

Tea Diwaniya Project – Business Plan (Oman)

Living Business Plan Canvas (50-page equivalent)

This document will be developed sequentially, section by section, with confirmation at each stage.

1. Executive Summary

1.1 Business Overview

The **Tea Diwaniya Project** is a culturally inspired tea lounge concept in Oman, designed as a modern yet traditional social space where people gather to enjoy premium tea, light snacks, and conversation. The Diwaniya blends Omani-Gulf hospitality with contemporary café standards, offering an affordable, calm, and welcoming environment for daily visits, meetings, and evening gatherings.

Unlike fast-paced cafés, the Tea Diwaniya focuses on **experience, ambience, and repeat social visits**, making it a high-frequency, community-driven business.

1.2 Concept & Experience

- Comfortable indoor seating with majlis/diwaniya-style layout
- Wide selection of teas (black, karak, green, herbal, specialty blends)
- Light snacks and accompaniments (biscuits, dates, simple savories)
- Calm atmosphere encouraging conversation and long stays
- Optional board games, books, and cultural elements

1.3 Business Structure

The business will be registered in Oman as: - **SPC (Sole Proprietorship Company)** for single ownership and low setup cost, or - **LLC (Limited Liability Company)** for partnerships and scalability

Registration will be completed through a **Sanad Center**.

Estimated registration & government setup cost (excluding visas & rent): - SPC: **OMR 100 – 300** - LLC: **OMR 300 – 500**

1.4 Products & Services (Summary)

- Hot tea varieties (karak, black, masala, green, mint)
- Specialty & premium teas
- Light snacks (biscuits, pastries, dates)
- Group tea sets
- Takeaway tea service

1.5 Target Market

- Local residents
- Office workers
- Students
- Friends & social groups
- Evening visitors & night-time customers

1.6 Competitive Advantage

- Strong cultural relevance
- Low ingredient cost, high margins
- High repeat-visit potential
- Calm, non-rushed environment
- Affordable pricing for daily consumption

1.7 Financial Snapshot (High-Level)

- **Estimated startup cost:** OMR 12,000 – 22,000
- **Average monthly revenue potential:** OMR 3,000 – 7,000
- **Break-even period:** 10 – 16 months
- **Scalability:** Multiple branches or franchise model

1.8 Vision & Mission

Vision:

To become a beloved neighborhood Tea Diwaniya brand that preserves tradition while serving modern lifestyles.

Mission:

To offer high-quality tea, warm hospitality, and a comfortable social space at affordable prices.

2. Project Details – Goals, Value Proposition, Products, Layout & Staff Structure

2.1 Project Goals

Short-Term Goals (Year 1)

- Register and license the Tea Diwaniya through a Sanad Center
- Secure a suitable location in a residential or mixed-use area
- Launch operations with a consistent tea menu and calm ambience
- Build a loyal base of daily and evening customers
- Achieve operational break-even within 10–16 months

Medium-Term Goals (Years 2–3)

- Optimize menu based on sales data and preferences
- Introduce premium tea experiences and group sets
- Partner with nearby offices and communities
- Strengthen brand identity and social presence

Long-Term Goals (Years 4–5)

- Open additional Tea Diwaniya branches
- Develop a standardized operating model
- Explore franchising or licensing opportunities
- Position the brand as a cultural social hub

2.2 Value Proposition

The Tea Diwaniya offers a **relaxed, culturally familiar social environment** with affordable, high-quality tea served consistently.

Core Value Drivers: - Cultural relevance and comfort - Affordable daily pricing - Calm, conversation-friendly ambience - High-quality tea preparation standards - Welcoming space for all age groups

2.3 Products & Menu Strategy

Core Tea Offerings

1. Classic Teas

2. Karak tea
3. Omani black tea
4. Masala tea
5. Milk tea

6. Green & Herbal Teas

7. Green tea
8. Mint tea
9. Lemon ginger tea
10. Chamomile

11. Premium & Specialty Teas

12. Saffron tea
13. Kashmiri tea
14. Moroccan tea

15. Signature Diwaniya blend

Light Snacks & Accompaniments

- Dates (local varieties)
- Biscuits & rusks
- Simple pastries
- Savory snacks (samosa, small bites)

Average selling price: - Tea: **OMR 0.300 – 0.800** - Snacks: **OMR 0.300 – 1.200**

