



RESEARCH ON LOW-SUGAR AND LOW-FAT GREEN TENDON TEA
IN CHINA

BY
YUZHE SUNN

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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Independent Study Title Research on Low-sugar and Low-Fat Green Tendon Tea
in China

Author Yuzhe Sunn

Program Master of Business Administration (International Program)

Advisor(s) Pavinee Na Srito, Ph.D.

Graduate School, Southeast Asia University, was approved as partial fulfillment of the requirements for the degree of Master of Business Administration. (International Program)

..... Dean, Graduate School
(Puttithorn Jirayus, Ph.D.)

..... Director, Master of Business Administration
(Assoc.Prof. Napaporn Khantanapha, Ph.D.) (International Program)

Independent Study Committees

..... Chairman, Independent Study Committees
(Assoc.Prof. Thanakorn Thanathanchuchot, Ph.D.)

..... Committee
(Assoc.Prof. Napaporn Khantanapha, Ph.D.)

..... Advisor
(Pavinee Na Srito, Ph.D.)

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Abstract

This research aim to study on Low-sugar and Low-Fat Green Tendon Tea in China Fu Tea in China. This study were qualitative methodology via in-depth interview, and content analysis. This study found that: 1) Market Segmentation were the population of diagnosed diabetics, the potential high risk of diabetes people, the group of health care enthusiasts, target market optimal market consists of people with diagnosed diabetes and people who are potentially at high risk of developing diabetes, marketing strategy build, brand image expand market share. 2) Management the company streamlined its organization and personnel, and set up only the necessary functional departments, Production Plan business to ensure that production matches the demand, and operation Plan Company specific work content includes the formulation of the company's business plan, strategic plan, marketing plan, etc., product strategy low-sugar and low-fat tea, price strategy adopts cost pricing is based on price lower than other, place strategy focus on online channel, promotion strategy via WeChat and ShakeYin streaming platforms. 3) Financial projections in 5 year were NPV= 1,449,700 Yuan, IRR = 18.45 and ROI average per year 38.91%.

Keywords: Fu tea, Low-sugar, low-fat tea.

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Yuzhe Sunn

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Section 1

Introduction

1.1 Company Description

Ltd. (Zhengzhou University Yunchuang Technology Co., Ltd.), with the purpose of serving "public entrepreneurship and innovation" and the action guide of "Zhengzhou University Yunchuang, serving dual innovation", is a key service provider of high-quality dual-innovation services of Zhengzhou University. With the core business of technology business incubation and investment and financing services, and the value-added services of management consulting and training, research on regional and industrial development, transformation of scientific and technological achievements, intellectual property services and governmental decision-making consulting, it is an important platform and influential brand of high-quality dual-innovation services of Zhengzhou University.

The platform of Zheng University Yunchuang houses more than 280 domestic and foreign investment banking institutions and industry experts, covers more than 30 billion Yuan of various investment funds, serves more than 400 innovation and entrepreneurship projects in total, helps a number of enterprises to enter the IPO counseling and register on the New Third Board, and a large number of enterprises show good growth momentum.

Ltd., a subsidiary of Zhengda Yunchuang, focuses on IP refinement and design, product cultural packaging, facility cultural and creative transformation, community docking and other service businesses, and is committed to reshaping the soul of the countryside with cultural creativity, putting brand wings on the countryside with IP, promoting the interaction of urban and rural resources with the Internet, integrating the development of multiple industries and serving rural revitalization. At present, it has successfully practiced a number of projects such as Qixian Town in Xiuwu County, Henan Province and Puding Countryside Cultural and Creative IP in Guizhou Province and achieved good results.

From this, it can be seen that Zheng Da Yunchuang has strong integration ability

in economic, technical and human aspects for such projects, and has accumulated rich experience in sales and branding of agricultural products, which can better develop the market and sales management of the "Fu" brand of Qingqianliu tea products.

1.2 Current Situation Analysis

The specific market prospect needs to pay attention to the specific situation of the current market. The following are the market potential, target market, macro environment, and industry competition to analyze the market prospects of "Fu" brand green willow tea.

(1) PEST analysis

The external environment factor analysis refers to the analysis and adjustment of the marketing activities carried out by enterprises according to the changes in the external environment, taking into account their own characteristics, development stages and business needs, so as to adapt to the changes in the external environment. The external environment is divided into two aspects: macro environment and industry environment. Macro environment includes: "P" that is, the political (Political) environment, "E" that is, the economic (Economic) environment, "S" that is, the social (Social) environment. These four macro factors are usually analyzed by the PEST analysis. The industry refers to the analysis of the operating conditions in the industry in which the company is located, which includes the analysis of industry dynamics and Porter's five forces model.

(1) Political environment

China is a big political country, and the policies implemented in China have a fundamental influence and leading role in the development of related industries. Many policies introduced by the state have shown a certain positive guiding effect on the sales of "Fu" brand green willow tea. Therefore, from the analysis of the policy environment, the current policy environment is conducive to promoting the smooth implementation and development of the sales of "Fu" brand green willow tea. Here are a few different perspectives to introduce.

