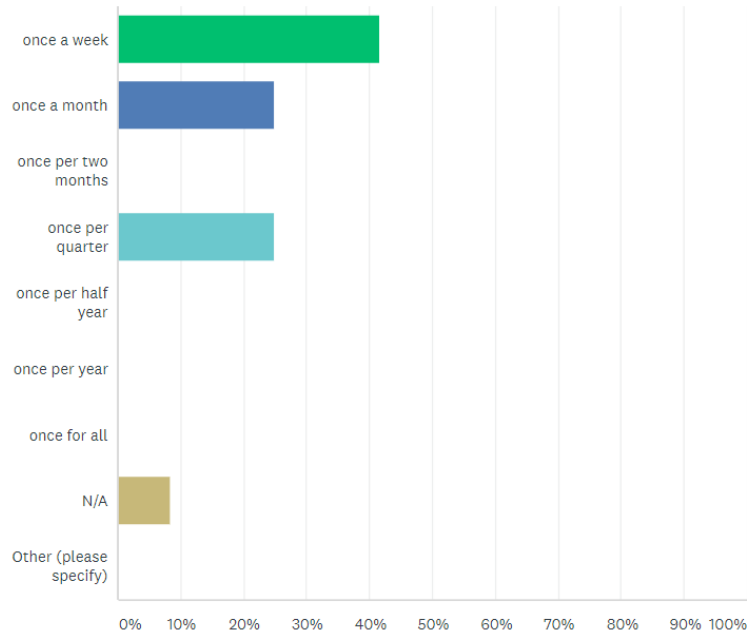


	1	2	3	4	N/A	TOTAL	SCORE
pet training	27.27% 3	18.18% 2	18.18% 2	9.09% 1	27.27% 3	11	2.88
pet exercising	27.27% 3	27.27% 3	9.09% 1	9.09% 1	27.27% 3	11	3.00
pet grooming	27.27% 3	9.09% 1	27.27% 3	9.09% 1	27.27% 3	11	2.75
Pet boarding	9.09% 1	18.18% 2	9.09% 1	36.36% 4	27.27% 3	11	2.00

### Q4

### How often do you need pet grooming and exercising services?

Answered: 12 Skipped: 0







ANSWER CHOICES	RESPONSES	
▼ once a week	41.67%	5
▼ once a month	25.00%	3
▼ once per two months	0.00%	0
▼ once per quarter	25.00%	3
▼ once per half year	0.00%	0
▼ once per year	0.00%	0
▼ once for all	0.00%	0
▼ N/A	8.33%	1
▼ Other (please specify)	Responses 0.00%	0
<b>TOTAL</b>	<b>12</b>	

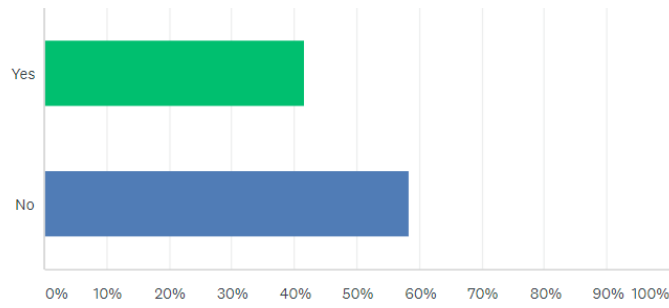
ANSWER CHOICES		RESPONSES
▼ once a week		8.33% 1
▼ once a month		8.33% 1
▼ once per two months		33.33% 4
▼ once per quarter		8.33% 1
▼ once per half year		0.00% 0
▼ once per year		33.33% 4
▼ once for all		0.00% 0
▼ N/A		8.33% 1
▼ Other (please specify)	Responses	0.00% 0
<b>TOTAL</b>		<b>12</b>

Q6

 Customize  Save as ▼

### Do you require boarding services?

Answered: 12 Skipped: 0



ANSWER CHOICES	RESPONSES
▼ Yes	41.67% 5
▼ No	58.33% 7
<b>Total Respondents: 12</b>	

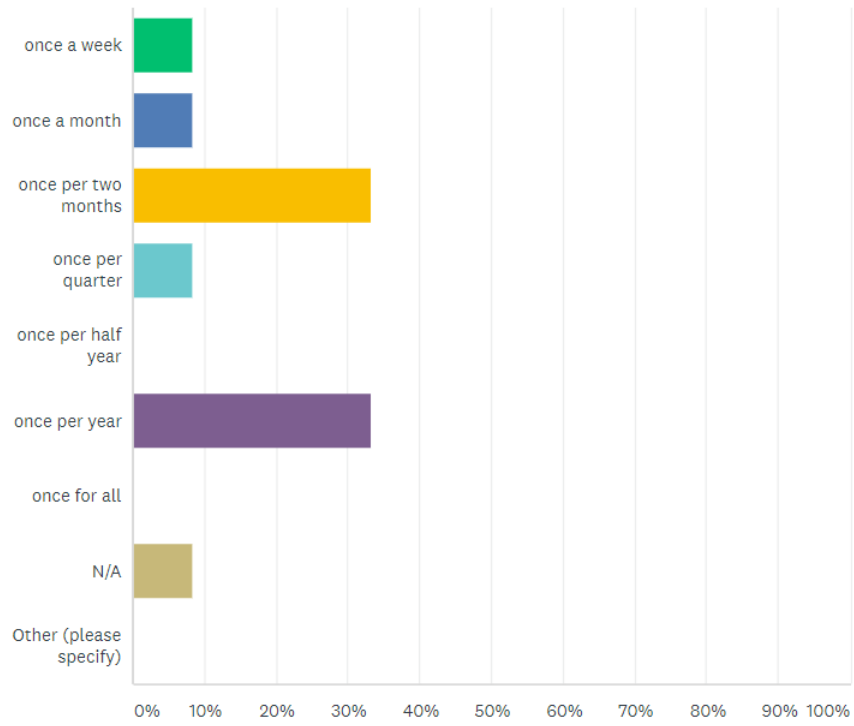
Q5



Customize

## How often do you travel?

Answered: 12 Skipped: 0



Q7

Save as

### What are your expectations from a pet store?

Answered: 9 Skipped: 3

RESPONSES (9) WORD CLOUD TAGS (0)

Sentiments: OFF

**NEW!**  
**Introducing Sentiment Analysis**  
 Detect the feeling and sentiment behind written responses.

Try it!  
 Premier plan only  
 UPGRADE

Watch a demo

Apply to selected Filter by tag

Search responses

Showing 9 responses

- good return policy  
11/23/2019 4:45 PM [View respondent's answers](#) [Add tags](#)
- the price of pet food lower than before  
11/23/2019 3:45 PM [View respondent's answers](#) [Add tags](#)

Showing 9 responses

- No  
11/23/2019 3:21 PM [View respondent's answers](#) [Add tags](#)
- Variety for both big and small dogs. Lots of toys and treats.  
11/23/2019 2:05 PM [View respondent's answers](#) [Add tags](#)
- Wide selection, informed staff, convenient hours and location  
11/23/2019 2:03 PM [View respondent's answers](#) [Add tags](#)

- Wide selection, reasonable prices, convenient hours and location  
11/23/2019 1:59 PM [View respondent's answers](#) [Add tags](#)
- products and service  
11/23/2019 1:58 PM [View respondent's answers](#) [Add tags](#)
- Good service and price  
11/23/2019 1:53 PM [View respondent's answers](#) [Add tags](#)
- Good value  
11/23/2019 1:50 PM [View respondent's answers](#) [Add tags](#)

<https://www.thebalancecareers.com/how-to-start-a-doggie-day-care-business-125525> - how to start a doggy day care business

<https://www.entrepreneur.com/article/190440> - how to start a pet business  
<http://www.petbusiness.com/3-Things-the-Pet-Industry-Needs-in-2018/>  
<https://www.franchisehelp.com/industry-reports/pet-care-industry-analysis-2018-cost-trends/> - opportunities in the pet industry  
<http://www.petbusiness.com/What-Do-Young-Pet-Owners-Want/>  
<https://blog.euromonitor.com/state-global-pet-care-trends/> - global trends and opportunities  
<https://www.nbcnews.com/mach/technology/pet-tech-will-transform-dog-s-life-some-surprising-ways-n764756> - opportunities with technology in the industry  
<https://www.123petsoftware.com/pet-industry-trends/>  
<https://www-portal-euromonitor-com.login.ezproxy.library.ualberta.ca/portal/analysis/tab> - passport industry analysis  
<https://blog.marketresearch.com/4-pet-industry-trends-to-watch-in-2018-and-beyond>

## competitor

Petvalu Windermere

<https://petvalu.com/location/3225/>

Phone: 780-989-9926

1141 Windermere Way SW

Windermere Crossing

Edmonton, AB T6W 2P3

Tail Blazers Windermere

<http://www.tailblazerswindermere.ca/>

Windermere Plaza

320 Windermere Road NW

Edmonton, AB T6W 2Z8

780-436-1338

Email: [info@tailblazerswindermere.ca](mailto:info@tailblazerswindermere.ca)

- a little expensive but can find something they cannot find somewhere else
- service: pet food, raw pet food, Pet clinic treatment, pet supplies

Petland

<https://www.shopcurrents.ca/store-directory/petland/>

6268 – 6004 Currents Drive NW

Edmonton, AB

T6W 0L8  
780-229-4800

Pet planet

<http://www.petplanethealth.com/stores/currents-of-windermere/>

780-433-1266

5148 Windermere Blvd NW

Edmonton, Alberta

T6W 0L9

[Pawies Boutique](#)

<https://pawiesboutique.wixsite.com/pawiesboutique>

[pawiesboutique@gmail.com](mailto:pawiesboutique@gmail.com)

14187180518

4628 Turner Square NW

Edmonton, T6R 3H3

Canada

Questionnaire questions:

- 1.How old are you?
- 2.What problems do you face by owning a pet?
- 3.Which pet store do you visit most often?
- 4.Why do you visit this pet store?
- 5.How often do you visit the pet store?
- 6.What pet care services do you require the most?
- 7.What do you wish the pet store you usually visit would provide?

