**ADDA JEWELLERY**

**BUSINESS PLAN**

**Date: 01/October/2023**

**Registration Details**

**Business name: ADDA JEWELLERY**

**Presented to: KENYA NATIONAL EXAMINATION COUNCIL**

**Course name: DIPLOMA IN INFORMATION COMMUNICATION TECHONOLOGY**

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**Supervisor name: MR KEVIN OTIENO**

**Candidate Index No:**

**Candidate Name: FATUMA MOHAMED GALGALO**

**THE BUSINESS PLAN PROJECT IS PRESENTED TO THE KENYA NATIONAL EXAMINATION COUNCIL (KNEC) AS PARTICIAL FULFILMENT OF THE RQUIREMENTS FOR THE AWARD OF DIPLOMA IN INFORMATION COMMUNICATION TECHNOLOGY**

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**EXECUTIVE SUMMARY**

**DECLARATION**

**I FATUMA MOHAMED GALGALO** hereby declare that this is my original work and at no point was it presented before any examination body. Plans and interpretations are all my personal thoughts and work.

Name: FATUMA MOHAMED GALGALO

Signature: ---------------------------------------------

Index No: ---------------------------------------------

Date: ---------------------------------------------

Supervisor name: Mr. KEVIN OTIENO

Signature: ---------------------------------------------

Date: ---------------------------------------------

**ACKNOWLEDGEMENT**

My sincere gratitude goes to Allah (The Exalted Almighty) for the health, strength and wisdom that enable me to carry out this project. I acknowledge the effort from my spouse, parents and bothers and sisters, who encouraged me to pursue this path of acquiring knowledge and always dreaming for my excellence in success. Finally, special thanks to my lecturers at PC KINYANJUI TECHNICAL TRAINING COLLEGE and specifically my supervisor, Mr. Kevin Otieno, for the inspirations, dedication and encouragement to working hard in achieving my best.

**DEDICATION**

To my parents,

brothers and sisters in recognition of what they deeply mean to me.

My husband,

for all the support and encouragements. For the financial support to make sure this business will have a brighter sunrise. For helping and proof reading this document, correcting typing errors and guiding on the business terms to include and exclude.

Finally,

I dedicate to all my friends both at the college and from my humble neighbourhoods.

**CHAPTER ONE**

1.0 BUSINESS DESCRIPTION

1.1 Business Name, Location, and Address

The business is called ADDA JEWELLERY. ADDA is a name acquired from my Cushitic first language which means sisters. While JEWELLERY is an English term meaning the collection of decorative ornaments typically made from precious metal such as gold, diamond and silver, and worn for personal adornments.

1.1.2 Business Location

The intended business will be located in Eastleigh, Nairobi County at Business Bay Mall (BBM). The area features a highly populated business environment, well developed infrastructure, and booming economic hub serving as a center of flow of people and goods, in and out of the country.

1.1.3 Business Address

Direct access and enquiries to the business can be made through its website at <https://addajewelleryshop.co.ke>, email address at care@addajewelleryshop.co.ke, addajwellerycare@gmail.com, and official mobile number at +254708456395.

1.2: Business Ownership

ADDA JEWELLERY is a sole proprietorship to be registered by the registrar of business under the Laws of Kenya. The business will operate as a licensed entity and observes all rules and regulations governing businesses in Kenya. Profits and losses of the business bored solely by the owner.

1.2.1 Sponsor

The primary source of finance to start and run the business is Kes 1.5M from my personal savings. In addition to that, I have made an agreement with my husband, Mr. Hamza Twaleb, an entrepreneur in Men’s wear and Muslim Ladies Fashion Clothes, to provide a refundable, interest-free loan of Kes 3M, to be repaid in three (3) years on Kes 100,000 annual instalments.

1.2.2 Business Objective

ADDA JEWELLERY will take-off in a positive business direction and guarantees beneficial future for the owner, government, customers and suppliers as well. In order to achieve this ultimatum goal, the ownership has planned to focus on the following objectives:

1. Provide excellent quality and legit jewellery ornaments to the clients.
2. Provide reliable services as per customers’ specifications in designing of the ornaments.
3. Provide enough product description information as wells classical and fashionable pieces for the customer to make an informed purchasing decision.
4. Empower local artisans by availing to them jewellery cleaning opportunities as a way of contributing to the local economy.
5. Ensure full compliance with business regulations and requirements

1.3 Justification of opportunity

Having conducted three (3) months of business research, surveys, and analysed the collected data, it has come to my observations that most jewellery business operators in the market still dwell on ancient designing tools and old-fashioned designs. Available of ready material suppliers greatly boost my confidence and willingness to start and thrive in these beautiful ornaments sector. In conclusion, this gives me an excellent opportunity to maintain customers’ elegance and keep moving with latest trends globally.

