ANALYSIS OF PROJECTED SALES/ MONTH (VOLUME) USING HYPOTHESES- THROUGH SHOPRITE

S.NO	COUNTRY	POPULATION(APPX MILLION)	INCOME/PC(YEARLY)	INCOME/PC(DAILY)	CITY DWELLERS (11.3%)	NO OF FAMILIES	CONVERSION (APPOX 5%)	DAILY CONSMP (KG)	MONTHLY CONSMP(KG)
1	ANGOLA	31.81	4101	11.39	3.59	898632.5	44931.63	44931.63	224658.13
2	BOTSWANA	22.5	8263	22.95	2.54	635625	31781.25	31781.25	158906.25
3	GHANA	28.3	2262	6.28	3.20	799475	39973.75	39973.75	199868.75
4	DRC	92	501	1.39	10.40	2599000	129950.00	129950.00	649750.00
5	KENYA	49.36	2010	5.58	5.58	1394420	69721.00	69721.00	348605.00
6	LOSOTHO	22	1413	3.93	2.49	621500	31075.00	31075.00	155375.00
7	MEDAGASCAR	24.8	471	1.31	2.80	700600	35030.00	35030.00	175150.00
8	MALAWI	18	367	1.02	2.03	508500	25425.00	25425.00	127125.00
9	MOZAMBIQ	28.8	493	1.37	3.25	813600	40680.00	40680.00	203400.00
10	NIGERIA	200	2244	6.23	22.60	5650000	282500.00	282500.00	1412500.00
11	NAMIBIA	26	5923	16.45	2.94	734500	36725.00	36725.00	183625.00
12	SWAZILAND	13	4206	11.68	1.47	367250	18362.50	18362.50	91812.50
13	UGANDA	41.5	769	2.14	4.69	1172375	58618.75	58618.75	293093.75
14	ZAMBIA	16.6	1342	3.73	1.88	468950	23447.50	23447.50	117237.50
15	SOUTH AFRICA	58.8	6331	17.59	6.64	1661100	83055.00	83055.00	415275.00

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TOTAL (KG/MONTH)	4756381.9
TONS/ MONTH	4756.38
NO OF CONTAINERS (25 TONS)/ MONTH	190.26

