

**UNIVERSITY OF NIGERIA, NSUKKA**

**FACULTY OF SOCIAL SCIENCES**

**DEPARTMENT OF POLITICAL SCIENCE**

**BUSINESS PLAN ON MARIGOLD CLUB AND LOUNGE**

**AN ASSIGNMENT**

**SUBMITTED IN PARTIAL FULFILLMENT OF THE**

**REQUIREMENTS FOR THE COURSE: CEDR 342**

**(INTRODUCTION TO ENTREPRENEURSHIP AND DEVELOPMENT II)**

**BY**

**DOMINICS K. JENNIFER**

**REG. NO. 2014/195195**

**LECTURER: DR. MRS. NWAOGA**

**JULY, 2017**





## **PART 1**

### **EXECUTIVE SUMMARY**

- 1.1 The following report and recommendation relate to the proposal by Marigold club and Lounge at Dutse Alhaji Abuja
- 1.2 The project would require a start up capital of ₦5,000,000.00
- 1.3 The enterprise vision is to be the best place for fun and relaxation in Abuja.
- 1.4 The project is located in Abuja because of its target market.
- 1.5 A massive market is available for the project to serve.
- 1.6 The competitive edge of the business lies in its ability to deliver unbeatable services to its wide range of intended customers.

## **PART II**

### **COMPANY BACKGROUND**

The name of the club and lounge is Marigold club and Lounge. It is owned by me; Miss Jennifer Dominics. It is a relaxation spot, that would have both night and day activities. Unlike other clubs and Lounges that open around 5pm for business. Marigold would be opened from 12:noon everyday to enable our customers who need a break to relax and unwind before happy hour by 5pm to do so. It would be a safe haven. A place where our customers would come to relieve their mental stress. Our club would be a place our customers come to have fun and

also meet new people. Not only would Marigold club and Lounge relieve stress it would also connect people.

### **2.1 Vision Statement**

A haven of fun and relaxation

### **2.2 Mission Statement**

To connect people in a fun, relaxed and pressure free environment.

### **2.3 Ownership and legal Status**

This business is the sole property of Miss Jennifer Dominics, registered under the Nigerian Co-operate Affairs Commission, RC:246381.

### **2.4 Location:**

Marigold club and Lounge would be located in Dutse Alhaji Abuja.

### **2.5 Product/Services:**

Marigold club and Lounge is a lounge by day and a club by night, a place of fun, relaxation and good music. Marigold would offer food mostly indigenous meals, assorted drinks including to local palm wine and gin. Barbeque of every kind. An in house dj (Disc Jockey) to pay at the club at night. In the early hours before 5pm the lounge would be a serene environment for relaxation i.e before the club opens for its nightly business.

## 2.6 Available Market

Due to its location in the heart of Abuja, we expect great returns in the first three (3) months of our opening. The only club close enough is about 25km away. Its location will attract everyone in Abuja and its environs.

## PART III

### 3.1 COSTING

The major costs is centered on

1. The drinks
2. The food items

#### 1. The drinks:

Assorted drinks from alcoholic to non alcoholic beverages would be sold to satisfy our diverse customers.

#### 2. The Food Items

Indigenous food would be sold with world class taste. As well as barbeque.

Drinks and food	Type	Composition	Cost (₦)	Total (₦)
Alcoholic drinks	Hennessy, moet, lalira, brandy, ciroc, Don Simeon, Vodka, Gin, Palm wine, Mc dowell, Bullet, Night train, Johnny, walker, captain Jack	Alcohol	245,000	371,000
		2 cartons of each to begin	126,000	
Non alcoholic drinks	Fruit Jucies, Cocoa beverages, Cocktail, Malt, Soft drinks, chapman, punch	Non-alcohol	28,000	60,320
		4 cartons of each to begin	32,000	

Food and barbeque	Soup items for egusi, okro, Ogbono and vegetable and all swallow i.e semo, wheat, pounded yam, rice and ingredients and spices. Fish, chicken, eggs, beef	Soups and grain with swallow	126,000	395,000
		Meat, fish, live fish and live poultry.	233,000	

### Projected Annual Demand

S/N	YEARS	ANNUAL GROWTH RATE	PROJECTED DEMAND
1	2017	0.5	321,000
2	2018	0.7	831,000
3	2019	0.10	1,832,150
	Total	22%	2,984,150

## PART IV

### 4.0 MARKET ANALYSIS

There is a huge market for Marigold. The increase in population in Abuja and environs and the increase in the need to relax and relieve stress.

#### 4.1 Customers/Segmentation

##### Classes of customers

1. Those who mainly buy alcoholic drinks and food, those who buy point and kill poultry and fishery.

2. Meetings and gathering/events. Those who come to use the arena for events while we cater for them.
3. Longer: Those who just relax in the lounge.

## **PART V**

### **5.0 MARKETING PLAN**

There is no club and lounge of the intended magnitude of Marigold. As soon as Marigold commences operation in Abuja it would be the talk of the town and will lead the market in no distant time.

#### **5.1 Promotion Strategy**

Marigold club and lounge will embark on an aggressive awareness campaign using social media, television, radio and bill boards. We will also host a well advertised opening party and invite celebrities across Nigeria to help increase publicity.

