

Sly dot Com Beverages

BUSINESS PLAN

Comfort Amanor

Email: oppongcomfort59@gmail.com

Tel.: +233 24 557 2841

CONFIDENTIAL: The components of this business plan have been submitted on a confidential basis. Neither can it be reproduced, stored, or copied in any form. By accepting delivery of this plan the recipient agrees to return this copy of the plan. Do not copy, fax, reproduce, or distribute without permission.

Executive Summary

The soft beverages market in Ghana has grown dynamically over the past decade, reaching \$102.00 million (in retail prices) in 2015. In the following five years, the market grew at an annual growth rate of 22.28%. Overall, the market continues to indicate a favorable outlook through 2025, with a projected compound annual growth rate of 13.15%, reaching \$534.05 million (in retail prices) by 2025. Sly dot Com Beverages aims to bring beverages to the underserved Ashaiman area of Accra, Ghana.

FUNDS NEEDED

Inventory \$340

Fridge/Freezer \$160

Total \$500

OPPORTUNITY

Currently, Sly dot Com Beverages only sells drinks and staple foods to the community and makes a small amount of money. The business needs to expand and sell more goods and become more of a convenience store in the area. Sly dot Com Beverages is situated in the Ashaiman (Zenu) and is just outside the capital of Accra.

Company Performance

The opportunity for Sly dot Com Beverages is to expand from being a part-time beverages store to becoming a full-time convenience store that sells drinks and staple foods to customers.

Team

Mrs. Amanor Comfort is working alone in Sly dot Com for now. Sly dot Com will be employing a new person at the current single branch and a new staff member per new branch that opens.

MARKETING PLAN

A. The target market strategy

Individuals and firms who need foods and beverages in Ashaiman will be our target market for now. We realized that individuals (male and female) between the ages of 12 and 50 are always fond of utilizing soft drinks, juices, and food items like rice especially during festive seasons and celebrations. Also, a lot of kids in Ashaiman enjoy drinks, juices, and biscuits a lot, especially during school time. Due to this, Sly dot Com Beverages decided to target people between the ages of 12 and 50 who stay in Ashaiman (Zenu). We also plan to use our current customers to find new markets or customers. We plan to do this in the form of a referral system where you are rewarded according to the number of new clients you introduce our products to.

B. The product/service strategy

Sly dot Com Beverages decides on the type of product to bring to the market depending on the needs of the consumers in the area. Currently, there are so many people in the area where the business is (Zenu) who are always looking for items like soft drinks, staples, and fruit juices to buy. Also, there are several students who depend on drinks and staple foods at school. Due to this, Sly dot Com Beverages decided to provide food items and soft drinks to the market. Our products are differentiated from those of the

competitors through our product designs, product packaging, and pricing. Sly dot Com Beverages uses designs and packaging that customers desire for. Our prices are moderate as compared to competitors.

C. Pricing strategy

Sly dot Com Beverages has a pricing strategy that is able to accommodate all sets of people regardless of their job positions or income. We mainly decide the price of our products based on the cost we incur in acquiring the products. For example, a pack of Malta Guinness (330ml) from our suppliers usually costs GHS 50.00 and it is being sold in other retail and consumer stores for GHS 62.00 or above. We decide to sell it at GHS 58-60.00 to our customers especially those who go hawking on the street so they could also make the necessary profits after subtracting other costs. The same example applies to all other products we offer for sale. Our aim is to make products less cheap for our customers compared to other retail stores.

D. Distribution strategy

Sly dot Com engages in retail selling and adopts a direct distribution strategy where the products are directly sold to the customers. Customers have to pay for the expenses incurred in moving the goods from our shop to their locations, but in some situations the business does incur some of the customers' expenses. Customers who buy in small quantities are allowed to pay their own expenses for moving the products to their locations. However, Sly dot Com Beverages decides to offer free delivery to customers who buy in large quantities. When we buy from our suppliers in large quantities, our suppliers incur the cost involved in moving the products to our shop. But when we buy in small quantities, we incur most of the expenses involved in moving the goods. The business uses a motorcycle to deliver products to its customers.



