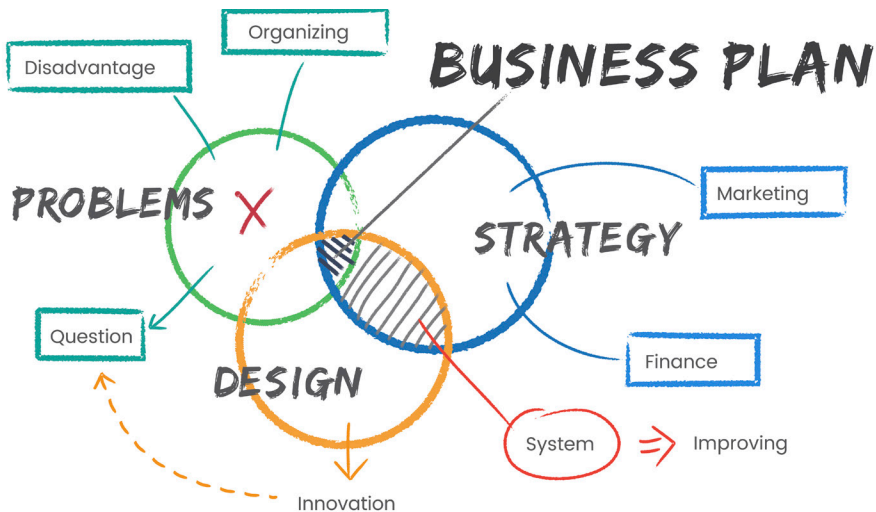


# Business Plan Book for Chicken





## Making a Business Plan for your Chicken Business

*Why is it important to have a business plan?*

A business plan keeps you focused on your aims and goals. It helps you look at where you are now and plan the future of your business.



### Be Aware:

Some enterprises need you to invest money in the first and even second year before you start making a profit.

**This is the case for keeping chickens when you have to build a house from scratch. This will mean you spend more money than you make in the beginning.**



### Tip:

When building a chicken house, use the locally available materials to bring down the cost.

# Company Overview



Start off by describing your farm business, what is its mission, what is the vision and the goal? Why did you choose this business? Is it owned by a group or just one person?

A **mission** is what you want to achieve with the business in say, 2 months, 1 year, 2 years, 3 years. For example: I am here to farm layer chickens that will produce yellow yolk eggs.

A **vision** contains the goals you set for yourself.

A **short-term goal could be**: to raise enough money to extend my chicken house to keep 200 chickens in 2 months time. A long-term goal could be to meet all standards needed to open a hatchery in 2 years.

**Ownership**: Who owns this business? E.g., Kukufarm enterprise is owned by Odhiambo who serves as the Managing Director.

# Business Overview

Activity: Fill in the below business overview with all this information.

<b>Name of the business</b>	
<b>Ownership</b>	
<b>Location</b>	
<b>Mission</b>	
<b>Vision</b>	Short-term goals:
	Long-term goals:
<b>Why did you choose this business?</b>	
<b>Products and services offered</b>	

Activity: Fill the below table with all the consultants you will work with. The first line shows an example.

<b>Name of the Consultant</b>	<b>What they do</b>	<b>Address/Location</b>
<i>Kitolel Advocates</i>	<i>Provide legal advice</i>	<i>Khwisero Business district</i>

# Market Analysis



## SWOT Analysis

To know if your business will do well, do what we call a SWOT analysis. This looks at the *Strengths* of the business, *Weaknesses*, *Opportunities* and *Threats*.

Analyse what is happening in your market to help you understand what your SWOT looks like. This can include: political, economic, social and technology. Always keep these in mind when planning for your business.



- Recent changes
- Future predictions
- Drivers such as changes in demographics (population growth), economic factors etc
- New available equipment that may boost your production

List the different political, economic, social and technological factors that are relevant to your chicken business.