## **PART VI**

### **6.1 OWNER/MANAGER**

Marigold club and lounge is a sole proprietorship owned by Miss Dominics Jennifer who being the sole owner will manage the affair the business. Dominics



Jennifer is a trained and seasoned event planner and hotelier with this knowledge the day to day running of Marigold will be in good, capable hands.

## 6.2 Management and Labour Compliments

S/N	POSITIONS	NO OF STAFF	PER STAFF ANNUAL SALARY	TOTAL
1	Proprietor	1	500,000	500,000
2	Waiters and waitresses & DJ	5	120,000	600,000
3	Security	2	90,000	180,000
4	Cooks and chef	3	150,000	450,000
	Benefits			70,000
	<b>Grand total</b>			<b>1,800,000</b>

## 6.3 External Support

We currently have a location equipped with a functioning kitchen, fittings and adequate furniture courtesy of the entrepreneur's family.

## 6.4 Values and Norms

1. To respect the privacy of our customers.
2. To create a safe haven for our customers.
3. To uphold integrity always.
4. To create a relaxed home away from home for our customers.

5. To always be available to our customers.
6. To run our business in accordance with the laws of Nigeria.

## **PART VII**

### **Legal, environmental, social and regulatory issues.**

#### **7.1 Legal Issues**

Marigold club and lounge is a sole proprietorship. It is a registered business. And we already have the licence and permit to sell alcoholic.

#### **7.2 Environment**

The only challenge we might have environmentally is noise pollution. Necessary steps are already been taken towards getting padded sound proof walls for the club so as not to disturb our external environment with our music.

#### **7.3 Social**

Marigold club and lounge will bring the following benefits to the society.

1. Creation of jobs
2. An environment for relaxation
3. It will bring about poverty reduction.

## PART VIII

### 8.1 RISK ANALYSIS

Below is a table of inherent risks

#### IDENTIFIED RISKS AND MITIGANTS

Identified risks	Mitigants
Security problems due to fights and other elements	By hiring security men and occasional visit from the police.
Publicity	Aggressive campaign on social media and other methods of mass media.
Irregular electricity	The provision of a standby generator to combat epileptic power supply.

### 8.2 SWOT Analysis

#### Strength

- Marigold is located in the heart of Abuja.
- The combination of a club and lounge has never been seen in that part of Abuja before.
- The kind of service we intend to offer would be unbeatable.
- There is enough space in our current location to contain expansion.

#### Weaknesses

- Initial problem of start up capital.
- Epileptic power supply.

## Opportunity

Marigold would be bringing a new trend to relaxation. Our services would be unique and dynamic, the combination of a bar, restaurant, club, lounge all in our place would make Marigold club and Lounge unbeatable.

## Threats

- The challenge of raising enough awareness.
- Low initial patronage.

To checkmake these threats there should be aggressive awareness campaign.

## PART IX

### 9.1 COMPANY FINANCIAL

Total cost of the project	=	N5,000,000
Fixed capital	=	2,626,320
Working capital	=	2,373,680

### 9.2 Fixed capital investment

Marigold is located on a large expense of land in No 20 Zone 4 Dutse Alhaji Abuja.

S/N	DETAIL	QTY	UNIT PRICE	TOTAL (₦)
1	Beef and poultry	2 cartons each	24,000	96,000
2	Spices and ingredient	3 packs of each spice about 24	600	14,400
3	Bottled water	5 cartons	1,500	7,500
4	Alcoholic drinks	2 cartons of each	Ranging from	266,000

		about 23 drinks	13,000-20,000	
5	Fish	30 pieces	1,900	57,000
6	Rice and other food stuff	1 bag of rice 8 packs of yam flour, semo, wheat etc.	25,000 900	25,000 57,600
7	Vehicle for mobility (truck)	1	1,800,000	1,800,000
8	Generator	1	120,000	120,000
<b>TOTAL</b>				<b>2,443,500</b>

### 9.3 Utilities

Utilities	₦ Year 1	₦ Year 2	₦ Year 3
Light	22,000	28,000	29,200
Water	39,000	40,000	43,000
Total	61,000	68,000	72,200

#### 9.4 Other Expenses

Type of expense	Year 1	Year 2	Year 3
Vehicle maintenance	110,000	111,000	112,000
Business travels	25,000	25,500	27,000
Public relations adverts	100,000	80,000	92,000
Miscellaneous	60,000	61,500	62,000
<b>Total</b>	<b>295,000</b>	<b>278,000</b>	<b>293,000</b>

#### 9.5 Total start-up capital required

S/N	CAPITAL ITEMS	AMOUNT (₦)
1	Drinks, food stuff, vehicle, generator and others.	2,443,500
2	Working capital	1,800,000
	<b>Total</b>	<b>4,243,500</b>

#### 9.6 Financing Plan

S/N	SOURCE	AMOUNT (₦)
1	Equity contribution	3,500,00
2	Bank loan	1,500,00
	<b>Total</b>	<b>5,000,000</b>

#### 9.7 Interest and Repaying Schedule

Year	Loan	Repayment	Interest	Loan balance
1	1,500,000	50,000	25,000	1,450,000
2	1,450,000	1,000,000	100,000	450,000
3	450,000	450,000	45,000	Nil

The loan would attract an interest of 10%

## **PART X**

### **OTHER CONSIDERATION AND CONCLUSION**

This project would create jobs and promote wealth creation.

#### **Conclusion**

This project is highly recommended for both finding and implementation.