ENTREPRENEURSHIP (STARTING A BUSINESS)

Type and Name of Business

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# I. EXECUTIVE SUMMARY

One-to two-page summary of the business model.

Iyer Food Company is based on the Peer-to-Peer Network business model, enabling our application to provide a technical platform in which informal food providers and/or cooks will directly connect with customers who are looking for a healthier, more affordable, and convenient homemade meal. The main purpose is to create business opportunities for regular people (peers) who are willing to provide their homemade meals to local customers. Ultimately, the idea is to create, forge, and maintain a deeper sense of community surrounding a healthier and more convenient food industry.

# II. PROBLEM

List the top three problems your product/service is addressing.

Iyer Food Company is meeting the need in three main areas:

**Availability of Truly Homemade Meals**: It is extremely hard to have a widespread availability of meals made by actual regular people keeping that authentic homemade taste.

**Healthier and more Diverse Food Options**: It is a global trend that people are preferring to choose healthier and more natural food options for their meals. In addition, due to the diversity naturally found in our communities, the variety of cuisines will potentially be wider than the current restaurants availability.

**The Need to incorporate the Food Industry into the Peer-to-Peer Economy**: Many other industries (e.g. transportation, maintenance and repairs, good sales, etc.) have migrated or are currently being migrated to the less centralized and more competitive Peer-to-Peer Economy; but the Food Industry has not been fully disconnected from the current establishment and infrastructure enabling independent peers to control their own markets.

Some of the identified risks from this venture are:

Health Issues: Any food related business is naturally bound to a series of health frameworks, conditions, and factors that need to be taken into serious consideration. Also, homemade meal cooking partners and delivery partners should be subjected to training in regards to more standardized established cooking and delivery methods in order to avoid risks related to bad food handling, cleanliness of cooking installation and areas, nutrition.

Liability: There is an inherent and fair mount of risk of accidents during the food delivery process in addition to the potential complications at producing and handling food for its consumption.

Our application/platform has a great practical potential of being viable for design and production. After the technical, legal, logistic, operational, and financial initial requirements are met; its development, testing, and deployment can be extremely feasible.

Logistic and Operational factors can be managed by a committed team which can be able to coordinate and connect the different disciplines and teams in a cohesive and productive way. My experience in the Food Industry can serve a practical and effective purpose to the goal and mission of the Company.

Financially, there could be a degree of challenge at finding the right financial partners who can, besides investing their resources, they can collaborate with their time, and experience in the venture.

# III. CUSTOMER SEGMENTS

Who are the target customers?

There are primarily three customer segments Iyer’s platform will integrate:

A. **Homemade meals providers/Hosts**: This segment is represented by the people who are interested in cooking their own particular menus and provide them to local consumers.

B. **Consumers**: This segment is represented by the people who use the application to search, request, and buy meals from the available local Hosts.

C. **Delivery partners**: This segment of the target customers is represented by the people who is willing to participate providing delivery services of the meals from the Hosts and the Consumers.

# IV. UNIQUE VALUE PROPOSITION

**What is the single, clear, compelling message that states why your product/service is different and worth buying?** Iyer is focusing on providing the value of connecting people who loves to cook and the people who loves eating the healthy and varied choice of a truly homemade meal; while generating income for the individuals who provide the meal and big savings to procure them, and fomenting a stronger sense of communities between the parties.

# V. CHANNELS

**What are the pathways to customers?** Iyer’s platform will be reachable to customers mainly via phone and web apps; which will be used to create and manage the customer’s accounts, create a credit account with Customer’s own funds, create provider and food type filters, browse current available menus, make meals requests, track requests and delivery times; if applicable, and generate payment methods.

# VI. REVENUE STREAMS

A. **What is the revenue model?** Revenue will be perceived based on a Service Fee percent charged to Consumers who make and pay for meal requests.

