



VIT[®]

Vellore Institute of Technology

(Deemed to be University under section 3 of UGC Act, 1956)

WINTER SEMESTER 2019-2020

MGT1022 – LEAN START-UP MANAGEMENT

SLOT – TE1

FINAL REPORT

FAH-RIDE

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FAH-RIDE

LESS WASTE, LESS WAIST

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ABSTRACT

Bicycle sharing systems are the key to sustainable mobility. They need to possess adaptation features to answer the different user needs, and must be automated to avoid intermediaries between users and system. It can also be used as a complementary mode to other public transit such as cabs (in VIT). Each station is a different product, the distance to a station and the bicycle availability are main characteristics, and the set of stations with available bicycles is the consumer's choice set. This choice is made by the traveller, according to his distance from the different station. The stations that are geographically close and that are likely to be visited successively within the same route in such cases sharing system will be used. Bicycle-share systems eliminates the inconvenience of bicycle ownership, the need to find parking places, and the fear of theft. A key aspect of this system is that it does not involve intermediaries between users and bicycle: reserving, acquiring and releasing a bicycle are all done automatically through software running on the system of user's smartphones.

INTRODUCTION

The project is like a help instead of an item. The administration for the most part centres around replacement of understudies just as the educators inside a college grounds. We propose the utilization of bikes as a method of substitution inside the grounds premises. There as of now is a taxi administration running in side numerous grounds including our own one of a kind. On the off chance that another help, for example, our own is presented, it would be useful for the understudies and the teachers both. The administration doesn't just incorporate the arrangement of cycles to the individuals; truth be told, it will be founded on an income framework basing on membership. Individuals will have the option to utilize the administration in the event that they have bought in to us, much the same as we do with amazon prime for instance. The supporters will be furnished with the choice to utilize the accessible bikes inside the grounds. The reason why we thought of introducing such a service is the overcrowding of the existing cabs (as well as the campus itself).

The key points are:

- Since the number of customers is increasing, it can be clearly witnessed that the currently existing services cannot fulfil the demand. People can often be seen waiting for shuttle cabs for long, instead of waiting for them, what if they are provided with an alternative?
- Yes, that alternative being the bicycles. They would for sure choose to ride a bicycle (at least those who know how to ride one).
- Another problem is the shuttle cab stopping multiple times to drop and pickup the passengers, believe me, that is quite frustrating.
- Plus there is another problem that those people who have the blocks a little inside from the main route, do not get dropped off right in front of their destination. Now taking a smooth ride till the point, then needing to walk, it is also irritating, after all now is a world of convenience.

SCOPE OF THE PROJECT

This project for the course MGT1022 – Lean Start-up management includes coming up with a business plan and the strategies and architecture for the same. Our company goes by the name “FAH-RIDE” German for bicycle.

We focus upon relieving the burden of travelling inside campus for the students in an eco- friendly way by providing bicycles for rent using an online approach and as well as a manual parking as well as repairing system.

The following points were the building points of the service that we are going to provide:

1. Firstly, to support the motion of “Go Green”, adding the green points to our side.
2. Then, it is an individual or two person ride, making the rider the controller of their route and destination, no need of the unnecessary halts in between, and one can commute in their own good mood.
3. No need to worry about the change or cash to be carried, the service will be based on a subscription basis, providing each subscriber a unique identity by which they can access the cycles, billable maybe monthly or so.
4. To promote a healthy lifestyle among the campus students as well as other faculty members and also to lessen the overcrowding of the roads and subways of this densely populated college.
5. There is a wide timeframe which allows you to rent the cycle for a long period of time without considering cost issues hence if there is ever an emergency an alternate mode of transport is always available.
6. Bicycle servicing will also be done so that the students will not have to face the problems of servicing it on their own and also the maintenance will be governed.
7. Also, considering other factors like the employment schemes, our project aspires to generate ample employment opportunities for the people living in the vicinity of the project implementation area.