In November 2013, General Secretary Xi Jinping in Hunan Hunan Huayuan County, 18 cave village inspection, the first time put forward the "precise poverty alleviation", emphasizing that poverty alleviation should be practical, according to local conditions, classification guidance, precise poverty alleviation. December 2013, the General Office of the CPC Central Committee, the General Office of the State Council issued "on innovative In May 2016, the former Ministry of Agriculture, the National Development and Reform Commission, the State Council Poverty Alleviation Office and other nine departments jointly issued the "Guidance on the Development of Special Industries in Poverty-stricken Areas to Promote Precise Poverty Alleviation", which listed the "scientific determination of special industries to increase income" as one of the 10 outstanding issues to be addressed. In May 2016, the former Ministry of Agriculture, the National Development and Reform Commission, the State Council Poverty Alleviation Office and other nine departments jointly issued the "Guidance on Developing Special Industries for Precise Poverty Alleviation in Poverty-stricken Areas", which makes "scientifically identifying special industries" the primary task of poverty alleviation. The 13th Five-Year Plan for National Economic and Social Development of the People's Republic of China lists poverty alleviation through special industries as one of the eight key projects for poverty eradication, and the 13th Five-Year Plan for Poverty Eradication issued in November 2016 elaborates on specific paths and measures for poverty alleviation through industries. In June 2018, the Guidance Opinions on the Three-Year Action to Win the Battle against Poverty proposed to "actively cultivate and promote special products with markets, brands and benefits". "The company has led local farmers to develop the green willow industry and implement industrial poverty alleviation, which has achieved outstanding results and is a key enterprise in poverty alleviation.

In terms of innovation and entrepreneurship policies, since 2013, the State Council has been formulating and introducing a series of policies on "mass entrepreneurship and innovation" (referred to as "dual innovation"). In the following two years, the State Council and its ministries and commissions have formulated and promulgated 63 "dual innovation" policies. In September 2018, the State Council issued the Opinions on Promoting High-Quality Development of Innovation and

Entrepreneurship to Create an Upgraded Version of "Double Innovation" (Opinions). In September 2018, the State Council issued the Opinions on Promoting High-Quality Development of Innovation and Entrepreneurship to Create an Upgraded Version of "Double Innovation" (the Opinions), which pointed out that, under the guidance of Xi Jinping's Socialist Thought with Chinese Characteristics for a New Era, the State Council should comprehensively implement the spirit of the 19th CPC National Congress and the 2nd and 3rd Plenary Sessions of the 19th CPC Central Committee, and implement the innovation-driven development strategy in accordance with the demand for high-quality development. We should further create an upgraded version of "Double Innovation", further optimize the innovation and entrepreneurship environment, significantly reduce the cost of innovation and entrepreneurship, enhance the ability of entrepreneurship to drive employment, strengthen the leading role of scientific and technological innovation, enhance the service capacity of the support platform, and promote the formation of an innovation and entrepreneurship pattern that combines online and offline, collaborates with industry, academia, research and use, and integrates small, medium and large enterprises, so as to speed up the development of a new dynamic force and achieve the goal of To provide a solid guarantee for accelerating the cultivation of new dynamic energy for development, achieving fuller employment and high-quality economic development. The sales project of "Fook" brand green tendon tea is the important link of "use" in the "industry-academia-research-use synergy", which is the final destination of the product and the key step for the enterprise to realize the profit, and is also the important source to bring power to the industry. It is also an important source to bring power to the industry.

② Economic Environment

The economic environment is a major trend that determines whether a business project can be implemented smoothly, and a good project is about following the trend. From the perspective of national economic development environment, China's current economic environment is generally favorable to promote the development of the green willow industry.

On the one hand, during the "13th Five-Year Plan" period, China's ecological civilization construction has been promoted, and environmental economic policies such as environmental taxation, green finance and ecological compensation have been accelerated, playing an important role in promoting green production and consumption, pollution reduction and environmental quality improvement. "In the 14th Five-Year Plan period, the construction of ecological civilization and beautiful China has put forward new requirements for environmental economic policy innovation, and environmental economic policy reform is facing unprecedented opportunities and challenges, requiring the establishment of a more equitable, reasonable and effective environmental economic policy system, the formation of a synergistic support for high-quality economic development and high-level environmental protection. Long-term mechanism to continuously and deeply promote the improvement of environmental quality and the modernization of environmental governance system and capacity. In the green willow industry, enterprises lead farmers to plant green willow trees, which is in line with China's 13th and 14th Five-Year Plans to improve the environment while developing the economy.

On the other hand, since China's reform and opening up, the economy has continued to develop and progress, and the current level of China's economic development has entered a whole new level. The entire population has entered the era of prosperity, the people have become rich, their consumption level has increased, and their consumption direction has also changed. According to the "Maslow's Hierarchy of Needs Theory" proposed by Abraham Maslow in 1943, the "physiological needs" of Chinese consumers are basically satisfied, and the main level of needs will change from "physiological needs" to "security needs". Here the "security needs" include the need for physical health. The health benefits and the positive effects of the green crocus on diabetes will certainly get the attention of consumers. The development of strychnine industry will usher in a glorious period, which is also an inevitable result of the positive development of the current economic environment.

