

Internship Report

On

“An Empirical Study of the perception evaluation of
Studio Office in Bangladesh”



Inspiring Excellence

Submitted by:

Sadnan Kabir Jojon

14104061

BRAC Business School

BRAC University

Submitted to:

Mr. N.M Baki Billah

Lecturer

BRAC Business School

BRAC University

Date of Submission:

3rd September, 2018

Letter of Transmittal

August 02, 2017

Mr. N.M. Baki Billah

Lecturer

BRAC Business School

BRAC University

Subject: Submission of Internship Report

Dear Sir,

It is my immense pleasure to let you know that as part of my under graduation program, I am Sadnan Kabir Jojon, is pleased to present my Internship report. The report is titled as “An empirical study of the perception evaluation of studio office in Bangladesh”. I have tried my level best to implement my academic knowledge while preparing the report and would like to thank you for your co-operation.

It was a priceless learning opportunity to work at ACC Amigos, a 360 degree service solution provider in Bangladesh. My internship placement was at the Marketing and Procurement department and I am still continuing my internship with them. I have received extended support from them in learning the work and preparing this report. Your guidance during the process was instrumental to the outcome and I hope the result would be able to meet your expected standards.

I, therefore, express my heartiest thanks of you for your kind supervision, guidance and co-operation for building up this report.

Sincerely yours,

Sadnan Kabir Jojon

Acknowledgement

I, Sadnan Kabir Jojon, would like to express my heartiest gratefulness to every one of those people who encouraged me to complete my internship report and provided support regarding the topic, “An empirical study of perception of Studio Office in Bangladesh”.

I would like to start by expressing my gratitude towards Almighty Allah (SWT) and my advisor throughout my internship, Mr. N.M. Baki Billah, for his guidance and help with all aspects of this report. Starting from deciding on a topic, to developing the structure and providing reading materials that would allow me to better understand the concepts and formulate constructive recommendations, his feedback has been crucial for the completion of the report. In addition to this, his requirements for the assignment made it mandatory for me to research, which proved to be very rewarding.

I perceive as this opportunity as a big milestone in my career development. I will strive to use my gained skills and knowledge in the best possible way, and I will continue to work on their improvement, in order to attain desired career objectives.

Lastly, I feel fortunate for getting the support, supervision and guidance of my teachers, co-workers and friends who have helped me through my internship period.

Table of Contents

1.0 Introduction	3
2.0 Literature Review and Background of the study.....	5
Business Plan for Studio Office	6
Executive Summary.....	6
The Company	7
Vision Statement.....	8
Mission Statement:	8
Our Value Propositions	8
Objectives	9
Company Logo.....	9
How Amigos Studio would look like (Proposed)	10
4. Our Studio: Service Description	11
5. Market Analysis summary	12
The Plan and entry strategy	13
5.2 Market Segmentation and Target Market	13
Communication Strategies.....	14
SWOT Analysis:	17
Porter’s Five Factor Analysis:	18
PEST Analysis.....	19
6.0. The Management	20
7.0. Financial Analysis:	21
Research Background.....	25
Origin of the Study	25
Objective of the Study.....	25
Scope of the Study	25
Significance of the study	26
Methodology.....	26
Data Collection Methods	26
Limitations of the Study	26
9.0. Analysis and Interpretation of the collected data	27
9.1 Respondent’s Characteristics Analysis.....	27
Perception Analysis.....	28

Demand Analysis.....	29
10.0. Conclusion.....	31
11.0.References	32

1.0 Introduction

Studio Office or Shared Office is a concept that allows companies who own or manage an office, that have redundant office space to share or rent the work stations or self-contained units to smaller companies for flexible workspace. In other words, it promotes co-work and most importantly innovations. We are living in the era of Globalization and since everything is going global- people have more access to more things living in a global village. This leads to an undesirable want limited resources. As we know globalization has led to faster processes and innovations, people now are looking to do things efficiently and effectively on a shorter span of time. Over the past years, the use of technology has increased significantly and also the impact has been at a greater and positive side in human lives. Hence it has fostered the evaluation of shared office space or Studio office. Demand for co-working office space has been gaining importance around the world since its introduction in the US around 1999. The increasing trend towards entrepreneurship has further led the demand for this co-working space.

Open workspace' is an umbrella term first used by the Greater London authority (GLA) and London Enterprise Panel (LEP), and includes co working spaces, incubators, accelerators, artists' studios and maker's spaces. It allows small businesses to share space and resources flexibly. They offer spaces that are most suitable for growing small or micro-businesses along with business support and a collaborative environment for interaction. It had gained popularity among the users since renting out an entire office space costs higher. Often they are regarded as creative or energetic places where small firms, freelancers and start up can interact and create a new idea. The theory is very simple why should people do work at a coffee shop rather they can chose a shared office and get rid of isolation of the everyday life.

Bangladesh has a growing economy and any space if is used can make a contribution to the economy wisely. In an economy where the markets are swinging up and down, one of the most valuable commodities you can possess is space, especially in and around cities. Research has suggested that every desk is fully utilized for around 45 percent of the time.

Since the early 90s, the need of suitable workplace has developed further. Thus, co-working spaces have a strong emphasis on the cultural aspect of working together along with the facilities like wireless technology. Besides the platform predestined for knowledge exchange between individuals in the form of shared workplace, operators of co-working spaces commonly offer their rentees a selection of educational and networking events. This encourages a sort of work culture that emphasizes collaboration and team work. In the shared office or studio office workers experience a personal freedom and independence. These officers offer more control of workplace which increases the job satisfaction level. The ability to control your working environment has a tendency to affect people's psychological and physical condition in a positive way. Commercial "desk share" spaces already exist since a large time. But co-working space is a different concept. "Co-workers" want to make connections, fostering collaboration and sharing knowledge. Co-working gathers people who work independently but who share values and look for the synergies that a common space shared with talented people can bring.