HYPOTHESES

1 A FAMILY IS MADE OF 4 PERSONS- WIFE, HUSBAND AND TWO CHILDREN

2 ONLY 5 % OF FAMILIES BUY REGAL KITCHEN PRODUCTS

3 FAMILY OF 4 CONSUMES 1000G OF REGAL READY TO EAT FOOD

4 FAMILY OF 4 SHOPS REAGAL READY TO EAT FOOD 5 DAYS IN A MONTH

5 A SHIPING CONTAINER CONTAINS 25 TONS OF FOOD

- WHOLE IDEA OF DOING ABOVE ANALYSIS IS THAT THROUGH SHOPRITE RKF CAN ENTER ALL THE 15 MARKETS WHERE SHOPRITE IS PRESENT

Financial Optimization Tree
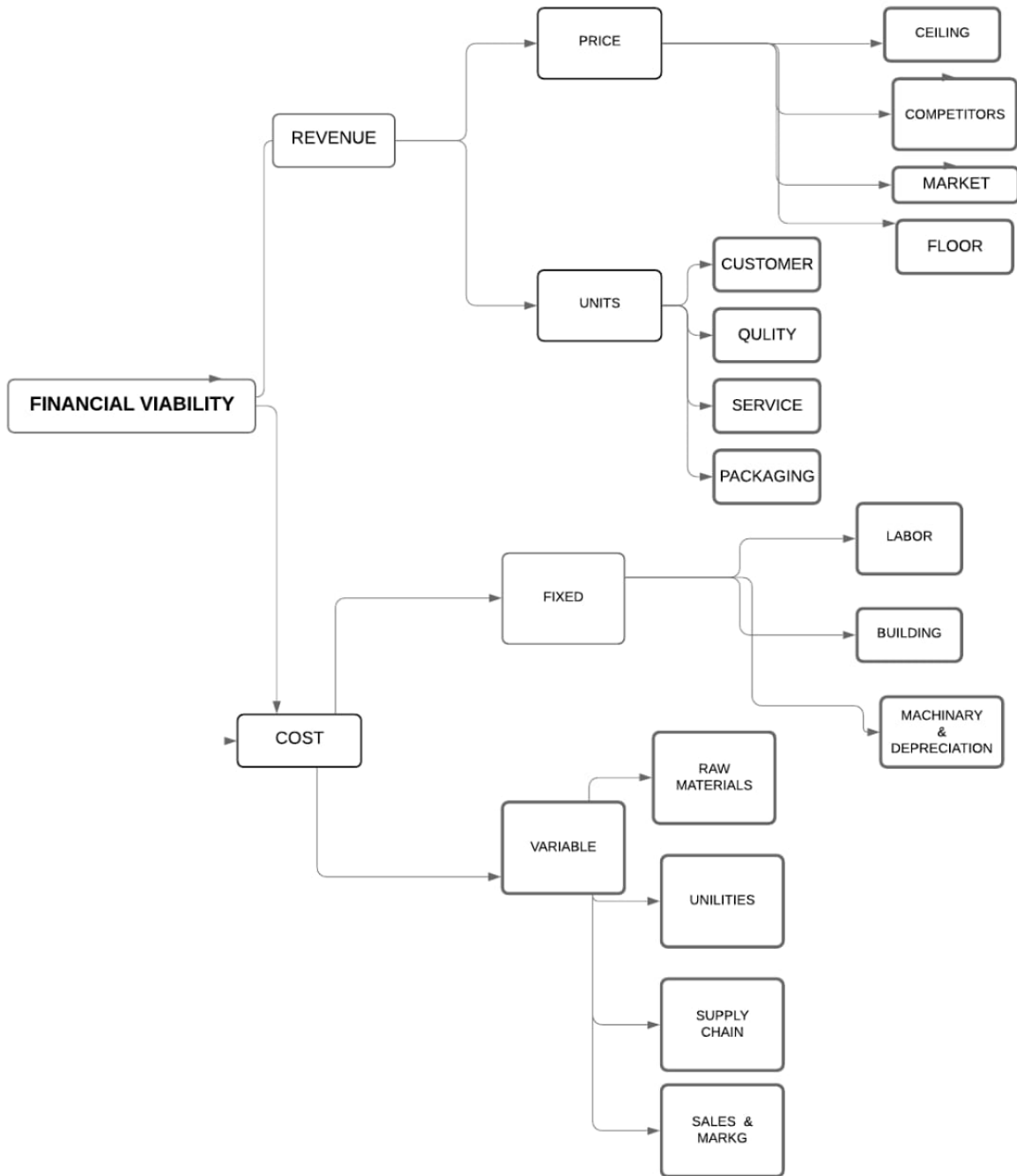
Hypotheses – It is financially viable to go ahead and do massive turnover

- **Have to focus on product awareness- On & offline marketing, merchandising, sampling, consumer promotion**
- **Analysis of competitors, substitutes to set the right price**
- **If margin is contracting needs to optimize variable cost**
- **Increasing margin to ShopRite to get gondola and more shelf space**

Cons to work with private labeling

- **Saving cost on marketing and promotion**
- **Peace of mind**
- **Relatively high profit margin**
- **No risk of brand damage**
- **etc**

Cons to work with private labeling

- **Risk of losing business to competitors**
- **Little awareness of market dynamics**
- **No or limited sales growth**
- **etc**

Recommendations

- **Analyze African market for its further optimization in terms of sales turnover**
- **Sell Shoprite your own brands – Shoprite buys directly**
- **Selection of go to market strategies**
- **Implement brand awareness strategies**
- **Invest on marketing in local markets**
- **Optimize variable costs**
- **Analyze substitutes and competitors to set right pricing**