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Executive Summary

South Africa has serious issue regarding providing enough electricity to the Citizens of the country, so Our business provides an online store where people can buy alternative energy sources while electricity from the Grid is an issue.

Our company will provide the customers with the ability to generate solar power during the day which can be saved using large batteries to store all excess green energy for a later use. For most households, this will be a great solution because they will work during the day when the energy is being generated and use the stored energy when they are at home. Products and services that our company will deliver will include: Solar panels, installation, cleaning, repairs, and battery storage. Depending on the size and the number of solar panels that can be placed, they can sustain themselves freely without using the power grid. On days that sun is limited the customer will have saved up enough power which maybe used simultaneously with the power grid to save costs.

Company Overview

Vision

The Green Hub's vision is to provide solar power systems to home owners and small business at a reasonable price while bridging the gap between expensive high technology equipment and low income earners.

mission

Although 6 years of market exposure has proven that Renewable Energy technologies can be reliable and durable, the commercial Renewable Energy industry is still in its infancy. In the past five years, several strategies have been implemented in Urban areas and developing markets with astounding success. Our mission is to tackle the challenges of selling this expensive, high technology equipment to low income earners.

Major Goals

One of The Green Hub's major goals is to bring state of the art solar power systems to south africa while aiming to establish partnership with other well know solar companies around the world such as JinkoSolar, Yingli Solar, LUXEN Solar and Tata Power Solar Systems.

Products & Services

Products

The products are solar power production systems that generate electricity from solar radiation. These products will be found on our online store and they will include:

- ❖ Solar Panels
- ❖ Solar Inverters
- ❖ Solar Power Batteries
- ❖ Solar Power Bank
- ❖ Solar lights
- ❖ Gas geysers
- ❖ Gas cylinders

The services which are provided by the company will include:

- ❖ Solar Panel Installation
- ❖ Solar Invertor Setup
- ❖ Maintenance of Products
- ❖ Gas Re-fill / exchange empty cylinder

The choice of technology will almost certainly depend on the size of the installation and the annual solar irradiance at the site. The products will be installed on customer premises with required services once the agreements are in place with target companies.

As part of our versatile business plan the solar energy company, will also provide services related to installation and user guidance of solar energy products.

Product Range One: Off-grid products

The products described in this section, will enable the customer to power the home (or a small office) independently from utility services. These solutions are off-grid solutions for home and for small business offices.



- Product 1: EnerSol 5kw System fully off-grid solution with integrated battery, controller, inverter, and batter charging unit. This system can cost up to R25000.
- Product 2: EnerSol 8. kWh roof top Solar-World kits that will include high quality PV modules, the mounting system, cables, 1x 3.2 kwh battery, charge controller, 8kw inverter, data logging system and accessories. This is off grid solutions and will be used to power a household. This unit will cost R30 000.

Product Range two: Grid-tied products

These products are focused toward home owner and small offices that are suffering due to power outages. These systems will offer continuity of power supply during power outage. However, these systems will power basic function of a home or small office.



- Product 3: K-Star 5 kw fully grid-tied solution with integrated battery, controller, 5 kw inverter, and batter charging unit. This system can cost R21000. This system will enable the customer full functionality of all appliances during power outages for a maximum of one day.



- Product 4: 100-400 Watt 12 volt secondary solar kits for supplementary power system during power outage. This system can only be used as backup (UPS) Uninterrupted Power Supply) system with battery packs to supply power for 2-4 hours of power outage. This system can cost between R5000 up to R9000. This unit will not power fridge, washing machine, cooking unit, AC unit, and heating units. This system only power fans, lights, computer, and communication networks.
- Product 5: 500-800 Watt 12 volt premium solar kits that can power a house for hold during power outage. This system can only be used as backup (UPS) Uninterrupted Power Supply) system with battery packs to supply power for 4-8 hours of power outage. This system can cost between R10 000 up to R14 500. This unit will not power fridge, washing machine, cooking unit, AC unit, and heating units. This system only power fans, lights, computer, and communication networks.

Product Range three: Portable solar chargers

The product in this section will target people who needs to power devices where the power outage is longer or if charging is not available such as during camping or travelling. This will target people from all walks of life.



- Product 7: Ecoflow 600w Mobile Power Station that can be used as 3 in 1 as a power supply, additional battery. This can be used to power devices such as mobile phones, tablets and computers independently of grid. It will cost R2500.



- Product 8: Sonogy X Portable Solar Panel to power devices such as mobile phones, tablets and computers. The cost of this device will be R1500.

