



**ABERCORN BUSINESS SALES**  
SUCCESSFULLY SELLING YOUR BUSINESS



## **E-Commerce Premier Children's Toy Shop**

East Sussex

**Asking Price: £400,000**

Reference: ECA-006 | Business Memorandum

## Confidentially offered for Sale

### Exceptional growth of 1149% in two years

**Current Stock** circa £100,000 (included in asking price)

### Financial Information –

Last 3 Years' Figures & Projections for this year.

#### Turnover circa

<b>Year ending 31/8/2020</b>	£39,675
<b>Year ending 31/8/2021</b>	£267,248
<b>Year ending 31/8/2022</b>	£470,279
<b>Current year 2023</b>	£1,200,000

Substantial growth in the year to August 2023, with particular growth in TikTok sales.

### **BUSINESS PROFILE:**

Established in 2019, our client is a premier children's toy shop with a vibrant online presence, specialising in selling top-quality, engaging toys through immersive live streams on various social media platforms.

This approach enables real-time interaction with the customers and brings the fun and excitement of toy shopping right into the comfort of the home.

Moreovr, the intuitive and user-friendly website offers a seamless shopping experience with detailed product information and easy checkout options.

Strength lies in the robust social media presence, backed by a community of loyal customers, and a promise to offer only the best in the market. The clients believe in not just selling toys but in creating joyful memories.

Our client has proudly established itself as the front-runner in the children's toy industry, particularly in the arena of social media live streaming.

Over the past few years, the Business has witnessed an exceptional growth- circa 1149% in two years. This growth is testament to the unique blend of immersive shopping experiences and high-quality product offerings.

This growth trajectory isn't merely reflected in the sales numbers but also in the growing community of loyal customers who continually choose this company for their children's entertainment needs.

The social media platforms have seen increased engagement, and the website & social media platforms have recorded a significant surge in traffic, demonstrating the far-reaching appeal of this unique business model. Current levels of followers are:

3000 + Followers on Instagram

40,000 + Followers on Facebook

77,000 + Followers on TikTok

This success results from a commitment to customer satisfaction and an ability to adapt to the evolving retail landscape, bringing the joy of toy shopping into the digital age.

Despite the rapid expansion, our client remains focused on the core values and is dedicated to furthering the mission of creating joyful memories for children everywhere.

In a social media-driven business like this, adapting to constant changes and trends is a necessity.

The online retail landscape, particularly in the children's toys sector, is evolving rapidly. New platforms emerge, customer preferences shift, and the tactics that worked yesterday may not be as effective tomorrow.

It's a thrilling yet challenging environment that requires agility, foresight, and a keen understanding of the digital landscape- skills that this business has in abundance!

However, scalability is the most significant trend to anticipate amidst all these changes. As our client continues to grow and their community expands, it's crucial to have the right mechanisms to manage this growth effectively.

Whilst our clients stay attuned to the shifts in social media trends, the primary focus remains on evolving and scaling the business operations to meet the growing demands of their customers and ensure they continue to deliver the joyful shopping experience children come to expect from our clients.

### **Value for money.**

Our client offers Value for money, the Open Box System (USP) the Personal Touch customer service, Ease of shopping and an impressive range of the right toys.

### **Reputation.**

Our client is renowned across the United Kingdom for revolutionising shopping with a fun, affordable, and interactive experience.

The Business is celebrated for its personal touch with customers and the ethos of 'parents supporting parents', making toy shopping an inclusive and enjoyable journey for every family.

### **Suppliers.**

Our clients have various suppliers and wholesalers providing the best opportunity to buy in bulk at excellent prices.

### **Technology.**

Our clients use laptops & mobile phones to administer the Business. They have a studio with lighting and an option to stream through cameras.

### **Exceptional customer service.**

The foundation of exceptional customer service lies in genuine relationships.

Our clients have always prioritised getting to know the customers personally, from remembering children's names to their likes and dislikes.

This ethos of personal connection is woven throughout the business model, making every customer feel valued and understood.

They also understand the importance of efficiency in delivering a great customer experience. Hence, they adhere to tight turnaround times, ensuring customers receive their goods promptly.

In the quest for excellence, they've partnered with a leading courier, known for their reliable and high-quality carriage service, thus ensuring that products reach the customers in perfect condition and on time.

### **Key strengths.**

The key strengths lie in their pioneering approach and innovative services. As the front runner in the live-streamed social media toy market, they have created a niche with little to no competition.

One of the standout features is the website's 'open box' system. This unique service allows customers to store purchased items with them for up to six months, making it an ideal solution for birthday and Christmas shopping planning.

