

BAIHUI COMPANY LIMITED



Business Plan for Supermarket Chain

Executive Summary

Company Overview

BAIHUI Company Limited is a modern retail enterprise established to develop and operate a chain of premium supermarkets across Tanzania.

With a total planned investment of US\$10 million, the company aims to set new standards in customer service, product diversity, and operational efficiency. The initial phase focuses on Dar es Salaam, where two prime locations—Kunduchi Mall and Peninsular Noble Centre—have already been leased.

Vision:

To become Tanzania's leading and most trusted supermarket brand, offering world-class retail experiences and reliable access to quality goods for all customers.

Mission

To deliver value, convenience, and innovation through modern retailing, supporting both local producers and international suppliers while creating sustainable employment opportunities.

Strategic Investment Phases:

Phase 1 (US\$4 million): Launch three stores, two leases already signed.

Phase 2 (US\$6 million): Expand supply chain, technology, and regional distribution.

Employment Impact:

Over 150 direct jobs will be created across all phases, alongside hundreds of indirect opportunities in logistics, supply, and service sectors.

Industry Overview

Tanzania's retail sector has experienced steady growth due to economic expansion, urbanization, and rising disposable incomes. The supermarket sub-sector, in particular, is benefiting from a growing preference for clean, well-organized, and customer-oriented shopping environments. According to the Tanzania National Bureau of Statistics (NBS), urban population growth of over 5% annually continues to drive consumer spending, while improved logistics networks are enhancing supply chain efficiency.

The retail transformation is particularly visible in Dar es Salaam, where organized retail now accounts for a significant share of household shopping. This provides a strong foundation for BAIHUI to establish itself as a modern, customer-focused brand.

Market Opportunity

BAIHUI targets a diverse consumer base comprising middle- and high-income households, professionals, expatriates, and urban families seeking convenience and premium-quality goods. The project capitalizes on Tanzania's shifting shopping habits—from open markets to structured supermarkets offering transparency, hygiene, and service reliability.

Dar es Salaam's emerging residential and commercial zones, including Kunduchi, Peninsula, and Mbezi, present ideal markets for expansion due to high-income demographics and limited retail saturation.

Competitive Landscape

The supermarket sector is dominated by a few players.

However, most competitors are concentrated in central Dar es Salaam, leaving suburban and regional markets underserved.

BAIHUI's strategy focuses on:

- 1 Premium locations in fast-growing suburbs.
- 2 Efficient logistics and warehousing systems.
- 4 Strong customer engagement and loyalty programs.
- 3 Consistent product quality across all outlets.

Planned Distribution of Outlets:

- Dar es Salaam: 4 supermarkets
- Dodoma: 1 supermarket
- Mwanza: 1 supermarket
- Arusha: 1 supermarket



Project Description and Development Phases

Phase 1: Establishment and Launch (US\$4 million)

The first phase aims to create the foundation of the BAIHUI brand by launching three modern supermarket outlets. Two sites—Kunduchi Mall and Peninsular Noble Centre—have already been leased.

Key expenditures include store fit-outs, refrigeration and shelving equipment, initial inventory stocking, and branding. The stores will operate under standardized service procedures to ensure uniform customer experience.

Approximately 150 employees (including management, cashiers, logistics personnel, and maintenance staff) will be hired during this stage. A small central warehouse in Dar es Salaam will serve as the initial distribution hub.

Phase 2: Expansion and Supply Chain Strengthening (US\$6 million)

Phase 2 will focus on optimizing operations, improving supply chain management, and expanding the brand's presence regionally.

BAIHUI will establish cold chain facilities for fresh produce and meats, create digital ordering systems, and introduce online delivery platforms for customers in urban areas.

The company will develop supplier relationships with both local producers and international partners to ensure product diversity and price stability. This phase will also introduce BAIHUI's private-label products, boosting brand visibility and profitability.

Organizational Structure

BAIHUI's governance structure will follow a centralized model with decentralized operations at each store. The head office will oversee finance, procurement, HR, marketing, and logistics, while store-level management will handle daily operations under standard operating procedures (SOPs).

Position	Role & Responsibility
Managing Director	Strategic direction, investor relations, and regulatory
Operations Manager	Oversee store operations and performance
Finance Manager	Budgeting, accounting, and financial planning
HR & Training Manager	Recruitment, staff development, and welfare
Procurement & Logistics Manager	Supplier management, stock control, and import operations
Marketing & Customer Relations Manager	Advertising, brand awareness, and loyalty programs
Store Managers	Daily store management and customer satisfaction

