

COMP255

Assignment 2



Shovel Hero

Business Plan

Team 4

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Executive Summary

ShovelHero is an innovative mobile and web app designed to revolutionize the winter shoveling experience for homeowners while providing young entrepreneurs with opportunities for personal growth and financial independence. By harnessing the power of technology and leveraging the enthusiasm of motivated kids, ShovelHero aims to create a convenient platform that connects new parents, full-time workers, senior citizens, the injured, and those with special needs who are looking for snow shoveling services with young individuals looking for a way to earn spending money and grow their entrepreneurial talents. Eventually, the platform will include adult partners, established professional landscaping companies and private businesses in the snow removal industry.

The convenience provided by ShovelHero is one of its key advantages. Homeowners can effortlessly request on-demand snow shoveling services through the mobile app, eliminating the need for time-consuming phone calls, locking into expensive contracts or searching for available help in their area. The snow shoveling market poses some challenges as the market is competitive with several strong competitors such as Eden and TouchPlow. However, our services aim to get the upper hand in the business by emphasizing quality, safety, community involvement, convenience and reliable features such as a user-friendly platform and security measures to protect against fraudulent and criminal activity.

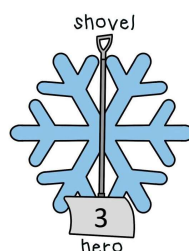
Our success will be measured by customer satisfaction, continued entrepreneurial and learning opportunities for our younger generation, as well as enough revenue to sustain our development, service and business team. Profits are secondary to our mission, with sustainability and happy users being our primary drivers.

The founding team is a well-rounded and dynamic group of software developers, who not only brings skills in IT and UI/UX development, Cybersecurity and Artificial Intelligence, but also a diverse range of business experience to the table. Our collective expertise encompasses Operations, Human Resources, Training, Administrative and Customer Service, Business and Financial Management, Quality Assurance, Improvement and Testing, Occupational Health and Safety, and Child Psychology. With the combined proficiency, we are well-equipped to handle the various aspects of the project's execution and success. Together, this well-integrated team is poised to drive the business forward and achieve remarkable success.



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The Business

ShovelHero provides orders for snow removal services. The snow shoveling market poses some challenges as the market is competitive with several strong competitors such as Eden and TouchPlow. However, our services aim to get the upper hand in the business by emphasizing quality, security, convenient and reliable features.

Mission and Goals of the Business

Our services aim to provide convenient and trustworthy service which brings a chance for children to be involved in a responsible and engaging work activity. This aims to provide fostering skill development, nurturing independence, and a mutually beneficial platform for both homeowners and young entrepreneurs.

Problem and Need Addressing

There is a need to provide young individuals with safe opportunities for personal growth, skill development, grit, and financial independence. Many homeowners lack the time or capability to clear the snow from their yards. By connecting customer needs with a willing workforce, the convenience and the reliability of the app addresses this need.

Customer and Value Proposition (Solution)

Customers can be regarded as homeowners in targeted areas with average to heavy snowfalls. New parents, full-time workers, senior citizens, and individuals with special needs who are not able to shovel snow are our prime markets.

ShovelHero provides a convenient and efficient solution for homeowners in need of snow shoveling services, while simultaneously offering young individuals an opportunity for personal growth, skill development, and financial independence. Furthermore, ShovelHero will eventually seek to add a module to welcome adult partners (17+) seeking meaningful part-time employment opportunities, as well as established professional landscaping companies and private businesses in the snow removal industry seeking partnership. By collaborating with ShovelHero, these businesses can expand their service reach and find new avenues for growth and profitability.

As the demand for snow shoveling services grows, ShovelHero welcomes responsible and capable individuals to join as partners, empowering them with a chance to earn income while learning essential life and professional skills. Together with its advanced security system, this inclusive approach bridges the gap and provides a bond of trust between the company, parents, homeowners, eventually adult partners, and experienced snow removal companies, fostering a thriving community of service providers and customers. ShovelHero brings together a diverse group of stakeholders to create a win-win solution for all involved parties.

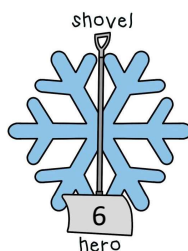


Delivery/ Business Differentiation

The convenience provided by ShovelHero is one of its key advantages. By making the ShovelHero app available on all mobile platforms, with just a few taps on their smartphones, homeowners can connect with young shoveling entrepreneurs who are eager to assist. A user-friendly platform is a priority and constant testing is set in motion to keep the service commendable.

Security measures are set to protect kids and homeowners from fraudulent and criminal activity. These include the necessity of the parent/guardian to be present in time of shoveling and picture proof of the job done to be sent to homeowners. The company also makes sure to value consent compliance and work hour limits and provides background checks and liability insurance for workers and homeowners.

By leveraging technology and the enthusiasm of motivated kids, ShovelHero revolutionizes the winter shoveling experience, benefiting both homeowners and young entrepreneurs alike.



Industry / Market Analysis

Industry Sector

Platform landscaping mobility as a service and youth initiative.

Demographics

Partners

- Kids and youth partners (6 – 16)
- Eventually adult partner (17+)
- Eventually professional landscaping companies (established and private businesses)

Customers

- Homeowners (25+)
- Elderly (65+)
- Disabled (25+)
- Commercial customers

Major players

Professional Residential Snow Removal Services - Contract

- Mr. Plow King (Mr. Plow King, 2014)
- Monster Plow (Monster Plowing Company, 2023)

