



EBGN360A – Introduction to Entrepreneurship

T3 Deliverable F: Final Business Case

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## Executive Summary

Over 1 million people in the United States alone are functionally deaf. With modern solutions like cochlear implants, hearing aids, and other supportive resources, these individuals can function during the day. However, as soon as these individuals remove the aids for the night to sleep, they are left helpless to audio queues. Whether this be an emergency phone call, smoke detector, burglary, or waking up for work the next morning, these tasks are nearly impossible without support from a friend or family member. Current products offered for this problem are either ineffective or expensive for these individuals. As a result, the team designed a soundless alarm system to introduce to the market. This product includes an alarm clock, phone connection, and emergency alert audio sensor which connect to a vibrating pillow pad to notify the user in case of an emergency.

With the market being over 1 million individuals in the United States who are functionally deaf, there are many customers who can benefit from this product. Being primarily focused on the United States, the company can successfully target local customers who are dissatisfied with the current products on the market. As previously mentioned, these products are either incomplete or not fully functional. This provides a need for this new alarm product to be introduced to the market.

By using a cost-plus pricing strategy, the team can ensure this US manufactured product is able to be sold for a reasonable price in the market while still making profit. As a result, the gross margin percentage is approximately 67 percent. The monthly revenue of the product will reach nearly \$90,000 by the end of year three. The gross margin projections can be seen in the following graph.

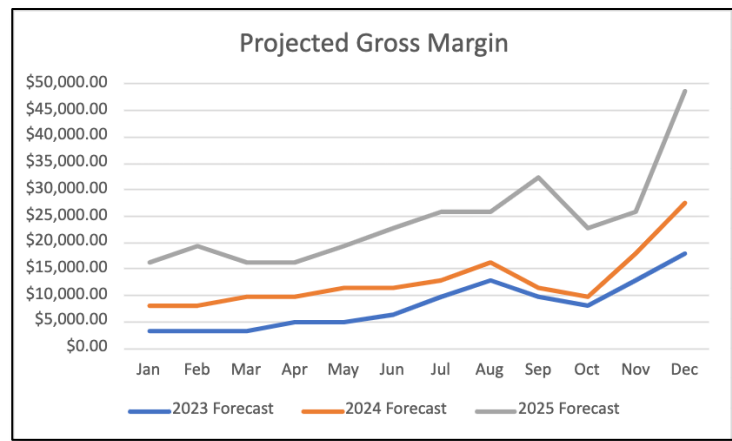


Figure 1: Projected Gross Margin

As a result of the need for a new product and the projected growth of the market, the team believes this product should be pursued. According to Business Research Insights, the market size for alarm clocks is estimated to consistently increase from 186.2 million today to 239.1 million in five years [8]. By introducing a new product into the necessary market of alarm clocks for deaf individuals, both the market and the company will benefit. Through steady profits seen in the projected revenue forecasts as well as the need for this product to increase safety, the soundless alarm clock will be a powerful asset to the deaf community and alarm clock market in the United States.

## Solution Overview

The United States has over 1 million people who are considered functionally deaf. This large population must alter everyday tasks to ensure their own safety, time management, communication and more. Many of these tasks are left unkept during the hours of the night. Those who use hearing aids, or cochlear implants, are completely deaf at night. This can lead to emergency notifications, phone calls, break-ins, and the simple task of waking up being nearly impossible. Traditional alarm clocks that use audio queues to notify individuals are not

functional for these users. Thus, this limits the autonomy and independence of this population. The fear of safety in case of a fire alarm, burglary, or even an emergency phone call causes these individuals to struggle with not relying on others for support, leading to a lack of sound sleep.

The current systems in place for this safety problem are often too simple, inconvenient, or simply too expensive. As a result, the team has created a new alarm system to solve this serious problem. This soundless alarm clock features two main units: a shaking pillow pad and the clock unit itself. The clock unit has cords to connect to power, cellular devices, and the pillow pad. Additionally, the clock contains buttons to snooze, turn the alarm off, dials to adjust settings, and a microphone to pick up any external audio. The system can be connected to power or connected via battery to be more mobile. This allows for more autonomy for users when traveling overnight. The images of the prototyped product can be seen below.

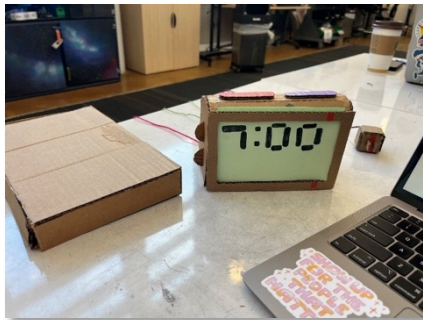


Figure 4: Front View of Pretotype



Figure 3: Side View of Pretotype

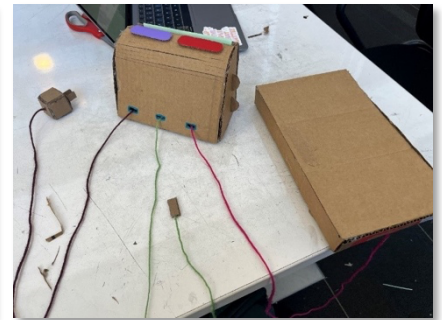


Figure 2: Rear View of Pretotype

Compared to the current options on the market, our product will be integrating multiple types of inputs with multiple outputs. The pillow pad will be comfortable, which has never been seen, the alarm system will be able to receive emergency alerts, phone calls, and alert to wake up. The main features and benefits of the soundless alarm clock system can be seen in the table provided below.

