



Project Proposal - Carleton Startup Fellowship Competition

Mission

Adisa is an online platform that leverages the world market to help African Artisans increase their product sales.

Vision

Adisa aims to be the one-stop shopping platform featuring products by African Artisans.

Team



Claire Tagoe

Carleton College '18 (Major/ Concentration: [Computer Science/ Women's and Gender Studies](#))

Co-Founder and project leader, Claire, is currently working on laying the groundwork for Adisa in Ghana. She is conducting market research and interviewing potential artisans. Claire leads Adisa efforts in Ghana.



Sabastian Mugazambi

Carleton College '17 (Majors: [Computer Science & Mathematics](#))

Co-Founder, Sabastian, is currently working on the technical architecture for our platform. Sabastian also leads Adisa efforts in Zimbabwe.



Maraki Ketema

Software Engineer @ Tableau Software

Carleton College '15 (Major/ Concentration: [Computer Science/ Neuroscience](#))

Co-Founder, Maraki, is working on the technical user experience for the platform and assessing consumer impact in Seattle, Washington . Maraki also leads Adisa efforts in Ethiopia.



Problem Statement

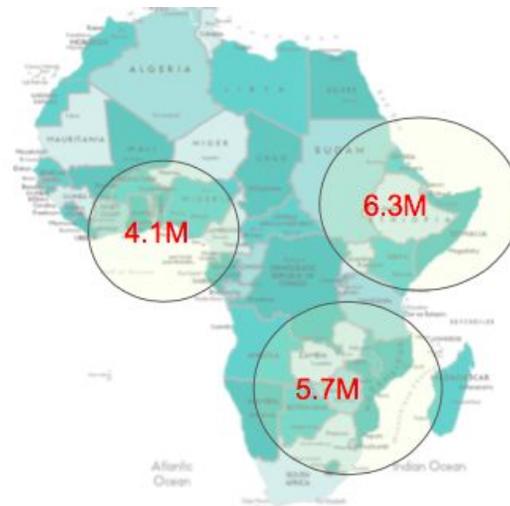
The Artisans' Problem:

Many amazing products are produced in Africa. The artisans who create these products have skills and talent that has been passed on from generation to generation. Many of these artisans do not have access to a large enough customer base, they only sell to customers within their local communities.

Case Study:

Ruth Muzvidzwa is a 45 year old dress-maker and jewelry designer currently residing in the outskirts of Harare, Zimbabwe. She supports her family with the earnings from selling products she produces. On any given month, Ruth has the capacity to make 20 dresses and 40 scarves. During the busiest month of the year, she sells 3 scarves and 5 dresses. Despite her ability to produce at a higher capacity, the lack of demand leads to unrealized income.

Ruth's story resonates with hundreds of thousands of women throughout Africa. The second largest employer in developing African countries, the artisan sector is 80%+ of informal employment, yet 70% live under the poverty datum line. **Figure 1.0** shows the rough estimates of the number of artisans in Zimbabwe, Ghana and Ethiopia.



The Consumer's' Problem:

Consumers interested in buying goods produced in Africa are limited by the supply of the goods, the accessibility of the stores and retailers selling these products. The products that they do manage to find are typically sold with a markup of 300 - 500% of the original price charged by the artisan.

Case Study:

Akesi, is originally from Ghana; she moved to the US when she was eight years old. To honor her culture and heritage, she wanted to wear a traditional Ghanaian dress for her college graduation. Unfortunately, she didn't have the time or money to travel to Ghana to purchase the dress. She had to buy the dress from a local Ghanaian retailer who sold the dress to her for \$150. The same dress that she bought only cost \$30 in Ghana.

Akesi's experience is shared with more than 42 million other members of the African diaspora currently residing in the United States. In addition to the African diaspora population, other US residents also seek direct access to the African artisan products.