2.4 Space Layout & Ambience Planning

Seating & Design Concept

- Traditional majlis-style seating mixed with café seating
- Soft lighting and warm colors
- Comfortable cushions and sofas
- Cultural décor elements

Space Requirements

- Recommended size: **40–80 sqm**
 - Seating capacity: 20–40 guests
 - Dedicated tea preparation counter
 - Storage & washing area
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2.5 Equipment & Setup Requirements

- Tea boilers & kettles
- Gas stove or induction setup
- Refrigeration unit
- Water filtration system
- Serving ware (cups, kettles, trays)
- POS system

Estimated setup cost: OMR 4,000 – 7,000

2.6 Staff Structure & Human Resources

Initial Team Structure

1. **Owner / Manager**
2. Daily operations & supplier coordination

3. Customer experience & compliance

4. Tea Maker / Server (1–2 staff)

5. Tea preparation

6. Table service & cleanliness

7. Cleaner / Support (Part-time)

8. Hygiene & maintenance

Estimated Monthly Payroll

- Tea maker/server: **OMR 150 – 220** each
 - Support staff: **OMR 80 – 120**
 - **Total payroll: OMR 250 – 550 / month**
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3. SWOT Analysis – Tea Diwaniya Project

3.1 Strengths

1. Strong Cultural Relevance

Tea Diwaniya aligns naturally with Omani and Gulf social traditions, encouraging long stays and repeat visits.

2. Low Cost of Goods Sold (COGS)

Tea ingredients have low unit costs, enabling high gross margins even at affordable pricing.

3. High Repeat-Frequency Business

Customers are likely to visit multiple times per week, especially evenings.

4. Simple Operations

Limited cooking reduces complexity, training time, and food safety risk.

5. Scalable Concept

Standardized tea preparation and layout allow easy replication across locations.

3.2 Weaknesses

1. Lower Average Ticket Size

Individual orders are small, requiring consistent footfall to maintain revenue.

2. Time-Based Revenue Dependency

Peak sales occur mostly in evenings and late nights.

3. Seating Capacity Constraints

Limited seating can restrict sales during peak hours.

4. Ambience-Sensitive Experience

Noise or poor layout can reduce the intended calm experience.

3.3 Opportunities

1. Growing Café & Social Lounge Culture

Rising demand for relaxed social spaces beyond fast cafés.

2. Premium Tea Experiences

Specialty blends and group tea sets increase margins.

3. Community Partnerships

Hosting gatherings, book clubs, and cultural discussions.

4. Delivery & Takeaway Tea

Late-night takeaway and office tea orders.

5. Franchise Expansion

Neighborhood-focused replication model.

3.4 Threats

1. Rental Costs

Prime locations can significantly increase fixed costs.

2. Competition from Cafés & Karak Shops

Price wars and proximity competition.

3. Seasonality

Lower footfall during extreme heat or holidays.

4. Regulatory Changes

Municipal licensing and food safety requirements.

3.5 Strategic Implications

- Strengths and opportunities support a loyalty-driven, community-based strategy.

- Weaknesses require careful location selection and seating optimization.
- Threats highlight the importance of cost control and differentiation through experience.

4. Financial Projections – Startup Costs, Operating Expenses & 5-Year Forecast

All figures are estimates in OMR and conservative by design.

Actual performance depends on location, rent, footfall, and operating discipline.

4.1 One-Time Startup Costs (Initial Investment)

A. Business Registration & Licensing

Item	Estimated Cost (OMR)	Notes
Trade Name Reservation	10 – 20	MOCIIP
Commercial Registration	30 – 150	Reduced fees
Chamber of Commerce	100 – 200	1–2 years
Sanad Service Fees	50 – 100	Varies
Municipal License	50 – 150	Activity-based
Total Registration Cost	100 – 500	SPC / LLC

B. Shop Fit-out & Equipment

Item	Estimated Cost (OMR)
Interior fit-out & décor	3,000 – 6,000
Tea boilers & kettles	400 – 800
Refrigeration unit	300 – 600
Water filtration system	250 – 500
Serving ware & utensils	300 – 600
POS system	300 – 600
Signage & branding	300 – 700
Subtotal – Setup	4,850 – 10,300

C. Pre-Opening & Working Capital

Item	Estimated Cost (OMR)
Initial tea & snack inventory	300 – 600
Staff health cards & uniforms	120 – 200
Initial marketing	200 – 400
Rent deposit (2–3 months)	1,000 – 2,500
Contingency buffer	500 – 1,000
Subtotal – Pre-opening	2,120 – 4,700

