

BUSINESS PROPOSAL 2024

DONGFENG(TANZANIA) ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED

**LOCATION 05806# New Bagamoyo Road
Kijitonyama DIST, Dar es salaam, Tanzania**

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COMPANY DESCRIPTION

Background information

The company is a professional sales and service center registered in compliance with regulations in Tanzania, dedicated to the sale of Dongfeng commercial vehicles and automotive parts. It is located at No.05806, New Bagamoyo Road, Kijitonyama District.

is a wholly-owned subsidiary of Shiyang Zhaohong Automotive Technology Co., Ltd., with a registered capital of \$500,000 and an area covering 4,680 square meters. Currently, it has five sales and service managers dispatched from both domestic and international markets, five financial and spare parts managers, and ten local employees.

1. Export Focus on Tanzania: DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED will primarily focus on exporting DONGFENG commercial trucks and relative automobile spare parts to Tanzania. The Tanzania market has a high demand for commercial truck, used in various industries such as miner,logistic transport,construction field and so on. By targeting this market, the company aims to establish a reliable and profitable export channel.

2. Market Analysis and Pricing for Tanzania: The market analysis for commercial truck products in Tanzania indicates strong demand and favourable pricing conditions. The company will conduct thorough market research to set competitive prices that align with market trends and consumer

demand in Tanzania. This strategy ensures that DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED remains competitive and profitable in the East Africa market.

3. Revenue Generation in USD: By earning revenue in USD through exports to Tanzania, DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED will benefit from a stable and strong currency. This approach not only ensures financial stability for the company but also helps mitigate risks associated with currency fluctuations in the CNY.

4. Economic Benefits for Tanzania: The company's operations will contribute significantly to Tanzania's economy. By engaging in truck trading and establishing a processing plant, DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED will create employment opportunities, support local farmers, and stimulate economic activity in the Dar es Salaam region. The import revenue generated in USD will also help strengthen Tanzania's foreign exchange reserves.

5. Strengthening Tanzanian Exchange Rates: The inflow of USD from exports to Tanzania will positively impact Tanzania's exchange rates. By contributing to the country's foreign exchange reserves, DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED will play a role in stabilising and strengthening the Tanzanian Shilling. This financial stability is crucial for the country's economic growth and development.

OWNERSHIP

The business is owned by two shareholders who are DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED **And** NASRA ALLY OMARY **with a total ShareCapital of USD**

500,000 Only divided into **Two Million** (2,000,000) shares of **Tanzania Shillings One Thousand** (T.Shs 1,000.00) each.

The following table shareholders and ordinary share distributions.

The following table show shareholders distribution:-

Shareholders	No of share	Citizenship
1 DONGFENG(TANZANIA) ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED	1980000	Chinese
2 NASRA ALLY OMARY	20000	Tanzania

Vision :

Our vision at DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED is to be a leading player in the commercial truck industry, renowned for our commitment to sustainable practices, innovation, and excellence. We aspire to contribute significantly to the global commercial truck supply chain while fostering economic growth and prosperity in the communities we operate in.

Mission:

Our mission is to harness the potential of commercial truck to create value for all stakeholders involved, including our shareholders, employees, partners, and the communities we serve. We are dedicated to:

1. Establishing a strong presence in key markets, particularly east Africa, by delivering high-quality automobile and its spare parts products that meet the diverse needs of our customers.

2. Driving innovation and efficiency throughout our operations, from farming and processing to distribution and marketing, to ensure optimal resource utilization and product quality.
3. Promoting sustainable commercial trucks practices that protect the environment, conserve natural resources.
4. Fostering mutually beneficial relationships with local suppliers, and other stakeholders to create shared value and promote socio-economic development.
5. Upholding the highest standards of integrity, transparency, and ethical conduct in all aspects of our business operations.

Through our unwavering commitment to our vision and mission, we aim to make a positive and lasting impact on the commercial truck sector while delivering sustainable value to our stakeholders and contributing to the overall well-being of society.

COMPANY PRODUCTS

Introduction

An overview of the products offered by DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED

Commercial truck:

1. We offer brand new commercial truck with Dongfeng and other famous brand.

Automobile spare part:

2. We also offer different brand truck related spare parts to ensure all customers can get immediately maintenance for their truck.

At DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED, we are committed to delivering superior quality products that meet the needs of our customers while upholding the highest standards of safety, traceability, and sustainability.

INDUSTRY ANALYSIS

Commercial Truck Export Market Analysis: Africa

Africa's growing infrastructure development, expanding logistics networks, and demand for reliable freight transport present significant opportunities for commercial truck exporters. However, market entry requires navigating regulatory complexities, price sensitivity, and competition. This analysis outlines key trends, challenges, and strategies for success.

1. Market Overview

Market Size: Africa's commercial truck market is projected to grow at a ****CAGR of 6–8%**** (2023–2030), driven by urbanization, intra-African trade, and mining/logistics sectors.

Key Demand Drivers

Infrastructure Gaps: Poor road conditions in many regions necessitate durable, off-road-capable trucks.