Main Features	
Features	Benefits
Snooze	Allows user to silence alarm for 10 min.
OFF	Turns the alarm off.
Microphone 2x	Receives alerts emergency alerts (fire/ break ins)
USB input	Power source to connect the alarm housing to an electrical outlet.
USB output 2x	One USB outlet will connect to the bed shaker changer. The second port can connect to an Android or iPhone product.
10" Vibrating pad	notify the user through vibrations and/or shaking in the case of emergencies, phone calls, or an alarm to wake up.
Comfort Insert	Allows user to lie on the pad comfortably throughout the evening.

Figure 5: Feature-Benefit Table

## Pricing Strategy

When considering the market price of the product, the primary pricing strategies were comparison of the prices of competitor products and value-based analysis. There are a variety of price ranges that exist for products in the market. Many of the listings on Amazon have prices ranging from \$20 to \$30. The alarm clocks in this range offer a relatively standard configuration of an alarm clock and bed shaker with minimal other features. There are other alternatives available at more expensive prices but there is much more variance. Some of these are priced in the hundreds of dollars. These more expensive products offer more premium features than the cheaper alternatives.

The team has designed a premium product that offers many features beyond those found at the lower end of the price range. Additionally, the team has decided to use a cost-plus pricing strategy to maximize profit. As a result, a greater price may be charged to the customer for the additional value added. However, the team does not want to set an extreme price point that alienates segments of the target market. For these reasons, the product is priced in the midrange between the two ends of the spectrum.

The first step in the pricing of the product was determining the cost to source the materials and assemble the unit. The materials list was compiled and wholesale prices were found on Alibaba. The prices of all the individual components were summed up and an additional 10% markup was applied for using US-based vendors. This data can be seen in the table, "Material Cost Breakdown." The price of US manufacturing costs was estimated to be \$10.00 per unit and which added to the total. The manufacturing cost breakdown can be seen in the table titled "Labor Cost Breakdown." These calculations resulted in a variable cost of \$18.34 per unit. A 305% markup was applied to the variable cost to come up with a price point of \$59.95. This creates a gross margin of \$41.61 or 67.74%.

Material Cost Breakdown	
Component	Cost/unit
Plastic Alarm Clock Housing	\$0.50
Digital Display	\$1.00
Battery	\$1.00
Microphone	\$0.15
Power Cable	\$1.00
USB Phone Cable	\$0.38
Microprocessor	\$0.75
Plush Covering for Pillow Pad	\$0.90
Pad Vibration Unit	\$1.05
Cable connection	\$0.25
Bluetooth Component	\$0.60
<b>Maximum Material Cost</b>	<b>\$7.58</b>
<b>With US Vendors (10% markup)</b>	<b>\$8.34</b>

Figure 6: Material Cost Breakdown Table

Labor Cost Breakdown		
Type of Labor	Time Spent	Cost/Unit
Electronic Components	.5 hours	\$5.00
External Components	.25 hours	\$2.50
Testing	.125 hours	\$1.25
Packaging	.125 hours	\$1.25
<b>Total</b>	<b>1 hour</b>	<b>\$10.00</b>

Figure 7: Labor Cost Breakdown Table

## Market and Competitor Analysis

According to a study published in the Journal of Deaf Studies and Deaf Education, there are approximately 1 million functionally deaf Americans in the United States today [7]. Additionally, the World Health Organization states 37.5 million Americans over the age of 18 have some form of hearing impairments [2].

Currently **1 million people** in the United States are functionally deaf, and this number is projected to continually grow. It is estimated that by 2050 over 700 million people – or one in every ten people – will have **disabling hearing loss** [7].

With the revenue of the alarm clock being calculated with total revenue per customer \* total customers, the Total Addressable Market (TAM) for this product can reach upwards of 59 million. As a result, this market is large enough for another product to enter to address unsatisfied customers from other products.

### Direct to consumer

Our target market is everyone in this category since the need to wake up is universal. We will pack in more and better features than the current competition has and listen to the needs of the deaf and hard of hearing people.

### Hotel Chains

Buyers also include Hotel chains since many hotels are scaling up their accessibility features.

### Dorm Halls

Most colleges in the US have dorms on campus and have little options for deaf students. Here at Mines, even our newest dorm hall does not have a flashing alarm system in each room, it is only audio based. This is another potential customer.

The market for alarm clocks will continue to grow. Currently, Business Research Insights estimates that by 2028, the market size for alarm clocks will reach 239.1 million individuals. This demonstrates a need for products in the market, as there will be more individuals entering. As a result, the introduction of the soundless alarm clock will allow more of the market to be reached [8].