Product Range Gas:

We have two sets of Gas Product range with different Price and this because the business offers delivery and collection service

Delivery Price List (Exchange Gas cylinder)

- 9Kg – 338.00
- 19Kg – R672.00
- 48Kg – R1634.00

If ever our customers do not have a cylinder we also have a list where they can get a cylinder and Gas

- 9Kg Cylinder Plus gas - R964.00
- 19Kg Cylinder Plus gas - R1324.00
- 48Kg Cylinder Plus gas - R2450.00

**Collection or refill**

Collection /Exchanging Gas cylinder in store Prices

- 9Kg => R295.00
- 19Kg => R620.00
- 48Kg => R1495.00

Collection Without Gas cylinder in store Prices

- 9Kg Cylinder Plus gas = R928.00
- 19Kg Cylinder Plus gas = R1284.00
- 48Kg Cylinder Plus gas = R2290.00

Services

Our Company will provide services like installation and the price of installation is 550 an hour and depending on the system the Labor Prices may vary

We also Provide repair service which include a call out fee of R300 then depending on the issue the prices might vary however the Repair Fee will R650 an hour and this is due to repairs requiring a lot of time to fix the issues compared to installation

To differentiate from the market competitor, The Green Hub services will include:

- Extensive after sale services and maintenance guide.
- Online system to track product status and efficiency.
- Extensive peripheral connection to optimize energy storage, utilization and management.

OPERATING ENVIRONMENT

Operations Strategy

The Green Hub values its customer and intent to is intending to establish long-term relationship to ensure sustainable power supply with effective management system. The fast pace evolution of technology is transforming the business market and company that can evolve exploited the need of customer with technological innovation will survive the competitive market. The Green Hub operating plan is based on the organization strategic goals of using future innovation and effective integration with existing infrastructure to drive firm growth

Startup Phase (2022-2024)

During the startup phase, the organization will focus on delivering solar power production system and Full Gas cylinders to customers and establish credentials within the competitive market. The initial customers are important to the business as they will serve as sales reference and statistics for the organization.

The Business will import products from a reliable strategic supplier and will add value for a customer by managing sales, installing the systems, operating the system, optimizing the power production from the system, maintaining the system and upgrading the customer power management system to maximize the power utilization.

The first phase for The Green Hub will last from 2018-2020 and the focus of the project will be to provide solar power production units and establish business on solid financial grounds. At the end of this startup phase the project must be able to diversify business portfolio based on its own funds and attracting new investors.

Near future (2024-2028)

The Green Hub will focus staring big project that will provide uninterrupted power supply solutions that are sustainable, renewable, and reliable to assist the Grid (Eskom). To ensure future business growth the The Green Hub and provide state of art technologies to the customer with an option to complement the usability of the purchased product and compatibility of the product with future technological advancements. In the second phase from 2024- 2028.

The Green Hub will target:

- Investing into public projects to ensure market presence to supply renewable power to national grid. The first plan is to develop 50 MW solar power production plant In Pretoria (Rodeplaat) by the end of 2025.

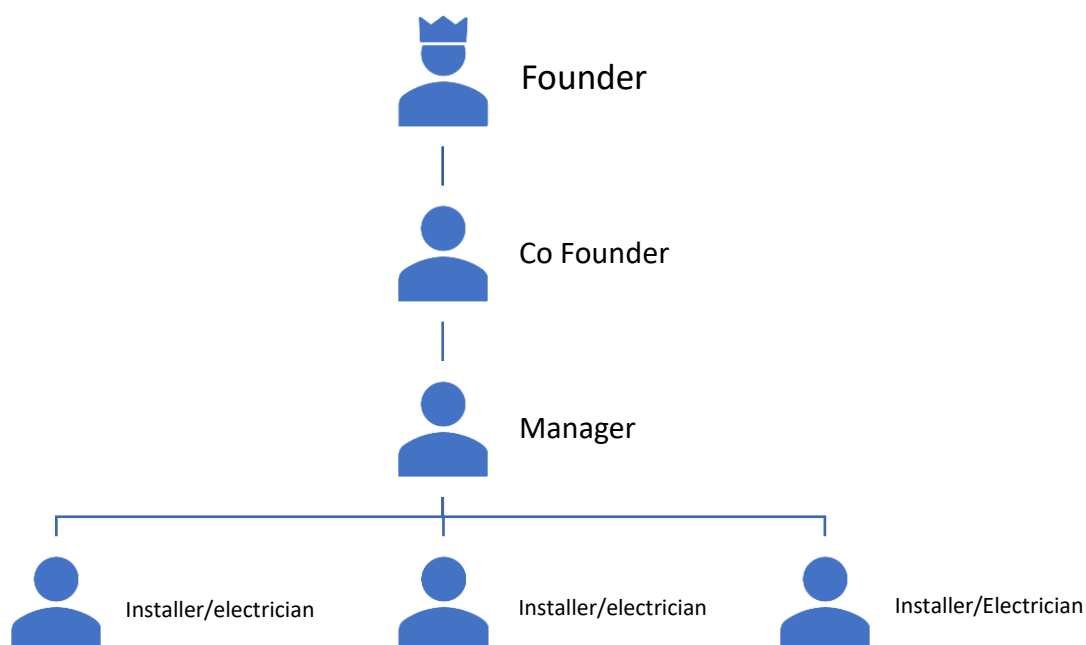
- Implementation of the Power Purchase Agreement (PPA) model for homeowners as the national grid will be updated and distribution networks will be modernized. This will boost the established product sales from the first phase.
- Investing into "Passive house" technologies by end of 2021 and building 3-4 units of the passive house. This will demonstrate the effectiveness of energy conservation and optimized use of energy.
- Secure passive house licensing for units that will be sold by The Green Hub.
- Secure public national and private funding for the developing manufacturing base for passive house units (e.g. doors, windows, insulation, passive house approved designs).

