### **Factors Contributing to Business Failure**

* **Increased Competition**: The opening of a larger chains of businesses nearby can draw customers away from your business. Larger chains often have more resources, a wider range of products, and economies of scale that enable them to offer lower prices or more convenient services, which can threaten smaller, independent businesses.
* **Inconsistent Customer Foot Traffic**: Variability in the number of customers visiting your business could be linked to factors such as poor location, lack of effective marketing, or seasonal trends. Inconsistent foot traffic makes it difficult to predict and stabilize revenue streams, leading to financial difficulties.
* **Rising Operating Costs**: As operating costs increase, maintaining profitability becomes harder, especially for small businesses with limited margin flexibility. These costs could include rent, utilities, labor, and the cost of goods sold. Without a strong customer base and steady revenue, managing these rising costs becomes challenging.
* **Failure to Adapt to Market Needs**: Even if the business attempts to innovate by offering unique blends, this may not be enough to differentiate the business in a competitive market. If the offerings don’t meet the evolving needs or preferences of customers, it could lead to decline in sales.
* **Sustainability Issues**: The failure to maintain profitability and adapt to external changes indicates that the business model isn’t sustainable in the long term. The business may lack the necessary financial management skills or contingency plans to navigate these challenges effectively.

**Business Development Roles of an Entrepreneur**

* **Market Research and Analysis**: You must thoroughly research the online marketplace for to understand the demand, customer preferences, and competition. This will help identify the market gaps, tailor offerings, and develop a unique value proposition for the business.
* **Business Planning and Strategy**: Developing a clear business plan is critical for guiding the direction of the new venture. This should include goals, financial projections, target markets, marketing strategies, and operational plans. You must ensure the strategy is adaptable to future market changes.
* **Building a Strong Online Presence**: If the business is an online marketplace, you must focus on creating an intuitive, user-friendly platform. Effective website design, smooth customer experience, and a robust digital marketing strategy (e.g., SEO, social media) will be key to attracting customers.
* **Financial Management**: You should carefully manage finances, tracking cash flow, expenses, and revenues to ensure financial health. This includes setting budgets, identifying funding sources, and monitoring financial performance regularly.
* **Networking and Partnerships**: To scale the online marketplace, you should build relationships with customers, suppliers, and other business owners. Strong partnerships can help ensure a consistent and diverse product offering, and networking can lead to opportunities for growth and collaboration.
* **Leadership and Team Building**: As the leader, you must develop strong leadership skills to guide the team, create a positive company culture, and foster innovation. Delegating tasks and empowering team members will be crucial for the successful operation of the business.
* **Customer Engagement and Support**: You must prioritize customer service by offering timely responses to inquiries, handling complaints efficiently, and creating a loyal customer base. Feedback systems and personalized experiences can help build lasting relationships with clients.

**Common indicators used to measure enterprise growth**

* **Revenue Growth**: An increase in sales revenue over time indicates that the business is expanding its customer base or increasing sales to existing customers.
* **Profit Margins**: Improving profit margins suggest that the business is managing its costs effectively and increasing its profitability.
* **Cash Flow**: Positive cash flow demonstrates that the business is generating enough cash to support its operations and growth initiatives.
* **Market Share**: Gaining a larger share of the market indicates that the business is outperforming its competitors and attracting more customers.
* **Customer Acquisition and Retention Rates**: High customer acquisition and retention rates show that the business is successfully attracting and keeping customers.
* **Customer Satisfaction and Loyalty**: High levels of customer satisfaction and loyalty are strong indicators of sustainable growth.
* **Employee Growth**: An increase in the number of employees can indicate business expansion and the need for additional workforce to support growth.
* **Product Development and Innovation**: A steady stream of new or improved products can signal a commitment to innovation and staying competitive in the market.
* **Efficiency Improvements**: Enhancements in production efficiency and reduced operational costs reflect a business's ability to optimize its processes.
* **Geographic Expansion**: Entering new geographic markets demonstrates the business's ability to grow beyond its original location.
* **Diversification**: Expanding into new product lines or services shows the business's capability to broaden its revenue streams and reduce dependency on a single market.

### **Immediate Steps to develop a personal wealth plan**

* A personal wealth plan is a structured approach to building, managing, and preserving wealth, tailored specifically for entrepreneurs. Setting a wealth plan is crucial for entrepreneurs to manage income variability, secure financial independence, and prepare for both business and personal growth.
* **Identify Personal Financial Goals**: Given that her personal finances are tied to the success of her ventures, having a structured financial plan will help her ensure that she can maintain financial stability even during periods of uncertainty. These could be short-term (1-3 years): Emergency funds, debt management, personal savings. Medium-term (3-7 years): Investments, down payment for property, education. Long-term (7+ years): Retirement planning, legacy planning, estate management.
* **Diversifying Income Sources**: Mario should work on building additional income streams outside the business, if possible. This could include investments, freelance work, or part-time endeavours that can provide financial relief in case the business does not meet expectations.
* **Emergency Fund Creation**: It's important to set aside an emergency fund to cover personal and business expenses in case of unforeseen challenges. This fund could act as a buffer during times of low business performance or personal financial stress.
* **Expense Management**: Mario should review her personal and business expenses, cutting non-essential costs where possible. Reducing debt and ensuring that only essential spending occurs will help her maintain financial security while focusing on business growth.
* **Debt Management**: If Mario has incurred debt due to her previous business venture, it's essential to prioritize debt repayment. This will reduce financial stress and improve her creditworthiness, enabling her to secure funding for the new business if needed.
* **Financial Planning Tools and Advice**: Seeking advice from financial planners or using financial management tools can help Mario assess her financial situation, develop a realistic budget, and ensure that both her personal and business finances are managed effectively.
* **Assess Current Financial Status**: Consider your personal assets, liabilities, and net worth. Analyze cash flow, savings rate, and expenses.
* **Retirement Planning**: Plan to set up a retirement fund even if the business is the primary source of income.

### **Manage risk around your personal wealth:** Identifying potential risks (health issues, business failures, market downturns). Consider using insurance products such as Life, health, disability, and business insurance as financial safety nets.

### **Plan your estate and Legacy**: Through creating wills, trusts, and powers of attorney. Also define your legacy beyond financial wealth, such as values, charity, or business succession.

### **Maintain financial discipline and Continuous Review: By** practicing consistent saving, tracking expenses, and staying disciplined with financial goals. Revisiting the personal wealth plan regularly and adjusting for changing goals, income, or market conditions.