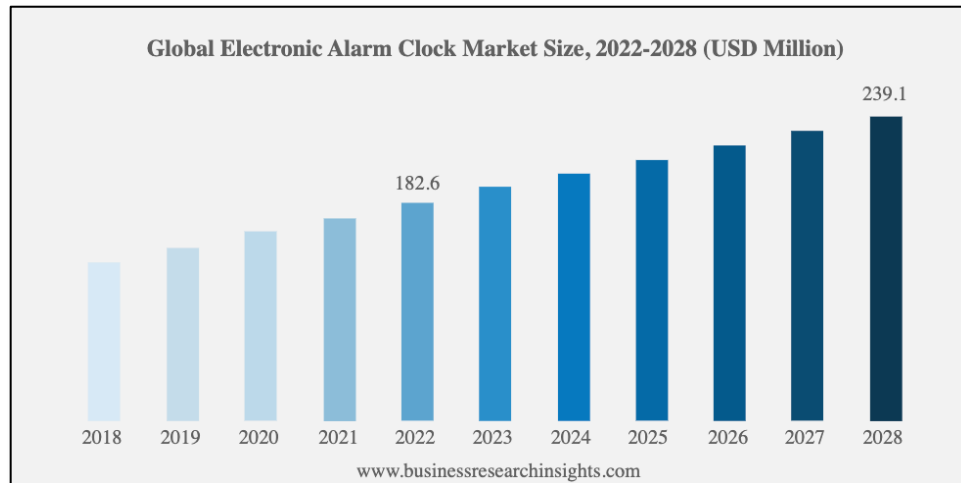


Figure 8: Market Size Trend Graph

The team has made the executive decision to primarily target the 1 million functionally deaf Americans for the market of the product, making this the Total Addressable Market (TAM). This will allow Americans in the United States within the age range of 20-60 years old to be the main target market buyer. Since alarm clocks can be considered a commodity good, the target market's annual income will be \$20,000 or higher. The following individual encompasses the general characteristics of a typical customer:

Our Target buyer is **Jason**. He is 27 and has been functionally deaf in both ears since birth. Jason has had surgery for cochlear implants; however, upon removal when sleeping, Jason is completely deaf. Recently he has realized that he wants to be **more independent to be able to help more**. His wife always answers the door and wakes up when their baby cries. He feels bad for **not being able to do these things** since he has hearing loss and wants a way to **wake up to these sounds he is missing**. Jason also wants to wake up for **important phone calls**, he works a security job that he may get called in for on short notice. Currently his wife wakes him up if his phone rings in the middle of the night. If his wife is away from home, he does not hear these calls. In his job, **Jason travels often**. He has an alarm clock that will wake him up when he sleeps in a hotel, but it is clunky and requires a wired power connection. He wishes he had something easier to set the time on and is more portable.



Figure 9: Target Customer Example



Jason loves his family very much and is concerned about his ability to **protect them** if a thief broke into the house. Jason knows that he might not be able to hear a loud crash or a broken window. He wants to be able to wake up to these things for his and his family's safety. When Jason was a kid, there were no alarms that he could use, and his mom had to wake him up every day for school. He feels like that again, **relying on his wife** to wake him up for important things. Jason wants something that can wake him up or alert him of all the **important things in life**. Looking at options online, Jason realized that **current options are expensive and overly complicated**

## Competitor Analysis

There are a variety of competitor products that exist in this market. Many of them offer comparable products that give the deaf and hearing-impaired community an alternative to traditional alarm clocks. A quick google search yields many options to choose from. The other component of the system included in our product, the notification system for emergencies, also has several competitors but far less than the alarm. Three of the most popular existing products are discussed below.

### Krown Manufacturing

The Krown KA300 Emergency Notification System is a notification system offers a notification system for those who are deaf or hard of hearing. The system can connect up to 3 alarms including fire/smoke, home security, carbon monoxide, or any other audible alarms. When an alarm sounds, the transmitter, which is wired to the alarm itself, sends a wireless signal to the receiver. The receiver then activates the bed shaker and strobe system which wakes up the user. The system is priced at \$375, and the weather alert kit is an additional \$105.95 [3]. The product is distributed by Krown Manufacturing who makes a variety of products for the hearing-impaired community. The product can be purchased through the company website as well as a variety of third-party retailers. No data on annual revenues or number of employees could be found.



Figure 10: Krown KA300 System



## TechTools

Another top competitor for the alarm clock component of the system is the TechTools Vibrating Alarm Clock. This is a wearable wristwatch that uses sonic vibration to wake the user. The product is versatile in that it can be worn on the wrist but also may be placed under the pillow based on preference. One of the key advantages of the vibrating wristwatch is that it will not interfere with the schedule of a partner sleeping in the same bed. This product is priced at \$29.95 and is available through a variety of third-party retailers including Amazon [ 4]. No data on the annual revenue of TechTools or the number of employees at the company could be found.



Figure 11: TechTools Alarm

## HomeAware

The final competitor, HomeAware, sells various alarm and alert system products for deaf individuals. The HomeAware Main Unit & NOAA Weather Radio Alert Bundle is an alarm system that notifies the user of natural disasters, weather, phone calls, and alarms. One of the key advantages of the HomeAware Main Unit is that it can be used for natural disasters, which is a feature that other competing products do not encompass. The product is priced at \$295.99 and is available through the HomeAware Website. No data could be found on the annual revenue or company size of HomeAware [7].



