

Turath Online market for craft products in Gaza 2012- 2016

Business plan

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Prepared by :Fedaa &Fadi Kamel Elderdesawe

Address:Gaza-SHijaia-Twaheen street

Mobile :0599667251

Feda_alwatan1@hotmail.com

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Executive summary

As it is known that Gaza strip is besieged for more than 5 years which affected negatively on the industry in Gaza which has deep depression due to loss of most markets that caused significant loss to the Palestinian industries which resulted in closing most of Palestinian workshops, factories and associations because the main customer for the craft products were foreigners when they visited Gaza before the siege against Gaza. So it should be to revival such a traditional products which reflects to Palestinian culture and civilization. So the idea of the project came to help in creating new markets for the craft products from all over the world and that will be by making online market for Palestinian craft products.

As the world became as small village and it became easy to communicate with others in any regions in the world within seconds and the technology is developing rapidly in different fields which include the commerce which you became able to buy what you need from your home. So the project which is establishing crafts and Palestinian traditional products online market , will enhancing to keep pace with great technology and development and to utilize it within our economy improvement and to save several times and efforts .

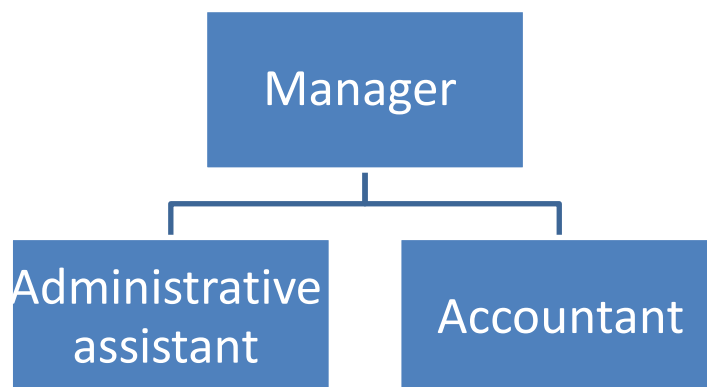
General Company Description

Turath online market will serve people in all over the world by offering the most traditional Palestinian products in a website like: (Hand embroidery products, Wool products, Bamboo products and other crafts products) through it people in all over the world can browsing, shopping and buying what they interested in from our offered products and they can get the products in their home without making effort of travelling.

Company ownership:

- Fedaa Elderdesawe
- Fadi Elderdesawe

Company Hierarchy



PROJECT GOAL

Designing and establishing the largest electronic market through the internet for handicraft Palestinian products that benefits the local Palestinian community and the environment through job creation and promotion for Palestinian civilization.

Objectives

- Programming the market website and entering database for products and needed information for communication with customers.
- The selling operation will be by using MasterCard, Visa Card, Western Union and Banks.
- Transferring the Palestinian society culture and issue (especially Gaza Strip society) to the other foreign and international cultures through Palestinian traditional products.
- Corporation and communication with 20 associations from Palestinian associations which produce the handicraft products in Gaza strip.
- Job creation and increasing the incomes for 100 Palestinian families by selling their products online.
- Improving the quality of Palestinian crafts products through best marketing for them using the online market.

Company Summary

Turath Company will offer creative handmade Palestinian products on high quality by professionals and experts in that field. The company will make contracts with partners from other associations who produce the crafts products and make good communications and networks with other associations.

Successes factors

- Eliminating barriers associated with geography as well as the physical costs of travelling.
- Providing the crafts products for customers in easy ways.
- The crafts products are desired for most people and suitable for all tastes of customers in all over the world.
- The products will be made with high quality.
- The producers of crafts products are experts and professionals.
- There is no market in the world which is specified for Palestinian crafts products

- Turath online market will express the culture and civilization for Palestinian people.
- Turath market will contribute in publication of Palestinian issue.

