**Assignment taken**

**Airway Delivery: A New Business Opportunity**

**Case understanding**

Airway delivery is a courier company across India and decided to venture HLDs which is a platform to enable local offline businesses to reach out to their targeted customers ensuring product delivery within a very short time conduct local delivery through drones and has the permission of (DGCA) Director General of Civil Aviation. The business case requires the strategies to break even in year 1 and scale the business going forward so that this division becomes the market leader in the drone-based delivery services space.

**Solution summary**

To provide a drone-based delivery system, the company has enough budget of 10 crores for the financial year 2021-22 to upscale the business in upcoming years. The company requires every department which includes IT, FINANCE, MARKETING, HR, etc. It Cut the costs for companies through increased efficiency and greater control over inventory management and also fundamentally changes the way we conduct business on a global scale. The cost of drones is decreasing, making them an affordable option for our business. Our company will use drones to save money on labor, especially in areas where labor costs are high. Companies can also save money on fuel and car maintenance when they use drones for delivery services.  These drone delivery operations are gaining widespread importance in last-mile delivery given their accuracy, environment-friendly operations, shorter delivery time, and lower operational cost than traditional delivery channels. As per analysts, the operating costs for a drone delivery service are 40% to 70% lower than a vehicle delivery service model.

**Business plan**

**Business Plan: Scaling up the Drone-Based Delivery Business**

**Industry Overview:**

Drones for the enterprise hold the most potential in the broader drone market. Insider Intelligence defines enterprise drones as all unmanned aerial vehicles (UAVs) sold directly to a business for use in its operations. Under that criterion, Insider Intelligence predicts total global shipments to reach 2.4 million in 2023 – increasing at a 66.8% compound annual growth rate (CAGR). Drone growth will occur across five main segments of the enterprise industry: Agriculture, construction and mining, insurance, media and telecommunications, and law enforcement. It also:-

1. Provide support in drone technological capabilities such as navigation management, detect & avoid (collision management system), integrated air traffic management system, etc. This enables cutting-edge technologies like artificial intelligence, machine learning, digital twins, etc.  
   2. End-to-end hiring and training of drone pilots and ground support operators with the required skills.  
   3. Marketing campaigns, research, and analytics.  
   4. Supply chain management operations, such as order management, contract management, track and trace, customer service.  
   5. Data analytics and intelligent operations.

**Company Detail**

**Airway Delivery:-** Airway Delivery is primarily a courier company with its operations spread across India. It has multiple branches spread across the country and it provides delivery services to the most pin-codes. The company’s board has recently decided to enter into ‘Hyper-Local Delivery Space’ whereby the delivery would be made through the use of drones. The company has already secured all the necessary permissions for starting its venture of drone-based delivery. As the drone-based delivery market has a lot of growth potential (CAGR – 44% from 2023 to 2030), the decision to enter this service domain is viable and worth pursuing.

**Services**

Drone-based delivery services (Hyper Local Delivery Space).

**Mission and Vision Statement**

**Mission**:- is to make the skies open and accessible for everyone. The aim is to build a commercially sound drone-delivery system and provide better offerings when compared to the ones offered by the competitors in the same industry.

**Vision**:- The vision is to establish a strong brand in the sphere of delivery services through deploying constant product and process innovation, and become the market leader within the drone-based delivery services line of business across all parts of India.

**The major objective of the drone-based delivery system**

To achieve Break-Even within the first year of operation.

To establish strong Brand Equity.

To become a market leader through introducing innovation in processes and products.

* **HR Department**

**Recruitment plan and Training plan**

Recruitment plan:-

* Direct recruitment methods(Campus recruitment)
* Indirect recruitment methods (social sites, T.V., magazines, etc.)
* Third-party recruitment methods (recruitment agencies, data bank)

Recruitment process:-

Recruitment planning: - what will be the various qualification and skills for the various post? In this case, we have different eligibility criteria for the various post.

**ELIGIBILITY CRITERIA:-**

* For operator:-trained pilots
* For software developers:- B-Tech candidates
* For management teams:- PGDM and MBA candidates
* For support staff:- graduation and intermediate

**Strategy development:-** no of recruiters for the various post and in this case we need 4 operators, 5 management team, 2 software development team, 4 support staff.

**Searching:-** I will create a channel of communication to reach the prospective candidates.

**Screening:-** After the application process I will start the screening process.

**Evaluation and control:-** I will check the cost incurred during recruitment and the output in terms of the selection of suitable candidates.

**Training plan:-**

Induction program:- induction program for the employees to introduce the company. Employees will get better knowledge about the company.

**Training process:-**

1. Need for training:- every employee will do their work in the best possible way so the training is needed.

2 Determine types of training:- which type of training will be right of which category of people that is the main thing.

3 Identify training program goals and objectives:- it is very important to identify the what will be the objective of the training program.

