

## Individual Assignment Coversheet

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## Declaration

"I declare that this assignment is my own original work except for source material explicitly acknowledged, and that the same or related material has not been previously, or is being simultaneously, submitted for this or any other course. I also acknowledge that I am aware of the Institution's policy and regulations on honesty in academic work as set out in the Pearson Institute of Higher Education Conditions of Enrolment, and of the disciplinary guidelines applicable to breaches of such policy and regulations."

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<b>Date</b> 26 MAY 2020

## Marker Comments

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## I. Executive summary

***□ Ambexa-C19 mask production is a manufacturing company that produces cloth masks for individuals, business and hospitals to ensure that the society and environment is safe. It also specializes in the production of protective gear for toxic experiments done by doctors and scientists. The cloth masks can be washed to take out the bacteria and be reused again.***

***□ To promote safety on society from the corona virus since its establishment occurred during the pandemic.***

### ***□ Reasons:***

- It has been established with the aim of providing safety to the society where by the product that it provides is in high demand during this COVID19.
  - Since there's low consumption expenditure in this lockdown due to limited number of operation shops, the business will be a success due to people having more money to spend on goods or services and this would lead them to purchase masks to ensure their safety.
  - Since masks are a ticket of entry to most establishments, they are in high demand during this COVID19 pandemic which pushes individuals to purchase them in order to access goods and services.
  - It aims to ensure safety on the society and environment to reduce the transmission of the COVID19.
  - It is a perfect timing to start this manufacturing business as the demand for masks is high which will lead a huge amount of individuals to purchase them.
- With this kind of thought of establishing a business that produces mask I would seek R10 000 worth of start-up capital.***

## II. Company overview

### Company profile

- The company is multi located whereby it has few branches all over South Africa. It is located in Johannesburg, Durban, Cape Town, Bloemfontein and Polokwane.***
- The company was formed on the 1st of April 2020 by Mrs TS Mnisi***
- The form of ownership being established is a private company.***

## Our Products Offerings

Ambexa-C19 Face Mask Production Company is going to run a licensed face mask production company whose products will not only be sold in Giyani but also throughout South Africa

- Will be producing different types of face masks such as cloth face masks, medical masks and surgical masks.

## Company Vision/Mission statement

**Mission statement-** Our company's mission is to manufacture and provide the best and quality masks in the market to ensure that the society and environment is safe from the COVID19 and other viruses.

- Our vision is to establish standard face mask production company that will not supply masks only during lockdown but will remain competitive for life

**Vision statement-** Our vision is to provide masks ongoing and establish new items, more branches and ensure a safe living area for all participants of the economy.

- Our mission is to slow down the spread of the virus in this world.

## Form of ownership

- Thando world face mask company will operate in a sole Proprietorship since there will only be one owner and the same person will be running the business on daily basis. I would not feel comfortable working on my own ideas with the influence or under someone's supervision.
- Under this type of ownership, I will gain full control of the business
- Requirements are on low standards and start-up cost are also low

## SWOT Analysis

We are quite aware that there are several face mask manufacturing companies in the United States of America which is why we are following the due process of establishing a business so as to compete favorably with them.

We know that if a proper SWOT analysis is conducted for our business, we will be able to position our business to maximize our strength, leverage on the opportunities that will be available to us, mitigate our risks and be well equipped to confront our threats.

- **Strength:**

We were able to get the best quality material that we will use to manufacture

- The owner has been working under Taylor shop for the past 5 years giving us competitive advantage on speed, quality and designs.

- **Weaknesses:**

- Not having enough machineries to speed up the process

- High quality cost

#### **Opportunities:**

- Huge scope for expansion beyond our province
- Fast growing market for protection mask

#### **Threats:**

- Rising cost of raw-material prices because of the lockdown high demand
- Present and up-coming competition.

### III. Industrial Analysis

#### Marketing plan (Market Segmentation)

- In times like these, no one really cares about segmentation of the market. COVID 19 is here for everyone. Will also produce/provide for everyone because we have more than 1 variety of products that is the reason we highly considered products for top-class and lower-class customer.

#### Market need

When providing our goods (masks), we ensure that the product is priced fairly according to its quality and how the customers value it and its demand. We ensure that we offer the best services to all our stakeholders to be more profitable and attract more investors (market environment). The business ensures that they meet customer expectations.

#### Market Fundamentals

- Market overview

This business exists in a monopolistic competition as there's more than one supplier of this specified product. The competitors of this business see the COVID19 as an opportunity to become profitable due to high demand in this pandemic or even establish a new business for producing masks.

- Market trends

Economy- This will vary according to the fluctuations of the business cycle as the economy grows or declines in overtime. A business is a form of investment spending the GDP that contributes to its growth. A decline would affect the business negatively forcing it to increasing prices.

Interest rates- An increase in interest rate would lead to an overwhelming economy affecting the business negatively which will lead them to increase prices and not change their quantity supply.

Auto lending- If the demand in lending of capital increases it will lead the lenders to increase their interest rates which would affect business negatively by having more liabilities at stake.