Political Factors	Economic Factors	Social Factors	Technological Factors

# Strengths and Weaknesses

Internal factors that can inform your weaknesses or strengths can also include:

- Your team members.
- Where your business is located.
- Amount of money you put in the business.
- Activities you engage in and;
- Your reputation in the community



*Think about the strengths and the weaknesses of your business and write them down in the table below. Write down how you will address them in the right column.*

Strengths	How to maximise my strength?	Weaknesses	How do I address the weakness?
<i>We love what we do and have excellent customer service</i>	<i>Improve after-sales service to attract customers</i>	<i>Poor training of staff</i>	<i>Engage someone qualified to train the staff members</i>

# Opportunities and Threats

External factors such as changes in the economy, increasing fuel prices, new buyers or access to foreign markets can either pose opportunities or threats to your business.

List down all the opportunities your business can have and the threats it might face. Write down how you will address them in the right column.

Opportunities	How do I take advantage of the opportunities	Threats	How do I address the threat?
<i>Partnership with companies like Kenchic to get a market for my chicken.</i>	<i>Open another chicken unit to meet the demand.</i>	<i>There is an outbreak of chicken disease.</i>	<i>Vaccinate my birds to ensure they are well protected and have a good biosecurity.</i>

# Team

Who are your team members? What is each member doing?

Fill out the table showing who you will need in the business. This includes their roles, when they will start working and whether they will be fully employed or work on a contract basis.

Staff	How many?	Qualifications	What is their role?	When do they start (Date)	Terms
Vet Doctor	1	A Bachelor of Veterinary Medicine	Overall farm management	25/10/2023	Full-time

## Tips

- Make sure your wages are competitive and meet at least the minimum wage for the industry.
- Ensure you have the right number of staff to run your business over time.
- Only hire when you are sure you can pay someone.
- Think about how you will identify and hire new staff.



**Remember!** Behind every successful business is a great team.



# Training Plans

What training will your staff undergo when they start working with you?  
Always stay up to date with market trends and train staff when needed (e.g. there is a pest outbreak).

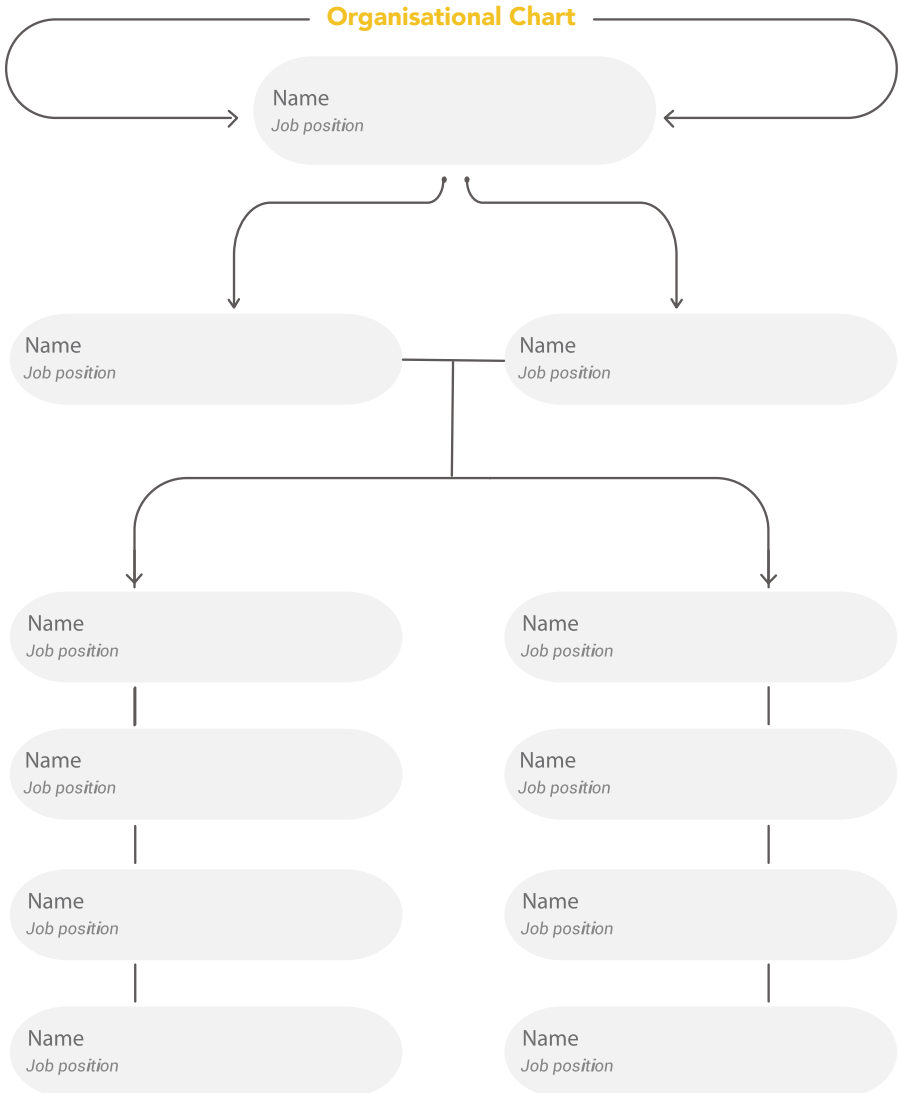
Fill in this table with the expected trainings that your staff will undergo.