## Terwillegar Park

Who owns pets, demographics?

Services that are selling

Segments in the market- grooming supplies, pet food, do these go together

Which of these is growing? How much do ppl spend in each which is profitable, characteristics of pets and owners and what they want

Who is in it- costco safeway etc are they big or small same for service, who does grooming

The 5 force and swot

To whom and when(during the day or?) do you give the services  
Do they stay at home- selling to who old, young, families?

5) Industry risk- affects everybody

10) Management risk- risk that affects you i.e rent increasing

Just list where you plan to get finance from

## Industry analysis

-Is the pet industry growing or profitable- are people willing to invest in it?

-What problem will you have and how will you overcome it?

-Excess strategy- how do you get out of the industry- one wants to withdraw from a partnership or one dies then what to do? What would be done with the shares (sold to other partners/ or someone else, at what price)

<https://www.americanewshour.com/2019/07/16/pet-care-market-2019-global-analysis-industry-size-share-leaders-current-status-segments-and-trends-by-forecast-to-2025/16284/>

<https://www.camdevcorp.com/projects/> - windermere

<https://www.thebalancecareers.com/hot-industry-trends-in-pet-businesses-2660622> - 5 trends

<https://www.booking-wp-plugin.com/state-pet-market-statistics-future-trends/>

<https://www.petcoach.co/article/8-pet-trends-to-watch-in-2019/> - trends

-Check if we will find land in windermere and at what cost and when will we get the land. Know how much land you will need like how many square metres based on rivals

-What are the laws needed

-Know the positioning of other competitors

-

Primary research: To show you have demand

Ask: Age, income, qnz to know your target market

Competitive advantage: do research on rivals- what are they doing

Professional?, age, income

Value proposition should be hard to copy, something different or better than rivals

Needs of the market and consumers and what can you do to meet these needs?

- For marketing can talk about what you want to do during pre opening and post opening. Also talk about how you will do it, time frame, and cost i.e run an ad on facebook for 30 days before opening and it will cost \$\$\$.
- Risk: talk about your risk and explain that risk deeply then how you want to overcome it.
- Goals till year 5 is better - target 2% by the second year for instance
- Estimate your market size- who will you target, how much % and how much that % would contain (an estimate)
- ☐ If you feel what your main service is wont attract consumers you can provide some small services to bring consumers to your business

**Main do research on rivals, industry and consumers to have a good plan**

**Presentation: Be energetic and confident 15 minutes- hand shakes, introducing members, don't read through slides maintain eye contact!!!**

**Written business plan: (first point) Logical how you relate and flow all parts of the plan**

**2nd point: quality writing instead of quantity - can have graphs**

**3rd point: apply concepts learnt in class and from your research**

**4th point: analyze every point you write and have evidence**

**Business plan written: 32 pages around**

**OPERATION (should be longest part) : Licence, insurance policy**

**How to open a business**

**Day to day opening hours--Operation**

**What will it be like in the morning, afternoon etc**

**Then how will you supply your materials, sell your service**

**Only estimates don't have to strictly follow this:**

**Executive summary- ½ page- 1 page**

**Business 3-4 pages**

**Market research 3-4 pages**

**Operation 4-5 pages**

**Marketing 2-3 pages- what you will do, how you will do it, how long, what you aim to achieve from this - have a marketing and selling strategy**



## **Dog kennel regulation**

<https://www.canadianveterinarians.net/documents/Code-of-Practice-for-Canadian-Kennel-Operations>

### **Permits and Zoning**

Be sure you have the appropriate state kennel licenses, according to the I Love Dogs website.

Also before you “move in,” be sure the building you choose for your kennel facility is zoned for that purpose. Become fluent in your state’s regulations for commercial kennel operation, then exceed your state’s standards. This will not only ensure that you’re meeting state requirements, but it will also attract new business.

### **Space**

Be sure the building you choose for your kennel has enough space to house your existing clientele as well as any new doggie guests. Your state may require specific sizes for each dog run or cage, according to the weight of the dog. The Official State of Connecticut website, for example, requires that inside or outside runs be at least 10 feet long and 36 inches wide for dogs up to 45 pounds, and at least 48 inches wide for dogs over 45 pounds. Inside pens must be five square feet per dog 25 pounds or less, nine square feet per dog between 25 and 45 pounds and 16 square feet per dog over 45 pounds.

### **Construction Requirements**

Boarding facilities must be structurally sound, water-resistant and non-toxic; prevent dogs from injury or escape; protect them from inclement weather and keep other animals from entering.

The kennel must have both hot and cold running water, be maintained at a comfortable temperature for both dogs and employees and allow fresh-air ventilation and adequate lighting at

all times. Your state may require specific light levels or temperatures, so be sure to check. The kennel must also provide a separate facility for housing quarantined dogs.

## **Sanitary Conditions**

Employees need to provide the dogs with clean, fresh water and fresh food and keep food and water dishes clean and sanitary. Staff should clean up urine and feces at least once a day, wash and disinfect the runs and dispose waste in a sanitary manner. Workers should keep the kennel clean enough so that pests, such as rats and mice, do not enter.

## **Segregation**

Dogs kept in cages should be confined one to a cage, unless otherwise noted for health or welfare reasons, such as mother dogs needing to feed their puppies. Cages should allow each dog to stand up, turn around and lie back down. Employees should segregate adult dogs to prevent breeding and to protect dogs from attacks and injury.

Say why our idea is awesome

Day to day- how to operate- license, insurance, operating hours

Before opening who does what, after opening who does what, how many to take care of pets, time frame flow

Personnel departments, how many, tasks they perform briefly. Then in operation detail what/ how they will do the task they will do and when --- do this before the previous point

Full-time 8 hour part-time 4 hour

Finances: i.e take a 5 year loan at 8% of \$\$\$ from TD

# BUSINESS PLAN OUTLINE

## 1. Executive summary

## 2. Business description

### a. DESCRIPTION

#### i) Ownership Structure

- Private company (limited liabilities and ability to raise capital)

#### ii) Need and demands you want to supply for: (why pet boarding & exercising industry?)

-Causes: Due to current high-speed lifestyle, people lack time to accompany pets. Therefore with our services we want to satisfy the needs of pet owners wanting a safe and friendly home environment for their pets when they are away.

-Pet ownership has proven benefits to both physical and mental health in people. We want to improve the health of people by ensuring their pets are healthy by providing exercising services. We therefore aim to help people overcome stress through the medium of dogs that have proven to be great stress reducers, hence ensuring the health of pets is enhanced we can help make a difference in people's lives.

- Moreover we want to satisfy the need of pet owners highly considerate about the health of their pets through our pet exercising service.

- Whether it is for the day or longer, having proper pet care is a must! Many of us today lead very busy lives and having a friend or family member care for our pets is some- times not an option or the thought of leaving your pet unsupervised and alone for hours at a time is not the answer you had hoped for. Then comes the huge decision of finding a boarding kennel, which will care properly for your pet. Hopefully the following guidelines will help you to make this important decision.

<http://www.pamperedpetlodge.com/pet-articles.php>

a. PRODUCTS AND SERVICES

i) Services: pet boarding and exercising.

WHY: these services are highly demanded by individuals in Windermere that is 38.6% and 22.9% respectively. These services are also considered the most important by these individuals hence providing these services provides us with the opportunity to better cater for their needs.

ii) Value proposition: **Caresworth simplifies the lives of pet owners by providing a combination of quality services nearest to them.**

Our corporation aims to offer a quiet, comfortable and fun environment to our furry friends, while their owners embark on their busy work schedules, business trips or vacations.

(Consumers would prefer coming to our stores as we are offering convenience and high quality exercising services that enhances the health of their pets. Moreover we are not only providing them with quality boarding services, but a combination of services such as pet facials and care that ultimately enhances the experience of their pets.)

b. MISSION AND VISION STATEMENT

-Mission statement: **We aim to enrich the lives of pets and their families by providing quality services in a safe, active, and loving environment.**

To serve our clients by listening with empathy and responding to their needs effectively.

