



24-HOURS CONVENIENCE STORE

by

CHONG SHAO

AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT
OF THE REQUIREMENT FOR THE DEGREE OF MASTER OF
BUSINESS ADMINISTRATION (INTERNATIONAL PROGRAM)

SOUTHEAST ASIA UNIVERSITY

ACADEMIC YEAR 2022

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Abstract

Guangzhou 24 times Convenience Store Trade Development Co., Ltd. in the current and future development process, will be based on the "commodity retail + network sales + innovative services + value-added paid services" business ideas to achieve the company's profitability and create social value and brand appeal. In addition, based on financial and feasibility analysis, the company's initial investment is 1.5 million yuan, and the average annual profit is about 200,000 yuan. In the five-year period from 2022 to 2026, its internal rate of return will be 22%, its cumulative net present value will be 329,900 yuan, and its return on investment will be 140.59%. The 24 Hours convenience store project conforms to the general trend of industry development, conforms to China's current basic national conditions and receives national policy support. Have stable and substantial returns in terms of investment returns.

Keywords: 24 times, policy support, innovative services

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Chong Shao

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Section I

Executive Summary

At present, China's convenience store market has the strong support of national policies, is still in the outlet of development, although housing rental, labor prices are rising, but also affected by the new crown pneumonia epidemic, enterprises are facing great pressure to survive, but the number of single-store service people in China's convenience store market is far lower than the level of developed countries. Therefore, China's convenience store industry still has a lot of room for development. China's convenience store enterprises should respond to the national localization strategy, vigorously develop domestic convenience store brands, extend the services of convenience stores, meet the daily needs of community residents, base themselves on first tier and second-tier cities, radiate surrounding cities, and look at the national urban convenience store market. This paper takes the 24 Hours convenience store project as the research object, through the SWOT strategic analysis and macro environment analysis of the project, the application of targeted marketing strategy and marketing strategy, the formulation of the marketing and competition plan of the 24 Hours convenience store project, and then through the financial analysis and risk analysis of the project, further study the feasibility of the 24 Hours convenience store project.

1.Create a 24 Hour convenience store brand through OMO online and offline integration, redefine "people, goods, field", change the traditional marketing model of convenience stores, create a new retail brand in the community, create a 24 Hours convenience store, and improve the operation quality of convenience stores. Mainly by giving portraits to core customers, to meet the needs of major consumer groups, to provide convenient services for them, to create a high quality of life.2.Community network one-stop convenience service, to meet the driving requirements of the circular economy in the community Through the establishment of a one-stop convenience service center for the community network, it is committed to becoming the people's life service information platform, resident

demand response station, community convenient shopping site, customer intelligent experience store, and to serve the people as the purpose and foothold, advocate employees to serve the people wholeheartedly, solve the problem of convenience needs in everyone's life, and build convenience stores into a bridgehead for retail formats.³The new retail layout "100 cities and 100 homes" national convenience store market omni-channel retail has brought important ideological changes to the global convenience store industry. According to Baidu's definition, the so-called "omni-channel retail" definition means that to meet the purchase needs of consumers at any time, any place and in any way, enterprises adopt the integration of physical channels, online e-commerce channels and mobile e-commerce channels to sell goods or services and provide customers with an undifferentiated purchase experience. Optimize new retail channels, increase customer acquisition area through online convenience stores, and provide more perfect services for community consumers. Establish a chain convenience store business model and create a national convenience store market with the long-term goal of "100 cities, 100 households, a better life".

In the current and future development process, the company will be based on the "commodity retail + network sales + innovative services + value-added paid services" business ideas to achieve the company's profitability and create social value and brand appeal. In addition, based on financial and feasibility analysis, it was concluded that the initial investment of 24 Hours Convenience Store Trade Development Co., Ltd. was 1.5 million yuan, and the average annual profit was about 200,000 yuan. In the five-year period from 2022 to 2026, its internal rate of return is 22%, its cumulative net present value is 329,900 yuan, and its return on investment is 140.5

Section 2

Company Introduction

2.1 Company History

24 Hours Convenience Store Trade Development Co., Ltd. was approved by Guangzhou Municipal Bureau of Industry and Commerce and was registered in Guangzhou on January 1, 2022, with a registered capital of RMB 500,000.

Investment capital of 1.5 million, the company's single store staffing of 5 people, business scope: single-purpose commercial prepaid card agent sales; General cargo warehousing services (excluding hazardous chemicals and other items subject to licensing approval); Sales of Class II medical devices; Management; Wholesale of edible agricultural products; Advertising production; Sale of daily necessities; Wholesale of kitchenware and sanitary ware and daily necessities; Sales of daily necessities; Retail sale of cosmetics; Sale of personal hygiene products; Retail sale of fresh fruits; Retail sale of fresh vegetables; Toy sales; Retail sale of sporting goods and equipment; Retail sale of stationery supplies; Retail sale of medical masks; Fresh egg retail; Sales of office supplies; Internet sales (except for the sale of goods requiring a license); Information consulting services (excluding licensing information consulting services); Advertising; Non-residential real estate leasing; Health food (pre-packaged) sales; Food internet sales (sale of pre-packaged food only); Lighting appliances sales; Sales of electronic products; Leasing of machinery and equipment; Disinfectant sales (excluding hazardous chemicals); Retail sale of fresh meat; Retail sale of aquatic products; Network and information security software development; Hardware products wholesale; Retail sale of hardware products; Sale of gifts and flowers; Sale of knitted textiles; Sales of communication equipment; Wholesale of computer hardware and software and auxiliary equipment; Retail sale of computer hardware and software and auxiliary equipment; Sales of Class I medical devices; Retail sale of edible agricultural products; Advertising design, agency; Wholesale of fresh fruits; Wholesale of fresh vegetables; Wholesale of sporting goods and equipment; Stationery supplies wholesale; Daily life services for

residents; Ticketing agency services; Typing and copying; Counter and stall rental; Sales of infant formula milk powder and other infant formula foods; Import and export of goods (except for projects that require approval according to law, carry out business activities independently according to law with business licenses). Permitted items: food sales; Small food and miscellaneous; Publication retailing; Internet sales of publications; Wholesale of publications; Food & Beverage Services; Wholesale of pharmaceuticals; Drug retail sales (projects that require approval in accordance with the law can only carry out business activities after approval by the relevant departments, and the specific business projects are subject to the approval documents or permits of the relevant departments).

Company Trademark:



2.2 Mission statement

Create customer satisfaction and create opportunities for employees

Create profits for shareholders and create wealth for society

2.3 Products and Services

In addition to taking the business route of dislocation and complementary operation with competitors, the company's existing or future stores should also maintain the basic commodity varieties and structures like those of competitors. The proportion of the company's existing or future store operation of commodity varieties and structure:

A. Food accounts for 50% (of which: food accounts for 35%; fresh food accounted for 15%);

B. Daily cosmetics 20%;

C.20% of daily necessities.

D.Other 10%.

2.4 The Current Situation

In the current and future development process, the company will be based on the "commodity retail + network sales + innovative services + value-added paid services" business ideas to achieve the company's profitability and create social value and brand appeal.

2.5 Legal Status and Ownership

The company is established in accordance with the Company Law of the People's Republic of China, the Regulations of the People's Republic of China on the Administration of Company Registration, the Law of the People's Republic of China on Sole Proprietorships, etc., and the submitted materials are true and valid. We take responsibility for authenticity. Legal representative: XXX, 100% shareholding.

2.6 The Business Name

24 Hours convenience store.

2.7 Enterprise Naming Considerations

The name of the convenience store means that the 24 Hours convenience store is open all the time, 24 hours, and can bring the most convenient and in-place service to customers. Comply with the relevant management provisions of the Company Law of the People's Republic of China on company names.

2.8 Legal Issues

The specific procedures are as follows:

- 1."Operating License", the handling unit is in the local municipal or district industrial and commercial office (bureau);
- 2."Food Business License", the handling unit is in the local municipal or district food and drug administration;
- 3."Tobacco Monopoly License", the handling unit is in the tobacco department;
- 4."Tax Registration Certificate", the processing unit is in the tax hall of the local area.

The original and a copy of the ID card, the site certificate of the store (a copy of the real estate certificate or land certificate), the original and copy of the lease contract, a photo of the certificate, the original and copy of the Food Circulation Permit, and go to the local tax and national tax department to apply for the "Tax Registration Certificate" within 30 days of getting the business license.

Legal basis: Law of the People's Republic of China on Sole Proprietorships

Article 8 The establishment of a sole proprietorship enterprise shall meet the following conditions:

- (1).The investor is a natural person;
- (2).Have a legal business name;
- (3).Capital contributions declared by investors;
- (4).Have a fixed production and operation site and the necessary production and operation conditions;
- (5).Have the necessary practitioners.

Article 9 When applying for the establishment of a sole proprietorship, the investor or his entrusted agent shall submit to the registration organ where the sole proprietorship enterprise is located, such documents as the application for establishment, the investor's identity certificate, and the proof of use of the production and business premises. When entrusting an agent to apply for establishment and registration, it shall issue a power of attorney from the investor and a legal certificate of the agent.

Sole proprietorships shall not engage in business prohibited by laws and administrative regulations; Those engaged in business that laws or administrative regulations provide must be reported to the relevant departments for examination and approval, and the approval documents of the relevant departments shall be submitted when applying for establishment and registration.

Article 10 The application for the establishment of a sole proprietorship enterprise shall indicate the following matters:

- (1).The name and domicile of the business;
- (2).the investor's name and residence;
- (3).The amount of capital contributed by the investor and the method of

capital contribution;

(4).Business Scope.

Article 11 The name of a sole proprietorship enterprise shall be consistent with the form of its liability and the business it is engaged in.

Article 12: Within 15 days of receiving the application documents for establishment, the registration organs shall register and issue business licenses to those who meet the requirements provided for in this Law; Where the requirements provided for in this Law are not met, registration shall not be made, and a written reply shall be given explaining the reasons.

Article 13 The date of issuance of the business license of a sole proprietorship enterprise shall be the date of establishment of the sole proprietorship.

Before obtaining a business license for a sole proprietorship, the investor shall not engage in business activities in the name of the sole proprietorship.

Article 14 When a sole proprietorship enterprise establishes a branch office, the investor or the agent entrusted by it shall apply for registration to the registration organ where the branch is located and obtain a business license.

After the branch office is approved for registration, it shall report the registration to the registration authority of the sole proprietorship enterprise to which the branch office belongs.

The civil liability of a branch is borne by the sole proprietorship of the branch established by the branch.

Article 15 Where there is a change in the registered matters of a sole proprietorship enterprise during its existence, it shall apply to the registration organ for registration of the change within 15 days of the date on which the decision on the change is made.

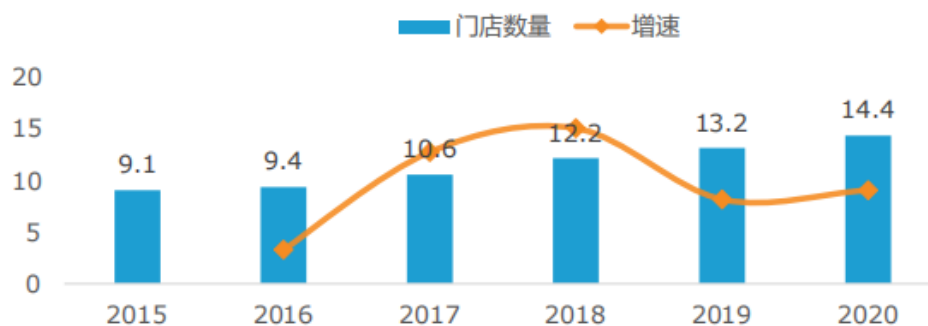
Section 3

Industry Analysis

3.1 Industry Size, Growth Rate and Sales Forecasts

1. Providing convenience and instant service is the business function of convenience stores, which is an industry that relies on brand, technology, capital and scale to win. The reason why the competition of convenience stores has not really begun, mainly because the current competition of convenience stores in China is not international, once China's retail market is fully opened, convenience stores will be greatly impacted. Stores may only be a temporary advantage, but if the existing stores lack competitiveness and there is a large gap with new competitors, then more stores will become a burden, and it will pay a heavy price for the transformation of bad stores, and it is not conducive to creating a good service image. This is a practical problem that will inevitably be faced by domestic chain companies that lack both strong capital strength and convenience store operation technology. Therefore, the domestic convenience store chain is facing a dilemma: not speeding up for fear of losing the market; Accelerating development also has the problem of technological lag. Most companies have chosen the former, while also accelerating the construction of technology and management systems, ready to meet new competitors.

