

**BUSINESS PLAN**  
**FOR**  
**MPYA- MJINI COMPANY**  
**LIMITED**

*Manufacture of Shoes*

**JULY, 2023**

**Contact**

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This business plan has been constructed in order to inform potentially interested parties of the opportunities presently available through an investment in manufacturing of shoes in Dar es Salaam, Tanzania and will explore the principal plans to pursue this opportunity. This document does not constitute an offer to sell, or a solicitation of an offer to purchase.

## Table of Contents

<b>1. Mission Statement.....</b>	<b>4</b>
<b>2. Vision Statement.....</b>	<b>4</b>
<b>3. Company Value .....</b>	<b>4</b>
<b>4. Company Summary.....</b>	<b>4</b>
<b>5. Company Ownership.....</b>	<b>4</b>
<b>6. Market Analysis Summary .....</b>	<b>5</b>
<b>6.1. Market Segmentation .....</b>	<b>5</b>
<b>6.1.1. Demographic.....</b>	<b>5</b>
<b>6.1.2. Psychographic Segmentation .....</b>	<b>5</b>
<b>7. Environmental Analysis (SWOT) .....</b>	<b>5</b>
<b>7.1. Industry Analysis .....</b>	<b>5</b>
<b>7.2. Competition .....</b>	<b>5</b>
<b>7.3. Products/ Services .....</b>	<b>6</b>
<b>7.4. Competitive Edge .....</b>	<b>6</b>
<b>8. Marketing Strategy .....</b>	<b>6</b>
<b>8.1. Pricing (and pricing strategies).....</b>	<b>6</b>
<b>8.2. Promotion .....</b>	<b>7</b>
<b>9. Personnel Plan .....</b>	<b>7</b>
<b>10. Physical Locations and Facilities .....</b>	<b>7</b>
<b>11. Financial Narrative.....</b>	<b>7</b>
<b>11.1. Projected Income Statement for the Year 1 .....</b>	<b>7</b>
<b>11.2. Basis and Presumptions .....</b>	<b>8</b>

## **1. Mission Statement**

We are dedicated to providing our environmentally conscious consumer with eco-friendly, high quality sandals and shoes. Our commitment to creating comfortable, recycled sandals and shoes reduces waste and lessens the impact to our environment.

## **2. Vision Statement**

Our vision for Mpya-Mjini Company Limited is to be a leader in high quality, environmentally friendly footwear and to provide great customer service so we can create a lasting relationship with our customers.

## **3. Company Value**

The values that Mpya-Mjini Company Limited's Sandals and Shoes strives to uphold are respect, time management and family responsibility. We provide outstanding service and unique products that cannot be found within Tanzania. We strive for excellence, no matter how big or small relevant problems are. Determination and commitment are two very important factors that reflect Mpya-Mjini Company Limited Sandals and Shoes image.

## **4. Company Summary**

Mpya-Mjini Company Limited is a manufacturer and wholesaler of sandals and shoes for both men and women. The company uses innovative ways to design, manufacture, sell, and attract consumers to purchase sandals and shoes.

## **5. Company Ownership**

The company is full owned by foreign investors from China, who have bring a Chinese technology of manufacturing sandals and shoes.

## **6. Market Analysis Summary**

### **6.1. Market Segmentation**

#### **6.1.1. Demographic**

Age: 4 - 80

Marital Status: All

Gender: Male and Female

Income: All Income levels

Occupation: All

Ethnicity: All

Nationality: Tanzanian, and all nationalities of neighboring countries

#### **6.1.2. Psychographic Segmentation**

Activities: Dinners, entertainment such as plays, working out, golfing, nightlife, travel, shopping, etc.

Attitudes: They like to spend time with their kids, like to entertain, like to have fun, etc.

Value: Good quality, environmental awareness

## **7. Environmental Analysis (SWOT)**

### **7.1. Industry Analysis**

The industry our business operates in is manufacturing, and wholesale of Sandals and Shoes. According to International Trade Centre (2018), Tanzania's footwear demand is estimated to 46.8 million pairs per annum. Production of footwear in Tanzania is limited, leaving a huge gap which to an extent is filled by imports, predominantly supplied from China, while import from other countries, including India, are marginal.

### **7.2. Competition**

We face direct competition from other manufacturers of similar products who have their factories in Tanzania.

There are also competition from small scale manufactures of shoes and sandals, although due to their limited production capacity their competition is not very strong.

The large competition which is indirect comes from importation of similar products from mainly China, India, Singapore, and Malaysia.

We see strong sustainability of the business due to the large demand of the footwear in Tanzania.

### **7.3. Products/ Services**

Hua Yang Gang In Company Limited provides beautiful sandals and shoes that are designed to help the environment while still having a fashionable approach. These shoes are made out of fully recyclable products including used shoes materials, water bottles and cans which are all broken down and melted to form a customized unique shoe.

We have positioned our product to be perceived by our target market as a creative and original shoe. Our target market has eclectic creative tastes, so we want to insure our shoes are unique with original designs while still maintaining a high quality product.

### **7.4. Competitive Edge**

Our Company excels in several different areas showing immense differentiation from other competitors. Along with our attention to detail, we provide a feature that no other competitor provides.

Our shoes are for all people from age 4 to 80, and our prices are affordable to all income group.

## **8. Marketing Strategy**

### **8.1. Pricing (and pricing strategies)**

Mpya-Mjini Company Limited shoes prices have been set below competitor's average pricing because we want to be perceived as manufacturer of shoes for all income group.

## 8.2. Promotion

Our company has decided to use retailers to promote our products by ensure they are having enough stock, and the final price to our product is affordable to the all income group.

We usually use trade fairs such as the Mwalimu Nyerere International Trade Fair to show and explain our products to our customers.

## 9. Personnel Plan

Our company have hired 45 local employees and 3 foreigners' employees for the wholesale location, and the manufacturing location. Employees in our wholesale location are responsible for sell the shoes to sub wholesalers, and retailers, to organize the shoes, and maintain the store. Employees in the manufacturing location are responsible to manage all the manufacturing process.

## 10. Physical Locations and Facilities

Mpya-Mjini Company Limited is located at Plot No. 34, Block B, Kigamboni District, Dar es Salaam, Tanzania.

## 11. Financial Narrative

### 11.1. Projected Income Statement for the Year 1

	<b>Year 1 Projected TZS</b>
Turnover	2,165,938,750
less; Cost of Production	-
Gross profit	1,516,157,125
Less; Operating expenses	649,781,625
Profit / (Loss) Before Tax	866,375,500
Taxation	(216,593,875)
Profit /(Loss) after Tax	<b>(216,593,875)</b>

## **11.2. Basis and Presumptions**

This business plan has been drawn on the basis of following presumptions

- a) No of unit to be sold per year 1,303,450. The unit of shoes to be produced are 314,000 and the unit of sandals to be produced are 989,450
- b) Price per unit will remain constant. The price for sandals shall be TZS 1,475 and price for shoes shall be 2,250
- c) Cost of raw materials will remain constant
- d) No major changes on the market size
- e) No changes on the legal and political factors
- f) No significant changes on the exchange rates
- g) No major changes on the business environment
- h) Full functioning of production machines and equipment
- i) Excellent relationship between employer and employees