

Xter's Tasty Shito Sauce Business Plan

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DESCRIBE YOUR BUSINESS:

Xter's Tasty Shito: Authentic Ghanaian Goodness.

Xter's Tasty Shito is a dedicated supplier of Ghanaian original tasty Shito to local food vendors, individuals, hotels, restaurants, and supermarkets in Kumasi and its environs. The business currently has 45 customers with its 5 top customers being Kenkey Joint, Adiza's Special Waakye, Sonturk Supermarket, and God is my light mini mart. When I am awarded the loan, things are going to be a little easier as it will enable me to purchase raw materials (onions, Shrimps, Oil, Charcoal, Pepper, Ginger etc.) needed to produce the Shito in large quantities from farmers and a low price. This is because the cost of raw materials is costly when buying directly from farmers and by purchasing and stocking large quantities it will cut down costs and be a huge boost to production thereby increasing the income.

EXPLAIN THE PROBLEM.

- **Ingredient Sourcing:** Fluctuations in the availability and cost of key ingredients like peppers, onions, and fish can impact production costs and consistency.
- **Regulatory Hurdles:** Meeting the standard food safety and labeling requirements is costly and complex, especially for small producers like me who lack the expertise and resources to navigate these regulations.
- **Packaging and Preservation:** Finding affordable and effective ways to package Shito and extend its shelf life is crucial, especially without access to advanced preservation techniques.
- **Market Access:** Competing with established brands and navigating distribution channels is difficult for small producers like me. Building brand recognition, and maintaining, and reaching a wider customer base requires more resources.

EXPLAIN YOUR SOLUTION.

- **Ingredient Sourcing:** By establishing agreements with local farmers for a consistent supply of quality ingredients at stable prices and forming cooperatives to also enable buying ingredients in bulk at lower prices.
- **Regulatory Hurdles:** Simplified regulations on food safety and labeling regulations can reduce the burden and with proper training and support will also help ensure food safety and quality.
- **Packaging and Preservation:** Exploring innovative and affordable packaging solutions can extend self-life and maintain product quality and the development of natural preservation methods.
- **Market Access:** Developing strong brands and marketing strategies, utilizing e-commerce platforms, social media platforms, and trade fairs and exhibitions can increase consumer awareness and demand.

BUSINESS MISSION STATEMENT:

To tantalize taste buds and ignite culinary experiences with the most authentic and flavorful Shito, being the premium Shito and recognized for its exceptional quality and commitment to preserving Ghanaian culinary heritage.

HOW LONG HOW YOU BEEN IN BUSINESS?

The business has been active for 4months.

YOUR NET INCOME

Explain how much your revenue is, what your expenses are, including salaries and what's your profit.

SERVICE OR PRODUCT DELIVERABLE:

- Variety of Shito Flavors: Offer a range of flavors from mild to extra spicy including variations like smoked fish Shito, prawn Shito, garlic ginger Shito.
- Different Packaging Sizes: Offers the shito in various sizes from small, medium, large, and extra-large sizes.
- Shito Powder/Spice Blend: Offer dried shito spice to consumers who want to use it as seasoning.

DESCRIBE YOUR BEST CUSTOMER:

Kenkey Joint

- Regular Purchaser: A customer who regularly replenishes their shito supply creating a consistent revenue.
- Provides Feedback: Willing to share her opinions both positive and negative, helping improve the product and service.
- Open to variety: She tries new flavors which allow me to introduce new products.

WHY DO CUSTOMERS BUSINESS WITH YOU RATHER THAN WITH YOUR COMPETITORS?

- Strong Customer Relationships: I focus on building strong relationships with my customers through prompt order fulfillment and addressing their specific needs fostering long-term partnerships that ensure customer loyalty.
- Competitive Pricing: I offer competitive pricing on a wide range of products which makes my services more affordable.

- Reliable and Consistent Supply: I ensure consistent timely delivery, and this builds trust between me and my customers.
- Value for money: I offer fair prices that reflect the quality of shito is essential and customers are willing to pay for quality.

WHAT IS THE MOST COMMON CAUSE FOR A BUSINESS LIKE THIS FAILS?