- To treat our furry friends like they are our own with love and respect.

- To spread our passion of love for pets to the community.

-Vision statement: To be the preferred and trusted choice of our consumers to house their loved ones with us.

SERVE:

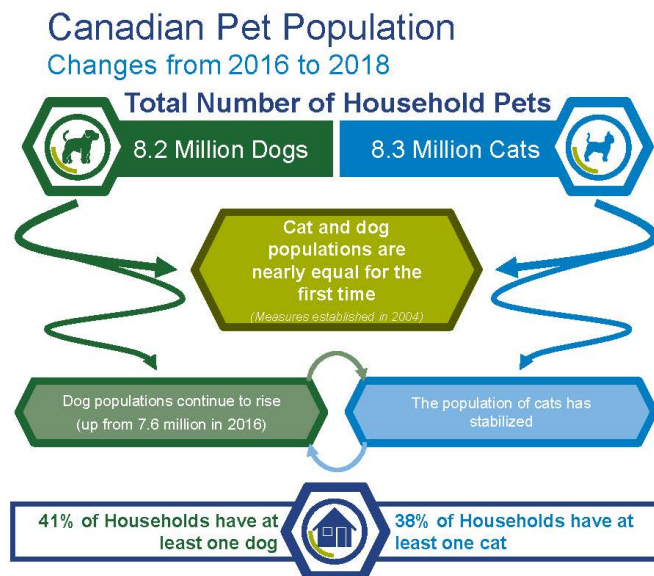
-Pet types: Dogs

<https://www.cahi-icsa.ca/press-releases/latest-canadian-pet-population-figures-released>

### 3. Industry and Market analysis

#### ★ Industry trends (analysis):

-From 2016 to 2018, the Canadian dog population has continued to grow. Dog population figures for 2018 increased to 8.2 million, up from 7.6 million in 2016. (“It is encouraging to see the number of pet cats and dogs increasing in Canada over time and I think that reflects the special relationship we have with them. Over the last ten years the number of cats and dogs has increased by about 10%. Overall approximately 41% of Canadian households include at least one dog, and similarly around 37% include at least one cat.” )



-Increased income, pet owners increasingly splurged on high-value goods and services

Demand for pet grooming, boarding, training and walking is at an all-time high due to rising pet ownership, improved disposable income and changing consumer preferences regarding pet care.

The Pet Grooming and Boarding industry in Canada, which provides pet care services, such as boarding, grooming and training, exhibited strong growth over the five years to 2019.

Revenue is anticipated to grow at an annualized rate of 4.2% to total \$548.0 million, with an increase of 1.6% in 2019 alone.

Over the five years to 2024, the industry will continue to grow, albeit at a slower annualized rate of 1.3% to total \$584.6 million.

Household expenditure on pets and pet food has been rising over the years serving as an opportunity for us as it implies an increase in the expenditure on pets. The data below shows the household expenditure on pets and pet food from 2014 to 2018.

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610022501&pickMembers%5B0%5D=1.10&pickMembers%5B1%5D=2.1>

Pets and pet food	585.2	607.1	640.9	623.6	656.2
Veterinary and other services for pets	388.5	413.3	443.0	461.5	491.6

-Area: Urban.

<https://www.newswire.ca/news-releases/infographic-a-glimpse-at-canadian-pet-owners-across-canada-584680231.html>

(pet parents in larger cities are most likely to experience increased social improvements from owning a pet, as almost 1 in 4 pet parents who live in Toronto and Vancouver claim to have increased self esteem (45 per cent and 37 per cent respectively) and one-third of pet parents who live in Calgary and Edmonton (30 per cent).

## A. Porter's 5 forces

As our corporation focuses on boarding and exercising services for dogs, we belong to the pet grooming and boarding industry. This industry primarily provides pet care services such as boarding, grooming, training and exercising.

## 1. Bargaining power of customers

The main distribution channels in Canada for the pet grooming and boarding industry are pet owners of different demographics. Buyers in this industry classify as young and unmarried, young and married, couples with children, old people amongst others. Different buyers have different purchasing powers due to different **income levels**, which consequently has an impact on their bargaining power.

Thus high income earners that tend to be less price sensitive make a huge percentage of sales and revenue of many boarding firms as compared to low income earners. This is because high income earners are more likely to have frequent international or domestic trips thus require boarding services more often. Hence this group may have a higher bargaining power than the other groups.

Overall due to the existence of different segments of consumers of different sizes, we conclude the buyer power is moderate.

## 2. Bargaining power of suppliers

From secondary research we learn that suppliers in the pet grooming and boarding industry mainly include those providing and manufacturing animal feed, soap and cleaning compounds, and other pet products. It is highly important for suppliers in this industry to focus on the quality of their products such as pet food due to the existence of food and drug administration laws for instance.

As there are a few major suppliers of these products such as Nutreco Shur Gain, Ecolab Inc., The Procter & Gamble company, the power of suppliers is strengthened.

- **Food Service Contractors in Canada (this industry provides meals and snacks to boarding guests). Major players are Costco, Walmart Inc, and PetSmart**
- **Pet daily medicine dealer in Canada (this industry provides daily medicines during the boarding time). Major players are The Pet Pharmacist, the Balance, Pet Meds.**
- **Pet exercise equipment contractors in Canada ( this provides exercising equipment for pet exercising service). Major players are PetSmart, Amazon.**

Since there are many suppliers in the market for pet food, such as Acana, Artisan Raw, Go!, Boreal, PetSmart, Walmart amongst others, the bargaining power of these suppliers may be low.

Moreover as many suppliers exist companies in this industry can be able to switch from one supplier to another demonstrating low switching costs. This may imply that the suppliers have low bargaining power.

However, since most of the suppliers for pet food have a huge presence and market share in the industry they may tend to have a higher bargaining power. For instance PetSmart, a major player in this market has a market share of 44.4%. And as a high demand consumer, company can also choose Costco or Walmart which both have huge market share in the supermarket industry. Dominates both food wholesaling and retailing market with a market share of 70.7% (Walmart Inc.) and a market share of 19.3% (Costco).

Companies in exercising and boarding industry need to stock medicines in order to provide temporary medication for the health of pets. These supplies are from a retailer such as “The Pet Pharmacist”, “The Balance”, or “Pet Meds”. As we would not represent a large portion of their sales these medicine suppliers may have a higher bargaining power.

### 3. Threat of new entry

As the pet grooming and boarding industry is in its growth stage, many companies are entering the industry as due to rising demand from pet owners for a greater array of luxury services for their pets. Also as there are low barriers to entry as there are no formal industry licensing or training requirements the threat of new entrants is high.

However, as there is a code of practice for kennel operations which requires boarding facilities to take into consideration several safety and hygiene factors before and after operating, the cost and investment required to enter the industry may still be relatively high. Moreover, pet boarders also require a range of supplies such as pet food, bedding, leashes, collars, medicines and toys which further raises the cost of entry and operation, therefore acting as a barrier to entry.

To add on the low barriers to entry may consequently lead to high competition in the industry as there could be a significant number of small companies operating. This may act as a barrier itself as it would become difficult for new entrants to persuade consumers to board their pets with them, thus making it difficult for them to build a client base, especially if the consumers are loyal to the already existing



corporations. Moreover, due to the large number of firms operating in the industry it may be difficult for new entrants to gain access to highly experienced and certified employees which could also act as a potential barrier to entry.

Overall we conclude a moderate threat of new entrants.

## 4. Threat of substitutes

Substitutes for pet boarding facilities include boarding pets with friends or family, which may be a significant substitute as boarding pets with people the pet owners trust and are familiar with, is highly preferred as it provides the pet owners with an assurance that their pets are safe.

However, the use of this substitute may be limited as they may not always be available and willing to house the pets as compared to businesses providing such facilities. Moreover businesses usually provide extra care to these pets when boarded as compared to the service a friend or family member can provide as these individuals also have their own commitments.

Overall we conclude the threat of substitutes to be moderate.

## 5. Competitive rivalry

Based on our research we learn that the Pet Grooming and Boarding industry in Canada is highly fragmented and exhibits a low level of market share concentration. IBISWorld estimates that no single company accounts for 5.0% or more of total revenue. Therefore as the industry is highly fragmented, businesses will be competitive as they would strive to attract as many consumers as possible in order to generate sufficient revenues and profits. This consequently increases the degree of rivalry in the pet grooming and boarding industry.

However, as competition in the pet grooming and boarding industry is based on factors such as location, quality of service and consumer loyalty, those businesses that achieve these factors will be able to gain a competitive advantage, reducing switching costs as consumers are loyal to particular brands. This will consequently reduce the degree of rivalry in the industry to a certain extent.

Overall we conclude the degree of rivalry in our industry to be moderate due to the existence of companies that have achieved high levels of consumer loyalty such as PetSmart.