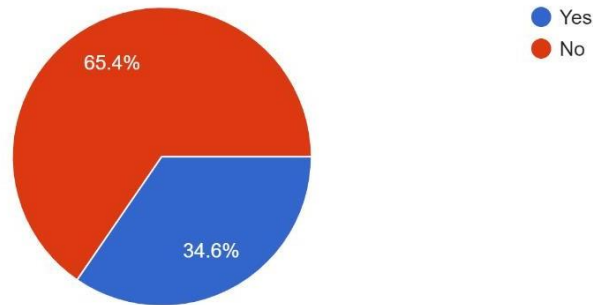
TYPE OF BUSINESS

What we propose, is a service rather than a product. The service mainly focuses on commutation of students as well as the professors inside a university campus. We propose the use of bicycles as a mode of commutation inside the campus premises. There already is a cab service running in side many campuses including our very own. If a new service such as ours is introduced, it would be beneficial for the students and the professors both. The service doesn't only include the provision of cycles to the people; in fact, it will be based on a revenue system basing on subscription. People will be able to use the service if they have subscribed to us, just like we do with amazon prime for example. The subscribers will be provided with the option to use the available bicycles inside the campus.

SURVEY DETAILS

Do you own a cycle in VIT ?

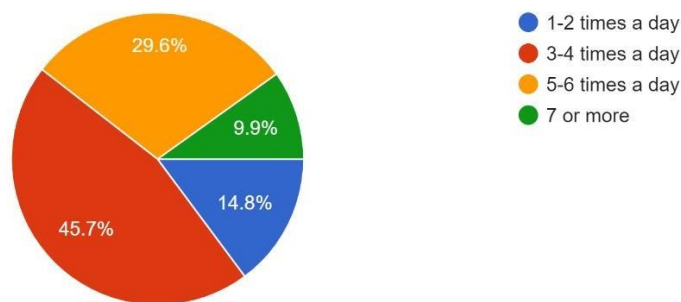
81 responses



Students usually travel from block to block very frequently hence they need a faster mode of transportation. When we asked this question and their response was as follows:

How often do you travel from your hostel block to your academic block a day?

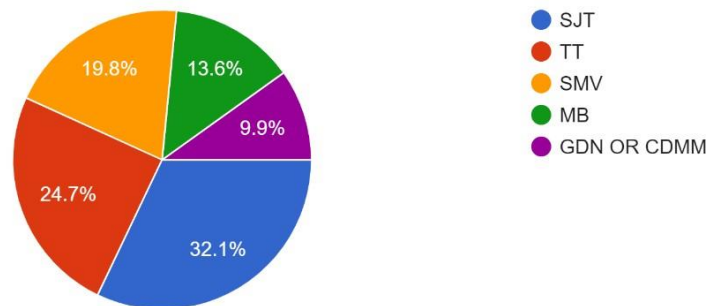
81 responses



Considering this situation, it will become very easy for us to appeal to the students to rent a bicycle considering their circumstances of travelling here and there and to take less time.

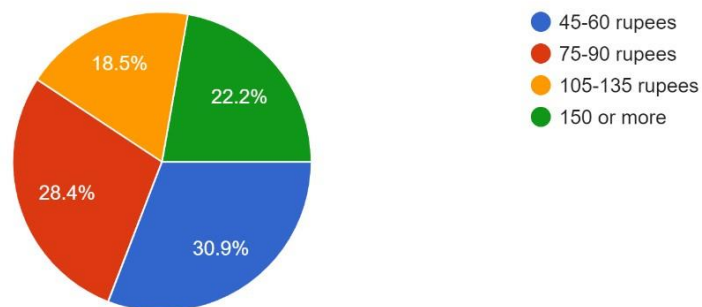
To which academic block do you mostly go to attend classes?

81 responses



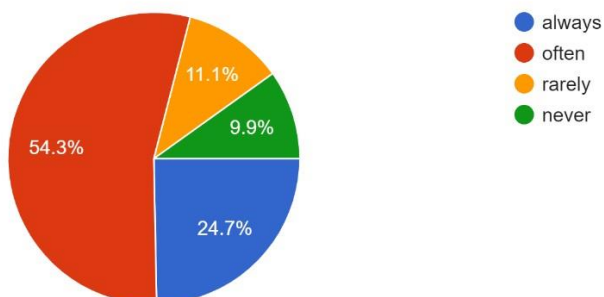
How much money do you spend weekly to travel within campus by using shuttle service?

81 responses

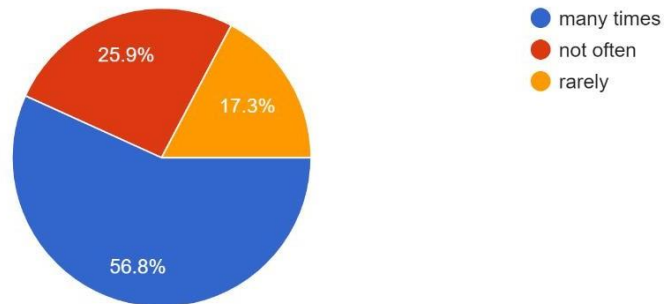


How often do you face a situation, when you don't have the change to give to the bus driver?