2.0 Literature Review and Background of the study

Companies and organizations use office buildings to manifest economic strength and belief in the future (Duffy, 1999) based on the idea that architecture helps people recognize the organization's position in their minds (Hatch and Schultz, 1997)

Workplace designers have often claimed that office design is important in attraction and retention. There is also evidence that workplace positively impacts culture and workplace behaviors. Until this study however, very little empirical data has been available to support or challenge this claim.

The number of members using co-working spaces globally has been steadily increasing year on year and is predicted to reach one million by 2018. Co-working has traditionally been favored by start-ups and entrepreneurs as a flexible and collaborative workplace solution.

Furthermore, in the study done by Foertsch (2011) the findings are that 54% of the co-working users are represented by freelancers, 20% of the representation comes from entrepreneurs and another 20% comes from dependent contractor. Again, as identified by Bouncken and Reuschl (2016) co-working spaces create a network for knowledge sharing and a source of inspiration that could drive organizations forward.

Therefore we can see that the co-working office space or shared office space trend have already arrived in Bangladesh and is poised to shake up the office market space like nothing before. Operators like Regus Bangladesh and JMC shared office has already started to revolutionize the office environment and how users see their office space and the role that the physical premises play in operation of business. The study is conducted to find out the demand and analysis of perception of studio office in Dhaka. With the analysis of perception and demand, this study aims to create a business plan for establishing a "Studio Office" in Dhaka.

Business Plan for Studio Office

Executive Summary

Amigos Studio is a venture created to facilitate the working space barriers among the young generation of the country. Amigos studio is designed to offer affordable and friendly working environment to its customers. With wide range of corporate networks Amigos Studio wants to perform in the best possible way. This venture offers the personalized services the target market desires and can afford in a way that is unique from concept to implementation.

The current market trend indicates a specific and growing need for the co-working space of shared office space for which the offers from ACC Amigos will serve the market needs. The market strategy will be based on a cost effective approach to reach the defined target market, although our market segment is relatively low but our services, added values will give us an advantage over others.

ACC Amigos has been already a growing reputation among their clients and along with the introduction of the Amigos Studio they will focus on developing solid and more loyal client relationships offering service solutions based on user's budget, usage and goals for the space. In addition, the value-based pricing criteria will be an added advantage for us.

Amigos studio has a conservative financial plan with low expenses, low salary and a sustainable sales forecast. We will always try to maintain a positive cash balance while slowing growing the total cash and company net worth.

Finally, Amigos Studio's business plan is created to meet the demands and needs of the people who are in need of co-working space and this plan completely focuses on how to transform the small idea into big idea. We are highly motivated and dedicated to provide a positive and friendly environment to our customers.

The Company:

ACC Amigos is a company, offering wide range of services. From January of 2017 it has started its journey in Bangladesh's Service Market. We are committed to give you a one stop service in your corporate field. Starting with Employee recruitment, employee welfare, their training, consulting, audit support to logistics support. We are upgrading our services day by day. Although we are relatively new comer in the service sector, we have dedicated and motivated employee panels. We are improving our business career with continuous work experience with Spectra group, ADN and others.

Amigos Studio is the current proposal by ACC Amigos for which a business proposal is getting ready. Studio office or Shared Office space has been increasing in demand in the other parts of the world and it has been growing in the last decades. Researchers have found out that the working environment has a huge impact in the growth of a business. For example, Google Inc, perhaps the largest organization in the world have play zone in their office to give their employees a stress free work day. According to other researches, it is found out that employees tend to flourish more where the work environment is more flexible, innovative then the employees who do their jobs in regular offices. Researches show that most of the startup fails due to financial insolvency, lack of financial plan and most importantly industry knowledge.

With a population of more than 15 million, Dhaka city is growing every day and keep the dreams of millions of people alive. Here every day thousands of people commute from all over the country for work, travel or for living. Since the city is of historical roots and deep problems but we love the city more than we hate. As the urban share of the country's population increases, the problems we face become more acute. Among the thousands problems of the city like water logging, traffic congestion, unplanned housing, and moreover lack of space is a big concern for the city planners. According to reports, around 45000 people live in per square km in Dhaka and it became the one of the least livable city in the world. Government has decided to increase the land price whereas Rajuk has decided to cancel license of more than 20000 office spaces in and around Gulshan, Banani, Dhanmondi and Motijheel. Experts are constantly trying to implement the decentralization plan of Dhaka city. They want to move Universities, Factories and some Offices out from the city to the countryside. However many universities had already shifted their campus out of the city still the unplanned structure of the metropolitan Dhaka city is a big concern over the last decades.

Amigos Studio is a concern of ACC Amigos studio created to serve the demand of the young and workaholic generation of the country. We want to connect with the young generation and understand what we can do to provide them the service they want. Today, many start-up ideas fail because of lack of motivation because the commercial space in Dhaka city cost relatively more than any other countries. Our Studio office is designed keeping the rise of start-ups in mind and also the lack of commercial space in Dhaka. Amigos Studio offers co-working space to freelancers, professionals, students and also experts. Located at the heart of Gulshan-1, Amigos Studio aims to change the way people work.

Vision Statement:

“To facilitate the working environment of the people”

ACC Amigos with a vision to become the largest one stop wide range service provider to their valued customers has set their vision for their studio office. The long term plan is to create a significant impact of the co-working office concept. Since, the idea is very new in the country but Amigos Studio want to

Mission Statement:

“To provide maximum possible customer satisfaction among the valued customers”

Our mission has been always to ensure that the level of quality of service is always superior and our customer who is our end users always has high overall satisfaction. The addition of shared office facility has made us more motivated to maintain our standard. Our goal is to make our customer speak for us. We always try to ensure that the facilities’ that we provide should be well accepted and updated. For that we are constantly improving through trainings and most importantly through our customer feedbacks.

