Business Plan & Strategic Analysis

Assignment launch, SWOT/TOWS and a maritime case

Management of Shipping Companies

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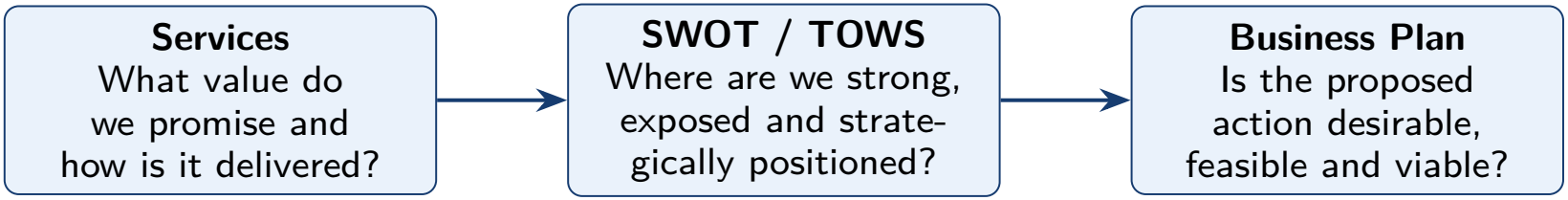
What we will do today

The aim is not to complete the Business Plan today. The aim is to understand the logic of the project and start with a defensible business idea.

- Understand what a Business Plan is – and what it is not.
- Review the group assignment, deliverables and expected evidence.
- Learn how SWOT and TOWS convert analysis into strategic choices.
- Apply the frameworks to a real maritime case and discuss the result.

By the end of class: you should know what your team needs to produce and what you need to bring to the next session.

How the three topics fit together



- We start with the Business Plan today so that you have time to form teams and choose a topic.
- Services Marketing will later help you design the offer, the customer experience and the 7Ps.
- SWOT/TOWS helps you test whether the idea fits the firm's capabilities and environment.
- The final Business Plan must tell one consistent story across all three areas.

Why write a Business Plan?

Clarify the opportunity

- Define and quantify the opportunity.
- Document the assumptions behind the idea.
- Improve the business model before committing resources.

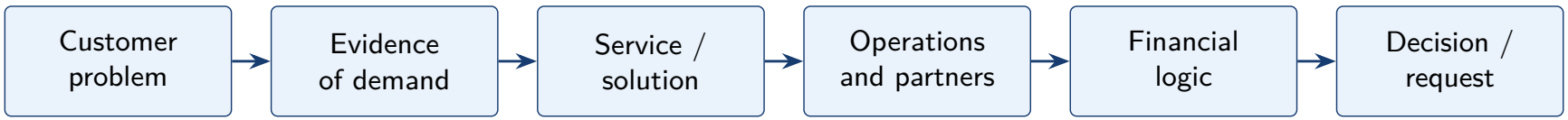
Make a decision

- Estimate how much money and capacity are needed.
- Communicate the vision to others.
- Force the team to answer the difficult questions.

A useful Business Plan can justify **launching, piloting, redesigning or even deferring** an idea. "Do not launch yet" can be a strong conclusion if the evidence supports it.

A Business Plan is an argument

A Business Plan is not a long description of a business idea. It is an evidence-based argument for a decision.



- Every major conclusion should point to an observation, calculation or clearly labelled assumption.
- The commercial promise must agree with the operating model.
- The operating model must agree with costs, capacity and risks.
- The financial forecast should reflect the same customer volumes and service scope described elsewhere.

The three tests of a credible plan

Desirability

Does a specific customer have a consequential problem?
Would they switch, pay or allocate budget?

Feasibility

Can the team secure the people, partners, assets, approvals and systems required?

Viability

Can revenues support costs, risk and cash needs? Is there a defensible position against alternatives?

- Technical novelty alone does not prove desirability.
- A large market alone does not prove reachability.
- Positive accounting profit alone does not prove sufficient cash.
- A good idea can still be a bad project if execution risk is ignored.

