



WRITTEN EVENT STATEMENT OF ASSURANCES AND ACADEMIC INTEGRITY

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I understand the following requirements are set forth by DECA Inc. for all Competitive Event entries containing a written component. These requirements are additional to the general rules and regulations published by DECA Inc. By signing this statement, I certify that all are true and accurate as they relate to this entry.

1. The contents of this entry are the results of my work or, in the case of a team project, the work of current members of this DECA chapter.
2. No part of this entry has previously been entered in competition.
3. This entry has not been submitted in another DECA competitive event.
4. Credit for all secondary research has been given to the original author through the project's bibliography, footnotes or endnotes.
5. All activities or original research procedures described in this entry are accurate depictions of my efforts or, in the case of team projects, the efforts of my team.
6. All activities or original research described in this entry took place between the 2020 Chartered Association Career Development Conference and the 2021 Chartered Association Career Development Conference.
7. I understand that DECA has the right to publish all or part of this entry. Should DECA elect to publish the entire entry, I will receive an honorarium from DECA. Chapters or individuals with extenuating circumstances may appeal the right to publish the entry to the executive committee of the board of directors prior to April 1.

This statement of assurances must be signed by all participants and the chapter advisor, and submitted with the entry, or the entry will be given 15 penalty points. Hole punch and place in front of the written entry. Do not count as a page.

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Start-up Business Plan Concord High School
Competitive Event School

Delaware
Chartered Association (State/Province)

To the best of my knowledge, I verify that the above statements are true and that the student's (students') work does not constitute plagiarism.

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iUniversity

START-UP BUSINESS PLAN

Concord High School

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I. EXECUTIVE SUMMARY

iUniversity is a one-of-a-kind, all inclusive smartphone application designed to cultivate an overall more productive student body at colleges and universities across the United States. Having conducted extensive research on the quality of many university apps, our company found an overwhelmingly negative reaction from college students, who are the primary users. Aiming to combat low-functioning systems, poor app design, and limited features, iUniversity looks to better university life for both students and faculty with a relatively positive benefit-cost ratio for schools.

Problems:

1. Low quality apps, or lack of all together for many schools
2. Difficult transition from high school to college
3. Lack of centralization/accessibility for campus resources

Solutions:

1. High functioning app
2. Fosters a more seamless transition, increases productivity
3. Singular application as opposed to multiple

Customer Segments:

Primary: Colleges and universities

Secondary: College students and faculty

Unique Value Proposition:

iUniversity is the only app that acts as a central platform for any college or university to launch their mobile presence.

Channels:

Distribution: Indirect

Promotions: Presentations at conventions

Advertising: Social media, emails

Proposed Metrics: iUniversity will require a \$350,000 initial investment to pay for research and development, equipment, an office rental, advertisements, app creation, patents, and legal fees. Our estimated revenue after our first year in business is \$2,145,000 with an approximate gross profit margin of 43%.

II. PROBLEMS

Problem 1: Low quality apps, or lack of all together for many schools

For many colleges, the ability to inform students about events and on campus activities is very important, unfortunately those same colleges most likely use multiple, confusing and non-attended apps that do not suit their needs. Today many colleges have tons of events canceled due to a lack of attendance because there is no good way for them to spread word to their students easily and efficiently.

Problem 2: Difficult transition from high school to college

Oftentimes, students have difficulty bridging the gap between high school and college life. According to CollegeAtlas, roughly 30% of college students drop out within their first year. Though there are an array of confounding variables that can influence a student's decision to drop out, a lack of self-discipline and organization is presumably a factor for many.

Problem 3: Lack of centralization/accessibility for campus resources

Many colleges utilize a multitude of apps to separate sporting information, grades, on campus-support, etc. This causes clutter and confusion for students trying to stay organized. Overall, this is an unnecessary element of what is supposed to be a means of organization.

III. CUSTOMER SEGMENTS

Demographics: Our primary target market is geared towards colleges and universities across the country with a small to medium student body. Our secondary target market is medium-large schools with higher enrollments.

Geographics: Geographically, iUniversity aims to target colleges and universities located within the United States. To increase profits, we will first focus on the cities and regions with the highest density of schools.