The marketing plan

Target group (Customers):

- Foreign people in Europe and America who are concerned with Palestinian products.
- Arabian people especially in The United Arab Emirates, Saudi Arabia, Qatar and other Arab countries who interested in Palestinian heritage.
- Palestinians everywhere.

Marketing strategy

As it is known our online market will targets foreign countries and other Arabian countries. So marketing strategies will be through:

- ❖ Publishing our online market in most of important foreign websites like universities, large companies, Arab communities and Embassies.
- ❖ Adding our website to directories and to other famous shopping sites.
- ❖ Making a face book page to assist our market and to promote our products.
- ❖ Making advertisement campaigns using brochures and advertisements.
- ❖ Collaboration with Arabian Embassies abroad.

Size of market

- ❖ Our market will be all over the world so the demand will be oscillating and changing rapidly due to big target group and we take in consideration other competitors who making the same products and marketing them so the market share of our products we assume that in the first of project will be 5% from the total demand and then increasing incrementally with 2% each year.

Products

There are several kinds of handcrafts products in Gaza which classified as follows:

1. Hand embroidery products like:

- ❖ Wallets.
- ❖ Hand bags.
- ❖ Pockets for mobiles.
- ❖ Medals
- ❖ Packets for paper towel.
- ❖ Necklaces.
- ❖ Dresses.
- ❖ Women's cloak
- ❖ shoes
- ❖ Pads
- ❖ Wall clocks.
- ❖ Pictures.
- ❖ Blanket s

2. Wool products

- ❖ Dresses
- ❖ Blouses
- ❖ Suits
- ❖ Skirts
- ❖ Shawls
- ❖ Scarves
- ❖ Socks
- ❖ Blankets

3. Glass products

- ❖ Antiques
- ❖ Vases
- ❖ Paintings
- ❖ Plates
- ❖ Cups
- ❖ Glasses

4. Clay products

- ❖ Pottery pots
- ❖ Jars and Jugs
- ❖ Bowls

- ❖ Vases

5. Bamboo

- ❖ Chairs
- ❖ Tables
- ❖ Beds
- ❖ Sofa set
- ❖ Lampshades

6. Handmade carpets

- ❖ Blankets
- ❖ Carpets
- ❖ Rugs

Prices

	AVERAGE PRICES				
Products	2012	2013	2014	2015	2016
Hand embroidery products	126	105	98	97	97
Wool products	40	37	37	41	43
Glasses products	57	53	50	56	61
Clay and Pottery products	127	30	27	30	28
Bamboo	381	371	370	370	369
Handmade carpets	143	143	142	147	149

Place

The products will be in the place of our producer's partners which we contracted with them.

Promotion

Promotion for the products will be using different ways:

- Online markets.
- Internet Websites.
- Face book & Twitter.
- Magazines.
- TV advertisements
- Brochures
- Exhibitions

Action plan

Methods:

To establish Turath online market we need to do the following activities:

- ❖ Making market research for the needed products in order to account their availability.
 - ❖ Field visits to handicraft associations to corporate with them about marketing their products using internet.
 - ❖ Making database for cooperative associations.
 - ❖ Looking for an expert programmer in order to design the website.
 - ❖ Designing the website and entering the database and information through it>
 - ❖ Linkage between the Turath market and other websites.
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- ❖ A planned, organized Internet marketing campaign with rotation through a variety of targeted sites, directories and venues

Financial plan

Assumptions

- Assume that the study period for the project is 5 years
- The Demand for the craft products are taken randomly.
- Market share increasing 2% each year.
- Assume minimum attract rate of return is 15%.
- The average cost unit for each kind from craft products was taken .

