

**FEASIBILITY STUDY**

**FOR**

**KEBAN COMPANY LIMITED**

**HIGH CLASS TURKISH RESTAURANT RESTAURANT**

**PREPARED BY**

**KEBAN COMPANY LIMITED**

**P. O. Box 77722**

**Dar es Salaam**

## **1. EXECUTIVE SUMMARY**

The KEBAN COMPANY Limited will be one of the best Turkish restaurant located in an excellent area Mlimani City Dar es Salaam. KEBAN COMPANY Limited's goal is to provide a unique Turkish restaurant blend cuisine unlike any that exists anywhere in the Tanzania at this time. With its unique Turkish cuisines, themes and facilities, the KEBAN COMPANY Limited will be able to attract and serve over 1 million people in Dar es Salaam.

The total project cost is estimated at USD 500, 000. The shareholders will inject in the project USD 465, 800 as equity contribution.

Sales are projected to increase from USD 500,000 in year 1 to USD 6,682,000 in year five.

### **1.1 Objectives**

The KEBAN COMPANY Limited has identified a need of a unique Restaurant in Dar es Salaam. With its proximity to middle income people in Dar es Salaam and the tourist fraternity, the resort will generate good revenues through entertainment. The objective of KEBAN COMPANY Limited project is to create a unique eating and ultimate resort with Turkish national themes along with dining facilities to create a unique night entertainment specially for tourists' and business executive in Dar es Salaam

- Become a leader in Eating and Nightlife Entertainment Create one of a kind facility with different themes.
- Capitalize on excellent location opportunity where there are no competitors exist at such setup.
- Maintain tight control of costs, operations and cash flow through diligent management.
- Provide unique customer experience and create satisfied customers.

### **1.2 Mission**

KEBAN COMPANY Limited Restaurant intends to provide an unmatched unique existing experience for Turkish food and entertainment. The restaurant will provide highest quality Turkish Cuisine and entertainment and provide facility for wildest party and other events. It will provide high quality and wide variety Turkish delicacies, food facilities for all people. Provide highest quality customer service through highly trained staff. The company's goal is to be a step ahead of the competition. It wants its customers to have more fun and great experience at

all time. It will provide unique multinational food facilities in world class based nightlife entertainment Centre. KEBAN COMPANY Limited to be the leader in nightlife entertainment in Dar es Salaam.

### 1.3 **Keys to Success**

The keys to success in achieving goals are:-

- Highest quality service
- Managing finances to increase profit by reducing operating costs
- Experienced management
- Creating a unique entertainment effect, increasing the number of repeated customers.
- Targeted Marketing through various advertising channels Barriers to entry due to uniqueness of facility.
- Securing financing
- Maintaining and growing its referral networks to generate new and repeat sales.
- Improving efficiencies of operations
- Price competitive offerings.

## 2. **Project Summary.**

KEBAN COMPANY Limited Restaurant will be managed by professional management team to increase sales revenue and improve the rate of return from investment. .With its innovative business idea and unique location, the resort will be able to generate good revenues and rate of returns for its investors.

This unique entertainment facility is located on Plot No. 51 Ursino street, Reagent Estate, Kinondoni District Dar es Salaam.

### 2.1 **Company Ownership**

KEBAN COMPANY Limited is jointly owned by its founder members who also Doubles as Directors of the Company

1. ....
2. ....

### 2.2 **Start- up Summary**

The project cost is estimated at USD 500,000.The owners will fund USD 500,000 as their equity contribution to the project.

Long- term assets include the KEBAN COMPANY Limited structure at ..... square meters and a heavy duty equipment such as refrigeration units, kitchen equipment furniture and fixtures for every bar, restaurant and dance hall in the structure, and the like Lighting will be particularly elaborate to create the different "moods" of each area

### **3. Products and Services.**

The restaurant will have the following amenities

- A 100 seater main restaurant serving grilled meat (game and domestic) where clients will be served different types of meat on Turkish sword and eating will be unlimited.
- A fast food restaurant , a coffee shop, ice cream parlor and cocktail bars
- An individually butcher with all types of meat and beef.

#### **3.1 Product and Service Description**

The project's sales area will be the main restaurant, the fast food restaurant concert area, the games area, and butcher.

The covers for the project will be as explained below:-

1. Restaurant covers 15,000.00 per cover
2. Fast food restaurant 7,500 per cover

#### **3.2 Competitive Comparison**

The Business will be lucrative for the following reasons:

- The project will be aggressively marketed to general clientele. There will be an incentive program that rewards the clientele based on amount of money spent in the center.
- The location is excellent .The radius of potential customer base is increased due to the easy access from all parts of Dar es Salaam city.