Psychographics: Our app will mainly interest colleges and universities that are looking to benefit from easy to use application

IV. UNIQUE VALUE PROPOSITION

Though college is a unique and exciting experience for young adults, unfortunately, many suffer from the lack of organization and structure that they once had in high school. With this understanding, iUniversity aims to consolidate the various sectors of campus life in order to help students be successful with their new found independence. In turn, universities will gain from increased productivity, causing students to perform better overall. Not only will schools benefit academically, but they will cultivate a reputation of campus safety through the various health, wellness, and security aspects of the app that magnify the presence of these resources. In addition, with access to sporting event calendars and statistics, iUniversity will function as an all inclusive marketing platform that will help increase student turnout at sporting events and boost season ticket sales.

V. SOLUTIONS

Solution 1: High functioning app

For colleges to make a working app from people who may be experienced in doing so usually resides in unorganized information spread between multiple apps, in which half the time the information is incorrect. iUniversity features all of the information for colleges who choose to use our application, including events, campus life, surrounding places and even students' personal grades.

Solution 2: Fosters a more seamless transition while also increasing productivity

With multiple built-in scheduling, mapping, and organizational tools built-in, iUniversity's goal is to provide the framework for a more seamless transition from a relatively structured high-school life to a more independent, but equally-structured college experience. By allowing students to condense the many aspects of their busy lives into one cohesive app, colleges will only further promote the value and impact that organization a schedule can have on a student's success.

Solution 3: Singular application

As opposed to the multiple applications that are used by many schools, iUniversity has created a single application that will handle all of the schools needs in an organized, central space to ease confusion and disorganization.

VI. CHANNELS

Distribution: Our company's main ways of distributing our product is through our website and our marketing/sales team who will actively seek out schools. The website will include a customer support team that allows customers to contact us, schedule a time for a consultation with one of our sales team members.

Promotions: Our company will mainly be showcasing the functions of our app at various conventions, letting prospective colleges briefly test out the app.

Advertisements: Most of our advertisements will be on social media platforms such as FaceBook, Twitter, in addition to also sending out promotional emails to various colleges in an attempt to open up lines of communication with them to establish potential sales.

VII. REVENUE STREAMS

In order to create a fairly based payment system, pricing is dependent on enrollment. Being that the first year of partnership with a school is considered a trial period, schools will only be charged \$0.18 per student enrolled. A down payment of \$500 will be required upfront, with four additional installments of \$947.50 to be paid quarterly.

Lifetime values: The expected lifetime value of our company is approximately \$24,650. Our company is designed to have colleges renew their subscription for 10 years. However, since the first year using the app is designed to be a trial period, our installments will increase for the second year.

Revenue: The table below shows the projected revenue for our first year of business. All estimates are calculated based on projected sales to 500 medium sized schools (10,000 students).

Revenue Streams	Price Per Unit	Cost Per Unit	Units Sold	Sales Revenue	Profit
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iUniversity	\$4,290	\$2,465	500	\$2,145,000	\$912,500
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VIII. COST STRUCTURE

Customer acquisition costs: Our company will be spending roughly \$188,000 on advertisements and promotions that will help us reach our goal of selling to 500 schools during our first year in the market. This means that the projected cost of acquiring a new customer is \$376.

Distribution Costs: Because we will be considering each school's first year in partnership with iUniversity to be a trial period, distribution costs will rely strictly on enrollment.

Human resources: iUniversity plans on hiring 15 full-time employees to start. In our marketing department, we will hire two full-time employees and bring on two paid interns. The two full-time employees will stand as managers in the marketing department of our company, working directly with the interns and handling any large-scale dealings, all while making an annual salary of \$58,800. The two year-long, paid marketing internships will be offered to local college students who are studying in the marketing field. These interns will be paid \$12 an hour, having made an approximate \$14,400 at the end of the internship. In our customer service division, we will hire three office workers who will manage our live chat and company email. They will be paid \$15 an hour, resulting in \$26,250 annually. Working in our sales division, we will have three full-time employees who will work with schools to determine pricing and create a plan for each school's needs. These individuals will be paid on a salary basis, making \$58,800 annually. Next, we will have four mobile application designers who will be responsible for initially launching schools on the platform in addition to making general updates to the functionality of the app. Each app designer will be paid an annual salary of \$79,000. Finally, we will employ a three-person finance team, each making \$45,000 annually.