Rising E-commerce: Last-mile logistics demand boosts light-duty truck sales.

Mining & Construction: Heavy-duty trucks (e.g., dump trucks, tippers) are critical in resource-rich countries (Nigeria, DRC, South Africa).

AfCFTA: The African Continental Free Trade Area is accelerating cross-border freight transport.

Top Import Markets:

Nigeria: Largest economy, high demand for used and new trucks (price-sensitive).

South Africa: Mature market favoring premium brands (Scania, Volvo) and electric truck pilots.

Kenya/Ethiopia: Logistics hubs for East Africa; demand for medium-duty trucks.

Angola/Mozambique: Post-war reconstruction driving construction truck needs.

2. Competitive Landscape

Dominant Players:

Chinese Brands: FAW, Sinotruk, and Dongfeng dominate due to affordability and financing options.

European Brands: Scania, Volvo, and Mercedes-Benz hold premium segments (mining, long-haul).

Local Assembly: Kenya, Nigeria, and South Africa incentivize local production to avoid tariffs.

Competitive Advantages:

- Price competitiveness (e.g., Chinese trucks 20–40% cheaper than European models).
- After-sales support networks (critical in remote areas).
- Fuel efficiency and adaptability to low-quality diesel.

3. Challenges

Regulatory Barriers:

- Varying import tariffs (e.g., 10–35% across ECOWAS, SADC regions).
- Complex certifications (e.g., SONCAP in Nigeria, EAC standards in East Africa).
- Infrastructure Limitations^{**}: Poor roads increase maintenance costs and demand rugged designs.
- Currency Volatility^{**}: High FX risks in markets like Nigeria and Angola.
- Secondhand Market Competition^{**}: Used trucks from Europe/Asia account for ~60% of Africa's fleet.

4. Opportunities

Electric Trucks: Emerging interest in South Africa and Morocco for sustainable mining/logistics.

Customized Solutions: Trucks modified for overloading, extreme heat, and unpaved roads.

Financing Partnerships: Lease-to-own models and collaboration with African development banks (e.g., Afreximbank).

Local Assembly: Avoid tariffs by partnering with assembly hubs in Kenya, Ghana, or South Africa.

5. Market Entry Strategy

Target Segments:

Priority 1: Heavy-duty trucks for mining in Zambia, DRC, and South Africa.

Priority 2: Light-duty trucks for urban logistics in Nigeria, Kenya, and Egypt.

Recommended Actions**:

1. Partner with local distributors with strong service networks.

2. Offer modular designs (e.g., interchangeable parts for easy repair).

3. Leverage Chinese financing models (e.g., supplier credit backed by Afreximbank).

4. Engage governments for PPP infrastructure projects (e.g., port expansions, highways).

6. Conclusion

Africa's commercial truck market offers growth but requires localized strategies.

Success hinges on balancing cost efficiency, durability, and after-sales support.

Early entrants focusing on strategic partnerships and adaptable product designs will gain long-term advantages.

Tanzania MARKET ANALYSIS

Here's a structured analysis of opportunities and challenges for commercial vehicles in the Tanzanian market.

1. Market Overview

Tanzania, with its strategic location as a gateway to East and Central Africa, is experiencing steady economic growth (GDP growth ~5% in 2023). The demand for commercial vehicles (CVs) is driven by infrastructure projects, mining, agriculture, and regional trade. However, affordability, infrastructure gaps, and regulatory hurdles shape market dynamics.

2. Key Opportunities

A. Infrastructure Development**

Government-Led Projects: Tanzania's \$1.9bn *Standard Gauge Railway (SGR)*, port expansions (e.g., Dar es Salaam Port), and road upgrades (e.g., *Tanzania-Zambia Highway*) require heavy-duty trucks, tippers, and construction vehicles.

Last-Mile Logistics: Urbanization (35% urban population) and e-commerce growth (e.g., *Wasoko*, *Jumia*) fuel demand for light-duty trucks and vans.

B. Natural Resources & Agriculture

Mining Sector:** Gold, coal, and gemstone mining in regions like Geita and Mwanza drives demand for rugged trucks and specialized vehicles.

Agriculture:** As the backbone of Tanzania's economy (25% of GDP), farm produce transport (e.g., cashews, coffee) creates demand for medium-duty trucks.

C. Regional Trade Corridors

Transit Hub:** Tanzania serves landlocked neighbors (e.g., Zambia, DRC, Rwanda) via the *Central Corridor*, boosting demand for long-haul trucks and refrigerated transporters.

D. Policy Incentives

Local Assembly Promotion:** Tax breaks for companies assembling vehicles locally (e.g., *Kibo Vehicles* in Dar es Salaam).

AfCFTA Participation:** Reduced trade barriers under the African Continental Free Trade Agreement may expand cross-border logistics.

E. Emerging Trends

Electric Vehicles (EVs):** Pilot projects in Dar es Salaam for electric buses and trucks, supported by renewable energy investments.

Used Vehicle Upgrades:** Demand for refurbished, fuel-efficient trucks in small-business logistics.

