



Date: **3rd July 2024**

Business Reference: **36425**

About the Business:

## **Well-known supermarket that is part of a franchise situated in the Northern suburbs in Johannesburg**

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Situated in the northern suburbs of Johannesburg, this is a franchised supermarket selling fresh fruit, vegetables and food prepared in their own kitchens and bakery. They are situated in a mall with easy access from the main road.

# Well-known supermarket that is part of a franchise situated in the Northern suburbs in Johannesburg



Sector: **Retail**

Asking Price:

**R 9,750,000**

Monthly Profit:

**R 247,596**

Asset Value:

**R 11,845,119**

Stock Value:

**R 1,800,000**

Yearly Net Profit :

**R 2,971,155**



# Business Report

## Fully describe the business's activities?

This is a supermarket specialising in fresh fruit, vegetables and meat as well as various other household supermarket items. They also sell wines

## How does the business operate on a daily basis?

1. Administrative task - schedules -daily finances along with supplier and customer correspondence
2. Production and service delivery -manufacturing products, and providing a service to customers and orders from outside bulk buy
3. Sales and marketing - promotion of products through various channels and presentation with display of goods and services
4. Handling inquiries and resolving complaints or providing support to our customers ensuring satisfaction
5. Supply management- ensure flow of resources from suppliers to production for uninterrupted service
6. Financial management (monitoring expenses profits and cash flow) product development and current trends in market to stay competitive, along with daily compliance from all regulations within the FMCG sector

## What Advertising/Marketing is carried out?

Website and marketing of promotions and new products trends or development  
Facebook, WhatsApp groups along with weekly leaflets at the store with knock and drop.  
A weekly advert in the local newspaper

## What competition exists?

Super Spar  
Checkers  
Woolworths

## How could the profitability of the business be improved?

Better account terms and reduction of suppliers and direct supplier negotiations

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

Director- store manager- assistant store manager- HR  
OHS officer  
Managers/ supervisor for relevant departments  
General workers

Length of service :  
10% for 7 years  
80 % for 2- 3 years  
10% 6 months to a year with casuals

## Do any have management potential?

Each department has a supervisor with relevant KPI measurement to filter out any potential manager.  
Staff are skilled but is still supervised and checked by management and director

## How involved is the Owner in running the business?

One of the 3 partners manages the business on a day-to-day basis.  
There are managers who also run the operations

## When does the current lease end?

30 September 2025

## What are the trading hours?

Monday to Friday 08:00 to 19:00  
Saturday and Sunday 08:00 to 18:00

## What are the main assets of the business?

Typical assets you expect in a supermarket from kitchen equipment, butchery equipment and all the fittings in the store

## Strengths?

Well-known franchise  
Ideally located  
Unique business model

## Weaknesses?

Dependant on suppliers from head office

## Opportunities?

Supply to lodges and restaurants in the area

## Threats?

Business model is unique and no direct competition exist in the area but similar supermarkets in the area have their own clientele

## What is the reason for the sale?

Owners wish to focus on their other businesses