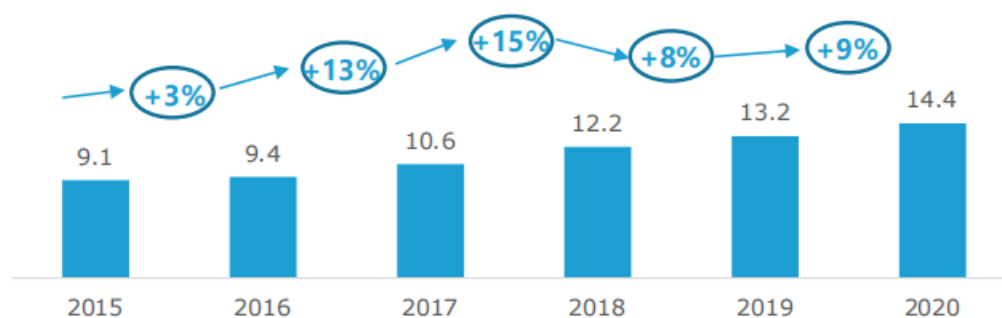
Convenience stores in China grew continuously from 2015 to 2020



2. In most areas, convenience stores and supermarkets only have differences in area size and variety, and there is no obvious functional difference. This is closely related to the low level of living and awareness of consumers, the insufficient target

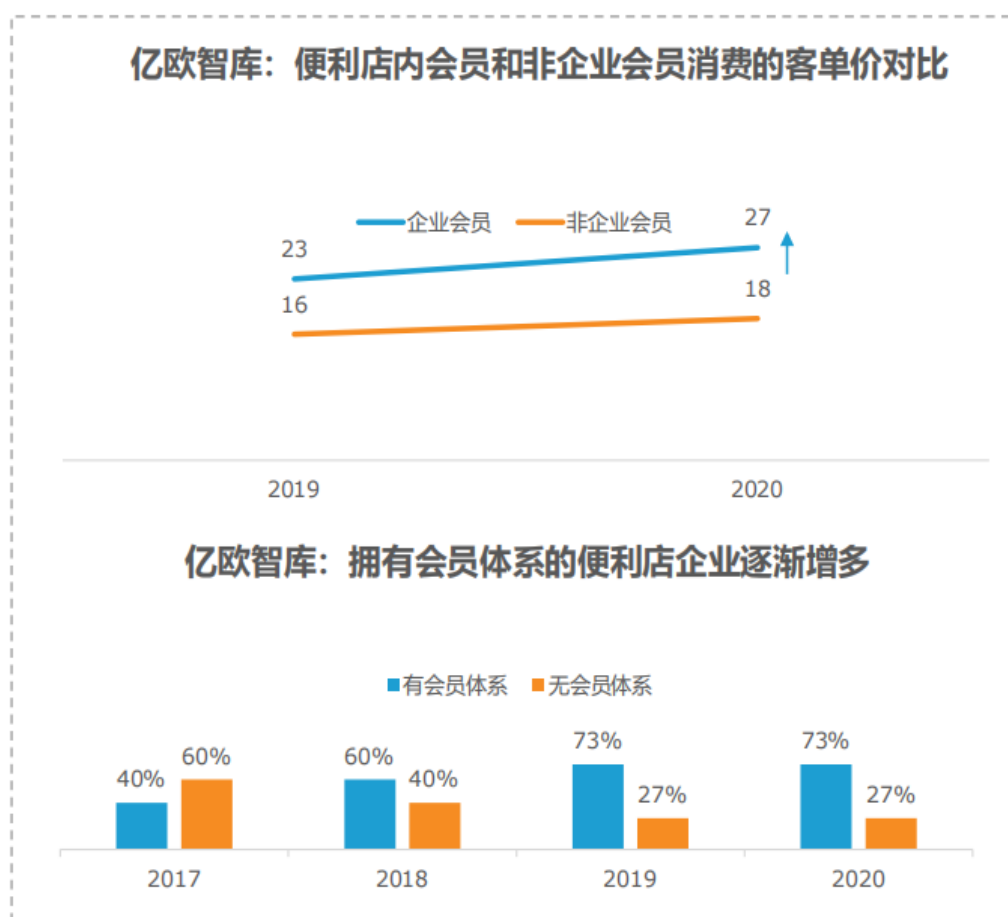
customers of convenience stores, and the lack of convenience store operation technology and unclear business positioning. In some places, small shops of less than 10 square meters and without even a freezer have been remodeled with convenience store signs, thinking that as long as they can provide convenience in some aspects, they can be called convenience stores. Some companies do not have a clear strategic goal of opening convenience stores, but blindly compare the number of stores, thinking that the scale of operation is the key, and the quality of operation can be gradually improved. The development process of foreign convenience stores tells us that convenience stores need more refined service and management than supermarkets, if the service lacks humanization and management cannot be refined, then the larger the scale, the more likely it is to fail. The purpose of some companies expanding their scale is mainly to sell the network and do a "do the company, sell the company" business. In fact, a network without quality not only has no corporate value, but also a debt and burden, so it cannot sell at a good price. Others have used the opening of convenience stores as a way to house people or as a window to sell their own products, and the results have also proved to be failures.

亿欧智库：2015-2020 年全国品牌连锁便利店门店数量（万家）



3. Areas with better development of convenience stores, such as Shanghai and Guangzhou, have overseas famous companies entering, and everyone basically develops with reference to 7-11 or Lawson's style. Therefore, the industry insiders in Shanghai frankly said: without Lawson's entry, Shanghai's convenience stores could not have today's level of development. In Shanghai, industry insiders have admitted that Hualian Lawson's management level is the highest, and the store's operating performance is also the best. So, in the beginning, everyone will learn from Rosen.

Since then, new competitors have continued to join the industry, and new faces have continued to emerge, and they have begun to enter the stage of mutual learning. For example, automatic doors and doorbells from Hilsilok, spacious and multi-functional service desks and self-service areas from Haode, and floor-to-ceiling display stands from Watsons are all highlights of mutual learning. The Shanghai Chain Store and Franchise Association has also set up a convenience store committee, which learns and communicates once a month, and the communication atmosphere is far warmer and more frank than that of the counterparts of the supermarket chain.



4. In Shanghai, convenience stores do not have a monopoly, and there are often several convenience stores competing at a single intersection. In response to this situation, the convenience store committee under the Shanghai Chain Commerce Association is planning to establish a rule for industry exhibition stores, requiring companies to promise not to open stores repeatedly within 100 meters.

The result of the solicitation of opinions is: the companies started in previous years are more active and willing to commit; But companies that have been running in the past year or two are reluctant to do so, arguing that such an agreement is unfair to new companies and not conducive to competition. The original company believes that they have experienced a long period of exploration in the early stage of developing convenience stores, invested a lot of financial resources, suffered huge losses, and now they are finally about to survive, but they are facing vicious disorderly competition; The market is also unfair to them. I am afraid that it is difficult to determine the result for a while. In fact, no one wants to compete viciously, and it is not to see the shop open, but to find a better shop or a particularly concentrated flow of people, when a store cannot fully meet the demand, it will decide to open a face-to-face or store-to-store store. There are three kinds of results of opening a store in this way: First, sales decline, if it is a franchise store, it may lead to the termination of the franchise contract; The second is to force one of the less efficient stores to close their doors; The third is to improve and develop together. China's convenience stores are still very immature, the need is not protection but competition, only through competition, in order to strengthen the body, it is possible to establish 2-3 national brands, otherwise they will fail. Face-to-face competition may waste some resources, but the social effects of competition are far greater than the waste that competition may cause.

5.The development area of convenience stores varies greatly from country to country, such as the United States has convenience stores at gas stations, while in Japan it is concentrated in business districts. China's convenience stores were first developed in the city center and are concentrated in several densely populated and large passenger flow centers. Schools, hospitals, business districts, bus stops, and commercial streets became the preferred exhibition locations. These locations have limited paving and relatively high rents. Later, the exhibition shop gradually developed to the periphery, even including the suburbs. Residential areas with inconvenient shopping have become an important location for the development of convenience stores. Practice shows that the input-output ratio of convenience stores opened in residential areas is not worse than that of the downtown area, and

the business is relatively stable. However, convenience stores opened in residential areas are vulnerable to supermarkets, and their future development prospects are difficult to predict. But one thing is certain: residential areas have potential demand, but if they are too large and the cost is too high, and there is no more convenient and diverse service than supermarkets, once the supermarket enters the community, convenience stores are difficult to maintain.

6.The development model of convenience stores can also be innovative. Although it is not a convenience store in the modern sense, it is a cultural symbol of Shanghai and the most humane, neighborhood-oriented and service-oriented store in Shanghai business. The integration and improvement of such stores may form a new industry and a new convenience store model. Shanghai's supermarkets and hypermarkets have not crushed the "tobacco and miscellaneous shops", and the author believes that convenience stores cannot squeeze out the "tobacco and miscellaneous stores" in a short period of time, on the contrary, it may become a new family in the ranks of convenience stores. When convenience stores in Shanghai blossom everywhere, we should learn from the international modern convenience store business model and experience, but we can completely create one or more new models, because China's culture is long, the territory is vast, the economic situation is complex, and the model we create is completely marketable. This is also a kind of misplaced competition. Of course, if you can hang on to the international brand to operate according to international rules, it is also an effective development path, just like the development of Taiwan Unification Group 7-11.

7.Some large companies have entered a period of cross-regional development, but the performance of development outside the city is generally not satisfactory. In fact, the development of convenience stores not only depends on GDP, living standards and lifestyles, but also closely related to climatic conditions, the harsher the latitude of Vietnam and the climatic conditions, the more difficult it is to develop convenience stores generally. The first development of convenience stores in Chinese mainland in Shanghai and Guangdong is related to the objective conditions of the above three aspects.

8.The gross profit margin of convenience stores in China is generally about

20%, due to the intensification of competition in convenience stores and the increase in the number of convenience stores opened in residential areas, the gross profit margin even shows a downward trend, which reflects the existence of many bad situations in convenience stores in China. This shows that the competition of convenience stores still lacks means, the development is not very mature, and even a bit similar to small supermarkets, and the business characteristics are not significant. Lowering commodity prices is not an ability for convenience stores to achieve. The average gross profit margin of food products in Japan's 7-11 is 47%, and the average gross profit margin of Taiwan's 7-11 is 30%. After the real strength and expansion of convenience stores, the gross profit margin should rise, at least can reach more than 25%.

9.China's convenience stores will have a dual attribute for a long time, that is, to meet the daily necessities of residents and to meet the immediate needs of the combination. Therefore, convenience stores may exist as a supplementary format for supermarkets for a long period of time. However, when large supermarket chains see convenience stores as a new format to develop, they need to make a clear division between convenience stores and supermarkets, and it is not advisable to use the experience of supermarkets too much to develop convenience stores, and even lead convenience stores astray. If convenience stores can be combined with e-commerce and coupled with powerful and convenient delivery services, telephone orders, online orders, designated locations, and shopping methods for customers to pick up their own goods at the store may have good prospects for development. In addition, before the vicious competition is over and the management technology is not yet mature, the premature introduction of franchisees is unfair to franchisees, who are vulnerable to fatal blows, thereby terminating the franchise relationship and casting a shadow over franchises that are not very mature.

3.2 Industry Characteristics

Industry Structure:

According to statistics, the sales of fresh and semi-finished products in the representative enterprises of domestic convenience stores account for an average of 15%, which is lower than 3040% in Japan; Among them, up to 45% of domestic

convenience stores live and semi-finished products sales accounted for $\leq 10\%$. The number of private brand SKUs of convenience store companies accounts for an average of only 8%, of which 63% of corporate SKUs account for less than 10%, and another 16% of convenience store companies do not operate private brands, while the sales of Japanese convenience store private brands account for 40-50%. In the future, domestic convenience stores are expected to increase profitability and increase customer stickiness by increasing the proportion of fast food and their own products.

Nature of Participants:

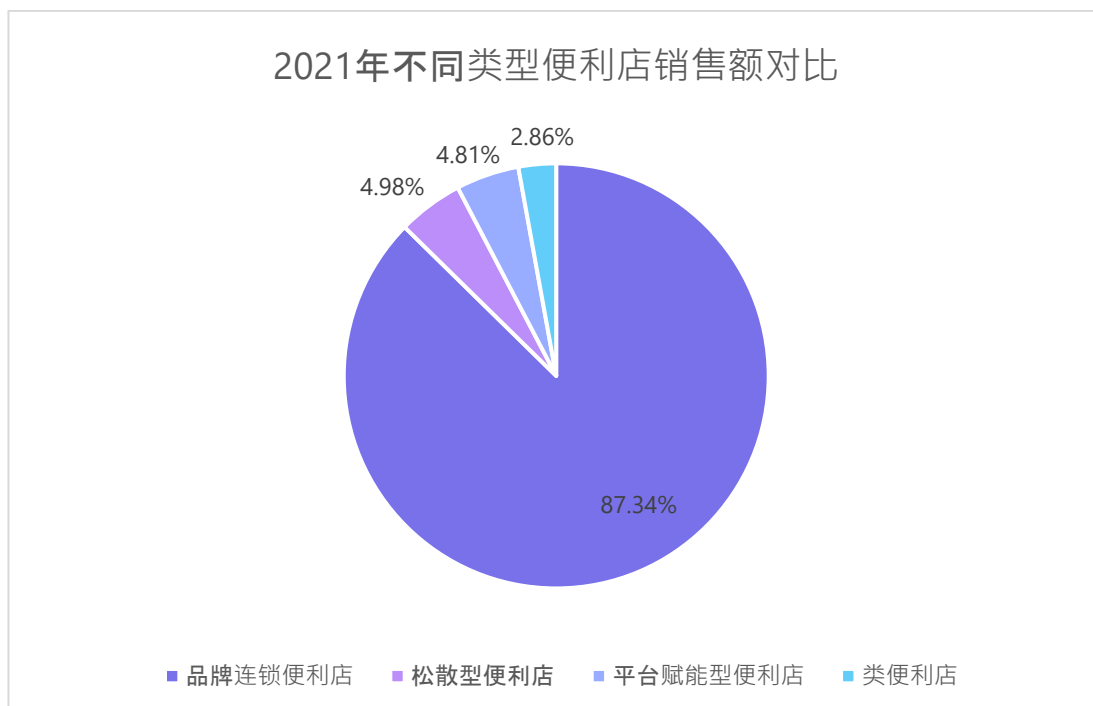
Convenience stores have entered the competition period when Chinese consumers have just accepted the concept but have not yet encountered a real opponent. Objectively speaking, the immediate demand is insufficient, the concept of convenience stores has not yet penetrated the hearts of the people, many consumers regard convenience stores as "small supermarkets", everyone learns from each other but does not form core technologies, the new products developed by themselves are relatively few and lack characteristics, the commodity portfolio lacks pertinence, the rental cost is getting higher and higher, and the human resources are seriously insufficient.

Ratio:

Convenience stores, also known as CVS in China, Japan and other regions, originated in the United States, usually refer to smaller but diverse types of goods, selling materials or food related to people's livelihood, including affiliated stores, usually located in a more convenient place. The data shows that in 2021, the national convenience store sales will be 349.2 billion yuan, and the average annual compound growth rate from 2017 to 2021 will reach 16.36%, and the overall development of the convenience store industry will be good. The China Commercial Industry Research Institute predicts that the sales of Chinese brand chain convenience stores will exceed 400 billion yuan in 2022.



According to the type, China's convenience stores can be divided into brand chain convenience stores, loose convenience stores, platform-enabled convenience stores, and quasi-convenience stores, with sales of 305 billion yuan, 17.4 billion yuan, 16.8 billion yuan and 10 billion yuan in 2021, accounting for 87.34%, 4.98%, 4.81% and 2.86% respectively. Among them, the brand chain convenience store is 305 billion yuan, with a growth rate of 12.3%, and the overall development of the convenience store industry is good.