Long term future operation plan (2025-2035)

The Green Hub project will also diversify its business portfolio in the distant future. The future operation plan will focus on three main regions:

- Extend the existing solar infrastructure base across South Africa power supply spectrum. Investment into public sector power production units.
- Licensing technology and experience gained during the first two phases. That will include passive house and solar power production technologies.
- Investing into the smart homes and smart electric car technology industry. Smart home technology will complement the sustainable power source and passive house technologies. At the same time investment into Electric car supercharging ports powered by renewable resource will be next step. Diversifying, the solar panel business into solar roof tiles technologies.
- Development of biogas and biomass power production infrastructure for farming communities.

HUMAN RESOURCES PLAN



Company Organization

The Green Hub principal founders, Lehlohonolo Macheru (Mr Macheru) will control the majority of the company's equity. The Green Hub will employ Mr Macheru on a full-time basis. The structure is composed of experts with extensive experience relevant to the area of international rural development

Management Team

Mr Macheru, Founder. Mr. Macheru is The Green Hub primary visionary.

Mr Makole, Africa Operations Officer (Co-Founder) will serve as the company's Officer for Africa Operations.

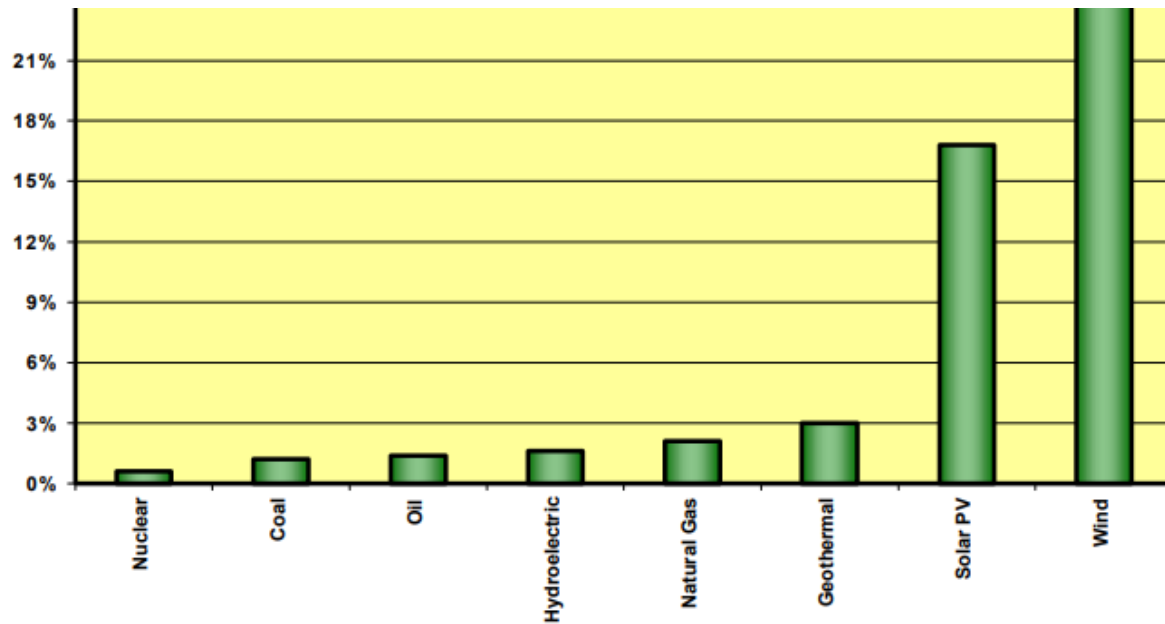
Installation Team

Our company will consist of 4 highly skilled electricians one being the Manager. All the installer and electricians are green compliant thus making them issue COC after completion of the work