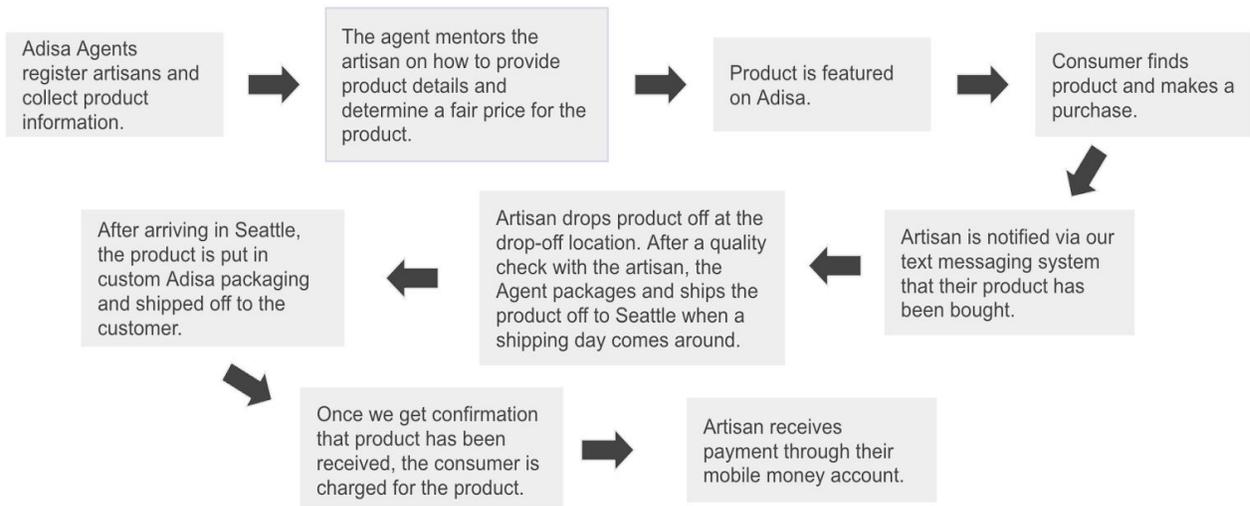
Product

Adisa is a working software platform that utilizes the power of e-commerce technology and mobile money to better enable artisans with the opportunity to grow their customer base. By creating a direct connection between consumers and artisans, Adisa seeks to solve both the artisan and consumer problem while generating revenue in the process.

However, this not the only product Adisa promises. Adisa also plans to produce proprietary tool that links our shopping platform with an automated text messaging system and artisan mobile money accounts. All communication and payments will be managed through this automated tool.

Process

The diagram below provides an overview of our process. It follows the process for a single transaction from customer purchase to both product delivery on the customer's end and payment delivery on the artisan's end.



Administrative Plan

In addition to the three non-salaried, co-founding, executives we plan to hire additional staff mainly in the African countries of operation. Agents will mentor and work directly with Artisans to price and feature products on our platform. All other administrative personnel will ensure the safe packaging of products before they are shipped to Seattle.

	Agents			Administrative Personnel		
	3 months	12 months	24 months	3 months	12 months	24 months
Zimbabwe	1	5	10	0	1	2
Ghana	1	5	10	0	1	2
Ethiopia	1	5	10	0	1	2

Table 3: This table shows projected staffing plan for the next two years.



Business Model

The following two tables have been created to provide our assessment of the types of products that we plan to feature on ShopAdisa.com. We've provided our projection on what the overall impact will be on artisans' earnings and Adisa's overall revenue.

Value Chain Assessment for Sample Products						
Product	Production Cost to Artisan	Product Price (Determined by Artisan and Agent)	Shipping Fee (Charged to consumer)	Adisa Transaction Fee (Charged to consumer)	Posted Price on shopadisa.com (Product Price + Shipping Fee + Transaction Fee)	% Artisan Earnings (Product Price) - (Cost to Artisan) / Posted Price
Scarf	\$5	\$20	\$2	\$5	\$27	55.50%
Beaded Necklace	\$5	\$18	\$2	\$5	\$25	52%
African Print Textiles	\$10	\$25	\$2	\$5	\$32	46.90%
Habesha Kemis (Ethiopian traditional dress)	\$40	\$105	\$5	\$10	\$120	54%
Dashiki	\$12	\$25	\$2	\$5	\$32	40.60%

Table 1: This table describes the price breakdown and value chain for some of the products we want to feature on Adisa.

Projected Earnings Based on Artisan Production Capacity									
Product	Quantity			Artisan Earnings			Adisa Revenue (Transaction Fee)		
Months	3	12	24	3	12	24	3	12	24
Scarf	120	480	960	\$1,800	\$7,200	\$14,400	\$600	\$2,400	\$4,800
Beaded Necklace	100	400	800	\$1,300	\$5,200	\$10,400	\$500	\$2,000	\$4,000
African Print Textiles	120	480	960	\$1,800	\$7,200	\$14,400	\$600	\$2,400	\$4,800
Habesha Kemis (Ethiopian traditional dress)	12	48	96	\$780	\$3,120	\$6,240	\$120	\$480	\$960
Dashiki	60	240	480	\$780	\$3,120	\$6,240	\$300	\$1,200	\$2,400

Table 2: This table shows our 3 to 24 month projections on quantity sold, artisan earnings, and Adisa revenue per product. These projections are for products produced by a single artisan. E.g we expect an artisan should be able to produce 120 scarves in 3 months and earn roughly \$1800 in profits.