Our Value Propositions:

1. Entrepreneurship: We want to create leaders. We don’t want start up ideas die in the brains or even in the mid-way. We want to transfer ideas into big start-ups
2. Togetherness: We are together. We want a team to form, regroup and create, connect to transform ideas into actions. We want to build a community.
3. Integrity: We want to make sure that we are honest to our brand. Our offers, promotions are all from heart. We don’t want to do great but we are happy to do well.

Objectives:

- a) To promote the culture of co-working.
- b) To promote innovations, creativity.
- c) To facilitate the lack of commercial space.
- d) To contribute to the economy.

Company Logo:



Figure: Amigos Studio Proposed Logo

How Amigos Studio would look like (Proposed)



4. Our Studio: Service Description

Amigos Studio is a studio office concept that offers shared office spaces to everyone, especially the young and future generation of the country. It is currently under construction and is expected to launch in October, 2018. It is currently located in Gulshan Dhaka. It offers space for individuals as well as organizations. With facilities like high speed internet, refreshments and air conditioned office; Amigos studio is ready to deliver the very best of services. Amigos studio does not have any lavish state of the art set up but a friendly environment to work on. The pricing strategy of our studio is the key differentiation strategy that we follow. Our pricings are standard based on the industry standards and we have various packages for our customers which includes hourly and monthly packages also. Anybody can be our member by paying a certain amount of membership fee and the members will enjoy added benefits then non-members.

The type of services that Amigos Studio Offer:

- a) Cabinet space for individuals
- b) Working tables
- c) Conference room
- d) Meeting space

Our added Benefits:

- a) High speed internet facilities
- b) No long term agreement
- c) In house multimedia system
- d) Three on One Printer
- e) Table Tennis Board
- f) Locker Facilities'

Customers can be a member by paying a monthly subscription fee and use all the facilities of the Studio Office with added benefits. However, customers can also work as freelancers

depending on the availability of the spaces. The working schedule of the Studio Office is 10 am to 8 pm and it will strictly monitored by a supervisor all the time

Pricing Policy:

Amigos Studio will follow the pricing strategy according to the industry standards. Amigos studio aims to target the customer segment with a standard fixed cost and the objective of the pricing is to offer a service that is competitive within the range of co working spaces while providing the venture with a viable, sustainable revenue source. The strategy for the pricing is to be perceived as simple to understand and easy to see value.

Rent for tenants:

Studio Room- 500Tk/hour

Full day- 10,000Tk.

5. Market Analysis summary:

The economy of Bangladesh is growing steadily and the demand of studio office is also growing. As businesses going global, it makes the community of understanding business stronger. People are now more focused, concentrated and most importantly knowledge due to the technology. They can Google anything at any time from any place. This made life easier and start-ups to be more interesting. One of the most successful start-ups in recent times is “Pathao”-an online ride sharing application which has just changed the face of Bangladesh. They have revolutionized the market and made quite an impact in the minds of Dhaka people. So the idea of co-working workplace or shared office has been something new in the perspective of the market of Bangladesh but it is eventually growing. The emerging co working market has seen growth rates consistently above 200% since 2010 in Bangladesh.

What is the success point for such co-working places? A proper and effective promotional plan and a campaign to make people aware of the space that can be used to increase productivity. According to the definition of Economics- economics is using resources wisely so shared office spaces encourages productivity thus an increase in economy. According to DeskMag’s Global co working Survey, two in three co working spaces start promoting their space at least a few months before they officially launch.

5.1. The Plan and entry strategy

Amigos Studio proposes to enter the industry by opening a studio office in the busiest street of Gulshan that is Road no-136, Gulshan 1. There are fewer spaces around Gulshan but this will be the first in the neighborhood. Since the bus stop is very close the road faces high level of traffic with a diverse community of young and urban community. The area around has a vibrant mix of residential, commercial and restaurants venues thus making it an Ideal location to start a Studio office.

The Marketing plan for our Studio Office would be very crucial for our success and it will determine our position in the mind of the customers. Since the competition has increased in recent times, it is very important to address it with a unique marketing plan. The main target will be to attract customers to our Studio. Initially, we will widely use word of mouth publicity and most importantly the power of social media to promote our venture.

Market Segmentation and Target Market

The marketing approach will include generating awareness of the concept, workspace and brand primarily through word of mouth and social networking. The experience and particular niche of the co-working space will be very different from what exists currently. Marketing efforts will rely more on social and less on traditional advertising. The most important part of the plan is to know the target customers specifically. As we know market segmentation is the process of dividing the target market into sub groups of consumers of certain shared factors so it is important to know the demographics of the segment. It can be classified in terms of age, gender, income and other factors. Initially we have planned to segment the market in terms of geographic and demographic factors. We are simply targeting the people who are within the geographical location of our area, Gulshan. People around Banani, Mohakhali, Badda, and Mouchak can easily access our office and also we set to fulfill the need of people living around Dhanmondi and Uttara. Our team is working closely to monitor the currently marketing trends of studio office and is determined to deliver the best plan.

Our target customers are:

1. Independent Professional Individuals
2. Entrepreneur
3. Individual start-ups
4. Remote workers
5. Temporary workers

Most importantly, we want to deliver our service to anyone and everyone who needs it since we believe that a co working space is not restricted to a specific group in the market anymore. We are planning to host school, colleges, university clubs, and motivational speakers as well to promote our activities.

Communication Strategies

Our communication strategy is very simple. We want to reach out all the potentials customers we can and help the community. We will reach our clients through social media, advertising, posters, leaflets etc. Today, social media is one of the strongest medium to communicate and reach more people.

Logo: One logo has been developed for Amigos Studio. It is created by an expert and will be used to promote public identification. The color combination of the logo has been kept consistent with the actual logo ACC Amigos.