#### **3.3 Sales Literature**

This business will begin with a general corporate brochure establishing offered services .Literature and mailing for the initial market forums will be very important, with the need to establish a high- quality look and feel in order to create a trusting sense of professionalism

#### 4. Market Analysis Summary

The KEBAN COMPANY Limited has a wide variety of mature people as their target market. The unique facility with dance and music along with bars and restaurant will attract mature people living in the local area along with visiting tourists.

##### 4.1 Market Segmentation

The target market can be separated into the following six categories

**Business Executives:** The unique settings and the quality of services to be offered at KEBAN COMPANY Limited will help the resort attract business executive in and around Dar es Salaam. The market segmentation of these business executive category between ages between 40-65 is one of the most important customer segments of KEBAN COMPANY Limited. Most of this target market have adequate disposable income.

**Single Young Business Professionals-** The second category of target market is young business professionals in and around our area between 25 and 40. This area has some industries including banking institutions, professional firms insurance companies, tour companies etc. These corporations have lots of young executive, who have enough money to spend on high quality night entertainment. Currently these professionals are spending their time in small night clubs and bars for parties and get-together. With the availability of multi-themed entertainment like KEBAN COMPANY Limited they will spend major portion of their income for these entertainments.

**Married Couples:** People who are married and between the ages of 30 to 40, who have either one or two kids or don't have any kids are targeted for this entertainment. The middle aged people have sound financial income and will be interested in spending an occasional weekend out for party. The nightclubs, and Carnival main restaurants will attract these people to enjoy their weekends and holidays in Sundown Carnival..

**Tourists/Vacationers-** Dar es Salaam is one of the important tourist areas for visitors from other states and also for the international tourists. This category of people will be interested in getting a unique experience by spending more money KEBAN COMPANY Limited will provide a wide variety of entertainment and restaurant themes in its facility. The tourists can be easily attracted to the facility by creating vacation p The age category can range between 25- 40 for tourists

#### 4.2 Target Market Segment Strategy

The market is segmented based on the age and lifestyle category of each group. Market is also segmented into various categories for targeting different types of promotions and advertisements suitable for each target market segment.

**College Students;** The business executive will be attracted to 5 bars and wild parties. Target marketing for these markets will be done through corporate promotions and targeted advertising.

**Single Young Business Professionals:** This segmentation is targeted for young business professional between the ages of 25 and 40. The business professionals will be interested in conducting business parties, clients meeting, and clients' entertainment and other social activities in places of unique entertainment. This segment of the market can be attracted with corporate promotions and targeted corporate tie-ups for promotional dinner and entertainment activities. These business executive will enjoy nightclub with Ocean's 11- type movie setup. The large dance floors with rap, hip-hop and rock music will easily attract young professionals.

**Families and Married Couples:** This segmentation is for people in the age group of 30 to 40 who are married and are interested in having fun outside. Most of this group will spend weekend in bars and restaurants or any other public entertainment places through unique direct marketing promotions through coupons and tree dinner offers.

**Tourists & Vacationers:** This market targets people who visit this area from outside the country. Tanzania has over 1,000,000 tourists annually; approximately 650,000 of them are adults in our targeted age ranges. This market is constantly looking for these unique entertainment places and will be ready to spend more time and money for these unique entertainment resorts. The age group for this target market can vary between 20 to 40 years. Most of the tourists will be interested in all types of themes since they will get various experiences by visiting at different nightclub themes. This target market can be attracted by selective ad promotion through travel agencies. Tourists can also be attracted through big billboard ads placed near airport and hotels with promotional package advertisements.

#### 4.3 Service Business Analysis

The KEBAN COMPANY Limited is in the entertainment industry. The entertainment Industry grows tremendously every year, making very good profits for businesses. The major competitors are restaurant, small nightclubs, major restaurant chains, other adult entertainment centres in the vicinity of Dar es Salaam

#### **4.3.1 Competition and Buying Patterns**

KEBAN COMPANY Limited will be competing against other local nightclubs, restaurants and free parties. We are competing for the disposable income and leisure time that our potential customers has decided they want to go out to eat or to go dancing or listening to music, we are most closely competing with similar types of businesses; other restaurants, nightclubs and concert venues. Our challenge is both to encourage them to choose activities we offer, and then to preferentially choose KEBAN COMPANY Limited over smaller, less unique options.

### **5 Web Plan Summary**

KEBAN COMPANY Limited will create a unique website for the Resort. The website will provide all information regarding the facility, directions to facility, timings, various themes and entertainment details etc. The website also allows people to make reservation online for special parties and dinner. The website will create various promotional advertisements targeted towards net- savvy customers.