E-BUSINESS MARKETING Analysis

Industry Analysis

As a Renewable Energy service provider targeting emerging markets, The Green Hub will compete in the industry known as Renewable Independent Power Producer Program (REIPPP). REIPPP is a small, but fast-growing subset of the gigantic global energy industry, which is currently experiencing an economic revolution. Over the past 8 years the world's demand for electricity has increased by 35% and above. Experts predict that current demand could go up by more than 10% by 2023. Because so many new electricity users live in remote areas /Rural Area and Eskom is not able to provide enough energy for the demand the country has, most of this increased demand will be serviced / provided by renewable energy, renewables are by far the fastest growing segment of world energy use, as is shown in the following chart.



The REIPPP industry still faces some imposing challenges. which is that, most people who most need Renewable Energy technologies still cannot afford them. Substantial increases in end-user purchasing power have remained exclusive, and, thus, sales are not close to what they could be. Consequently, Renewable Energy manufacturers have been unable to drive economies of scale enough to cost-compete with fossil fuels. Another problem is the lack of skilled Renewable Energy technicians in South Africa and there are only few training centers in the South africa that teach about Renewable Energy system installation.

Customer Analysis

Gauteng is a densely-Populated Province within south africa with over 15,810,388 people living in an area of 18 176 square kilometers. As a result, more than 95% of Gauteng's most centralized homes and businesses are electrified by the regional utility grid, while 5% are electrified with solar power. The remaining 95% have no hope of seeing the Loads shedding coming into an end during the next coming years. Residents of Gauteng realize that modernization cannot take place without electricity, and that access to electricity will significantly enhance their economic prosperity and quality of life.

Gauteng families live in large houses, typically constructed of brick and concrete. Each house has two to five bedrooms, a kitchen, a living room, a washroom, and an animal pen. Families submit no property taxes or mortgage payments. Furthermore, because Gauteng is integrated industrial complex Area, residents spend a lot on food, petrol, Electricity and public transport. a lot people in this Area possess an automobile, and those who do earn three to ten times more than the average yearly income. Aside from a handful of bars, restaurants, grocery stores, and weekly farmers' markets, Gauteng offers a lot of activities for the consumer. Because there is much in this community to spend money

people are generally unfamiliar with the concept of saving money. Only in the past few years have stabilized banks begun to earn the trust of South African consumers, and in the rural parts of the country, this trend is proceeding quite slowly

Despite these simplistic financial tendencies, the typical Gauteng resident is quite sophisticated, and understands the benefits of solar electricity. Gauteng residents know that solar electricity represents a clean, safe, and reliable way to power their homes. Unfortunately, however, even a small solar electric system costs about R20 000 retail in Africa, and only the rich and Mid-level families can afford this price. As a result, most families continue to light their homes with Candles during Power outage. Nevertheless, the demand for solar electric systems latently exists in Gauteng, and it is up to The Green Hub to tap this market potential by making these systems affordable for the average Gauteng family.

Competitor Analysis

Competing Technologies

Because solar electric systems are so expensive in Gauteng, they are viewed as luxury items. Almost every family would love to have one, but affordability is a preventative issue. As such, people must use more conventional methods of lighting their homes. liquid Paraffin Kerosene and Candles are readily available in Gauteng and either item is particularly cheap.

The Green Hub chief competition in Gauteng is certainly liquid Paraffin and Renewable Gas, and solar has several advantages over them. First, kerosene lamps are crude and dangerous; it is easy to find an adult or Child in Gauteng who has been burned, at some point in his or her life, by using liquid Paraffin. Furthermore, liquid Paraffin lamps provide lighting that is only somewhat better than a large candle, and they tend to be smelly during operation. Renewable Gas is a bit affordable however the Gas cylinder depending on the usage will require you to change/re-fill the cylinder and they also have a weird smell especially when the cylinder is almost empty, A solar electric system, on the other hand, is clean and safe, and provides the familiar fluorescent, white light that can illuminate an entire room.

Furthermore, a solar electric system can be used to power any electric appliance. It offers modularity, flexibility, and expandability, so that one single power source can be used for the house's every electrical need. Additionally, these systems are extremely reliable, and require only minimal maintenance on, and periodic replacement of, the battery. If well maintained, a solar electric system will last for thirty years. Solar electric systems are more expensive than conventional alternatives in the short-term, but in the long run provide a far superior value for the money

Competing Service Providers.

