

Business Plan

4-Product | 3-Year

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Thabo's Garden Service

- Great Garden Service with a Big Smile -

Business Plan

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Overview 4-Product | 3-Year

Market Niche: Home Owners and Renters in the Neighbourhood

Buyer Persona:	1. Home Owner	5. Local (in my neighbourhood)
	2. Uses existing gardener or service	6. With 2km from my home
	3. Medium to large size garden	7. Garden not looking great
	4. Medium to high income	8.

Product or Service Description:

Garden services offered will have a number of packages, from Lawn Cutting, to Edge Trimming, to Sweeping, to Pool Cleaning, to Lawn Watering.
Exceptional Customer Service will be my hallmark and my Unique Selling Proposition.

1. Lawn Mowing (1 hr)	2. Pool Cleaning (1 hr)	3. Garden Services (1 hr)	4. General DIY Type Work (1 hr)
Using my own mower, which I will 'walk' to the owner's yard. Edge trimming will be separate charge (see Garden Services).	Time only. All equipment and chemicals supplied by owner.	Edge trimming, sweeping, raking, picking up dog poop, cutting hedges, tree trimming. This will be on a time basis.	Anything needed to be done, on a time basis.

Business Objectives

- To start and grow a garden service business
- Gain at least 10 customers in Year 1
- Remain profitable in Year 1
- Plan for growth in Year 2 and Year 3

USP

Unique Selling Proposition

Exceptional Service for a Reasonable Price

MARKETING PLAN

Marketing will mainly be done via door-to-door flyers, dropped off within a radius of 2km from my home. Where we know the people, I will make follow up phone calls and promote the value of my service.

- Design Marketing Flyers - Drop off at houses
- Obtain Testimonials - get existing customers to rate my service through a survey
- Make follow up calls to existing customers to sell other services
- Regular Report Backs - leave notes of work done as well as other work needed

SALES PLAN

The sales process will be very closely related to the marketing plan, almost one and the same.

- Visit home owners and to a face-to-face presentation of my services
- Have customers sign a contract in which I agree to service levels
-
-

YEAR 1

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
REVENUE	800	1,600	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
CUMULATIVE REVENUE	800	2,400	5,600	8,800	12,000	15,200	18,400	21,600	24,800	28,000	31,200	34,400
GROSS MARGIN	425	850	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
GROSS MARGIN %	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%
CUMULATIVE GROSS MARGIN	425	1,275	2,975	4,675	6,375	8,075	9,775	11,475	13,175	14,875	16,575	18,275
NET MARGIN	75	150	400	400	400	400	400	400	400	400	400	400
NET MARGIN %	9.4%	9.4%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
Break-Even Analysis	659	1,318	2,447	2,447	2,447	2,447	2,447	2,447	2,447	2,447	2,447	2,447
Sales Over/Under	141	282	753	753	753	753	753	753	753	753	753	753
CUMULATIVE NET MARGIN	75	225	625	1,025	1,425	1,825	2,225	2,625	3,025	3,425	3,825	4,225

YEAR 2

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
REVENUE	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700
CUMULATIVE REVENUE	4,700	9,400	14,100	18,800	23,500	28,200	32,900	37,600	42,300	47,000	51,700	56,400
GROSS MARGIN	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731
GROSS MARGIN %	58.1%	58.1%	58.1%	58.1%	58.1%	58.1%	58.1%	58.1%	58.1%	58.1%	58.1%	58.1%
CUMULATIVE GROSS MARGIN	21,006	23,738	26,469	29,200	31,931	34,663	37,394	40,125	42,856	45,588	48,319	51,050
NET MARGIN	731	731	731	731	731	731	731	731	731	731	731	731
NET MARGIN %	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%
Break-Even Analysis	3,442	3,442	3,442	3,442	3,442	3,442	3,442	3,442	3,442	3,442	3,442	3,442
Sales Over/Under	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258
CUMULATIVE NET MARGIN	4,956	5,688	6,419	7,150	7,881	8,613	9,344	10,075	10,806	11,538	12,269	13,000