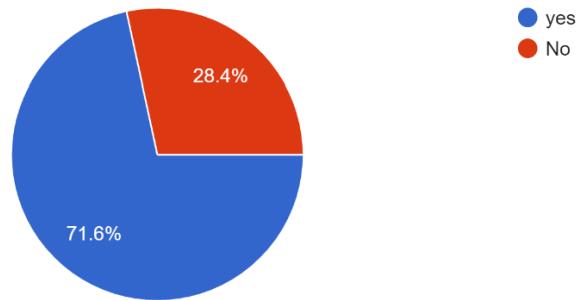
81 responses



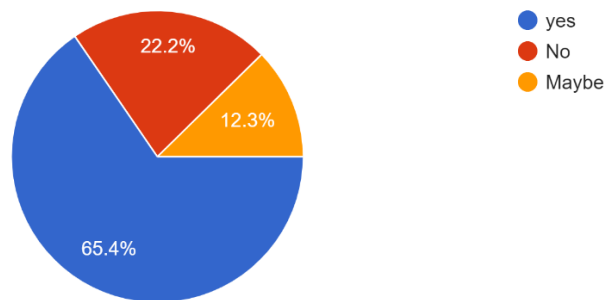
How often can you not get off your desired stop because bus service has only specific stops?
81 responses



Do you prefer cycling on daily basis to go to your classes at a cheaper rate instead of using bus service?
81 responses

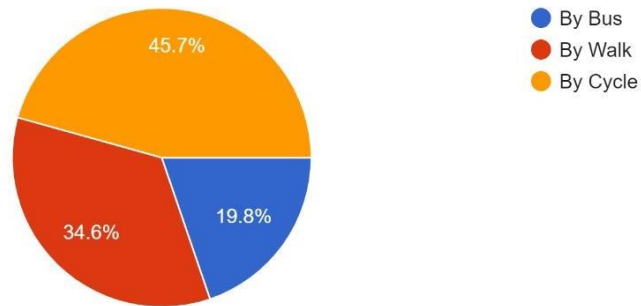


Do you ever feel the need of deciding your own route to travel ?
81 responses



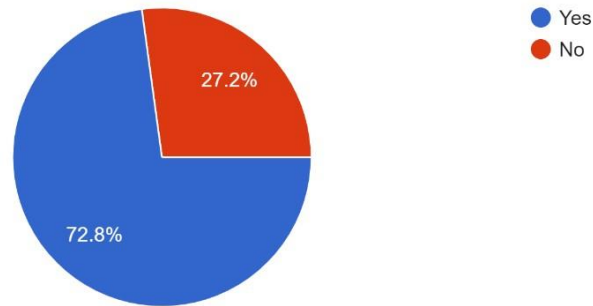
Which means of transport would you prefer most to travel within VIT campus?

81 responses



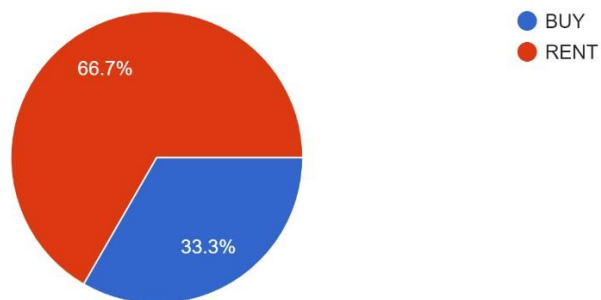
Do you ever think that using bus all the time might not help you stay fit ?

81 responses



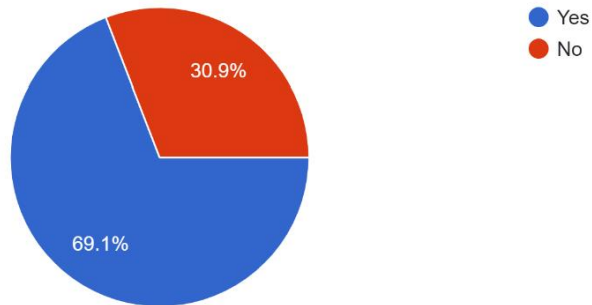
Would you prefer to buy a cycle of your own for merely 4 years or rent it whenever needed ?

