# Matshumi Trading Business Plan

## Mr Mehluli Mathew Mhlanga

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## III. General Company Description

Matshumi Trading was formed with the intention of Supplying construction Hardware and repairs of construction machinery. We intend to penetrate the expanding construction with our competitive advantage and motto, "we make it happen."

The following are the reasons why we are in business:-

- \* We are in Business with the intention of being a part of the development of the local and global infrastructure.
- \* Furthermore we intend to keep the fire burning by keeping up to date with technology and identifying areas where we can improve.
- \* In addition we intend to create branded products that can easily be identified anywhere in the world as products of Matshumi Trading.

#### **OBJECTIVES**

Our objectives are to be part of the success story of the expanding industry and to be a leader in service delivery, having a healthy relationship with our stakeholders and maintaining loyalty at all times. Furthermore we strive to increase our turnover by over 50% in each financial year by improving on customer satisfaction and efficient, reliable and dependable service delivery.

#### **OUR STRENGTHS**

Matshumi Trading boasts of a reliable workforce which is deadline driven and strives to satisfy clients. We boast of a team that goes out of its way to please and maintain customers.

#### **Products and Services**

We have a variety of products and all these can be viewed on our Matshumi Trading Product List where they are described in depth.

We offer competitive prices and discounts are offered on bulk purchasing and regular purchasing.

## **Marketing Plan**

We are in the process of doing a market research and our sources include the newspapers, internet, and questionnaires from competitors, government agencies and suppliers.

## **Economics**

Facts about our industry:

- The current demand in the market is huge and our estimated market share at the moment is 20%.
- Product development and consumer preferences will contribute to growth trends in our Organisation
- Growth potential and opportunity for a business of your size.
- Barriers to entry we are likely to face in entering this market with our new company are:
  - O High capital costs
  - High production costs
  - High marketing costs
  - o Consumer acceptance and brand recognition
  - O Training and skills
  - O Unique technology and patents
  - 0 Unions
  - o Shipping costs
- How we will overcome the barriers?
  - O We can apply for a loan from the bank to be able to start the business. The loan will cover production and marketing costs.
  - O Training can be provided internally in the short run.

### **Customers**

We have taken the initiation to identify our targeted customers, their characteristics, and their geographic locations, otherwise known as their demographics.

We intend to distribute our products to individual customers and independent distributors; we will further identify the demographic profile of our independent customers, i.e age, gender, social class, Education and location. For business customers we can identify their portion of industry, location, size of the firm and quality, technology and price preference.

## **Budgeted cash flow and Capital expenditure**

Our financial forecast is currently with our accountants.

'We make it happen'