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Lebanese Institute for Economic & Social Development**

**Etude financée par l'Union Européenne  
Study financed by the European Union**

# **Crafts and Gifts Shop**

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June 2001- Jal el Dib - Lebanon

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The points of view expressed in this study reflect the author opinion.

## Summary

The present study examines the feasibility of a crafts and gifts, artisanat, shop to be located in a Lebanese touristic or summer resort village.

Family members could participate in the business. For example, the wife could help in the management of the shop, and the son or another family member could also help in sales, greeting and assisting customers, and even preparing some crafts items to be sold in the shop, etc...

The initial investment required for the equipment and working capital amounts to 5 066 \$US. In the study, we considered a loan of 2 500 \$US, while the remaining 2 566 \$US are invested by the owner.

The projections are conservatively estimated based on possible market demand in Lebanese touristic or summer-vacation villages. The results show a net income of 3 711 \$US or 309 \$US per month in the first year growing to around 9 292 \$US or 774 \$US per month in the fifth year.

A best-case scenario is developed considering higher sales growth rates and no rent expense in case the investor owns the shop. In this case, the net income increases to 6 411 \$US in the first year or 534 \$US per month and grows to around 13 894 \$US in the fifth year or 1 158 \$US per month.

A worst-case scenario shows a net income of 2 304 \$US or 192 \$US per month during the first year and growing to 3 787 \$US in the fifth year or 316 \$US per month.

The study shows that a crafts/gifts shop could be a sustainable and profitable family business. There are important success factors such as the location of the boutique on a major road and in a touristic or summer-vacation village, the variety of crafts items, and good pricing, etc...