1.4 The Product

ADDA JEWELLERY will present its collection of jewellery in both retail and wholesale market levels. Tables 1.4.1 and 1.4.2 below displays each product’s description information.

1.4.1 Goods for Sale

|  |  |  |  |
| --- | --- | --- | --- |
| Product Name | Product Number | Quantity per grams/kgs | Cost per grams//kgs in KES |
| Yellow gold earing | 1 | 1 gram | 10,000 |
| White gold chain | 2 | 1 gram | 13,000 |
| Rose gold necklace | 3 | 1 gram | 8,000 |
| Gold coated crown | 4 | 1 Kg | 1000 |
| Nose ring | 5 | 1 gram | 500 |
| Bracelet | 6 | 1 gram | 1200 |
| Silver | 7 | 1 gram | 5000 |

1.4.2 Services

|  |  |  |  |
| --- | --- | --- | --- |
| Product Name | Product Number | Service | Cost per grams//kgs in KES |
| Yellow gold  | 1 | Jewelry Cleaning | 2,000 |
| White gold  | 2 | Jewelry Engraving | 5,000 |
| Rose gold  | 3 | Jewelry Valuation | 3,000 |

1.5 Business Entry and Growth

The business will be launched on the special grand-opening ceremony of the BBS Mall in order to take chance of meeting potential customers among the estimated thousands of the distinguished visitors and passers-by community. Promotional fliers will be distributed on the occasion by employed youth wearing ADDA JEWELLERY T-Shirts and green reflectors in order to capture as much attention as possible. Fliers will present ADD social media accounts handles including TikTok as @addajewelleryshop, X (formally, Twitter) as @addajewelleryshop and Facebook and Instagram both at ADDA JEWELLERY SHOP. This will add great value to the business prosperity and build high volume of local networks.

1.5.1 Business Growth

With the above-mentioned entry-level strategy, ADDA JEWELLERY is estimated to expand exponentially in sales volume, therefore generating maximum level of profits and minimizing unforeseen risk of losses. The business will be able to repay off the loan, cater for running costs and progressively build from its’ profitable portfolios, branches within Nairobi County, Mombasa, Kisumu, Nakuru and Garissa County in a period of ten (10) years of operation.

**CHAPTER TWO**

2.0 MARKETING PLAN

To capture the market widely, ADDA JEWELLERY will conduct Jewellery Expos annually to attract more clients and customers in order to familiarize with the shop, and have a taste feeling of the product. The management will conduct the analysis on strengths, weaknesses, opportunities and threats (SWOT analysis) in order to assess both the internal and external factors that can impact the marketing efforts positively.

Other forms of the marketing strategy planned by the management are as follows:

1. Displays within the shop capturing brief product explanations for the customers to witness the product legibility.
2. Gifts to be included in the customers’ package in order to make them happy, maintaining the existing customers and attracting more customers referrals.
3. Marketing through online platforms including social media presence and attractive websites for vast product exposure and professional engagements with customers.

ADDA JEWELLERY marketing team will ensure to adhering to rules and regulations governing the products’ advertisements. Sales promotions to customers including discounts and coupons will be highly considered.

2.1 POTENTIAL CUSTOMERS

ADDA JEWELLERY, being strategically located in the biggest mall in the region where customers, working class, professional business people, entrepreneurs and social influencers converge to make investments and drive daily sales, are the major targets of our business potential customers. It is expected that, the community will also refer their family members and friends to do their ornament shopping at our shop in order to get reliable quality and latest fashion trends. Couples in their wedding preparations will be highly attracted to make their choice of ornaments from our shop as well.

2.2 POTENTIAL COMPETITORS

ADDA JEWELLERY, being in the most competitive environment with different jewellery shops, the Elhuzaa Beauty and Khairat Jewellery shops are the most tough competitors around. Both have a ready established and well-built foundation in the region and located within a radius of about 300 meters away from the proposed business location. It is highly expected that our business will still thrive in the environment.

Other competitors still operate in ancient marketing techniques and old-fashion designs. ADDA JEWELLERY management have confidence that it has strong advantageous ground for large customers opportunity.