Key Success Factors:

1.Support of parent companies and sister companies with capital strength;

2. Have the input of overseas capital market;
3. Government network support with municipal and regional characteristics;
4. Have a perfect retail management system;
5. Management team with advantages;
6. Have the ideas and projects of differentiated management.

3.3 Industry Trends

The Convenience Store (CVS), abbreviated as a convenience store, originated in the United States, and was founded by the Southland Ice Company in 1927. At that time, the founder of Southland Ice, "Uncle Johnny", Jefferson Green, realized that when grocery stores closed after work, consumers still needed foods like bread, milk, eggs and so on, and decided to stock up on some of these foods, and his store was already open 16 hours a day, 7 days a week. Joseph C. Thompson, another founder of the convenience store and later a director of Southland Corporation, thought Uncle Johnny had a good idea and had the potential to sell the products at other Sunland stores. Later, these stores were open from 7:00 a.m. to 11:00 p.m., becoming the prototype of convenience stores that work 16 hours a day, seven days a week. In 1948, the store was officially named 7-Eleven, and there were 47 stores, and in 1964 it began franchise (FC) operations. From 1927 to 1946, it was the initial period of convenience stores in the United States, and from the late 1960s to the late 1980s, it was a period of rapid development. Affected by the economies of the United States, Japan and other countries, the global retail industry has formed a variety of formats, from the perspective of market share, it is arranged as follows: supermarkets, specialty stores, department stores, hypermarkets, cheap stores, pharmacies, mail orders, convenience stores, DIY (do it yourself), warehouse-style shopping centers. From this point of view, the development of the global retail industry has entered a mature stage, the sales of convenience stores in the overall international retail industry accounted for a rapid increase, according to the specific company size convenience store category division is more and more fine, convenience store market is more perfect, combined with its superior service conditions, will have good market development potential.

3.4 Long-Term Outlook

The main formats of the traditional retail industry are supermarkets, convenience stores, shopper centers, etc., and convenience stores are one of the more promising formats. According to CCFA related survey statistics, although the prosperity index of convenience stores in 2020 is 50% higher than the boom-bust line, the score is only 62.87 points, lower than the 67.08 points in 2019, which is mainly due to the new crown pneumonia epidemic. The index of the convenience store industry in terms of enterprise development, business environment, market competition, and talent reserve is also 50% higher than the boom-bust line. On November 11, 2016, the General Office of the State Council issued the "Opinions on Promoting the Innovation and Transformation of Physical Retail" (Guo Ban Fa [2016] No. 78), the "Opinions" clearly promote the development of China's retail industry, the need is innovation and transformation, the retail industry usually defines "new retail" as "enterprises rely on the Internet, through the comprehensive use of artificial intelligence, big data and other advanced technical means, the production, circulation and sales process of products and services to upgrade and transform. In turn, it reshapes the retail format structure and service ecosystem, and at the same time, it is the deep integration of online services, offline experience and modern logistics of goods, which is a new model of retail. At present, China's convenience stores have not developed enough in this "new retail" model, and since the outbreak of the new crown pneumonia epidemic, China's convenience stores are developing rapidly in the direction of OMO, contactless and community convenience services. At the same time, the attitude of convenience store enterprises to capital should be combined with the actual development and needs of the enterprise to make a more rational judgment.

On May 10, 2020, the National Chain Operation Standardization Technical Committee issued the "Letter on Soliciting Opinions on the Classification of Convenience Stores (Draft for Solicitation of Comments)" and "Specifications for Service Categories and Operations of Convenience Stores (Draft for Solicitation of Comments)" (Zhonglian Biao Committee Letter [2020] No. 47), which formulated standards for the classification, service categories, retail content, fresh food management, inventory loss and other aspects of convenience stores in detail in

the two industry standards for the consultation draft, At the same time, this will also play a very targeted guiding role in the business content, service scope and structure of convenience stores to be built in China in the future.

China's "new retail" industry is developing rapidly, the digitization of convenience stores is already the general trend, and the accurate sales forecasting system, automatic replenishment system and intelligent dynamic promotion system of goods should be developed based on big data and intelligent algorithms, so that all operational decisions are based on the detailed analysis of relevant data. Especially in the selection of efficient manufacturers of the supply model, which will reduce the intermediate links of enterprise inventory, directly reduce the cost of opening a store. In the increasingly standardized industrial environment, with the formulation of industry standards, the standardization level of community convenience stores will become higher and higher, and the degree of digitalization of convenience stores will also be higher and higher with the development of network society.

Section 4

Market Analysis

4.1 Market Segmentation and Target Market Selection

1. Market development positioning

According to the company's strategic planning and direction for market development, it mainly opens stores in the domestic primary market within 1-2 years, and stores in the domestic secondary and tertiary markets within 3-5 years.

2. Network location

To better reduce the company's current and future property losses and create the ability to continue to make profits, we will define the requirements and locations of the network distribution and selection of current and future stores as follows:

(1). The business district sets the classification

①. A business district based on hiking

Pedestrian-oriented business districts, such as commercial areas and residential areas, are centered on shops with a radius of about 500 meters, which is mainly fast and convenient to walk.

②. A business district with vehicle circulation lines as the main body

For example, near intersections and suburban trunk roads, most of these business districts are set up in the suburbs or off-duty routes, with convenient parking spaces and good visual effects, which can meet the needs of mobile vehicles.

(2). Business districts are classified by area size

Classified by the size of the area, there are the following types.

①. Proximity to the central type

The setting of its business circle is about 200-500 meters in radius, that is, a pedestrian business circle, and this type of business circle is distributed in densely populated places or commercial concentrations in each area.

②. Region-centric

Its business district is generally set in a radius of 1 kilometer, which is called a living business district.

③.Large regional center type

This is a wider business district in the center of the region.

④.Vice-urban type

It usually refers to the place where the bus route is assembled, and the car can be converted to form a traffic gathering place.

⑤.Urban type

The scope of the business district may be the entire perimeter of the city, and the level of traffic flow or human trend may come from all directions.

(3). Network distribution area :

①.Residential area: (Preferred area: A. single residence: B. ordinary residential area (divided into large and medium-sized); C. Single apartments (sub-elevator buildings, ordinary apartments); D. Exclusive residential area.) :

②.Education districts (universities, secondary schools, primary schools, vocational training centers, etc.);

③.Office area (pure office area, commercial and residential office area, etc.)

④.Commercial districts (shopping malls, shopping malls, commercial streets, etc.)

⑤.Hospital area (People's Hospital, Traditional Chinese Medicine Hospital, Maternal and Child Health Hospital, etc.)

⑥.Transportation hub area (subway entrance, bus/train/airport/terminal, etc.)

⑦.Commercial connection areas (subway station, bus/train/airport stops, office buildings)

⑧.Entertainment area

(4). Network distribution route: community-centered - subway mouth - office building (school);

Community-centric - bus stop - office building (school);

3.Target consumer group positioning

According to the company's business strategy ideas and concepts and the route of dislocation operation, we position the target consumer group of the store as:

(1). According to age:

Category A: Elderly (over 50 years old);

Category B: Middle-aged (35-50 years);

Category C: Young people (13-35 years);

Category D: Children (under 13 years of age).

(2). According to the classification of occupations:

A. Professional managers: such as company managers, supervisors, clerks, etc.;

B. Classes of current students: such as primary school students, middle school students, college students, etc.;

C. Housewives: such as housewives, professional nannies, etc.;

(3). According to the division within the ethnic group:

A. A type of pursuit of entertainment, enjoyment, habitual "nightlife", to 12-25 years old young people, such as: Single people, young students, night office workers;

B. One category is forced by the fast-paced life and is accustomed to fast shopping or urgently needs shopping, such as professional women's families, the elderly, and the emergency group of travelers.

4. Business area positioning

According to the company's business philosophy and the needs of future competition and the ability to resist risks, the company defines the stores that are open now and in the future into 4 categories, divided by area:

Class A store: 150-200 m^2 ;

Class B shop: 80-149 m^2

Class C shop: 51-80 m^2

Class D shop: 30-50 m^2 .

5. Decoration standard positioning

In order to reflect the company's unified store image and decoration style, the company will carry out store decoration in accordance with the following standards:

A. Floor-to-ceiling glass;

B. Air conditioning, fan, exhaust fan, water and sewer;

C. Moisture-proof floor tiles;

D. Toilet: two squats and one station (MALE), wash basin, wall full brick, moisture-proof floor;

E. Warehouse (refrigerated cabinet);

F. The shop sign (LOGO) is made of acrylic transparencies and the inner light;

4.2 Purchaser Behavior

The form of goods operated by modern convenience stores is the closest to the needs of consumers, whether it is from commodity processing or from the packaging of goods, with speed and convenience, faster turnover rate, higher freshness, characteristics, high added value, high gross profit margin. Its commodity categories are broadly divided into: food, daily necessities, cultural publications and convenience services. Supermarkets operate 9,000-12,000 kinds of commodities, large supermarkets reach tens of thousands of kinds, and convenience stores operate about 2,000-3,000 kinds of commodities.

Convenience stores provide daily necessities including daily necessities, health care products, household products, stationery supplies, etc., considering the convenience of consumers, emergency needs and the limited display space of convenience store goods, such goods are generally small specifications of packaging when sold in convenience stores, and the choice is a brand quality guaranteed, best-selling popular goods. Cultural publications are to meet the psychological needs of customers, and convenience stores generally choose the more popular types of newspapers and magazines. Service goods are becoming more and more prominent in the goods provided by convenience stores, such as agent charging services, express delivery services, commodity reservation services, etc., and convenient services increase passenger flow and help establish a good image of convenience.

4.3 Competitor Analysis

1.S (advantage) analysis

When investing in convenience stores, it has the following development advantages:

- (1).Government network support with municipal and regional characteristics;
- (2).Have a perfect retail management system;
- (3).Management team with advantages;

(4).Have the ideas and projects of differentiated management.

2. W (disadvantage) analysis

(1).Fierce competition in the region;

(2).Climate without scale effect;

(3).Do not have the ability to purchase in bulk;

(4).Do not have a complete logistics system;

(5).Brand awareness is not high;

(6).There is a difference in scale;

3. O (opportunity) analysis

(1).The development prospect of the convenience store market tends to be good;

(2).Convenience stores are in the development period and growth period in China;

4.T (threat) analysis

(1).The speed of foreign business entering China with the same format has accelerated;

(2).The rapid expansion of domestic competitors of the same format;

4.4 Annual Sales and Market Share Estimates

Based on the standard of 80 square meters of operating area of a single store, the budget is based on the monthly unit of calculation:

Budget table for investment income per store

Unit: yuan

Project	Budget	Remarks
I.Operating income	300000	The average daily sales volume is 10,000 yuan, the passenger flow is 500 people, and the average customer unit price is 20 yuan.
II.Gross margin	30.0	
III.Gross profit on merchandise sales	0%	
IV.Operating	80000	
	480	

costs	00	
1.Controllable	420	
costs	68	
	200	The staffing is 5 people, of which the average salary of 5
wages	00	people is 4000 yuan / month.
	200	
Utility bills	0	Store utility bills are charged in monthly terms
Communication		The in-store telephone fee is 90, the buyer's subsidy is 30
fees	200	yuan, and the monthly rent fee is 80 yuan.
Office expenses	200	Consumables 100 yuan, printed materials 100 yuan.
Repair costs	50	Various equipment repair fees.
Shipping	500	Purchase goods fare.
Packaging fee	100	Shopping bag fee.
Travel expenses	100	Expenses for the company.
Cleaning and		The government charges a sanitation fee of 30 yuan and
sanitation costs	50	other cleaning fees of 20 yuan.
Amortization of		
low-value		
consumables	300	Cashier printer paper, sealing glue, dielectric knife, etc.
Discounted loss		Damaged and non-returnable goods, stolen goods.
reporting fee for		
goods	200	
Advertising costs	200	Newsletter leaflets, industrial and commercial billboard
	0	fees, and the cost of art supplies.
Reception fees		The cost of beverages incurred by the relevant
		government departments when they come to the store
	200	to check the work
Taxes	180	3% VAT,
	0	
Storefront rental	120	Business premises rental fees.
fees	00	

Depreciation of fixed assets	236	The total purchase amount of the equipment configuration purchase list according to the standard store is amortized in 3 years.
2.Uncontrollable costs	480	
	0	Sale of second-hand goods, bicycle rental, sale of wrapping paper products, and fines and forfeitures for
V.Other income	200	thieves
	333	
VI.Total net profit	32	

Section 5

Marketing Plan

5.1 Overall Marketing Strategy

1. the way to increase the unit price of customers: the amount of single consumption is increased from 10 yuan to 30 yuan, and it is necessary to increase the variety of products and services, reduce costs through large-scale procurement, improve the gross profit margin of goods, and provide product promotion for portfolio marketing.

2. Ways to attract the flow of commodity consumers: improve the overall image of the store, increase the variety of products and services, and increase community publicity.

3. The way to attract the flow of passengers with individual needs: convenient repayment, catalog sales.

4. Ways to attract consumers to repeat consumption: membership card commodity discounts, consumption point rewards, convenient service offers, etc.

5. Ways to attract customer flow from other convenience stores: the overall image of the store, phased product promotion, new types of products and services (herbal tea, etc.), the provision of public welfare facilities (public toilets), community convenience services.

6. Through the promotion of shopping cards, cooperate with other merchants to obtain profit sources other than operating income;

5.2 Pricing Strategy

In order to adapt to the competition in the retail market, the company's gross profit margin positioning of goods is as follows to ensure that it adapts to the competition of the market and the profitability of the company.

Primary market: commodity gross profit margin of 25-30%;

Second, the third market: commodity gross profit margin of 22-28%;

5.3 Sales Process And Promotional Mix

In order to create the profitability and market competitiveness of the store,

we open up a characteristic operation service product to improve its market competitiveness and ensure the profitability of the store, and the product content of the featured community paid service is as follows:

1.A.Second-hand commodity trading, consignment services (store display part);

(1).Used toy replacement and consignment sales

①.means of sale

I.Web display to obtain orders;

II.Store display to get orders;

②.Agent service fees are charged

Second-hand toy replacement and consignment sale, after each generation of sales transactions, charge 10-15% of the transaction price of the goods sold on behalf of 10-15% of the pieces.