3. Major Challenges

A. High Costs & Financing Barriers

Import Taxes:** Commercial vehicles face import duties of **10-25%**^{**}, raising upfront costs.

Limited Financing:** High interest rates (14-20% for auto loans) and low credit penetration restrict buyer access.

B. Infrastructure Deficiencies

Poor Road Conditions:** Only 10% of Tanzania's roads are paved, increasing wear-and-tear and maintenance costs for CVs.

Fuel Accessibility:** Rural areas suffer from inconsistent diesel supply, requiring vehicles with large fuel tanks or alternative energy solutions.

C. Competitive Pressure

Dominance of Used Imports:** Secondhand trucks (mainly from Japan, Europe) account for ~70% of CV sales due to affordability.

Chinese Brands:** FAW, Foton, and Sinotruk offer low-cost new trucks, intensifying price competition.

D. Regulatory Complexity

Customs Delays:** Bureaucratic bottlenecks at Dar es Salaam Port increase lead times.

Emission Standards: Lack of clear regulations for older, imported vehicles creates market fragmentation.

E. After-Sales Service Gaps

Sparse Dealer Networks: Limited maintenance facilities outside major cities like Dar es Salaam and Arusha.

Parts Availability**: Reliance on imported spare parts raises repair costs and downtime.

4. Strategic Recommendations

1. Local Assembly Partnerships: Collaborate with Tanzanian firms (e.g., Kibo Vehicles) to reduce tariffs and costs.
2. Customized Product Offerings: Develop trucks with reinforced suspensions, higher ground clearance, and compatibility with low-quality diesel.
3. Financing Solutions: Partner with local banks or microfinance institutions to offer lease-to-own programs.
4. After-Sales Expansion: Invest in service centers along key trade corridors (e.g., Dodoma, Mwanza).
5. Sustainability Initiatives: Introduce hybrid or CNG trucks to align with Tanzania's renewable energy goals.

5. Conclusion

Tanzania's commercial vehicle market offers growth potential in infrastructure, mining, and regional trade, but success requires navigating high costs, infrastructure gaps, and competition from used imports. Companies that prioritize localization, affordability, and robust after-sales support will be best positioned to capture market share.

Marketing goals and objectives

- 1. Increase Brand Awareness:** Enhance the visibility and recognition of our brand among target customers, industry stakeholders, and key decision-makers in the agricultural sector.
- 2. Expand Market Reach:** Extend our market presence beyond existing regions and customer segments by exploring new geographic markets and diversifying customer demographics.
- 3. Drive Sales Growth:** Achieve revenue targets by increasing sales automobile products through effective marketing strategies and promotional campaigns.
- 4. Build Customer Loyalty:** Foster long-term relationships with customers by delivering exceptional value, personalized services, and consistent product quality, leading to repeat purchases and brand advocacy.

5. Differentiate from Competitors: Highlight unique selling propositions and competitive advantages to differentiate our products and services from those of competitors in the market.

Marketing Objectives:

1. Launch Marketing Campaigns: Develop and execute integrated marketing campaigns across various channels, including digital marketing, social media, print media, and trade shows, to generate awareness and interest in our products.

2. Expand Distribution Channels: Identify and onboard new distribution partners, wholesalers, and retailers to expand the availability of our products in target markets and reach a broader customer base.

3. Enhance Online Presence: Optimize our website and online platforms for search engines (SEO), create engaging content, and leverage social media channels to increase online visibility, attract website traffic, and generate leads.

4. Customer Relationship Management (CRM): Implement a CRM system to track customer interactions, gather feedback, and tailor marketing efforts to individual customer preferences, enhancing overall customer satisfaction and retention.

5. Product Positioning and Messaging: Develop clear and compelling messaging that communicates the unique benefits and value propositions of our products, resonating with target customers and addressing their pain points effectively.

6. Monitor and Analyze Marketing Performance: Establish key performance indicators (KPIs) to measure the effectiveness of marketing initiatives, such as website traffic, conversion rates, customer acquisition costs, and return on investment (ROI), and use data analytics to optimize marketing strategies.

7. Partnership and Collaboration: Identify opportunities for strategic partnerships with relevant industry stakeholders, influencers, and organizations to amplify our marketing reach, gain access to new customer segments, and enhance brand credibility.

These goals and objectives will guide our marketing efforts and contribute to the overall success of our business.

Markets growth:

Market growth refers to the rate at which the total market size or demand for a particular product or service increases over time. For DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED, the market growth would primarily be influenced by factors such as increasing demand for automobile products, emerging trends in consumer preferences, and economic conditions in target markets.

1. Market Trends and Drivers: Identify key market trends and drivers that are driving the growth of the automobile products industry. This could include factors such as population growth, urbanization, changing dietary habits, and the increasing use of automobile in various industries like miner, logistic, construction project. Analyze how these trends are impacting the demand for automobile products and forecast future growth based on these insights.