24 Month Expected Impact

Market Potential:

- International populations interested in African Products:
 - Individuals who have previously traveled to African countries
 - Individuals who have seen African products at trade shows
- African diaspora in the USA (\approx 42 million):
 - Individuals in the African diaspora are highly dependent on the products they grew up with. These include, but are not limited to: traditional clothes/art, spices, tea, coffee
 - Many of these individuals have to either travel to their country of origin or pay the marked-up prices the goods are sold for in local ethnic stores

Marketing and Sales Strategy:

- Social Media: Facebook, Twitter, Instagram, SnapChat, etc.
- Advertising at ethnic restaurants, churches, and community centers
- Promotional deals on bulk purchases.
- 10% discount to all individuals that sign-up for free on our website (within a given period of time). Adisa will take on the cost of the all discounts and promotions. Merchants will be unaffected.

Growth and Risk:

- Pilot Countries are Zimbabwe, Ghana and Ethiopia.
- Expand to other nations in Africa one at a time after understanding the following:
 - Market Economy: Price at which goods are bought and sold
 - Abundant Resources
 - Nations culture
 - Product Specializations
 - Product Demand & Supply
- Government instability as a risk factor.
 - We have developed a relationship with the US State Department's Artisan Alliance program which will safeguard our interests in these countries.
 - In addition, we are currently only working with countries which are part of the AGOE aimed at waiving custom duties on all of the artisan products.
 - If we deem a country too risky for operations, we will cease operations immediately.



Projected Growth In Transactions

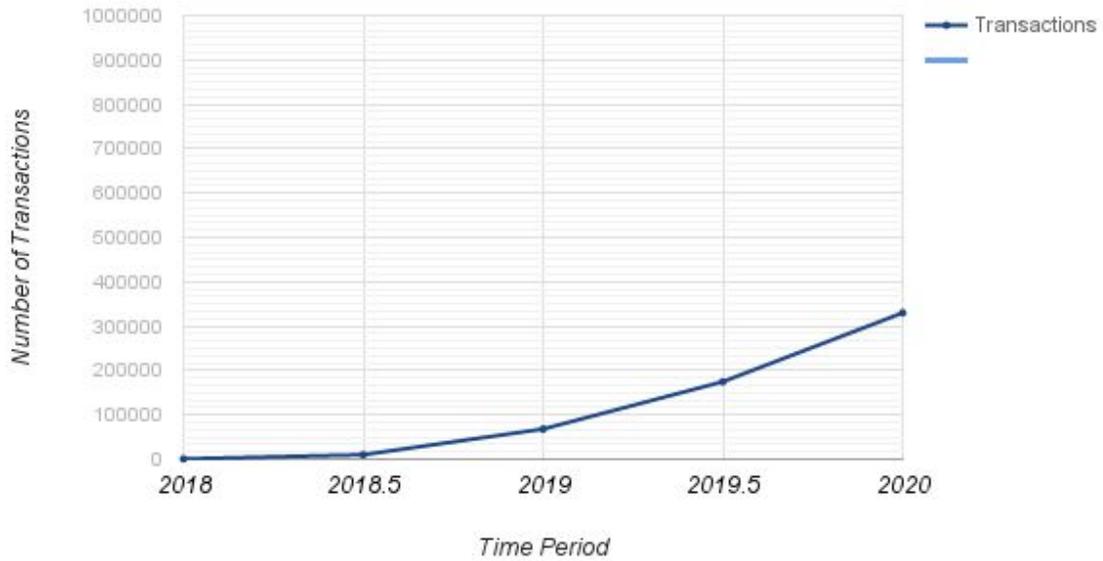


Figure 1: This projected number of transactions is based on the 3 to 24 month scope predictions found in the Table 2.