81 responses



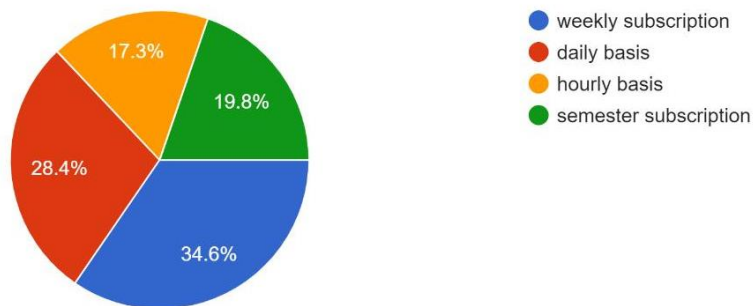
Do you miss your classes just because you have to walk to the academic building and do not have the required change for bus ?

81 responses



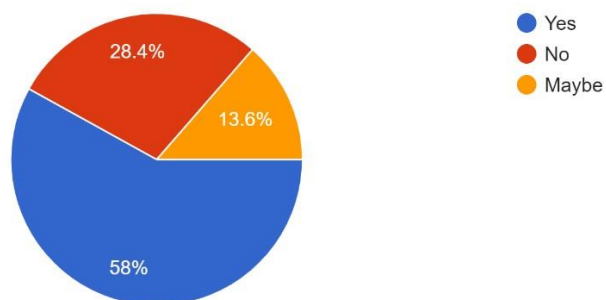
If we give you an option of pre-booking your cycle, then what would you prefer ?

81 responses



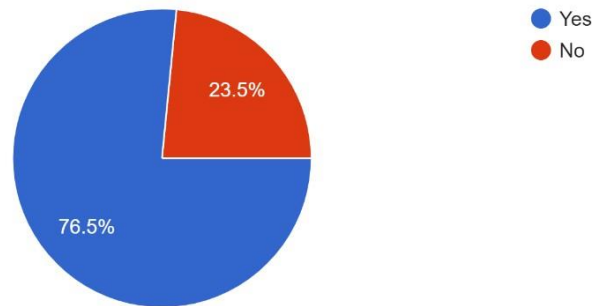
Do you really enjoy cycling, but cannot spare time because of hectic schedule ?

81 responses



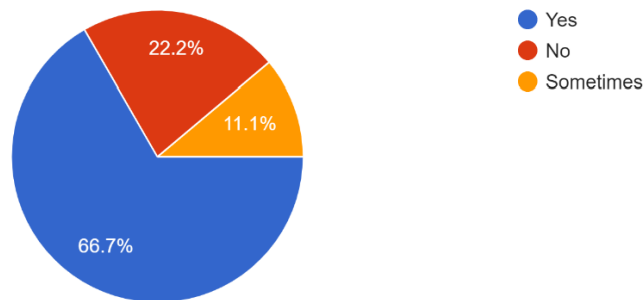
Would you like us to extend our service outside VIT also ?

81 responses



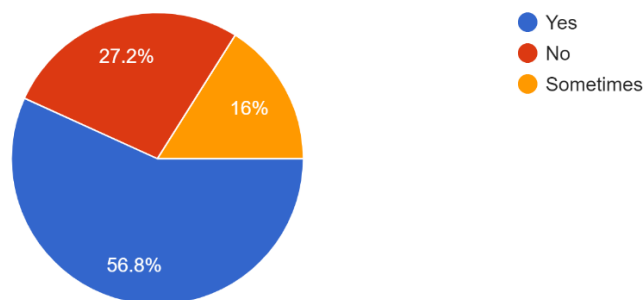
Do you think auto annas charge ridiculously more than the actual cost, subject to the distance of commute ?

81 responses



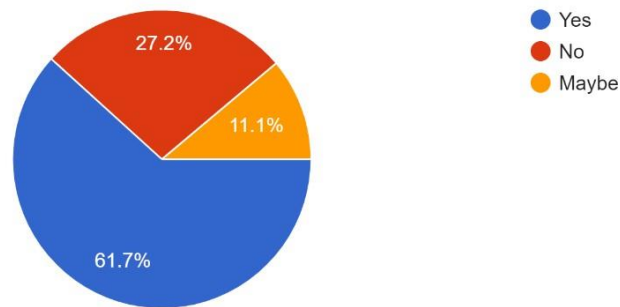
Do you go to the market for work related to Clubs and Chapters often ?