Tagline: “Creating Spaces for Innovation”- this tagline has been set for Amigos Studio. This will be used to communicate in social media, posters and other campaigns.

Posters and Leaflets: Separate posters and leaflets have been designed for Amigos studio and will be distributed to nearby geographical areas. Initially posters will be distributed through newspaper around Gulshan and later on we are planning to distribute them in all places including public buses.

Website: We are on the process to build our website. It is still under construction.

Word of Mouth: we have been in the service industry for long and we believe that our customers will speak for us. At this moment, we are mostly relying on words of mouth because we believe that our customers are our biggest asset.

Social Media: Social Media is one of the most affordable and most effective ways for you to market your co working space, if done efficiently. Our biggest marketing weapon is the power of social media. Since our Studio office is still under construction, we need to get the trust of the customers before we are ready to launch. We believe that only through social media platforms like Facebook, twitter, Instagram we can reach maximum amount of people. Our goal is to connect to the people, interact and collaborate with them. Initially we have opened a Facebook page titled “Amigos Studio” and we will depend on the number of shares to reach people. Our management has planned to promote the page through Facebook advertising later on. Similarly, our experts will handle the twitter account and promised to tweet once in a day letting the community know about the existence of Amigos Studio. For example, we are planning to use BUZZ marketing in order to attract more customers. BUZZ marketing is a type of marketing that creates a buzz in a short time in the minds of the people. It can be done through word of mouth, hash tag on social media or through conversations that might create a certain amount of hype with a short time.

#InnovateToEarn , #CreatingSpaceEndingBarriers , #ItsInGulshan , # StudioOffice – these are some common tags that we will be using to promote our Studio through social media. The more we use these tags the more we get to reach the people. We want to make these tags viral because we want to plan a unique marketing strategy.

Advertising: Advertising is a part of our campaign but we are planning to create a visual advertise after we launch the Studio Office. The visual advertisement is out of our budget at this moment but we are highly interested to invest on it

Poster:



Coworking Office
Space for Rent

Fun, Modern Coworking & Office Space in Dhaka, Bangladesh
You are Welcome to Visit us

Our Features

- Cabinet Space for Individulas
- Working Tables
- Conference Room
- Meeting Space

Our Added benefits

- High Speed Internet Facilities
- No Long Term Agreement
- In-house Multimedia System
- Three on One Printer
- Table Tennis Board
- Locker Facilites

 jojon.bracu@gmail.com  Gulshan -1, Dhaka, Bangladesh  +880 19 1726 5434

SWOT Analysis:

Amigos Studio

<p>Strengths</p> <ul style="list-style-type: none"> a) Wide range of offerings b) Competitive Pricing c) A perfect place to socialize and sometimes industry experts may also work from here. d) Co-workers- they might prove assets to our idea e) Flexibility f) Environment 	<p>Weakness</p> <ul style="list-style-type: none"> a) Lack of privacy b) Lack of collaboration c) Users might not be frequent user d) Idea theft e) Adequacy of space; expectations might not meet
<p>Opportunities</p> <ul style="list-style-type: none"> a) Economic growth which ensures potential market. b) Creation of a community c) Networking experience 	<p>Threat</p> <ul style="list-style-type: none"> a) Competitors like Hubdhaka, Regus b) Local café and restaurant also offers table for a cup of coffee only. c) Technology – free access to internet recently

The SWOT analysis is done to see the internal and external factors which might affect the businesses performance in the future. After identifying the factors, the management team takes the decision based on the findings. It helps you focus on your strengths, minimize threats, and take the greatest possible advantage of opportunities available to you. An honest

SWOT analysis helps a retailer identify what it's doing well, where it can improve, and where it fits in the competitive landscape.

Porter's Five Factor Analysis:

Michael Porter's five factor analyses always help to create a comparison between the competitive forces in the marketplace. Since co-working is a new and evolving industry so that boundaries in which suppliers, customers and operators exist are somewhat unclear from the old and more established industries.

Bargaining power of suppliers:

As we know the co-working industry is not subjected to raw materials of commodities, the bargaining power of suppliers is on the hand of service providers or space providers upon how attractive they can make the space in the form of environment and engaging the community. Although all co-working space provides the similar kind of facilities but different offices have different unique feature for their customers. For example, the table tennis in Amigos Studio adds up more value for their studio office. Overall, the bargaining power is moderate to high since there are similar businesses and also the industry is relatively new.

Bargaining power of Buyers:

Although buyers are the most important drivers of the co-working industry but there bargaining power is relatively low since the industry is quite new and young and there are fewer spaces around the corner. Once a buyer is committed to a space, it becomes difficult to relocate to a newer place unless there is a major problem with the space. Overall the bargaining power is moderate to low since there are switching costs involved.

Threat of New Entrants:

Setting up a studio space or co-working space requires working capital, time and plan of action and efforts to operate the space so it could be very difficult for a freelancer to run so the barriers to entry for him would be moderate to high. However, the main challenge lies to create a vibrant community of professionals who uses Studio office. Sometimes it requires strong networks for a working business to benefit them. Overall, the threat of new entrants will be moderate to low but with strong capital investments and efforts it can be done.

Availability of Substitutes:

As we know, the features that a Studio office can offer will not be the same as working from home so talking about the industry in Bangladesh the industry is quite new and young so there are fewer substitutes available around. Many independent professionals may enjoy going to a coffee shop to do some work, but cannot say that the experience is completely free. Substitutes are there and they exist but do not offer similar features. Overall, the availability of substitutes is moderate to high. There are numerous coffee shops which also offer space hence the switching cost is relatively low.