(2).Used bags (men's/women's fashion boutiques)

①.Sales means

I.Network display to obtain orders;

II.Store display to obtain orders;

②.Fees are charged

Second-hand bags (men's/women's fashion boutiques), after each generation of sales, charge 10-15% of the sales price of the goods sold on behalf of 10-15% / piece.

(3).Used furniture

①.means of sale

I.Web display to obtain orders;

II.Store display to get orders;

②.Fees are charged

Second-hand furniture agent sales, after each generation of sales, collect 10-15% of the transaction price of the goods sold on behalf of 10-15% / piece.

2.Bicycle rental / storage / refueling / maintenance class;

5 bicycles per shop;

Fees are charged;

(1).Bike rental

- ①. Within 0.5-1 hour, each bicycle will be charged 5 yuan at a time;
- ②. Within 1.5-2 hours, each bicycle will be charged 10 yuan at a time;
- ③. Within 2.5-3 hours, each bicycle will be charged 15 yuan at a time;
- ④. Within 3.5-4 hours, 20 yuan will be charged once per bicycle departure;
- ⑤. Within 4.5-5 hours, each bicycle will be charged 25 yuan at a time;
- ⑥. When consumers rent a bicycle in a store, for each bicycle they rent, they need to pay a deposit of 300-500 yuan or apply for a store membership card to rent a bicycle with the card.

(2). Bike storage

- ①. Within 1-2 hours, a storage fee of 2 yuan is charged;
- ②. Within 2-3 hours, a storage fee of 5 yuan is charged;
- ③. Within 3-5 hours, a storage fee of 8 yuan is charged;

(3). Bike refueling

When consumers voluntarily come to the store to refuel their vehicles, they will be charged a gas fee of 5 corners for each refueling time, and the bicycle stored on behalf of the store can enjoy the free refueling service once, limited to the same day.

(4). Bike repair

- ①. According to the degree of failure of its consumers' bicycles, the store charges a manual fee of 5-10 yuan for each repair; This fee does not include spare parts;
- ②. Bicycles kept on behalf of the same day can enjoy free maintenance inspection or maintenance once, but do not bear the cost of spare parts;

3. Herbal tea sales service class

In order to provide consumer demand in the store business circle and improve market competitiveness and reflect the characteristics of community services, the current and future stores introduce herbal tea sellers with well-known brand influence in Guangdong to engage in herbal tea sales services, so as to improve the ability of stores to serve the community and create profit margins for commodity sales.

(1). Business model:

- ①. Self-operated;

②.Joint venture (the company provides the venue + sales commission, the deduction rate is 20-35%);

③.Leasing (the company rents out the store space and collects rent and utility bills);

④.Partnership (the company provides equipment and employees, partners provide formulas and masters, both commissions of sales, commission ratio: we account for 70%; The other side accounts for 30%).

(2).Billing method

①.Settle once every 7 days;

②.Settle once every 15 days;

③.Billed once every 30 days.

4. Telecommunications related services

All kinds of telephone cards, mobile phone recharge cards, replacement SIM cards and mobile phone charging;

5. Internet-related services

Internet card, game point card and website point card, etc.;

6. Ticketing card services

All kinds of lottery tickets, all kinds of concerts, exhibition tickets and parking cards issued by the state;

7. Collection and registration service

Agent for registration procedures for various training courses;

8. Order gift services

Purchasing examination textbooks, fashion supplies, gifts, etc.;

9. Traditional convenience services

Sale of newspapers, magazines, stamps, copies, faxes, etc.;

10. Payment service

Using the characteristics of over-the-counter trading, we provide telephone bills, utilities, gas bills and collection services for community residents;

11. Housekeeping services

Take advantage of the geographical advantages to undertake household services such as dishwashing, laundry, flower and grass cultivation for community residents;

5.4 Distribution And Sales

In addition to selling basic goods and special community paid service products in stores, we will adopt the B2B and B2C network marketing models through the Internet to sell their products, and the products sold through the network are as follows:

A. Network sales products

- i. Basic goods;
- ii. second-hand goods;

B. Network marketing means

- i. Catalogue sales method;
- ii. Network picture display + online order;
- iii. Telemarketing

C. Agency fee collection standard

Second-hand goods are sold through the network or store display, after obtaining the order and successful transaction, for each successful transaction, an agent fee of 10-15% of the transaction price of each commodity is charged.

In order to reflect the sense of responsibility and mission of enterprises to the society and improve the convenient service conditions for community consumers, we have launched the following innovative free service products in our stores:

- i. Public toilets;
- ii. Self-service bar;
- iii. Automatic shoe shine machine, rain gear;
- iv. Public telephones;
- v. Health check-up;
- vi. Door-to-door service

Walking time within 15 hours, according to the needs of customers in different areas, free home delivery service;

vii., small hardware products after the purchase of convenient installation services (such as: bulbs, water pipes, faucets, small row plugs);

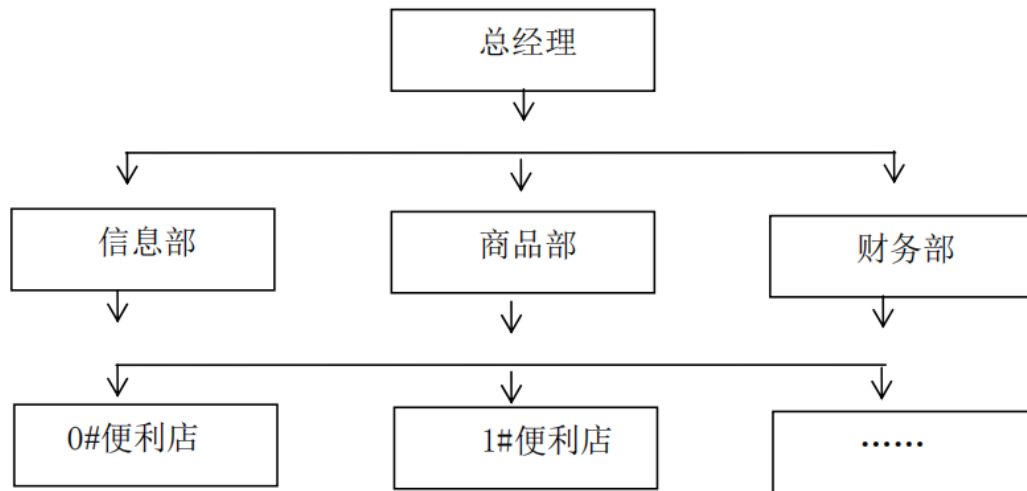
Section 6

Management Team and Company Structure

6.1 Management Team

1. Organizational structure of the initial project

The organizational structure of the early stage of the 24 Hours convenience store project is to use a functional organizational structure that is convenient for small enterprises to facilitate centralized management, the advantage of this structure is that the management is relatively fine, and its administrative organization is mainly divided according to functions, selecting professionals, eliminating departmental ripping and improving management level. Specifically, the general manager is responsible for presiding over the overall work, and the information department, commodity department and finance department under the jurisdiction are responsible for the functional management and guidance of each store. In addition to the Ministry of Information being responsible for network information work, the Ministry of Information is also responsible for community group buying business. The job responsibility of the commodity department is to supervise the demand, loading and replenishment of the store goods, to do a good job in the acceptance of incoming goods, the display of store goods, and the quality management of products and services; Placing orders for commodity price adjustments; Supervise the loss of goods in stores and effectively control the normal loss range of goods. The job responsibility of the finance department is to be responsible for the company's product cost accounting work; Responsible for the payment of taxes by enterprises and the allocation of enterprise funds; Responsible for the financial audit and accounting audit of the enterprise; Responsible for controlling the payment of goods for purchase and sale. The organizational chart for the early stages of the project is shown in the following table:



Organizational chart for the early stages of the project (applicable to the project start-up period)

2. Human resources at the beginning of the project

(1). Convenience store manpower structure

The convenience store has a store manager to meet the needs of the daily operation of the store. Usually in accordance with the two shifts of manned work system 19-hour business requirements, during the arrangement of a store manager or a store staff, unmanned business time of 5 hours; The store implements the store manager responsibility system, the store manager is the main person in charge, responsible for all the daily affairs of the store, including cashier, tally and cleaning, etc.; Standardize the dress, language and behavior of employees in the store, and there must be pre-job training before going to work, and only those who pass the training can take up their posts. Establish a ten-minute morning meeting mechanism, the store manager will hand over the day's work plan and training, the store staff is not clear about the business process, to-do items can be put forward at the morning meeting, fully communicate with the store manager, unify the thinking.

(2). Convenience store employee salary structure

Store staff Salary. The salary structure of store staff is as follows: basic salary + performance salary + bonus + festival fee. Store manager salary. The salary structure of the store manager is: basic salary + performance salary + bonus + festival fee + option, the store manager is competent within one year, and the option reward is given by the resolution of the general manager's office. The option

is redeemed after three years, during which the store manager is entitled to dividends. The salary of probationary employees (except probationary employees) is paid at 80% of the basic salary of the corresponding level, and the probationary period is two months. The salary of employees during the probationary period shall be implemented with reference to the minimum wage standard of Shenzhen Municipality. All employees are required to conduct annual performance appraisal at the end of the year, according to the excellent, good, qualified and unqualified 4 grades of evaluation, the assessment of excellent employees are given a salary coefficient of 1.2 times the next year, unqualified direct dismissal. Through comprehensive evaluation, the employee's job level is determined.

Salary scale table

序号	职务级别	基本工资	薪点	备注
1	店长	5000	2.0	
2	店长助理	3500	1.2	
3	店员	3000	1.0	
4	见习员工	2360	0.5	

6.2 Member Of The Board Of Directors

The company initially did not set up a board of directors as a sole proprietorship, and the majority shareholder XXX served as an executive director to perform the relevant duties of the board of directors. In the future, the board of directors will be added according to the scale.

6.3 Other Businesspeople

1 staff of the purchasing department: the responsibility is to supervise the demand, loading and replenishment of the store goods, to do a good job in the acceptance of incoming goods, the display of store goods, and the quality management of products and services; Placing orders for commodity price adjustments; Supervise the loss of goods in stores and effectively control the normal loss range of goods.

1 accounting staff of the Finance Department: the responsibility is to be responsible for the company's product cost accounting work; Responsible for the

payment of taxes by enterprises and the allocation of enterprise funds; Responsible for the financial audit and accounting audit of the enterprise; Responsible for controlling the payment of goods for purchase and sale.

1 staff member of the Information Department: responsible for the network information work, community group buying business.

Note: Since the enterprise is in the initial stage of entrepreneurship, in order to reduce the initial operating costs, the above work can be managed by the founders of the enterprise.

Employees from the Purchasing, Finance and Information Departments can also participate in store staffing at the convenience store after they have completed their own work.

Section 7

Operational Plans

7.1 Business Models and Procedures

"Commodity retail + online sales + innovative services + value-added paid services".

1. Two-phase design of the 24 Hours convenience store project

The implementation of the 24 Hours convenience store project is divided into two stages, and the business model also corresponds to the two-stage design. The first phase of the project is during the implementation of the first five-year plan, during which the project implements the direct store model, the main goal is to create a brand, build a platform and do a chain, and lay a good resource foundation for the later development of the project. The second phase of the project is a few years after five years, the later stage of the project is to implement the franchise store model, centralized store opening, chain franchise store scale gradually expands and expand, try to operate across regions.

(1). Direct sales plan for the 24 Hours convenience store project

The No. 0 store of the 24 Hours convenience store project was born in a business park in Ailian Community, Longcheng Street, Longgang District, Shenzhen, and gradually expanded and copied to other industrial parks or residential communities of Ailian after steady operation reached the expected goals, and formed the Ailian Community as the enterprise base, which was copied in Longcheng Street, Longgang District and even the whole of Shenzhen. The development strategy of the enterprise is to adopt the strategy of focusing on opening stores from the community to the street, and the banner of convenience stores in the future can be spread throughout the seventy-four streets of Shenzhen's ten districts. It plans to build its own mature brand in three years and complete the goal of three direct stores within five years. In the early stage of opening the store, it entered in a self-operated manner, created a 24 Hours convenience store brand, and friends served as executives in other convenience

store companies, and friends gave all-round technical and resource support in the self-operation process. The following plans for the five-year market development of enterprises: In the first year, the S business park where the No. 0 convenience store is located is attracting investment, the current occupancy rate of the apartment building is more than 60%, the occupancy rate of the entire park has reached 50%, and it is expected that the entire investment plan can be completed in 2022, and the number of people in the park is expected to reach 2,000 people, and the location of the No. 0 store is the only entrance and exit of the apartment building in the park, occupying the golden area of the convenience store. 50 meters away from the No. 0 convenience store, it is a nine-year consistent HC school, with more than 2,000 teachers and students. There is also a kindergarten within 500 yards. The store to cultivate the user's consumption habits-based, the store in this area belongs to the high-quality convenience store, the main competitors for a Meiyijia husband and wife store, Ali husband and wife shop and a grocery store, the lack of relatively high-end, professional convenience store, the emergence of No. 0 convenience store will fill this gap, therefore, the regional competitive advantage of the store is very strong. In the early stage of opening the store, the basic goal is to establish a good store image and win the trust of customers, accumulate experience in opening a store, and improve sales skills. Based on the business model of 7-Eleven convenience stores, we will formulate the business model of our company. Strengthen marketing promotion through cooperation with HC schools. In the second year, establish a membership system and explore promotional methods. Increase online sales, develop community group buying, broaden distribution channels, and maintain old customers. Renting warehouses, improving the ability to allocate goods, through the selection of suppliers, the development of supply security system, the elimination of unqualified suppliers. Operate steadily and recoup investment costs. In the third year, we are ready to expand the scale and increase capital investment to prepare for the opening of new stores. In the fourth year, the implementation of the centralized store strategy, looking for a suitable location, replicating the existing marketing and supply model, and opening a second store in other communities in the Ailian community. In the fifth year, the direct sales model was extended to the

third store. On the basis of the existing three directly operated stores, we will explore the convenience store franchise mechanism and trial operation of the new operation system. Carry out institutional research on the image of directly operated stores, fire safety, in-store management, etc., and carry out refined management.