## 2.SWOT (Business specific)

### I. Strength

- Convenience
- Flexibility

Based on our research we learn that proximity to key markets is a key factor of success. Thus our location is one of our strengths, as we are located close to our consumers in 6031 Andrews Way NW besides Paisley Dog Park. this provides us with a competitive advantage as we are able to make the lives of our consumers easy by providing them with greater convenience. Moreover, this will also ensure we have a consistent demand for our services, as we are the only store providing boarding and exercising services in Windermere consequently improving our company's feasibility.

Moreover as we are a small business we have greater flexibility in comparison to the existing large corporations in the industry. We are in a better position to quickly adapt to the changing consumer attitudes resulting in higher demand for luxury services. Furthermore as we focus on a small demographic segment we are more flexible as we can easily adapt to their specific needs, providing them with greater value.

## II. Weakness

- Lack of brand recognition
- Lack of management experience
- Low credibility

As any new business, we lack enough experience in operating efficiently in the industry, since we have had little or no exposure to the real market conditions as opposed to the existing boarding facilities. This is a weakness, especially in the short-run as it makes us less efficient and effective.

Moreover, as we are a new firm in the industry, not many consumers are aware of our company which may affect our ability to gain the confidence of our consumers. This in turn may require us to put extreme effort in promoting ourselves which may raise our costs, delaying our ability to break-even.

Furthermore due to high capital and operating costs we lack enough funds during our initial years, which may affect our ability to acquire loans or gain the confidence of investors due to reduced credibility.

## Opportunities

- Rising consumer disposable income
- Rising pet ownership
- Low competition

Based on our research we learn that consumers income is expected to rise at an annualized rate of 2.3%, which can lead to an increase in travelling. This will consequently increase the demand of our boarding services providing us with an opportunity to grow.

Based on our research we learn that the number of household dogs grew 18.8% to 7.6 million between 2014 and 2016, and is expected to increase further. This provides us with a growing potential market which provides us with an opportunity to expand to new locations.

In addition, from our research we learn that, there is no pet store in our location providing boarding and exercising services, indicating low competition. This provides us with an opportunity to fill the gap in the market by providing services consumers need in this area.

## Threat

- Few entry barriers
- Substitution threat
- Increasing wages

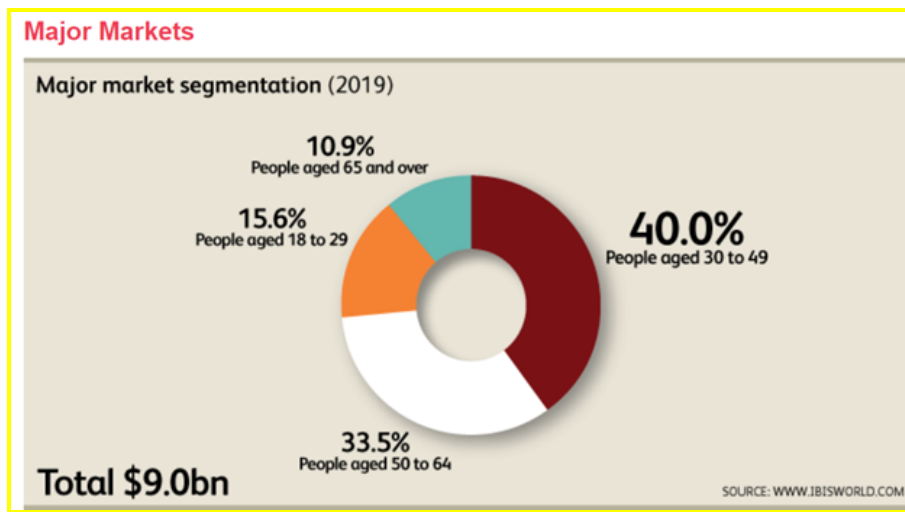
However, there are always some potential threat from external factors. Firstly, it is easy for the existing large and reputable businesses in this industry to expand to Windermere and provide similar services as despite the few entry barriers, they have the finances, experience and power to overcome them.

What is more, our service is not irreplaceable. People may exercise the dogs by themselves or choose to board their pets with relatives and friends while away.

Furthermore, a trend of increasing wages can also be a threat. From 1998 to 2018, the average wage grew by 2.7% annually, and the average minimum wage increased by 3.5% annually, and is still expected to rise. This poses a threat to our business as it will lead to increasing variable cost which may lower our profit.

## B. Target market

Our target market consists of medium to high income earning pet owners aged between 30-49 in Windermere.



Based on our research on the US pet care industry, we learn that individuals belonging to this age group are the highest industry revenue generators, 40.0%, and followed by 33.5% pet revenue of those customers who are aged between 50-64. People between 50-64 are most likely to live with families and children. The pet market of this age group has one of the highest annual expenditures for their pets which is \$495.50.

Most of the pet owners are living in the urban area. The data shows that 35% of pet owners living in urban areas are willing to purchase costumes or fashion accessories for their pet compared with people living in the suburbs, which is only 4%. Pet parents in larger cities are most likely to experience increased social improvements from owning a pet, as almost 1 in 4 pet parents who live in

Toronto and Vancouver claim to have increased self esteem (45 per cent and 37 per cent respectively) and one-third of pet parents who live in Calgary and Edmonton.

**C. MARKET SEGMENTATION**

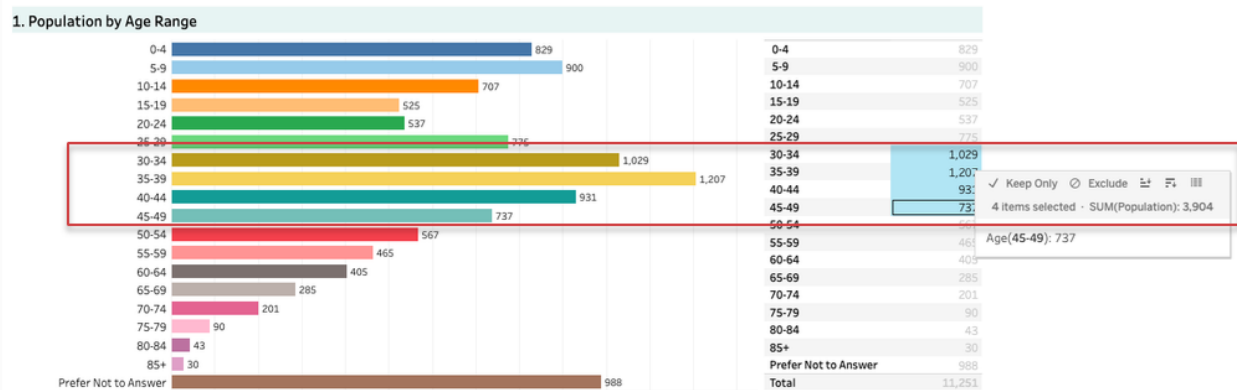
***GEOGRAPHIC:***

Target market location: Windermere (urban-inspired suburb)-Southwest Edmonton

**DEMOGRAPHIC:**

In windermere:

- The number of target customers in windermere aged 30-49 is 3904 which takes up 35% of the whole population in Windermere of 11251)
- Also most of the people living here are young families, singles or empty nesters and based on our research we learn that these segments are the most likely to own the most pets (IBISWorld)
- Average household income of \$131,523 (affluent)
- 42% families, 39% couples and 19% singles
- 18% aged 20-29, 42% aged 30-54
- 53% with kids, 47% no kids
- 65% with income between \$50k- \$150k, 27% with income above \$150k
- Top physical activities- reading, swimming, gardening
- Most people here are aged between 25 to 39 - also evident below
- [http://harvard.ca/+pub/Project%20Profiles/2016%20Project%20Brochures/Windermere%20South%20Brochure\\_Final.pdf](http://harvard.ca/+pub/Project%20Profiles/2016%20Project%20Brochures/Windermere%20South%20Brochure_Final.pdf)



## 2019 Edmonton Municipal Census (Neighbourhood)

(Note: As per City of Edmonton Census Policy C520C, neighbourhoods with a population of less than 50 residents are reported as zero.)

Neighbourhood:

WINDERMERE

<https://public.tableau.com/profile/city.of.edmonton#!/vizhome/2019EdmontonMunicipalCensus/2019EdmontonMunicipalCensusNeighbourhood>

### BEHAVIORAL:

- Based on primary research we learn that our potential consumers require boarding and exercising services frequently that is at least once a month or once a week.
- Windermere has a lifestyle that demonstrates convenience. Residents can do their banking, errands or other tasks without having to leave their community. The lifestyle of individuals living in Windermere is active, and growth oriented.

### **D. Industry risks**

#### 1) Demographic shift: the changes of numbers of pet owners

\_\_\_\_\_ Pet owners in Canada consist of different demographic segments. Based on our research we learn that many millennials are turning to travel with their pets which is a risk as it affects the survival of businesses in this industry.

#### 2) Pet industry competition continues to rise.

- Competition from retail stores that offer pet training services→ In 2016, PetSmart announced that it would open 80 new stores, up from 50 new stores in 2015.
- Large retailers such as PetSmart have significantly greater resources than we have.
- The pet industry has become increasingly competitive due to the expansion of number of stores. We can make no assurances that we will not face greater competition on this industry.
- So, in order to attract customers, we would likely reduce our prices on similar product offerings in order to remain competitive, which may result in a decrease in our market share, sales, operating results and profitability.