Rivalry among competitors

Since Amigos Studio is still under construction, the potential rivalry is not being seen. However, with competitors with Regus and Moar around Amigos Studio it can be always challenging for Amigos Studio to bring in more customers. Overall the rivalry among the competing spaces is relatively moderate to low to moderate if in the long run co working spaces become saturated and niche spaces begin to overlap each other.

PEST Analysis

Political

Co-working industry works to create community development which might be a common interest to the local government. In Bangladesh, unlike other countries the co-working industry is independent of Governmental support. However, RAJUK planned to decommercialize Gulshan by banning spaces for many commercial spaces so Amigos Studio has to bear that in that.

Economic:

The economic environment can affect the co-working industry in many ways. As we know economic conditions play a major role in determining a business so it is very important for Amigos Studio to match and address the economic environment. As the rents in Gulshan are comparatively higher than any other areas in Dhaka city so setting up a studio office in the heart of Gulshan can be costly so it should be kept in consideration. Moreover, sometimes start-ups have limited budget and cash flow so it might be challenging for them to manage to afford a co-working space.

Social:

If we think from the social perspective, co-working has actually changed the way how traditional office space looks. Individuals can have their own dedicated space unlike traditional desk. As with the core values of co working, one major aspect of the industry is a strong emphasis on social collaboration and the development of networks. However, building a coworking space on paper seems easy, but community and individual behavior can be very difficult to predict.

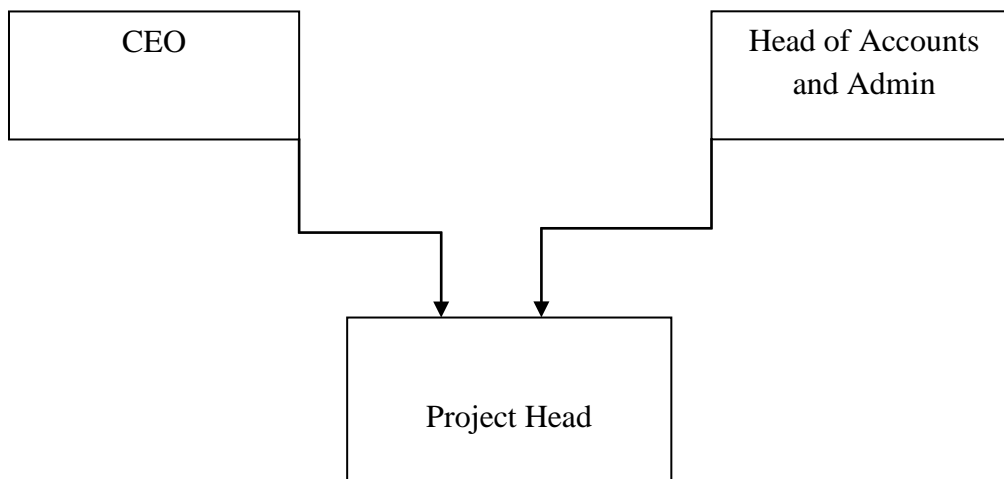
Technology:

Technology has helped the co-working industry to improve. With better technology life became less complex so the shift from traditional workspace to modern workspace can be seen. Technologies like wireless internet connection leads to faster innovations.

To conclude we can say that co-working space can gain favorable support from political aspects as well as it helps to create a social engagement for the local communities. Although there are many challenges in operating a co-working space, the long term benefits are substantial with many new, unforeseen opportunities yet to be discovered.

6.0. The Management

The management of Amigos Studio remains the same as ACC Amigos. With the addition of Sadnan Kabir Jojon as Project Head-the management is keen to succeed in long run.



7.0. Financial Analysis:

Estimated Start-up Cost:

A large portion of start-up cost is based on the interior design and renovation of the studio room. No other hidden costs are involved.

Estimated cost in taka: 1, 40,000.

Details	BDT
Wall Cabinet	4000
Book Shelf	8000
Wooden Frame	8000
Round Table	5000
Six Chairs	30000
A LED TV	25000
PlayStation	30000
Coffee Machine	16000
Promotional Cost	8000
Other Expenses	6000
Total	140000

**All the prices of wooden frame, book shelf etc. is estimated and taken from FURNIMURT- a manufacturing company based on Dhaka.

Projected Sales Forecast:

Sales for the first month= 80000 taka (50000+30000)

Breakdown of sales (Forecast)

Rented by Afdala Communications for 2 full day = 20000
Rented by ACC Amigos for 2 full day = 20000
Rented by others for 1 day = 10000
Total = 50000

Total working works = 190 (remaining 15 days)
Estimated usage hour= 60
Total sales = 60 * 500
= 30000 taka

Projected Sales for 12 months (in thousand takas):

Projected sales(taka)	Oct' 18	Nov	Dec	Jan' 19	Feb	March	April	May	June	July	Aug	Sept	Total
Sales	80	80	64*	75 *	96*	96	104*	104	104	120*	120	120	1163
Sales Commission (15%)	12	12	9.6	11.25	14.4	14.4	15.6	15.6	15.6	18	18	18	174.45
Gross Sales	68	68	54.4	63.75	81.6	81.6	88.4	88.4	88.4	102	102	102	988.55

The Projected sales for 12 months were analyzed and calculated using the multiplier effect. The sales of Amigos studio will depend on its extensive marketing tactics and the strong network of the company itself. Amigos studio have set 15% commission rates for sales to individuals, professionals or companies who brings customers for the studio.

*December 2018 – Using the multiplier effect, it can be observed that Amigos studio’s sales will fall in December because of the national election of Bangladesh. So there will be ongoing stress on the economy before and after the election. So using (0.8) as an effect, we have estimated our sales for December.

** Jan 2019- By using extensive promotional techniques we are expecting to increase the sales of Amigos studio in January. Amigos studio plans to invite university clubs, motivational speakers, and start-ups as a part of their promotional campaign to increase the sales from January.