③ Social environment

China's social environment has also entered a brand new period along with the

development of politics, economy and civilization. The current level of social development retains the essence of the traditional culture inherited parts, and also incorporates the fresh blood brought by social development, and at the same time, some new problems and challenges have emerged. Chinese tea culture. China is the homeland of tea and the birthplace of tea culture. In the long process of social evolution has formed a perfect system and rich content of tea culture, which includes tea ceremony, tea virtue, tea spirit, tea association, tea book, tea tools, tea painting, tea science, tea story, tea art and many other aspects. Tea culture is a valuable treasure passed down from traditional culture, and tea drinking is a way of life for Chinese people. The value of tea drinking does not only lie in the tea itself, but more in people's tracing of tea culture, the atmosphere created by tea drinkers enjoying tea drinking, or the self-examination of one person drinking alone, the tranquility and tantalization, or the intimate communication of several people drinking together, the joy of circle culture. It is for this reason that the Chinese habit of drinking tea has been passed down from ancient times and will continue to be passed down. It is made by frying the leaves of the green willow, a second-class protected species of the pecan family. The tea soup has a golden color and is very sweet in the mouth. Because of the regional and production factors, the green willow tea is currently not common in other parts of the country, so the green willow tea in the future in the tea market will have a very good development potential.

Diabetes is a growing problem among Chinese people. Diabetes is a metabolic disease caused by poor pancreatic secretion or defective insulin action, which causes serious damage to the human body and many accompanying diseases, and is known as the "source of all diseases". With the improvement of living standards and the acceleration of the pace of life in China, the incidence of diabetes has been on the rise in recent years. According to data, in 2017, about 4 million people between the ages of 20 and 79 died from diabetes. China has about 114 million people with diabetes, with a prevalence rate of 11.6%, ranking first in the world. The number of people currently living with diabetes continues to grow globally. It is estimated that the number of people with the disease is about 425 million worldwide in 2017 and is expected to reach 629 million by 2045, while the number of people with diabetes in

China will reach about 150 million. In addition, the awareness rate of diabetic patients is low, and the awareness and treatment rate of diabetic patients in China is only one-third, and the control rate is less than half, which is relatively at a low level. The large number of these diabetic patients and potential patients indicates that there is a good market prospect for diabetes prevention and treatment related products. With its excellent positive effect on the symptoms of diabetes, relatively low price and convenient application of tea, "Fu" brand green tendon tea is bound to stand out from many products and gain the favor of consumers.

④ Technical environment

The current technological environment has entered the middle and late stages of the Internet era and has developed to an unprecedented level. Nowadays, the market has entered a new situation in terms of products and demands due to the breaking and rebuilding of information barriers and technical barriers time and again. Products dictated by market demand often come with technology and spin-offs armed to the teeth. So now the selling point of the product is by no means only the product itself, the same attention is paid to the quality of the product is reliable under the premise of the supporting facilities and services around the product. And these supporting facilities and services, cannot be separated from the impact of the technical environment and support.

First of all, the research and use of cymbidium has been very mature. Inorganic mineral components such as potassium, calcium, magnesium, manganese, zinc, selenium, etc., and organic components such as triterpenoids, flavonoids, polysaccharides, etc., which are contained in cycad have been extracted and analyzed by scientists many times and tested on white rats, confirming the effect of these substances on the body, which can help the body lower blood sugar and blood lipids, antioxidant, etc. According to the "Chinese Traditional Chinese Medicine Resource Book", the leaves of *Cymbopogon* are effective in clearing heat and relieving thirst and toxicity. According to the National Herborology Directory, the bark, leaves and roots of the willow tree are effective in killing insects and relieving itching, and in relieving pain and wind. Chinese medicine clinical use for the treatment of diabetes, because it has a pharmacological effect can significantly lower blood sugar, fat reduction and

urine sugar.

Secondly, nowadays, the network technology is developed and the e-commerce technology is mature. Commercial products with the windfall of the Internet, the use of online information media technology on the network for advertising and publicity, through the network of e-commerce online sales, consumers through the network page to understand the details of the product and evaluation, online orders, the enterprise can take orders online, contact logistics for product distribution and delivery. With the support of Internet technology, commercial sales activities have become more convenient and faster than ever before. And the Internet has entered the 5G era, now the means of commercial publicity is also more diversified in the 5G technical environment, no longer limited to text and pictures, video and live broadcast has become the main force of commercial publicity by virtue of its own easy-to-read and interesting. Through the analysis of the macro environment of the cymbidium industry, it can be learned that the cymbidium and its related products have a good development environment in terms of policy, economic, social and technological environment. The support provided by the policy environment, the demand and potential market provided by the economic and social environment, and the experience accumulated by the technological environment will all provide momentum to the development of the cycad industry and make the development prospect of the cycad industry brighter.

1.3 Five force Model of Michael Porter

Organizations likely keep a close watch on their rivals, to look beyond the actions of their competitors and examine what other factors could impact the business environment. Identified five forces that make up the competitive environment, and which can erode your profitability. These are:

1. Competitive Rivalry.

Competitive Rivalry Henan Xinglin Agricultural Development Co. Ltd on Fu Tea in China based on Low-sugar and low-fat tea. This company actively responds to the policy of "helping the poor and the farmers", organizes and leads the farmers to cultivate the green willow in Shangcheng County, Henan Province, and has won the

honorary titles of "National Green Willow Breeding Base" and "Key Enterprise of Forestry Industrialization in Henan Province". The company has won the honorary title of "National Strychnine Willow Breeding Base" and "Key Enterprise of Forestry Industrialization in Henan Province", and was approved by Henan Provincial Forestry Department to set up "Henan Provincial Forestry Department Strychnine Willow Engineering Technology Research Center". After eight years of painstaking management, currently, the green willow trees have grown and there are a large number of leaves available for picking to make green willow tea, and it is urgent to start the sales process. In order to better carry out the sales of "Fu" brand of green willow tea, the person in charge of Henan Xinglin Agricultural Development Co. Ltd. (hereinafter referred to as Zhengda Yunchuang) to promote and sell the "Fu" brand of Qianliu tea nationwide. Zheng Da Yunchuang intends to establish a sales company in joint venture with Xinglin Agriculture to implement the concept of "Internet+" and establish a business model of "brand + channel" relying on the Internet. Through cooperation with other industries, we will jointly build a comprehensive life service system with the theme of "diabetes rehabilitation" to provide convenience for "high sugar people", so as to achieve the sales of "Fu The purpose of selling.