2. Market Size and Potential: Assess the current market size for automobile products in target regions and estimate the potential for growth based on demand projections, population trends, and economic indicators. Utilize market research reports, industry publications, and government data to gather relevant information and quantify the size of the addressable market.

3. Competitive Landscape: Understand the competitive landscape within the automobile products industry, including major players, their market share, distribution channels, and product offerings. Evaluate how competitive dynamics influence market growth and identify opportunities to differentiate your products and capture market share.

4. Consumer Behavior and Preferences: Gain insights into consumer behavior, preferences, and purchasing patterns related to automobile products. Conduct surveys, focus groups, or market research studies to understand consumer needs, pain points, and product preferences. Use this information to tailor your marketing strategies, product development initiatives, and pricing strategies to meet customer demands effectively.

5. Regulatory and Environmental Factors: Consider regulatory requirements, quality standards, and environmental regulations that govern the production, distribution, and sale of automobile products. Stay informed about changes in regulations and compliance standards that may impact market growth and adapt your business operations accordingly to ensure compliance and maintain consumer trust.

6. Emerging Markets and Opportunities: Explore opportunities for market expansion and diversification into new geographic regions or customer segments where demand for cassava products is growing. Evaluate factors such as population demographics, economic development, infrastructure, and trade policies to identify attractive growth markets and develop market entry strategies.

7. Continuous Monitoring and Adaptation: Monitor market dynamics, competitive developments, and customer feedback on an ongoing basis to stay agile and responsive to changes in the market environment. Continuously refine your market growth strategies, product offerings, and business models based on real-time insights and feedback from the market.

By understanding and analyzing these factors, you can develop informed strategies to capitalize on market growth opportunities and position your business for long-term success in the automobile products industry.

COMPETITION

Industry competition

The automobile industry is highly competitive, with numerous players operating at both local and international levels. DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED faces competition from

established companies that have significant market share and resources, as well as from smaller, agile firms that can quickly adapt to market changes.

Local Competition: Within Tanzania, there are several well-established automobile producers and processors. These local competitors benefit from strong relationships with local customers and a deep understanding of the regional market. They often compete on price and product quality, and their proximity to raw material sources provides them with a logistical advantage.

International Competition: On a global scale, major automobile-producing countries have advanced processing technologies, established export channels, and significant production capacities, allowing them to offer competitive pricing and consistent product quality to international buyers.

Key Competitive Factors

1. Price Competitiveness: Being able to offer competitive prices while maintaining quality is crucial. Competitors often leverage economies of scale, advanced processing techniques, and cost-effective supply chain management to keep prices low.

2. Product Quality: High-quality products that meet international standards are essential for capturing and retaining market share. Competitors invest in quality control processes and certifications to ensure their products meet the stringent requirements of international markets.

3. Supply Chain Efficiency: Efficient supply chain management, including reliable sourcing, processing, and distribution, is a key competitive advantage. Companies that can minimize delays and ensure consistent supply are better positioned in the market.

4. Innovation and Technology: Investment in modern processing technologies and innovative product development can differentiate a company

from its competitors. Firms that innovate in product offerings and improve production efficiencies can capture additional market share.

5. Market Relationships: Strong relationships with buyers, suppliers, and distributors are vital. Competitors with established networks and long-term contracts often have a stable demand for their products.

6. Sustainability Practices: Increasingly, consumers and regulators are prioritizing sustainability. Companies that adopt environmentally friendly practices and promote sustainability in their operations can attract eco-conscious customers and comply with regulatory standards.

7. Brand Reputation: A strong brand reputation built on reliability, quality, and trustworthiness can be a significant differentiator. Competitors with well-known brands and positive market perceptions often enjoy customer loyalty and repeat business.

To successfully navigate this competitive landscape, DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED must leverage its strengths, continuously improve its operations, and remain agile in responding to market dynamics. By focusing on innovation, quality, and strategic market positioning, the company can build a sustainable competitive advantage in the cassava industry.

Market Barriers

Entering and operating in the automobile industry, especially with a focus on international markets like China, involves several significant barriers that DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED must navigate. Understanding and addressing these barriers is crucial for the company's success.

Regulatory Challenges: Compliance with regulatory requirements in both domestic and international markets is a major barrier. These include quality standards, safety regulations, export-import restrictions, and certification processes. Navigating these regulatory landscapes requires significant investment in compliance and legal expertise.

High Initial Investment: Establishing a robust automobile processing and export operation demands substantial initial investment. This includes costs for land acquisition, farming equipment, processing facilities, and technology. Access to capital and financing can be a barrier, especially for new or smaller players in the market.

Logistics and Supply Chain Issues: Efficient logistics and supply chain management are critical for the cassava industry. Barriers include inadequate infrastructure, transportation challenges, and delays in supply chain processes. These issues can affect the timely delivery of products and increase operational costs.

Market Competition: The presence of well-established competitors with strong market positions and brand recognition is a significant barrier. Competing with these firms requires a clear value proposition, differentiation through product quality, innovation, and strategic marketing efforts.