- Misjudging demand: Overestimating demand can lead to wasted products and financial losses.
- Poor Pricing: Pricing too high or too low can deter customers or eat into profits.
- Poor Inventory: Not keeping track of inventory can lead to spoilage, shortage, or overstocking
- Weak Branding: Not having a clear brand identity or message can make it difficult to stand out.
- Poor Customer Service: Unhappy customers are unlikely to return or recommend my product.

HOW CAN YOU AVOID THIS PROBLEM?

- Develop a brand name, logo, and packaging that reflects the quality and uniqueness of the product.
- Respond promptly to inquiries address concerns and build relationships with customers.
- Optimizing production processes to minimize waste and maximize output.
- Having a detailed cost analysis
- Building upon my inventory management skills.

LIST OF YOUR SERVICES OR PRODUCTS AND THEIR PRICES:

RETAIL PRICES

- Small sized shito - \$4.28
- Medium-sized shito - \$7.89
- Large-sized shito - \$18.42
- Extra-large shito – 32.89

WHOLESALE PRICES

- Small sized shito - \$3.29
- Medium-sized shito - \$7.56
- Large-sized shito - \$17.78
- Extra-large shito – 32.24

HOW DO CUSTOMERS KNOW THAT YOU EXIST?

- Local networking
- Community engagement
- Social media

WHY DID YOU CHOOSE THIS BUSINESS:

- Passion for Ghanaian cuisine
- Preserving Culinary Heritage
- Entrepreneurial spirit

LIST YOUR TOP WAYS TO FIND NEW CUSTOMERS:

- Referrals
- Personal Connections
- Online Marketing
- E-commerce website

Insert pictures of your business activities here and give a brief explanation of each:

Meat Frying

Well-cooked shit0

Adding of fish and shrimp powder



Blended onion



Cooking onion



Bottle size - Small medium and large

Small (350ml)
Medium (500)
Large (850ml)



Shito scooped into glass jar



Sealed Shito bottle ready for ordering



HOW WILL YOU USE THE MONEY? (Include pictures of the product/Services (s))

- Ingredient Upgrade (\$300)
- Packaging improvement (\$300)
- Marketing and Sales (\$200)
- Operation (\$200)

BREAKDOWNS OF THE UTILIZATION OF THE FUNDING

- Ingredients upgrade buying in bits and retail prices always cost me a lot hence USD\$300.00 will go into getting ingredients right from the farmers, and wholesalers to buy in bulk.



ITEMS	QUANTITY	PER PRICE(USD\$)	TOTAL PRICE(USD\$)
Onions	205 units) 2 bag/sacks	61.16	122.32
Vegetable Oil	25 liters	90.24	90.24
Powdered Shrimp	2,200grams	75.49	75.24
Habanero Pepper (fresh and dried)	4,400grams 1 each	4.55	9.1
Spices (Natural herbs and spices)	Various varieties	2.85	2.85
TOTAL			USD\$300.00

Packaging improvement: getting an attractive and catchy package is an effective means of advertising my products hence the need to improve my product packaging.

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<u>ITEMS</u>	<u>QUANTITIES</u>	<u>PRICE(USD\$)</u>
Hand dryer	1	35.06
Glass jars a. Big size 850ml (\$0.65 per one) b. Medium 500ml (\$0.49) c. Small 350ml (\$0.32)	a. 50 pieces b. 100pieces c. 100 pieces	a. 32.50 b. 49.00 c. 32.00

Labelling (stickers) \$0.32 per one	250 copies	80.00
Plastic to seal top of the glass jar when covered tightly. \$1.62 per pack. Per pack has 12 pieces	20 packs	32.40
Cardboard boxes. \$9.75 per 25 boxes in one pack	100 boxes	39.04
TOTAL		USD\$300.00



The hand dryer will be used to blow hot air when the plastic seal is covered on the top of the glass jar to attach the plastic seal to the glass jar.



Glass jars of different sizes

Cardboard boxes for transport to various outlets

Marketing and Sales – USD\$200

- a. Paying of information centers (3) for announcement and advertisement of my product for 6 months duration each costing **USD\$16.67** hence the three centers will cost **USD\$50**.
- b. I have made a list of 35 senior High Schools in Kumasi and its environs to contact their headmistress and headmasters in charge of domestics. In Ghana, most senior high schools are boarding and when students are going or are on campus, almost everyone needs to get gari and shito, which is part of their groceries to help sustain them while in school since most of the food provided by the school is not enough. With this, my transportation for this 2-month project will cost **USD\$25** in transportation. With this plan, for every 10 sales I make, the headmaster or the headmistress will have **USD\$0.32** if agreed.
- c. There are two supermarkets near the Christian Service University hostel and one at Valley View University campus, I have reached a deal with them so that they can shelf my shito products, but I need to make a security deposit of **USD\$37.5** each should in case of any complaints arise from my product. The duration of 6 months is subject to renewal, and I will give them at my wholesale price.
- d. Health Clearance Certification from government government-accredited health facility of **USD\$35** for a year, as a requirement for officially operating as a food vendor.
- e. Health insurance of **USD\$15** with Enterprise life assurance for a year working with fire and heat.