Figure 12: HomeAware Main Unit Bundle

## Price Comparison

A price comparison of the top three competitors, Krown, TechTools and HomeAware can be seen below. It can be noted that Krown has the most costly product, at \$375 for an emergency system. HomeAware is slightly cheaper with a variety of unique features. Lastly, TechTools and addresses the lower income market for this issue; however, the price of the product is unable to incapsulate the necessities this market requests for this product.

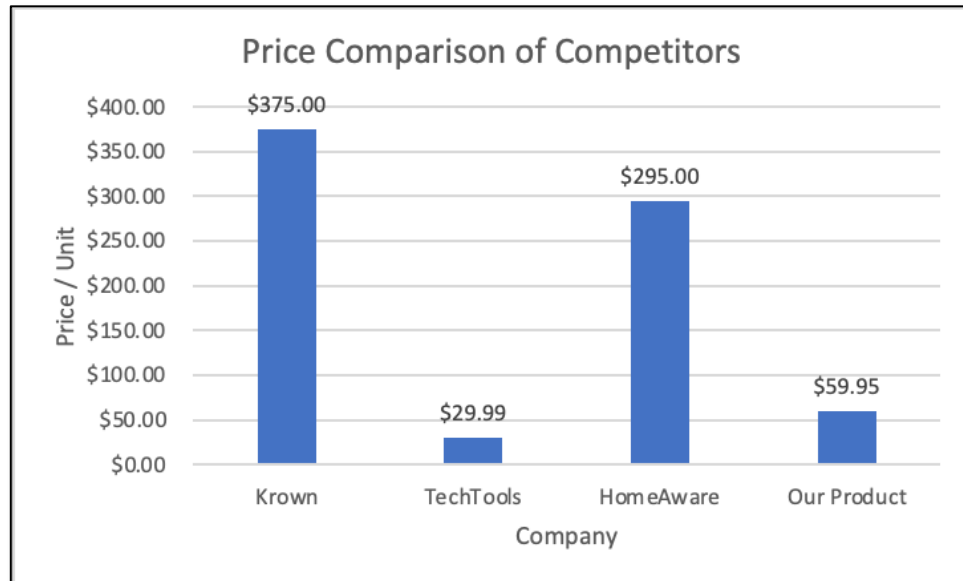


Figure 13: Price Comparison Graph

In addition to a price comparison of the competitors and our product, a competitor analysis matrix was made. The two axes are the price point, low to high, and the features of the product, from one to many. As seen in the matrix, Krown Manufacturing and Homeaware have multiple features and a higher price. Whereas TechTools is seen at a lower price point with only one feature. Our product, in relation to the competitors would be located near HomeAware, with multiple features; however, our product is less expensive than HomeAware, with a price more than 75% lower.

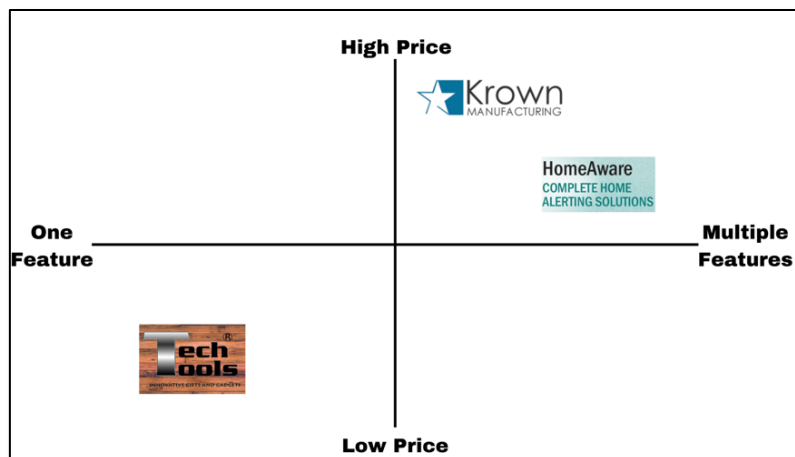


Figure 14: Competitor Analysis Matrix Grid

# Sales and Marketing Strategy

## Product Value

While hearing people have many options for alarm clocks, deaf and hard-of-hearing people have limited options. This product could help hundreds of thousands of people have a safer, more reliable way to wake up. Our product has the most opportunities for expansion and includes more safety features than any single alarm clock in this market category. With flashing lights, vibration, and phone alerts as the output, it takes a variety of inputs, including set alarms, emergency notifications, call alerts and more.

## Price

The price is based on the quality and value of the product, including its features and options. We are focusing on two main categories of price options, one for individual consumers relying first on online platforms like Amazon and word of mouth (direct to consumer or B2C) then moving toward commercial applications, such as dorms and hotels (direct to business or B2B).

## Direct-to-Consumer

With the freedom and value that it brings consumers, the base price of \$59.95 undercuts the \$175 - \$300 price range of similar competitors, while differentiating it from current low-end clocks from \$25-\$35 on Amazon.

## Business-to-Business

Commercial customers are much more likely to order in bulk and might ask for additional expansion packages, such as a dedicated sensor for fire alarms. This means that the selling price per unit will be lower than the Direct-to-Consumer price and could possibly have slightly different functionality depending on the business' preference.