<i>EXPENSE TYPE:</i>	<i>COST:</i>
<i>Cost of Office Rental:</i>	<i>\$18,000</i>
<i>Employee Salary:</i>	<i>\$852,550</i>
<i>Advertising:</i>	<i>\$188,000</i>
<i>Equipment:</i>	<i>\$40,000</i>
<i>Legal Fees:</i>	<i>\$10,000</i>
<i>Patent Search:</i>	<i>\$2,000</i>
<i>Research and Development:</i>	<i>\$100,000</i>
<i>TOTAL COST:</i>	<i>\$1,232,550</i>

IX. KEY METRICS

Sales: After our first year in business, iUniversity is projected to earn \$2,145,000 in total revenue. After deducting our first year's expenses, we will be left with a total profit of \$912,500.

Profit margins: Taking a closer look at our profit margins will help show the success of our company as well as helping us to determine whether or not we are able to lower the cost of our app.

Market share: Our competition is essentially non-existent, seeing as the only other apps similar to ours are the ones run by schools. Due to the lack of competition, we will be the only company comprised within our market share statistics. This means that we as a company must be extremely diligent when trying to expand the customer base and increase sales, making sure to pay attention to the consumer response.

X. COMPETITIVE ADVANTAGE

Unlike any other college-centered app available to smartphone users, iUniversity is the only platform designed to accommodate a variety of schools, all while running quickly and efficiently. While some institutions have apps designed and marketed exclusively for their students, many have complaints about the accessibility and

functionality of these platforms. Some schools, like the University of Delaware, have apps solely to report on sporting events and statistics. While helpful to an extent, these resources are limited and do not benefit the student body as a whole. After interviewing a current junior at DeSales, a current user of the DeSales apps, we were able to understand that many schools use a multi-app format to compartmentalize resources. Though seemingly effective, this format creates more of a hassle than a help to students due to their often low functionality and poor designs.

XI. CONCLUSION

To help kickstart our business, iUniversity will need a \$350,000 loan to cover the costs of our first year's expenses, as detailed in our cost structure on page _____. This loan will cover all of the fees surrounding research and development, advertisements, equipment, warehouse rental, website development, a patent search, and legal fees. After paying for all of the expenses to get our business started, we will have roughly \$10,000 remaining which will pose as a cushion for any unforeseen circumstances that may arise. The loan will be completely paid off during the first 6 years of business with a 6% interest rate. The payments will occur monthly after month 12 (starting month 13), and will end in month 72. At the end of the loan term, the investor will have received a 15.9% return on their investment. Depicted below is our in depth breakdown of our financial request.

Basic Breakdown of Loan Request

Loan Amount	Interest Rate (Monthly)	Term	Start Date	Interest Paid on Loan
<i>\$350,000</i>	<i>6%</i>	<i>60 months</i>	<i>Month 13</i>	<i>\$55,988.83</i>

Monthly Finance Breakdown

Monthly Payment on Loan	<i>Varies based on amortization</i>	Total Return on Investment	<i>\$55,988.83</i>
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Monthly Interest Paid on Loan	<i>Varies based on amortization</i>	Total Amount Paid	\$40,598.83
Total Monthly Payment	\$6,766.48		

Yearly Finance Breakdown

Year	Total Amount Paid	Interest Paid	Principal Paid	Loan Balance
0	\$0	\$0	\$0	\$0
1	\$0	\$0	\$0	\$350,000
2	\$81,197.76	\$19,316.65	\$61,881.10	\$288,118.89
3	\$162,395.53	\$34,816.62	\$127,578.90	\$222,421.09
4	\$243,593.29	\$46,264.49	\$197,328.80	\$152,671.19
5	\$324,791.06	\$53,410.34	\$271,380.72	\$78,619.27
6	\$40,598.83	\$55,988.83	\$350,000	\$0

XII. BIBLIOGRAPHY

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