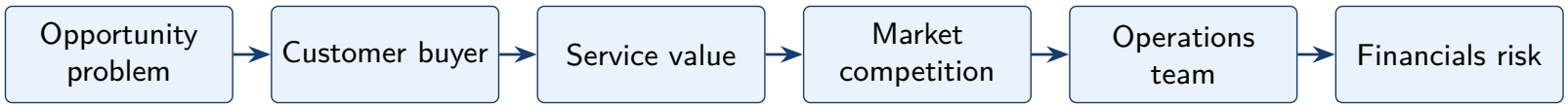
Why maritime Business Plans are distinctive

- The service may cross several organisations: vessels, ports, carriers, agents, terminals and inland providers.
- Timing, capacity and market conditions can change quickly; the plan must identify what it controls and what it does not.
- Asset choices matter: own, charter, partner or outsource produce different fixed costs, dependencies and risks.
- Customer trust, cargo requirements, safety/compliance and payment timing can be central to the economic model.

A maritime venture may own no vessel at all. What matters is a clear customer, a defined service boundary, a workable operating model and credible economics.

From an idea to a Business Plan

A good Business Plan is built step by step. Each stage answers a different question and generates evidence for the next one.



- Start with the problem, not the technology, the app or the vessel.
- Identify the paying customer as well as the operational user of the service.
- Define the value proposition relative to current alternatives and workarounds.
- Show how the service will actually be delivered, by whom and at what cost.
- Make assumptions visible so they can be tested, challenged and revised.

You are not writing six separate sections. You are building one coherent argument: if the problem is real, the customer values the service, the team can deliver it and the economics are plausible, then the plan becomes credible.

Suitable project forms for the assignment

Project form	Illustrative maritime idea
New specialist venture	Cold-chain monitoring and exception coordination for exporters.
Extension of an existing firm	Inland coordination added to an existing port or terminal service.
Specialist logistics operator	Time-critical spares, project cargo or crew logistics.
Digital maritime service	Documentation workflow, voyage support or chartering decision support.

- Ship ownership is optional.
- The project must still define a paying customer and a clear service boundary.
- Avoid ideas so broad that the team cannot obtain evidence or estimate costs.
- A smaller, testable problem is usually stronger than a vague “platform for all shipping”.

Your group assignment: the task

Develop and defend a credible Business Plan for a maritime, shipping or logistics venture, service, or substantial strategic initiative.

- Define the customer, the problem and the proposed service or solution.
- Analyse the market, alternatives, competition and strategic position.
- Explain how the service will actually be delivered: people, processes, assets/partners, systems and controls.
- Build a transparent financial model, identify risks and make a clear recommendation/request.

Teams: teams of four are the working arrangement; final team allocation and administrative details will be confirmed in class/eClass.

Assignment deliverables

Deliverable	Limit	What it should do
Business Plan	single PDF; cover + max 10 pages main text	Present the integrated commercial, strategic, operational and financial argument.
Appendix	up to 10 additional pages	Detailed financial model, customer/market evidence, CVs and supporting material.
Executive Summary	separate 1-page PDF	Give a standalone overview of customer, problem, solution, potential, status and financing/resource need.
Presentation	max 20 slides; target 12 min + Q&A	Tell a decision-oriented story; do not simply read the report.

Final submission dates and presentation arrangements will be announced separately. Keep the report, slides and financial assumptions consistent.

What belongs in the Business Plan?

1. Executive Summary
2. Company / venture overview
3. Customer problem and opportunity
4. Product / service solution
5. Market, customers and competition
6. Go-to-market and marketing
7. Team and organisation
8. Operations / service delivery
9. Financial model and financing need
10. Risks, milestones and implementation
11. Conclusion and recommendation
12. Supporting appendices

The exact headings may vary. What matters is that the plan answers the decision questions coherently and with evidence.

Evidence expectations

- **Customer evidence:** interviews, observed problems, pilot discussions, surveys or credible secondary evidence.
- **Market evidence:** market size, trends, relevant routes/segments, named competitors and substitutes.
- **Commercial evidence:** price benchmarks, customer-acquisition logic, channel assumptions and realistic buying cycles.
- **Operating/financial evidence:** supplier/partner information, staffing/capacity assumptions, cost benchmarks and cash-flow logic.

Do not present an assumption as a fact. Label what is known, what is estimated and what still needs to be tested.