## Place and Promotion

Where do deaf and hard-of-hearing people shop? People in this market know that most department stores do not cater to them. They shop online, where deaf people can find items designed specifically for them. The population of over 70 million deaf people on this planet search for ways to make their lives easier. Reaching customers digitally is the easiest way to market this product.

## Direct-to-Consumer (Amazon)

Amazon has proven to be one of the largest and most trusted platforms in the world to reach consumers online and will be a valuable platform for this item. Small companies can earn their reputation on Amazon as a trusted and proven product, and that is what our company is focusing on in these early stages. We will use Amazon as a fulfillment platform to host inventory.

Using Amazon to promote our product is straightforward, we can pay to have our product show up at the top of the search category, or even pay to have it show as "recommended" by Amazon. After a customer finds our product page, it will have a quality description, videos, and photos to help differentiate the product from others as well as educate the customer on its value.

### Direct-to-Consumer (Google AdWords)

Knowing that deaf people search online for their products, Google is the first place that most people search, before Amazon. We will utilize this promotional tool to get our product out there. Google AdWords can target Advertising profiles (AKA, anyone searching the internet) using browsing data and Cookies.

As an advertiser, we can pay to promote our product in two main ways, first by having our item be promoted at the top of a Google search result. This is known as an AdWords Search campaign. For example, if someone searches “deaf alarm clocks” in Google, AdWords can display a link and description of our product above the most relevant searches generated by the algorithm. The Google Search algorithm is a complex system that factors in many things about a webpage, including popularity. Paying for Advertising on Google bypasses all of these factors.

The second main way is to use Google AdWords to display Ads on websites who are selling advertising space. This could be anything from Facebook to YouTube to a blog. It works the same as the Search Campaign, customer Ad profiles that seem the most interested in “deaf alarm clocks” or websites that have the most relevance to that category will be shown our ad. Both of these methods are usually pay-per-view or pay-per-click, which means that it is easy to control the amount of money used for this type of promotion.

### Direct-to-Consumer (Hearing Equipment Websites)

Companies such as Cochlear have displayed deaf alarm clocks on their websites next to their hearing equipment. After building reputation by selling using Amazon, approaching different cochlear implant, and hearing aid online retailers are key. Our company will earn another highly trusted platform to sell.

### Business-to-Business (Hotels and University Dorms)

In addition to reaching individual consumers, our expansion strategy will focus on commercial applications. Hotels and dorms are the obvious early targets for this market segment, for which our product can be presented as a solution to accessibility accommodations. Businesses that host deaf guests, like hotels, must adhere to national safety standards for disabilities. The same goes for government-funded institutions, like universities. This gives a great vantage point to sell our product as a better-looking and cost-efficient alternative to other systems that are pricier and more complicated to set up.

This can be done by approaching these businesses at the management level and pitching the item to them in person. Our company might hire a few salespeople for this, or the owners themselves could possibly do this. To do this, we would prepare a sales pitch for a specific company after doing research on their current deaf accessibility solution. If the pitch goes well, we earn another customer who gives us a valuable bulk order. If not, we learn from it and continue pitching elsewhere until success.

### Consumer-to-Consumer (Community Education)

Our biggest target with this product is the deaf community. This means that the company should target the biggest channels of communication within that group. It's hard for deaf people to meet by chance, so they have many online platforms, organizations, and support groups. Digital advertising will be great for this product, but word of mouth (or in this case, American Sign Language and online messaging) has the highest value in this target customer base.

For this to happen, good public relations with deaf organizations as well as companies who make hearing devices are key. For example, having representatives who start telling their friends within their local deaf groups, in exchange for a percentage of those referral profits

### Direct-to-Consumer (Social media Influencers)

Influencers such as YouTubers or bloggers are another efficient way to advertise. A quick segment in a deaf YouTuber's video, along with a small discount as a promo code for that influencer allows the product to get in front of thousands of customers in our target market. These influencers win by getting money from referral codes, and we win by getting promotion and sales.

## Financial Analysis

To create an effective and accurate sales volume forecast for the alarm clock, statistics regarding the total addressable market (TAM) were found. According to The Journal of Deaf Studies and Deaf Education, the United States alone has approximately 1 million completely deaf individuals. This will be the primary target market for the initial launch of the product. Plans have been discussed to expand the market to universities and the hospitality industry, however, this will not be the focus for the product. Instead, this will be implemented as the product gains a reputation which will help facilitate sales. The assumptions made to create the trendlines and tables can be referenced in the appendix.

### Projected Unit Sales

The projected unit sales of the product can be seen below with the trendlines as well as table break down. This was calculated through using the TAM. As seen below in the projected unit sales, there are seasonal spikes in the holiday months. Due to gift giving and the new year, the product sales will increase at the end of Quarter 3 and beginning of Quarter 4. This can be seen with the increase in sales from 800 units in November 2025 to 1500 units in December 2025.