2. Supplier Power

Supplier power of Henan Xinglin Agricultural Development Co. Ltd is the company actively responds to the policy of "helping the poor and the farmers", organizes and leads the farmers to cultivate the green willow in Shangcheng County, Henan Province, and has won the honorary titles of "National Green Willow Breeding Base" and "Key Enterprise of Forestry Industrialization in Henan Province. This company buy the tea material from only from famer at Henan Province

3. Buyer Power

Market Segmentation of Henan Xinglin Agricultural Development Co. Ltd were the population of diagnosed diabetics, the potential high risk of diabetes people, the group of health care enthusiasts, People who have the habit of drinking tea, gift giving crowd. Target market were the optimal market consists of people with diagnosed diabetes and people who are potentially at high risk of developing diabetes. To

reduce power of the group company must expand to other group by concentrate to people who have the habit of drinking tea, gift giving crowd. .

4. Threat of Substitution

Threat of Substitution Henan Xinglin Agricultural Development Co. Ltd sale Tea in China based on Low-sugar and low-fat tea must extent that switching costs are low, substitutes may have a strong effect on an industry. Tea can be considered a substitute for coffee. If the price of coffee goes up high enough, coffee drinkers will slowly begin switching to tea. The price of tea thus puts a price ceiling on the price of coffee.

5. Threat of New Entry

Threat of New Entry of Henan Xinglin Agricultural Development Co. Ltd sale tea in China based on Low-sugar and low-fat tea should consider company position can be affected by people's ability to enter your market and think about how easily this could be done. How easy is it to get a foothold in tea market, how much would it cost, and how tightly if it takes little money and effort to enter your market and compete effectively, or if company have little protection for key technologies, then rivals can quickly enter your market and weaken your position. If you have strong and durable barriers to entry, then company can preserve a favorable position and take fair advantage of it. Economies of scale: in the production and sale gave Intel a significant cost advantage over any new rival, product differentiation and access to distribution channels, and cost, and government policy can limit entry into an industry through licensing .

1.4 Feasibility Analysis

Product: The green willow is rich in a variety of essential minerals and organic components that are beneficial to the human body. Inorganic minerals include high levels of macronutrients such as potassium, calcium and magnesium, as well as trace elements such as manganese, iron, zinc, copper, selenium and chromium. Some studies have shown that potassium is essential for insulin secretion in pancreatic islets and is also effective in the treatment of hyperglycemia and hypertension. Chromium as a synthetic glucose tolerance factor can assist insulin to regulate hyperglycemia

and improve glucose tolerance. Selenium is involved in the composition of the glutathione peroxidase in cells, which has anti-aging, anti-cancer and cardiovascular protective effects; in addition, studies have found that diabetes and selenium have a very high correlation, and selenium metabolism in diabetic patients is more disordered compared to normal people. And the human body if lack of zinc will make insulin sensitivity to blood sugar is reduced, manganese deficiency or deficiency can lead to pancreatic insufficiency. The main organic components that are beneficial to the human body are triterpenoids, flavonoids, and polysaccharides and so on. Triterpenoids have certain biological activities and pharmacological effects, such as hypolipidemic, anti-allergic, anti-inflammatory, treatment of leukemia, prevention of tissue fibrosis, etc. Cyanidin flavonoids can inhibit α -glucosidase activity by binding with α -glucosidase in experiments, thus lowering blood sugar. The polysaccharides of *C. cyanogenes* can not only lower the blood glucose value, but also protect the pancreas and its surrounding tissues, in addition to inhibit the production of blood lipids, and also have some inhibitory effect on lipid peroxidation. The polysaccharide content in the young leaves of the green willow is as high as 0.65%, which is much higher than other plants.

Marketing: By analyzing the market environment, adopting the proper combination of marketing strategies and combining the business model of this project, we can have a general idea of the marketing plan of the project. By sorting out the content of the marketing plan, it is summarized into two parts of content. The first part is the basic business, which is about the project's own traffic attraction operation and the establishment of the service platform, which is mainly done by the project independently; the second part is the cooperation business, which is about the way of cooperation with other enterprises. Using the above two parts, it can be well marketed, so the marketing aspect is highly feasible.

Financial: The sale of the product needs a certain operating time to make the product open its own market and have a certain popularity, and then make up for the capital invested in the early stage, and finally it will start to make profit. According to the profitability model of the project, it is expected to achieve break-even in the second year and profitability of the investment in the third year. The feasibility is high.