Expenses requirements

1. Resource and equipment expenses

Equipments	unit cost(\$)	Number of units	Total cost(\$)
Lab top	800	1	800
printer	150	1	150
Modem	100	1	100
Total cost			\$ 1,050

Operating costs

- Staff wages

Staff	unit cost(\$) per month	Number of unit	Cost /year
Manager	500	1	6000
Administrative assistant	350	1	4200
Total	850		\$ 10,200

- Running expenses

Expenses per month	Cost \$/month	Cost /year
Petty expenses	50	600
Advertising Costs	100	1200
Electricity	30	360
Internet	30	360
Communications	60	720
Transportation	100	1200
Booking and hosting website	-	1000
Total cost	\$ 370	\$ 4,440

Estimated Average Cost per unit for craft products

1. Hand embroidery products costs

Hand embroidery products	Cost /unit
Wallets.	15
Hand bags.	40
Pockets for mobiles.	6
Medals	4
Packets for paper towel.	15
Necklaces.	10
Peasant Dresses.	400
Women's cloak	50
shoes	20
Pads	15
Wall clocks.	40
Pictures.	40
Maps	50
Blankets 1*1m	25
Keffiyeh	15
Embroidery tray	30
Average Cost	48

2. Wool products costs

Wool products	Cost /unit (\$)
Child Dresses	15
Blouses	25
Child Suits	15
Skirts	15
Shawls	25
Scarves	6
Socks	4
Blankets	15
Average Cost	15

2. Glasses products costs

Glasses products	Cost /unit
Antiques	50
Vases	20
Paintings	50
Plates	7
Cups	8
Glasses	7
Average Cost	\$ 24

4. Clay and Pottery products costs

Clay and Pottery products	Cost /unit
Pottery pots	10
Jars and Jugs	10
Bowls	10
Vases	15
Average Cost	\$ 11

5. Bamboo products costs

Bamboo	Cost /unit
Chairs	30
Tables	200
Beds	200
Sofa set	500
Lampshades	30
Average Cost	\$ 192

6. Handmade carpets costs

Handmade carpets	Cost /unit
Blankets	70
Carpets	70
Rugs	70

Average Cost	\$ 70
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Estimated Market share each year

Year	Percentage
2012	5%
2013	7%
2014	9%
2015	11%
2016	13%

Balance sheet

1. Hand embroidery products

Hand embroidery products	2012	2013	2014	2015	2016
Total Cost	9073	19164	41685	43739	51277
Number of units sold annually	137	345	810	853	1008
Unit Cost	66	56	51	51	50.9
Average Price	126	105	98	97	97
Revenue	17238	36411	79201	83103	97426
Balance	\$ 8,165	\$ 17,247	\$ 37,516	\$ 39,365	\$ 46,149

2. Wool products

Wool products	2012	2013	2014	2015	2016
Total Cost	8367	10370	10413	7867	7285
Number of units sold annually	395	529	532	362	323
Unit Cost	21	20	20	22	22.6
Average Price	40	37	37	41	43
Revenue	15898	19704	19785	14947	13842
Balance	\$ 7,531	\$ 9,333	\$ 9,372	\$ 7,080	\$ 6,557

3. Glasses products

Glasses products	2012	2013	2014	2015	2016
Total Cost	11829	16668	22900	12191	9352
Number of units sold annually	397	601	865	412	292
Unit Cost	30	28	26	30	32.0
Average Price	57	53	50	56	61
Revenue	22476	31669	43510	23162	17769
Balance	\$ 10,646	\$ 15,001	\$ 20,610	\$ 10,972	\$ 8,417

4. Clay and Pottery products

Clay and Pottery products	2012	2013	2014	2015	2016
Total Cost	2932	8563	12458	8394	10805
Number of units sold annually	44	544	890	529	744
Unit Cost	67	16	14	16	14.5
Average Price	127	30	27	30	28
Revenue	5570	16270	23670	15949	20529
Balance	\$ 2,638	\$ 7,707	\$ 11,212	\$ 7,555	\$ 9,724