Technological Barriers: The automobile industry relies heavily on advanced processing technologies and farming techniques. Barriers include the high cost of technology adoption, lack of access to modern equipment, and the need for skilled labor to operate and maintain advanced machinery.

Economic and Market Volatility: The truck sector is inherently susceptible to market and economic volatility. Fluctuations in commodity prices, changes in consumer demand, and economic downturns can create barriers to stable operations and profitability.

Environmental and Climate Factors: Automobile farming is vulnerable to environmental conditions and climate change. Barriers include unpredictable factors like exchanging rate, political factors and so on.

Cultural and Language Barriers: Entering international markets such as China involves navigating cultural differences and language barriers. Building relationships with local partners, understanding consumer preferences, and effectively communicating in the local language are critical for market entry and growth.

Access to Skilled Labor: The availability of skilled technology engineer, processing, and management is a barrier. Training and retaining qualified personnel in techniques, technological operations, and international business practices require ongoing investment.

Financial Risks: The automobile industry faces financial risks, including fluctuating exchange rates, credit risks from buyers, and changes in interest rates. Managing these financial risks requires robust financial planning and risk management strategies.

To overcome these barriers, DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED must develop comprehensive strategies that include regulatory compliance, investment in technology and infrastructure, strategic partnerships, effective risk management, and continuous market research. By proactively addressing these challenges, the company can position itself for sustainable growth and success in the competitive automobile industry.

ORGANIZATION STRUCTURE

Creating an effective organizational structure for DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED is crucial for efficient management and operation. Here is a suggested organizational structure for the company:

Board of Directors

- Provides overall strategic direction and oversight
- Ensures that the company's goals align with stakeholder interests

Chief Executive Officer (CEO)

- Reports to the Board of Directors
- Responsible for overall management and strategic direction
- Oversees all departments and ensures alignment with company objectives

Chief Operating Officer (COO)

- Reports to the CEO
- Manages daily operations of the company
- Ensures efficient production, processing, and logistics

Chief Financial Officer (CFO)

- Reports to the CEO
- Manages financial planning, budgeting, and accounting
- Oversees financial risk management and investor relations

Chief Marketing Officer (CMO)

- Reports to the CEO
- Develops and implements marketing strategies
- Oversees market research, branding, and customer relationships

Chief Technology Officer (CTO)

- Reports to the CEO
- Oversees technology strategy and implementation
- Manages the development and maintenance of processing facilities and farming technology

Human Resources (HR) Director

- Reports to the COO
- Manages recruitment, training, and employee relations
- Ensures compliance with labor laws and company policies

Production Manager

- Reports to the COO
- Oversees farming operations and cassava production
- Manages field staff and ensures efficient farming practices

Processing Manager

- Reports to the COO
- Manages cassava processing and value-added production
- Ensures product quality and compliance with standards

Supply Chain Manager

- Reports to the COO
- Manages logistics, warehousing, and distribution
- Ensures timely delivery and efficient supply chain operations

Sales Manager

- Reports to the CMO
- Develops sales strategies and manages sales team
- Focuses on expanding market reach and customer base

Export Manager

- Reports to the Sales Manager
- Manages export operations and compliance with international regulations
- Develops relationships with international clients, particularly in China

Research and Development (R&D) Manager

- Reports to the CTO
- Oversees innovation in product development and farming techniques

- Ensures continuous improvement and adaptation to market trends

Quality Control (QC) Manager

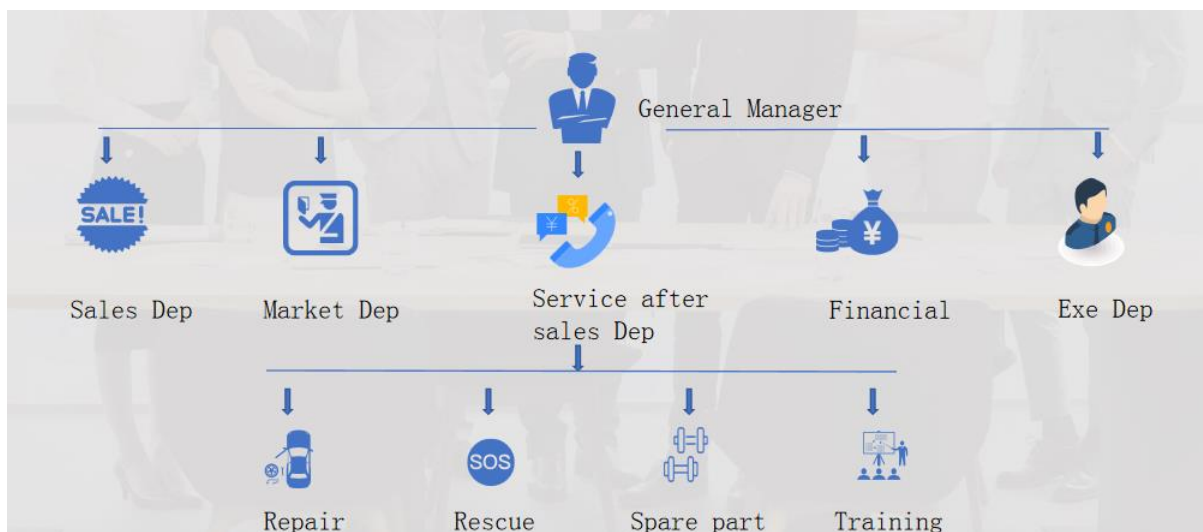
- Reports to the Processing Manager
- Ensures all products meet quality and safety standards
- Manages quality assurance processes and compliance