The table below indicates the market opportunity and competitive edge for ADDA JEWELLERY in the same business field.

|  |  |  |  |
| --- | --- | --- | --- |
| Factor | ADDA JEWELLERY | ELHUZAA BEAUTY | KHAIRAT JEWELLERY |
| Price | Moderate | Low | High |
| Quality | High | Moderate | High |
| Features | 10 | 12 | 15 |
| Customer Services | Face to face, Phones, Online Chats and Emails | Face to face and Online Chats | Face to face, Phones and Online Chats |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

2.3 MARKET SHARES

Eastleigh Business Community estimates that the value of money exchanges on a daily basis at two (2) billion Kenyan Shilling. Approximately, over a million people interact daily either in sales of products or service acquisitions. The BBS Mall is expected to serve over a hundred thousand people daily. The table below shows approximated market share according to the ADDA JEWELLERY research.

|  |  |
| --- | --- |
| Name of Business | Percentage |
| Elhuzaa | 25% |
| Khairat | 35% |
| ADDA | 30% |
| Others | 10% |

ADDA JEWELLERY shop estimates to capture 35% of the current dynamic market share, as it will attract different social class of people with a justified price mark, rather than the exploitive highly priced poor-quality ornaments. The shop is confident to run a weekly transaction valued at one million Kenya Shillings, a fair contribution to tax, profits, running cost and a hundred thousand (Kes100,000) for savings.

2.4 PRICING STRATEGY

The commodity prices are determined by the products and services, demand and supply, competitors pricing and market trends. Despite the influence experienced through on and off peak market seasons, ADDA JEWELLERY will remain to serve customers with reliable quality and genuine brands of the product with a flexible justified pricing of the products.

2.5 ADVERTISEMENT AND PROMOTION STRATEGY

2.5.1 Advertisement Strategy

To capture the attention of the target audience, ADDA JEWELLERY will advertise its products and services through its social media platforms, public posters with its logo will set in the main junction of the BBS Mall, Expos will be conducted in different market areas such as the South C Women Expos, which has contributed a lot in most businesses’ promotions within the region.

Social Influencers marketing will be considered with people that command high number of positive engagements through social media pages and blogs online. ADDA will publish its own blogs and informative contents through its website and other online platforms in order attract customers across demographic levels.

2.5.2 Promotion Strategy

ADDA JEWELLERY location is the major promotion strategy selected for its advantageous opportunity in a densely populated area where the target customers are ladies. Featured with high quality, legit brands and justified pricing for customers, it gives a competitive edge over the Elhuzaa, Khairat and other competitors in the region.

In addition, end of year offers and rewarding of customers with gifts and discounts for any referrals will be considered highly as it creates stronger connections in the social networks. Finally, the management will particate in the relevant industrial shows and exhibitions to meet and expand the social connections and familiarize the attendees with the products.

2.6 DISTRIBUTION CHANNEL

Distribution of products from the suppliers to the shop and finally to customers is conducted differently in highly secure levels. Between the suppliers and our shop, the management will higher the service of the G4S Transporters to ship the jewellery products with guaranteed safety and security. Customers can reach the business location in person to buy and take their products home. For online shoppers, the management will provide delivery at a cost on the customer, paid once the product is delivered. Within Nairobi region, ADDA will send its own appointed delivery rides to the customers’ address, while in outside Nairobi, products will be sent through G4S Transporters to the nearest branch for the customers to pick by themselves with their identification cards.

For customers on wholesale, the management will carry the delivery fee in order to attract customer trust and continued engagements in future.

CHAPTER THREE

3.0 MANAGEMENT PLAN

Management plan summarizes the structure of managing the business. It is one of the crucial components of business that outlines how the business is planned and managed. To provide and in depth look of the company organisation structure, ADDA JEWELLERY has a total of three (3) members of managerial staff including the manager, assistant manager and the supervisor.

The manager has the authority, power, and make rules that govern the business and managerial staff at large. The assistant helps the manager to meet the expectations of the business management and the supervisor evaluates the performance of the business and supervises clerical staff and other employees.

3.1 ORGANIZATIONAL STRUCTURE

The organisational structure consists of the manager (the owner) of the business, assistant manager, supervisor, sales and marketing staff, accountant, clerk, security staff and cleaners.



The manager is the owner of the business and overall leader in charge of making day-to-day business decisions. Followed by the assistant manager who supports the manager to meet business goals. The supervisor evaluates the performance of the business and in charge of different departments. Sales and Marketing staff care for customers, promote the products and services and boost sales. Accountant is in charge of payments in cash, mobile money and bank accounts and all of the transaction books. The clerk attends to records, prints and book keeping. Security staff is in charge of security and safety of the business location, products, other staff and customers. The cleaning staff to ensure the business area is clean and neat at all time.

3.2 Management Team

The management staff are employees who hold the important posts in business. It is a section of business plan which indicates the credentials and expertise of a team of employees. Their purpose is to show the potential customers that the professionals employed are educated persons, experienced in making meaningful decisions in their position to contribute to business success.