5. Bamboo products

Bamboo	2012	2013	2014	2015	2016
Total Cost	56998	136774	171460	167443	206040
Number of units sold annually	284	700	880	859	1060
Unit Cost	201	195	195	195	194.3
Average Price	381	371	370	370	369
Revenue	108296	259870	325774	318143	391476
Balance	\$ 51,298	\$ 123,097	\$ 154,314	\$ 150,699	\$ 185,436

6. Handmade carpets

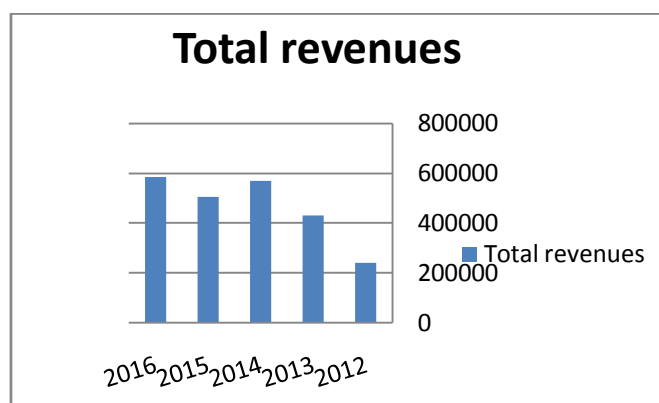
Handmade carpets	2012	2013	2014	2015	2016
Total Cost	36067	34200	40134	26223	23090
Number of units sold annually	480	454	538	340	295
Unit Cost	75	75	75	77	78.3
Average Price	143	143	142	147	149

Revenue	68528	64979	76254	49823	43871
Balance	\$ 32,461	\$ 30,780	\$ 36,120	\$ 23,600	\$ 20,781

Revenues and profits for all products

Year	2012	2013	2014	2015	2016
Total expenses	127316	227789	301100	267907	309899
Total revenues	238006	428903	568195	505127	584914
Profit	\$ 110,690	\$ 201,115	\$ 267,095	\$ 237,221	\$ 275,014

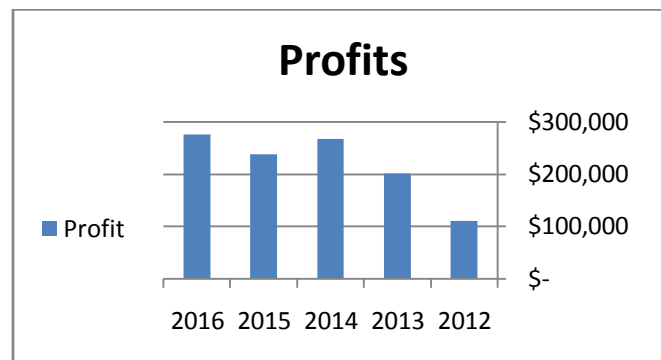
Figure 1: Total revenues for the project per year



Profit for project per year:

Year	Profit
2011	-2050
2012	110690
2013	201115
2014	267095
2015	237221
2016	275014

Figure 2: Total profits for the project per year



The internal rate of return and Present worth value for the project

IRR	5480%
Period	6
Interest rate	15%
PW	\$694,255

XI. Appendices

Demand forecasting

1. Hand embroidery products demand per year

Year	Forecasted Demand(units)
2012	2739
2013	4932
2014	9002
2015	7751
2016	7756

2. Wool products demand per year

Year	Forecasted Demand
2012	7903
2013	7553
2014	5906
2015	3289

2016	2485
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3. Glass products demand per year

Year	Forecasted Demand
2012	7935
2013	8588
2014	9606
2015	3745
2016	2247

4. Clay products demand per year

Year	Forecasted Demand
2012	874
2013	7775
2014	9894
2015	4811
2016	5720

5. Bamboo demand per year

Year	Forecasted Demand
2012	5683
2013	9995
2014	9781
2015	7813
2016	8157

6. Handmade carpets demand per year

Year	Forecasted Demand
2012	9608
2013	6482
2014	5983
2015	3089

2016	2269
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Pictures for crafts products in Gaza