Projected Artisan Earnings & Adisa Revenues

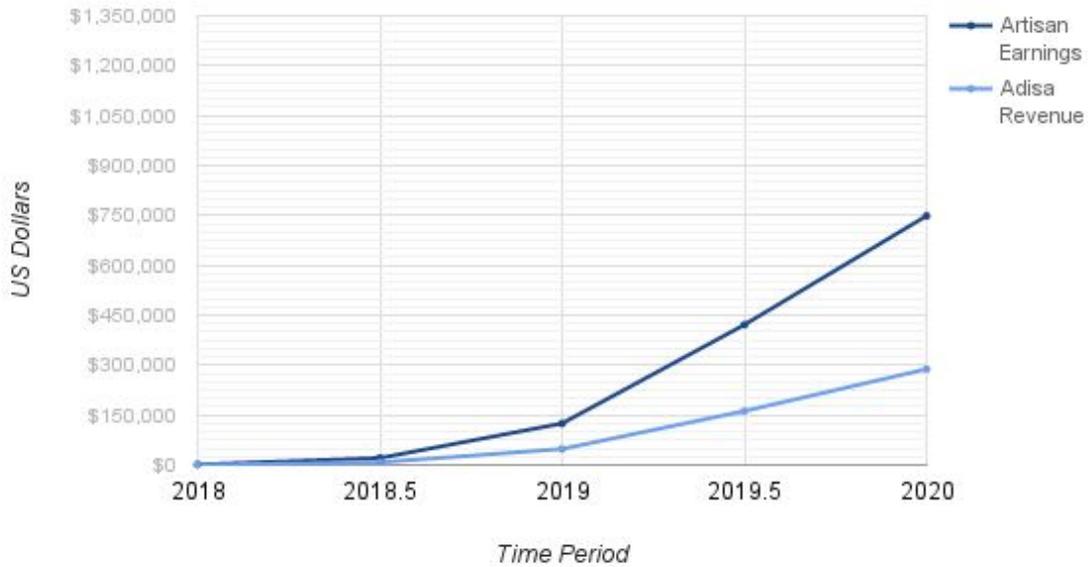


Figure 2: This projection is based on the 3 to 24 month Artisan earning and Adisa revenue predictions found in the Table 2.



Income Statement for (3 Yrs)

Income Statement

For the Years Ending [July 31, 2018 , 2019, 2020, 2021]

Revenue	2018	2019	2020
Sales Revenue	8,000	162,000	510,000
(Less sales returns and allowances)			
Service revenue			
Interest revenue			
Other revenue			
Total Revenues	8,000	162,000	510,000
Expenses			
Advertising	3,000	10,000	15,000
Furniture and equipment	2,000	8,000	15,000
Maintenance and repairs	200	1,000	3,000
Office supplies	300	1,000	2,000
Payroll taxes			
Rent	2,000	20,000	100,000
Research and development	10,000	10,000	10,000
Salaries and wages	6,000	95,000	190,000
Software	150	1,500	3,000
Travel	2,000	6,000	10,000
Utilities	300	2,000	10,000
Web hosting and domains	150	1,500	3,000
Other	5,000	5,000	5,000
Total Expenses	31,100	161,000	366,000
Net Income Before Taxes	(23,100)	1,000	144,000
Income tax expense	800	16,200	127,500
Income from Continuing Operations	(23,900)	(15,200)	16,500



Why \$10,000

We plan to use the 10K to continue our market research in our target countries (Zimbabwe, Ethiopia, and Ghana). We aim to have the market research in the form of a minimum viable version of our business model. We plan to allocate the funding to help us reach this goal in the following way:

● Salary 1 Agent in Ethiopia	\$1000
● Agent Expenses:	
○ Computer	\$300
○ Mobile and Internet Fees	\$100
○ Cellphone	\$70
○ Stationary:	\$30
○ Transportation:	\$300
● Office space in Ethiopia	\$400
● Packaging Equipment	\$200
● Monthly Shopify Membership:	\$60
● Other expenses:	\$1000

Total amount towards the minimum viable version of business model : \$3460

We plan to continue our market research and data collection in preparation to seek other funding. We plan to launch Kickstarter and GoFundMe campaigns to raise the \$25K need to fund operations in September of 2017. There are start-up expenses associated with building a successful campaign. The expenses are as follows:

● Travel Accommodations/ Food/ Other Expenses: \$1000 * 3	\$3000
● Professional Footage in Zimbabwe, Ethiopia, Ghana: 500 * 3	\$1500
● Footage in the US:	\$700
● Video Editing:	\$1000
● Paid Advertising (Facebook, Google, etc.):	\$1000

Total amount towards research & further funding initiatives: \$7200

Grand Total Needed: **\$10,660**