IT Manager

- Reports to the CTO
- Manages the company's IT infrastructure and systems
- Ensures cybersecurity and efficient use of technology in operations

This structure provides clear roles and responsibilities, ensuring that each aspect of the business is managed effectively. The lines of reporting help maintain accountability and facilitate efficient decision-making processes.

Organisational Structure:



Salary Forecast

Introduction:

This salary forecast report provides an outline of the proposed salary structure for DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED. The salaries are expressed in Tanzanian Shillings (TSh) with a starting salary of 1.5 million TSh and a maximum salary of 3 million TSh per month.

Board of Directors:

- Typically not salaried; compensated through stipends and/or profit sharing

General Manager

- Monthly Salary: 3,000,000 TSh

Sale Department:

- Monthly Salary: 2,800,000 TSh

Market Department:

- Monthly Salary: 2,800,000 TSh

Service after sales:

- Monthly Salary: 2,600,000 TSh

Financial department:

- Monthly Salary: 2,600,000 TSh

Exe department:

- Monthly Salary: 2,400,000 TSh

Annual Salary Expenditure:

- Total Monthly Expenditure: 18,800,000 TSh

- Annual Expenditure (18,800,000 TSh * 12): 225,600,000TSh

Conclusion:

The proposed salary structure for DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED ensures a competitive and fair compensation package for all key positions within the company. This structure is designed to attract and retain top talent while maintaining financial sustainability. The total annual salary expenditure is forecasted at 225,600,000,000 TSh. Regular reviews and adjustments should be conducted to ensure the salaries remain competitive and aligned with industry standards.

Unskilled Labours

Unskilled Labor (5 employees):

- Monthly Salary per Employee: 300,000 TSh

Total Monthly Salary Expenditure for Unskilled Labor:

- 5 employees * 300,000 TSh = 1,500,000 TSh

This update accounts for the addition of 10 unskilled laborers with a monthly salary of 1,500,000 TSh each

Gender	Men	Women	Total
Unskilled	4	1	5
Total	4	1	5

Assumptions

1. There will be no new government regulations that will affect business.
2. Salaries will remain constant for three years
3. There will be no new employees recruited for the next three years.
4. Economic stability will remain constant.
5. Tanzania currency will remain stable for the next three years.
6. Us Dollar 1 is equal to Tanzania shillings 2750

MARKETING STRATEGY

Marketing plan

Marketing Plan for DONGFENG(TANZANIA)ZHAOHONG
AUTOMOBILE SALES AND SERVICE CENTER LIMITED

1. Market Research and Analysis

- Conduct detailed market research to understand the demand for truck and spare parts products in Tanzania and other potential markets.
- Identify key competitors and analyze their strengths and weaknesses.
- Understand consumer preferences and trends in the target markets.

2. Target Market Identification

- Primary Target Market: East Africa. due to high demand for truck in various industries.
- Secondary Target Markets: Emerging economies in Africa with growing demand for automobile products.

3. Product Strategy

- Offer high-quality truck and spare parts products.
- Ensure consistent quality and supply to build a reliable brand reputation.
- Explore diversification by introducing complementary vehicle products.

4. Pricing Strategy

- Conduct a competitive analysis to set competitive prices for automobile products.
- Implement a cost-plus pricing strategy to ensure profitability while remaining competitive.
- Consider volume discounts for bulk buyers to encourage larger purchases.

5. Distribution Strategy

- Establish strong distribution channels in Tanzania and other target markets.
- Partner with local distributors and agents to facilitate market penetration.
- Develop a reliable logistics network to ensure timely delivery of products.

6. Promotion Strategy

- Digital Marketing: Utilize social media platforms, SEO, and PPC advertising to reach target customers.
- Trade Shows and Exhibitions: Participate in industry-specific trade shows and exhibitions to showcase products and network with potential buyers.
- Public Relations: Build a strong PR strategy to enhance brand visibility and reputation in the target markets.
- Direct Marketing: Use email marketing and direct mail campaigns to reach potential clients and distributors.

7. Sales Strategy

- Develop a dedicated sales team with expertise in the target markets.
- Implement a customer relationship management (CRM) system to manage customer interactions and sales processes effectively.
- Set clear sales targets and performance metrics to track progress and make necessary adjustments.

8. Branding Strategy

- Develop a strong brand identity that emphasizes quality, reliability, and sustainability.
- Create a compelling brand story that resonates with target customers.
- Design attractive packaging that reflects the brand's values and stands out on the shelves.

