**Appendix 8.3**

**Business Plan**

## **Business Plan 2020**

Station Purpose

Maboloka Community Radio is a non – profit organisation which provides a community broadcasting service to the people of Madibeng.

We aim to contribute to the health and social wealth of our local community by providing access to a truly independent, community owned and run local radio station which will:

Improve access to local information, community events and entertainment

Increase the sense of connectedness in our community between people of all ages, social, cultural and ethnic backgrounds.

Provide a forum for engaging in discussion on issues of local, national and international importance.

### 1.

### Historical Overview

Maboloka Community Radio is applying for a license in April 2020; the mock broadcasting is expected to start in June 2020. Maboloka Community Radio will cover a 50km radius. Areas that it covers include Maboloka Township and all adjacent areas in the Madibeng Local Municipality, and the northern parts of Gauteng.

Province.Maboloka Community Radio will be situated at House no.334 Bataung Section Maboloka .It will broadcast 24hours a day and is offering programmes in 9 different languages namely,Afrikaans,English,Tswana,Zulu,and Sotho .We have live programmes, Live broadcasts,Satelite Programmes, Live –Cross-overs and recorded programmes. We have personnel including staff and management. We also have Board of Directors which is elected by the community at the annual general meeting (AGM) they serve for two years.

#### 2. Maboloka Community Radio Management

Maboloka Community Radio is co-ordinated by a management committee of volunteers filling the following positions.

**BOARD OF DIRECTORS**

|  |  |  |
| --- | --- | --- |
| **NAME** | **POSITION** | **GENDER** |
| **Mr. George Tau** | **Chairperson** | **Male** |
| **Mr. Harrisson Mashishi** | **Programming Portfolio** | **Male** |
| **Ms. Matshidiso Tutubala** | **Secretary** | **Female** |
| **Ms. Judith Mmola** | **Treasurer** | **Female** |
| **Mr David Tshemane** | **Marketing Portfolio** | **Male** |
| **Mrs. Kgomotso Kungwane** | **Human Resource** | **Female** |

**MANAGEMENT COMMITTEE**

|  |  |  |
| --- | --- | --- |
| **NAME** | **POSITION** | **GENDER** |
| **Comfort Mnisi** | **Station Manager** | **Male** |
| **Abednigo Motaung** | **Finance Manager** | **Male** |
| **Paul Matopi** | **Technical Manager** | **Male** |
| **Samuel Moleele** | **Programme/News Manager** | **Male** |
| **Pone Moabelo** | **Administrator** | **Female** |
| **Zanele Moela** | **HR Officer** | **Female** |
| **Jabulani Radebe** | **Music Compiler** | **Male** |
| **Isaac Mmelene** | **Marketing Manager** | **Male** |
| **Nono Gcumeni** | **Receptionist** | **Female** |

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**Mission Statement**

To inform our communities through updates, particularly local news, and production of good quality programming. Locally – orientated programming in essence provide a sense of belonging, identity and pride among members of the community, encouraging gender sensitivity and breaking all stereo types and challenging all forms of abuse. We also entertain and educate our community.

**Vision**

To encourage dialogue at all times, therefore building a strong civil society that comprises literate, informed and empowered individuals. To have quality digital mobile studio that will enable us to reach our remote rural areas within our footprint.

#### Market Share

Maboloka Community Radio is located in Maboloka. The area of Maboloka overlaps with another Community Radio,1 public radio,1regional commercial radio and SABC other stations: -

As the First community radio station in the Madibeng area, Maboloka Community Radio sees it market as providing quality, commercial free radio for the citizens of the Madibeng area. As we sell advertising on a community rate unlike commercial and public stations, we don’t believe that we need to compete with the other licence holders in this area on a commercial basis.

Financial Statement

Maboloka Community Radio derives its income from 3 main sources, advertising, fundraising & grants. In the past these have provided sufficient income to cover the stations running costs.

To meet the increasing costs associated with the running of the station we will be seeking to raise our income through: -

* Increased Advertising fees
* Increasing Advertisers numbers
* Sourcing of more community grants
* Running local music benefits and fundraisers.

3.

**Short Term Objectives (12months or less)**

* 1. **INCREASE OUR REVENUE**

We are currently on an intensive marketing drive to increase our Advertisers so that we can have an increased database of our Advertisers within Madibeng local Municipality.

**PURCHASE A VEHICLE.**

We will negotiate with car dealerships in Brits to have a sponsored car for the station, where it will be branded with their name and also offer airtime in exchange to the vehicle.

**Long Term Objectives**

**Purchase a purpose built outside broadcast unit.** This will allow us to undertake outside broadcasts at community, sporting & cultural events on a regular basis, raising our public profile in the community.

