



Date: **22nd December 2024**

Business Reference: **36947**

About the Business:

## **Online Clothing and branding business looking for an investor. Located o the Westrand of Jhb**

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This is an online store that procures and brands clothing items. They don't have a shop front. The seller is looking for an investor that has knowledge of the industry and that can contribute to the business's success

# Online Clothing and branding business looking for an investor. Located o the Westrand of Jhb



Sector: **Services**

Asking Price:

**R 1,030,000**

Monthly Profit:

**R 32,618**

Asset Value:

**R 495,770**

Stock Value:

**R 0**

Yearly Net Profit :

**R 391,411**



# Business Report

## Fully describe the business's activities?

This business is an online store based in the west of Johannesburg. They focus on supplying and branding of garments. They offers a wide range of products and services tailored to meet customers' diverse needs.

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

Clients order the clothing online and discuss the branding options that should be embroidered or printed on the clothing

Clothing items are ordered, and embroidery or printing is done as per the specifications

## What Advertising/Marketing is carried out?

Digital advertising in the form of SEO and Google Ad words

## What competition exists?

There are other online shops that provides a similar service but the seller has unique clothing that gets imported

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

Initiatives that can be embarked on:

1. Digital Marketing - The low hanging fruit is increasing the social media marketing budget (Facebook and Instagram) to boost revenue. The results are almost instant. Explore other online marketing options such as SEO, Pay-Per-Click Google AdWords and other social media platforms; X , You Tube and Tik Tok. They may need to engage the services of a professional marketing agency for better results. Thy have sufficient digital assets; website, professional emails, huge social media following and references to prove authenticity to online buyers.

2. Deal with Sales Seasonality - January sales are usually slow. To counter that they have created adverts that are targeted at Early Childcare Development Centres (ECDs). which require uniforms in the form of branded kid's golf t-shirts. They have created ads that target these businesses and we are already seeing the results since starting the project in Oct 2024.

3. Physical Presence in Major Cities (Long Term)

It would have been ideal if there were showrooms in at least 5 major cities in South Africa as such physical presence helps with authenticity and helps alleviate mistrust associated with online buying. Container showrooms will be sufficient

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

Owner runs and manages the business on a daily basis

## When does the current lease end?

The owner operates from his home and a lease isn't applicable

## What are the main assets of the business?

Various embroider machines  
Sewing machines

## Strengths?

Online business  
Easy to advertise and operate  
Seller knows the industry and will be around  
Can be relocated

## Weaknesses?

No store front  
Staff take leave for about 2 weeks in December

## Opportunities?

Business can be grown with the right investor  
Relationships or connection to new markets  
Targeted advertising to markets and areas not currently being focussed on

## Threats?

New entrants into the market

## What is the reason for the sale?

Seller is looking for an investor with the aim of growing the business

## What is the ideal investor profile?

The ideal investor should have knowledge of the retail or clothing industry. Further knowledge of printing and branding on clothing will be beneficial.

The investor should be in a position or have the ability to run and grow the business.