1.5 Research Objectives

The research of this independent study is

1. To study Futea in China based on Low-sugar and low-fat tea of Henan Xinglin Agricultural Development Co. Ltd

Detail as follow :

"Ltd. (hereinafter referred to as Xinglin Agriculture) is a health tea to reduce sugar. The company actively responds to the policy of "helping the poor and the farmers", organizes and leads the farmers to cultivate the green willow in Shangcheng County, Henan Province, and has won the honorary titles of "National Green Willow Breeding Base" and "Key Enterprise of Forestry Industrialization in Henan Province". The company has won the honorary title of "National Strychnine Willow Breeding Base" and "Key Enterprise of Forestry Industrialization in Henan Province", and was approved by Henan Provincial Forestry Department to set up "Henan Provincial Forestry Department Strychnine Willow Engineering Technology Research Center". After eight years of painstaking management, currently, the green willow trees have grown and there are a large number of leaves available for picking to make green willow tea, and it is urgent to start the sales process. In order to better carry out the sales of "Fu" brand of green willow tea, the person in charge of Henan Xinglin Agricultural Development Co. Ltd. (hereinafter referred to as Zhengda Yunchuang) to promote and sell the "Fu" brand of Qianliu tea nationwide. Zheng Da Yunchuang intends to establish a sales company in joint venture with Xinglin Agriculture to implement the concept of "Internet+" and establish a business model of "brand + channel" relying on the Internet. Through cooperation with other industries, we will jointly build a comprehensive life service system with the theme of "diabetes rehabilitation" to provide convenience for "high sugar people", so as to achieve the sales of "Fu The purpose of selling "Fu" brand green willow tea.

Section 2

Marketing Plan

2.1 Segmentation, Target and Positioning

The "Fu" brand of green willow tea has a relatively clear market prospect and is a project with investment and development value. In order to better achieve the development of the project, it is necessary to conduct a marketing analysis to confirm the target market of "Fu" brand green willow tea, in order to take the corresponding marketing strategy.

The tea has the effect of controlling blood sugar and improving the condition of diabetic patients, and it has a good preventive effect on people who are potentially at risk of developing diabetes. At the same time, it has a sweet taste and is also suitable for daily leisure drinking. Therefore, it is suitable for a wide range of applications.

2.2 Market Segmentation

Market segmentation is based on the variability of consumer demand in the overall market. The market for green tendon tea can be divided into a number of different ranges according to different consumer groups and different purposes of use for the product.

The market segmentation is as follows.

1. The population of diagnosed diabetics

This part of the population suffers from the pain of diabetes day and night, seeking blood glucose lowering products has become a daily operation, a large number of people, strong awareness of blood glucose lowering, a long demand period for blood glucose lowering products, strong customer stickiness, huge demand, age level throughout the youth, middle-aged, elderly, along with the age structure of diabetic patients downward and the promotion of strychnine tea, the demand will be further expanded. Although there is a wide variety of products on the market that claim to have the efficacy of lowering blood sugar, but the market products are mixed,

the price varies, the product credibility is generally not high, like the green willow tea such a low-priced and authoritative scientific certification of pure natural green blood sugar products is not enough to meet the market demand of this part of the population.

2, the potential high risk of diabetes people

This part of the population lives in fear of becoming a diabetic at any time, and a considerable number of people have the habit of paying attention to the prevention of high blood sugar on a daily basis. The number of people is also huge, the awareness of diabetes prevention is high, the demand period for the product is long, there is a certain customer stickiness, and the demand is large. The age of customers is generally concentrated in middle and old age, and their consumption habits are more inclined to offline. Because they are temporarily in the stage of no disease, this part of the population does not have a very strong demand for pharmaceutical products and related health care products, and is more inclined to pay attention to daily meals and dietary therapy and the formation of healthy living habits and other ways.

(3)、 The group of health care enthusiasts

This part of the population is limited in number and theoretically does not distinguish between age stages, but in reality it is more often found in the middle-aged and elderly groups, with a relatively large age range. These people pay more attention to their physical condition and have certain interest and demand for products that are beneficial to their bodies. But because most of them do not have physical abnormalities, so the demand for a single product is mostly phased, more likely to be interested in new products, most like to change products frequently, customer stickiness is poor, the market demand is general, there is a certain pursuit of brand.

(4)、 People who have the habit of drinking tea

This part of the crowd for various purposes or reasons, the habit of daily tea drinking, most of them have a specific preference for tea varieties, not easy to generate interest in new products. Even if there are some people who do not have a special preference for tea varieties, but based on the tea drinking culture and the circle effect formed by tea drinking, it is difficult for them to turn their interest to the

green money willow tea which is not outstanding in the tea market. Therefore, in this kind of people, the market demand of the green Qianliu tea is very small.

(5)、 Gift giving crowd

This is the part of the population that will consider the green willow tea as a gift when visiting friends and relatives during the New Year holidays. This group of people has a higher pursuit of the product's brand and market popularity, and also has certain requirements for the magnificence of the packaging and price. Only when strychnine tea in the market to form a trend, and the emergence of phenomenal products, will show a phase explosion of market demand. But this demand comes and goes quickly, and customer stickiness is basically zero.

2.3 Target market

According to the segmentation and analysis of the target market, combined with the current situation of the green tendon tea industry, and the product characteristics of green tendon tea, the segmentation market is divided into four categories: "the best target market", "complementary target market" and "abandoned market". Specific expressions are as follows.