On demand home services applications

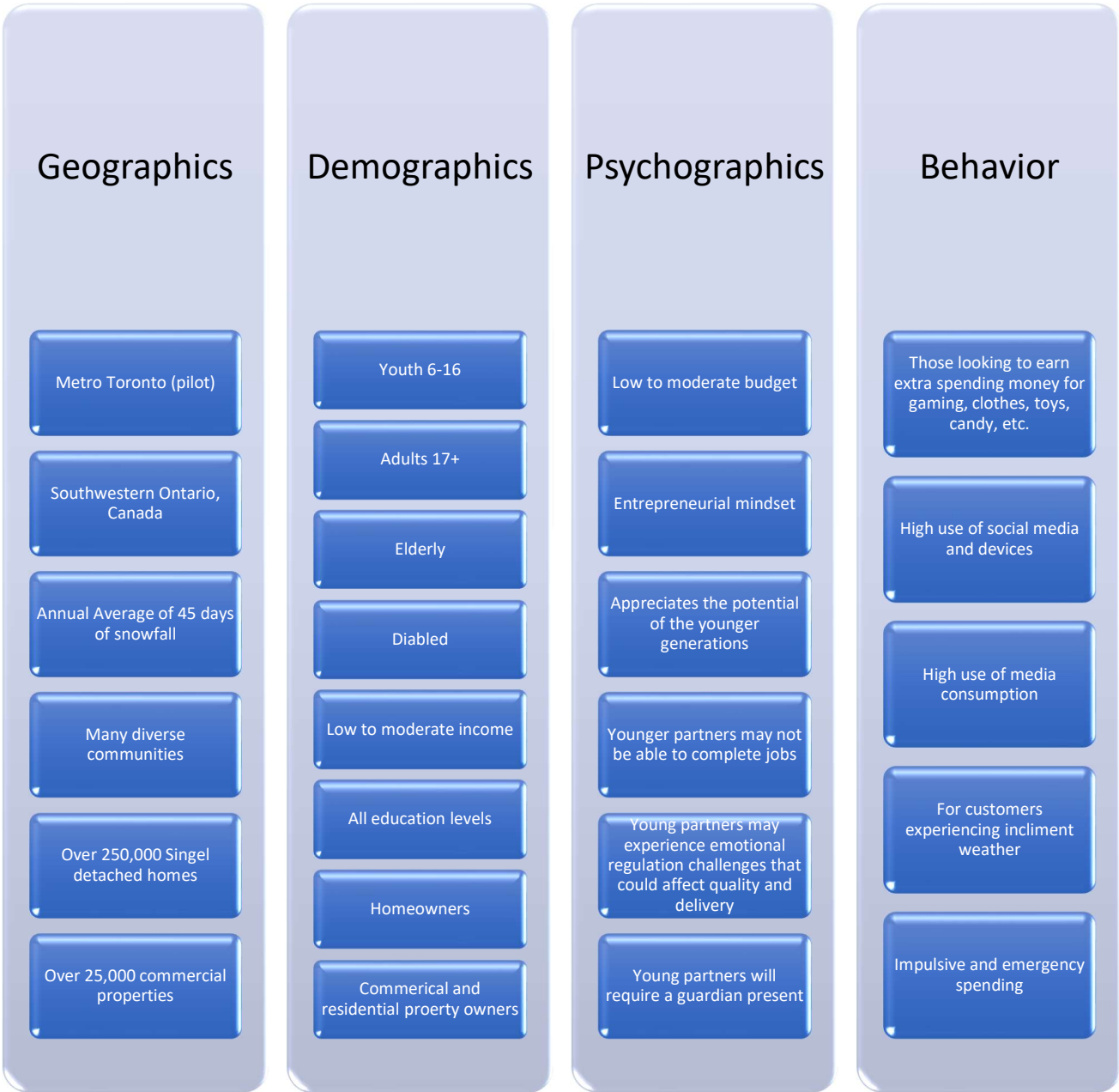
- TouchPlow (TouchPlow, 2023)
- Eden (Lawn care, landscaping and snow removal, 2023)

Market Trends

- The private snow removal industry in Canada is estimated to be worth \$4.7 billion, with an estimated 40,000 contractors (Lahey, 2021)
- Global Snow and Ice Removal Market expects a 5.8% growth between 2021-2029 (Jagtap, 2023)
- Home snow removal solutions are expected to grow 6.74% from 2022-2027 (U.S and Canada Snow Blower Market - Industry Outlook & Forecast 2022-2027, 2022)
- Montreal spends more on snow removal than any other Canadian city (McElroy, 2022)



Market Segmentation



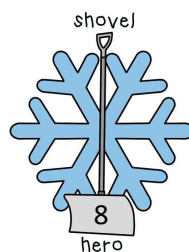
First Customer Profile

Partner

- Ideally a youth who is comfortable with technology
- Has a guardian able to attend and support user registration
- Able to bring their own shovel
- Them or their guardian have a bank account that can be connected to the app payment portal
- Driven to make money
- Friendly to their customer
- Creative and able to ask developers for what they would improve

Customer

- Homeowner (25 – 45)
- Interested in supporting youth entrepreneurship
- Comfortable with mobile technology
- Able to be at home at the time of the service
- Local and able to recommend to their network

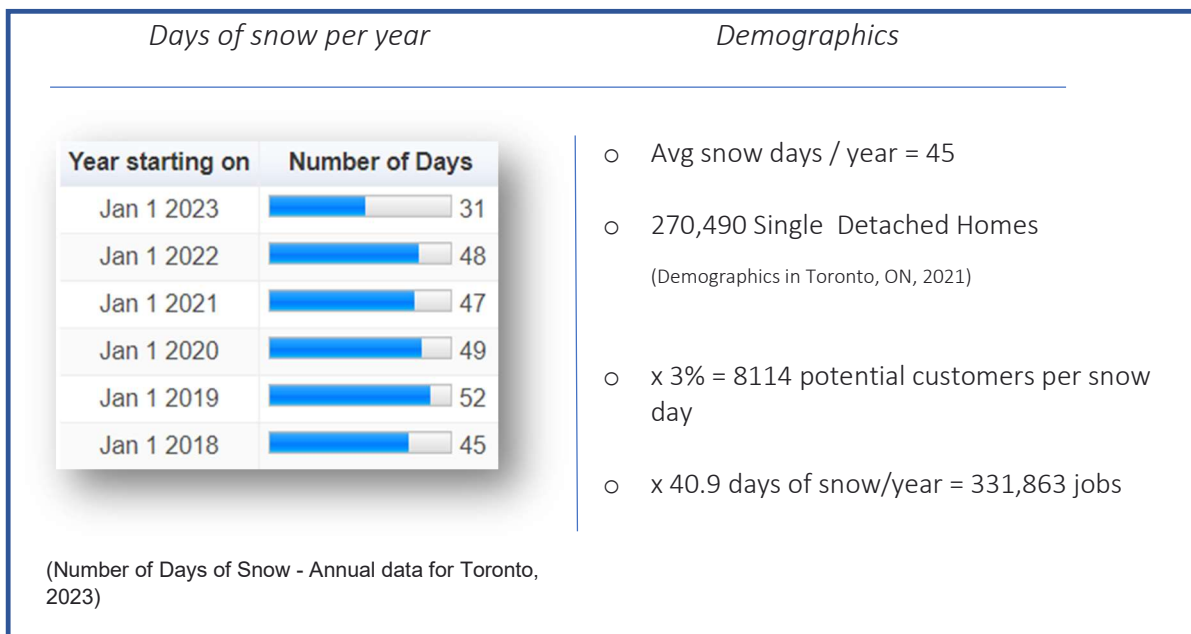


Demand Estimate (Metro Toronto Demographics)

The demand in this industry is extremely seasonal, based on snowfall days per year. It will be imperative to attract as many snow shovelers (partners) as possible to meet the demand of unpredictable snowfall as industry demand often far exceeds supply during inclement weather.

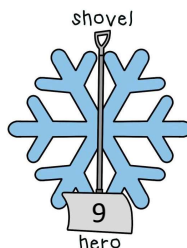
Current data suggests that there could easily be far over 300,000 jobs per year, as a combination of residential and commercial properties, based on property ownership demographics and annual snowfall averages. If we're able to attract a modest 3% of Toronto's younger and underemployed, we could list over 22,000 potential partners offering their services during inclement weather.