Trainer	Topic	Date
<i>Example: Kenchic</i>	<i>Managing Day Old Chicks</i>	<i>15/01/2024</i>

# Organisation Structure

Every business needs a team that can deliver quality products and services to its customers. A business can have the overall manager, experts and casual workers to help with the work on the farm.

Fill out the below chart with all team members in your company.



# Products and Services

It's good to have more than one business. If one business fails, then you have other products or services that will give you an income. This can include the type of chicken you keep and other services offered such as farmer trainings.

Know your market, your customers and your marketing strategy:

**Product**, **Price**, **Promotion** and **Place**.

## Customer

Markets help farmers to sell and earn money for their business. It's a good idea to find a market before you start your business. Describe your ideal market and its size.

### Target market



- Who will you sell to?
- What does your ideal customer look like?
- How will you get more customers?

Fill in the below table.

Guiding Question	Answer here
What is the size of the market you are targeting?	
Is the market growing or declining?	
What does your ideal customer look like?	
How is the market divided/ segmented? Is it according to prices or products sold?	
How will you recruit new customers?	

# Marketing Strategy

Set out your strategies for reaching your customers and creating interest in your product or service.

## Think about the 4 P's



## Product

Find out the potential value for each of your products and service.

*Answer the below guiding questions to help think about what product to sell in your business.*

Guiding Questions	Answer here
Which breed of chicken sells well in the market?	
Is there a ready market for this breed and its products?	
Does the market want live chicken or slaughtered and packaged?	
What are your marketing costs?	
Do you need to pay for a licence or permit to sell your chicken products?	

# Products and Services Overview

Fill this table with products and services offered in your farm and their potential value.

Products	Value	Services	Value
Layer eggs	10 KES per egg	Training farmers on brooding	500 KES per session

## Competitive Advantage

Why should customers buy your products or use your services and not buy from other farms? (Why is your product preferred?)

List your reasons down below.

Example: *My product has a better price than my competitors.*

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What are you doing to make your product stand out?

*Describe how your product will stand out amongst other sellers and farmers. List your reasons here.*

Example: *I sell already slaughtered chicken in different sizes. I package them in ½ kg, 1 kg and 2 kg. My competitors sell live chicken only.*

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## Competitive Analysis

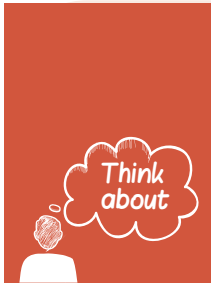
**Know your competitors!** Find out who is offering the same products and services as you and know their strengths and weaknesses.

*Outline your competitors and what they do below. What gives them a competitive advantage? Who are their clients? And what are their shortcomings that you can take advantage of?*

	<b>Your Company:</b> _____	<b>Company A:</b> _____	<b>Company B:</b> _____	<b>Company C:</b> _____
<b>Products and Services</b>				
<b>Business Description</b>				
<b>Competitive Advantage</b>				
<b>Shortcomings</b>				
<b>Key Clients</b>				

# Price

How will you arrive at the price charged for each product or service?



- Are there different prices for the different breeds of chicken?
- Will you charge everyone the same price?
- Does the price cover your production costs and will you make a profit?
- What are buyers currently paying for your product?
- Will the price change over the year?