<https://offleash.com/2017/09/07/pet-industry-marketing-challenges/>

## 4. Marketing Strategy

- a. Business positioning Our corporation positions itself as one providing high quality and high safety of pets.
- b. Location- close to target?

We will locate our facility in currents of Windermere, an optimal distance to Paisley dog park, to ensure we have space to carry out our exercising services effectively.

- c. Pricing - costs (in feasibility cost part)
- d. Advertising and promotion

We provide advertising and promotion to stimulate purchases and reward customers in order to gain high profits.

→ Promotion Strategies:

-sales promotion should be helpful to reinforce a product's position and build long-term customer relationships.

- 1) Membership card: give different segments of promotion to encourage people to come. We can start giving out our membership card at the pre-opening time period.
- 2) Frequent-guest rewards: we give rewards to regular customers to keep them coming back.
- 3) Holiday promotion: offering special prices in festivals, such as Thanksgiving and Christmas day.

→ Advertising Strategies:

- 1) Email advertising: sending email to every customer in good designing format to attract them and to get more engaged in our pet boarding services.
- 2) Community Involvement marketing: we will sponsor a dog park. So, we can use this area to carry out our services effectively. We will organize donation to collect funds and for those who donate money will get our stores' coupons in return.

# 5. Operational Plan

- ❖ <https://www.canadianveterinarians.net/documents/Code-of-Practice-for-Canadian-Kennel-Operations>

As a boarding business our main activity focuses on ensuring the safety and comfort of our furry friends is always maintained. As our activity involves close interactions with the pet for a considerable period of time, we need to take several regulations into consideration as explained below.

- ★ Before starting our boarding and exercising business we need to ensure our facility is located in an area with sufficient land to accommodate outside exercise runs and also ensure reasonable distance is maintained away from the neighbors. **An investigation of zoning restrictions, bylaws, building codes and standards will provide valuable insight into the requirements for a kennel operation.**
- ★ Secondly, we need to ensure our facility is safe to board pets by taking the following into consideration:
  1. Interior walls and partitions of materials are properly coated to be rendered washable, sanitizable, impervious to moisture, smooth and durable.
  2. Ensure walls are free of sharp edges and in good condition.
  3. Walls and fences are sturdy, in good repair and of sufficient height and small enough gaps to prevent dogs escaping.
- ★ **Moreover we need to ensure we adhere to the fire standards of Alberta**
- ★ We also need to ensure the pets boarded are kept in the right temperatures to ensure their comfort is maximized. Different dog breeds of different ages and health status need to be provided with different temperatures. “For instance, a Newfoundland or Saint Bernard will have a different comfort zone than an Italian Greyhound or a Toy Poodle. Short-coated breeds require supplemental heat during adverse weather. Older and infirm dogs will require a warmer and more comfortable environment. Many breeds of dogs tolerate lower temperatures as long as they are dry, away from drafts and have had adequate time to adjust to the temperature.”
  - To achieve this we aim to insulate the walls and ceilings as using insulation materials such as foam insulation or tile adhesive will harm our dogs as they are toxic to these materials. Moreover insulating the walls and ceilings will also enable us to reduce the level of noise our dogs will be exposed to further enhancing their comfort.
  - As per the code of practice for kennel operations, the minimum allowable temperature for an indoor facility like ours is 10°C, except for Nordic breeds. The maximum temperature is suggested to be at 27°C.
- ★ We also need to ensure our facility maintains the right amount of humidity, ventilation and light, to prevent the respiratory diseases.



- Humidity should be kept below 70%, preferably maintained at 45—55%.
- A source of fresh air is critical. Recirculation of inside air circulates contaminants, viruses, bacteria and moulds. Lighting must be adequate so that all areas of the interior of the kennel can be clearly seen. Emergency lighting should be available. The minimum lighting requirement is 8 hours per day.
- Thus to be able to ensure the safety of our pets, and avoid bad publicity which can consequently affect our image and success, we need to take all of these factors into consideration before starting our operations. We also need to ensure regular investigations are carried out in order to know any possible faults beforehand.
- ★ Kennels in our facility should also be sufficient in size and height such that the dogs housed in it can stand normally to their full height, turn around easily, lie down in a fully extended position, and can easily adjust their postures. Below is a table showing the kennel size measurements based on the height of the dog.

Minimum primary enclosure space requirements<sup>3</sup>

Height of the dog measured at the shoulder of the dog (cm)	Area (m <sup>2</sup> )	Width (m)	Height (m)
70 or greater	15	2.40	1.80
40 to 70	10	1.80	1.80
20 to 40	6	1.40	1.20
5 to 20	4	1	1.20

Minimum primary enclosure space requirements apply to the keeping of one adult dog. Dams and their puppies up to eight weeks of age are provided with an additional space of 10% per puppy. If two or more adult dogs are kept in one enclosure, the minimum dimensions for the enclosure specified are increased by 1.5 m<sup>2</sup> for each dog kept in the enclosure.

In addition to these regulatory requirements, we need to acquire a business license, federal permit, register our business name, and...

- In order to acquire a business license we need to apply for a development permit to determine whether we are allowed to locate in Windermere based on location's zoning. Following this we should apply for the business license which usually takes 1-3 weeks or longer to process. Costs of approximately \$239 for application fees shall also be incurred.

[https://www.edmonton.ca/programs\\_services/documents/PDF/2019\\_Business\\_Licence\\_Fees.pdf](https://www.edmonton.ca/programs_services/documents/PDF/2019_Business_Licence_Fees.pdf)

- To incorporate our business we will also incur incorporation costs.

Alberta Gov Fees: \$450

Name Search Report or NUANS Report: \$30

CompanyFormations Fee: \$129.99

GST: \$6.48

Total Fees: \$616.48

- It takes about 24 hours to process.

## b.Human Resource

As a pet boarding and exercising company our corporate culture should be one of trust and belonging. Such as culture can be achieved by hiring and training our employees. Therefore to efficiently carry out the provision of our services we need to build a strong and efficient personnel body. We need to have a workforce of 17 employees consisting of:

6 Caretakers with experience of at least 2 years, and high knowledge and skills in handling pets shall be hired for this job. These employees should be hardworking, caring, and friendly with pets /pet loving. The caretakers will be in-charge of taking care of the needs of the pets boarded, feeding them, ensuring they are comfortable and not stressed or scared. These 6 caretakers hired will be assigned pets on a 1-4 basis that is 4 pets assigned to one employee.

For salaries of those 6 caretakers, we estimate to pay \$20/hr. In addition, dogs need to be taken care of 24 hours and we need at least one caretaker per hour to take care of the dogs . Therefore, it costs us approximately \$480/day(\$20\*24) for hiring caretakers.

2 Cleaners will also be hired to take care of hygiene of the store and pet products used in the store. They will be in-charge of ensuring the kennels and other parts of the store are cleaned regularly, the feeder bowls are washed after every use, and other pet accessories are also washed regularly. We estimate to pay \$18/hr for each cleaner and we need them to work for us about 8 hours each day. Therefore, \$144 per day is paid to cleaners.

6 professional and enthusiastic exercisers, will be hired. These employees should be highly fit and active, experience of exercising pets for at least 2 years, and pet loving. They will handle tasks such as exercising the pets boarded and other non-boarded pets as well. Employees should perform exercises that release the stress of pets and make it happy. These employees will be assigned pets on a 1-4 basis as well to ensure they are supervised well thus maintaining their safety. We estimate to pay \$25/hr and 8 hours are needed, so \$200/day in total.

3 part-time employees will be hired to perform facials and massages on the pets boarded. The staff should have an experience of at least 1 year in this field to ensure pets are not harmed. Those 3 part-time are paid with the lowest salary which is \$15/hr and 8 hours working are required. To sum up, \$120/day for part-time employees.

A part-time vet is also required to ensure the safety of pets at all times, as well as to be able to tackle any emergencies efficiently. Vet is the most expensive part of our salary expenses. In order to avoid high cost, we required only 2 hours per day to make sure our dogs are staying healthy and we pay \$35/hr, so \$70/day.

1 finance manager will be hired to analyze, record and prepare the financials of our corporation. The candidate should have experience in financial reporting of at least 1 to 1.5 years. Their salary is estimated around \$22/hour and 8 hours working each day. Therefore, \$176/day.

A general employee to serve the consumers requests especially during the opening hours shall also be hired.

In order to ensure our employees are satisfied and motivated to work in our company we as the owners will ensure close contact is maintained with them, and their needs are satisfied.

### C. Day to day operations

Our business is open 7 days a week from;

Monday: 7:30am to 7pm.

Tuesday: 7:30am to 7pm

Wednesday: 7:30am to 7pm

Thursday: 7:30am to 7pm

Friday: 7:30am to 7pm

Saturday: 8:30am to 6pm

Sunday: 8:30am to 6pm

Our opening and closing hours take into consideration the working hours of our target market mainly consisting of working individuals, in order to make it easier and more convenient for them to make use of our services.