E. Advertising and promotion

Sly dot Com Beverages plans to advertise and promotes its products through having flyers and banners with the business' name inscription distributed to current and potential customers. We will also have posters placed on walls in the city to attract viewer's attention. Sly dot Com Beverages will offer at most a 20% discount to recreational groups such as kids and adults sports teams who play in church and nearby facilities like schools. We will also use incentives like sponsoring programs in the city. These strategies will help encourage business. Sly dot Com Beverages also plans to create social media pages for the business to make promotion much easier.



F. Sales strategy

Product Packaging.

Product packaging plays a great role in Sly dot Com Beverages' sales strategy. Individuals who never had a taste of our products make buying decisions based on packaging of our products. This is why we pay close attention to the packaging of our products. We appropriately package our products using the desired colors and designs of customers. This makes our products look more appealing to the target audience and the potential customers and subsequently causes them to utilize our products.



Five-Year Financial Snapshot

Financial Statement					
	2022	2023	2024	2025	2026
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue					
Total Number of owned Stores	1	2	3	3	3
Total Revenue	\$ 1 083,00	\$ 2 707,50	\$ 4 061,25	\$ 5 076,56	\$ 6 345,70
Total COGS*	\$ 432,00	\$ 1 080,00	\$ 1 620,00	\$ 2 025,00	\$ 2 531,25
Gross Profit	\$ 651,00	\$ 1 627,50	\$ 2 441,25	\$ 3 051,56	\$ 3 814,45
Gross Profit %	60%	60%	60%	60%	60%
Expenses					
Self-Salary	\$ 200,00	\$ 220,00	\$ 242,00	\$ 266,20	\$ 292,82
Employees		\$ 100,00	\$ 220,00	\$ 242,00	\$ 266,20
SG&A**	\$ 200,00	\$ 500,00	\$ 750,00	\$ 937,50	\$ 1 171,88
Income vs Expenses					
Total Expenses	\$ 832,00	\$ 1 900,00	\$ 2 832,00	\$ 3 470,70	\$ 4 262,15
Total Income	\$ 1 083,00	\$ 2 707,50	\$ 4 061,25	\$ 5 076,56	\$ 6 345,70
Net Profit	\$ 251,00	\$ 807,50	\$ 1 229,25	\$ 1 605,86	\$ 2 083,56
Net Profit Margin	23%	30%	30%	32%	33%

COGS* = cost of goods sold

SG&A** = selling, general and administrative expenses

INDUSTRY

Size

The beverages drink market in Ghana has grown dynamically over the past decade, reaching \$102.00 million (in retail prices) in 2015.

The soft drinks industry plays a significant role in contributing to the overall development of Ghana's economy. Along with the contribution of this industry to Ghana's economy, soft drink consumption in Ghana is expected to grow rapidly over the next few years, as incomes rise in line with strong economic growth. The demand for soft drinks will be robust in Ghana over the medium term driven by the rising disposable incomes, favorable demographics, and the urban and rural population growth.

Growth

In the following five years, the market grew at an annual growth rate of 22.28%. Overall, the market continues to indicate a favorable outlook through 2025, with a projected annual growth rate of 13.15%, reaching \$534.05 million (in retail prices) by 2025.

Major Players

There are no major players in the area that do what Comfort does. Retail supply outside the capital of Ghana Accra and in some rural areas in the capital is particularly weak, which makes the competition relatively weak in the community where Sly e dot Com Beverages is located as it is a rural area, where other businesses are not operating.

Trends

There are no major players in the area that do what Comfort does. Due to the increasing demand for soft drinks, retail businesses in this sector have a promising opportunity to grow and fill the gaps in the market. The market is big enough to sustain growth.

Customers

In the first year, the business will only have one branch and focus on clients living around the store. As the years go on the company will expand to open about three stores in other suburbs and villages around Accra in the next 5 years. The people will be everyone. This includes school children from age 12 upwards and under the age of 50, both male and female. This includes potential customers that are in the low to medium-income range families in the area. Zenu has about 78,539 people in the area.

COMPETITION

The food and beverages business is new to Ashaiman (Zenu), where Sly dot Com Beverages is located. The main competitors in this business are located in the main city and are far from where Sly dot Com is (Zenu). Those competitors include Channel 11 Provisions and Beverages and Xtee Special Drinks. These businesses sell only soft drinks and a few staple foods. Sly dot Com beverages has an advantage over them due to the fact we provide other products such as juices and varieties of staple foods. There is no tight competition for Sly dot Com at the moment, but it is anticipated that there would be competition in the future since the beverages business is very lucrative in the city. Sly dot Com Beverages is 8 months old.