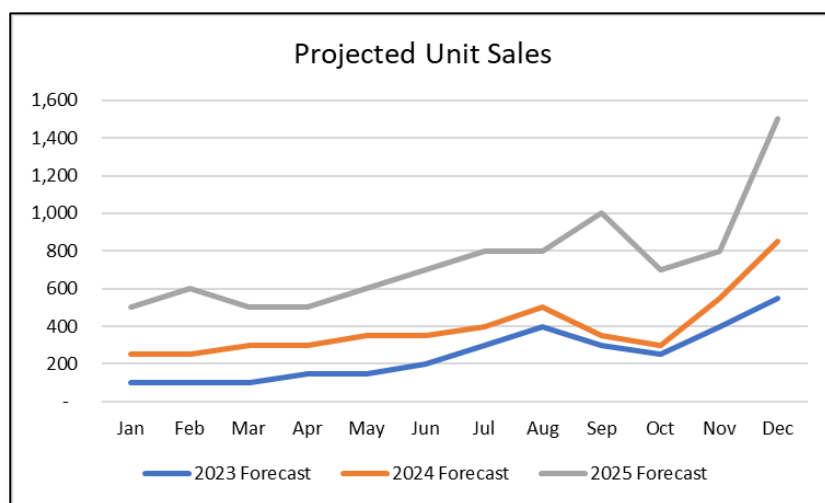


Figure 16: Projected Sales Forecast Trendline

Projected Unit Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
2023 Forecast	100	100	100	150	150	200	300	400	300	250	400	550	3,000
2024 Forecast	250	250	300	300	350	350	400	500	350	300	550	850	4,750

Figure 15: Projected Sales Forecast Table

Projected Annual Revenue

The revenue forecast was determined using the cost-plus pricing strategy discussed earlier in the paper. This model ensures that there is a strong profit margin on each of the units produced. This will result in gross revenues of \$179,970 in year 1, \$284,763 in Year 2, and \$539,550 in Year 3. These results can be seen in the revenue forecasts below.

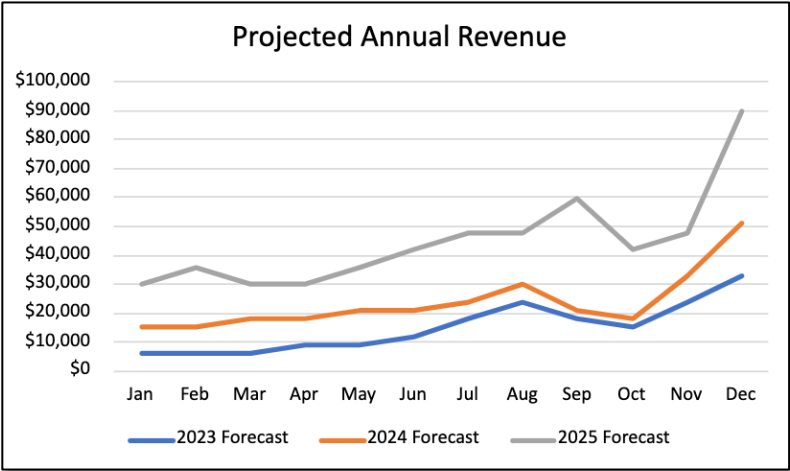


Figure 18: Projected Annual Revenue Trendline

Projected Revenue	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
2023 Forecast	\$5,995	\$5,995	\$5,995	\$8,993	\$8,993	\$11,990	\$17,985	\$23,980	\$17,985	\$14,988	\$23,980	\$32,973	\$ 179,850
2024 Forecast	\$14,988	\$14,988	\$17,985	\$17,985	\$20,983	\$20,983	\$23,980	\$29,975	\$20,983	\$17,985	\$32,973	\$50,958	\$ 284,763
2025 Forecast	\$29,975	\$35,970	\$29,975	\$29,975	\$35,970	\$41,965	\$47,960	\$47,960	\$59,950	\$41,965	\$47,960	\$89,925	\$ 539,550

Figure 17: Projected Annual Revenue Table

Projected Gross Margin

Lastly, the projected gross margin was calculated using the direct costs and labor subtracted from our price point. As seen in the table and trendline below, the gross margin increases during quarter three due to seasonal sales increasing. By the third year, this product is estimated to reach \$50,000 for the month of December, resulting in nearly \$300,000 gross margin in year three.