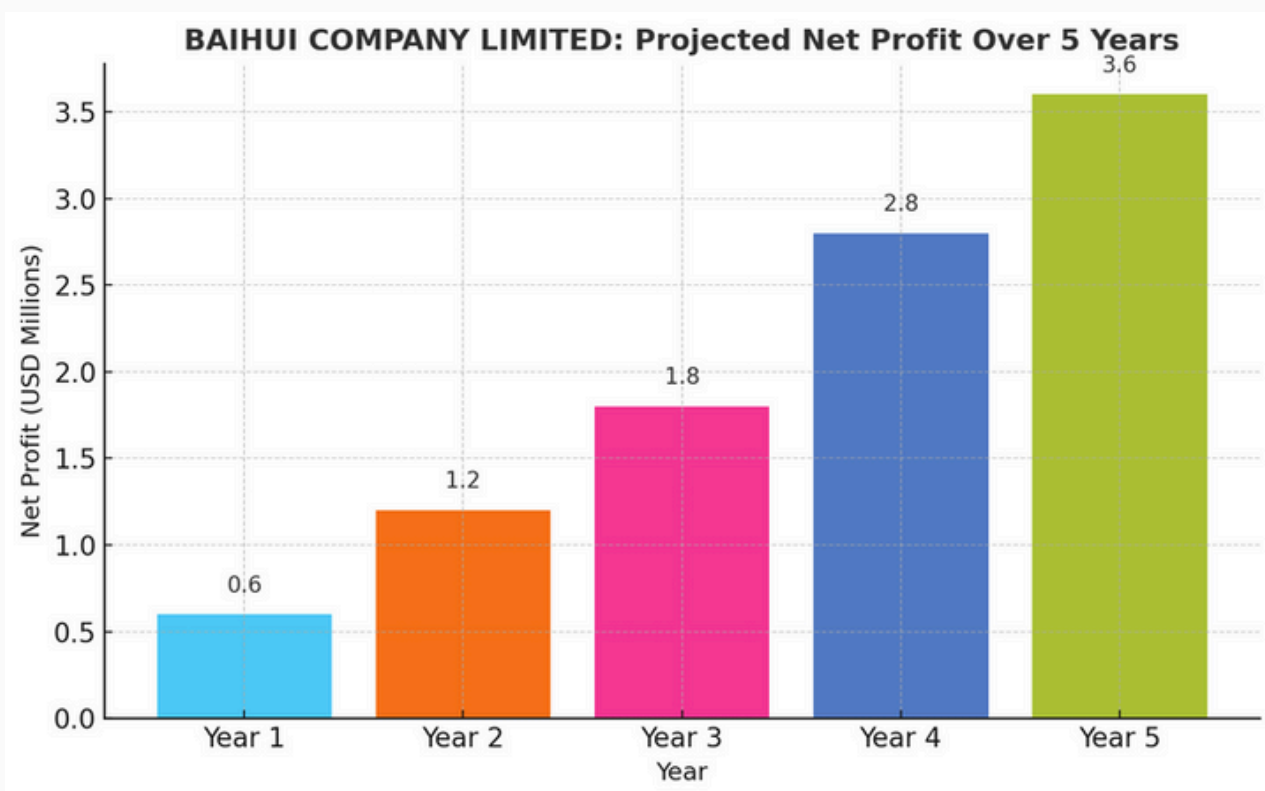
Capital Investment Summary

The total investment of US\$10 million will be executed in stages to reduce risk and align cash flow with performance.

Phase	Description	Investment (USD)
Phase 1	Store setup, branding, and initial inventory	4,000,000
Phase 2	Expansion, cold chain systems, technology	6,000,000
Total	Cumulative Investment	10,000,000

Projected Financial Performance (5 Years)

Item	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	4,500,000	8,000,000	12,000,000	16,000,000	20,000,000
Operating Expenses	3,200,000	5,000,000	7,000,000	9,000,000	11,000,000
Gross Profit	1,300,000	3,000,000	5,000,000	7,000,000	9,000,000
Net Profit	600,000	1,200,000	1,800,000	2,800,000	3,600,000
Return on Investment	-	12%	18%	28%	36%



Risk Assessment and Mitigation

This section analyzes potential risks that may affect BAIHUI's performance and how each will be addressed proactively.

Risk	Impact	Mitigation Strategy
Supply Chain Delays	Medium	Maintain multiple suppliers and local sourcing alternatives
Currency Volatility	High	Hedge exchange rate exposure through forward contracts
Competition Pressure	Medium	Build strong brand identity and loyalty incentives
Inflation and Pricing Pressure	Medium	Introduce house brands to control costs
Regulatory Delays	Low	Engage professional consultants for compliance
Staff Turnover	Medium	Provide training and competitive remuneration

Sustainability and Corporate Social Responsibility

This section highlights the company's environmental, social, and governance commitments.

BAIHUI aims to be a responsible corporate citizen, integrating sustainability into its operations. It will prioritize local procurement, youth employment, and environmentally conscious operations. All stores will promote eco-friendly packaging, energy-efficient lighting, and waste segregation systems.

CSR initiatives will focus on supporting education, local farmers, and health awareness campaigns.

By partnering with local producers, BAIHUI will contribute to strengthening Tanzania's domestic production base while maintaining competitive retail prices.



Implementation period

Phase	Timeline	Key Activities
Phase 1	Months 1–12	Lease stores, fit-out, stock procurement, staff recruitment, and launch
Phase 2	Months 13–30	Supply chain upgrades, e-commerce introduction, regional logistics setup

Future Plans & Milestones

BAIHUI Company Limited represents a visionary investment in Tanzania's fast-growing retail sector.

With strong financial backing, strategic location selection, and a robust management team, the company is poised to become a national leader in modern retail. Its expansion will contribute to local employment, supply chain development, and improved consumer access to high-quality products.

Through innovation, operational excellence, and social responsibility, BAIHUI aims to redefine the supermarket experience across Tanzania's major cities.