YEAR 3

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
REVENUE	8,025	8,025	8,025	8,025	8,025	8,025	10,125	10,125	10,125	10,125	10,125	10,125
CUMULATIVE REVENUE	8,025	16,050	24,075	32,100	40,125	48,150	58,275	68,400	78,525	88,650	98,775	108,900
GROSS MARGIN	4,635	4,635	4,635	4,635	4,635	4,635	6,073	6,073	6,073	6,073	6,073	6,073
GROSS MARGIN %	57.8%	57.8%	57.8%	57.8%	57.8%	57.8%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%
CUMULATIVE GROSS MARGIN	55,685	60,320	64,954	69,589	74,224	78,859	84,932	91,006	97,079	103,152	109,225	115,299
NET MARGIN	1,935	1,935	1,935	1,935	1,935	1,935	3,373	3,373	3,373	3,373	3,373	3,373
NET MARGIN %	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%
Break-Even Analysis	4,675	4,675	4,675	4,675	4,675	4,675	4,501	4,501	4,501	4,501	4,501	4,501
Sales Over/Under	3,350	3,350	3,350	3,350	3,350	3,350	5,624	5,624	5,624	5,624	5,624	5,624
CUMULATIVE NET MARGIN	14,935	16,870	18,804	20,739	22,674	24,609	27,982	31,356	34,729	38,102	41,475	44,849

All garden work will take place in the afternoons, after school, and on weekends. Sales are ramped up gradually in the first two months as marketing takes place.

24 hours a month is roughly 6 hours a week, so should be quite manageable.

Created by: Thabo Khumalo

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Revision: 01

Date: 10/01/2020



1. Lawn Mowing (1 hr)

Using my own mower, which I will 'walk' to the owner's yard. Edge trimming will be separate charge (see Garden Services).

Petrol	20
Plastic Bags for Grass	5
Time (1 hr)	50
	0
	0
TOTAL COST	75
Batch Size	1
UNIT COST	75
Mark Up	100.0%
UNIT SELL PRICE	150
GROSS MARGIN	75
GROSS MARGIN %	50.0%
UNIT SELL PRICE (INPUT)	0

2. Pool Cleaning (1 hr)

Time only. All equipment and chemicals supplied by owner.

Time (1 hr)	50
	0
	0
	0
	0
TOTAL COST	50
Batch Size	1
UNIT COST	50
Mark Up	100.0%
UNIT SELL PRICE	100
GROSS MARGIN	50
GROSS MARGIN %	50.0%
UNIT SELL PRICE (INPUT)	0

3. Garden Services (1 hr)

Edge trimming, sweeping, raking, picking up dog poop, cutting hedges, tree trimming. This will be on a time basis.

Time (1 hr)	50
	0
	0
	0
	0
TOTAL COST	50
Batch Size	1
UNIT COST	50
Mark Up	100.0%
UNIT SELL PRICE	100
GROSS MARGIN	50
GROSS MARGIN %	50.0%
UNIT SELL PRICE (INPUT)	0

4. General DIY Type Work (1 hr)

Anything needed to be done, on a time basis.

Time (1 hr)	50
	0
	0
	0
	0
TOTAL COST	50
Batch Size	1
UNIT COST	50
Mark Up	100.0%
UNIT SELL PRICE	100
GROSS MARGIN	50
GROSS MARGIN %	50.0%
UNIT SELL PRICE (INPUT)	150
NEW Gross Margin % >>	66.7%

Sales Forecast

Year 1	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Lawn Mowing (1 hr)	3	6	12	12	12	12	12	12	12	12	12	12
Pool Cleaning (1 hr)	1	2	4	4	4	4	4	4	4	4	4	4
Garden Services (1 hr)	1	2	4	4	4	4	4	4	4	4	4	4
General DIY Type Work (1 hr)	1	2	4	4	4	4	4	4	4	4	4	4
TOTAL MONTHLY UNITS	6	12	24	24	24	24	24	24	24	24	24	24