Aside from The Green Hub, there are businesses or organizations providing solar electricity in Gauteng which are Solar Advice and PV Store which are also located in Midrand. Furthermore, that offers financing for solar electric systems. The national utility, the South Africa Electric Supply Company (ESKOM), has no intention of expanding/Fixing the Problems that they are facing at the utility grid. Furthermore, this company has no understanding of solar electricity, so they do not have any presence in the Green Energy space and it is not equipped to effectively compete in this marketplace.

SWOT Analysis

SWOT ANALYSIS

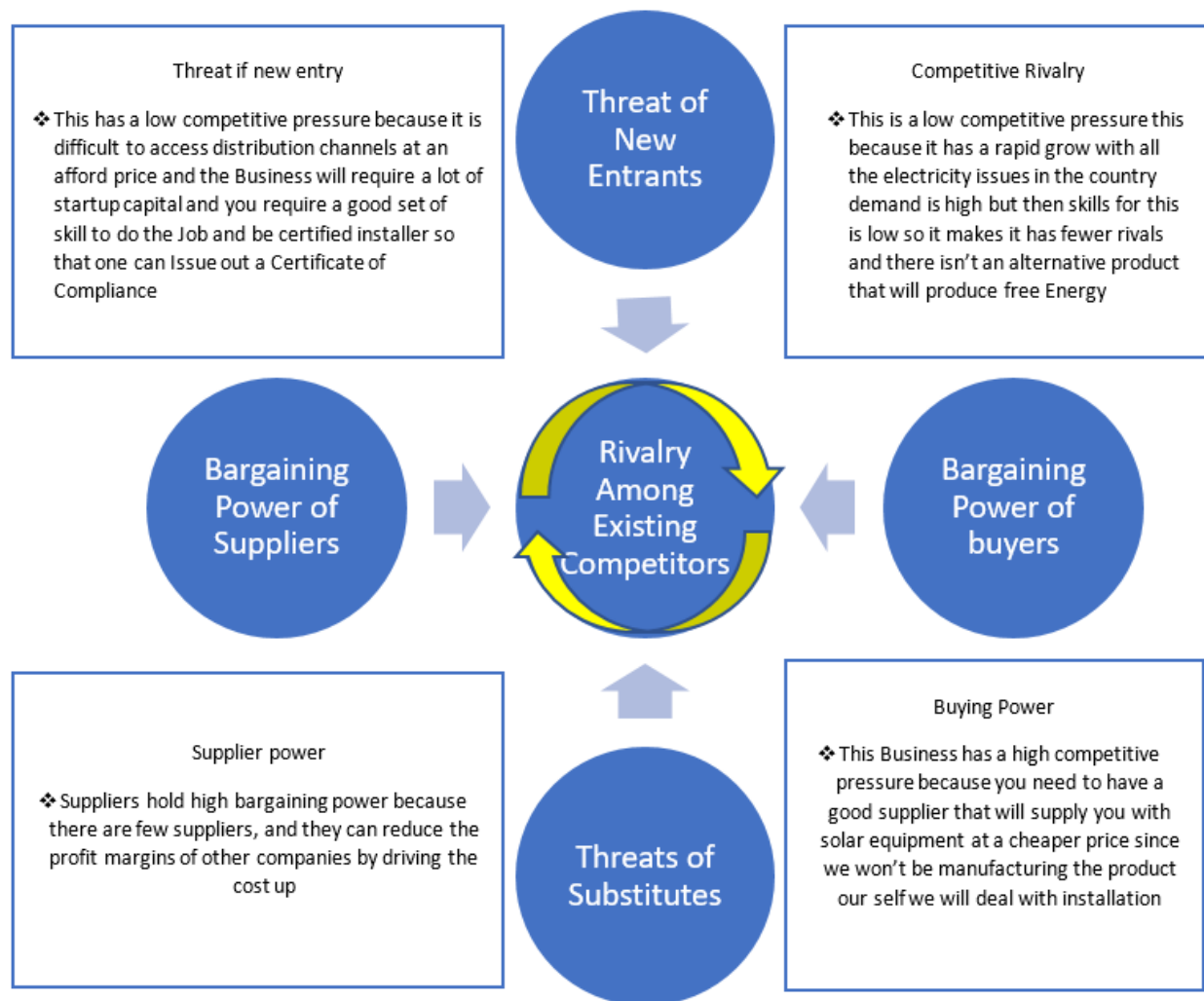
	Helpful [to achieve the objective]	Harmful [to achieve the objective]
Internal origin [attributes of the origination]	<p>Strengths:</p> <ol style="list-style-type: none"> 1. Green energy movement 2. Unique selling point 3. Domestic and Commercial Demand 4. Employment opportunities can be created 5. Unlimited resources availability 	<p>Weaknesses:</p> <ol style="list-style-type: none"> 1. High initial investment 2. Government does not support in terms of subsidies. 3. Solar energy production decreases on non-sunny days 4. High Transport cost of Equipment 5. It cannot be used in non-tropical regions where sun light is less 6. Disposal of PV cells causes environmental pollution
External origin [attributes of the environment]	<p>Opportunities</p> <ol style="list-style-type: none"> 1. South Africa experiences a high degree of sunshine embraces more production. 2. Continuous improvements in solar panels and batteries. 3. Government Grid (Eskom) can is not able to produce enough energy to provide electricity to all house holds 4. Providing enough energy back to the Grid and selling it to the government 	<p>Threats:</p> <ol style="list-style-type: none"> 1. Increase in Raw material will make products expensive 2. Competitor can offer similar products 3. Affordability and lack of Financing 4. Government Taxes making products be expensive 5. High levels of unemployment making the business not enough customers

