



Angaza Taa

Richard S. Bloomfield and Heather McDougall, Huron University

This case was edited by Joe Gilvesy and Katie Oates. Final production of this case was done by Ryan Rabie from the Library and Learning Services team at Huron University. The authors' intent for this material is to be used in a classroom or other management learning settings. Names or other identifying information may be altered to protect confidentiality.

This content is freely available without charge to readers and their institutions. All content is published under the Creative Commons License, Attribution-NonCommercial-NoDerivatives 4.0 International ([CC BY-NC-ND 4.0](https://creativecommons.org/licenses/by-nc-nd/4.0/)). Readers are allowed to read, download, copy, distribute, print, search, or link to the full texts of this case without seeking prior permission from the author(s). (Revised 05-13-2025)

INTRODUCTION

Ally Karabu never imagined she would start her own company when she began university. Yet, she found herself staring at an unfinished tote bag in front of her. In her second year, she began her own business selling homemade tote bags and donating 30% of the proceeds to grassroots social initiatives in East and South Africa. Karabu named her company Angaza Taa, meaning “shine a light” in Swahili, determined to use her business to illuminate global social issues one tote at a time. After initial success, she wanted to grow her business and take advantage of the demand for her product to generate a more tangible impact. The question was, how?

HISTORY

Ally Karabu was a third-year student studying political science and global development at Huron University in London, Ontario. She was born in the United States, though soon after her family moved to South Africa, where they resided in seven different countries, before moving to in Halifax, Nova Scotia. This multicultural upbringing provided Karabu with a unique global perspective, and a profound drive to enact positive change. Karabu's business and social enterprise courses in first year inspired her to start a business that would leverage her love of art and humanity.

Founded in 2023, Angaza Taa offered high-quality and beautifully crafted tote bags, as seen in Exhibit 1. Thirty percent of the proceeds went to grassroots organizations that supported various social initiatives in Eastern and Southern African nations, including A Rocha Uganda, Goedgedacht Trust, African Wildlife Foundation, and Global Forest Coalition. The tote bags' demographic was primarily women students who were passionate about humanitarian causes.

Angaza Taa reached a milestone when Huron University purchased 50 tote bags to give out as gifts to their alumni, faculty, and guests. After that, Angaza Taa evolved to establish a website and Instagram account to promote its tote bags and company mission to wider audiences. Karabu then hired her first employee to manage Angaza Taa's website and social media platforms.

INDUSTRY

Clothing accessories made up 4%, or \$643.6 million in revenue, of the Canadian clothing industry in 2024.¹ Popular accessories included handbags, sunglasses, jewelry, and other similar items. Fueled by COVID-19 and social media influencers, tote bags became trendy, versatile accessories, increasing their demand among a broad swath of consumers in North America. Fast fashion dominated the tote bag industry with cheap, low-quality products, fast delivery, and quick inventory turnover. To meet customer demands and remain competitive, wholesalers invested in forecasting tools, lowered their prices, and maintained operational efficiency. Companies producing these bags then shifted their focus to product design, innovation, affordable prices, and brand recognition to succeed.

Minimal financial investment to produce and sell clothing and accessories as well as limited market and government regulation created an industry with low barriers to entry. Over 97.5% of the market comprised of small businesses that contributed to high levels of new entrants and fierce competition; customers could easily substitute brands.² In the aftermath of the COVID-19 pandemic, when disposable income and consumer spending were lower, substitutions based on price became more common. Achieving differentiation and lower costs without raising prices was highly challenging. Consequently, e-commerce and business-to-consumer (B2C) channels became more popular to meet these demands for fast delivery and affordable prices.

When considering the purchase of a tote bag, customers valued durable, aesthetically pleasing and affordable tote bags. Angaza Taa's customers placed additional value on products that supported causes that they cared about, and they were willing to pay a slight premium for them. When experimenting with pricing, Karabu learned that customers' willingness to pay a premium was limited: when she raised prices to \$45 per bag, customers expressed discontent. She therefore maintained a unit price of \$35.

CURRENT PROCESS DESCRIPTION

Angaza Taa's operational process was straightforward but required strong coordination, artistic abilities, and time. For this process, see Exhibit 2. The process began when customers purchased one of the four available styles of tote bags from Angaza Taa's website. When Karabu received a large order, she marked the tote bags as sold out on their website to manage customer demand. This allowed her to maintain strong customer service and timely delivery once the large order was processed. Karabu's demand varied from month to month, yet overall, she typically sold 480 bags annually.

Once an order was submitted, Karabu purchased plain canvas tote bags that she painted her designs onto. After experimenting with over five vendors, she chose the supplier that had the most durable construction and allowed the paint to dry more effectively on the bags. She typically ordered 50 bags at a cost of \$170, plus a \$50 shipping fee. The tote bags took two to four days to arrive.

Before painting, Karabu would iron the bags to ensure a smooth surface and remove residual chemicals from the manufacturing process. This effectively improved paint adhesion, aesthetics, and durability. She estimated that it took 15 minutes to iron 10 bags.