Consumer preferences- This consists of the choice and satisfaction of customers on the offered product. This leads the business to produce and offer the best mask product in the market which is also expensive to keep up with the customer expectations.

Tariffs- There is a great deal of political uncertainty on the horizon — all with meaningful economic implications for the mask industry.

- **Relevant Market Size**

Serviceable Available Market- The size of this market depends on the distribution channels used by a certain business. The business with the most variety of choices wins the customer choice. Since the business has variety of branches across the whole country, I would say that it reaches almost all citizens who would want to acquire our mask to prevent transmission of COVID19.

**Unique Qualifications**

- Having a business plan displays the business road to success by outlining all the aspects needed in a successful business.
- Creating short term goals such as a business mission strives the stakeholders of the business to be goal oriented and to make profit.
- Being a great marketer will increase the sales of our masks and ensures that the society is safe from the COVID19.
- Knowing the customers preferences is a great advantage because it will lead to the production of the preferred mask by customers to ensure that revenue is maximised.
- Skills development will increase the production quality of the masks to exceed customer expectations.

## **Customer Analysis**

### **Customer Needs**

- Compilation of data of the current customers- Accessing the type of customers that made sales in the introductory stage before maximizing revenue.
- Determining the social media analysis of the customer base.
- Determine the competitors
- Being clear about the value of our manufactured product

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### **Target Market:**

- Our geographical target are customers in and most closely to Giyani Region, but with a goal to be provincial and even global distribution

The target market is the country as a whole due to the regulation set by the COVID 19 Board. The regulation states that every citizen of the country is required to have a mask on at all times from the young to old age to prevent the spread of the COVID 19 as it is an airborne disease. We are in business to retail our face masks to the following groups of people;

- Pharmacies and Supermarkets

- Hotels
- Hospitals and Medical Facilities
- Laboratories
- Corporate Organizations
- Government Offices
- Business Premises
- Laundries and Laundromats
- Schools
- Public Facility Operators
- Everybody in our target market location

## Marketing Mix Strategies

1. Product: It is semi-permeable as the inner layer to allow easy breathing.
2. Place: Would not have a specific retail spot but occupy one central warehouse with two rooms office space located in Giyani, where we will mass produce the masks for distribution. The warehouse is easily accessible and close to a large number of citizens.
3. Price: We will offer different variety of masks that will help target our prices. We will aim to accommodate all citizens with ranging the prices from low to high class. The expected mark-up percentage is 35% as profit.
4. Promotion: All our masks will be branded our logo and details on it for recognition. There are products that will be specially delivered to first-line workers to promote as they work in at and around their workplace. Social media will be accounted for to promote the products online and digitally, to attract and promote widely in a short space of time.

## Operational Plan

### Human Resource Requirements

- Providing a safe and healthy workplace
- Follow relevant employment laws in the country
- Assess the risk
- Put rules of control measures in the workplace.
- Keep good records of all stuff
- Provide pay and benefits

## Our Business Structure

Thando World Face Mask Production Company is established with the aim of competing with other leading face mask brands in SA. This is why we will ensure that we put the right structures in place that will support the kind of vision that we have in mind.

- Chief Executive Officer (Owner/Thando)
- Human Resources
- Store driver
- Merchandize Manager(Thando)

## Management Team

Management Team Members & Job Roles and Responsibilities

### Chief Executive Officer – CEO (Owner):

- Increases management's effectiveness by using relevant strategical approach that will be easily partaken by all members.
- As a small business the owner will be running most position. only few workers will be hired to assist

### Human Resources and Admin Manager

- Accountable for the supervise of administrative tasks.
- Responsible for job positioning in the organisation
- Orientating new members to the workplace
- Takes part in the training, evaluating and managing tasks of employees

### Stock Manager

- Responsible for the purchase of raw materials and packaging materials

Factory Workers/Sewing Machine Operators:

- Operates machineries to manufacture the face masks.
- Package the manufactured masks into the trucks.

### Distribution Truck Drivers

- Responsible for loading and offloading the distribution products.



- Assure that the logbooks are filled in with driving activities.
- Transport manufactured masks to the delivery locations.

### **Manufacturing process**

Mass production will be used to process the manufacturing of products. We will be distributing to a wide range of clients around the country, considering that everyone will need one.

Reasons why the business will succeed

The business would succeed because it would be the only business of its kind located in Giyani that mass produces masks. The owner has been in the tailoring industry for five years and has an already existing clientele. The existence of the clientele would be testament to the quality of work that the owner already produces. The owner also has good management skills and is well known in the community for her people management skills as well as her great leadership qualities.

### **Financial Plan**

Reasons why the business will be financially viable

The business will be financially viable because of the COVID-19 regulations that make masks an essential forcing everyone to get one. With great management skills we will be able to manage the little amount we have and use it to maintain the business to run for a long time.

Reasons why someone should invest.

- To purchase high quality raw materials for the manufacturing of masks.
- With the machineries that are required to make the masks, the price is R450 000.00 and we only have 60% of it in our possession.
- Since the company is in an elemental stage and we using the pocketed savings, there are a lot of costs we will not be able to cover if not funded.

## Bibliography

**There are no sources in the current document.**

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