PESTEL analysis technique

PESTEL ANALYSIS					
P	E	S	T	E	L
Political Factors	Economic Factors	Social Factors	Technological Factors	Environmental Factors	Legal Factor
fiscal policy initiatives, No Subsidies from government when someone takes part in green foot print	Inflation /Tax products becoming more expensive due to inflation and high taxes	High prices on Petrol for Generator will help business to be able to provide electric for free through Solar	No so stable Technology infrastructure (like 4G, 5G, Fiber) will cause a lot of customers not being able to access the website	Climate change impacts the way customers will be able to generate their own electricity, the weather on the area needs to have a good strong sunshine to be able to generate enough energy	Employment and consumer protection laws will ensure that customers are getting the best serve and they won't be tricked into buy false products
Policies that allow households to be energy providers to encourage people to assist the Grid with producing energy for the country	Competitor prices and product/service offering at cheaper Price	Due to High Demand in Solar, Crime will be a major issue where people might start stealing Panels and sell at a cheaper price	Social Media will help customers can use platforms to get more review and information about the business	hazardous materials used in manufacturing will cause a lot of pollution however this will be compensated when generating energy pollution free	Data protection, making sure that customers data will not exposed to hackers

Low tax, will encourage business trade at an affable price and improve the economy plus decrease the unemployment rate	Increase in interest rates causes customers to not be able to afford the products offered	Solar is reliable and safe and won't cause harm to any human health so the business will improve the health of Customers	The internet will help with ensuring that people get the information they need about free energy and how everyone can take part in it and how it works	Recycling used lithium batteries and Panels will ensure that there won't be a lot of pollution and promoting living green	Product placement and promotional content, making sure there are no false promotions
	Crisis of importing Product from other countries	Adults spending Habits are more on securing good basic thing for house hold so the target mart will be great for the business since energy is the most important thing in our community	Electric cars will be a thing in future since there's a lot of carbon emissions and if one produces their own energy they will be able to travel with their EV powered by the Sun		Households are allowed to provide free energy for them selves
	Unemployment making it difficult for Customers to afford	People will need to be taught a lot regarding solar so that everyone can be able to generate their own energy and not rely on Government			Certified electrician are required to provide installation and issue out a COC certificate to provide that the work was done in a proper way

Porter's Five Forces Model



Financial Summary

Initial capital investment

The initial capital requirements for The Green Hub are presented in Table below. The cost of establishment R268 500 will be needed as an initial investment. The business is technology intensive; hence, demonstration units will be built on office site. The demonstration unit will serve two main purposes:

- Demonstration of technologies provide by The Green Hub.
- Attract customer.
- Powering the Green Hub business with sustainable technologies to reduce carbon emissions.

	Description	Amount (ZAR)
	Property Rent	15 000

	Business establishment fees and legal Costs	8000
	Office Furniture	30 000
	Computer and Communication equipment	50 000
	Launch advertising	6 000
	Promotion contract	6 000
	Display Unit Off-grid System (5 kw)	21 000
	Display Unit Grid-tied System (8 kw)	30 000
	Display Unit Portable device (100 -400 wh)	5 000
	Display Unit Portable Solar panel	2500
	Initial logistic contract	22 000
	Initial inventory of system	100 000
	Total Cost	268 500

Projected income and cash flow statement

Table 2 shown below represents the projected income statement and cash flow with expected revenue and operating costs for the first eight quarters. Solar power system sales are prone to seasonal demand. The highest demand is expected in Q1 (June-August) and Q4 (Mar-May) as the supply-to-demand ratio drastically increases. At the same time, a marketing and promotion push will be launched to attract potential customers using data from the survey conducted earlier. The Q2 (Sep-Nov) and Q3 (Dec-Feb) are calculated as negative because The Green Hub is not offering solar water heaters during the initial phase. The Q2 and Q3 reduction in sales can also be off-settled by offering discounted prices on off-season inventory. However, the key idea of business is to implement and reduce inventory cost to a minimum. The first eight quarters are critical for The Green Hub project as it will target pay off initial investment and will have R836 059 to diversify the business portfolio