3.2.1 The Manager

The manager of the ADDA JEWELLERY is the business owner, Mrs. Fatuma Muhammed. She takes the role in managerial duties including planning for the business in order to establish organisation goals and causes of action to achieve them, organising operation in order to enhance distribution of resources and delegates tasks to personnel in order to achieve the goals stated in planning.

The manager holds the leadership position in order to motivate employees and influencing their behaviour for the organisation to achieve the objectives. She is also the controller in the process of evaluating the execution of the plans and making adjustments in order to ensure the business goals are achieved.

3.2.2 Assistant Manager

The assistant manager will be typically holding a position of helping the manager in doing designated duties in order to help the business meet its expectations. The roles of the assistant manager include the following:

1. Assisting the manager in planning, organising and implementing the strategy.
2. Coordinating day-to-day operations in a business.
3. Ensuring the company guidelines are followed.
4. Setting up and organizing schedules and duty rosters.
5. Devising and setting up objectives to boost company productivity.

3.2.3 The Supervisor

The supervisor refers to an individual responsible for overseeing and managing day-to-day operations of particular departments or aspect of business. For a qualified supervisor, the following requirements are considered:

1. Be a holder of a degree from a recognised institution.
2. A person of high morals and etiquette.
3. Experienced for at least three years in business management.
4. Knowledge in record and book keeping with ability to count profit and losses incurred.
5. Good communication skills.

The roles and responsibilities of a supervisor are as follows:

1. Managing the workflow in business.
2. Offer training to newly employed members.
3. Creating and managing team schedules.
4. Reporting to the manager either daily or weekly report.
5. Evaluating performance and providing feedback to the manager and assistant manager.
6. Identifying and applying career advancement opportunities concerning the business development.
7. Helping in resolving employees’ issues in case it arises.

3.2.4 Sales and Marketing Staff

Sales and Marketing staff is the person at heart of ADDA JEWELLERY operations. The roles include reaching out to customers, promoting the products and services, ensuring customer satisfaction, handling advertisement plans and strategy, and boosting of sales.

3.2.5 The Clerk

Clerk is an organisation role player person, typically holding and entry-level position and responsible for various administrative tasks and record keeping. For a qualified clerk at ADDA shop, the following requirements are considered:

1. Kenyan Citizenship.
2. A degree holder or diploma and at least three years’ experience in similar field.
3. Well disciplined, good character, and standard morals.
4. Able to speak and write in both English and Swahili languages.
5. Good communication skills.

The roles and duties of a clerk include:

1. Data entry in order to maintain books and financial records.
2. Document preparations for preparing documents and receipts in the business.
3. Inventory management in ensuring that jewellery in stock is per standards and receiving orders where necessary.
4. Customer service where needed in order to provide information addressing inquiries or assisting with basic service request.
5. Compliance and regulatory tasks in ensuring that the business complies with various regulations such as tax returns, safety standards of the business community, etc.

3.2.6 The Security Staff

A security guard is a person employed by the business to protect the business asset from a variety of hazards by enforcing preventive measures. ADDA JEWELLERY will employ its security personnel from the Pearson Security Agency that is credited for their best service and always on standby to support the clients.

Functions of a security guard include the following:

1. Inspect and patrol the premised regularly.
2. Monitor the property entrance.
3. Authorize entrance of people and goods.
4. Report any suspicious behaviour and happenings around the business.
5. Secure all exists, doors and windows of the business.
6. Monitor surveillance cameras around the business.

3.2.7 The Cleaner

Cleaning staff are crucial person in the business. A clean business environment will attract more customers and motivate them to do come and shop often. ADDA JEWELLERY will hire neatly groomed personnel who have certificates of good conduct, hardworking, and well-mannered characters. The personnel will maintain cleanliness of the place at all time.

3.3 Training and Development

ADDA JEWELLEY will conduct time to time training for its staff on good customer relations, communication skills, presentable and persuasive grooming, business management and promotion, financial management and health education. Training staff will be provided by learning institutions and professional brands in the country. The company will bear the cost of the training including refreshers and meals. This level of employee support will boost moral and motivation of the employees to work hard for the business as they also see growth in their standard of life career development. It will also strengthen the customer and employees’ relationships boosting sales for the company.

3.4 Recruitment and Selection

Interviews will be conducted by the management in order to determine and employ the qualified personnel with the required credentials. The owner maintains the right to employ and reject any non-qualified person, at any given time.

The management will evaluate employee performance regularly and benefits will be reviewed annually based on the results. Management will also invite jewellery associate periodically to help customers find and purchase ornaments that suit their preferences and allow customers to ask questions on product information. A gemmologist will be invited on annual expos to meet customers and provide scientific information on artificial and natural gemstone materials available. This will greatly improve in development of ADDA JEWELLERY shop.