(2).The joining mechanism of the 24 Hours convenience store project

The pursuit of convenience stores is to open stores around customers, to solve the immediate needs of customers immediately, close and convenient, and the core feature of the goods sold is to carry a convenience label. Due to the limited space of the store yard, the goods must be preferred, the category must be controlled at about 3,000 kinds, and the platform and network support must be built. After the convenience store develops to a certain scale, the chain franchise model can be adopted. Franchise is to maintain a contractual relationship between the headquarters of the chain enterprise and the franchisee, the headquarters is responsible for logistics, distribution, procurement, supervision and corporate culture construction, enterprise-style operation, establishment of rules and regulations, responsible for the daily maintenance of the convenience store platform; Franchisees are responsible for sales and display of specific products, operation management and customer relationship maintenance. The headquarters and franchisees form a strategic alliance, and management and sales are separated, and they operate together. Practice the concept of asset-light operation, the company's asset investment is lightweight, make full use of social forces to cooperate, and the establishment of the franchise system is conducive to the rapid development and growth of enterprises, and is more conducive to the replication of chain stores. At present, there are three main franchise models on the market, which are introduced as follows. First, voluntary joining: the enterprise will charge a certain franchise fee in accordance with the franchise contract every year, that is, the brand use fee, after collecting the franchise fee paid by the franchise store, the enterprise is only responsible for helping the franchise store to open a store, and does not pay attention to the profit and loss of the franchise store; There is less profit sharing between enterprises and franchisees, the management of franchisees by enterprises is more loose, and franchisees do not obey enterprises. The second is

to entrust franchise: the enterprise has ownership of the franchise store, the franchise store only needs to pay a franchise fee to the enterprise in the early stage of joining, the franchise store is only responsible for the specific operation and management, and the profits created are shared by the enterprise and the franchise store; While enjoying profits, enterprises in this model also bear operational risks, franchise stores have limited autonomy, and most of the profits are earned by enterprises. The third is franchising: franchise is involved in the ownership of the store between voluntary franchise and entrusted franchise; The enterprise is responsible for the equipment of the store, the franchisee is responsible for the decoration and the rent of the store, the two share the profits, and the franchisee gets more profits, but the enterprise still has control over the store; This franchise model can greatly exert the enthusiasm of the two, and the future 24 Hours convenience store project will develop towards the road of franchising.

2. Business model canvas

The commercial canvas for the 24 Hours convenience store project is detailed in the following figure:

重要伙伴: <ul style="list-style-type: none"> 商品供应商 技术服务商 (电子商务、ERP 等) 服务提供商 (包括学生托管机构等、收寄快递等) 场地租赁商 	关键业务: <ul style="list-style-type: none"> 实体店线下零售 互联网线上销售 提供社区服务 (包括社区团购、学生托管、收寄快递、打复印、送货上门、台球娱乐等) 	价值主张: <ul style="list-style-type: none"> 高品质“美好生活 (Beauty Life)” 每一天 为您的生活提供便利服务 	客户关系: <ul style="list-style-type: none"> 优选供应商 会员服务 便民服务 	客户细分: <ul style="list-style-type: none"> 公司客户 个人顾客 写字楼白领 社区居民 学校学生 工厂工人 夜生活人群 学生家长
核心资源: <ul style="list-style-type: none"> 拐角实体门店 社区客群资源 商品供应链 托管服务用房 		渠道通路: <ul style="list-style-type: none"> 社区团购群 会员群 广告 		
成本结构: <ul style="list-style-type: none"> 商品进货成本 物流费 营销费 水电费 办公费 		<ul style="list-style-type: none"> 店铺租金 (含托管场地费) 信息化平台费 人工费 装修费 (含设备) 其他费用 		收入来源: <ul style="list-style-type: none"> 门店营业收入 广告收入 学生托管收入 收寄快递收入 陈列费用收入

24 Hours convenience store project commercial canvas

In the setting of nine modules of the commercial canvas of the commercial 24 Hours convenience store project, the focus is on the following nine aspects.

(1). Value proposition

We take the provision of high-quality services for customers and the convenience of customers' lives as the foothold of the enterprise, and the core

value proposition of the 24 Hours convenience store project is "to create a high-quality 'BeautyLife' every day to provide convenient services for your life."

(2). Important partners

Our key partners are commodity suppliers, technology service providers (e-commerce, ERP, etc.), service providers and venue leasing providers. Among them, technical service providers are mainly platform providers that provide e-commerce technology, service providers mainly refer to student hosting service agencies and courier companies, and venue leasing providers refer to venue rental providers required for store site leasing or various services.

(3). Business critical

What we want to do is to integrate the convenience store model with OMO online and offline integration, convenience stores to provide instant convenience for customers or rely on physical stores offline retail, to further improve the sales capacity of physical stores; However, it is not possible to do without online display and sales, relying on Internet online sales. At the same time, it is also necessary to further improve the ability to serve the community, and carry out service types including community group purchase, receiving and sending express delivery, copying, and home delivery, so as to win the trust of customers with solid and thoughtful services.

(4). Core resources

24 Hours convenience store is born to solve the customer instantaneously, No. 0 store is a physical store with a large corner of the cross, the surrounding community is rich in customer resources, with white-collar customers in the S business park, industrial workers in the nearby industrial area, and teachers and students resources of HC School. The commodity supply chain is the lifeline of the store, and the construction of multi-channel commodity supply channels is strengthened to effectively strengthen the stability of the commodity supply chain. The signing period and rent level of student custody service houses directly affect the service ability of stores, and it is necessary to timely investigate and find good housing in the surrounding areas and do a good job in the sustainable development of student custody business.

(5). Customer relationships

The customer is our god, and the problem that customers need to solve immediately is the direction of the products and services that our convenience stores should focus on, and enhance the trust of customers with excellent product quality through the selection of suppliers. Through membership services, we will establish a more intimate relationship with customers, establish a membership point mechanism, and give customers benefits. By adding convenient service categories, we will solve more problems for community residents.

(6). Channel pathways

Introduce our convenience store to community residents through several channels. The first is to expand the external publicity of convenience stores while providing community group buying services through the establishment of community group buying groups. The second is to establish a membership group, push more member rights and interests to member customers in a timely manner, enhance the sense of customer acquisition, and let members become our radio stations, publicity teams and seeders. The third is to use traditional or new media methods to advertise and publicize, so that customers around the community can keep abreast of the products and services of our convenience stores.

(7). Customer segmentation

24 Hours convenience store can provide convenience for residents around the community, mainly including corporate customers in the S Park, white-collar workers in office buildings, residents of apartment buildings, teachers, students and parents of HC nine-year consistent schools, industrial workers and managers in nearby factories, and young people who are accustomed to nightlife.

(8). The cost structure of 24 Hours convenience stores is still relatively expensive, mainly related to the cost of commodity purchase, store rent (including hosting site fees), logistics costs, information platform fees, marketing fees, labor costs, water and electricity costs, decoration costs (including equipment), office costs and other costs.

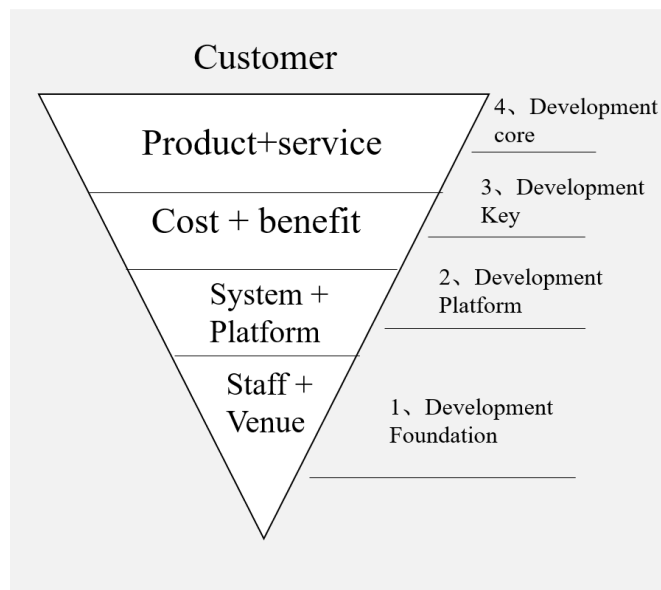
(9). Sources of income

The main sources of income of 24 Hours convenience stores in the course of

operation are store operating income, community group purchase income, advertising income, photocopying income, student custody income, billiard income, receiving and sending express delivery income, online platform income and display fee income.

3. 24 Hours convenience store development model

Inverted triangle model of a 24 Hours convenience store, as shown in the following figure:



Inverted triangle management model for convenience stores

Our inverted triangle model of convenience stores is built by a four-tier structure: The first layer of architecture: employees and store venues form the first layer structure of the convenience store, located at the lowest level of the inverted triangle, which is the foundation for the development of convenience stores. Second-level architecture: The two systems of convenience stores include financial system, ordering system and one platform, that is, digital management platform, and the three jointly build the second-layer architecture of convenience stores, which is the development platform of convenience stores. The second architecture is like the central nervous system of our convenience store, providing platform support and logistical support for the healthy development of convenience stores. Third-layer structure: Cost and benefit assessment is the embodiment of the vitality of convenience stores, which constitutes the third-layer structure of convenience

stores, which continuously provides impetus to convenience stores, and they are the key to the development of convenience stores. The fourth layer of architecture: will be presented to the customer is our convenience store products and services, the two build the fourth layer of convenience store architecture, is the highest level of convenience store inverted triangle model, the core goal of our convenience store is to continuously improve the customer experience, they are the core of the future development of convenience stores. The quality of the user experience will be confirmed in products and services, which involves whether the setting of the product category is reasonable, whether the user's service is considerate, and whether the differentiated characteristics of the product and service meet the personalized needs of customers, which belong to the core competitiveness of convenience stores.

7.2 Place of Business

According to the company's strategic planning and direction for market development, it mainly opens stores in the domestic primary market within 1-2 years, and stores in the domestic secondary and tertiary markets within 3-5 years. Shop selection: 1. The flow of people is not less than 2,000 people on the main road, commercial area, residential area or near the school, the number of people is the root of the convenience store traffic. 2. Shops can be leased for a long time, considering that an ordinary convenience store operation usually takes 1-2 years to return the cost, so it is best to sign a shop lease contract with the landlord for more than 3 years. 3. Open a convenience store to pay attention to the floor of the store, preferably on the first floor or open room, and first calculate the number of residents near the left, the number of residents near the left, white-collar workers, students must not be less than 2500 people, such a large flow of people can bring us profits. More importantly, it depends on whether the store can be leased for a long time, which is very beneficial to the long-term stability of the store.

7.3 Facilities and Equipment

The configuration of store equipment is based on 80 square meters of stores and standard convenience stores on the market as a reference, and the following

equipment needs to be configured:

1. Shelves 4-6 groups;
2. 1 set of ice cream ice bar cabinet on the ground;
3. Cold drink cabinet 3-4 groups;
4. Hot dog machine (pool) 1-2 groups;
5. 1 rice cooker;
6. 1 steaming charter machine;
7. 1 microwave oven;
8. 1 ice machine;
9. Low temperature cabinet 1-2 groups;
10. 1 open freezer;
11. 1 set of soda machine;
12. 1 soft ice cream machine;
13. 1 set of Sile ice machine;
14. Air conditioner (vertical or hanging or ceiling air conditioner) 1-2 sets;
15. 1-2 cash registers;
16. 1 banknote detector;
17. 1 set of monitors;
18. Telephone 1;
19. Fax machine;
20. 1 set of alarms;
21. 1 set of audio equipment;
22. 1 cash register;
22. 1 punching machine;
23. 3 groups of tobacco and alcohol cabinets;
24. 2 fire extinguishers
25. 1 shoe shine machine, etc.

7.4Operational strategy and planning

7.4.1 Operational advantages of 24 Hours convenience stores:

1.Strict site selection

24 Hours convenience stores carry out franchises, scale operations, and

concentrate on opening stores. Store locations are mostly selected in places close to living areas, office areas, and schools, generally walking 5-10 minutes. When entering the new area, a series of site selection inspections should be carried out and the future market assessment of the region should be done.

2. Logistics system

Based on the intensive distribution system of 24 Hours convenience stores, 24 Hours designed a "common distribution plan", which is composed of a common distribution center according to different commodities and regions, and the center uniformly purchases goods to achieve high-frequency, multi-variety distribution, effectively reducing the number of wholesalers, reducing distribution links, effectively reducing logistics costs, while centralized procurement also effectively compresses the profit margins of wholesalers, creating conditions for price negotiations.

3. Information Systems

24 Hours convenience stores draw on 7-ELEVEN convenience stores' POS sales intelligence system (Endpoint Sales System) to provide a strong backing for high-quality operational efficiency. The information technology system of 24 Hours convenience store mainly includes ordering, sales information record analysis, shelf analysis, shelf management, and order processing information. The powerful sales information intelligence system can timely feedback market needs and suppliers and establish a strong logistics information cooperation network, which can greatly improve the efficiency of supply chain and store operations and accelerate order flow.

In addition, 24 Hours convenience stores will also analyze and summarize the sales data collected by each store, including product identification, sales quantity, the age of the buyer, gender, and preferences. "Single product management" of goods is carried out in time to achieve quantitative processing of sales, inventory and replenishment quantities, so as to achieve information sharing and interaction.

7.4.2 24 Hours Convenience Store Future Development Plan

One-Year Development Plan:

According to the company's progress in the preparation of convenience

stores, in the first year, first in Guangzhou, in the ideal location of the community to open a 50-80 square meters of convenience store flagship store, flagship store successfully operated for 1 month, can speed up the opening of stores, in the flagship store successfully operated for 1 month, and then open 2-3 new stores within 2 months, 6 months and then open 5 new stores, the number of stores opened in a year is about 10. Namely:

(1).From the company's preparation time, the first flagship convenience store of 50-80 square meters will be opened within 1.5 months;

(2).One month after the successful opening and successful operation of the first flagship convenience store, 2-3 standard convenience stores with an area of 80-100 square meters will be opened within 2 months;

(3).After the successful opening and operation of the second and third standard convenience stores for one month, five standard convenience stores with an area of 80-150 square meters will be opened within 6 months;

(4).Within a year, the number of convenience stores opened is about 10.