Revenues	Q1 June -Aug	Q2 Sep - Nov	Q3 Dec - Feb	Q4 Mar - May	Q5 June -Aug	Q6 Sep - Nov	Q7 Dec - Feb	Q8 Mar - May
Product Range One (Avg units/month)	30	8	6	10	30	10	8	8
Product Range One (Avg profit/unit)	R30 000	R30 000	R30 000	R30 000	R35 000	R35 000	R35 000	R35 000
Product Range One (Avg profit/Quarter)	R900000	R210000	R180000	R300000		R350000		
Product Range Two (Avg units/month)	10	15	15	9	9	7	15	8
Product Range Two (Avg profit/unit)	R21 000	R21000	R21000	R21000	R25000	R25000	R25000	R25000
Product Range Two (Avg profit/Quarter)								
Product Range Three (Avg units/month)	5	4	10	11	4	7	15	10
Product Range Three (Avg profit/unit)	R2500	R2500	R2500	R2500	R2500	R2500	R2500	R2500
Product Range Three (Avg profit/Quarter)	R12500	R10000	R25000	R27500	R10 000	R17500	R37500	R25000
Total Revenue								

Operating Expenses								
technical Management salary	R40 000	R40 000	R40 000	R40 000	R60 000	R60 000	R60 000	R60 000
Staff Salaries (4 Members)	R50 000	R50 000	R50 000	R50 000	R60 000	R60 000	R60 000	R60 000
Logistics base contract fee	R5 000	R5 000	R5 000	R5 000	R5 000	R5 000	R5 000	R5 000
logistic cost (Suppliers)	70 000	70 000	70 000	70 000	70 000	70 000	70 000	70 000
advertisement Contract	R 8000	R6 000	R6 000	R15 000	R7 000	R15 000	R15 000	R15 000
Office expenditure	R6 000	R6 000	R6 000	R6 000	R6 000	R6 000	R6 000	R6 000
Insurance and legal fees	R8 000	R8 000	R8 000	R8 000	R8 000	R8 000	R8 000	R8 000
Communication contracts	R5 000	R5 000	R5 000	R5 000	R5 000	R5 000	R5 000	R5 000
Travel Allowance	R15 000	R15 000	R15 000	R15 000	R15 000	R15 000	R15 000	R15 000
Vehicles Maintenance	R2 000	R5 000	R10 000	R7 000	R7 000	R10 000	R10 000	R10 000
Delivery Petrol	R40 000	R40 000	R38 000	R36 000	R34 000	R30 000	R28 000	R28 000
Total Operating Expenses								

E-BUSINESS MARKETING PLAN

The SWOT analysis highlighted the key challenges for The Green Hub project that are directly related to an effective marketing plan. The solar market of South Africa is still developing and well organized effort is needed to find a strong foothold in the market. To gain market share effective marketing strategy is required. To develop a dynamic marketing plan to penetrate South Africa solar power market we need to equip our potential clients with knowledge regarding Green energy and how solar systems work and based on data available online regarding South Africa's energy crisis there is a huge solar power demand in alternative energy source.