Operations – USD\$200

- a. Securing Local Municipal licensure as a food vendor permitting to provide for senior high schools. **USD\$64.98**
- b. Mini cutter to cut out sticker **USD\$35**
- c. Emergency funds for unforeseen circumstances **USD\$100.02**

Income Statement:

Month	9 Months Ago	8 Months Ago	7 Months Ago	6 Months Ago	5 Months Ago	4 Months Ago	3 Months Ago	2 Months Ago	Last Month	Month 1 Forecast	Month 2 Forecast	Month 3 Forecast	Total
Sales revenue	0	0	0	0	0	342.56	526.25	839.05	1,379.00	1,789.50	2,587.69	2,867.90	10,331.95
Total transactions or units sold	0	0	0	0	0	15.00	35.00	55.00	75.00	110.00	164.00	205.00	659.00
Revenue per transaction or unit	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	22.84	12.00	15.26	18.39	16.27	15.78	13.99	15.68
Expenses													
Self salary	0	0	0	0	0	0.00	0.00	85.00	195.78	150.00	150.00	150.00	730.78
Employee salaries	0	0	0	0	0	0.00	0.00	0.00	0.00	45.00	45.00	45.00	135.00
Raw materials	0	0	0	0	0	50.00	65.00	100.00	140.00	190.00	190.00	190.00	925.00
Store Rent	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Technology	0	0	0	0	0	5.00	6.50	10.00	18.00	25.00	25.00	32.00	121.50
Advertising	0	0	0	0	0	3.45	5.00	8.00	15.00	28.00	34.00	49.00	142.45
Transportation	0	0	0	0	0	5.00	10.00	13.00	25.00	25.00	38.00	52.00	168.00
Loan repayment	0	0	0	0	0	0.00	0.00	0.00	682.34	0.00	0.00	43.00	725.34
Taxes/Fees	0	0	0	0	0	30.00	30.00	30.00	30.00	30.00	30.00	30.00	210.00
Other	0	0	0	0	0	1.00	1.00	1.00	1.00	1.00	1.00	1.00	7.00
Total Expenses	0	0	0	0	0	94.45	117.50	247.00	1,107.12	494.00	513.00	592.00	3,165.07
Expense per transaction or unit	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	6.30	3.36	4.49	5.00	4.49	3.13	2.89	
Net Income to reinvest	0	0	0	0	0	248	409	592	272	1,296	2,075	2,276	7,167
Net Profit Margin	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	72%	78%	71%	20%	72%	80%	79%	

Cash Flow Statement

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Instructions: Change the numbers in the income statement below to match your business. Then save it and upload it with your homework at the end of this lesson

	2 months ago	last month	this month	next month	month 3	month 4	month 6
Income	769.06	1379.81	425.32	2588.00	2868.00	3014.00	5331.00
- Fixed expenses	-101.00	-140.00	-245.00	-288.00	-324.00	-398.00	1032.00
- Loan payment	0.00	-682.34	0.00	0.00	-43.00	-43.00	-43.00
- Variable expense	-134.00	-187.00	-287.00	-309.00	-348.00	-438.00	1357.00
= Profit (or loss)	534.06	370.47	-106.68	1991.00	2153.00	2135.00	7677.00
Starting cash	557.00	1091.06	1461.53	1354.85	3345.85	5498.85	7633.85
Available cash	1091.06	1461.53	1354.85	3345.85	5498.85	7633.85	15310.85

Sheet1 + Ready Accessibility: Good to go 100%

About my family:

My family is made up of 3, me, my mom, and my son. My dad passed away a couple of years ago from a heart attack and I have been the sole breadwinner of the family. My mom is taking care of my son, while I do the best I can to make ends meet.

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