81 responses



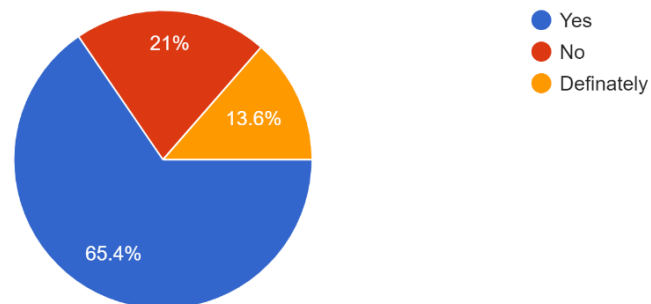
Would you like us to add an option for mass booking for outings ?

81 responses



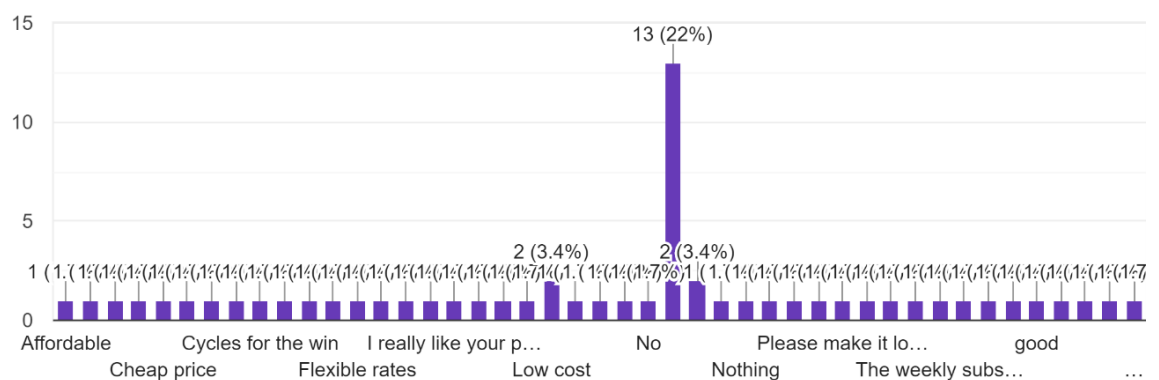
Would you be encouraged to use our cycle if we offer you discounts on restaurants and local stores nearby ?

81 responses



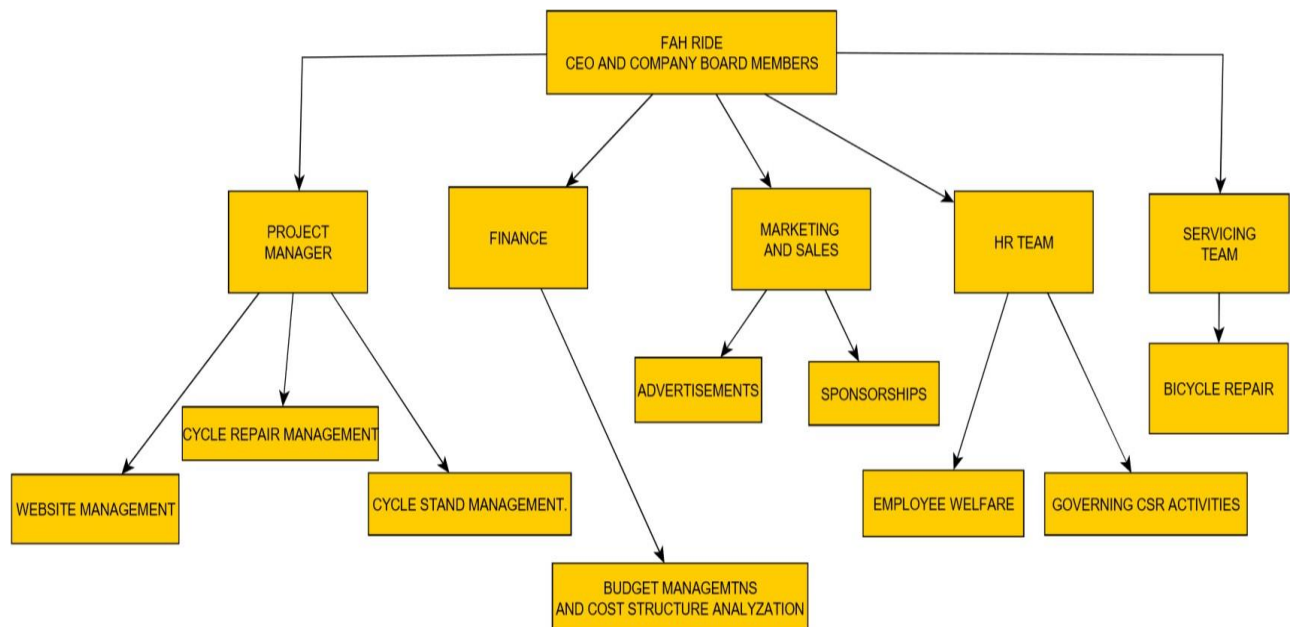
Give any specific needs you want from our service