**February 2019- By using (1.2) as a multiplier effect, we can set the estimated sales projection for the upcoming months.

Amigos Studio
Profit and Loss Statement (yearly)

Details	BDT	BDT	BDT
Sales	988550		
Gross Sales (with commission)		988550	
Selling and Administrative Expenses			
Salary	96000		
Coffee Packet	8400		
Cable Bill	4800		
Electricity Bill	24000		
Rent	300000		
Printing and others	20000		
Depreciation cost	210000*		
Promotional Expenses (Leaflets and Posters)	12000		
Promotional Expenses (Campaigns*4+ Facebook)	60000		
Total Selling and Administrative expenses		735200	
Total Earnings before interest(EBIT)			253350
Interest			0
Total Earnings			253350

Since there is no bank loan involved. The total earning will be taken by the owner.

Depreciation of Fixed Assets for Amigos Studio (Monthly)

Details	BDT
Wall Cabinet (replaced in 5 years)	800
Book Shelf (replaced in 5 years)	1600
Wooden frame (replaced in 5 years)	1600
Round table (replaced in 5 years)	1000
PlayStation (replaced in 5 years)	6000
Coffee machine (replaced in 5 years)	3000
Television (replaced in 5 years)	4000
Total	18000

Overall Financial Condition:

Amigos Studio has some fixed revenue drivers that target the market segmentation. Fixed costs are relatively low compared to the potential revenue generated from the sales and there is no inventory to tie up capital costs. The space is rented for multiple tenants and sometimes for day-long including facilities for meeting rooms.

Revenues from space members will be used to cover fixed costs. Based on market size potential, marketing and sales efforts, the targets should be achievable within the first year of operations. With estimated sales of 80000 taka in the first month, Amigos Studio should reach the breakeven point within 7 months of operations. While the forecast and

projections are made with conservative estimates, there are many risk factors that can negatively affect the success of the company.

Research Background

Origin of the Study

The purpose of this report is to fulfill the requirement for completing the internship program. From the three-month period of my internship at ACC Amigos and under the supervision of N.M BakiBillah, this report has been prepared.

Objective of the Study

- General Objective

As a requirement to complete the graduation of Bachelor of Business Administration program of BRAC University this report has been created and this is the general intention for it as per policy of the university.

- Specific Objectives

- To analyze the demand for Studio Office in Bangladesh
- To analyze the perception of Studio office in Bangladesh
- To create and forecast a business plan for a Studio Office in Bangladesh.

Scope of the Study

The scope of the study is only limited to lack of information and lack of demand in the market. The co-working concept is still new to Bangladesh office environment so the study is limited to only Dhaka city.

Significance of the study

The research would be really important in future if more needs of studio office arises as trends suggests that people are likely to move and appreciate flexible office environment so it was important to conduct the research. By doing this research I have gained lots of ideas and insights about the perception of people towards shared office space and gathered some potential information which will help me in future for further research. This report can be benefitted for any business as it shows a demand analysis for Studio Office in Dhaka so businesses might infer information for future use. Finally, this report also allows me to find out how people think about the co-working concept and about the sustainability of Studio Office.

Methodology

The research is a descriptive type research and falls under the category of exploratory research. The sources of information were mostly from internet and data collection from surveys.

Data Collection Methods

As for research for the business, different forms of data collection were utilized for each of the sites and their immediate community. A combination of surveys, observations and conversations with co-working space users/managers comprise the qualitative component of this research's data. In addition, pre-collected data from secondary sources like journals, research papers were used.

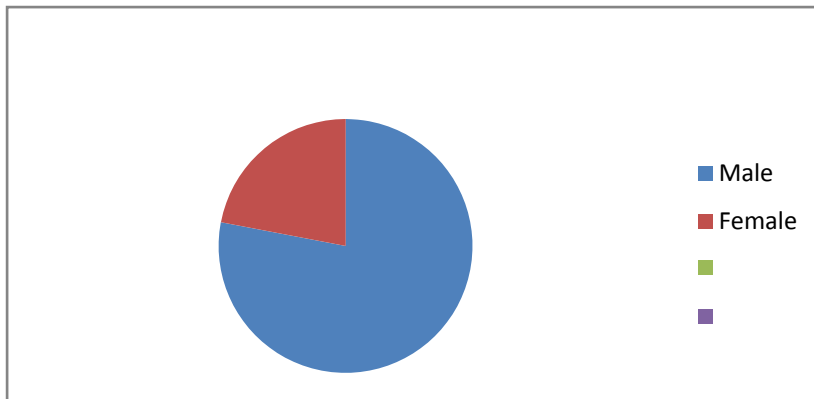
Limitations of the Study

1. Due to limitations of time and information, I could not make the report a more detailed one
2. Lack of previous literature and scarcity of secondary information.
3. Lack of money.
4. Lack of respondents willingness as they have lesser idea and knowledge

9.0. Analysis and Interpretation of the collected data

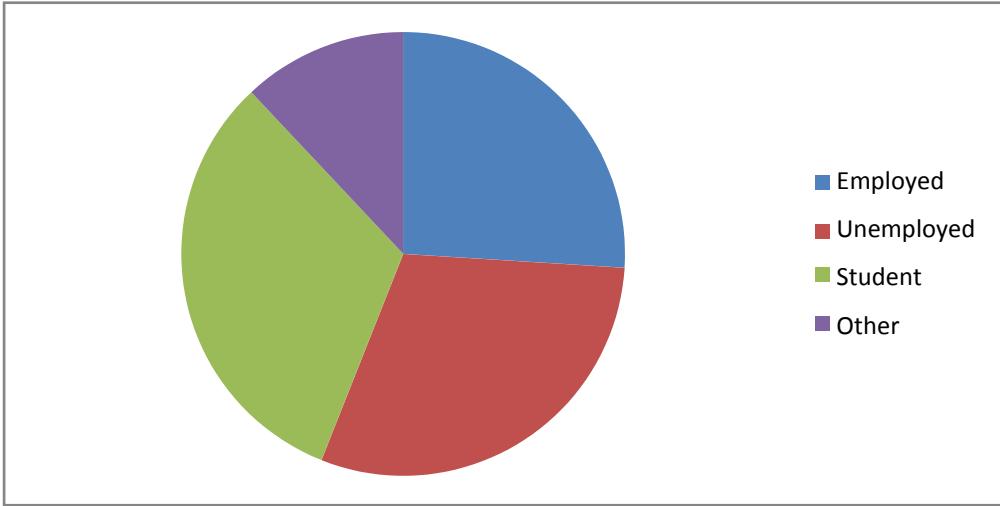
9.1 Respondent's Characteristics Analysis