Small-Job Customers (Single Detached Homes)

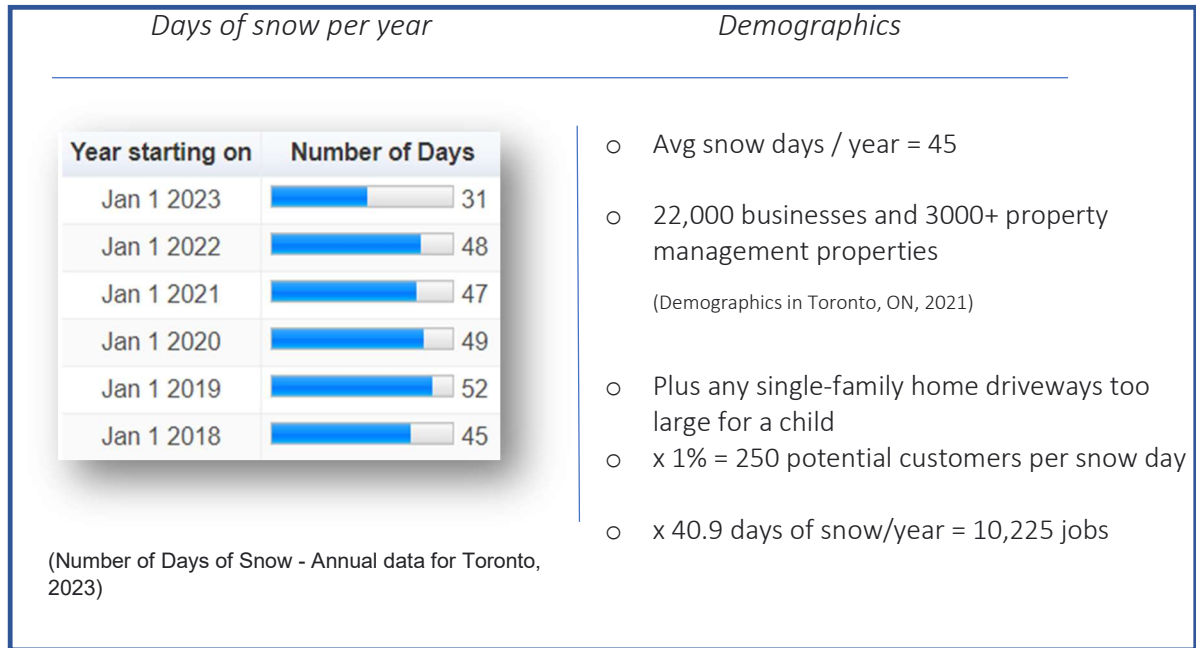


Small-Job Partners (5 – 16 years of age)

- 451 Elementary and 110 High Schools
- 100 Cubs Scouts of Canada troupes
- 250+ religious organizations (mosques, churches, temples, etc.)
- 676,980 Residents in this age range (Population of Toronto, Ontario in Canada in 2022, by age, 2022)
 - **x 3% = 20,309 potential young partners at 3% of market**



Large-Commercial and Residential Customers

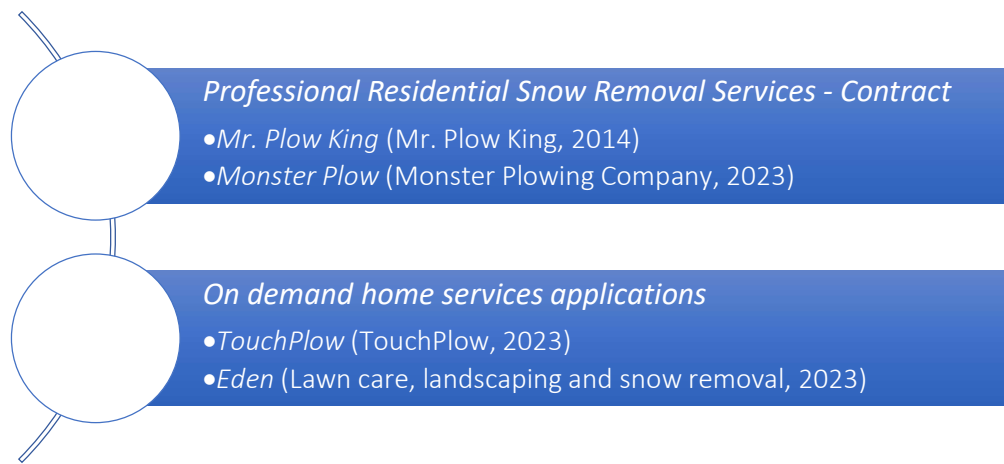


Adult or Professional Partners (16+)

- Nearly 3 million residents between 15 – 44 years old
- 6% unemployment rate (180,000)
- More than 60 professional snow removal services
- Higher than industry wage should attract a reasonable *seasonal workforce*
 - **X1% = 1,800 potential adult partners at 1% of unemployed market**



Our Competition



Our Competitive Advantages



Our Distribution Channels

We intend to release our application on the following platforms:

- Google Play Store for Android
- iOS store for Apple
- Webservice for PC

Entry strategy (initial market penetration, first customer)

Our initial entry strategy after prototype type completion is by presenting the application to schools and community organizations. While it could be offered to children for entrepreneurial experience directly, we think it would benefit the organization to approach a youth-based community fundraising initiative as our first customer.

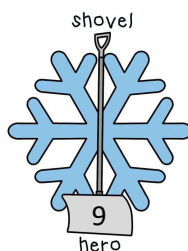
The types of organizations that might be interested are as follows:

- School
- Cub Scouts of Canada
- Community Center
- Religious Organization

Once the fundraising drive is complete, we would provide any interested young fundraisers the opportunity to register their own private account in which they could earn their own spending money to keep. Such an initiative would provide the chance for positive interactions with youth in our communities during inclement weather, a chance for the community to be proud of their local children, allow kids the opportunity to see what sort of demand might be in their area for a “kid-style” job, and give kids the chance to see the fruits of their hard work in an entrepreneurial endeavor.

This approach would give us powerful word-of-mouth advertising with a community driven and supportive environment for the children.

Once a user base has been established, application bugs have been worked out, our customer support levels gauged, and community interest grown, we will expand to offer services for larger/more intricate shovelling jobs that might be better suited for adult partners and professional landscaping companies, at market rates. The initial youth/children’s services would support a small nominal job fees that would fund our development and customer support, while the later adult jobs would satisfy our investor long-term, lucrative expectations. In this there would be the chance to further develop the application to allow for teamwork and marketing opportunities for the children.



Product / Service Development Plan (TARIK)

Detailed Description

Our product is a snow shoveling service offered through a platform similar to Uber. The platform connects individuals who are willing to provide snow shoveling services (partners) with individuals who require snow shoveling assistance due to inability or lack of time (customers). Our unique features include:

1. An efficient matching algorithm that considers location, availability, and job size to connect partners with customers.
2. A rating and review system to ensure quality and reliability.
3. Seamless payment integration for convenient and secure transactions.
4. Real-time tracking of partners' locations for transparency,
5. 24/7 customer support for assistance and issue resolution.

These features will be organized into categories of UI/UX for the three groups of users as follows:

Customers	Partners	Employees
<ul style="list-style-type: none">•Registration/signup•Place work orders•Process payments•Leave a review for a finished work•View announcement and news section•Customer support•FAQ's/price list / list of services•About us•Guardian verification	<ul style="list-style-type: none">•Registration/signup•Accept work orders•Leave a review for a customer•Guardian confirmation for a job request•View announcement and news section•Customer support•FAQ's•About us•Partner verification	<ul style="list-style-type: none">•Login•Processing job queue•Processing customer accounts•Processing partners accounts•Customer service tickets•Quality assurance•Updating news, stories and announcements•Analysis and reporting



Technology Assessments

As part of our plans for the technology assessments, we will:

1. Assess the feasibility of utilizing mobile applications and web platforms for seamless interaction between partners and consumers.
2. Evaluate the scalability and security requirements of the platform to accommodate a growing user base.
3. Integrate mapping and geolocation services will be explored to ensure accurate tracking of partners' locations, enhancing the overall user experience.
4. API tie in with weather network services for marketing purposes.