With our quality services we aim to provide our furry friends with the best experience. A range of activities have been scheduled for them, which shall be carried out effectively by our trained and experienced staff. Our schedule is then provided to the pet owners upon booking our services, in order to increase their awareness of what our services contain enabling us to gain their confidence, and trust. Since the schedule is also provided to our staff, our operations will also be organised as the staff shall follow the schedule during the day.

As our main aim is to ensure the safety and comfort of pets is maintained our day to day operations are channeled to help us achieve this. The morning hours, 7:30am to 8:00am, have been assigned to the cleaners to carry out the cleaning of our store to ensure when our consumers come to our store they are assured of hygiene quality being maintained in our store. We would use disinfectants not harmful to dogs, that is ensuring we do not make use of ingredients such as ammonia, chlorine or brands such as tide that can jeopardize the health of our furry friends.

As part of our operation we provide consumers with two mediums to use when booking our services; online and in-store. As individuals aged between 30-49 years are "always on", that is highly active on technology providing them with an online option to access our services is appropriate as it will enable us to provide them with greater value and convenience.

Once consumers come to our store they will be greeted by our friendly staff. The general employee will then take charge of fulfilling the consumer's request. If consumers will not have

used our online facility they will be provided with the relevant document, appendix#, they need to fill out before boarding their pets. The employee will then process their payments, and handover the responsibility to the caretakers. Alternatively consumers can be able to book our boarding facility beforehand through our website. Consumers simply have to log in to our website and select the service they require. Following this they will be asked to provide some information about their pets in order for us to assign the right kennel to their pet.

Consumers can then pay online through our website and then proceed to check-out. If the consumers use this medium they are simply required to drop off their pets at the required time and day they are assigned.

Once the pets have been handed over to the caretakers, the pets will be taken to their assigned kennels along with the pet owners so that they are also aware of the conditions and environment their loved one is kept in. Upon completing all formalities, we have planned a group play session for our pets. Pets will be kept in groups of 4 according to their breed and size to ensure no harm is caused to any pet. To further enhance the safety of the dogs, and provide adequate care, one group will be monitored constantly by one exerciser. We provide this activity as when dogs are kept together in groups they create a better form of exercise, as they are able to come up with their own games thus expend their energy in the way they choose. This session will last for one to two hours providing the dogs with an opportunity to mingle and get familiar with each other, making their stay with us more comfortable.

Following this activity the pets will be fed. As we provide our pet owners the opportunity to bring their dog's food divided into meal sized portions, it enables us to cater for the needs of our furry friends more efficiently. However we do ask our consumers to bring food pre-measured to be sure both that there is enough food for the stay, and also to keep feeding instructions clear. We aim to spend adequate time in this activity to ensure pets are well fed and hydrated, as well as to avoid any occurrences of them being choked.

Since we board different dogs of different breeds, ages and requirements, we customize some of our operations based on the specific needs of our guests.

Therefore once the pets have engaged in group play activities, those dogs that enjoy an active schedule will then be taken out for a walk in the park by our exercisers. However, if the weather is too harsh for instance during winters, exercisers would consider engaging these dogs in playing indoor games such as training games, puzzle challenges and hide and seek. Those pets that are less active or benefit from a bit of a break, are instead taken for a relaxing wash by the caretakers. Following this they will rest in their comfortable kennels accompanied with soothing background music, and constantly monitored by our caretakers to ensure they do not face any trouble.

Once the active dogs have played their games, caretakers will now take them for the relaxing wash followed by letting them rest. After completing these activities the dogs will then be fed based on their requirements. At 5pm the caretakers and exercisers will engage in games that

boost the mental health of the pets. Games such as brain games and teaching the pets how to give a “high five” shall be played for one and a half hours.

Following this the massagers will massage the pets for 10 to 15 minutes and also perform facials on them, in order to provide our guests with a stress free and relaxed environment. We provide blueberry facials to gently remove dead skin cells and provide dogs with a soothing underlying skin. Massages on pets are done with lavender oil as it is safe, reduces anxiety and also soothes the dog. These services will ensure our guests enjoy their stay with us, thus enabling us to build strong relations with our consumers, as they are assured their pets are treated with care when boarded with us.

The caretakers then take the dogs to their respective kennels to allow them to rest for a short time and will then be entertained with movies or series for an hour after which the caretakers will then put them to bed. Once they have slept the caretakers will monitor them at regular intervals to ensure they are safe and comfortable.

Upon engaging in these activities to better engage with the pets the caretakers will take the pets for a relaxing wash. The caretakers and exercisers will then engage with the pets by playing brain games and teaching the pets how to give a “high five” for instance. This will also enable us to boost the mental health of the pets.

The caretakers then clean the pets and take them to their respective kennels and ensure the pets are exposed to the right temperature and humidity to maximize their comfort.

As we can board pets of different sizes and ages during each of the activities performed during the day our personnel will take these factors into consideration to ensure the right amount of exercise, food and rest is provided to the specific breeds.

[https://www.simplyhired.com/search?q=pets+store+hiring&job=yYt1rjMyQtR3F5cSWJtPjFz2CFm9N2\\_NstNXWifk8nmLuJmE8QrP\\_g](https://www.simplyhired.com/search?q=pets+store+hiring&job=yYt1rjMyQtR3F5cSWJtPjFz2CFm9N2_NstNXWifk8nmLuJmE8QrP_g)

## 6. Feasibility Analysis

a. Capital costs(necessary basic equipment for grooming)

	Single Price	Amount	Total Price	Supplier	Address
Clippers	\$56.88	10	\$568.80	Amazon	<a href="https://www.amazon.com/gp/huc/view.html?ie=UTF8&amp;newItems=Ce1210c54-d08c-4a2b-9439-fe89c4f43c63%2C1%7CC384b760e-b5c8-4596-97f2-9317643d534a%2C1">https://www.amazon.com/gp/huc/view.html?ie=UTF8&amp;newItems=Ce1210c54-d08c-4a2b-9439-fe89c4f43c63%2C1%7CC384b760e-b5c8-4596-97f2-9317643d534a%2C1</a>
Shears	\$44.69	5	\$223.45	Walmart	<a href="https://www.walmart.ca/en/ip/4Pcs-7-Professional-Hair-Cutting-Scissors-hair-scissors-set-PET-DOG-Cat-Grooming-Curved-Thinning-Shears-Straight-Trimmer-Shears-Kit/PRD68MJ4V5Y52AT">https://www.walmart.ca/en/ip/4Pcs-7-Professional-Hair-Cutting-Scissors-hair-scissors-set-PET-DOG-Cat-Grooming-Curved-Thinning-Shears-Straight-Trimmer-Shears-Kit/PRD68MJ4V5Y52AT</a>
Brushes	\$12.97	10	\$129.70	Amazon	<a href="https://www.amazon.ca/Hesiry-Shedding-Removes-Massage-Self-Cleaning/dp/B07SMPS7C9/ref=sr_1_2?keywords=pet+brushes&amp;qid=1575258568&amp;sr=8-2">https://www.amazon.ca/Hesiry-Shedding-Removes-Massage-Self-Cleaning/dp/B07SMPS7C9/ref=sr_1_2?keywords=pet+brushes&amp;qid=1575258568&amp;sr=8-2</a>
Dryers	\$31.75	6	\$190.50	walmart	<a href="https://www.walmart.ca/en/ip/Low-Noise-Pet-Hair-Dryer-Dog-Grooming-Hot-Cold-Blower-Hairdryer-Heater-6/PRD5CKKU9DJA10I">https://www.walmart.ca/en/ip/Low-Noise-Pet-Hair-Dryer-Dog-Grooming-Hot-Cold-Blower-Hairdryer-Heater-6/PRD5CKKU9DJA10I</a>
Nail clippers	\$10.39	6	\$62.34	walmart	<a href="https://www.walmart.ca/en/ip/Pet-nail-clippers-sickle-dog-Cat-nail-clippers-stainless-steel-nail-clipper-pet-care-manicure-set/PRD70IP3SJKZXU0">https://www.walmart.ca/en/ip/Pet-nail-clippers-sickle-dog-Cat-nail-clippers-stainless-steel-nail-clipper-pet-care-manicure-set/PRD70IP3SJKZXU0</a>
Ear cleaning products	\$13.48	6	\$80.88	walmart	<a href="https://www.walmart.ca/en/ip/PetNC-Natural-Care-Clean-Ear-Cleansing-Pads-for-All-Pets-90-Count/PRD7HO7VE4Q89S0">https://www.walmart.ca/en/ip/PetNC-Natural-Care-Clean-Ear-Cleansing-Pads-for-All-Pets-90-Count/PRD7HO7VE4Q89S0</a>
Bandanas	\$18.28	10	\$182.80	walmart	<a href="https://www.walmart.ca/en/ip/Mississippi-State-Pet-Collar-Bandana-Medium/5LC618B3H412">https://www.walmart.ca/en/ip/Mississippi-State-Pet-Collar-Bandana-Medium/5LC618B3H412</a>
Bows	\$10.87	10	\$108.70	walmart	<a href="https://www.walmart.ca/en/ip/HURRISE-Adjustable-Pink-Buckle-Pet-Snake-print-Collar-with-Bow-Knot-Tie-for-Party-Birthday-Decor-Pet-Bow-Tie-Pet-Collar-with-Bow-Knot/19P46DS2VSN3">https://www.walmart.ca/en/ip/HURRISE-Adjustable-Pink-Buckle-Pet-Snake-print-Collar-with-Bow-Knot-Tie-for-Party-Birthday-Decor-Pet-Bow-Tie-Pet-Collar-with-Bow-Knot/19P46DS2VSN3</a>
Washing machines	\$1094.99	1	\$1094.99	bestbuy	<a href="https://www.canadianappliance.ca/product/LG_WM3700HVA_Washers_LG_WM3700HVA.html">https://www.canadianappliance.ca/product/LG_WM3700HVA_Washers_LG_WM3700HVA.html</a>