This, combined with their unmatched customer service and high-quality product offerings, puts them ahead in delivering a distinct and highly valuable shopping experience.

### **Key opportunities for the successful purchaser.**

The successful purchaser can aim for increased infrastructure, more live hosts and affiliates on TikTok shop.

The key opportunities for a new owner lie predominantly in the potential for exponential growth.

This is a highly scalable Business, well-primed for expansion. The established customer base, unique business model, and strong reputation provide a solid platform to drive the Business forward.

The sky's the limit for a new owner ready to seize the opportunity to scale up and steer the Business toward even greater success.

**Loyal Customers.** The company boasts a strong community of around 800-1000 core regular viewers and customers who actively engage with their live streams and patronize their shop regularly.

### **Market Outlook.**

The market outlook for the Business is promising and exciting. As pioneers of a new way of shopping, they have seen growing interest in the model over the last four years.

With social media evolving and new shopping platforms like TikTok Shop emerging, we anticipate that "live" selling will become even more prevalent.

There are already talks of similar platforms on Instagram and Twitter, indicating a strong future for this business model.

### **Quality Assurance.**

The company are committed to upholding high-quality standards in their products and services.

The selection of toys is curated with an emphasis on quality and affordability, ensuring every toy they sell is safe, durable, and provides value for money.

The innovative shopping experience, delivered through live streaming, is designed to be enjoyable and interactive, putting a fun spin on traditional retail.

Immense value is placed on the customers and the business's aim is to deliver purchases in a timely manner, in excellent condition.

The unique 'open box' system also comes with a customer-oriented service that includes timely reminders when a customer's box is nearly full or when they haven't topped up in a while, ensuring a seamless, convenient shopping experience.

### **Social Media.**

The Business enjoys a strong Social Media presence on Facebook, TikTok, Instagram, Google Shop, and uses email marketing.

Enjoying 3000 + Followers on Instagram,

Facebook 40,000 + Followers

77,000 + Followers on TikTok and scaling.

All of the above is from organic growth over four years.

### **FINANCIAL INFORMATION:**

Based on the robust performance of the Business and its growth potential, we estimate an impressive level of profitability for the new owner.

This projection considers current financial performance, growth rate, market trends, and the unique expansion opportunities this business model presents.

Notably, the founders project a business turnover of £5.75 million over the next three years, based on a 2.7 mark-up on their products. It's crucial to note that while these figures provide a solid foundation, actual profitability will depend on the new owner's strategic execution and management of the Business's potential.

Financial Information - Turnover for the Last 3 Years' Figures & Projections for this year.

Year ending 31/8/2020	£39,675
Year ending 31/8/2021	£267,248
Year ending 31/8/2022	£470,279
Year Ending 31/8/2023 Projected	£1,200,000

Current Stock circa £100,000 (included in asking price). Substantial growth in the year to August 2023, with particular growth in TikTok sales.

### **Property**

The Business operates from a gated Industrial Park with on-site security 24 hours a day, seven days a

week, with limited CCTV.

The leasehold property is on a rolling contract with annual rent reviews. Current rents are studio & main warehouse £12,260 per annum, storage warehouse £7275 per annum, and storage container £1200 per annum.

All Services are on Site: Gas, Electricity, Water Main, Sewerage, Broadband

Refuse - £1464

Electric & Water - £1860

Broadband - £3168

**BUSINESS HOURS:**

Warehouse Monday -Friday 0930-17.00

Studio – Monday -Sunday - 0930 – Midnight.

**Handover.**

The time it takes for the new owner to familiarise themselves with the operations of the Business can vary, mainly depending on their prior knowledge and experience with social media-based businesses.

However, given the company's unique business model and with appropriate guidance, we estimate that a new owner could become comfortable with the operations within approximately 1-2 months.

This would allow sufficient time to understand the nuances of the live-stream sales process, customer engagement strategies, and the innovative 'open box' system. The owner will be delighted to assist with the handover of the Business.

**Reasons to buy this great business.** The Business is a front runner of what they do with no competition, with tremendous growth potential, and holds a strong track record of phenomenal growth. It's a Ready-made Business in a well-established box on social media. It's tangible so you can relocate quickl

NA



**ABERCORN BUSINESS SALES**  
**SUCCESSFULLY SELLING YOUR BUSINESS**



## **Next Steps & Contact**

Abercorn Business Sales

0800 246 13 13

[expert@aberncornbusinesssales.com](mailto:expert@aberncornbusinesssales.com)

[aberncornbusinesssales.com](http://aberncornbusinesssales.com)