4 Implementing Training programs:- After finding the objectives it’s time to implement the training practically.

5 Evaluating training program:- and the last I will evaluate the training programs whether it is effective or not. The training given to the employees is working in the right direction.

* **Finance Department**

**summary of financial aspect understanding:-**

|  |  |  |
| --- | --- | --- |
| **Category** | **Courier weight** | **Price** |
| A | 1-500gm | 60rs |
| B | 500gm-1kg | 80rs |
| C | 1.01kg-5kg | 100rs/kg |
| D | 5.01-10kg | 110rs/kg |
|  |  |  |

**Drone division is mentioned below:-**

1. Short-range drones-4-125000/unit-150km, max bearing capacity 10kg.

2.Long-range drone-1-400000/unit 650km,25kg

3. Qualified drone operator-4-50000-per person per month.

4. Management team-5-100000-per person per month average salary.

5.Software-1-2500000

6. Software development team-2-70000-per person per month salary.

**Support staff-**4-20000 per person per month.

**Another direct and indirect expense-**30000-per month.

Budget 10cr for the year 2021-2022.

**SOLUTIONS**

**Total expense**

**#** Purchase:900000

(Short range drone-125000\*4\*=500000

Long range drone-400000)

# Salary to employees-11040000

(Operator-4\*50000\*12=2400000

Management team-5\*100000\*12=6000000

Software development team-2\*70000\*12=1680000

Support staff-4\*20000\*12=960000)

# Direct and indirect expense =30000\*12 =360000

# software= 2500000

Therefore, the total expense becomes =114170000 which is more than the budget set.

A company should go for long-term borrowing as the expense increase .. they can also go for a debenture or bank loan for fulfilling the requirement.

The company should have a proper debt-equity ratio.

They can also go for the bank loan 114800000 for the amount less in the project.

* **IT Department**

**How we can access the business plan…**

* We collaborate with other e-commerce companies whether it is food-based company or clothes company or furniture company
* When any person order something they pop on our app
* We make a software or ERP and attach it through cloud computing with other e-commerce companies.

**What type of software do we use**

* We make an ERP or software of our use. This software includes various applications like search in near delivery packages etc.
* We use this type of software to analyze the demand for delivery in near places
* We are also giving service to other customers who are knowing about our app and order the parcel through our app.

**Short-range drones**

* First we use short-range drones in delivery to the near places.
* In the scenario always we used to the software, they reduce the human power and people easily connect with our app.
* So we used the software to communicate with the other e-commerce websites and near places where we open the offline shops.
* **Marketing Department**

Marketing plan which can be taken in AIRWAY DELIVERY:-

**Determining Niche-** It is very important that before you get started, you can choose your focus.Once you havefound your niche, you will be able to better understand your target audience. By doing so, you will learn the major influence points that you need to market to connect with future customers.

**Dividing which marketing outlet works for you-** Today there is no doubt that having online pressure is essential. There are many outlets to choose from. A dedicated business website is an essential part of every marketing plan. However, some may decide that using social media channels such as Facebook, Instagram, Twitter, Youtube works best for them.

**Build social media portfolio-** Facebook, Instagram, Twitter, and Youtube have large research potential, they are easy to start with. This channel allows you to get exposure, advertise your work, and also crack a gathering of people to communicate with customers.

**Stay active and promote relevant content-** Customers and followers want to all that your business is up and reviewing, so posting regularly to social media channels will keep them interested. It is very important to make sure that pricing is up to date with the market standard.

**Join professional forums-** Aside from the social media platform, there are many popular drone forums out there. Finding the right forums that are relevant to work can be a good place to reach clients who are looking for your exact especially.

**Use google-** Marketing requires effort time and even money. However, in the early stages of business, there are a lot of things to do before you have to worry about spending money on paid advertising. Adding your business onto google will help to attract new clients when they use the google search engines. Business owners can ask clients to rate and review their reviews via google. Thus making their client testimonials periodic.

**Management team**

Our team comprises four functional heads belonging to the functions and they are –HR Department, IT Department, Finance Department, Marketing Department, and every division is sharing office space with parent entity & contributing Rs.30,000 including rent, internet, phone & electricity, etc. for their share of facilities utilization.

**Support Staff:**

There are a lot of people who will be responsible for day-to-day ad hoc work to keep the business moving on an everyday basis.

**Software Development Team:**

This team will comprise backend engineers and data scientists.

**Conclusion:-**

Airways delivery can be the largest national and international company in the Express industry. Through airways delivery, certain far-off places are undertaken to avoid a possible delay. We will provide the best and fastest courier services all over the world. UNITING THE PEOPLE ACROSS THE GLOBE. Drone delivery will only grow in the coming years. Companies will need to stay invested in drone delivery programs and technology enhancements to realize this potential.