Professional grooming tables	\$539.99	4	\$2159.96	wayfair	<a href="https://www.wayfair.ca/pet/pdp/loctek-hydraulic-heavy-duty-z-lift-pet-dog-grooming-table-lti10026.html">https://www.wayfair.ca/pet/pdp/loctek-hydraulic-heavy-duty-z-lift-pet-dog-grooming-table-lti10026.html</a>
Tubs	\$61.99	4	\$274.96	wayfair	<a href="https://www.wayfair.ca/Kopeks--Square-Portable-Grooming-Tub-WKPS108-L3421-K~KOPK1052.html?refid=GX185223812816-KOPK1052_35510851_35510852&amp;device=c&amp;ptid=569369510612&amp;targetid=pla-569369510612&amp;network=g&amp;ireid=65103346&amp;PiID%5B%5D=35510851&amp;PiID%5B%5D=35510852&amp;qclid=EAlaIqobChMI-6H1mI-W5qIVhK_sCh0zNg9WEAkYASABEgLQG_D_BwE">https://www.wayfair.ca/Kopeks--Square-Portable-Grooming-Tub-WKPS108-L3421-K~KOPK1052.html?refid=GX185223812816-KOPK1052_35510851_35510852&amp;device=c&amp;ptid=569369510612&amp;targetid=pla-569369510612&amp;network=g&amp;ireid=65103346&amp;PiID%5B%5D=35510851&amp;PiID%5B%5D=35510852&amp;qclid=EAlaIqobChMI-6H1mI-W5qIVhK_sCh0zNg9WEAkYASABEgLQG_D_BwE</a>
Cages	\$199.23	4	\$796.92	amazon	<a href="https://www.amazon.ca/Prevue-Pet-Products-F075-Hampton/dp/B00EQ28VZ4/ref=asc_df_B00EQ28VZ4/?tag=gooleshopc0c-20&amp;linkCode=df0&amp;hvadid=292928521134&amp;hvpos=1o1&amp;hvnetw=g&amp;hvrnd=14903239627333587016&amp;hvpone=&amp;hvptwo=&amp;hvgmt=&amp;hvdev=c&amp;hvdvcmidl=&amp;hvlocint=&amp;hvlocphy=9001383&amp;hvtargid=pla-318839417699&amp;psc=1">https://www.amazon.ca/Prevue-Pet-Products-F075-Hampton/dp/B00EQ28VZ4/ref=asc_df_B00EQ28VZ4/?tag=gooleshopc0c-20&amp;linkCode=df0&amp;hvadid=292928521134&amp;hvpos=1o1&amp;hvnetw=g&amp;hvrnd=14903239627333587016&amp;hvpone=&amp;hvptwo=&amp;hvgmt=&amp;hvdev=c&amp;hvdvcmidl=&amp;hvlocint=&amp;hvlocphy=9001383&amp;hvtargid=pla-318839417699&amp;psc=1</a>

b. Operating costs

	Single Price	Amount	Total price	Supplier	
Shampoos	\$30.78	5	\$153.90	walmart	<a href="https://www.walmart.ca/en/ip/TOP-PERFORMANCE-FRESH-PET-DOG-SHAMPOO/PRD7CMEC79OEUO9">https://www.walmart.ca/en/ip/TOP-PERFORMANCE-FRESH-PET-DOG-SHAMPOO/PRD7CMEC79OEUO9</a>
Salary expense	\$33,320	12	\$399,840/yr		
Utility expense	Included in rent				
Internet expense	Included in rent				
Storefront rent			\$119,420/yr	loopnet	<a href="https://www.loopnet.com/Listing/6031-Andrews-Way-SW-Edmonton-AB/17482353/">https://www.loopnet.com/Listing/6031-Andrews-Way-SW-Edmonton-AB/17482353/</a>
Conditioners	\$36.95	5	\$184.75	walmart	<a href="https://www.walmart.ca/en/ip/Pet-Silk-PS1620-Pet-">https://www.walmart.ca/en/ip/Pet-Silk-PS1620-Pet-</a>

					<a href="https://www.walmart.ca/en/ip/Silk-Brazilian-Keratin-Leave-In-Conditioner/PRD6ZSRCNBOT4IH">Silk-Brazilian-Keratin-Leave-In-Conditioner/PRD6ZSRCNBOT4IH</a>
Sprays	\$13.75	5	\$68.75	walmart	<a href="https://www.walmart.ca/en/ip/PetNC-Natural-Care-Hot-Spot-Spray-for-All-Pets-8-Ounce/PRD4WXI3PUCEXG">https://www.walmart.ca/en/ip/PetNC-Natural-Care-Hot-Spot-Spray-for-All-Pets-8-Ounce/PRD4WXI3PUCEXG</a>

Our office address:6031 Andrews Way SW

7,562 SF of Office/Retail Space Available in Edmonton, AB

[\(https://www.loopnet.com/Listing/6031-Andrews-Way-SW-Edmonton-AB/17482353/\)](https://www.loopnet.com/Listing/6031-Andrews-Way-SW-Edmonton-AB/17482353/)

c. Revenue

i. How many customers do you plan to have?

According to 2019 Edmonton Municipal Census(Neighbourhood), there are 3904 people who are aged 30-49 in windermere. And according to Canada's Pet Wellness Report, approximately 35% of Canadian households have a dog. Therefore, our estimate customers are  $3904 * 35\% = 1366$ .

Data from:

<https://www.canadianveterinarians.net/documents/canada-s-pet-wellness-report2011>

ii. How much money you plan to earn?

d. Profit

## 7. Action plan

<https://www.wikihow.com/Start-a-Pet-Shop>



a. Short-term goals:

b. Long-term goals:

i. Expansion

ii. New products and services

-Expand to new neighbourhoods

-Increase our brand awareness and name recognition(create a good reputation)

2020.1 (3 month pre-opening)	Get licences
	Get TD bank loan
	Make our website
	Find our supplier
	Rent a place
	Make decoration
2020.2 ( 2 month pre-opening)	Make advertisement
2020.3 (1 month pre-opening)	Job postings
	Employee training(15 days)
	Find our supplier
2020.4 (Opening date)	Weekly summary meeting (solve problems)
2020.9 (half year operation)	Make some adjustments

c. Market Share vs Profit (Which to maximize)

- Accept loss in the first year, we will break even after the first year of operation
- After 6 months, receive more than 95% positive feedback from customers
- After 1 year, achieve 30% of market share
- After 5 years, increase the profit by 50%
- After 5 years, open a new store.

- After 6 years, reduce variable costs from intermediaries by 10%
- After 6 years, achieve 70% of market share

We will provide a cost-effective and high-quality service and increase our brand awareness and name recognition(create a good reputation)

## 8. Risk Management

### 1. Financial Risk

Even when we thoroughly plan out financial tactics, there is still a potential risk that we may not earn a profit. In that case, we will focus on engaging our consumers by providing premium service to make them loyal to our store which can decrease the probability of suffering a loss.

Secondly, we will purchase insurance for instance, commercial insurance and property and liability insurance to prevent uncontrollable risks. When that happens we will have enough money to prevent our business from bankruptcy.

### 2. Operational Risk

Pets may fall sick or require immediate and emergency check-up while boarded. Due to the pets being exposed to an environment different from their home they may face some difficulties. Also their health may be affected due to sharing space with other pets. A protocol for emergency veterinary care if an animal suffers a medical emergency is established along with hiring a part-time vet in charge of ensuring the ongoing safety and betterment of our furry friends.

Moreover, as we pay a lot of attention on the experience of our staff as we know an experienced staff can offer a better care for our furry friends. It is very important to make sure our staff do not resign suddenly. To avoid this situation, we will sign a long term contract with our employees. The contract will renew one year before it expires, in this case if they want to quit, we will have a good chance to keep our experienced staff and have enough time to find new staff for that

position next year. In hiring process, we will also conduct a personality test to ensure the candidates have good attributes such as responsibility and honesty.