Plan for Development

Our plan involves in-house development of the platform. Therefore, our set of requirement includes :

1. Set up a cloud-based server infrastructure.
2. Identify the necessary development skills required to execute the development process effectively.
These skills include:
 - a. A dedicated team of software engineers,
 - b. UI/UX designers
 - c. Quality assurance professionals
3. Identify the necessary resources required for development.
 - a. Reliable hardware infrastructure, including powerful computers and servers, to support the development environment and hosting of the platform.
 - b. Access to the necessary development tools and technologies, such as programming languages, integrated development environments (IDEs), and version control systems.
 - c. Adequate storage capacity and backup systems will be put in place to ensure data security and integrity.
 - d. A stable internet connection will be essential for seamless collaboration and access to cloud-based services.
4. Establish a dedicated team covering all required skills. If needed, we will consider engaging external partners to fill any gaps of our in-house expertise.
5. Meeting regularly and report progress updates to ensure everyone is aligned with the project goals and timelines.



Plan for Prototyping and Testing

To validate our concept and refine the platform, we will:

1. Develop a comprehensive prototype that showcases the functionality and user experience.
2. Extensive testing will be conducted, involving potential users who will provide valuable feedback.
3. Iterate on the prototype based on this feedback, making necessary modifications to ensure optimal performance and user satisfaction.

Tasks and Timeline to Completion of Product/Service Prototype

1. Conduct market research and competitor analysis: This phase will take approximately 2 weeks to gather insights into the target market and identify potential competitors.
2. Define platform requirements and design: This phase will take approximately 2 weeks to summarize the specific requirements and design components of the platform to ensure their alignment with the business objectives.
3. Develop an initial prototype: This phase will take approximately 4 weeks to work on creating a prototype that shows the core features and user interface of the platform.
4. Conduct internal testing and refinement: This phase will take approximately 2 weeks to test the prototype by our development team. Feedback will be collected to make the necessary refinements and improvements.
5. Release the prototype to a select group of users for testing and feedback: This phase will take approximately 2 weeks to test the prototype by a group of users and provide feedback on their experience, to gather important insights for further improvements.
6. Incorporate feedback and make necessary modifications: This phase will take approximately 2 weeks to iterate on improving the prototype and fixing any identified issues based on the user feedback during the testing phase.
7. Finalize the product/service prototype: This phase will take approximately 2 weeks to combine all the modifications into a final prototype of our platform.

Acquisitions of Intellectual Property

To protect our platform's and avoid any potential legal issues, we will conduct a comprehensive search for current intellectual property in the field. If required, we will file for patent and trademark to protect our platform's intellectual property rights. During the process, we will consider seeking legal professionals specializing in intellectual property guidance and assistance to ensure a successful process.



Founding or Management Team

Qualifications of the Founding Team

Our business's founding team is made up of several team members playing different roles with various responsibilities:

Founder/CEO

Our company was founded by Sheila, our CEO. The company's vision, strategy, and direction are established by her. She is responsible to lead the team, making critical decisions, and overseeing daily operations.

Human Resource Officer

Tarik will be handling the HR. He is responsible for recruiting and supervising employees, implementing HR policies and procedures, and keeping an eye on employee growth and development.

Sales Officer

Amir is responsible for overseeing our business's sales, which includes creating a sales strategy, putting it into action, developing targets and plans, and mentoring new hires.

Marketing Officer

Fatimah oversees performing market research, developing, and executing marketing plans, as well as promoting and attracting clients to the company's goods and services through campaigns or social media advertising.

Finance Officer

As the finance representative, Ashit oversees the company's financial strategy, plans the budget and performs financial analysis.

Technical Director

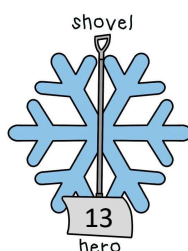
Christian oversees all technical matters, including testing the software to ensure that it is user-friendly, satisfies client needs, and is error-free.

Strategist

Our strategy maker, Yi Chen, is aware of new market competitors and growing industry trends. He develops plans in response to these developments and offers the founding team advice and insights.

Customer Support Director

Sheraaz offers 24/7 help to application users to address their questions, requests, and grievances by phone call, email, or live chat. Sheraaz will work loosely with the Operations and Technical team to meet service levels and solve application issues.



Managing Critical Tasks

Depending on their roles and areas of expertise, each founding team member is assigned tasks and responsibilities within their respective domains to guarantee effective execution.

To cover critical tasks effectively our team can get help from the following guidelines:

1. Identify the tasks that are essential and might have potential risks or consequences if not covered properly
2. Prioritize tasks based on their urgency, importance, and potential impact
3. Allocate necessary resources to complete tasks effectively
4. Develop a detailed plan outlining the steps required to complete each task
5. Establish effective channels to communicate and collaborate among the team members to monitor and keep track of the tasks
6. Spend a sufficient amount of time on each task

GAP Analysis

Some of the gaps where we might be lacking guidance, expertise or resources are:

1. Diversity in skill, work experience, and occupational background
2. Large project management experience
3. Adaptability to changing conditions
4. A business expert with vital information and deep knowledge
5. A personal mentor board to support to launch and grow the business



Operations Plan

Facilities and Location

To eliminate the geolocation barriers and to get access to a wider talent pool and provides flexibility for our team members we prefer remote work option. Our administrative and technology development staff will primarily work remotely. Using modern communication and collaboration tools, we can effectively collaborate and maintain productivity in a virtual environment.

However, recognizing the importance of building strong relationships with our partner/partners, we will rely on partnerships with representatives in each city covered by our services. These representatives will work from their facilities for any in-person meetings. These meetings will be conducted only when necessary and in limited cases. This approach ensures that we utilize the resources of our representative partners and create a more localized presence in each city.

When engaging in face-to-face meetings with partner/partners or customers, our representatives will serve them or escalate to our administrative staff if necessary. This strategy not only fosters a closer working relationship but also reduces the need for us to maintain physical office spaces across multiple locations.

Business Process Flow Chart

Our business process flow chart contains all the key functions and activities involved in delivering our services. It outlines the step-by-step flow of operations, from customer acquisition to service delivery and post-service support. The flow chart includes the following functions:

1. Customer Acquisition:
 - Marketing and advertising to attract customers and providers/partners
 - Online registration and verification process for partners/partners
 - Customer onboarding and registration
2. Service Request and Scheduling:
 - Customers request submission through the platform
 - Algorithm-based matching of customers with appropriate available partners
 - Scheduling and confirmation of service delivery time



3. Service Delivery:

- Partner arrival at the designated location
- Snow shoveling services provided as requested
- Real-time tracking and monitoring of service delivery
- Completion confirmation and rating system for partners