9. Sustainability and CSR Initiatives

- Implement sustainable farming practices to enhance the brand's reputation for environmental stewardship.
- Engage in corporate social responsibility (CSR) initiatives that support local communities and farmers.
- Highlight sustainability efforts in marketing campaigns to appeal to environmentally conscious consumers.

10. Monitoring and Evaluation

- Regularly monitor market trends and customer feedback to adjust marketing strategies as needed.
- Use analytics tools to measure the effectiveness of marketing campaigns.

- Continuously evaluate the performance of sales and distribution channels to optimize efficiency.

Timeline and Budget

- Develop a detailed timeline for implementing each aspect of the marketing plan.
- Allocate a budget for each marketing activity, ensuring sufficient resources for effective execution.
- Review and adjust the budget periodically based on the performance of marketing efforts.

By implementing this comprehensive marketing plan, DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED can effectively penetrate target markets, build a strong brand presence, and achieve sustainable growth and profitability.

Market research analysis

Market Research Plan for DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED

1. Objectives

- Identify and understand the demand for automobile and spare parts products in target markets.
- Analyze market trends, consumer preferences, and competitive landscape.

- Evaluate potential new markets and opportunities for product diversification.
- Gather insights to inform marketing, sales, and distribution strategies.

2. Research Questions

- What is the current demand for automobile products in China and other target markets?
- Who are the main competitors, and what are their strengths and weaknesses?
- What are the key market trends affecting the cassava industry?
- What are the consumer preferences and buying behaviors in the target markets?
- What potential new markets could be explored for automobile products?
- What opportunities exist for product diversification and innovation?

3. Data Collection Methods

- Primary Research: Conduct surveys, interviews, and focus groups with industry experts, distributors, and consumers.
- Secondary Research: Analyze existing market reports, industry publications, and data from trade associations and government agencies.
- Competitive Analysis: Examine competitor websites, marketing materials, and financial reports to understand their strategies and market positioning.
- Field Research: Visit key markets, attend trade shows and exhibitions, and observe market conditions firsthand.

4. Target Markets

- Primary Target Market: Tanzania focusing on major cities and industrial hubs with high demand for automobile.
- Secondary Target Markets: Emerging economies in East Africa where the demand for automobile products is growing.

5. Research Timeline

- Month 1-2: Define research objectives, develop research questions, and design data collection methods.
- Month 3-4: Conduct secondary research and compile data from existing sources.
- Month 5-6: Implement primary research, including surveys, interviews, and focus groups.
- Month 7-8: Analyze data, identify key findings, and prepare research reports.
- Month 9: Present findings to stakeholders and incorporate insights into marketing and business strategies.

6. Budget

- Allocate funds for hiring market research firms or consultants.
- Budget for travel expenses for field research and attending trade shows.
- Costs for survey tools, data analysis software, and other research-related expenses.
- Allocate contingency funds for unforeseen research expenses.

7. Analysis and Reporting

- Use qualitative and quantitative methods to analyze research data.
- Identify key trends, opportunities, and challenges in the target markets.
- Prepare detailed research reports with actionable insights and recommendations.
- Present findings to key stakeholders, including management, marketing, and sales teams.

8. Implementation

- Integrate research insights into marketing, sales, and distribution strategies.
- Adjust product offerings, pricing, and promotional activities based on research findings.
- Monitor market conditions continuously and update research periodically to stay informed about industry changes.

9. Evaluation

- Assess the effectiveness of the market research plan by measuring its impact on business decisions and outcomes.
- Solicit feedback from stakeholders to identify areas for improvement in future research efforts.
- Review and refine the research process regularly to ensure it remains relevant and effective.

By following this comprehensive market research plan, DONGFENG(TANZANIA)ZHAOHONG AUTOMOBILE SALES AND SERVICE CENTER LIMITED can gain a deep understanding of the

automobile market, identify growth opportunities, and make informed strategic decisions to achieve long-term success.

FINANCIAL PLAN

Capital Requirements

The business will start with the initial capital of 500.,000 USD to run its activities, the amount is fully provided by shareholders. On future days, shareholders will invite other investors to buy shares so as to increase capital.

Assumptions

In calculation and estimating these costs and financial statements of the business, the following assumptions were made into consideration: ~

- i. Employees contracts are in one year basis, thus employees' salaries are fixed costs
- ii. Rent are paid in one year basis
- iii. No massive inflation will occur within year
- iv. Security services are paid in one year basis
- v. Sales revenue will be increasing yearly by 10%

- vi. Cost of sales will increase by 10%
- vii. There will be no change of government regulations that will affect business
- viii. Financial year of the company starts on 1st December and ends on 31st November every year.
- ix. Salary will remain fixed for three years
- x. All transactions will be in made in Tanzania Shillings and US Dollars

The capital required in running the business illustrated in the following tables:

Projected Financial Statement:

Projected Cash Flow Statement:

Year	2024/25	2025/26	2026/27
<i>Cash Flows from Operating Activities</i>			
Net Income (Loss) (TZS)			
<i>Adjustments for Non-Cash Items:</i>			
Depreciation (TZS)	80,000,000	90,000,000	100,000,000
<i>Changes in Working Capital:</i>			
Inventory (TZS)	̄100,000,000	̄10,000,000	̄10,000,000
Accounts Receivable (TZS)	̄100,000,000	̄10,000,000	̄10,000,000
Accounts Payable (TZS)	150,000,000	10,000,000	10,000,000
Other Current Assets (TZS)	̄50,000,000	̄10,000,000	̄10,000,000
Other Liabilities (TZS)	100,000,000	20,000,000	20,000,000
Net Cash from Operating Activities (TZS)	̄248,000,000	̄110,000,000	10,000,000

	0	0	
<i>Cash Flows from Investing Activities</i>			
<i>Purchase of Property, Plant, and Equipment (TZS)</i>	<i>600,000,00</i> <i>0</i>	<i>100,000,00</i> <i>0</i>	<i>100,000,00</i> <i>0</i>
<i>Net Cash from Investing Activities (TZS)</i>	<i>600,000,00</i> <i>0</i>	<i>100,000,00</i> <i>0</i>	<i>100,000,00</i> <i>0</i>
<i>Cash Flows from Financing Activities</i>			
<i>Short-term Loans (TZS)</i>	<i>200,000,00</i> <i>0</i>	<i>20,000,000</i>	<i>20,000,000</i>
<i>Long-term Debt (TZS)</i>	<i>400,000,00</i> <i>0</i>	<i>20,000,000</i>	<i>20,000,000</i>
<i>Paid-in Capital (TZS)</i>	<i>500,000,00</i> <i>0</i>	<i>10,000,000</i>	<i>10,000,000</i>
<i>Net Cash from Financing Activities (TZS)</i>	<i>1,100,000,00</i> <i>00</i>	<i>30,000,000</i>	<i>30,000,000</i>
<i>Net Increase (Decrease) in Cash and Cash Equivalents (TZS)</i>	<i>252,000,00</i> <i>0</i>	<i>240,000,00</i> <i>0</i>	<i>120,000,00</i> <i>0</i>
<i>Cash and Cash Equivalents at Beginning of Year (TZS)</i>	<i>0</i>	<i>252,000,00</i> <i>0</i>	<i>12,000,000</i>
<i>Cash and Cash Equivalents at End of Year (TZS)</i>	<i>252,000,00</i> <i>0</i>	<i>12,000,000</i>	<i>108,000,00</i> <i>0</i>

Projected Balance sheet

Assets	(Tsh)	(Tsh)	(Tsh)
Cash and cash equivalents (TZS)	200,000,000	50,000,000	60,000,000
Inventory (TZS)	100,000,000	110,000,000	120,000,000
Property, plant, and equipment (net of depreciation) (TZS)	600,000,000	620,000,000	640,000,000
Accounts receivable (TZS)	100,000,000	110,000,000	120,000,000
Other current assets (TZS)	50,000,000	60,000,000	70,000,000
Total Assets (TZS)	1,050,000,000	950,000,000	1,010,000,000
Liabilities			
Accounts payable (TZS)	150,000,000	160,000,000	170,000,000
Short-term loans (TZS)	200,000,000	180,000,000	160,000,000
Long-term debt (TZS)	400,000,000	380,000,000	360,000,000
Other liabilities (TZS)	100,000,000	120,000,000	140,000,000
Total Liabilities (TZS)	850,000,000	840,000,000	830,000,000
Equity			

Paid-in capital (TZS)	500,000,000	510,000,000	520,000,000
Retained earnings (TZS)	-300,000,000	-300,000,000	-310,000,000
Total Equity (TZS)	200,000,000	210,000,000	220,000,000
Total Liabilities and Equity (TZS)	1,050,000,000	1,050,000,000	1,050,000,000
Revenue and Expenses (TZS)			
Revenue (TZS)	1,200,000,000	1,500,000,000	1,800,000,000
Expenses (TZS)			
Salaries	738,000,000	750,000,000	750,000,000
Cost of Goods Sold (COGS)	500,000,000	600,000,000	700,000,000
Operating Expenses	160,000,000	200,000,000	250,000,000
Depreciation	80,000,000	90,000,000	100,000,000
Interest Expenses	40,000,000	40,000,000	40,000,000
Taxes	10,000,000	20,000,000	50,000,000
Total Expenses (TZS)	1,528,000,000	1,700,000,000	1,890,000,000
Net Profit/Loss (TZS)	-328,000,000	-200,000,000	-90,000,000

Milestone schedule

The following milestone schedule will guide the business

Milestone	Date	Responsible person
Initial capital invested	June, 2024	Shareholders
Registration of business	June, 2024	Shareholders
Recruiting workers	June, 2024	Shareholders
Training workers	June, 2024	Shareholders
Preparation and arrangement of the business places	June, 2024	Workers
Opening the business	June 2024	Workers
Review business operation	December 2024	Owner
Workers meeting on reviewing of half year business activities	February 2025	Workers
Period market research	March 2025	General manager, head of operation
Annual activities review	July 2025	Workers and

owner