2nd to 5th Year Development Plan:

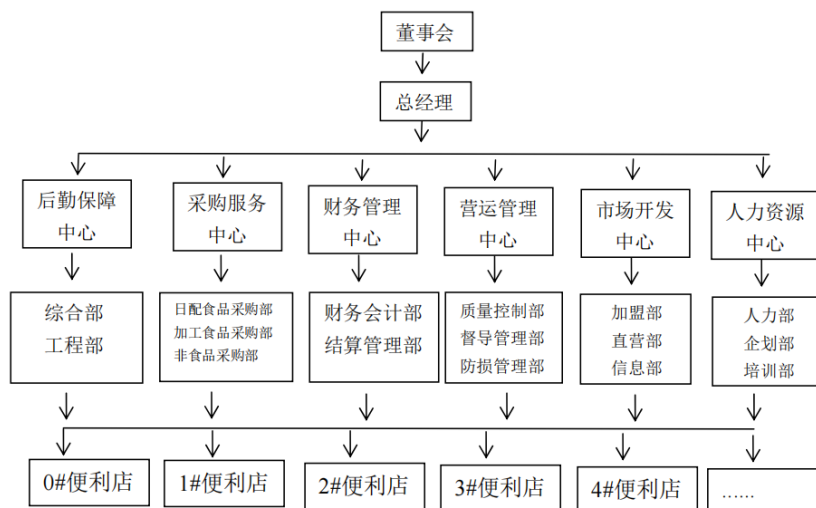
According to the successful operation of convenience stores opened in the first year, the demand for market share and scale effect and the needs of capital operation, the company can speed up the speed and number of stores in the second year, and can open chain convenience stores in surrounding cities centered on Guangzhou, such as in Dongguan, Shenzhen and other cities, the number of stores should be opened within 50-100, in 3 years, about 200-300, and 500 within five years.

Five-to-10 Development Plan:

According to the successful store opening experience in Guangdong within five years, the perfect management system and the good procurement platform and perfect logistics system, the company can accelerate the speed and quantity of store opening, and can copy its successful convenience store operation model to the provincial capital cities of the country and other countries around the world, and the number of stores opened should be 2000-5000.

24 Hours convenience store project post-organizational structure:

In the later stage of the project, it is necessary to increase the investment in capital and the guarantee of operation technology to improve the ability to deal with risks, so it is necessary to redefine the division of labor of the organizational structure, refine the functions of the department, effectively respond to risk challenges, and make the organizational structure of the enterprise more reasonable and standardized. The organizational chart of the later stage of the project is shown in the following figure: functional enterprises can well implement leadership decisions and play the professional functions of various departments in the operation process, but they also have shortcomings. First, departmentalism is supreme, and the decentralization of power is not conducive to the communication of the company as a whole. Second, each store is also administratively attributed to the leaders of various departments, and there will be a situation of multi-headed leadership, which is not conducive to unity and difficult coordination of various departments. At this stage, the adoption of functional organizations can meet the requirements of enterprise development, but it is undeniable that the new retail in the traditional industry will develop rapidly in the future, and enterprises will make timely adjustments according to store operations and actual management efficiency.



Organizational chart for the later stages of the project (applicable to the project chain development period)

Section 8

Production Planning And Development Planning

8.1 Development Status and Tasks

Market segmentation analysis:

From the location of the No. 0 store of the 24 Hours convenience store project, to analyze the consumption behavior of the community people near the S Entrepreneurship Park, it is necessary to focus on the core consumer groups, analyze the characteristics of customers and core needs, design the business model around the core customers, provide high-margin goods in a targeted manner, increase the profit space of convenience stores, and standardize and modularize the business model and profit model of this type of community convenience store, and have a demonstration and reference effect on the design and promotion of domestic convenience stores in the future.

24 Hours convenience store project market segmentation of the main customer groups:

There are four main customer segments in the 24 Hours convenience store project market segment. First, community residents, community residents living within 1 km of No. 0 store of the 24 Hours convenience store project, mainly refer to residents of other communities living nearby; The second is white-collar workers in the park, mainly referring to the white-collar workers of the S business park, the nearby industrial park and the science and technology park; The third is the school's teachers and students, mainly referring to the teachers and students of HC School in No. 0 Shop next to the 24 Hours convenience store project, as well as the teachers and students of a nearby kindergarten; The fourth is industrial workers, mainly referring to industrial workers in nearby industrial parks and science and technology parks.

Age structure of convenience store customers:

According to public data, men go to convenience stores more than women (60%>40%), and unmarried people go to convenience stores more than married

people (57%>22%); The main age structure of consumption is between 20 and 39 years old, and the proportion is as high as 88%; The main buying crowd of community convenience stores is office workers, the education is generally above the junior college, the monthly income is mostly 5,000-10,000 yuan, most of them will choose to go to the convenience store many times a week, and the consumption time is mainly in the morning rush hour and evening work.

便利店消费年龄结构图

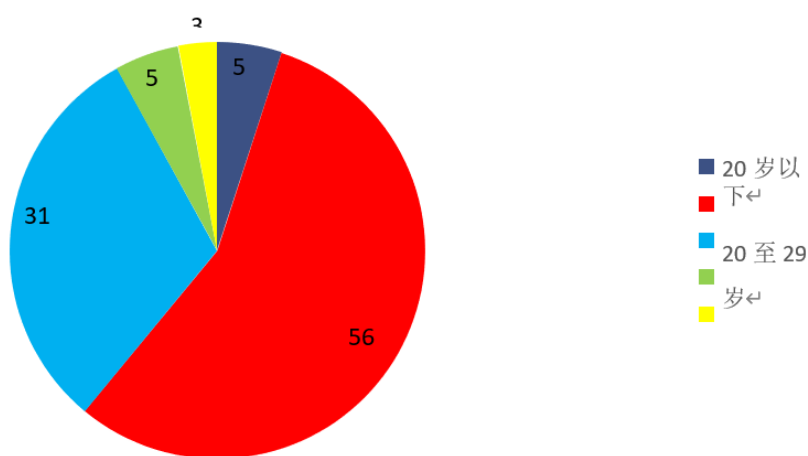


Figure 4.1 Convenience store consumption age structure chart

Customer's willingness to spend:

According to public data, 31% of community residents choose convenience stores to have a clean and bright shopping environment, and 80% of residents spend between 20-50 yuan per time. Community residents come to convenience stores more than once a week (between 2 and 6 times); The proportion of drinks purchased is up to 45%; Consumers most want convenience stores to offer community group buying, with 54% of the population choosing this and wanting to be able to deliver it home.

Target Market Selection:

Target Market:

Through market segmentation, it was found that the target market of No. 0 store of the 24 Hours convenience store project is the core customer group composed of single white-collar workers, school students, and industrial workers,

providing differentiated products and services, scientifically selecting commodity categories and commodity displays, effectively using store space, and reducing the risk of capital backlog. The market for community convenience stores will inevitably compete with multiple formats, with e-commerce having a supply capacity of 4.5 million kinds of goods and supermarkets having a strong ability to gather customers and providing one-stop procurement services for goods and goods. Cake shops, grocery stores, stationery stores and other small shops specialize in the supply of specific goods, and the biggest advantage and difference of convenience stores is that they are closest to the customer group and can provide and solve various immediate service needs for customers.

User Profile:

The target customer business circle of convenience stores is generally distributed between 300-500 meters, in order to more accurately solve the current immediate needs of customers themselves, for this reason, the core user portrait is as follows:

1. Portraits of single young people in office buildings and apartments

The user portrait is the attribute label generated by the customer in the process of purchasing activities, through the above analysis, the main consumer group of the No. 0 store should be 20-39 years old young people, which is mainly a single youth in the office building and apartment in the business park, and through the subdivision of the customer group, the single youth of the office building and apartment of the core target customer are profiled. We profile such people, mainly including customer characteristics, purchase preferences, spending time, checkout methods and other aspects.

Customer characteristics: mainly single young people in office buildings and apartment buildings around No. 0 store; More disposable time, like online games; Three meals a day are basically not eaten at home or at work, and meals need to be purchased at various times; The amount of courier sent and received is very large.

Purchase preference: Weekdays purchase large quantities of goods such as water, beverages, cooked food, instant noodles, ice cream, tobacco and alcohol,

etc.; Holidays and schedules are reversed day and night, often stay up late at night, eat at will; Favorite influencer merchandise.

Consumption time: the purchase of breakfast during morning working hours is more concentrated, and the number of people who buy lunch at noon is more; The schedule is irregular, and there are more people supper after 10 p.m.

Checkout: Young people are keen to use cashless settlement methods, giving priority to WeChat, Alipay and other checkout methods, and the acceptance of self-service single machines is relatively strong.

Consumption habits: do not care much about the price of goods; Purposeful purchase, 3 minutes to complete the transaction; There are often friends gatherings and other activities when the purchase volume will be relatively large; Get used to shopping online.

2. Portraits of school students

We profile groups of students in HC schools, mainly including customer characteristics, purchase preferences, spending time, checkout methods and other aspects.

Customer characteristics: HC school is a nine-year consistent school, the number of teachers and students is large, and the students cover children of all ages from primary and junior high schools; During school hours, I like to gather at convenience stores to shop and play; The probability of appearing in school during holidays and winter and summer vacations is relatively small.

Purchase preference: Weekdays purchase large quantities of goods such as water, beverages, cooked food, ice cream, toys, stationery, etc.; Students will be more favored for a certain type of goods within a period of time, and the phenomenon of following the trend between classmates is more serious; I prefer cooked food, and the purchase peak is the time after school.

Consumption time: the purchase of breakfast during morning working hours is more concentrated, and the number of people who buy cooked food at noon and afternoon is more; The consumption time is relatively fixed, the class time consumption is less, and the holiday time is the low season.

Checkout method: Primary school students generally use cash or small genius

telephone watch to checkout, junior high school students like to use mobile phone checkout, give priority to WeChat, Alipay and other checkout methods, the acceptance of self-service single machine is relatively strong.

Consumption habits: more concerned about the price of goods; Purposeful purchases, staying in convenience stores for a long time; From time to time, multiple student friends will buy together, and the number of purchases is relatively large.

3. Portraits of industrial workers

In addition to the S Entrepreneurship Park where the No. 0 store is located, there is also an industrial park and a science and technology park around, with a total of four science and technology enterprise factories, about 2,000 industrial workers, and this part of the consumer population is mostly young people aged 18-39, which is dominated by industrial workers in the surrounding two parks. We profile such people, mainly including customer characteristics, purchase preferences, spending time, checkout methods and other aspects.

Customer characteristics: mainly industrial workers in the science and technology park and industrial park around No. 0 store; Most of the single employees, commuting time is more fixed, overtime at night is more, there is a regular demand for supper, like to participate in recreational activities; Three meals a day are basically eaten in the unit; Our convenience store is located on the only access channel in the two campuses, and there are more workers who need to shop during commuting time.

Purchasing preferences: Industrial workers buy a large amount of goods on weekdays such as water, beverages, cooked food, instant noodles, ice cream, tobacco and alcohol, daily necessities, etc.

Consumption time: the purchase of snacks and water in the morning working hours is relatively concentrated, and the number of people who buy snacks at noon and afternoon is larger; The schedule is irregular, and the number of people who have a supper after 9 pm is larger.

Checkout: Young people are keen to use cashless settlement methods, giving priority to WeChat, Alipay and other checkout methods, and the acceptance of self-

service single machines is relatively strong.

Consumption habits: do not care much about the price of goods; Purposeful purchase, 3 minutes to complete the transaction.

Market Positioning:

In community convenience stores, especially foreign advanced community convenience stores, whether it is melons, fruits and vegetables, or cooked food or other products, the products are usually very exquisite, fresh, and there are many imported products, so the products of the community convenience store usually give people a feeling of high quality. 24 Hours convenience store is to provide users with high-quality services, and the market positioning in terms of products and services is as follows:

(1).Product Preferred Sales Positioning

The 24 Hours convenience store project provides basic needs for single white-collar workers, school students, and industrial workers through online and offline integration at low cost and high efficiency. In terms of product configuration positioning, our convenience store will mainly focus on the above three types of customer groups, according to the customer's consumption age structure, the goods favored by the customer group and the brand of preferences, further analysis will be carried out, to meet the core needs of the community consumption segment of the No. 0 store of the 24 Hours convenience store project. The goods in the convenience store are clearly marked with prices and have product codes, customers can pay for quick payment by scanning the code through the self-service terminal, and the discount rate will be automatically converted to complete. 24 Hours convenience store to eliminate fakes, play a sign promised "the store integrity management, fake one penalty ten", if the customer finds that there are fakes in the store, the store will unconditionally refund, and fulfill the commitment.

In terms of product optimization, there are four points of consideration. First, product optimization positioning: community convenience stores and residents' lives are closely related, residents in convenience stores often ignore the price factor of goods, quality is the first element to be considered, in order to ensure the reputation and repurchase rate of convenience stores, the quality of listed goods

needs to be strictly controlled, unified commodity standards, for the surrounding people on the characteristics of high recognition of well-known brands, to meet the basic living needs of residents; To this end, the market recognition of the commodity brands selected by convenience stores should be high, and the top ten brand goods in the market should be selected to prevent miscellaneous goods from destroying the overall quality and grade of convenience stores; In most store goods, the "preferred" label of convenience stores is uniformly hung to increase consumer confidence and do a good job of publicity and promotion for stores. The second is product differentiation positioning: according to the user portrait customer group of single white-collar workers, school students, and industrial workers, adhere to the differentiation of product supply. The drainage effect of cigarettes is huge, and their sales generally exceed 40% of the turnover of traditional convenience stores, so when applying for a tobacco license, it is necessary to improve the stall of cigarettes as much as possible. The third is to strengthen the management and inspection of the shelf life of food: when the food is 2 months away from the shelf life, it is necessary to lay out discount promotions in advance to avoid the expansion of losses; Fresh ingredients are even more important for convenience stores, because many products are ready-to-eat, and food safety problems due to lack of freshness will cause heavy damage to the reputation of convenience stores. The fourth is to put an end to unsalable goods: if the sales of goods are still not good for 1 month, it is necessary to find suppliers to return them in time to reduce unsalable goods. The store plans to operate 3,000 SKUs, mainly including: daily food (counter commodity materials (coffee, fried goods, buns, etc.), rice (rice balls, bento, sushi, etc.), bread, cooking bread, etc.), processed foods (dim sum, except fresh snacks); soft drinks (except milk drinks), alcoholic beverages (beer, liquor, wine, etc.); Non-food (cigarettes, magazines, books, newspapers, socks, underwear, stationery, toys, etc.).