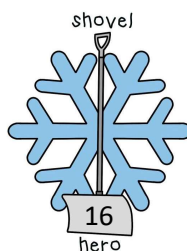
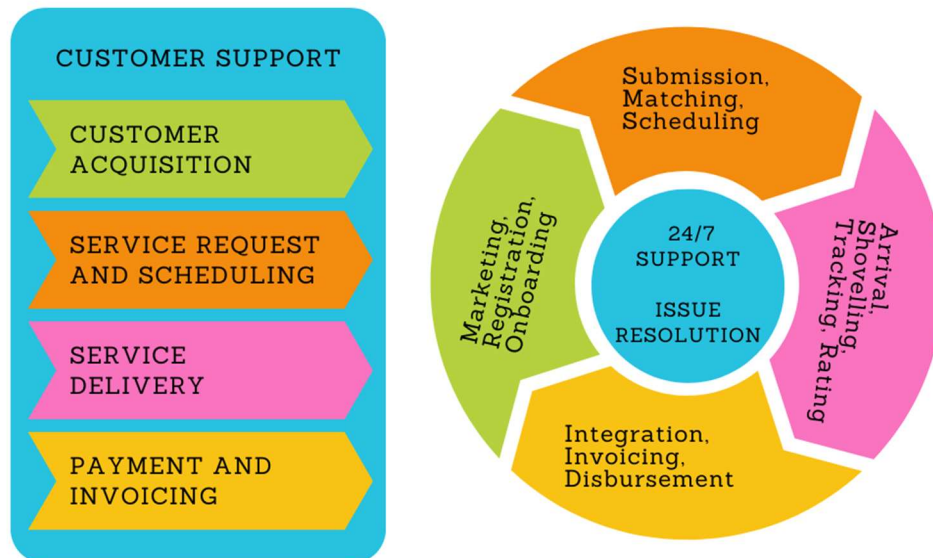
4. Payment and Invoicing:

- Seamless payment integration for secure and convenient transactions
- Invoicing and receipt generation for customers
- Payment disbursement to partners
- Partner tax documents (quarterly and annual modules)

5. Customer Support:

- 24/7 customer support by various communication channels (phone, email, chat)
- Issue resolution and assistance for both customers and providers/partners

Business Process Flow Chart



Plan for R&D and Innovation

We believe that continuous research and development (R&D) is the key to sustainability and enhancement of our platform's features. Our plan for R&D and innovation includes the following:

1. Market Research:
 - Conduct ongoing market research to identify emerging trends, customer preferences, and competition deals
 - Analyze customer feedback and complains to identify opportunities for enhancements
2. Technological Advancements:
 - Stay updated with innovations in technology relevant to our platform, such as mobile/web app development, geolocation services, and secure payment systems
 - Evaluate the feasibility of employing latest technologies to improve user experience and efficiency of operations
3. User Feedback and Testing:
 - Gather feedback from both customers and partners to identify pain points and areas of opportunity
 - Conduct beta testing and user acceptance testing to validate new features and functionalities before launching into a production environment
4. Collaboration and Partnerships:
 - Explore collaborations with technology providers, and industry experts to benefit from their expertise and resources
 - Foster an environment of innovation in our organization by encouraging employees to present latest ideas and suggestions



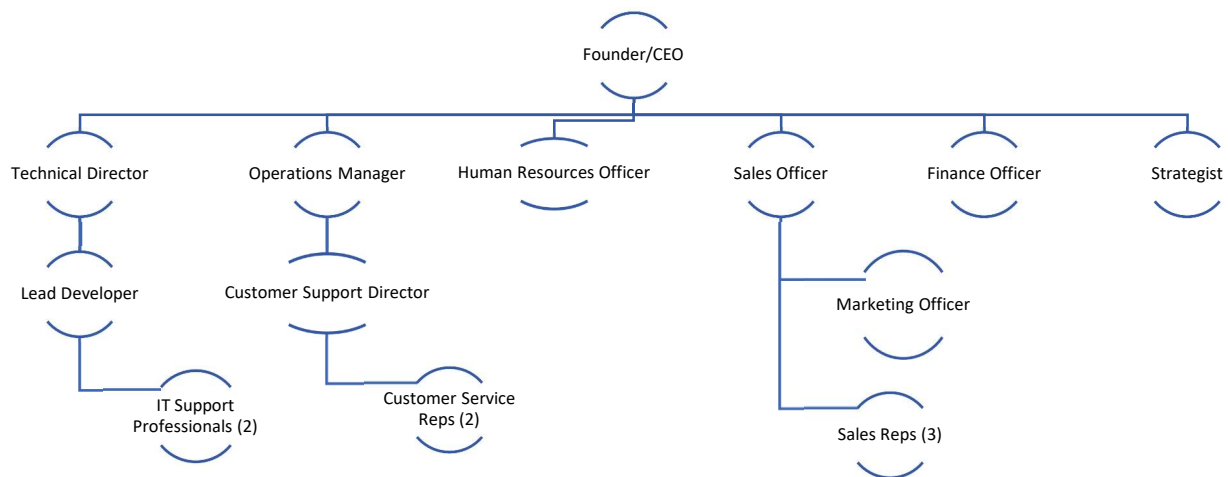
Organization Plan

Statement of Management Philosophy and Company Culture

Our management strategy at ShovelHero is centred on creating a welcoming and inclusive environment that supports the growth and development of all our team members, but notably the younger ones, and instills in them an entrepreneurial spirit. We support giving kids the tools they need to become Snow Heroes so they may develop vital skills, make money, and give back to their communities. We also offer adults a flexible and practical option to supplement their income throughout the winter. Overall, at ShovelHero, we're committed to developing a strong brand that not only offers our clients useful services, but also empowers young people, develop a sense of community, and offers support in all that we do.

Legal Structure and Company

ShovelHero will be an incorporation with the shareholder being the board of directors in the upper 2 tiers of the below company structure. In an incorporation, taxes are done for the business only, as such, any issues of legal liability will be directed to the business itself, rather than individual shareholders.

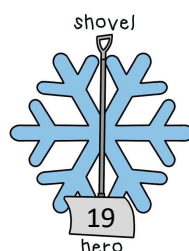


Strategic Partners

Schools, community centers, religious institutions, and youth organizations is what we will use to promote ShovelHero, also we will use it as a venue for young people to start businesses and improve their skills. We will work with local companies offering members with special discounts or promotion to help foster a mutually beneficial connection and bring a sense of community that will exists with our service.

We will be working together with charitable organizations to establish fundraising campaigns and neighbourhood gatherings that support our objective, giving partners the chance to support worthwhile causes while making money. We will also work with insurance company to help homeowners and partners with liability insurance making both parties with a sense of security and defense in the snow removal process.

Once established, we will strategize to create partnerships with businesses that can help with technical assistance, cybersecurity solutions, and ongoing ShovelHero application enhancement. This will guarantee a flawless user experience and protect data security. With these strategies we will help raise ShovelHero recognition and improve our value for both partners and clients.



Marketing Plan

Purpose of the Plan

Shovel Hero is an app that empowers children to gain independence and experience, as a priority. The purpose of our marketing plan is to create brand awareness, initially targeting the Canadian market before gaining global recognition in the market.

Business Identity

Our business identity revolves around helping people and bringing together communities where the busy, elderly, and disabled have help from their neighbors, and children can learn valuable skills, earn money, and contribute to their neighborhoods. Also, Shovel Hero provides adults with a flexible and convenient way to make extra income during winter months.

Branding

We will position Shovel Hero as the go-to platform for children to become "Snow Heroes" and for adults to find reliable snow removal assistance.

Our brand slogan: "Let us shovel your trouble away."