Q.1: Please Indicate your Gender?



Out of the 50 respondents who have participated in this survey, 39 of them were male and 11 of them Female.

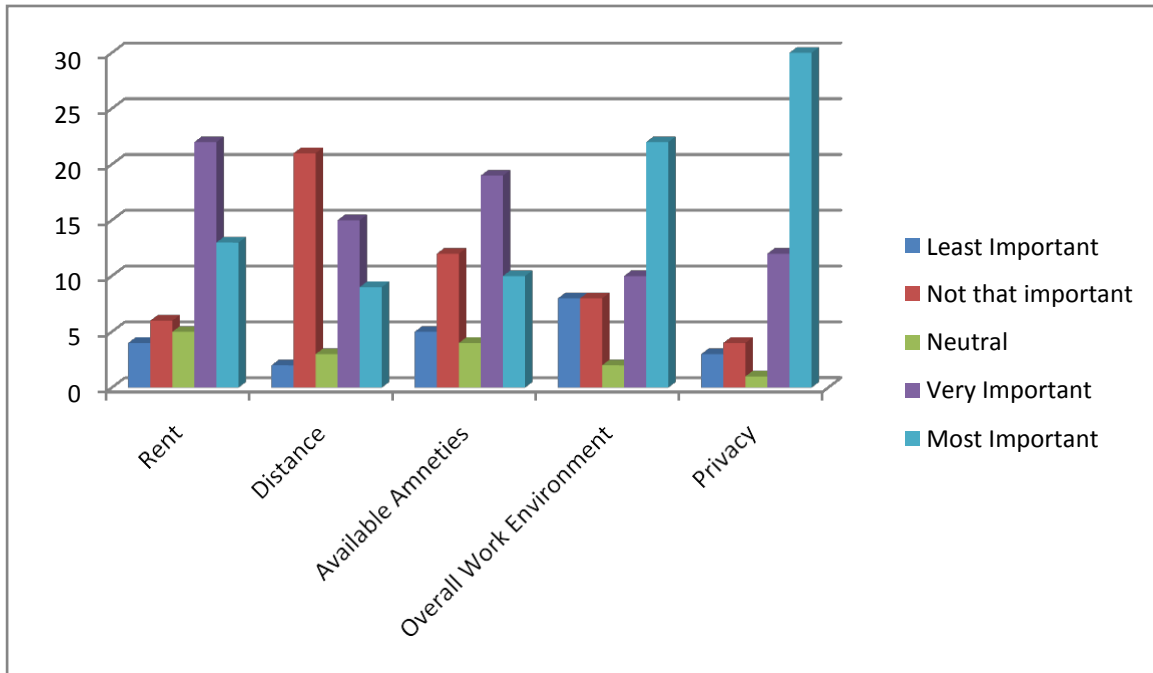
Q.2: What is your Occupation?



Out of the 50 respondents of this survey, 13 responded as employed and where majority which is 16 respondents were student and the rest were unemployed.

Perception Analysis:

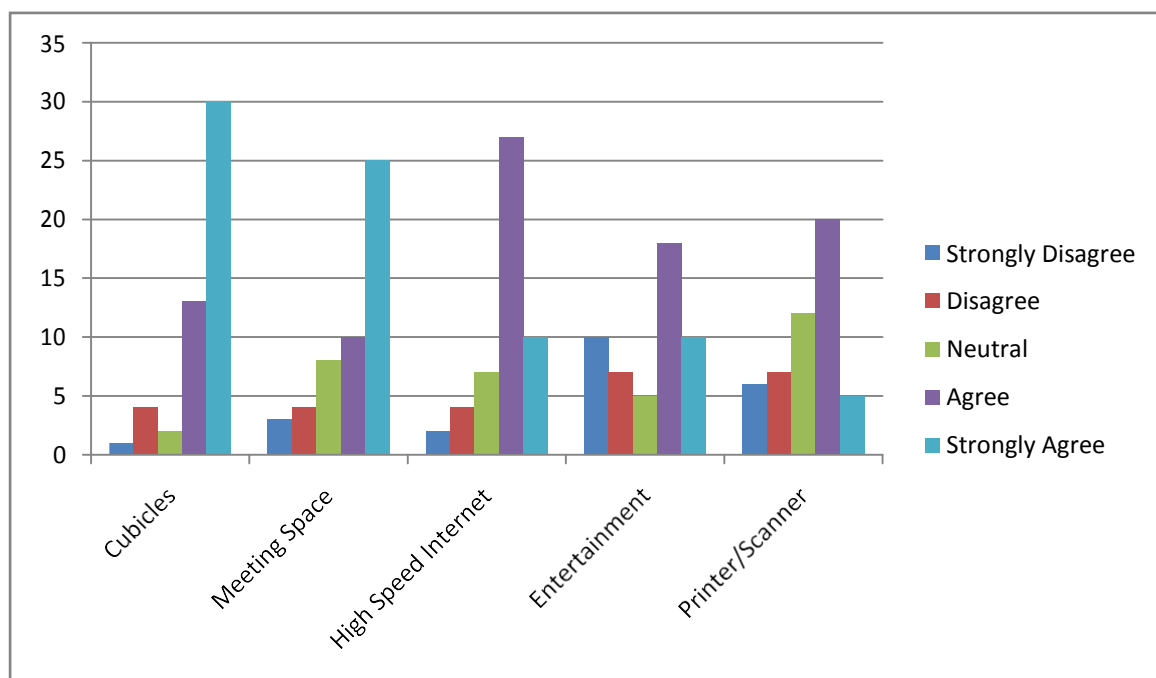
Please rate the importance of each factor, with 1 being the least and 5 as the most important