59 responses



Considering all these points, a proper market strategy can be enacted into place and also it would be easier now to pitch for sponsorship when these points are considered.

ORGANIZATION STRUCTURE:



COMPANY POSTS AND THEIR DESIGNATIONS

PROJECT MANAGER - The basic functions of a project manager are to handle the cycle repair and stand environments, to continuously monitor the website settings and provide frequent changes and developments according to the advancements and to ensure smooth functioning of the company.

FINANCE DEPARTMENT - Their responsibilities include the budget management and gross profit and loss cut-out of every year and to maintain a specific cost structure analyse the sponsorship values and suggest changes accordingly.

MARKETING AND SALES - To govern the advertising sectors and to make sure the demands of the sponsors and the companies are met regarding the advertisement schemes. Also, to ensure the start-up has enough sponsors to support the company accordingly financially by coordinating with the partner companies.

HR TEAM - Their job is to provide employment opportunities considering the guidelines given by the government of India and also make sure that the company takes enough efforts to involve itself in the CSR activities by frequent employment opportunities, eco-friendly systems and all other parameters. Also, they will be the ones involved in the interaction with the sponsor companies and servicing sectors.

SERVICING TEAM – Their main aim is to ensure the smooth functioning of the bicycles and maintain the bicycles to be used so that there is no inconvenience to the customers.

BACKGROUND WORK TO SELECT THE CONCERNED BUSINESS IDEA

Our business idea is to create a very secure and eco-friendly system of transportation for the students of VIT (now, might expand to other colleges as well) by making a system for renting bicycles using online interface. This includes the maintenance of the bicycle and also the repair and other issues related to transportation.

This project provides the customers with a service that includes:

1. Renting a bicycle online.
2. Choosing the desired bicycle via website with account based on subscription services.
3. collecting the bicycle from the nearest bicycle stand.
4. Making a time stamp of from what date and what time was the bicycle collected to what date and time was it returned.

Considering transportation has been the concern of every VITian due to the overcrowding of shuttle cabs and subways and also to sustain the environment and maintain a healthier lifestyle this project was taken into account. The remedial procedures for this process to function or the sub-processes are as follows:

1. The bicycles have to be brought from the retailer. To lower the cost, an alternative method was taken into account. This method includes buying the bicycles left by the seniors from vit to ensure that we get the price as low as possible.
2. A proper servicing company is required as a partner in the later stages of the project. Initially, the servicing will be done by the students itself.
3. A financial cost effective analysis of all the transactions and repairs was taken into consideration
4. Technical analysis of the current competition as well as sponsorship required for smooth functioning of the project.
5. A design of the business model based on the most cost-effective options considering the technical as well as financial aspects is to be considered and to keep in mind the time track of the events and the assumptions that are necessary for a start-up to run properly even in the future.
6. A rollout plan of the business model launch is required. This requires various test runs and add once before starting the model as there might be certain discrepancies that might get uncovered in the later stages so considering that precaution is better than cure, we need to “dry run” the project once before it comes into effect properly.

FACTORS WHICH MOTIVATED US TO TAKE ON THIS PROJECT

Being the students of VIT, we often face trouble when we have to go from the academic buildings to the hostel because of rush sometimes on the roads, subways etc. and also as the college is very big and some academic buildings are situated approximately 2 kilometres from the hostel blocks, it becomes very difficult for the students to save time on the commute as well.