Target Market

Our primary target markets are groups of busy homeowners, full-time workers, elderly, and disabled people. These are markets who are not able or do not have time to remove snow in winter who may be willing to support the business efforts of local kids. For the future target market, we will consider adding other landscaping activities in our services for additional off-season opportunities.

Unique Market Niche

While other platforms focus on commercial snow removal services, we aim to focus on the residential market. This market has few major competitors, so we will tap into an unserved market segment and differentiate ourselves from traditional snow removal companies.

Distribution Channels

Our mobile app will be distributed through app stores such as Google Play Store and Apple App Store. Additionally, we will have an easy-to-use website that PC users can use to access the full range of application conveniences.



Marketing strategy

Schools and Community Fundraisers

We will engage with schools, community, and religious organizations for fundraising opportunities to promote the product to younger audiences who can advertise their services to neighbors and homeowners.

Publicity on the press

Once established, we will actively reach out to local and national media outlets, including newspapers, magazines, and online publications, to feature stories of children and their positive impact on communities by using our service.

Community engagement

We will actively participate in community events, such as winter festivals, charity drives, or school fundraisers. We will set up stations where children and parents can learn about Shovel Hero, play interactive games, and receive promotional materials.

Referral contests

We will incentivize existing users to refer their friends, classmates, or neighbours to join ShovelHero. After profits are of adequate size, will offer prizes or rewards for those who achieve the highest number of successful referrals within a specified period.

Collaborations with elderly and disability services

We will build partnerships with elderly and disability services. Share the idea of Shovel Hero helping the elderly and children with the owner and kindly asking to stick a poster on their window. For increasing our local presence.

Loyalty and rewards program

We will implement a loyalty program to reward frequent and active users of Shovel Hero. Offer incentives, such as bonus earnings, badges, or exclusive perks, for users who consistently use the app or achieve specific milestones.



Customer acquisition plan

Our customer acquisition plan aims to find prospective customers to use our service.

Awareness

Once established via fundraising drives, we will leverage a combination of targeted online advertising, local community events, and partnerships with elderly services. Online advertisements will target parents and homeowners in snow-prone areas. Local community events, such as winter festivals or charity drives, will provide opportunities to showcase Shovel Hero's services and engage directly with potential users. Collaborating with elderly services will find prospective elderly customers. Cause most elderly, they don't use the internet as young people.

In-app incentives

We offer incentives or rewards to new users who sign up and complete their first snow removal job through ShovelHero. For example, provide a bonus payment or a higher hourly rate for the first job to motivate users to act. Prizes for different goals (i.e., gift certificates, shovels, warm clothes, toboggan for carrying shovels, etc.). Also, we can rewards users who complete 10 times or 100 times of removal job.

In-app reviews and ratings

We implement a system that encourages users to leave reviews and ratings within the app after completing a job. Positive reviews and high ratings act as social proof. For example, we can work with Instagram, Facebook, or Tik Tok. If our children are doing well in their job, they can get a tag in their head portrait on their social media. Like Linkin looking for a job tag. Also, it can influence the decision-making process of potential customers.

Advertising Agency

We will recruit the services of an established advertising agency to assist with marketing and online advertising. We will aim to solicit customer interest immediately before and during the winter season. It would be ideal to be able to send push notifications and email advertising during inclement weather in specific areas.

Outdoor Indoor Signage

We will place outdoor and indoor signage such as banners or posters. We will place it in high-traffic areas, elderly equipment shops, elderly services stores, local community centers, local schools, and hardware stores where families and potential customers frequently visit.



Pricing model

Shovel Hero will offer two pricing plans, one is for children and another one is for adults and professional services.

Pay-Per-Job Child and Youth Model

- Jobs must be a suitable size for a child or youth (i.e. less than 100 square feet)
- \$22 flat rate price to the customer for a “kids and youth-sized” job
- \$2.00 service fee commission from the earnings of each completed snow removal job
- \$20.00 flat rate job payment goes to the younger partners

Pay-Per-Job Adults’ Model

- Jobs not suitable for younger partners (i.e. <100 square feet)
- Complex, property management residential or commercial jobs
- Pricing based on square footage and snow depth (average \$50/hr)
- 10% fee paid to ShovelHero for application develop, operations and customer support (\$10/hr)
- 90% job payment goes to the adult partner or professional company (\$40/hr)



Financial Plan

Startup Costs

Business startup costs have been estimated at \$150,000 CAD. This includes the initial staffing costs for initial product development, testing, legal advice and company incorporation.

Operational Costs

Our total operational costs in our first year are expected to be \$90,136, once up and running, with an annual expenditure of \$1,081,632. ShovelHero operational cost are broken down below, as follows:

Administrative Costs

These costs include general office expenses, such as internet, hosting, and company cell phone, Cloud and online services, minimal stationary and promotional supplies, liability and content insurance and advertising and promotional costs. These cost average \$11,918 per month with an annual expenditure of \$90,016.

Team Compensation

For the level of dedication to our users and to afford a comfortable quality of life as dedicated members of ShovelHero, our team will earn above industry wages to maximize retention and tenure. Monthly salary expenses will average \$78,218 to begin and rise as our product grows, to compensate our team efforts for the added responsibilities as company size and customer responsibility grow. Annual salary expenditures will be \$716,646.

We have included a 30% salary increase for all employees in our product forecast in the section that follows.



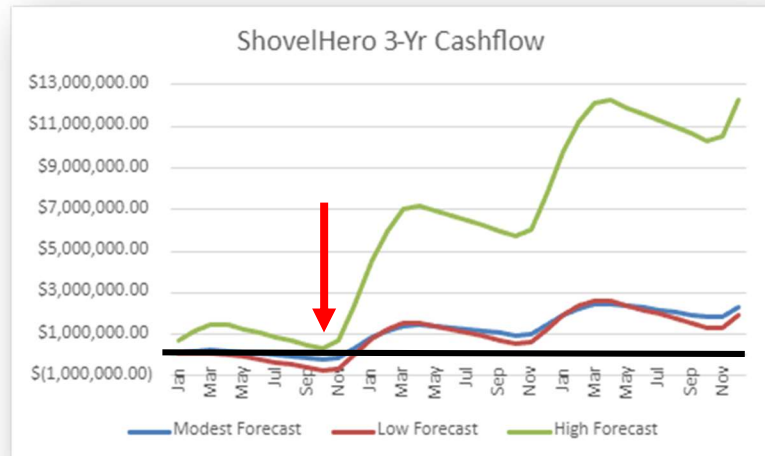
Revenue

Assumptions

Our modest forecast (blue line on below graphs) will use the average monthly snowfall rate per month in Metro Toronto for the past 10 years of weather data. A modest forecast assumed 3% of the housing and commercial market would contract ShovelHero services. The lower (red line) and upper (green line) forecasts in the chart below account for weather fluctuations and market risk.

