



Date: **16th October 2024**  
Business Reference: **36917**

About the Business:

## **Well respected nursery with 3 outlets**

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The nursery's 3 branches are in Johannesburg and Pretoria . It is an established and reputable garden nursery with a strong customer base and a loyal following.

# Well respected nursery with 3 outlets



Sector: **Retail**

Asking Price:

**R 342,322**

Monthly Profit:

**R 97,701**

Asset Value:

**R 0**

Stock Value:

**R 1,827,678**

Yearly Net Profit :

**R 1,172,416**



# Business Report

## Fully describe the business's activities?

The Nurseries are well-established garden nurseries located in Randburg, Lynnwood and Boksburg South Africa. Since its inception in 2010, the nurseries have become a go-to destination for gardening enthusiasts and customers seeking high-quality plants and a delightful shopping experience. The nurseries offer a comprehensive range of products and services to cater to diverse gardening needs.

One of the key features of the Nurseries is its automated watering in the garden and heating systems in the greenhouses. These systems ensure that every plant in the nurseries receive the optimal amount of water and maintains the ideal temperature for growth and vitality. Customers can have confidence that the plants they purchase are well-cared for and in excellent condition.

The nurseries boast an extensive selection of plants, including flowering plants, shrubs, trees, ground covers, herbs, vegetables, fruit trees, indoor and outdoor plants, and seeds. This diverse range allows customers to find the perfect plants for their landscapes and gardening projects.

In addition to the wide variety of plants, the Nurseries provide various services and amenities to enhance the overall customer experience. Their knowledgeable and friendly staff offer re potting services, helping customers transfer their plants to new containers or ensure proper growth conditions. The experienced team is always ready to provide expert advice, tips, and guidance on plant care, gardening techniques, and landscaping ideas.

To further enhance customer satisfaction, one of the Nurseries features an onsite coffee shop, where customers can relax and enjoy a cup of coffee or tea along with a selection of delicious snacks and treats. The nurseries also hosts educational workshops, providing customers with valuable insights and inspiration on various gardening topics and trends.

With its commitment to quality, customer satisfaction, and innovation in the gardening industry, The Nurseries have established a strong reputation and a loyal customer base. The financial performance of the nurseries have shown consistent growth over the years, reflecting its success and potential for continued profitability.

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

On a daily basis, the Nurseries operates as a bustling hub for gardening enthusiasts. The dedicated staff ensures that the nurseries are well-maintained, organised, and stocked with a diverse range of plants and gardening products. They assist customers in finding the right plants for their needs, provide expert advice on plant care and landscaping, and offer guidance on selecting the appropriate gardening tools and accessories. The nurseries automated watering systems are monitored and adjusted as needed to ensure that each plant receives the optimal amount of water. The team also provides re potting services, assists with customer inquiries, and ensures a pleasant shopping experience for all visitors. Additionally, workshops and events are held periodically to educate and inspire customers about various gardening techniques and trends.

## What Advertising/Marketing is carried out?

The Nurseries effectively reaches its target audience through social media marketing on popular platforms like Facebook.

With over 33,000 followers across Facebook and Instagram, you inherit a significant online marketing advantage.

Numerous opportunities exist to expand product lines and further leverage the active social media presence for Engaging content, including images, videos, and gardening tips, is regularly shared to engage the community. The nurseries also form partnerships with complementary businesses, such as landscapers and wedding organizers, to cross-promote services. Eye-catching signage and visually appealing displays at the physical location attract foot and vehicle traffic, enticing customers to visit for their gardening needs.

## What competition exists?

The Nurseries face competition from garden shops and other Garden Nurseries, to which they also supply flowers. These competitors offer similar products and services, creating a competitive market for garden enthusiasts. However, the Nurseries sets themselves apart through its diverse plant selection, automated watering systems, expert advice, and additional services like re potting. The nurseries commitment to quality and customer satisfaction helps maintain their position in the market despite the competition.

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

To enhance the profitability of the Nurseries, the following measures can be taken:

- 1. Expand Landscaping Services:** Consider adding additional landscaping services, such as garden design, installation, and maintenance, to cater to customers seeking professional assistance. Collaborate with experienced landscapers or hire dedicated staff to offer these services, enabling the business to generate extra revenue and promote cross-selling of plants and gardening products.
- 2. Increase Workshop Offerings:** Host a diverse range of workshops on various gardening topics and trends to attract a wider audience. These educational events not only generate revenue but also position the nursery as a trusted industry expert. Promote workshops through targeted marketing efforts to increase participation and cultivate a loyal customer base.
- 3. Enhance Online Presence:** Develop a user-friendly website that showcases the nursery's products, services, and upcoming workshops. Enable online sales through an e-commerce platform to cater to customers' convenience. Utilize social media platforms to engage with the audience, sharing engaging content, gardening tips, and exclusive promotions to boost online visibility and drive sales.
- 4. Foster Customer Loyalty:** Implement a customer loyalty program that rewards repeat purchases and referrals. Offer incentives such as discounts, special promotions, or exclusive access to events. This encourages customer retention, enhances customer satisfaction, and increases profitability.
- 5. Improve Operational Efficiency:** Conduct a thorough assessment of operational processes to identify areas for improvement. Streamline inventory management, negotiate favorable supplier agreements, and optimize cost structures. Embrace technology solutions like point-of-sale systems and inventory management software to streamline operations, reduce costs, and improve overall efficiency.