1、 Optimal target market

The optimal market consists of people with diagnosed diabetes and people who are potentially at high risk of developing diabetes. Considering that these two types of people have very similar needs for the product, these two groups of people are combined together as the "high sugar population" for the purpose of facilitating marketing operations and improving the feasibility and effectiveness of the program. This group of people also suffers from diabetes mentally and physically, and has an immediate need for sugar-lowering products, which coincides with the characteristics of green tendon tea to lower blood sugar and improve insulin secretion. The product demand is large, the market prospect is good, easy to form a circle culture, in this part of the population to carry out the propaganda of the green willow tea can reach "one to ten, ten to hundred" effect. In addition, because such people have obvious and easy-to-read body data for the collection of statistics, the data formed can provide powerful data and case proof for the efficacy of strychnine tea in the market,

which is conducive to the rapid establishment of word-of-mouth in the market.

2、 Supplementary target market

Complementary target market mainly refers to the gift-giving crowd, regardless of the size of the order, the purpose of the purchase is to gift others rather than profit. The possibility of long-term repurchase of such people is very small, the demand is phased, and the value of the demand is very considerable in the time period when the demand appears. Because of the special use as a gift, requires a certain degree of market recognition, "Fu" brand in the green willow tea industry also needs to have a certain status and visibility, the product packaging should have a certain grade, the added value of the product to have enough weight, so this is to be developed in the market to a certain extent, and we have accumulated enough reputation. We have accumulated enough prestige and strength before the market demand will arise.

3、 Giving up the market

We choose to give up the health care enthusiasts and tea drinking habits of the people of the two market segments. First of all, because these two markets themselves have small demand and low customer stickiness, if we work around these two market segments, we will get half the result with twice the effort, taking up manpower and material resources, but it is difficult to get the expected results. In addition, for health care enthusiasts, although classified as abandoned market, just to show that the project will not be too much in this market, such as investment in publicity, but product promotion in other target markets, is able to produce some promotional effect for the health care enthusiasts group in the market segment. As for the market of people who have the habit of drinking tea, forcing the publicity and taking the Qingqianliu tea to compete with other types of tea, it belongs to attacking the strong with the weak, the possibility of success is smaller, so choose to simply give up.

2.4 Market positioning

We set the market positioning of the product as "a pure natural tea to regulate blood sugar to protect the health of the product and supporting life service system".

"Pure natural" means that our "Fu" brand green willow tea is a purely natural green product, which does not contain too many artificial additives and is not harmful to human body, ensuring the safety of the product. This is the differentiation of our products from other health products. The "regulation of blood sugar to protect health" refers to the effect of our products. "The effect comes from the natural substances contained in the green willow itself. This is the differentiation between our products and other beverages, including tea.

The "product and supporting life service system" refers to the business model of the project. It includes not only the "Fook" brand green willow tea product itself, but also contains a rich service. According to the analysis of the needs of the target market, the project will not only provide consumers with the sales service of "Fu" brand green willow tea, but also join hands with many other industries related to diabetes to provide consumers with more kinds of products and services, taking care of consumers' clothing, food, housing and transportation, etc., to create a comprehensive set of We will also join hands with many other diabetes-related industries to provide consumers with a wider variety of products and services, taking care of their clothing, food, housing, transportation and other areas, creating a comprehensive life service system for consumers to help them develop good habits and improve their quality of life, so that they can be guided and cared for in every aspect of their lives and thus recover better and faster. This is the differentiation of our brand from other brands of greenery tea.

2.2 Marketing strategies

"If we want to enter the market, open the market situation quickly, gain the understanding and acceptance of consumers in the existing market, and develop the market to gain the attention of potential consumers, we must take more aggressive means in sales. This project will use the 4Ps marketing strategy combination, respectively from the product (Product), price (Price), channel (Place), promotion (Promotion) four elements to start, build, brand image expand market share.

① Product strategy

The product strategy of "Fu" brand green willow tea adopts the core product strategy. The so-called core product strategy, that is, the "Fu" brand strychnine tea as the core of the entire sales, will be integrated with various types of products and services, together constitute a full set of life services system, and make the "Fu" brand strychnine tea become a core element cannot be ignored. The core element of "Fu" brand green tendon tea cannot be ignored.

Thanks to the reliable quality assurance and outstanding effect in sugar control, "Fu" brand green willow tea can be safely combined with other products. On the one hand, it can enrich the product line, improve the original single product content of "Fu" brand green willow tea, and make it differentiate from other green willow tea products; on the other hand, it can subconsciously make "Fu" brand green willow tea occupy a certain position in consumers' mind, so as to realize the product and brand. On the other hand, it can subconsciously make the "Fu" brand Qianliu tea occupy a certain position in the minds of consumers to achieve the establishment of product and brand image.

② Price strategy

The price strategy of "Fu" brand Qianliu tea adopts cost pricing. Cost pricing is based on the cost of "Fu" brand green willow tea, the price is positioned at a lower level. The "Blessing" brand of green willow tea is a daily tea for consumers to absorb the active ingredients in the green willow in a way that lowers blood sugar levels or improves the symptoms of diabetes. It is a kind of "slow work", not a "medicine to cure the disease" short-term products. Therefore, customers have a high sensitivity to price, and entering the market at a lower price, focusing on cost performance, can quickly attract consumers and seize customer resources.

Low pricing inevitably leads to a reduction in profits, so to gain profits, we must change the profit structure. With the efficient information dissemination of the Internet, learn to use the flow of money is an important idea in the era of Internet economy. The use of "Fu" brand of green tendon tea low pricing, to attract a large number of customers, the formation of high-quality traffic. Build a business

ecosystem, use the fan economy, in value-added services and other related products can reap a new profit margin.

