**Evidence A**: The Senegalese Entrepreneur Selling African Recipes to Americans

Magatte Wade is one of the most notable female entrepreneurs to emerge from Africa. Born in Senegal and educated in France, she is the original founder of Adina World Beat Beverages (Adina), a San Francisco beverage company that manufactures coffee, tea and fruit juices based on traditional beverage recipes from across the world, using organic ingredients sourced from small-scale farmers across Africa and Asia.

Magatte started Adina based on Bissap, the traditional hibiscus drink of her native country, Senegal. She was angry and upset that her country’s cultural traditions were being destroyed and replaced by Coke and Fanta.

Adina was started with $2m finance from Magatte’s friends and family. Adina then raised a further $30m using venture capital.

Adina’s biggest impact in Africa was through the creation of an organic hibiscus industry in Senegal. The hibiscus industry was slowly dying in Senegal when Magatte brought in help from ASNAPP (Agribusiness in Sustainable Natural African Plant Products). They offered organic seeds, advice and coordinated activities between the growers and the organic and fair trade certification bodies.

Magatte used Adina resources to pay for the growers’ fair trade certification. Magatte also worked with the First Lady of Senegal, to access land and to support the set up of workers’ co-operatives. Women were taught to grow world-class certified organic hibiscus. Today the organic hibiscus growers of Senegal sell their product around the world and thousands of women have jobs they would otherwise have lost.

Magatte stepped down as Adina’s CEO in 2009 because she did not like the new direction the business was taking in terms of positioning and branding, but she held onto her large shareholding.

1. (b) Explain how a business plan might have helped Adina to become successful. (6)

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Marvin – Mr Motivator!

As a teenager, Marvin Burton battled with his weight. By the time Marvin left school he was 16 stone (100 kgs), so he decided to work in the fitness industry to try and help overcome his weight problem. Marvin worked in a number of roles from gym receptionist, aerobics instructor, personal trainer, to the Director of Fitness on a cruise ship – teaching and training over 2,000 passengers!

As an essential part of his professional development, Marvin studied and often undertook training in areas such as sports massage therapy, diet and nutrition and anatomy.

In 2008, Marvin started his own fitness company, Advanced Conditioning Ltd. He often worked with professional sports people on a one-to-one basis. Marvin also ran group exercise classes. Since much of his work required him to be flexible, he set up an office at home. When Marvin needed a fitness studio or large equipment for his clients, he simply hired it, often from well-known health club chains, such as Virgin Active.

Since 2011, Marvin has teamed up with four other self-employed professional sports trainers, a masseur and a chef, to provide exclusive well-being stay away breaks. The team, operating collectively as Fitness Retreat Ltd, hire luxury countryside venues such as The Lindens, in Dorset. The Lindens is a fabulous 18th century manor house which has a heated swimming pool, all-weather tennis courts and acres of amazing woodland and gardens – the perfect setting for a great fitness getaway.

1. (a) Explain one reason why it might have been necessary for Marvin to prepare a business plan for Advanced Conditioning Ltd. (4)

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**Evidence A - David’s Choice: Chapman’s or Chic?**

On 1 March 2011 David Benbow celebrated his 40th birthday and an annual turnover of £150,000 for the first time in 19 years of self-employment.

On leaving school in 1987, David started work as a technician in Chapman’s Opticians, for what was then a high wage of £300 a week. Before long David realised that this job failed to match his passion for creativity. A year later he started work as a junior stylist in Raymond’s hair salon, Birmingham. Given his commitment to working long hours and a flair for style, David was swiftly promoted, becoming a senior stylist at Raymond’s in 1990. By the summer of 1992 David decided it was time to be self-employed.

Rather than rent his own premises and pay high start-up costs, David rented a chair\* in a Stourbridge salon. This gave David the opportunity to learn more about the financial aspects of hairdressing, as he became more familiar with costs and the factors which affect sales income. In March 2005, once he had sufficient savings, David opened up his own hair salon in the city of Worcester.

David had not prepared a business plan for a bank because he was confident that he had accumulated enough money – over £30,000 in savings. This paid for the £4,000 legal and professional fees, £8,000 advance rent and the £18,000 for equipment and initial stock.

Marketing costs were negligible because David had developed a strong customer base and reputation in Stourbridge, so clients simply followed him to nearby Worcester. David had also taken advantage of professional development opportunities over the years by paying for courses to update his skills. He did this through formal training with the internationally respected Sassoon Academy in London; David is now one of their partner trainers.

Today David Benbow Hair looks prestigious. Salon prices are by no means as cheap as the £7 charged by a local barber for a dry cut. In this industry David believes “quality counts”, by which he does not simply mean hair treatment. The salon has recently undergone a high specification refit which cost in excess of £40,000, including Italian handmade leather sofas for waiting clients, Shiatsu massage chairs, Italian porcelain sinks, solid oak flooring and LED lighting. David feels his clients are worth every penny. No wonder the salon has featured in Elle fashion magazine.

1. Evaluate the likely value of each of the following to David before making his decision:

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