Work out a good price for your products. If your price is too high, customers may not buy from you. But if your price is too low, you may not make a profit.

Fill in the below table. State how each product or service will be priced and the main price drivers for each product.

	<b>Product A</b> <i>(e.g.: eggs)</i>	<b>Product B</b> <i>(e.g.: slaughtered chicken)</i>	<b>Product C</b> <i>(e.g.: live chicken)</i>
<b>Price</b>			
<b>Main price drivers (e.g feeds, location)</b>			

# Promotion

## Marketing

Here some ideas of how to advertise your business:

- Place posters at your gate
- Word of mouth (e.g., tell people at church and your children's school)
- Talk to brokers
- Visit people that are likely to be buyers in the future
- Use social media like Facebook or WhatsApp or online platforms like Mkulima Young, Farm Soko and SokoPepe
- Exhibitions and other events

## Cost

Outline how much you will spend on advertising and promotion of your products.

Promotion Strategy Name	How it is done?	Cost (KES)

## Place

Where will you sell your chicken and its products?

Select all that apply:

Informal Markets	Formal Markets
<input type="checkbox"/> Farm gate	<input type="checkbox"/> Hotels
<input type="checkbox"/> Village markets	<input type="checkbox"/> Supermarkets
<input type="checkbox"/> Schools	<input type="checkbox"/> Processing companies
<input type="checkbox"/> Eateries	<input type="checkbox"/> Local buyers in the markets
<input type="checkbox"/> Clinics	<input type="checkbox"/> Exporting outside of Kenya



## Market Strategy

*Here are some questions to help you decide the best market for you!  
Answer below.*

Guiding Questions	Answer here
Which markets can you reach easily? E.g., local market, next city, school.	
Are you keeping chicken for the local or the regional market?	
How will you bring your produce to this market? E.g., Boda boda, hire a pick up.	
Where can people buy your chicken and chicken products? E.g., At the farm gate? Do you deliver? Online or social media?  For your customers who own hotels or restaurants, will you train them on how to slaughter and section the chicken?	

## Financial Plan

A financial plan captures all the money you will spend and the money you expect to make from your chicken business.

### Expenses (Money OUT) and Income (Money IN)

In your chicken business, you will incur costs (Money Out) and you will get an income (Money In).

Expenses can include the cost of feeds, the cost of vaccines or vet charges. You can make money from selling chicken meat, eggs or training farmers.

Fill in the table below with all your expenses (Money Out) and the money you get from selling your product (Money In).

Month / Year:					
<b>OUT</b>			<b>IN</b>		
Date	Description	Amount	Date	Description	Amount
15/06/23	Bought 100 broiler chicks	KES 10,000	10/08/23	Sold 50 broiler chicken	KES 25,000
	Total			Total	

## Research and Development

### Technology Roadmap

Think about what improvements you would like to make across your products and services in future.

For example, how will you meet increasing market demands? What new products and services will you develop?

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Scan here for a full Financial Management Template for Chicken Business

# Partners

List all partners you will need and indicate nature of their involvement.

Partner	Services they offer
Kenchic	Supply Day Old Chicks

## IP, Patents, Copyrights, Brands

Be aware of any protection obtainable for your product or service: whether the technology can be licensed, whether copyright or trademark registration would be useful, and the brand image you plan to create to protect your product/service against competition.

### Tips for Running a Successful Business!

- **Keep good records.** Records help you see what you are spending and how much money you are making.
- **Open a savings account to keep money safe for when you need it.** Make sure you pay back your loans on time and stick to your money plans.
- **Join a farmers group and work with other chicken farmers.**
- **Get a contract:** Find a chicken buyer before bringing in your chicks.
- **Put your profits back into your chicken business to ensure it grows.** Don't use business money for yourself. The business should pay you a salary.
- **Start another business such as growing African leafy vegetables.** This gives you security if one of your other businesses has issues or fails.



**Remember!** It's always a good idea to have a clear business plan at hand. This way, you will know how much money you need to get started and when you will start making a profit.

Watch



Saturdays 1:30 pm (English)

Sundays 1:30 pm (Kiswahili)



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