

A man in a blue suit and patterned shirt stands on a city street, smiling. The background shows a building and a blue trash can.

BUSINESS REPORT

Date: **16th May 2024**

Business Reference: **36517**

About the Business:

Florist with corporate clients

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Sector: **Retail**

Asking Price:

R **775,000**

Monthly Profit:

R **35,530**

Asset Value:

R 72,866

Stock Value:

R 50,000

Yearly Net Profit :

R 426,359



Business Report

Fully describe the business's activities?

A bespoke florist and botanically inspired gift store situated in the Sandton, offers a full floristry and gifting service. This florist boasts a number of corporate clients and an online store.

How does the business operate on a daily basis?

They service a number of corporate clients on a weekly and ad hoc basis as well as servicing private clients. This florist has a great location with high visibility on a busy road in close proximity to Sandton CBD. The florist also fulfils orders received via their online store.

What Advertising/Marketing is carried out?

Mostly social media (facebook and instagram) as well as local neighbourhood whatsapp groups.

What competition exists?

There are other florists in the area, however these are more retail orientated, whereas this company's primary focus is on servicing corporates in and around Sandton.

How could the profitability of the business be improved?

The profitability of the florist could be improved through increased marketing spend and running social media campaigns. Also huge opportunity to branch into weddings and floral workshops.

Give a breakdown of staff/ functions/ length of service?

One florist has been with the business since inception, 7 years ago.

One florist has been with the business for 2.5 years.

Both florists are highly skilled in all aspects of floristry and can work without supervision.

Both florists double as sales assistants, assisting walk in clients with flower and gift selection, ringing up sales, gift wrapping etc.

The one florist is also acts as delivery person/driver, using the company vehicle to do flower deliveries.

Both florists know the running of the business well, are very well liked by our clients and customers and essentially they are the heart of the business. It would be highly advisable to retain both staff members.

Do any have management potential?

Both staff members are capable of running the store when owner is away in terms of assisting customers, however neither are confident with computers so all admin is done by owner. This is certainly an opportunity for upskilling and empowering one/both of them.

How involved is the Owner in running the business?

The owner is involved on a daily basis but enjoys the freedom to pop in and out. The 2 staff are capable to run the business in the owner's absence.

When does the current lease end?

October 2024.

What are the trading hours?

8am to 5pm Monday to Friday and 9pm to 1pm Saturdays and selected public holidays. No trading hours are imposed by landlord, all hours are at discretion of owner.

What are the main assets of the business?

General shop fitting.

The business has delivery vehicle which is not included in the assets - the buyer has an option to buy the branded delivery vehicle from the seller.

Strengths?

Corporate client base

Ideal location within Sandton's CBD

Excellent relations with longstanding clients

Weaknesses?

Poor marketing, definite room for growth here.

Opportunities?

More focus spent on marketing the business and increasing the corporate client base and walk in foot trade will serve this business well.

Advertising the online store via the different social media platforms.

Huge untapped opportunity to enter wedding industry.

Offering of flower arranging workshops, there is a demand and the space of the shop allows for this.

Threats?

Economy.

What is the reason for the sale?

The seller is looking to relocate.