By implementing these strategies, the Nurseries can enhance profitability by expanding service offerings, attracting new customers, cultivating loyalty, and optimizing operations. Regular monitoring of financial performance and customer feedback will provide valuable insights for further refinement and growth.

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

Here is the breakdown of staff at the Randburg Nursery, including their functions and length of service:

1 - Employee Number: 0005

- Job Title: Driver (Delivery of plants to clients, assisting customers, providing plant advice, handling transactions)

- Length of Service: Since January 1, 2013

2. - Employee Number: 0014

- Job Title: Nursery Staff (Overseeing daily operations, plant care, assisting customers, providing plant advice)

- Length of Service: Since March 1, 2013

3. - Employee Number: 0027

- Job Title: Nursery Staff (Overseeing daily operations, plant care, assisting customers, providing plant advice, handling transactions)

- Length of Service: Since February 13, 2023

4. - Employee Number: 0021

- Job Title: Nursery Staff (Overseeing daily operations, plant care, assisting customers, providing plant advice, handling transactions)

- Length of Service: Since January 15, 2022

5. - Employee Number: 0028

- Job Title: Store Manager (Management of Nursery operations)

- Length of Service: Since March 1, 2023

6. - Employee Number: 0016

- Job Title: Creditor Manager (Management of all accounts)

- Length of Service: Since April 1, 2021

## Do any have management potential?

There are 3 Managers in place

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

The owner spends alternate days at the nurseries. It is noted that the owner may not always be present at the nurseries due to other commitments.

## When does the current lease end?

The current lease for the property at Randburg is set to end in August 2026.

The lease for the Lynnwood store ends December 2024.

The lease for the Boksburg store ends February 2028.

## What are the trading hours?

8:00-17:00 (Mon-Fri), 8:30 - 16:00 (Sat-Sun)

## What are the main assets of the business?

The main assets of the business include the entire infrastructure that has been developed over the years, including the nursery facilities, buildings, greenhouse, automated systems, and equipment. Additionally, the systems in place to maintain the nursery, such as the automated watering and heating systems, as well as any other machinery and tools, are also significant assets of the business. These assets are crucial for the operations and success of the nursery.

## Strengths?

- 1. Established Reputation:** The Nurseries have built a strong reputation in the gardening industry for its commitment to quality, customer satisfaction, and innovation.
- 2. Comprehensive Product Range:** The nurseries offer a diverse range of plants, seeds, and gardening accessories, catering to a wide range of customer needs and preferences.
- 3. Automated Systems:** The integration of automated watering and heating systems ensures optimal plant care and maintains the quality of the nursery's offerings.
- 4. Additional Services:** The nursery provides value-added services such as expert advice, re potting services, workshops, and an onsite coffee shop, enhancing the overall customer experience.

## Weaknesses?

**Owner's Availability:** The owner's limited availability at the branches restrict the potential expansion of services, such as landscaping, which could further boost profitability.

**Staff Dependence:** The reliance on a staff team, with the owner being absent at times, may pose challenges in ensuring consistent operations and customer service.

## Opportunities?

**Landscaping Services:** Expanding the business to include landscaping services can attract new customers and generate additional revenue.

**Workshops and Events:** Increasing the frequency of workshops and hosting special events can attract more customers, build a loyal customer base, and create opportunities for collaboration and partnerships.

**Online Sales and Delivery:** Implementing an online sales platform and delivery service can tap into a wider customer base and cater to the growing demand for convenient shopping options.

## Threats?

Competition: Garden shops and other nurseries, including the ones supplied by them, pose a competitive threat in the market.

Economic Factors: Economic downturns, fluctuations in consumer spending, and inflation can impact the purchasing power and demand for gardening products and services. External Factors: Unpredictable factors such as adverse weather conditions, pests, and diseases can affect plant growth and overall business performance.

## What is the reason for the sale?

The reason for the sale of the Nursery is the owner's limited availability at the branch and the desire to immigrate to a different country. Due to time constraints, the owner is unable to dedicate sufficient time and attention to grow the nursery as desired. Selling the business allows for a smooth transition of ownership and provides an opportunity for someone else to take over and further develop the nursery's potential. The owners first priority is to sell all 3 branches to one owner.

The owner will entertain offers separately with the objective to sell all 3 branches in the same time frame :

Randburg R 900 000

Lynnwood R 1 200 000

Boksburg R 500 000