B. **What are the lifetime values?**

C. **What is the revenue?**

D. **What is the gross margin?**

# VII. COST STRUCTURE

A. **What are the customer acquisition costs?** In order to find customers and users peek their interest to participate in the application, it is necessary to invest in Marketing and Sales efforts so they can be reached and attracted to sign-up whether as a Hosts or Consumers. Then, investment costs associated with Customer Maintenance and Support should be included so the company can keep acceptable retention rates.

B. **What are the distribution costs?** In terms of distribution costs, two main areas are needed for this type of technology business: first, the costs associated with the respective App Stores’ membership and marketing distribution channels as social media and Infomercials.

C. **What are the human resources costs?** This cost category involves hiring the technical team capable of designing and developing a front and back end application that can support the connection between Meals Providers/Hosts and Consumers. In addition, these costs will include gathering experienced legal and financial counsel in order to comply with applicable local and federal laws.

Considering initial project duration of 3 months, the approximately investment costs associated are indicated in the Table 1.

Table 1.

|  |  |
| --- | --- |
| Professional / Services | Hiring Cost |
| Application Designer | $180,000 |
| Application Developer | $220,000 |
| Community Manager | $12,000 |
| App Stores / Memberships | $200 |
| Core Data Services | $3,000 |
| ISP Provider | $200 |

D. **Additional costs?** Other costs are included in the Table 2.

Table 2.

|  |  |
| --- | --- |
| Additional Costs | Hiring Cost |
| Logistics | $5,000 |
| Office Materials | $5,000 |
| Travel Costs | $10,000 |
| Computer Equipment | $3,000 |
| Other Additional Costs | $5,000 |

# VIII. DETAILED FINANCIALS

A. Projected income statements by month for the first year’s operation (sales, expenses, profit/loss)

B. Projected cash flow for the first year

C. Projected cash flow by month for the first year’s operation

D. Projected balance sheet, end of first year

E. Projected three-year plan

F. A brief narrative description of the planned growth of the proposed business, including financial resources and needs

G. Proposed plan to meet capital needs

• Personal and internal sources

• Earnings, short-term and long-term borrowing, long-term equity

• External sources

• Short-term and long-term borrowing, long-term equity (if applicable) repayment plans

• Plan to repay borrowed funds or provide return on investment to equity funds

# IX. KEY METRICS

**What are the key activities that must be measured?** On of the most important key metrics is related to **customer satisfaction**. For that reason, Iyer will implement a system of feedback and reviews between the Hosts and the Consumers. This way, the company will have the opportunity to gather information about its strengths and weakness; with the purpose of improve overall service.

Another form of key metric is related to an automatic method of counting and reporting of the amount of **application downloads** from the app stores and company website and **user’s accounts set-up**.

A third key metric to consider is another automatic method of counting and reporting which can display the **actual usage** of the application with a specific set of segmentation parameters related to, for instance, time, location, and demographics indexes.

# X. COMPETITIVE ADVANTAGE

**What about your product/service means that it cannot be easily copied or bought?** There is a great unmet-need for a Peer-to-Peer economy in relation to the existent Food Industry. For instance, there are many mothers, grandmothers, and other family members who love the art of cooking and enjoy preparing high quality meals who would love to perceive a degree of revenue from what they love doing, and regularly do anyway. On the other hand and in addition, there are many people who would prefer to enjoy a truly homemade meal rather than typical or regular restaurant food for their daily consumption. Keeping in consideration both sides represent a great business potential for an application/platform like this which can provide a solution for this need.

# XI. CONCLUSION

Specific request for financing, summary of key points supporting the financial request

# XII. BIBLIOGRAPHY

# XIII. APPENDIX

An appendix is optional. Include in an appendix any exhibits appropriate to the written entry, but not important enough to include in the body. These might include sample questionnaires used, letters sent and received, general background data, minutes of meetings, etc. Provided that the appendix includes such “exhibits” and is NOT used for “content” that should be included under previous sections, the appendix does NOT count as one of the maximum 15 pages. Any such misuse of the appendix may result in penalties under the Written Entry Checklist Guidelines. Special Note: Use the written report for support and documentation of presentation.