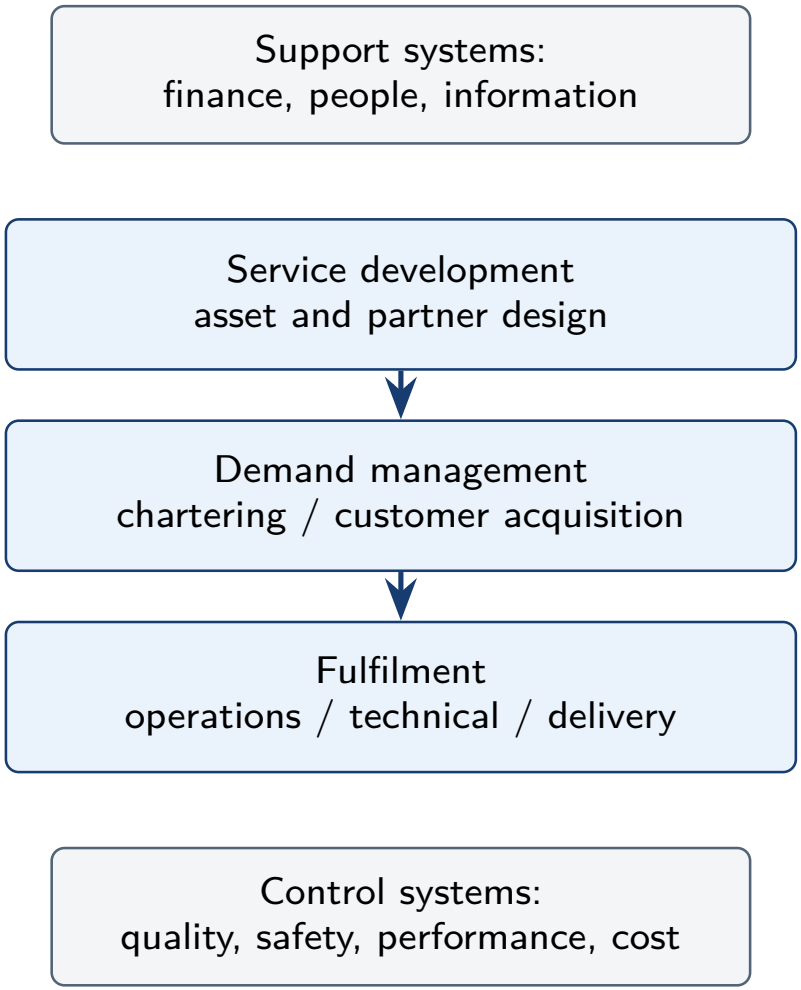
The Shipping Company Business Plan template

The additional template you were given is useful as a **planning aid**, not as a form that must be completed field by field.

- Summary
- About the company / project
- Market analysis
- Marketing and sales
- Business operations
- Management and organisation
- Raising / allocating funds
- Financial plan

Use it to prompt questions and structure your research. For the assessed work, follow the course Assignment Brief rather than filling generic fields that are irrelevant to your project.

Shipping operations: what must the plan explain?



- Marketing makes the promise; processes must produce it.
- Every major process needs an owner, resources and a cost implication.
- Partner-dependent activities still require monitoring and contingency planning.
- The Operations section must be specific enough to test capacity and risk.

A strong plan shows how the proposed service is developed, sold, fulfilled and controlled – not only what the customer is promised.

Your first project output

For the next session, each team should be ready to discuss **2–3 possible project ideas** and nominate one provisional choice.

- **Customer:** Who exactly experiences the problem and who pays?
- **Problem:** What recurring difficulty, cost, delay or risk are you addressing?
- **Service:** What will you actually do for the customer – and what is outside the scope?
- **Evidence:** What could you realistically collect to test whether the problem matters?