(2). Service features "platform + butler" positioning

In terms of service convenience, with the increasing living standards of the community people, the business strategy of convenience stores should also keep pace with the times, and the competitiveness of convenience stores should be

continuously improved to solve the changes of the people, and the "platform + housekeeper" will empower the future community to live a better life, meet the basic living needs of the people, and make changes and adjustments in a timely manner. It is necessary to make rectification according to customer feedback, learn from the advanced experience of industry benchmarking enterprises, and develop universal and personalized compatible solutions to meet people's convenient needs. Create a bright kitchen and a clean and hygienic shopping environment, giving people a warm home feeling. Mainly to provide the following three types of services: one is to provide leisure services, convenience stores can set up customer rest areas according to the size of the space, provide hot food services such as oden, fast food, etc., can provide hot water and network services, customers can eat and rest in convenience stores, and provide a rest space for busy city people; The second is to provide convenient services, according to the characteristics of the community to which they belong, a variety of convenient services can be set up, such as sending and receiving express delivery services, child custody services, home delivery services, printing and copying services, withholding and payment services, etc., to meet the convenient needs of residents, increase stickiness with customers, and increase customer traffic; The third is to provide instant service, convenience stores to provide retail services, mainly to provide instant products, daily necessities, beverages, etc., to meet the daily life needs of community residents, the settlement method is mainly pose machine, but also according to the store customer situation to set up self-service settlement machines, reduce labor costs, improve work efficiency; Adopt the 24-hour business model of manned during the day + unmanned at night to provide customers with all-weather service. Services include photocopying, calling cards, courier pick-up, home delivery, student custody services, restrooms, third space, etc.

8.2 Challenges and Risks

Risk identification is the most basic work of risk management, which refers to the first step of risk management. Only because of identifying potential risks can investors take appropriate methods to deal with them in advance. The following is mainly from the convenience store market risk, commodity management problems,

service capacity problems, advertising risks and financial risks and other five main dimensions to carry out risk identification analysis:

1. Market risk. When the market environment of convenience stores such as policy environment, economic environment, technical environment, cultural environment, etc. changes, convenience stores cannot operate in accordance with the established strategy, and the market risks faced by convenience stores mainly involve the following three aspects. First of all, there is a risk of reshuffling in the convenience store industry. Although China's convenience store market is still in the growth stage, but in today's world digitalization, artificial intelligence and other technological developments with each passing day, when there are more convenient alternatives to appear, the risk of shuffling the convenience store industry is still there. Some time ago, the online retail model of e-commerce had a great impact on convenience stores. The community group purchase model has also brought a huge impact to the convenience store industry, and its low price and completeness of goods are the advantages that convenience stores are difficult to have, which leads to a large part of the passenger flow, as long as customers are not based on immediate demand or are not very familiar with the operation of the network platform, they will not come to the convenience store to consume. Although the temperature of community group buying has dropped slightly under the intervention of relevant government departments, the future development direction of community group buying has been clearly positioned, and how convenience stores can coexist with them to better provide more convenience for the people needs further research. Second, there is a risk of rapid increases in rents. House prices and rent rises are not a new thing, such as the lack of flow of people in the project location, which will bring about the dilemma that the operating income of convenience stores cannot cover the rent, and the inability to pay the rent will lead to operational failure. Third, there is the competitive risk of potential competitors in the convenience store market. Due to the low entry threshold, all kinds of competitors in the convenience store industry will have a certain impact on the No. 0 convenience store, such as opening a new store of competitors not far away, which will divert the source of customers of the store, and a careless store

will fall into a loss. Finally, convenience stores face the risk of homogenization competition. Convenience store products, services are easy to imitate, the rise of online shopping has also accelerated the homogenization process of convenience stores, the homogenization of the market competition risk is very large, in the long run, convenience store profits will gradually be diluted, the convenience store industry as a whole small profits, survival pressure, physical stores are easy to operate poorly, the risk of being eliminated is larger. Convenience stores highlight their own characteristics, and differentiated operation is an important development direction in the future.

2. Merchandise management issues. The problem of product management in convenience stores mainly comes from the following five aspects: First, there is a risk of hoarding goods. For goods with a close validity period, it is easy to produce the risk of product expiration, especially the short shelf life of food, the risk is greater. We must make a good prejudgment in advance and try to avoid the occurrence of hoarding risks. At the same time, it is also necessary to continue to pay attention to the heat of the society for the hot selling goods, and make a disposal plan for the hoarding of goods after the heat decreases in advance. Product portfolio booking can be considered when ordering, improve the rationality and scientificity of the source combination of goods, appropriately disperse goods, and avoid the risk of over-concentration of goods. Once a convenience store has a commodity that cannot be sold, there will be a cash flow strain, and the next batch of goods will be affected. Second, there is a risk of wasting the opportunity to display goods. Convenience stores have limited display space, tend to choose high-selling products and put them in the most convenient position for consumers to frequent, and once they do not make full use of the existing platform display, they will waste the opportunity to create sales. Third, there is a risk of unsalable goods. May encounter the situation of unsalable goods, to continue to do a good job of customer group analysis, do a good job of product positioning analysis, do a good job of product quality testing, to solve the problem of instant customer demand, which is the convenience store can be the root of the evergreen business. Fourth, there is a risk that some commodities will be lost or untimely. Inadequate guidance

to employees or low quality of employees cannot be educated, resulting in a large amount of waste of goods, resulting in increased costs of convenience stores; The selected supplier supplies goods too far away, and the vehicle is prone to failure, resulting in the risk of product transportation loss or untimely supply. Finally, there are commodity supply chain management risks. Throughout the retail process, suppliers may be at risk of supply outages for special reasons, the supply chain is the most important link, when the supply chain accident will have a fatal impact on the marketing work of convenience stores. Convenience stores should replenish in a timely manner, and fully consider influencing factors such as the time of transit of goods.

3. Service capacity issues. The service risk of convenience stores mainly involves the following three aspects: First, there is a risk that convenience stores do not serve well. Corporate culture lacks cohesion, recruitment and training work is not in place, some employees have low quality, weak execution ability, lack of patience, easy to quarrel with customers, affecting the reputation and sales of convenience stores. Second, there is a risk that convenience stores may have reduced their service capabilities. The service ability of the enterprise is transmitted from top to bottom, and when the management is not unified or the decision-making is not appropriate, especially when the consumer behavior cannot be found in time, the service of the convenience store cannot be followed up in time, and the service ability will be greatly reduced. Finally, there is a risk of loss of target customers. Customer churn risk refers to the risk of customer churn caused by poor management or insufficient understanding of the customer relationship maintained by convenience store enterprises. This requires us to be the first to respond to the needs of our customers. In the future, there is still a possibility of old reform in the surrounding factories, which will affect the workers' customer base and may cause the loss of the target customer group, so we must always pay attention to the old reform policies and trends in the surrounding areas.

4. Advertising risks. The advertising risk of convenience stores mainly involves the following two aspects, first, that is, there is an advertising risk. Nowadays, convenience stores will use various forms of advertising, and the promotional

content may have a negative impact on convenience stores; In the business premises, there are problems such as verbal altercation caused by misleading poster advertisements, and social adverse effects caused by improper use of WeChat tweets. Second, there is a risk of displaying commodities. In order to make money for display costs, providing venue display for unknown brands, once encountering product quality problems, it will bring trouble to convenience stores; It is also due to the problem of the layout of convenience stores, which brings fire safety hazards.

5. Financial risk. Financial risk refers to the risk that the financial structure of a convenience store enterprise is unreasonable, and the excessive debt makes the enterprise lose its ability to repay debts, resulting in a decline in investor returns. The financial risk of convenience stores mainly involves the following three aspects: First, it is facing the risk of cash turnover. Convenience stores do not have strong bargaining power in the initial period, and upstream and downstream suppliers do not provide credit accounts. Convenience store goods need to be stored, the dependence on funds is relatively large, if you encounter capital turnover problems, the purchase is blocked, will directly affect the operation of convenience stores. Second, there is a risk of increased operating costs. The financial budget deviation is large, and the future budget cost is not accurately predicted, labor and site rent are two major expenses, and labor wages and site rents are still rising; In the future, convenience store employees are mainly low-educated people, the flow of personnel will still be relatively large, and labor disputes on social security and other issues will inevitably occur, and the operating costs of convenience stores will also increase. Finally, there is a risk that trade secrets will be leaked. Trade secrets are generally leaked by leakers, according to statistics, 53% of the leaks come from competitors, such as cost-effective purchase channels are obtained by competitors, resulting in increased purchase costs of our convenience stores.

8.3 Expenses

Equipment investment budget table (unit: yuan)

serial number	Device name	Quantity	The budget amount	Remarks
1	Shelves	4 groups	3200	According to 4 groups, each group is 800 yuan
2	Floor ice cream ice bars	1 unit	2000	
3	Cold drinks cabinet	1 group	16000	Vertical 3-door high-grade
4	Hot dog machine (pool)	1 group	500	
5	rice cooker	1 pcs	200	
6	Steaming charter machine	1 pcs	500	
7	microwave oven	1 unit	500	
8	Ice machine (98kg)	1 unit	12200	Manitova (China) Refrigeration Co., Ltd. quotes
9	Cryogenic cabinet	1 group	3000	Calculated in 1 group
10	Open freezer	1 unit	3000	
11	Sesame machine	1 unit	3000	Purchase or rent from the Coke Company
12	Soft ice cream machine	1 unit	15000	
13	Sile Ice Machine	1 unit	7000	
14	Air conditioning unit	1-2 units	6000	Calculated according to 2 units (vertical or hanging or ceiling air conditioning)
15	Cash register POS machine	1-2 units	6000	Calculated as one

16	Money detector	1 pcs	100	
17	Monitors	1 set	1000	
18	telephone	1 unit	100	
19	electrograph	1 unit	1500	
20	Infrared induction alarm	1 set	1000	
21	Sound equipment	1 set	500	
22	Punch card machine	1 unit	100	
23	Cash register	1 pcs	3000	Manufacturer-made
24	Liquor and tobacco cabinets	3 groups	1500	Calculated according to 3 groups
25	fire extinguisher	2 pcs	400	Calculated according to 2 pieces
26	bicycle	5 units	1000	Calculated according to 5 parts
27	Shoeshine machine	1 unit	500	Factory quote
Total			88800	This price is the manufacturer's first quotation, the above equipment is amortized according to 3 years, and $88800 \div 36 = 2466.57$ per month should be amortized

8.4 Intellectual Property

Steps to register a trademark in a company:

1. Determine the goods (or services) that need to be registered as trademarks.
2. Inquire whether there are similar trademarks.

3. Risk assessment.
4. Prepare application materials.
5. Apply for registration.

According to Article 22 of the Trademark Law, the applicant for trademark registration shall fill in the categories of goods and the name of the goods used in the trademark in accordance with the prescribed commodity classification table and submit an application for registration. An applicant for trademark registration may apply for the registration of the same trademark in respect of multiple classes of goods through a single application. Applications for trademark registration and other relevant documents may be submitted in writing or by means of data messages.

Article 23 stipulates that where a registered trademark needs to obtain the exclusive right to use a trademark on goods outside the approved scope of use, a separate application for registration shall be submitted.

Section 9

Financial Forecasts

9.1 Funding Sources and Instructions for Use

This section will discuss our financial projections for our business operations from 2022 to 2026, which are based on business objectives and development plans to forecast future performance. At the same time, the macro environment, such as economic trends and pandemic conditions, is also under consideration, the initial investment capital of the project is expected to be 1.5 million, and the founder of the enterprise will raise 1 million yuan through self-financing, personal credit and real estate mortgage. In the later stage of the project, funds can be obtained through equity financing and other means. To grasp the actual operating conditions of convenience stores, this financial forecast analyzes the 24 Hours (No. 0 store) invested and operated more accurately by the founders in the early stage and does not analyze the behavior of opening branches and brand franchises in the later stage of the project.

9.2 Assume A Table

serial numb	Sources of income	Number	unit	Shop entry rate	Unit price (yuan)	Income (RMB)	remark
1	Apartment crowds	300	perso	60%	25	4500	
2	Office traffic	250	perso	50%	18	2250	
3	The industrial park	400	perso	20%	8	640	
4	Teachers and	800	perso	20%	2	320	
5	subtotal					7710	
	The adjustment						
6	Daily turnover					6168	
7	Monthly turnover					185040	
8	Annual turnover					2220480	

A. The daily turnover of a single store is 6168 yuan, the monthly turnover is 185040

yuan, and the annual turnover is 2220480 yuan.

B. The gross profit of the commodity is 30%, that is, the annual operating cost is 1554336 yuan

C. Corporate income tax rate: 3% (value-added part)

D. Bank one-year short-term loan interest rate: 6%, after the loan expires, continue to obtain loans through bank refinancing

E. The salary of employees is based on 5 people in a single store, with an average of 4,000 yuan / month per person and 240,000 yuan / year

F. Fixed assets invested 88,800 yuan in the early stage, expected to be used for 3 years, depreciation rate of 32% per year, net residual value rate of 4%

G. This assumption is only for the case 24 Hours (No. 0 store) made a financial analysis.

24 Hours convenience store (No. 0 store) sales forecast for the next five years

Unit: 10,000 yuan

serial	Sources of	Year 1	Year 2	Year 3	Year 4	Year 5
1	Operating	222.05	244.26	268.68	282.11	296.22
2	Operating costs	155.43	170.98	188.08	197.48	207.89
3	gross profit	66.62	73.28	80.60	84.63	88.33

In the first three years of opening a convenience store, due to the increasing popularity and high degree of growth, the annual turnover increased by 10% year by year, and then the annual growth became 5% due to the saturation of the receiving population.