## RESEARCH

We want to provide services for dogs and cats. Target the niche of high income pet owners

As of 2013/2014:

1. Dog ownership was 31%, cat ownership was 34%
2. Most number of dogs and cats were owned by households with one or more kids - 45% dogs, 40% cats
3. 29% of households with income above 100000 own a dog, 22% own a cat
4. Most cats and dogs are owned by Canadians aged between 35-54- 30% dogs, 38% cats

Segments in the pet care industry:

1. Grooming
2. Boarding
3. Pet food
4. Pet supplies
5. Training
6. Veterian services
7. Pet sitting and walking
8. Pet spas
9. Health insurance
10. Pet adoption
11. Pet photography
12. Faithful Friends Pet Memorial Services (Private Cremation)

Usually large pet stores provide a wide combination of the above, but in some locations some of these stores only provide specific services.

High end services like luxury pet spas and hotels, pet behavioral consulting, pet portrait photography are trending.

<http://www.petproductnews.com/Blog/Why-Demand-for-High-End-Pet-Services-Is-Growing/>

2018: Even pet sitting and walking -

<https://blog.petplus.com/pet-plus-pups/pet-sitting-dog-walking-high-demand-days/#>

2019 Trends: consumers are more concerned about their pet health and tend to switch to healthier food options like organic pet food -

<https://www.groupon.com/merchant/blog/pet-industry-trends-2019>

Based on primary research who will we serve:

What will we provide them?

Sources we can use:

<https://www.statista.com/statistics/868649/purchase-channel-pet-food-canada/>

<https://www.ic.gc.ca/app/scr/app/cis/summary-sommaire/45391>

Business license website

<https://www.edmonton.ca/documents/Bylaws/C13138.pdf>

**SEARCH ON SUPPLIERS AND HOW MUCH IT WILL COST**

## Primary research

First round

hello I have a dog and a cat.

I want to ask about boarding and training services.

do you provide these services?

By the way if I want to board my pet for one week

how will you treat my pet and how much do I need to pay?

I just move here, so I want to get to know these so I don't need to worry much about my pet if I am away.

thank you so much

We sent invitation emails to 55 directors of different daycare businesses in Edmonton to ask for their consent to participate in our research. The final result is 9 acceptances, 1 refusal, and 49 have non-responsive – achieve a response rate of 18.2%

## Second round

**(hey guys you may have a look of this website, they basically have everything we need for our plan)**

**[http://www.annualreports.com/HostedData/AnnualReportArchive/p/NASDAQ\\_PETM\\_2009.pdf](http://www.annualreports.com/HostedData/AnnualReportArchive/p/NASDAQ_PETM_2009.pdf)**

Competitor

<https://clients1.ibisworld.com/reports/us/industry/default.aspx?entid=1103>

Check on competitors in Canada and then talk about them at edmonton level

The competition in pet exercising and boarding industry in Canada is low with a steady trend.

<https://clients1.ibisworld.com/reports/ca/industry/default.aspx?entid=1735>

According to IBIS world there is no major player in this industry,

The location is also essential in deciding the advantage of a player in this industry. The location should be convenient for the pet owners to drop off and pick up their pets after work.

-Competitor in Windermere:

1) PETVALU: Windermere location provides frozen raw (raw-based diet for pets), and dog wash  
[https://petvalu.com/frozen-raw/?location=10298%2087%20St%20NW,%20Edmonton,%20AB%20T5H%201N6,%20Canada&radius=10&filter\[\]=30534](https://petvalu.com/frozen-raw/?location=10298%2087%20St%20NW,%20Edmonton,%20AB%20T5H%201N6,%20Canada&radius=10&filter[]=30534)

Location: [Windermere Crossing](#)

**Address:** 1141 Windermere Way SW, Edmonton, AB T6W 2P3

2) Pet Planet Currents of Windermere: sells pet food <http://www.petplanethealth.com/products/>

Location: [Currents of Windermere](#)

**Address:** 5148 Windermere Blvd, Edmonton, AB T6W 0L9

3) Tail blazers: wide range of pet food and pet products available  
<http://www.tailblazerswindermere.ca/about.html>

Location: Windermere Plaza, 320 Windermere Rd NW, Edmonton, AB T6W 2Z8

4) Pet land: parties, pet food and products like feeder bowls, accessories, and grooming products. Services: pet school <https://www.petland.ca/pages/dog-products>

Location: [Currents of Windermere](#)

**Address:** 6268-6004 Currents Dr NW, Edmonton, AB T6W 0L8

5) oh my dog spa and grooming- grooming, bath and dry, bath and tidy, <https://www.ohmydogspa.ca/prices>

EXISTING COMPETITORS:

PetSmart shares

### MAJOR COMPETITORS IN THE PET CARE INDUSTRY IN EDMONTON

1. PetSmart - grooming, food, petshotel, doggie day camp(event), training, adoption.  
<https://services.petsmart.ca/>  
-Market share : 27.6 %.  
<https://clients1.ibisworld.com/reports/us/industry/majorcompanies.aspx?entid=1103#MP9207>
2. Pet Valu - grooming, dog wash, food <https://petvalu.com/services/>
3. Tails and Blazers - food, pet toys and pet food, grooming,dental/clinic treatment(health), identification. <https://www.tailblazerspets.com/products-dog-supplements.php>
4. Petland - day care, pet food, training, health care.  
<https://www.petland.ca/pages/parties-presentation-services>
5. Costco - pet food, accessories (pet bed) <https://www.costco.ca/pet-supplies.html>
6. Dollarama- pet food <https://www.dollarama.com/en-CA/department/pets>

#	Competitors	Pet Grooming	Pet Exercising & Training	Pet Food	Pet Health	Pet Hotel	Pet Event	Market Share
1	PetSmart	✓	✓	✓	✓	✓	✓	27.60%
2	Pet Valu	✓		✓				
3	Tails and Blazers	✓		✓	✓			
4	Petland	✓	✓	✓	✓			
5	Costco			✓				
6	Dollarama			✓				

Pet valu: 15.7%

<https://www.thebalancecareers.com/starting-a-business-pet-shops-101-2660710>

a.Management summary - departments, employees what roles they perform

## The licence we need

[https://services.bizpal-perle.ca/results/?b=48&j=Edmonton%2C+Alberta&sgc=4811061&s=Pet+care+%28except+veterinary%29+services&naics=812910&a\[\]=26576&a\[\]=26565&a\[\]=26577&a\[\]=26584&mode=steps&p=87024%7C42479%7C47460](https://services.bizpal-perle.ca/results/?b=48&j=Edmonton%2C+Alberta&sgc=4811061&s=Pet+care+%28except+veterinary%29+services&naics=812910&a[]=26576&a[]=26565&a[]=26577&a[]=26584&mode=steps&p=87024%7C42479%7C47460)

Licence fee <https://www.edmonton.ca/documents/Bylaws/C13138.pdf>

Small Animal Breeding / Boarding Establishment \$487 • Fire Rescue Services

Take about 1-3weeks

Municipal Permits---Business Licence, Building Permits

Provincial or Territorial Permit----Business Name Registration

Federal Permits---Federal Business Registration

Licence fee <https://www.edmonton.ca/documents/Bylaws/C13138.pdf> sch

Business Corporations are incorporated in Alberta, according to the provisions of the Alberta Business Corporation Act with the Alberta Corporations Division.

<https://companyformations.ca/alberta-incorporation/>

### • REGULATIONS:

Our corporation adheres to the “Five Freedoms of Animal Welfare” which are as follows:

- Freedom from hunger and thirst
  - Freedom from discomfort
  - Freedom from pain, injury, or disease
  - Freedom to express normal behaviours
  - Freedom from fear and distress
- ❖ We also ensure the temperatures of our kennels optimize dog comfort. We aim to achieve this by hiring experienced and knowledgeable personnel aware of the requirements of the appropriate temperatures these different breeds should be provided with. Many breeds of dogs tolerate a range of ambient temperatures as long as they are dry, away from harmful drafts, have adequate bedding material, and have had time to adjust to the temperature.
  - ❖ Our corporation has also taken into consideration other factors required to enhance the experience of our furry friends. We have therefore ensured our facilities contain the right amount of humidity (between 35-50%), light. Our facilities are also built with sound proofing materials such as slow closing doors, quiet ventilation, to prevent noise transmission.
  - ❖ We also ensure females in heat are not housed with non-neutered males, dogs exhibiting interdog aggression are not housed with incompatible dogs, puppies younger than 10 weeks old are housed in an enclosure with their dam separate from other dogs, along with other safety measures.



- ❖ **Our kennels also taken into consideration the minimum primary enclosure space requirements as specified by the “Canadian Veterinary Medical Association”;**
  
- ❖ **Our corporation puts the safety of our pets first, therefore we ensure our facilities are sanitized regularly to minimize the risk of disease transfer. We aim to achieve this by;**
  - a. **Allocating personnel for routine cleaning of at least 10 minutes per dog.**
  - b. **Clean feeding bowls after each feeding.**
  - c. **Use stainless steel utensils, food dishes, and water dishes over other materials such as plastics as they are most easily cleaned and disinfected, and are more durable.**
  - d. **Wash hands frequently with soap and water after handling animals or equipment.**