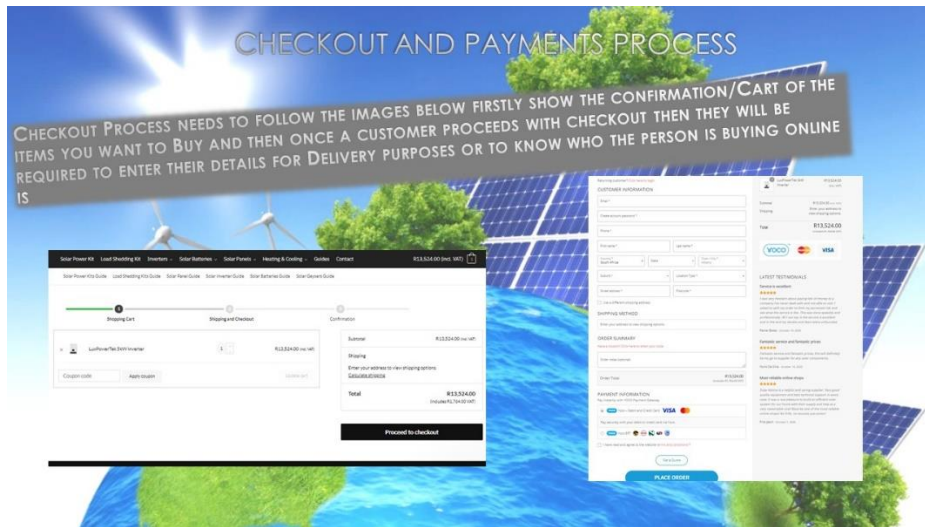
Business Location

The Green Hub business is focused on selling solar power system however by selling Gas and Gas technologies it will attract customer and that will enable us to demonstrate the Solar technology. The Green Hub team members own 3 properties that will be used as an office/walk-in Store. The head office of the business will be in Midrand Since Midrand is the center of both Johannesburg and Pretoria so we will have a wide range of customers we going to serve and then we have one in Johannesburg CBD and another in Pretoria CBD. The head office will also house inventory store that will be used to house solar power system and logistics of the components will be coordinated from head office location. The All the Stores/Offices will serve as demonstration unit since the plan is to power the Buildings using solar power system.

Website

The Green Hub has www. Green-Hub.co.za domain name and will provide the services using online portals. The Business will provide product and service information via website. The website, will also serve as an online store, contact and informative portal for the potential customers.





SECTION B

Question 1

Question 1.1

Briefly define what a sole trader is in the South African context.

- Sole Trader it is when a company only has one direct/owner and there is no partnership structure within the Business

Question 1.2

Discuss four (4) advantages and four (4) disadvantages of being a sole trader in South Africa.

Advantages

- You can make decisions on your own without consulting with someone/board members
- You have full control of the business

Disadvantages

- The owner is liable to anything and everything that happens in the business so the owner can inherit the Businesses Financial issues
- All the Decisions and issues within the Business must be addressed by you and no one else can take place
- It cannot trade on the stock exchange since it is not a public/private company

Question 2

As a Business Informatics IIIB student, you had experience in drawing up a business plan for an e-business. One of your friends, Peter, is interested in starting his own e-business in selling small collector model cars. Peter is located in Pretoria, South Africa and has regular access to a personal computer and daily to internet. Draw up a checklist of the six (6) most important issues that Peter should consider, before starting such an e-business.

Do it in a table, in the first column, indicate the issue that should be considered and in the second column what advice you can give him to address the issue

Issues to Consider:	How to Solve/address the issue:
Cracker /Hackers /Fraudsters	get a good solid security system on his e-business laptops/devices to prevent unauthorized users to commit crimes using his Business
Internet Connection issues	Peter Can get a good internet for businesses to ensure that he is not affect by the network traffic
Insurance due to theft and damages	Peter should insure all the products in his business so that incase of theft of natural disasters that could damage the products he can claim the value of the products and get his money back
POPI compliance	Peter should ensure that he does not collect unnecessary or data that he won't be using and he should also get consent from the customers if he wants to share the data with third party companies

Question 3

Your friend, Peter, as described in Question 2, is not sure about how he should go about marketing his e-business. Explain, in your own words and by giving examples, two (2) different options that he can consider for marketing. Keep in mind the background given in Question 2

1. **Social Media**-Peter can use social as a way of marketing his business and the benefits from this is that you can do marketing for free and social media will enable him to reach potential who are in other countries or regions
2. **Website and google ads**-By having a website for the Business he will be able to let people know about the website and then ensure that he add the business to google ads so that when people search about a word in which his business has/related to his products then his Business website will be first one to appear on the internet search results

Question 4

Peter, refer to Question 2, is not sure how he is going to deal with online payments. You have done some research for your e-business plan. Explain, in your own words, three (3) different options that Peter can explore to include in his e-business plan.

1. EFT -online payment -Using secure payment gateways to enable users to pay online using their card details or show payment details of the business in which customers can deposit the money to.
2. POD -payment on Delivery (Cash) -This payment method will allow a customer to buy goods on credit and then when the goods/items are being delivered payment of the items will be needed before the customer can get the items from the delivery person.
3. Third-part Point Based Systems – The e-business should include payment from third-part programs such as e-bucks to allow customers to change their points in to Money that they will be able to use when buying on the e-business

Question 5

Define, in your own words, the differences between a product-oriented and a service-oriented business. Substantiate your answer by providing suitable examples.

product-oriented

- This type of Business focuses more on selling product and such business are Grocery Store they are selling physical items to the customers e.g Shoprite it sells goods to customers

service-oriented

- This is a type of Business that offers only services and they do not sell physical items and this kind of business can be in the Financial sector e.g Bank they offer financial services to enable businesses and customers to transact between each other

Question 6

Discuss business risks as a core risk when considering risk management.

Every successful business is bound to take risks to ensure that they can reach success however there should be risk management put in place to ensure that the business does not get into risky situation which might lead to criminal charge or closure of the business, having risk management it will help the business to identify good risk and bad risks so with good risks they will be ones that we know that they are going to guarantee good investment returns in the future