Revenue Forecast

Year 1	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Lawn Mowing (1 hr)	450	900	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Pool Cleaning (1 hr)	100	200	400	400	400	400	400	400	400	400	400	400
Garden Services (1 hr)	100	200	400	400	400	400	400	400	400	400	400	400
General DIY Type Work (1 hr)	150	300	600	600	600	600	600	600	600	600	600	600
TOTAL MONTHLY REVENUE	800	1,600	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
CUMULATIVE TOTAL REVENUE	800	2,400	5,600	8,800	12,000	15,200	18,400	21,600	24,800	28,000	31,200	34,400

Profit & Loss

Year 1	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
REVENUE	800	1,600	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
TOTAL COST OF SALES	375	750	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Lawn Mowing (1 hr)	225	450	900	900	900	900	900	900	900	900	900	900
Pool Cleaning (1 hr)	50	100	200	200	200	200	200	200	200	200	200	200
Garden Services (1 hr)	50	100	200	200	200	200	200	200	200	200	200	200
General DIY Type Work (1 hr)	50	100	200	200	200	200	200	200	200	200	200	200
GROSS MARGIN	425	850	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
GROSS MARGIN %	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%
CUMULATIVE GROSS MARGIN	425	1,275	2,975	4,675	6,375	8,075	9,775	11,475	13,175	14,875	16,575	18,275
TOTAL INDIRECT COSTS	350	700	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Salary for Worker/Owner	250	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Lawn Mower Maintenance	100	200	300	300	300	300	300	300	300	300	300	300
NET MARGIN	75	150	400	400	400	400	400	400	400	400	400	400
NET MARGIN %	9.4%	9.4%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
Break-Even Analysis	659	1,318	2,447	2,447	2,447	2,447	2,447	2,447	2,447	2,447	2,447	2,447
Sales Over/Under	141	282	753	753	753	753	753	753	753	753	753	753
CUMULATIVE NET MARGIN	75	225	625	1,025	1,425	1,825	2,225	2,625	3,025	3,425	3,825	4,225

Again, all garden work will take place in the afternoons, after school, and on weekends. Sales are ramped up slowly in the first two months. 24 hours a month is roughly 6 hours a week, so should be manageable.

Business Plan

Year 3 4-Product | 3-Year

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1. Lawn Mowing (1 hr)

Y-o-Y Cost Increase %	5.0%
UNIT COST	83
Mark Up	100.0%
UNIT SELL PRICE	165
GROSS MARGIN	83
GROSS MARGIN %	50.0%
UNIT SELL PRICE (INPUT)	185
NEW Gross Margin % >>	55.3%

2. Pool Cleaning (1 hr)

Y-o-Y Cost Increase %	5.0%
UNIT COST	55
Mark Up	100.0%
UNIT SELL PRICE	110
GROSS MARGIN	55
GROSS MARGIN %	50.0%
UNIT SELL PRICE (INPUT)	125
NEW Gross Margin % >>	55.9%

3. Garden Services (1 hr)

Y-o-Y Cost Increase %	5.0%
UNIT COST	55
Mark Up	100.0%
UNIT SELL PRICE	110
GROSS MARGIN	55
GROSS MARGIN %	50.0%
UNIT SELL PRICE (INPUT)	125
NEW Gross Margin % >>	55.9%

4. General DIY Type Work (1 hr)

Y-o-Y Cost Increase %	5.0%
UNIT COST	55
Mark Up	100.0%
UNIT SELL PRICE	110
GROSS MARGIN	55
GROSS MARGIN %	50.0%
UNIT SELL PRICE (INPUT)	175
NEW Gross Margin % >>	68.5%

Sales Forecast

Year 3	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Lawn Mowing (1 hr)	25	25	25	25	25	25	25	25	25	25	25	25
Pool Cleaning (1 hr)	8	8	8	8	8	8	8	8	8	8	8	8
Garden Services (1 hr)	8	8	8	8	8	8	8	8	8	8	8	8
General DIY Type Work (1 hr)	8	8	8	8	8	8	20	20	20	20	20	20
TOTAL MONTHLY UNITS	49	49	49	49	49	49	61	61	61	61	61	61