**Appointment of a full time Marketing Manager.**

The appointment of a full time Marketing manager will allow us to undertake a number of functions that we would like to pursue such as: -

* + Increasing number of the Advertisers.
  + Contacting businesses to promote institutional sponsors.
  + Promote awareness of the stations existence & services with businesses, community groups & the listening public in general.

**Initiate formal recruitment & training program**.

We would like to put in place a formal recruitment & training program for new announcers wishing to produce their own programs. This could take the form of a short training course in such areas as: -

* Equipment operation,
* Announcement procedure,
* Codes of practice.

3. **Locate a secure source of permanent funding.**

The location of a permanent source of funding will be required, as the operating costs of the station will continue to rise. These funds could be raised from a number of areas including: -

* A permanent grant from the Madibeng Municipality.
* Signing of a sponsorship arrangement with major company.
* Selling of advertising or sponsorship in allocated time slots.

**SWOT ANALYSIS**

|  |  |
| --- | --- |
| Strengths:   * Good relationship with local leaders. * Audited financial records * Well trained human resource   Good governance | Weaknesses:   * Lack of self-sustaining financing * Loss of trained personnel due to low and unattractive salaries |
| Opportunities:   * Potential of creating sustainable job opportunities for the community * Few local competitors in the business | Threats:   * Pricing of the fees for services is minimal as it is structured along household’s incomes which are very low. Consequently, the incomes are very low * Emergence of the new community Radio * Unstable Markets will affect our sustainability |
|  |  |

MARKET

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Detailed Description of Product/service | Product /Service Price | Quantity | Targeted Market (s) for the Product/Service | Total Revenue | |
| 30 seconds advert(6-9 am) | R500.00 each | 120 | Retail shops, chain stores, Government Departments | R60 000. | |
| 30 sec (10-13 p.m) | R300.00 | 120 | R36 000 | |
| 30 sec (12-15p.m) | R340.00 | 120 | R40 800 | |
| 30 sec(15-18 p.m) | R500.00 | 120 | R600 00 | |
| 30 sec (18-21p.m) | R340.00 | 120 | R40 800 | |
| Live reads | R200 | 400 | Churches,Tarvens spazas and local shops | R80 000 | |
| Live cross over(15 min) | R1 500 | 12 | Government  departments | R18 000 | |
| Insert (30 min) | R1 500 | 48 | Government  departments | R72 000 | |
| Naming Rights(30 minutes) | R3 000 per month | 12 | Government  Departments and churches | R36 000 | |
| Live Transmission | R5 000 (1 Hour) | 12 | Government  Departments and churches | R60 000 | |
| Pre Promo(30 Sec) | R500 | 400 singles | Retail shops, chain stores, Government Departments | R200 000 | |
| Interviews (5 Minutes) | R1000 | 100 | Government  Departments and churches | R100 000 | |
| 15 Minutes | R2 500 | 100 | R250 000 | |
| 30 minutes | R3000 | 100 | R300 000 | |
| Competition | R2 500 | 12 | Retail stores | R30 000 | |
| Outside Broadcasts | R20 000 | 12 | Retail shops, chain stores, Government Departments | R240 000 | |
| **TOTAL** | | **R1 593 600** |

Target market:

The target market is based on geographical segmentation, which are the local and neighbouring retailers, general dealers, government department and chain stores.

Marketing Strategy

The competitive edge of Maboloka Community Radio is through identifying the competitors and gaining knowledge of their weaknesses and strength and being able to identify a gap that was missed and capitalizing on that so as to make sure that the customers receive value for their money. The packaging methods will be user friendly to the customers and be informational to the customers.

The following are promotion methods to inform and identify with the customers.

Personal visits to potential customers

* Visiting potential and targeted customers (retailers) and informing them about the products and services that the we will be offering.
* Presentations to potential clients

5.

**Financial Income & Expenditure Projections Statement**

## **Income Projections**

**2020. 2021. 2022.**

Grants 750 000 800 000 1000 000

Donations 12000 24000 32000

Advertisers 1 140 000 1 593 600 1 945 000

Fundraising 56000 62000 78 000

### Total 1 958 000 2 479 600 3 055 000

## **Expenditure Projections**

**2020. 2021. 2022.**

Studio Maintenance 12000 15000 18000

Building /site Maintenance 2500 3000 3500

Administration Costs 18000 24000 24000

**Other**

Insurance 1800 1800 2000

Phone /Fax 36000 36000 39000

Licences 0 0 0

Rent 18000 18000 18000

Electricity 3600 3600 3600

**Stipends**

Management 246 000 246 000 370 000

Staff 480 000 480 000 620 000

**Estimated Total Operation Costs R817 900 R827 400 R1 098 100**