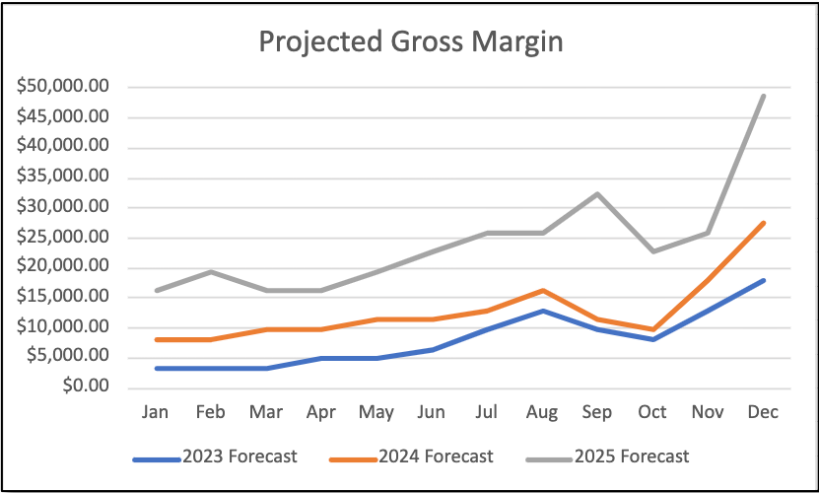


Figure 20: Projected Gross Margin Trendline

Gross Margin	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
2023 Forecast	\$3,241.00	\$3,241.00	\$3,241.00	\$4,861.50	\$4,861.50	\$6,482.00	\$9,723.00	\$12,964.00	\$9,723.00	\$8,102.50	\$12,964.00	\$17,825.50	\$97,230.00
2024 Forecast	\$8,102.50	\$8,102.50	\$9,723.00	\$9,723.00	\$11,343.50	\$11,343.50	\$12,964.00	\$16,205.00	\$11,343.50	\$9,723.00	\$17,825.50	\$27,548.50	\$153,947.50
2025 Forecast	\$16,205.00	\$19,446.00	\$16,205.00	\$16,205.00	\$19,446.00	\$22,687.00	\$25,928.00	\$25,928.00	\$32,410.00	\$22,687.00	\$25,928.00	\$48,615.00	\$291,690.00

Figure 19: Projected Gross Margin Table

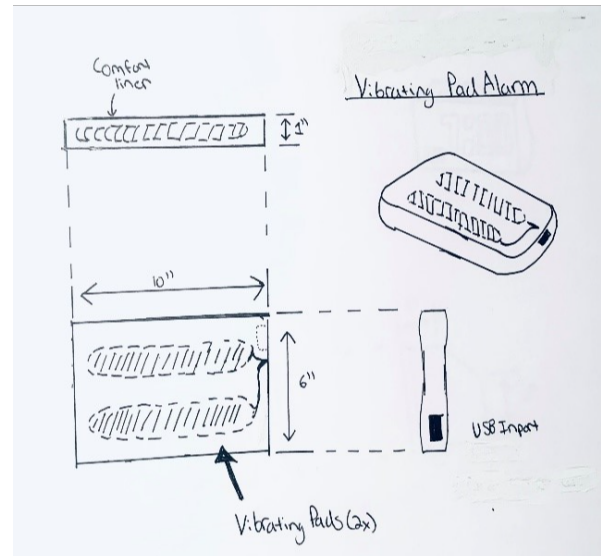
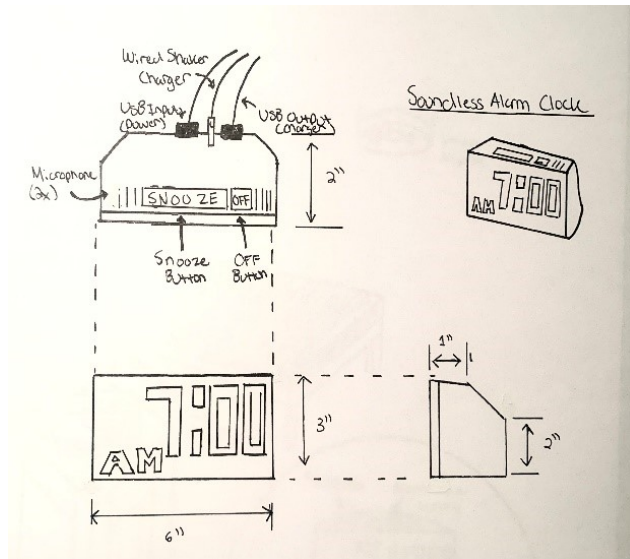
Final Conclusion

With the safety of deaf individuals at risk due to the lack of effective products currently on the market for alarm systems, our product can tap into a market that so desperately needs an effective solution. The deaf community needs a product that will allow their sleep schedules to not be filled with fear, anxiety, or stress that they will not wake up from an emergency phone call, alert, or notification. This product allows the market to sleep stress-free without relying on others to relay information about emergencies. The various features including sensors, detectors, phone connectivity and more allow the product to tap into the market successfully. As seen with the above trendlines, our cost-plus pricing strategy creates a gross margin of approximately 67%. Sales can be seen to steadily increase through marketing and sales strategies that past competitors have been unsuccessful with completing. As a result, the strong pricing strategies, revenue forecasts, and gross margin support the team with the recommendation to proceed with bringing this product to market. Both the team and deaf community will benefit and prosper greatly with this product being introduced to market.

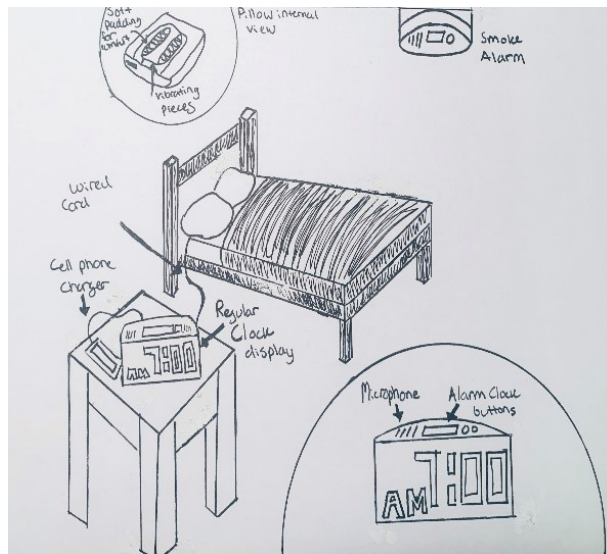


## Appendix

The following photos are engineering drawings of the pretotype. These drawings feature the dimensions as well as the scale.