### **6 Strategy and Implementation Summary**

KEBAN COMPANY Limited utilize the following marketing strategy to win competition in eating and nightlife entertainment

#### **Differentiation by Innovation in Entertainment – Brand Strategy**

- The facility will provides Dar es Salaam best Chinese nightlife entertainment with a unique nightclub, Restaurants one seating 500 and the other a midnight café type of restaurant , Sports Central Game area with various world sporting events and Gaming devices for customer entertainment .

#### **Specialized Products & Services- Create Brand Loyalty**

- Large Dance floors, live concerts etc.

#### **Customer Incentive Programs- Repeated Customer Creation**

- Satisfy the wants and needs of various target market and make them select KEBAN COMPANY Limited as one and only place for nightlife entertainment.

### **Aggressive Marketing**

- Highly targeted marketing to make people visit the facility- Various consumer and corporate promotional strategies will be used to invite customers to the resort.

### **Keeping Cost Down**

- The management will be stressing the needs to keep the administrative costs down at the same time provide good quality products and service.

### **Focus on Local Market**

- KEBAN COMPANY Limited will concentrate in the Dar es Salaam area. The marketing will be initially targeted toward the Dar es Salaam residents. Slowly the marketing programs will expand into other regions. By concentrating in local market the company can use available demographic and behavioral information to create success

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### **6.1 Competitive Edge**

The competitive edge of KEBAN COMPANY Limited is its variety of Turkish based restaurant .Such a facility is not available in this area or anywhere in Tanzania .The uniqueness of this facility will help us compete successfully against the small bars and nightclubs in Dar es Salaam. It will have the best of the broad entertainment programs with national and international dance and live concert entertainment with availability of various variety of food will create a world class facility for nightlife entertainment.

The location of KEBAN COMPANY Limited facility is another major factor stressing successful operation. With no major competitors In the vicinity, the resort will be able to generate excellent cash flow through entertainment.

### **6.2 Marketing Strategy**

The Company will use various marketing strategies and tactics to attract the target market to visit the facility. There will be KEBAN COMPANY Limited Mobile Party Units, which are buses carrying various themes with seating capacity for 10 to 15 people per trip available for transportation between malls and sports venues to the

entertainment resort. This will help promoting the resort and its facility to mass market in Dar es Salaam area. The main marketing strategy will be as follows.

#### Advertising through Sundown Carnivore Mobile Party Units

- Buses carrying various themes with seating capacity of 10-15 people shuttle between resort and malls/ sports venues.

#### Media Advertisement

- High quality advertisements will be shown on TV to attract singles and tourist markets.
- Magazine ads for the entertainment resort .Selected advertisements will be shown in business fashion, life style and various magazines explaining about the facility and themes based entertainment of the resort.
- Newspaper Ads- Ads will be placed in local and national newspapers to create a brand image among people and also to create awareness about the new facility.
- Billboards- Billboard advertisement of the resort facility will be kept in major city sports venues and high ways to attract people towards the resort.
- Radio Ads- Advertisement and promotions will be made through selective radio channels and various competitions and awards will be offered to make the people visit KEBAN COMPANY Limited facility.

#### Corporate Promotional Pricing

- We will create tie- ins with various corporations to conducts business dinner and parties in KEBAN COMPANY Limited facility at affordable price

#### Direct Mail Campaigning

- Flyers and leaflets showing high quality pictures of various entertainment themes will be send by direct mail to people living on Arusha area.

#### Monthly/Yearly Membership Programs

- Company will promote yearly and monthly membership prices which will be lower than regular prices to promote repeated customer visits

#### Travel Agency & Hotel Chain Tie- Ups& Package Pricing

- Various fliers and ticketing will be made available in travel agencies and major hotels to create awareness among tourists and attract them towards facility.

### **6.3 Sales Strategy**

The Sales Strategy is based on making a sale and creating a repeat customer through long- term relationships. The sales force will be divided in territorial areas to concentrate various market segments. Separate teams will be responsible for sales revenue from Business executive Corporate Customers, Couples & Individuals etc.

The Sales Strategy will be based on the following points.

- Prospecting – Make relationships with customers and generate repeated sales
- Targeting- Targeting will be done through corporate get- together promotions etc.
- Selling – Approach present answer questions and make a sale.
- Information Gathering- Marketing research in varying customer attitudes and change sales tactics accordingly.

The Sales force will be structured based on territorial control .The sales team will be given incentives based of number of new account creations, existing account maintenance, and call frequencies to customer’s relationship building etc.