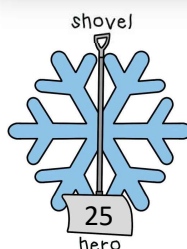
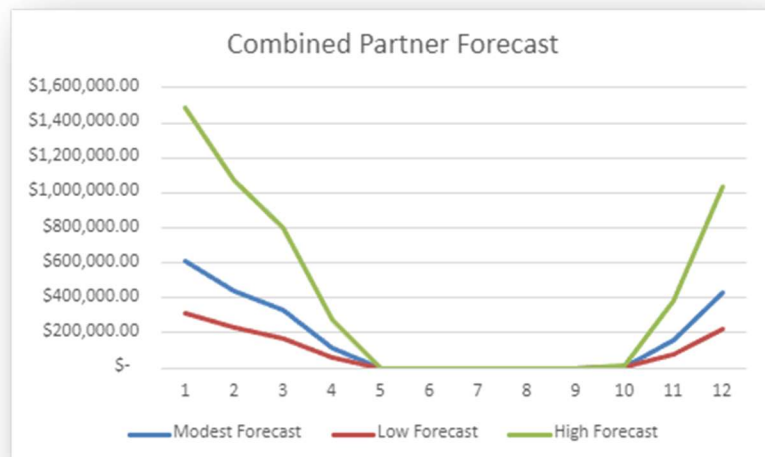
Temporary Losses

Note that ShovelHero plans to release the children and youth application in it's early launch. This is an important temporary period of customer feedback and product growth. As such, there will be a brief period in which ShovelHero will experience a negative cash flow of - \$181,163 (modest forecast). In our second season of production, once the application is running up to customer expectations, we will add the complexities of the adult and professional modules. Our profits will return exponentially within 2 months of launching these features.



Profits

As our product is extremely seasonal, company profits will range from \$426,538 in the snowy months and fall to \$0 during warm months. This forecast is with a modest 3% of the homeowner market share using ShovelHero services on the 40.1 average snow days per year in Metro Toronto. Our modest annual revenue forecast for the city of Metro Toronto is \$1,033,254.



Excess Profits

Remaining revenue profits will be used initially to fund application bug fixes and enhancements, then will be used to expand services to other regions, at which point we will allocate increases ShovelHero team salaries, advertising agencies and promotional services. Eventually we will aim to decrease our children and youth service fees and commission from adult jobs. At ShovelHero, we believe that excessive profits are equivalent to unpaid wages and should be used to strengthen our team and customer base.

Risks and Uncertainties

Weather Related

With climate uncertainty and some regions experiencing irregular weather patterns in recent years, there is risk that our snow-day estimates might not be accurate. While this would be a positive development in the event of greater-than-average snow days, our revenue forecast would be over-inflated if regions experienced a milder winter. As well, with our unexpected weather patterns, there is the potential for other weather-related events such as a unexpectedly massive snowfall in the region or ice accumulation that can create can unsafe or unfair conditions for shoveling for children and youth at a flat rate.

Partner Interest

Without sufficient marketing and interest from our initial partners, demand could exceed supply, resulting in not being able to deliver services to potential customers, negating business credibility. Conversely, if convenience, price, or quality are not up to customer expectations, the risk would be less opportunity for the children and youth to earn their money, also impacting our ability to supply services.

Barriers to Entry

With a business plan to undercut market pricing by 30% and to increase wages by nearly double, there could be potential pushback from competition looking to reclaim their market share.



Potential Legal Challenges

With a potentially physically strenuous service being offered, there is an inherent risk of injury to partners. Potentially hazardous situations include, but are not limited to, a fall in slippery conditions and muscle injuries from incorrect lifting form. We will provide safe working suggestions as a push notification to our partner and their guardian, upon job acceptance, to offer preventative strategies for these risks.

We are also aware of the potential for safety issues that could arise if a minor attends a customer's location without a guardian present. ShovelHero will require all minors to list the 18+ guardian that will be present with them onsite for the duration of their shoveling job. The partner account will require a guardian's photo ID on file, with verification by our team. Customer addresses will be sent to guardians only to prevent minors from attending jobs sites unaccompanied. We will also give customers a means of reporting unattended underage minors at their residence and investigate any reports. The penalty of a first offence will be a suspended account for 30 days, and a second offence will result in an account suspension for 1-yr.

While we trust that customers requesting services will be gracious and patient with our young partners, trusting that the children and youth will do their best, there is the potential for customers to report services not performed for poor job quality. To mitigate this, we will require partners to take a before and after picture for our team to investigate the completeness of a job. Customers will be refunded their full order payment (ideally within 24 hours) if the partner did not attend or if the job was very poorly done and the shoveling area is still impassable when the partner leaves the site. Partners will not receive payment for a job not attended and will only receive a 50% payment for a job poorly done. More than 3 quality reports against a partner will result in a 30-day account suspension, and another 3 reports will result in a 1-yr account suspension.

The protection of our partners is of utmost importance. Reports of abusive, aggressive, or inappropriate customers will not be tolerated. If a partner reports inappropriate behavior by a customer (video recording is ideal, but not required), the customer account will be suspended for 30 days, with a second report resulting in permanent account block.

The last legal challenge that we will mitigate in our pilot application will be the potential for the partner not receiving their hard-earned payments. As many of the minor will require a guardian account to deposit their funds, with the assumption that the guardian will pay the minor, 100% of their earnings, there will be a reporting system to notify ShovelHero of any foul play that could imply an unfair child-labor situation.