Company and Product Description

A. Company Description

Sly dot Com Beverages is a standard and registered business that is in the Greater Accra region (Ashaiman, Zenu), Ghana and hopes to expand by having branches across Accra. The business began its operation on 3rd February 2022. Sly dot Com Beverages engages in the selling of staple foods and beverages. Sly dot Com Beverages has been in operation for almost a year as a part-time business. Our goal is to provide foods and beverages to individuals and firms in order to become one of the reputable beverages stores across Ghana.

B. Product Description

Sly dot Com Beverages major products are staple foods and beverages. Sly dot Com Beverages currently sells soft drinks, juices, and biscuits to individuals and other firms. Our soft drinks come in different brands such as Sprite, Coca-Cola, Fanta, Pepsi and others. The kind of juices we offer includes milk, cocoa, tea, and vegetable juices.



C. Competitive advantage

Sly dot Com Beverages values its customers and always puts them first. Compared to other beverage stores in the country or city, Sly dot Com Beverages' prices are relatively less to cater to all customers. We also ensure all customers who visit our shop are given quality treatment. We respond to customers quickly by providing answers to questions they have about our products. We do this by contacting customers through phone calls and through text messages. Sly dot Com Beverages sometimes involves customers in decision-making if the decisions affect them. We do this by arranging follow-up meetings to check how things are going. We also have a reward system where we give extra products to customers who buy in huge quantities or buys frequently from us.

D. Growth strategy

Sly dot Com Beverages plans to grow by at least 25% each year and expand the business by having at least 3 branches in the next 5 years. Sly dot Com Beverages decides to use the market development growth strategy where we increase sales of our current products on existing customers in order to increase market share. We will ensure our customers continue to purchase our products and also try to attract potential customers from our competitors. We will achieve this by adjusting prices and increasing promotion and advertisement and distribution support.

We will also use product development growth strategy where we launch new products in our existing markets. These products will be obtained through investment in research and development. This will increase our product turnover.

OPERATIONS PLAN

A. Operations strategy

Sly dot Com Beverages provides fast and efficient goods and services by supplying its customers with products from three suppliers Bell company, Kasapreko company ltd, and Coca-Cola. Sly dot Com Beverages helps those who would not easily access goods and services, and therefore it provides them with lower costs, and free delivery even at their doorsteps.

B. Scope of operations

Sly dot Com Beverages has the desire to help its customers by bringing food items and beverages closer to them in order to reduce the stress the customers go through in

searching for those items. Sly dot Com Beverages sometimes takes care of the transportation by delivering to the customers free of charge or paying part of the expenses.

Physical store locations will be utilized for customers to view and purchase products. Fridges will be used to keep the product cold as needed. Many of these items have already been purchased for the current location. A few more are needed, and additional assets would be needed as future franchise locations are opened. The store requires cooling and electricity to maintain the desired atmosphere.

C. Ongoing operations

Sly dot Com Beverages opens from Monday to Friday at around 8 am and close around 10 pm, on Saturday we open around 9 am and close around 10 pm. When our customers order many products, we offer to deliver as soon as the customer place the order and there is someone who stays at the store to sell to those that buy one piece.

Critical Risks

- We assume that Sly dot Com Beverages business model can be applied with minimal changes to the three branches across Accra.

While this is based on years of experience in Ghana, the assumption may prove flawed at some branches. We will carefully monitor customer purchases at the original store and only open additional branches after the original branch does what it set out to do.

- We believe we offer branches a sufficiently attractive value proposition that they will remain even after even after they have learned all the details of how to successfully run Sly dot Com Beverages.

However, there is a risk that some of the branches will try operating independently and compete with each other. We address this risk by having a centralized supply point so that the headquarters will keep the prices centrally controlled.

- Our financial plan assumes that all branches can grow at roughly the same speed.

Not achieving this growth would mean that new branches would operate at a loss, reducing the profit of the entire business's margins. We address this by placing highly motivated branch managers at each location and giving them the authority to identify ways to grow their individual branches.

- We assume that the company can thrive and grow without a high-level executive possessing experience.

This is based on the success stories of other convenience store businesses that were highly motivated but not skilled in business management. We will address this by getting mentors with experience running these companies.

FUNDS REQUIRED

Inventory \$340

Freezer \$160

Total \$500