### **Sales Implementation**

We will contract and build relationships with corporate customers which invoice separate parties and meeting areas in the facility. Direct Mail Sales and marketing will be done with various price promotions to attract local Arusha people to the facility

#### **6.3.1 Sales Forecast**

The following table and chart shows the sales revenue for each month and projected sales for the next four years by bar beverage sales restaurant food sales and cover charges for admission. The cover charge applies only to dance and game rooms and bars, restaurant- only customers pay no cover. The sales revenue will increase in coming years due to the increased publicity, of this unique facility in Arusha and other parts of Tanzania. The business revenues are seasonal following the tourism calendar in Tanzania.

The sales price also includes all excise taxes charged on food and alcohol (These are repaid in the Profit and Loss Table)

## 7 Management Summary

The KEBAN COMPANY Limited Restaurant will have the same operational structure as a casing. The Company will stress the importance of security to customer enjoyment, and creating a unique customer entertainment experience. The facility will have the following managers in its organizational structure

- **General Manager-** General Manager will be responsible for overall business management dealing with various sales, marketing; Refinance & Security groups in the facility General Manager will have good industry experience in a similar industry with a wide range of people and management skills.
- **Marketing & Advertising Manager-** This manager will be reporting to the General Manager and will be responsible for setting up sales and marketing strategies. The Marketing & Advertising manager selects channels of advertisement, sets sales revenue targets, create marketing promotional plans and manage sales and marketing team M&A Manager will responsible for creating repeat customers through customer- oriented sales strategy.
- **Human Resources & Administration Manager:-**HR& Administrations Manager is responsible for selecting and recruiting people for the facility .The HR department will be responsible for daily administration and problem resolutions among customers and employees.HR department will create policies to make the facility a better place to work and maintain day to day increase their awareness to treat customers with highest quality service.
- **Financial Operations Manage-** The Financial Operations Manager will be responsible for finance and accounting of company's revenue and expenses .The Financial Manager will create policies to reduce the operational cost to minimum and increase revenue of the firm. The Financial Manager will be responsible for accounting of daily profits from various revenue streams, calculating inventory, tracking daily operational expenses, projecting advertising expenses etc. Financial Operations Manager will communicate with other functional managers to make the facility profitable through cost-effective financial methods implementation.

- **Security Manager**-Security Manager will be responsible for keeping the environment safe and secured for the customers. The Security Manager will prevent and handle any fights or conflicts of various kinds between customers. The Security Manager will manage the security personnel and implement various remote monitoring technologies to improve the safety and security of resort customers.

### **7.1 Personnel Plan**

The KEBAN COMPANY Limited will have five managers: General Manager, Marketing & Advertising Manager, Human Resources & Administration Manager, Financial Operations Manager and Security Manager

The resort also employs full and part-time employees in the following categories:

- 10 Security Guards
- 5 Bartenders
- 20-30 Waitresses
- 10-12 Members of Kitchen Staff
- 5 Back office Staff
- 4- 5 Host & Hostess
- 10-15 After – Hours Cleaning Staff
- 2 Djs
- 2 Computer Staff

## **8. Financial Plan**

KEBAN COMPANY Limited will be a vast undertaking, requiring extensive start-up funding but paying off handsomely within a short period

The project funding is done by collecting through equity financing from owners and from loan finance. The Company will be managed by experienced professionals in the entertainment industry

### **8.1 Start – up Funding**

The start – up funding for KEBAN COMPANY Limited comes from equity funding finance.

## 8.2 **Key Financial Indicators**

The benchmark comparison chart highlights our ambitions plan. We feel this is a new fast growing service offered to the community. The opportunity to expand service is endless

## 8.3 **Break – even Analysis**

The Break- even analysis shows the number of units of sales required for the facility to make profit over the fixed costs

## 8.4 **Projected Profit and Loss**

The following tables and charts show the projected Profit and Loss for KEBAN COMPANY Limited We expect to become profitable in the second year, as satisfied customers become repeat customers and word of mouth about the resort spreads. We expect an increase in the tourist contingent, especially .As the Profit and Loss table shows the company expects to see a steady growth in profitability over the next five years of operations.

## 8.5 **Projected Cash Flow**

The Cash Flow projection shows that provisions for ongoing expenses are adequate to meet the needs of the company, as the business generates sufficient cash flow to support operations. The table also shows dividends paid out to all investor in later years, dividends will be distributed according to equity percent owner

## 8.6 **Projected Balance Sheet**

The Balance Sheet shows healthy growth of net worth, and strong financing positions. The net worth grows over the years as shows in the following table