The following photo is drawing of the product in use. This photo is used to demonstrate the size, typical set-up, and use of the product.



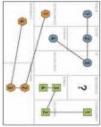
The following table includes the assumptions that were made to ensure the team could accurately measure and display the sales volume, pricing, and gross margin forecasts.

Assumptions
There is a total of 1 million deaf Americans that comprise the target market for the product.
The product will capture 1.5% of this market, 3,000 people, in the first year of sales. Succeeding years will increase in sales volume as the product gains popularity and notoriety within the community.
The product will have seasonal sales
Demand will increase in the back-to-school season. This uptick will occur in the months of July and August. This will increase overall sales for Q3.
Additionally, demand will increase during the holiday season. Consumer spending increases greatly during this time and more consumers will be in the market for the product. In turn, this will increase sales during Q4.
20% of the 1 million deaf Americans are in the market for a new alarm clock (200,000 people)
The market price of the product will be fixed for the first 3 years of sales.
The price of the components used to create the product will be constant and there will be no supply chain issues leading to manufacturing shortages.
The value added to the price determine outweighs the benefits of competitor products at other price points.

<p><b>PROBLEM</b></p> <p><i>List your top 1-3 problems.</i></p> <ul style="list-style-type: none"> <li>-No common/easy to access solutions for group living situations (dorms/hotels/etc.)</li> <li>-Inability to communicate with those who are hard of hearing in the case of an emergency.</li> <li>-people with disabling hearing loss are in danger in an emergency</li> </ul>	<p><b>SOLUTION</b></p> <p><i>Outline a possible solution for each problem.</i></p> <ul style="list-style-type: none"> <li>-emergency alarm system for hearing disabled that responds to smoke, CO2, intruder, etc</li> </ul>	<p><b>UNIQUE VALUE PROPOSITION</b></p> <p><i>Single, clear, compelling message that states why you are different and worth paying attention.</i></p> <p>This product allows our market to avoid purchasing 3 alarm systems when they can simply buy one with all three functions. This can benefit the user through a sense of safety and awareness when they are typically unable to hear emergency signals or calls.</p>	<p><b>UNFAIR ADVANTAGE</b></p> <p><i>Something that cannot easily be bought or copied.</i></p> <ul style="list-style-type: none"> <li>-Lower price (3 in 1) instead of needing to purchase all 3</li> <li>-more functional</li> <li>- comfort</li> <li>- transportation</li> </ul>	<p><b>CUSTOMER SEGMENTS</b></p> <p><i>List your target customers and users.</i></p> <ul style="list-style-type: none"> <li>-deaf people</li> <li>-hearing impaired</li> <li>-group living</li> <li>-universities</li> <li>-hotels</li> </ul>
<p><b>KEY METRICS</b></p> <p><i>List the key numbers that tell you how your business is doing.</i></p> <ul style="list-style-type: none"> <li>-ROI (sales conversion rates, revenue per visitor, percentage of shopping cart abandoned, etc.)</li> </ul>	<p><b>HIGH-LEVEL CONCEPT</b></p> <p><i>List your 'X' for 'Y' analogy e.g. YouTube = Flickr for videos.</i></p> <p>Alarm clock app for hearing impaired</p>	<p><b>CHANNELS</b></p> <p><i>List your path to customers (inbound or outbound).</i></p> <ul style="list-style-type: none"> <li>-From production to business to consumer</li> <li>-word of mouth</li> <li>-referrals</li> <li>-Business-to-Business through universities and hotels.</li> </ul>	<p><b>EARLY ADOPTERS</b></p> <p><i>List the characteristics of your ideal customers.</i></p> <p>Willing to try new products, current situation not working, enthusiastic about tech.</p>	
<p><b>EXISTING ALTERNATIVES</b></p> <p><i>List how these problems are solved today.</i></p> <ul style="list-style-type: none"> <li>-bed shakers (\$\$\$)</li> <li>-door wired alarms (\$\$\$)</li> </ul>	<p><b>REVENUE STREAMS</b></p> <p><i>List your sources of revenue.</i></p> <ul style="list-style-type: none"> <li>-product sales</li> </ul>			
<p><b>COST STRUCTURE</b></p> <p><i>List your fixed and variable costs.</i></p> <ul style="list-style-type: none"> <li>-Production</li> <li>-Materials</li> <li>-Advertisement</li> <li>-Labor</li> </ul>				

1	4	3	9	2
	8		5	
7			6	

CANVAS FILE ORDER



PROBLEM / SOLUTION PATH

- IDENTIFY THE PROBLEM
- RESEARCH THE PROBLEM
- DEVELOP A SOLUTION
- TEST THE SOLUTION
- IMPLEMENT THE SOLUTION
- MONITOR THE SOLUTION

Lean Canvas

Created by Spark59 // Online version available at [www.leancanvas.com](http://www.leancanvas.com)

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