[1] C. Perdomo, "Clothing and Clothing Accessories Wholesaling in Canada", *IBIS World*, April 2024, <https://my-ibisworld.com.proxy1.lib.uwo.ca/en/industry/72221aca/at-a-glance>

[2] Perdomo, "Clothing and Clothing Accessories."

Once the bag was prepared, Karabu spent 8 to 12 minutes painting the design on a linoleum block stamp, though complex designs with multiple colours took longer. She used high quality, quick-drying fabric paint to maintain quality and efficiency. She estimated that it cost her \$35 for enough paint to produce 20 finished tote bags.

Karabu then pressed the painted stamp onto the bag to transfer the design. Though there were often areas that required retouching by hand, because of the inconsistencies and imperfections inherent in stamping by hand. Printing and retouching took an average of 30 minutes per bag.

The final step involved packaging the tote bag for shipping. For this, Karabu assembled a cardboard box, tied an Angaza Taa tag around the shoulder strap, and placed the tote bag inside with one of her business cards as well as a double-sided brochure with information on the cause supported by purchasing the tote bag. This process took three minutes per bag. The tags cost \$10 for 100 tags, business cards cost \$15 for 50 cards, brochures cost \$30 for 50 copies, and boxes used to package the tote bags, tags, and business cards, cost \$0.50 each. Angaza Taa shipped orders using Canada Post's standard shipping, which would take 1 to 10 business days, depending on the destination, and which customers paid for.

ISSUES

In the midst of producing the large 50-bag order for Huron, Karabu realized how difficult it was to manage the business independently. As a full-time student and Resident Assistant, she only had an average of 5 hours per week to work on her tote bags, though this varied weekly and was limited to evenings. She recognized that time constraints would make it difficult to keep up with the increasing demand she received. As she touched up the bag in front of her, Karabu wondered how she could improve her operational process to better meet demand.

ALTERNATIVES

Print Press

Karabu was considering purchasing a print press for \$500, which would take one week to arrive at her home and cost \$70 to ship. The press would reduce fixing imperfections by hand, reducing printing and touching-up step to 5 minutes per bag. In addition to time benefits, which aligned with Karabu's busy schedule, the print press would help create consistent products and enable her to scale up the business. This mechanized process, however, would make each bag less exclusive, potentially harming customers' perception of their quality and value. Moreover, Karabu would face new maintenance costs of \$250 annually, in addition to the yearly depreciation expenses it would incur over its 10-year useful life.

Additional Employees

Another alternative to increase production and reduce her workload was to hire two students as staff members who would work different days and assist with all orders. She would have to find employees who were artistic and would agree to inconsistent work hours, because of the volatile demand of orders. These stipulations could make it challenging to attract and retain staff, so Karabu decided to incentivize them with a 10% commission per order. Only one student would work with Karabu at any given time, therefore all sales would incur the 10% commission.

While hiring new employees could add diverse skills and creativity to the company, it could also add inconsistent production quality and complexities. Karabu knew she would have to spend extra time supervising, training, and coordinating the new hires. She would also need to purchase a new iron for \$38 and invest in training for 3 hours at \$17 per hour, per staff. For a summary of labour information, see Exhibit 3. She wondered if the new scalability of expanding the business with staff and accepting more customer orders would outweigh any additional costs incurred by this alternative.

DECISION

Karabu put down her brush, having finished another bag for the Huron order. Karabu was proud of her business, loved being artistic, and wanted to make positive contributions to society. Unfortunately, her lack of time and Angaza Taa's growing demand for tote bags were overwhelming. Karabu had to find a way to increase supply by improving her operational process as soon as possible. She picked up her brush and lino block and set back to work.

EXHIBIT #1

Finished Tote Bags



EXHIBIT #2

Angaza Taa's Current Process

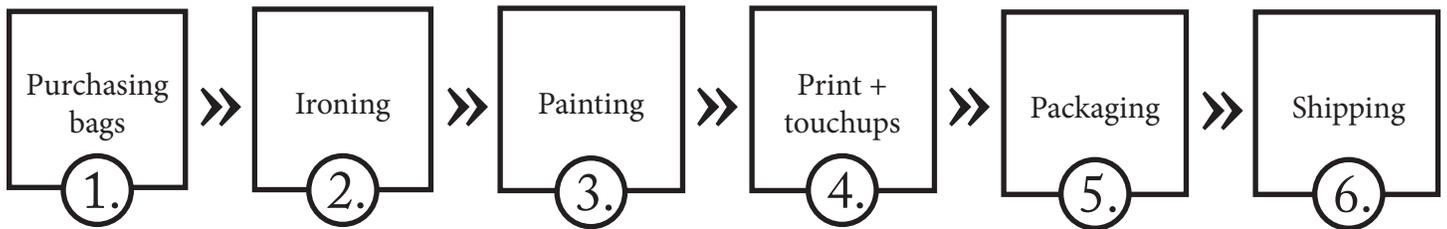


EXHIBIT #3

Labour Information

Employee	Task	Salary
Ally	All Steps	Earns net profit as founder
Riya	Marketing	Stipend
Frances	All Steps	10% commission per bag
Cindy	All Steps	10% commission per bag