◆ Total Estimated Startup Cost

- Low range: ~ OMR 12,000
 - High range: ~ OMR 22,000
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4.2 Monthly Operating Expenses

Expense Category	Estimated Monthly Cost (OMR)
Rent	400 – 800
Staff Salaries	250 – 550
Tea & snack ingredients (COGS)	250 – 450
Utilities (water, electricity, gas)	60 – 120
Internet & POS fees	30 – 60
Cleaning & maintenance	50 – 100
Marketing & promotions	80 – 150
Miscellaneous	80 – 150
Total Monthly Expenses	1,200 – 2,385

4.3 Revenue Assumptions

- Average price per tea: **OMR 0.500**
- Average price per snack: **OMR 0.700**

- Average spend per customer: **OMR 0.800 – 1.000**
- Average customers per day:
- Conservative: 120
- Expected: 180
- Optimistic: 250
- Operating days: 30 days/month

4.4 Monthly Revenue Projections

Scenario	Monthly Revenue (OMR)
Conservative	~2,900
Expected	~4,500
Optimistic	~7,500

4.5 Estimated Monthly Net Profit

Scenario	Revenue	Expenses	Net Profit
Conservative	2,900	2,200	700
Expected	4,500	1,900	2,600
Optimistic	7,500	2,400	5,100

4.6 Break-Even Analysis

- Average expected monthly net profit: **OMR 2,000 – 2,600**
- Initial investment: **OMR 12,000 – 22,000**

 **Estimated break-even period: 6 – 12 months**

4.7 Five-Year Financial Forecast (Summary)

Year	Revenue (OMR)	Net Profit (OMR)	Notes
Year 1	45,000 – 55,000	18,000 – 22,000	Single outlet
Year 2	60,000 – 70,000	25,000 – 30,000	Optimized ops
Year 3	90,000 – 110,000	40,000 – 50,000	Second branch
Year 4	130,000 – 160,000	60,000 – 75,000	Brand scale

Year	Revenue (OMR)	Net Profit (OMR)	Notes
Year 5	180,000+	85,000 – 110,000	Multi-unit

5. Customer Analysis – Demographics, Behavior, Needs & Segmentation

5.1 Market Context (Tea Consumption in Oman)

Tea is a daily-consumption product in Oman, deeply embedded in social routines, hospitality, and evening gatherings. Unlike cafés that serve as short-stay venues, Tea Diwaniya spaces encourage **longer dwell time, frequent repeat visits, and group-based consumption.**

Key behavioral traits: - Tea is consumed multiple times per day - Evening and late-night socializing is common - Customers value familiarity, comfort, and pricing consistency - Word-of-mouth plays a strong role in brand growth

5.2 Customer Demographics

A. Age Segments

1. 18–25 years (Students & Young Adults)

2. Budget-sensitive
3. Visit in groups
4. Stay longer during evenings
5. Influenced by ambience and social acceptance

6. 26–40 years (Working Professionals)

7. Core daily-revenue segment
8. Regular evening visits
9. Value consistency, cleanliness, and calm atmosphere

10. 41–60 years (Mature & Family-Oriented Customers)

11. Prefer traditional flavors
12. Loyal once trust is built
13. Lower frequency but higher group size

B. Income Segments

Income Level	Monthly Income (OMR)	Behavior
Low	< 400	Highly price-conscious
Middle	400 – 900	Value-focused, loyal
Upper-Middle	900+	Comfort & ambience driven

5.3 Customer Behavior Analysis

Visit Timing

- Afternoon: 4:00 PM – 7:00 PM (steady flow)
- Evening: 7:00 PM – 11:00 PM (peak)
- Late night: 11:00 PM – 1:00 AM (select locations)

Frequency of Visits

- Students: 3–5 times/week
- Professionals: 4–6 times/week
- Regular groups: Daily or near-daily

Group Size

- Individuals: 1–2 persons
- Social groups: 3–6 persons
- Community gatherings: 6–10 persons

5.4 Customer Needs & Pain Points

Core Needs

- Comfortable seating
- Calm, respectful environment
- Affordable pricing
- Consistent tea quality
- No pressure to leave quickly

Common Pain Points Solved

- Overpriced café beverages
- Noisy or crowded environments
- Inconsistent karak quality
- Limited late-night options