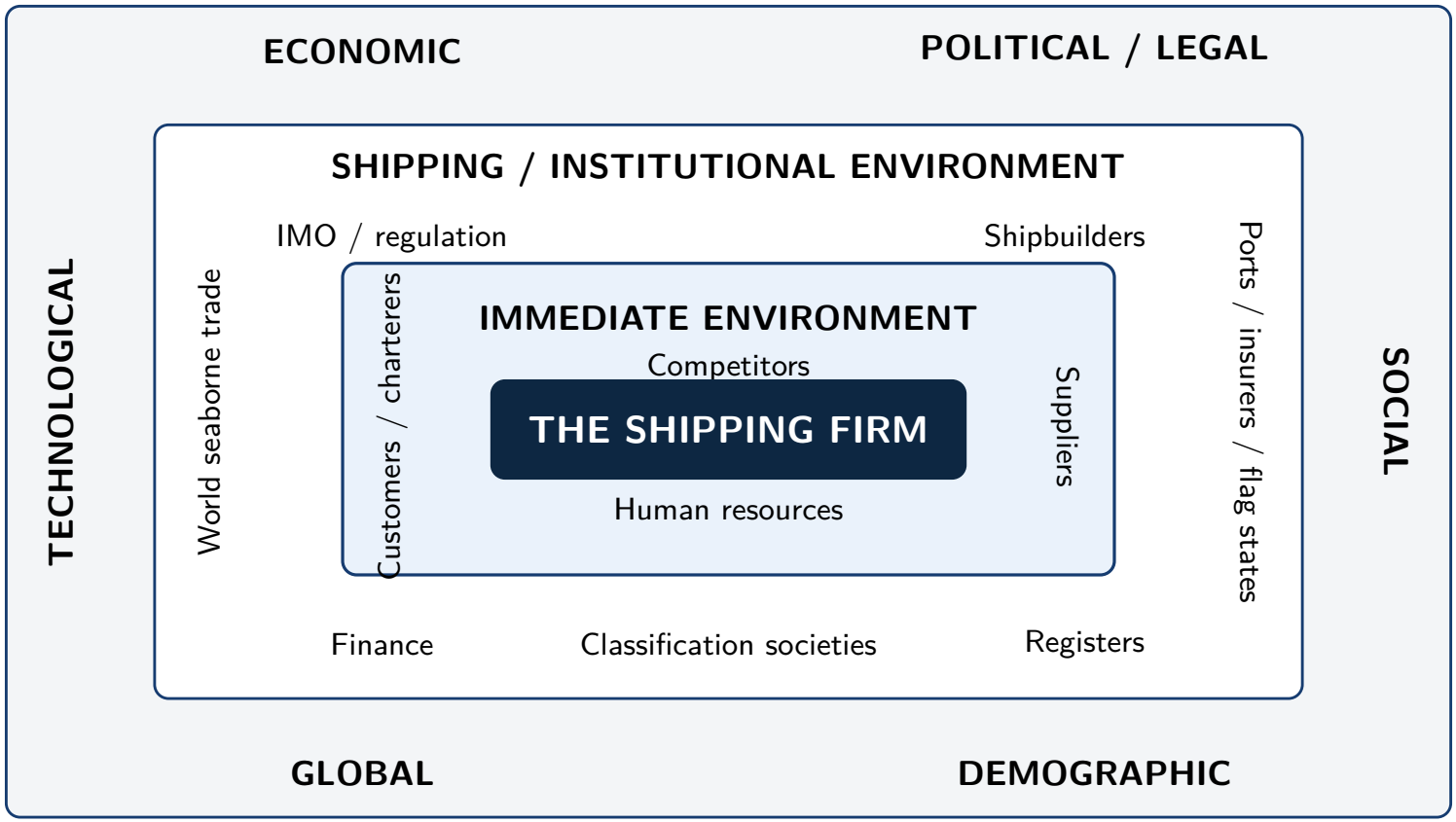
One page is enough. Do not build a financial model yet. First establish that there is a customer and a meaningful problem.

Why strategic analysis comes before the final plan

- A Business Plan should not assume that every market opportunity is attractive to every firm.
- The external environment can create opportunities and threats that change the economics of an idea.
- Internal resources and capabilities determine which opportunities can be exploited credibly.
- SWOT organises the evidence; TOWS asks what strategic action follows from it.

The question is not "Can we fill four boxes?" The question is "What should the firm do, given what it has and what is changing around it?"

