Business Plan - CarsConnect

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Community Problems:

1. Global Warming + Climate Change
2. Traffic
3. Parents Leaving Their Kids at School After-Hours Because They Have to Work
4. Expensive Fuel
5. Expensive School Bus
6. Expensive Public Transport
7. Organising Carpool Rosters
8. Limited Parking Spaces
9. Carpooling with potentially dangerous people
10. Kids Being Late For School & Missing Class
11. Life-Threatening Danger for Students During Pickup & Drop-Off Times Because of the Incredible Amount of Cars

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Solution:

The 'CarsConnect' carpooling system allows an easy, trustworthy way to organise your child's ride to school. CarsConnect offers a way to know who is driving and riding on any given day. Your unnecessarily complicated carpool can be simplified through the organised roster schedule. A notification will be sent to ensure you're aware of your carpooling responsibilities; it's impossible to forget! A school identification code is distributed amongst parents to provide a trustworthy service for all app users. Chatting with your carpool partner via built-in instant messaging guarantees the users' familiarity with each other and imparts a secure environment. CarsConnect has all your carpooling needs in one place; simple and efficient.

Value Propositions

For years, carpooling has always been a great solution for the variety of the problems listed above. However, people have been hesitant to carpool with people they don't know, let alone send their kids to carpool with people they don't know. People have been lazy to organise rosters, or, simply weren't aware that the kids who went to the same school lived in the house down the road from theirs.

Our app solves a problem for all of this. The value of our app is incredible for the average customer:

1. Using our app (excluding the 99¢ fee per month that will be incorporated into the app once there are 500,000 users) the average person saves $2,550 AUD per year.

2. Depending on your distance from school approximately 15+ minutes are saved per day driving kids back and forth from school, filling petrol because of these errands, waiting in traffic, waiting in the pickup and drop-off zone and so on.
3. The customer can know that they are making a positive change in the environment which only benefits them. This will make them a happier person overall.
4. Parents are saved the process of organising the carpools, finding a partner and scheduling notifications as the app does this for them. This also saves time and reduces the stress levels parents have.
5. With ParentPool, community integration is an excellent benefit! New relationships are forged and overall the school community forms a new sense of trust knowing that over 55% of the community are carpooling and driving one another's kids back from and forth to school.

Because of all of the above points of added value and the range of problems this solves for the community, our app is something that (according to our survey results) more than 55% of the school community would be interested in using.

Our app idea stands out amongst other carpooling applications and is special for 3 main points:

1. Our app provides all customers with security and safety. A unique code is distributed amongst schools and then amongst parents so that the carpooling community is only within the school. There are no strangers or people claiming to be somebody they are not. In addition to this, there is a live tracker so in the rare case of an emergency all parents within the carpooling roster know the location of one another.
2. Our app has the benefit of instant messaging and calling so that parents can easily contact their carpool partner via the app if they do not feel comfortable sharing their mobile phone number. In the instant messaging feature, kids with mobile phones are also part of the group chat so that everyone is aware of all last minute changes.
3. ParentPool wants it's customers to feel comfortable in the carpooling environment and so we put our customer's privacy as our top priority. An address only becomes visible to your carpool partner once you have confirmed a schedule that fits the both of you and committed to the carpooling roster.

Market Size

After a series of meetings, we came to a conclusion that our customers are parents at private schools (for public schools are usually local). We conducted a survey and discovered that over 55% of parents at private schools are interested in the ParentPool application.

In Australia, South America, North America and Asia there are 11.2 million students who go to private schools so our potential market size is 11.2 million students in only Australia, South America, North America and Asia. According to the survey results 6.2 million of these people are interested in the app and would download it once they heard about it.

We expect by December 2018 to have over 80% of Australia's private schools on board and at January 2019 to begin the process of expanding to South America and North America. By 2021 we hope to have more than 70% of South America and North America's private schools on board and once we have done so we will begin expanding to Asia. By 2022, if all is according to plan we will expand to the European and African market.

In the next few months, we will consider expanding to extracurricular activity carpooling and workplace carpooling.

Competitive Analysis

CarsConnect does have competing apps such as 'Pool My Ride', 'Hitch-A-Ride', 'Carpool', 'Wunder', 'Carpool-Kids' and 'SnapRides'. We have analysed all of these apps and have put together an app that is incredibly better than our competitors. Below is a list of all of our features. According to our thorough research not one app has all of the features that the ParentPool application has. In addition to this, by targeting private school parents we are entering a whole new audience which has not been targeted as often as workplace carpooling etc. In the next few months, we will consider expanding to extracurricular activity carpooling and workplace carpooling.

1. Live Tracking - Track you kids for a sense of security
2. Instant Messaging & Calling - Call & Message Anyone
3. Carpool Only Within Your School Community - Safety & Security
4. 'I'm Late' Button - Notifies All Kids & Parents That The Parent Is Late For Pickup
5. Partners You With A Local Carpool Buddy
6. Organises A Roster That Fits The Two Of You
7. Notifications That Remind You When It Is Your Turn To Carpool
8. Privacy - Your Adress Isn't Shown Until A Roster Has Been Confirmed
9. Cheap - Our Carpooling Application Is Cheaper Than The School Bus, Public Transport & Time Is Money So It Saves You Time & Money!
10. Modern, Simple & Accessible Design! Easy To Navigate.

Revenue Streams

We plan to wait until we have 500,000 users until we begin charging customers a small fee of 99¢ per month with the first month being free for newly registered customers. This goal should be reached by approx. August 2017.

Once we reach the user number of 6.2 million people we expect to earn $6,138,000 AUD per month excluding advertising fees. Expecting that the average person will use the app for the duration of 4 months, per user we earn $3 AUD. Overall, this is beneficial for them because it is cheaper than the school bus, public transport and petrol fees. Also, time is money!

Cost Structure

In the first two years, we will spend $500,000 on advertising, buying domain names etc.

Assuming that by 2019 we hire a technical engineer for $124,578 per year and spend $1,000,000 per year on advertising and in 2019 we earn $3,120,000 per year then overall we have a profit $1.9 million between the three of us. This is assuming that the average salary of a technical engineer does not change as of 2012, that we have no additional revenue other than the monthly subscribers to our app, that our expenses are not more or less than the ones stated and that the subscription fee for the app remains the same as of 24/07/2016.

Assuming by 2021 we hire a marketing manager who costs us approx. $137,400 AUD per year, who will spend $2,000,000 AUD per year on advertising and we still have the technical engineer for $124,578 per year and we earn $4,470,000 then our profit is $2,208,022 between the three of us. This is assuming that the average salary of a technical engineer does not change as of 2012, that the average salary of a marketing manager does not change as of 2015, that we have no additional revenue other than the monthly subscribers to our app, that our expenses are not more or less than the ones stated and that the subscription fee for the app remains the same as of 24/07/2016.

We are considering offering schools 10% of the profit that we make from the schools to encourage them to encourage the parents of the school to use our app.

Distribution Channels

Currently, we are looking to advertise our app through:

1. Facebook & other social media
2. Google
3. Newspaper Articles
4. Word Of Mouth
5. Contacting Schools Directly
6. TV Parenting Channels
7. Parent Magazines
8. A future project could include partnering with the government directly to promote carpooling as it is good for the environment. This is great publicity.
9. Getting Sponsors

About Our Business

Email: bialiktechgirls@gmail.com
Website: http://bialiktechgirls.wixsite.com/carsconnect
T&C: http://bialiktechgirls.wixsite.com/carsconnect/terms-conditions
Privacy Policy: http://bialiktechgirls.wixsite.com/carsconnect/privacy-policy