③ Place or Channel strategy

The sales channel of "Fu" brand green tendon tea will be established based on the Internet. Thanks to the popularity of high-speed network and the rapid development of the express industry, e-commerce has developed very mature in China. Consumers' consumption habits have gradually shifted to the Internet.

There are many benefits of using the Internet for sales. First, it can help enterprises reduce inventory and transit costs, realize the light operation of sales, reduce the additional cost of products, which is conducive to increasing profit margins and market competitiveness. Second, the use of the Internet can quickly realize the direct sales of manufacturers for the whole country, which not only increases the influence of enterprises, but also reduces the appearance of counterfeit products, helps ensure the reputation of products, and helps enterprises to establish brand image.

④ Promotion strategy

Promotion in essence is to obtain customer traffic. In order to obtain customer traffic, we must first analyze where the consumers' gathering areas are. The popularity of the Internet and smart phones nowadays makes information dissemination depend on network media, and the most popular network media nowadays mainly include WeChat public number, headline number, and small video and live streaming platforms such as ShakeYin. Secondly, the product information should be efficiently delivered to consumers through an information dissemination medium that is easily accepted by consumers. This requires the promotional content to be quite professional and somewhat interesting so as to be able to attract consumers' attention and gain their trust. Finally, it is important to provide consumers with appropriate discounts or additional valuable services to make them feel affordable in order to enhance their desire to consume and their chances of repurchasing.

Section 3

Management & Operation Plan

3.1 Management Plan

The sales company is jointly established by Henan Xinglin Agricultural Development Co., Ltd. and Zhengzhou Zhengda Yunchuang Technology Co. The sales company adopts the general manager responsibility system, with the general manager appointed by the company to coordinate the company's business. In the initial stage of the company's operation, in order to reduce the initial investment and unnecessary operating expenses, the company streamlined its organization and personnel, and set up only the necessary functional departments, including the Culture Management Department, Information Technology Department, External Cooperation Department, Sales and Service Department, and Finance Department.

3.2 Production Plan

According to the actual market demand, we broaden our business to ensure that production matches the demand.

3.3 Operation Plan

1、 General Manager

The general manager position is appointed by Zheng Da Yun Chuang, who is mainly responsible for the overall affairs of the sales company and assumes full responsibility for the overall operation of the sales company. The specific work content includes the formulation of the company's business plan, strategic plan, marketing plan, etc.; the internal management of the company's personnel; the management and coordination among various departments of the company; the arrangement and coordination of the company's external affairs; and the review and signing of contracts.

2、 Culture Management Department

The Culture Management Department manages the cultural resources of the

whole sales company to ensure the professionalism and scientificity of the publicity work. Specific responsibilities include: the collection, screening and collation of health-related information; the preparation and placement of the company's promotional literature; the recording, editing and placement of video platform information; the planning and implementation of live broadcast work; maintaining contact with well-known medical experts to arrange professional health knowledge lectures; researching and answering the professional questions raised by the collected consumers.

3、 Information Technology Department

The Information Technology Department is responsible for the network information technology related part of the project to ensure that the project can run smoothly. Specific responsibilities include: collection, organization and management of user data; collection, organization and reporting of user feedback; maintenance of data and database; maintenance of internal computer and network hardware.

4、 External Cooperation Department

The External Cooperation Department is mainly responsible for the business related to the cooperation between the project and other enterprises. The specific contents include: contact and communication with external enterprises; discussion and formulation of cooperation with external enterprises; identification and management of information and products of cooperative enterprises.

5、 Sales and Service Department

The Sales and Service Department is mainly responsible for the sales and after-sales work of products. The specific content includes: the online sales platform on the shelves and shelves of products; online sales and customer service work; to the customer's questions for the primary response, the more professional issues to organize the report, forwarded to the cultural management department; typical customer feedback for special tracking and service; sales orders and the processing of returned orders; customer evaluation management.

6、 Finance Department

The Finance Department is responsible for the company's finance-related

operations to ensure the company's financial health and avoid financial problems. Specific responsibilities include: the company's daily financial accounting-related work; the approval and deployment of company funds, expense reimbursement and employee salary accounting; analysis of the company's operating costs, the development of the company's cost analysis report; scientific assessment of the company's financial health, to provide the company with guidance recommendations based on the financial situation of the operation; the preparation of the company's financial statements; taxation, coordination, company The implementation of taxation, coordination, corporate audit and other related work; the next stage of financial budgeting and planning for the company.