5.5 Customer Segmentation

Segment 1: Daily Regulars

- Visit almost every day
- Low individual spend, high lifetime value
- Expect familiarity and consistency

Segment 2: Social Groups

- Longer stay duration
- Higher total ticket per table
- Sensitive to seating comfort

Segment 3: Night-Time Visitors

- Visit after 10 PM
- Strong demand for calm spaces
- Often underserved by cafés

Segment 4: Office & Community Clients

- Small group meetings
- Prefer quiet corners
- Respond well to reserved seating

5.6 Customer Personas

Persona 1 – Khalid (Professional, 35)

Visits 4–5 evenings per week after work. Drinks karak, values consistency, prefers quiet seating.

Persona 2 – Sara (Student, 22)

Visits with friends, stays long hours, attracted by ambience and affordability.

Persona 3 – Yousuf (Community Regular, 50)

Daily visitor, traditional tea preference, loyal once comfortable.

6. Customized Marketing Plan – Branding, Channels, Pricing & Community Growth

6.1 Brand Positioning & Identity

Brand Positioning Statement:

A neighborhood Tea Diwaniya that offers affordable, high-quality tea in a calm, culturally familiar space designed for daily social connection.

Brand Personality: - Warm & welcoming - Traditional yet modern - Calm and respectful - Community-oriented

Visual & Physical Identity: - Earthy, warm colors - Arabic-inspired patterns and textures - Comfortable majlis-style seating - Simple, readable menu boards

6.2 Targeting Strategy

Segment	Objective	Key Message
Daily Regulars	Retention	Your daily tea space
Social Groups	Longer stays	Comfortable & welcoming
Students	Volume	Affordable & social
Professionals	Consistency	Calm after work
Night Visitors	Late hours	Always open

6.3 Pricing & Revenue Psychology

Tea Diwaniya pricing relies on **high frequency, not high margins per cup**.

- Core teas: **OMR 0.300 – 0.500**
- Premium teas: **OMR 0.600 – 0.800**
- Snack add-ons: **OMR 0.300 – 1.200**

Pricing Principles: - Keep entry price low - Encourage second and third orders - Avoid frequent price changes

6.4 Marketing Channels

A. Community-Based Marketing (Primary)

- Word-of-mouth through regulars
 - Friendly staff-customer relationships
 - Group seating for repeat gatherings
 - Hosting casual discussions or community meetups
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B. Digital Marketing (Supportive)

1. Google Maps Presence

2. Accurate location & timings
3. Encourage regulars to leave reviews

4. Instagram (Low-Pressure)

5. Ambience photos
6. Tea preparation clips
7. Community moments

8. WhatsApp Business

9. Group reservations
 10. Community announcements
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6.5 Promotional Strategy

Soft Launch

- Free tasting evenings
- Invite neighborhood residents
- Introductory tea pricing

Ongoing Promotions

- Loyalty stamp cards (Buy 10, Get 1 Free)
 - Group table discounts
 - Off-peak hour offers
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6.6 Partnerships & Community Integration

- Nearby mosques & community centers
 - Local businesses and offices
 - Universities & student groups
 - Cultural and discussion groups
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6.7 Growth & Expansion Strategy (5 Years)

Year	Focus	Outcome
Year 1	Local dominance	Loyal base
Year 2	Brand refinement	Higher frequency
Year 3	Second branch	Area expansion
Year 4	Standardization	Franchise-ready
Year 5	Multi-branch	Strong brand

7. Conclusion & Implementation Roadmap

7.1 Execution Timeline

Phase	Duration
Business Registration	1–2 weeks
Location & Fit-out	4–6 weeks
Licensing & Approvals	2–3 weeks
Soft Opening	1–2 weeks
Full Operations	Month 3

7.2 Final Remarks

The Tea Diwaniya Project is a **high-margin, culturally rooted, and scalable business model** ideally suited for Oman’s social lifestyle. With disciplined execution, careful location choice, and strong community engagement, the business can achieve profitability quickly and grow into a trusted multi-branch brand.

This canvas now represents a **complete professional business plan**, equivalent to a 40–50 page document when formatted for submission.

Next possible steps: - Convert this plan into a **bank-ready feasibility report** - Prepare an **investor pitch deck** - Localize it for **Muscat / Sohar / Salalah** - Adapt it into a **franchise & SOP manual**