The shipping business environment



- The shipping firm operates within **multiple layers of external environment**, from direct market actors to broader macro forces.
- Customers, competitors and suppliers affect the firm directly, while regulation, institutions, technology and economic conditions shape the wider maritime market.
- These external layers provide the evidence for identifying **Opportunities** and **Threats** in the SWOT analysis.

SWOT: what belongs where?

Internal

- **Strengths**: capabilities/resources that matter competitively.
- **Weaknesses**: internal limitations, gaps or dependencies.
- Ask: "Is this substantially under the firm's control?"
- Evidence can include cost, skills, assets, reputation, systems and relationships.

External

- **Opportunities**: external conditions that can be exploited.
- **Threats**: external changes that can damage performance.
- Ask: "Would this exist even if our firm disappeared?"
- Evidence can include demand, regulation, technology, competitors and suppliers.

Common SWOT mistakes

- **Too generic:** “good employees”, “competition”, “technology” without explaining why they matter.
- **Wrong category:** putting a market trend under Strengths or an internal cost problem under Threats.
- **No prioritisation:** listing ten items per box without identifying the few that can change the decision.
- **No consequence:** completing the matrix and stopping before asking what strategic action follows.

A strong SWOT item should be specific enough that another analyst could challenge the evidence behind it.

From SWOT to TOWS: turn analysis into action

	Opportunity	**Threat**
Strength	**SO**: use strengths to exploit an opportunity.	**ST**: use strengths to reduce or resist a threat.
Weakness	**WO**: address a weakness so the opportunity becomes accessible.	**WT**: reduce exposure, partner, narrow scope or avoid.

- TOWS produces strategic options rather than descriptions.
- Options should be specific enough to evaluate operationally and financially.
- More aggressive is not always better; “partner”, “pilot” or “wait” may be rational strategies.
- The chosen option should then appear consistently in the Business Plan.

Case: Costamare and the container-ship opportunity

Use the case to identify evidence before jumping to the answer.

- Costamare had developed strong cost control, ship-management capabilities, liquidity and an experienced seafaring/shore team.
- Management saw increasing competitive pressure in the markets where the firm was already active and limited room for further cost reduction without changing its basic approach.
- A specialist opportunity emerged in independent management of container ships serving liner companies, where frequency and reliability mattered.
- Entering the new market required additional resources and specialist personnel, and the first commercial moves involved meaningful risk.

Do not ask "Was the strategy successful?" yet. First ask: what were the Strengths, Weaknesses, Opportunities and Threats at the decision point?

Group exercise – 15 minutes

1. Identify **2 Strengths** and **1 Weakness** from the case.
2. Identify **2 Opportunities** and **2 Threats** from the environment.
3. Propose one **SO, ST, WO or WT** strategic action.
4. State one piece of evidence you would still want before committing capital.

Rule for discussion

- Every item needs a reason.
- Separate internal from external.
- Do not repeat the same fact in two boxes.
- Your strategy must respond to your own SWOT.

Case debrief: one defensible interpretation

S	Cost discipline; ship-management capability; liquidity; experienced personnel; reputation for reliable management.
W	Limited direct experience in the container-ship/liner-company context at the point of entry; capability gap requiring specialist hiring.
O	Specialist independent container-ship management; liner companies' need for frequency and reliability; opportunity to transfer capabilities into a new segment.
T	Intense competition in existing markets; risk of losing cost advantage; entry and chartering risk in an unfamiliar segment.

A plausible **SO strategy**: transfer proven ship-management and cost capabilities into container-ship management, while investing in specialist resources and building credibility with liner-company customers.

How SWOT/TOWS feeds the Business Plan



- Market analysis should explain the Opportunities and Threats.
- Team/operations should explain the Strengths and Weaknesses.
- The strategy section should state why one option is chosen over alternatives.
- The financial model tests whether that strategic choice is affordable and resilient.

Before the next class

- Form your team and agree how you will communicate and divide research tasks.
- Bring **2–3 possible maritime business ideas**; select one provisional idea after discussion.
- For each idea, write four lines: **customer – problem – service – evidence you could collect**.
- Read the Assignment Brief and use the Shipping Company Business Plan template only as an optional planning aid.

Next step in class: we will use Services Marketing to define the service promise, customer value, process and 7Ps – the material that turns the idea into a deliverable offer.