Section 4

Financial Projections

4.1 Financial statement

Financial statement researcher projection in term of summary the revenue, overall cost, and profit of Henan Xinglin Agricultural Development Co. Ltd on next 5 year as table 1

Table 1 Project revenue and cost next 5 year

Financial statement (Million Yuan)	2023	2024	2025	2026	2027
Revenue	1.2	2	3	4	5
Cost	0.8	1.2	1.3	1.4	1.5
Profit	0.4	.8	1.7	3.6	3.5

4.2 Cash Flow

Table 2 cash flow in 5 year

Financial statement (RMB)	2023	2024	2025	2026	2027
Revenue	400,000	800,000	1,700,000	3,600,000	3,500,000

4.3 NPV, IRR

The first year 2022 investment = 6,000,000 Yuan

Table 2 Present Value of Henan Xinglin Agricultural Development Co. Ltd

Discount rate 8%	2023	2024	2025	2026	2027	Total Yuan
Revenue	400,000	800,000	1,700,000	3,600,000	3,500,000	10,000,000
Factor (8%)	0.926	0.857	0.794	0.735	0.681	
PV(Revenue)	370,400	700,000	1,349,800	2,646,000	2,383,500	7,449,700
Revenue Growth rate (%)	5.0%	9.5%	18.1 %	35.5 %	31.9%	100%

1. Net Present Value NPV

Total Present value 5 year (discount rate 8%) = 7,449,700

Net Present Value NPV = 7,449,700 - 6,000,000 = 1,449,700

2. Internal Rate Return (IRR)

Based on the financial data Table 3 in the cash flow diagram and the calculation by Excel, the IRR of this project is 18.4%,

3. Breakeven point

Assuming that the company's operating profit in the first year is negative, i.e., operating income is less than operating costs and expenses, and the break-even point is reached in the 4 year, considering the depreciation of fixed assets, rent and other inputs, the sales revenue in the 4 year and 5 month has to reach 6.000,000 Yuan for the company to break even. From this point of view, the project is feasible.

Breakeven point = Payback period = 4-year 5 month

4. Return on Investment (ROI) in 5 year.

ROI $(7,449,700 - 6,000,000 / 7,449,700) \times 100 = 194.5 \%$

ROI average per year $194.5 / 5 = 38.91\%$

Section 5

Conclusion and Suggestion

5.1 Conclusion

The thesis is a business plan for the sale of "Fu" brand green willow tea, in the form of a business plan for the modernization of the traditional sales industry of the Internet to think and explore. The "Internet + traditional industry" is not simply adding the traditional industry to the Internet, nor is it simply putting the traditional industry on the Internet, but using the Internet thinking, using the flow thinking, the business model of the traditional industry to rethink and redesign.

In this project, through the establishment of a sales company, the use of the Internet as a propaganda medium, with the efficient, convenient and low-cost dissemination of information through the Internet, the "Fu" brand of green tendon tea as the core product, the target group, that is, "high sugar people" together, and then through the organic combination with other industries, together with Then, through the organic combination with other industries, we can build an all-round life service system for the high-sugar people and form a business ecosystem to achieve a multi-win situation for our company, cooperative enterprises and consumers. This business model of "brand + channel" attracts traffic and establishes brand image through core products, and then turns into a channel to realize profit. It is in line with the current Internet trend and does not deviate from the traditional "channel is king" business logic, which is a perfect combination of tradition and the present, and is also worthy of reference in the Internet transformation of other industries.

5.2 Suggestion

From research result researcher would like to suggest as follow:

1. The respondent don't products that help lower blood sugar so the entrepreneur should promotion by advertising both off line and on line
2. Should improve marketing channel cover all target customer via Omni channel
3. Research and development production process to product tea on tablets,

pills.

4. should improve price and efficiency of tea assist in lowering blood sugar to meet the customer want

Appendix

Questionnaire

1. Do you or any of your family members or friends have diabetic patients or people with excessive blood glucose levels (if yes, please fill in the approximate age)? [Single-choice]*
 Yes _____ No I don't know
2. How much do you know about the danger of high blood sugar: [Single-choice]*
 Very well Knowledge Little knowledge
 No knowledge at all
3. If you know your blood sugar level is over the limit, will you pay attention to it and take effective measures? [Multiple choice]*
 Yes No Don't know
4. Have you ever heard of or come into contact with products that help lower blood sugar? [Multiple choice]*
 Yes No
5. If there is a product that can lower blood sugar, are you willing to try it? [Single-choice]*
 Willing to No
6. If you or someone close to you has symptoms of hyperglycemia, what is the acceptable expense range for this kind of supplementary hypoglycemic product: [Single-choice]*
 Below 50 yuan 50 yuan-100 yuan 100 yuan-200 yuan Above 200 yuan
7. Where do you usually buy health food products?
 Mall Pharmacy Hospital Recommended by salesman
 Health food store Online purchase other
8. If you want to buy a kind of health food, which one do you prefer? [Multiple choice]*
 Tea Chewable tablets Beverage Oral liquid Tablets, pills, etc.
9. Among the people you know or understand, which age groups are taking or have

taken health food? [Multiple choice]*

below 22 years old 22-40 years old 40-60 years old above 60 years old

10. For a product to assist in lowering blood sugar, you are most concerned about its:

[multiple choice]*

price efficacy side effects treatment course convenience of purchase

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Biography

name-surname	Yuzhe Sunn
Date of birth	
Place of birth	
Workplace	
Position	-
Education	MBA Southeast Asia University



CERTIFICATE

Multidisciplinary Challenges in Business, Education, Innovation and Advanced Social Intelligence Forward Era 6.0 in 3rd IC-RMUTK INTERNATIONAL CONFERENCE 2023 held on 30 April – 1 May 2023 at Rajamangala University of Technology, Bangkok, Thailand.

THIS IS TO CERTIFY THAT

Yuzhe Sun

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ASSOC.PROF.ARUS KONGRUNGCHOK, Ph.D.

Dean, International College RMUTK

SUPOT RATTANAPUN, Ph.D.

Vice Dean for Academic Affairs,
International College, RMUTK