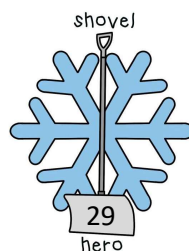
Time to Launch



Appendices

ShovelHero

Phases	Phase 1: Environment, Discovery & Opportunity	Phase 2: Business Model Development & Testing	Phase 3: Business Design, Planning & Execution
Research	Critical Industry Forces Market Competition: Existing Competitors/Potential New Entrants Technological Developments: Digital Platforms/Mobile Applications Weather Conditions: Climate Patterns Regulation and Permits: Local Regulations Customer Behavior and Preferences: Consumer Demand/Convenience and Trust Economic Factors: Disposable Income/Affordability	Value Proposition: The Solution Convenient Snow Delegation: Easy Request/Time Savings Reliable Youth Entrepreneurs: Responsible Assistants/Trustworthy Helpers Skill Development: Life Skills/Personal Growth Financial Independence: Earn Income/Self-Sufficiency	Business Process Flow – (AMIR) Marketing and Promotion: Run targeted online and offline marketing campaigns to reach homeowners in targeted areas with heavy snowfall. Utilize social media, local advertising, and community outreach to attract potential customers Partnerships: Collaborate with schools and community centers Mobile App Management: Continuously update user-friendly app Workforce Management: Recruit, train, and manage young entrepreneurs Service Request: Customers place snow shoveling requests through app Inclusive Approach: Cater to young entrepreneurs, adult partners, and businesses
	Market: Pains/Problems Limited Availability: Flexible Scheduling/Time Constraints Physical Exertion: Labor Intensity/Parental Strain Safety Risk: Child Supervision/Accident Prevention Time Constraints and Efficiency: Quick Completion/Time-saving Solution Cost and Budget: Affordable Pricing/Value Consideration	Customer Segment Identification & Validation Customer Segment Identification: Young Entrepreneurs: Kids and Teens/Financial Independence Safe Work Environment: Guardian Present/Learning Opportunity Customer Segment Validation: Market Research: Surveys Conducted/Needs and Constraints Feedback System: Quality Ratings/Assumption Validation	Key Resources Required and Timing – (TARIK) Facilities – remote work for flexibility Phase 1 - Market Research (week 0) – Management and Sales teams Phase 2 - R&D (week 3) – Management and Development Team Phase 3 - Prototype Development (week 7) – Development team Phase 4 - Production Release (week 11 – 21) – Management, Sales, Service, HR, Finance and Development teams
	Intellectual Property, Regulatory, & Technology Validation Intellectual Property: Branding Protection/Technology Safeguarding Child Labor Laws: Consent Compliance/Work Hour Limits Safety: Background Checks/Liability Insurance Technology: User-Friendly Platform/Rigorous Testing Legal and Regulatory Considerations: Legal Compliance/Regulatory Adherence	Technology Application Validation User Testing: Usability Testing: Validate Functionality/Interface Improvements Compatibility Testing: Cross-Platform Compatibility: Device Validation/Browser Compatibility Security Testing: Data Protection: Encryption Testing/Firewall Validation	Operations – (TARIK) Customer Acquisition: Efficient matching algorithm, rating/review system Service Request and Scheduling: Seamless payment integration, real-time tracking Service Delivery: 24/7 customer support, snow shoveling services. Payment and Invoicing: Transparent service provider tracking, completion confirmation Customer Support: Marketing integration, API with weather services. Plan for Development: Cloud-based server setup, skilled in-house team, resource identification Plan for Prototyping and Testing: Comprehensive prototype, extensive user testing
Outcomes*	Revenue, Sources and Drivers Revenue Sources: Flat Service Fee for kids and teen jobs, Commission for adult jobs, potential contracts with landscaping businesses, disability and elderly organizations Drivers: Annual snowfall, market conditions, local regulatory conditions, ability to price competitively and attract talent		Strategic Partners – (CHRISTIAN) Strategic Alliances: Schools, community centers, religious institutions, youth and charitable organizations Independent Contractors: Local companies offering special discounts or promotions, insurance company, businesses providing technical assistance, cybersecurity solutions, and application enhancement
	Cost & Profitability Drivers Cost drivers: Initial Development Costs, Client Services, Marketing, and Research and Development Profitability Drivers: Highly competitive pricing to attract customers, highly competitive wages to attract partners, community children and youth focused, and on-demand services		Launch Strategy – (YI) Beta Testing: Offer our App to a selected group of users who live in snowy places to test and get feedback before the official launch. Official Launch: Launch our App to all potential users at once. Award: Download our App getting \$20 for in-App used. Social Media: Use various social media platforms to engage with the users and spread the word about the business.
	Startup Capital Requirements Development: Founder, Development and Administration Location: Remotely developed and sustained Sales and Marketing: Sales Manager and Advertising Agency		
Execution	Management Team (FATIMAH) CEO: Sheila, HR: Tarik, Sales Officer: Amir, Technician: Christian, Strategist: Yi Marketing officer: Fatimah, Finance representative: Ashit, Customer support director: Sheraaz		Market Timing - (YI) Season: Fall and Winter Time: 7:00 am to 7:00 pm





Profit & Loss Forecast - January 2023 to January 2024

All values in CAD

January 2023 to January 2024	TOTAL	Jan'23	Feb'23	Mar'23	Apr'23	May'23	Jun'23	Jul'23	Aug'23	Sep'23	Oct'23	Nov'23	Dec'23
Sales Revenue													
Total Income from Children and Youth	\$ 665,405	\$ 194,753	\$ 141,196	\$ 105,491	\$ 35,705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,623	\$ 50,311	\$ 136,327
Total Income from Adult and Professional Services											\$ 3,455	\$ 107,102	\$ 290,212
Sub Total	\$ 665,405	\$ 194,753	\$ 141,196	\$ 105,491	\$ 35,705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,078	\$ 157,413	\$ 426,539
Start-up Cost													
Company Incorporation	\$ 1,000												
Development Cost	\$ 150,000												
Sub Total	\$ 151,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Profit	\$ 514,405	\$ 194,753	\$ 141,196	\$ 105,491	\$ 35,705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,078	\$ 157,413	\$ 426,539

Wages and Salaries Expenses													
CEO	\$ 84,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
Program Developer(IT)	\$ 84,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
Marketing & Sales x 3	\$ 234,000.00	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00
General Business(HR)	\$ 72,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
General Business(Finance)	\$ 84,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
Customer Support (2)	\$ 120,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
CPP & EI- Employer's Contribution	\$ 38,648.00	\$ 3,220.50	\$ 3,220.50	\$ 3,220.50	\$ 3,220.50	\$ 3,220.50	\$ 3,220.50	\$ 3,220.50	\$ 3,220.50	\$ 3,220.50	\$ 3,220.50	\$ 3,220.50	\$ 3,220.50
Sub Total	\$ 716,648.00	\$ 59,720.50	\$ 59,720.50	\$ 59,720.50	\$ 59,720.50	\$ 59,720.50	\$ 59,720.50	\$ 59,720.50	\$ 59,720.50	\$ 59,720.50	\$ 59,720.50	\$ 59,720.50	\$ 59,720.50

Administration & Establishment Expenses													
Office Expenses(Fri,Cell,Internet,Hosting)	\$ 12,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Cloud and others service	\$ 3,016.00	\$ 418.00	\$ 418.00	\$ 418.00	\$ 418.00	\$ 418.00	\$ 418.00	\$ 418.00	\$ 418.00	\$ 418.00	\$ 418.00	\$ 418.00	\$ 418.00
Office Expenses(Stationery & Promotional)	\$ 32,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Liability Insurance & Content Insurance	\$ 6,000.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Advertising & Promotion	\$ 35,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Sub Total	\$ 90,016.00	\$ 11,918.00	\$ 11,918.00	\$ 11,918.00	\$ 11,918.00	\$ 11,918.00	\$ 11,918.00	\$ 11,918.00	\$ 11,918.00	\$ 11,918.00	\$ 11,918.00	\$ 11,918.00	\$ 11,918.00
Total Expense	\$ 806,662	\$ 71,639	\$ 71,639	\$ 71,639	\$ 71,639	\$ 71,639	\$ 71,639	\$ 71,639	\$ 71,639	\$ 71,639	\$ 71,639	\$ 71,639	\$ 71,639
Operating Profit	\$ (292,257)	\$ 123,114	\$ 69,557	\$ 33,553	\$ (35,934)	\$ (61,639)	\$ (61,639)	\$ (61,639)	\$ (61,639)	\$ (61,639)	\$ (63,561)	\$ 85,715	\$ 354,900
Running Cash flow	N/A	\$ 123,114	\$ 192,672	\$ 226,524	\$ 190,590	\$ 128,952	\$ 67,313	\$ 5,673	\$ (35,644)	\$ (117,602)	\$ (181,163)	\$ (95,388)	\$ 259,512

Sales Revenue : Yearly Total sales broken down into monthly totals Jan to Dec
Start-up costs: All cost incurred for starting up the business, prior to any revenue generation
Gross Profit: (Total Sales for the year - Total Start-up costs) broken down into monthly totals Jan to Dec
Expenses: Total yearly payout in Wages and Salaries broken down into monthly totals Jan to Dec
Expenses: Total yearly Admin, Office, Marketing expenses broken down into monthly totals Jan-Dec
Total Expenses: Total of All Expenses in the 2 categories broken down into monthly total Jan to Dec
Operating Profit: (Total yearly sales - Total yearly Expenses) broken down into monthly Totals Jan to Dec



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