Revenue Forecast

Year 3	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Lawn Mowing (1 hr)	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625
Pool Cleaning (1 hr)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Garden Services (1 hr)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
General DIY Type Work (1 hr)	1,400	1,400	1,400	1,400	1,400	1,400	3,500	3,500	3,500	3,500	3,500	3,500
TOTAL MONTHLY REVENUE	8,025	8,025	8,025	8,025	8,025	8,025	10,125	10,125	10,125	10,125	10,125	10,125
CUMULATIVE TOTAL REVENUE	8,025	16,050	24,075	32,100	40,125	48,150	58,275	68,400	78,525	88,650	98,775	108,900

Profit & Loss

Year 3	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
REVENUE	8,025	8,025	8,025	8,025	8,025	8,025	10,125	10,125	10,125	10,125	10,125	10,125
TOTAL COST OF SALES	3,390	3,390	3,390	3,390	3,390	3,390	4,052	4,052	4,052	4,052	4,052	4,052
Lawn Mowing (1 hr)	2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067
Pool Cleaning (1 hr)	441	441	441	441	441	441	441	441	441	441	441	441
Garden Services (1 hr)	441	441	441	441	441	441	441	441	441	441	441	441
General DIY Type Work (1 hr)	441	441	441	441	441	441	1,103	1,103	1,103	1,103	1,103	1,103
GROSS MARGIN	4,635	4,635	4,635	4,635	4,635	4,635	6,073	6,073	6,073	6,073	6,073	6,073
GROSS MARGIN %	57.8%	57.8%	57.8%	57.8%	57.8%	57.8%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%

CUMULATIVE GROSS MARGIN	55,685	60,320	64,954	69,589	74,224	78,859	84,932	91,006	97,079	103,152	109,225	115,299
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(from Year 2)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
TOTAL INDIRECT COSTS	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
Salary for Worker/Owner	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Lawn Mower Maintenance	700	700	700	700	700	700	700	700	700	700	700	700
Salary for Second Worker	800	800	800	800	800	800	800	800	800	800	800	800
NET MARGIN	1,935	1,935	1,935	1,935	1,935	1,935	3,373	3,373	3,373	3,373	3,373	3,373
NET MARGIN %	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%
Break-Even Analysis	4,675	4,675	4,675	4,675	4,675	4,675	4,501	4,501	4,501	4,501	4,501	4,501
Sales Over/Under	3,350	3,350	3,350	3,350	3,350	3,350	5,624	5,624	5,624	5,624	5,624	5,624
CUMULATIVE NET MARGIN	14,935	16,870	18,804	20,739	22,674	24,609	27,982	31,356	34,729	38,102	41,475	44,849

All garden work will take place in the afternoons, after school, and on weekends. Sales are increased for the second person. 50 hours a month is roughly 12 hours a week, so should be manageable with me and my additional worker.



Start Up Costs

Total Start Up Costs

Equipment for Garden Service	5,000
Lawnmower (2nd hand)	5,000
	0
	0
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SWOT Analysis

INTERNAL	Strengths		Weaknesses
	1. Great service		1. No staff to support me - so if I am sick, I cannot service my customers
	2. Flexible		2.
	3. Service Local only - so am able to quickly respond to needs		3.
	4.		4.
			5.
EXTERNAL	Opportunities		Threats
	1. Take on additional staff - for increased turnover		1. Other garden services could drop their prices to force me out
	2. Grow 'In-Home' DIY type work		2.
	3.		3.
	4.		4.
			5.
	SWOT Actions		
	1. Plan to employ a backup person as soon as turnover, profits and cashflow allows		6.
	2. Conduct market survey for 'In-Home' DIY services		7.
	3. Constantly get feedback from customers on value for money		8.
	4.		9.
	5.		10.

Graphical Outputs