9.3 Estimated Financial Statements

Sales expense budget table

Unit: yuan

subjects	2023	2024	2025	2026	2027
Employee compensation	240000	240000	240000	240000	240000
Water	2000	2000	2000	2000	2000

Electricity	20000	20000	20000	20000	20000
other	18200	41100	64100	77000	85500
Total Fees	280200	303100	326100	339000	347500

Manage expense budget tables

Unit: yuan

subjects	2023	2024	2025	2026	2027
Asset depreciation	28400	28400	28400	28400	28400
Venue rental fee	144000	144000	144000	144000	144000
total	172400	172400	172400	172400	172400

Financial expense budget table

Unit: yuan

subjects	2023	2024	2025	2026	2027
Interest on loans	60000	60000	60000	60000	60000
total	60000	60000	60000	60000	60000

9.4 Predictive income reports

Predictive Income Report (December 2022)

Unit: 10,000 yuan

serial	subjects	Q1	Q2	Q3	Q4
1	Main business	40.00	45.50	50.50	86.05
2	Main business	28.00	31.85	35.35	60.24
3	Taxes and	0.25	0.25	0.25	0.25
4	Administrative	4.31	4.31	4.31	4.31

5	Selling expenses	7.00	7.00	7.00	7.02
6	Finance costs	1.50	1.50	1.50	1.50
7	Operating profit	-1.06	0.59	2.09	12.73
8	Minus: Income	0.36	0.41	0.45	0.77
9	Net profit	-1.42	0.18	1.64	11.96

Predictive Income Report 2022-2026

Unit: 10,000 yuan

serial	subjects	Year 1	Year 2	Year 3	Year 4	Year 5
1	Main business	222.05	244.26	268.68	282.11	296.22
2	Main business	155.43	170.98	188.08	197.48	207.89
3	Taxes and	1.00	1.00	1.00	1.00	1.00
4	Administrative	17.24	17.24	17.24	17.24	17.24
5	Selling expenses	28.02	30.31	32.61	33.90	34.75
6	Finance costs	6.00	6.00	6.00	6.00	6.00
7	Operating profit	14.36	18.73	23.75	26.49	29.34
8	Minus: Income	2.00	2.20	2.42	2.54	2.65
9	Net profit	12.36	16.53	21.33	23.95	26.69

9.5 Projected Balance Sheet

Balance Sheet (December 2022)

Unit: 10,000 yuan

asset		Liabilities and owners' equity	
Liquid asset:		Current liabilities:	
Monetary funds	94.16	Short-term borrowing	100.00
Accounts receivable	15.00	Accounts payable	25.50
Minus: Provision for bad debts		Wages payable	

Net accounts receivable		Taxes payable	
Prepaid accounts		Withholding fees	
Other receivables	10.00	Dividends payable	
stocks	25.00	Other payables	15.00
Other current assets		Other current liabilities	
Total current assets	144.16	Total current liabilities	140.50
Fixed asset:		Long-term liabilities:	
The original price of the fixed asset	8.88	Total long-term debt	
Minus: Accumulated depreciation	2.84	Total liabilities	140.50
Net fixed assets	6.04	Owner's Equity:	
Construction in progress		Paid-in capital	50.00
Long-term amortization of costs	50.00	Surplus reserve	
Intangible and other assets:		Among them: Community Chest	
Other long-term assets		Undistributed profits	9.52
Total intangible and other assets		Total Owner's Equity	59.52
Total assets	200.02	Total liabilities and owners' equity	200.02

Balance Sheet (2022-2026)

Unit: 10,000 yuan

serial	subjects	Year 1	Year 2	Year 3	Year 4	Year 5
1	Monetary funds	78.48	112.51	131.35	146.83	173.32
2	stocks	25.00	25.00	25.00	25.00	25.00
3	Accounts	15.00	17.00	18.00	16.80	18.50
4	Other	10.00	8.00	8.00	8.50	9.00
5	Total current	144.16	162.51	182.35	197.13	225.82
6	The original price	8.88	8.88	8.88	8.88	8.88
7	Minus:	2.84	5.68	8.52	2.84	5.68
8	Net fixed assets	6.04	3.20	0.36	6.04	3.20
9	Long-term	50.00	50.00	50.00	50.00	50.00
10	Total assets	200.02	215.71	232.7	253.17	279.02
11	Short-term	100.00	100.00	100.00	100.00	100.00
12	Accounts	25.50	27.5	26.00	25.00	27.00
13	Other payables	15.00	15.00	15.00	15.00	15.00
14	Total current	140.50	142.50	141.00	140.00	142.00
15	Total liabilities	140.50	142.50	141.00	140.00	142.00
16	Paid-in capital	50.00	50.00	50.00	50.00	50.00
17	Undistributed	9.52	23.21	41.70	63.17	87.02
18	Owner'sEquity	59.52	73.21	91.70	113.17	137.02
19	Liabilities and	200.02	215.71	232.7	253.17	279.02

9.6Estimated Cash Flow

Cash Flow Statement (December 2022)

Unit: 10,000 yuan

	First quarter	Second quarter	Third quarter	Fourth quarter
I.Cash flow from operating				

activities				
Cash received from the sale of goods and the provision of services	40.00	45.50	50.50	86.05
Other cash received in connection with operating activities	0.00	0.70	1.30	2.00
Cash inflow subtotal	40.00	46.20	51.80	88.05
Cash payments for the purchase of goods and the acceptance of services	28.00	31.85	35.35	60.24
Cash paid to and for employees	6.00	6.00	6.00	6.00
All taxes paid	0.61	0.66	0.70	1.02
Other cash paid in connection with operating activities	1.96	1.96	0.96	15.36
Cash outflow subtotal	36.57	40.47	43.01	82.63
Net cash flows from operating activities	3.43	5.73	8.79	5.42
II.Cash flows from investing activities				
Net cash received on the disposal of fixed assets and other long-term assets	-	-	-	-
Other cash received in connection with investment activities	-	-	-	-
Cash inflow subtotal	-	-	-	-

Cash paid for the construction of fixed, intangible, and other long-term assets	-	-	-	-
Other cash paid in connection with investment activities	-	-	-	-
Cash outflow subtotal				
Net cash flows from investing activities				
III. Cash flows from financing activities				
Absorption of cash received on equity investments				
Cash received on the loan				
Other cash received in connection with fund-raising activities				
Cash inflow subtotal				
Cash paid to repay debts				100.00
Cash paid for financing costs				
Cash paid for the distribution of dividends, profits or interest payments	1.50	1.50	1.50	1.50
Other cash disbursements related to fund-raising activities				
Cash outflow subtotal				
Net cash flows from fund-raising				100.00

activities				
IV.Net value added in cash and cash equivalents	1.96	4.23	7.29	3.92

Statement of cash flows (2022-2026)

Unit: 10,000 yuan

serial	subjects	Year 0	Year 1	Year 2	Year 3	Year 4	Total for
1	Cash inflow from		222.05	244.26	268.68	282.11	296.22
2	Other operating		4.00	4.00	4.00	4.35	4.00
3	Cash inflow		226.05	248.26	272.68	286.46	300.22
4	Build fixed assets	58.88	0.00	0.00	0.00	8.88	0.00
5	Purchase goods to	12.00	155.43	170.98	188.08	197.48	207.89
6	Pay cash to		24.00	24.00	24.00	24.00	24.00
7	Other operating		20.24	21.1	21.1	21.1	21.24
8	Taxes and		1.00	1.00	1.00	1.00	1.00
9	Income tax		2.00	2.20	2.42	2.54	2.65
10	Cash outflow	70.88	202.67	219.28	236.6	255	256.78
11	Debt repayment		100.00	100.00	100.00	100.00	100.00
12	Interest payments		6.00	6.00	6.00	6.00	6.00
13	Inflow of fund-		100.00	100.00	100.00	100.00	100.00
14	Net cash flow	-70.88	17.38	22.98	30.08	25.46	37.44
15	Accumulated net	-70.88	-53.5	-30.52	-0.44	25.02	62.46

9.7 Ratio Analysis

serial	Ratio analysis	Year 1	Year 2	Year 3	Year 4	Year 5
1	Total asset	1.11	1.13	1.15	1.11	1.06
2	liquidity ratio	1.03	1.14	1.29	1.41	1.59
3	Quick ratio	0.85	0.96	1.12	1.23	1.41
4	Asset-liability	70.24%	66.06%	60.59%	55.30%	50.89%
5	Gross margin	30%	30%	30%	30%	30%
6	Netprofit margin	5.6%	6.8%	7.9%	8.5%	9.0%

7 return on 17.44% 23.32% 30.10% 33.79% 37.66%

Total asset turnover rate analysis: The total asset turnover rate of the enterprise is about 1.1, the overall performance is good, and the growth of monetary funds can be used for branch opening.

Solvency analysis: From the perspective of long-term solvency analysis, because most of the initial funds are obtained from bank loans, the asset-liability ratio of enterprises in the initial stage is high, and the total assets increase year by year after operating profitability year by year, while liabilities have not changed, so the long-term solvency of enterprises has increased year by year. From the perspective of short-term solvency, the current ratio and quick ratio of enterprises have increased year by year, and the short-term solvency of enterprises is ordinary.

Profitability analysis: Gross margin and net profit marginThe profitability of 24 Hours convenience stores (No. 0 stores) is at the industry average, and combined with investment stability and returns, the 24 Hours convenience store (0 stores) project is a better investment option.

Payback period

Payback period = Cumulative net present value negative years + Absolute value of accumulated net cash flow for the current year / Discounted net cash flow for the next year ≈ 3 years

Net present value analysis

Net present value table

Unit: 10,000 yuan

serial	year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
1	Net cash inflow		226.05	248.26	272.68	286.11	300.22
2	Net cash outflow(I)	70.88	208.67	225.28	242.60	261.00	262.78
3	Discount rate 8%	-70.88	17.38	22.98	30.08	25.46	37.44
4	Cumulative Net				32.99		

The cumulative net present value for the fifth year was 329,900yuan, indicating that the project has high investment feasibility.

Internal rate of return

Internal Rate of Return Table

year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Net cash flow (RMB)	-70.88	17.38	22.98	30.08	25.46	37.44
Internal Rate of Return (IRR)				22%		

The project's internal rate of return is 22%, indicating that the project has a relatively stable return on investment.

Appendix

According to the "2021 China Convenience Store Development Report" released by the China Chain Store and Franchise Association (CCFA), the national convenience store sales in 2021 will be 349.2 billion yuan, an increase of 17.92% over 2020. Even during the epidemic, the overall development of the convenience store industry is still improving. However, the current penetration rate of convenience stores in China is not high enough, and there is still a lot of room for development in the future. In addition, as a people's livelihood project, in recent years, the development of convenience stores in China has received strong support from policies. The State Council, the Ministry of Commerce and other government departments have repeatedly proposed support for the development of convenience stores in documents in 2021. In July 2021, the Ministry of Commerce and 11 other departments issued the "Guide to the Construction of a Convenient Living Circle in One Quarter of an Hour in Cities", which put forward more detailed incentives for the development of convenience stores, and specifically mentioned encouraging large enterprises to export brands, standards, management and services and develop community convenience stores.

At present, in China, the development trend of the convenience store industry is relatively impressive. In terms of relevant policies, the development of convenience stores is regarded by the Chinese government as a people's livelihood project that needs to be vigorously supported. The 24 Hours convenience store project was born in this era background, and this project makes the 24 Hours convenience store invincible through the location of the No. 0 store and customer choice. Through customer segmentation and tailor-made products and services for customers, the core competitiveness of convenience stores has been further improved, and a good foundation has been laid for the further development of the future 24 Hours convenience store project. According to simulated financial analysis, the 5-year return rate of the 24 Hours convenience store project is 140.59%, the internal rate of return on investment is 22%, and the cumulative net present value of the fifth year is 329,900 yuan, which is a good income project. Therefore, I believe that the 24 Hours convenience store project is in line with the

requirements of the previous national development and local community economic development, and I am looking forward to the development plan of the 24 Hours convenience store project in the next five years.

The following is a questionnaire for the 24 Hours convenience store project:

24 Hours convenience store consumer survey						
Questionnaire Number:				Fill in the time		
First of all, thank you for participating in this questionnaire, in order to provide you with better service, so that you have a better shopping experience, Food Every Moment Convenience Co., Ltd. would like to ask you to fill in the question carefully, your answer is closely related to the future we provide to your services.						
1	Do you go shopping at the convenience store in the neighborhood?					
	A go	B Don't go, all bought from the Internet		C Don't go, all go to the big synthesis Supermarket bought		D Don't go, all in single Bit bought nearby
2	How often do you visit on average?					
	A Almost every day All go	B Go every week 4-5 times	C Go 2-3 times a week	D Go every week 1 time	E 2-3 per month times	F I can't even go once a month
3	When do you usually go?					
	A morning work	B noon work	C afternoon work	D afternoon work	E after 9 pm	F Any time you want to go
4	What type of products do you buy most often?					
	A drink	B side dish	C drink	D daily necessities	E cigarettes	F fruits and vegetables G condiments H other
5	Would you like to buy fresh goods at a convenience store?					
	A is willing			B is not willing; I prefer to go _____		
6	What is your average amount per purchase?					
	A 10 yuan below	B 10-50 yuan	C 50-100 yuan	D 100-200 yuan	E 200-500 yuan	F 500 yuan or more
7	Your gender					
	A male			B female		
8	Your age					
	A 20 years of age	B 20-29 years old		C 30-39 years old		D 40-49 years old E 50 years old above

9	Your marital status					
	A is married			B Unmarried		
10	Do you live with an elderly person					
	A Yes			B No		
11	Do you have children					
	A Yes			B No		
12	Your way of traveling					
	A Walk		B Drive		C Other_____	
13	Your financial situation					
	A From 1000 yuan under	B 1000-2000 Yuan	C 2000-4000 Yuan	D 4000-8000 Yuan	E 8000-12000 Yuan	F More than 12000 yuan

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