Findings and Interpretation: From the survey conducted from 50 respondents, it is found out that Privacy and Rent is the most important factor that affects a user’s perception towards a studio office. 84% of the people believe that privacy is very important while choosing a studio office which means that majority of the respondents are looking for a space where they can work freely although co-working space is all about joining community but the importance of privacy is a big issue. Start-up entrepreneurs will look forward to join a community but in the same time they are aware of idea theft so they are mostly looking for cubicles in a co-working space. Again, the rent is another important factor while choosing a studio office. 70% of the respondents believe that attractive package and minimum rent affects their decision because start-ups or freelancers have a minimum budget and if the budget exceeds it will definitely hamper their decision making process. Moreover the respondents also voted Overall work environment as a criteria for choosing a studio office. More than 50% stated that they would prefer the work environment as a first choice because it tends to increase productivity and we know that according to researches, productivity depends highly on work environment.

Demand Analysis

Your Preferred Studio Office should have the office



Findings and Interpretation: We conducted the survey among 50 respondents and the respondents were keen to have cubicles and high speed internet as their basic need in terms of choosing a studio office.

Cubicles: It is seen that 85% of the respondents are willing to work in a cubicle which means that they are very concern about the privacy.

Meeting space: 70% of the respondents stated that a meeting space is required to work in a studio office because small start-ups or a group of 5-6 people will definitely not like to hire a big space for a meeting which is costly. A meeting space should be an added advantage. Perhaps, a meeting room is a symbol of a professional office which increases the image of the company.

High Speed Internet: About 77% of the respondents believe that high speed internet is a definite factor while choosing a studio office because they want to work without an interruption and also this will allow more productivity and better collaboration. They can easily share large files and take maximum advantage of communication technologies like video conferencing or screen sharing.

Entertainment: Almost 55% respondents demanded for Entertainment while choosing a studio office because sometimes work can be monotonous or they can get bored so Studio offices might have entertainment facilities like online video games, because reports suggest that entertainment increases productivity and team working skills.

Moreover, a group of respondents like more than 60 percent suggested that other available amenities like printer and scanner should be also added in the studio office to facilitate the work environment.

10.0. Conclusion

According to the survey results and the market potentiality study it can be stated that there is a definite market for co-working space or Studio Office in Bangladesh and this report can be a guideline for businesses, employers, students and other concern parties to successfully launch a studio office in Dhaka, Bangladesh. ACC Amigos should definitely prepare a business plan with changes in the proposed studio office plan since the survey stated that respondents were more interested in cubicles to work therefore ACC Amigos should plan a new design so that it can be worked out in the future because the number of start-ups and demand for shared office space is increasing. As city is becoming congested and spaces are getting reduced, lack of commercial spaces will definitely promote co-working space. Co-working spaces have a great deal of potential to change and revitalize communities; however they are not the only variable. The other variables are community and business organization input and engagement or else co-working will simply be another generic building in the urban landscape.

Coworking is a new, growing industry that has begun to catch on in cities around the several spaces already establishing themselves in Gulshan and Banani. Research from this project has shown a significant, untapped potential market in the freelance community around Dhaka and has identified as that it will appeal to the attitudes of these customers. Amigos Studios offers value to creative professionals who work from home or at coffee shops by providing a community based and professional workplace to meet contacts, network, and collaborate with like-minded people.

References

Brown, William Arthur. *The Evolution of the Modern Workplace*. Cambridge, UK: Cambridge UP, 2009. Print.

Leforestier, Anne. *The Co-Working Space Concept*. Indian Institute of Management, Feb. 2009. Web. 18 Nov. 2015. <http://iimahd.ernet.in/users/anilg/files/Articles/Co-working%20space.pdf>

Bonnet, S. (2011, 06 14). *The Average Cost of Co working:Two Cups of Coffee a Day*: Retrieved 03 05, 2012, from Deskmag: <http://www.deskmag.com/en/the-average-cost-of-coworking-spaces-survey-218>

Foertsch, C. (2012, 02 13). *1320 co working spaces worldwide*. Retrieved 02 27, 2012, from Deskmag: <http://www.deskmag.com/en/1320-coworking-spaces-worldwide-208>

Prahalad, C., & Hamel, G. (1990). *The Core Competence of the Corporation*. *Harvard Business Review*

Markle, C., & Bagan, R. (2011). *Vancouver Office Market Report Q4 2011*. Vancouver : Colliers International.

Appendix

Survey Questionnaire

Q1. Please indicate your Gender

- a) Male
- b) Female

Q2. Please indicate your Occupation

- a) Student
- b) Employed
- c) Unemployed
- d) Other

Q3. Do you know about Co-working space or Studio Office?

- a) Yes
- b) No

Q4. Your preferred Studio Office should have the following

Strongly Disagree Agree Neutral Disagree Strongly Agree

Meeting space

Cubicles

High Speed Internet

Entertainment

Printer/Scanner

05. Please rate the importance of each factor, with 1 being the least and 5 as the most important.

Strongly Disagree Agree Neutral Disagree Strongly Agree

Rent

Available Amenities

Distance

Overall Work Environment

Privacy