Now, a question that is very frequently asked is that there are shuttle cabs available to take the students anywhere in the college then why not use them? The very simple answer to this question is that in a college with approximately 20,000 students + approximately 10,000 staff members, there are totally 6 shuttle cabs provided. So it doesn't add up with the math considering the population and the services. For those who doubt us still. These are the three clear points:

- The reason why we thought of introducing such a service is the overcrowding of the existing cabs (as well as the campus itself).
- Since the number of customers is increasing, it can be clearly witnessed that the currently existing services cannot fulfil the demand. People can often be seen waiting for shuttle cabs for long, instead of waiting for them, what if they are provided with an alternative?
- Yes, that alternative being the bicycles. They would for sure choose to ride a bicycle (at least those who know how to ride one).
- Another problem is the shuttle cab stopping multiple times to drop and pickup the passengers, believe me, that is quite frustrating.
- Plus there is another problem that those people who have the blocks a little inside from the main route, do not get dropped off right in front of their destination. Now taking a smooth ride till the point, then needing to walk, it is also irritating, after all now is a world of convenience.
- Another major problem with the shuttle cabs is the ultimate problem of “unavailability of change”. And when even the customer doesn't have change, it can be little too embarrassing asking for change from the co-passengers.

So, this problem when considered seemed to have a very simple solution:

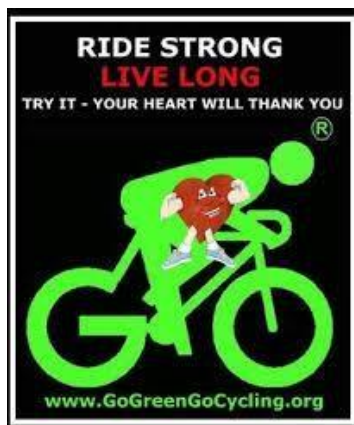
The introduction of our services will overcome all of the above mentioned problems, which can be seen from the following features of the service we will be providing:

1. Cycle stands will be there in front of every hostel and every educational building.
2. It will be an individual affair, or at most two people destined for the same place.
3. It will be your choice where you want to take your ride, forwards, backwards, wherever you want.
4. It will be based on a system of subscription, and will be at extremely minimal rates, making it more alluring for the students.

Another common question that pops in one's mind is why to introduce this now when most of the students will already have adjusted to the situations?

Well, the answer is pretty simple.

- The question should have been, why so late? This type of one-of-a kind facility provides the customer with full access upon his destination, his stops, his route and his co-passenger as well if any.
- This also eliminates the humiliation felt at the time when the driver demands change and you don't have any, and then you need to ask from the other co-passengers.
- Plus, you get to be fit (extra brownie points).
- Many people normally prefer riding a bicycle than using the cab to go around. And they end up buying one of their own, knowing that they won't be able to take care of it many a times, especially when they go home for the vacations. Many of the bicycles can still be seen lying around the men's hostels area, with the deflated tubes and pathetic conditions, dust and bird poop all over.
- With this facility in place, they do not need to buy a cycle of their own. We will be providing them as well as servicing them regularly.



MANAGEMENT AND EMPLOYEES

Managers influence all the phases of modern organizations. Our society could never exist as we know it today nor improve without a steady stream of managers to guide its organizations.

- The role of the Management is to move an organization towards its purposes or goals by assigning activities that organization member performs.
- If Management ensures that all the activities are designed effectively, the production of each individual worker will contribute to the attainment of the organizational goals.
- Management strives to encourage individual activity that will lead to reaching organizational goals and to discourage individual activity that will hinder the accomplishment of the organization objectives.

There will be project manager who will lead the team of analysts, designers, architects and testers. Managers will ensure smooth running and completion of the project with customer satisfaction.

Employees will include managers, finance team, marketing team, HR team, analysts, developers etc. All these employees will be under the jurisdiction of CEO and the board.

EMPLOYEES REQUIRED (NUMBER AND QUALIFICATION)

As we are a start-up we will currently start with a team of around 10 people. And as we grow, the team will have multiple project teams each headed by project manager and we will also have finance, marketing and operations and HR team as well.

Our focus now is on the initial maintenance and smooth functioning of the website and also functioning of cycle stands. For the cycle stands, the employment scheme doesn't require qualifications. The employment will be generated locally via autorickshaw drivers or common folk of the nearby village or in the vicinity.

Considering other options, we need to consider the following fields of expertise:

1. Web Designer or Java programmer and data analytics – to maintain the website and the applications of the website on a programmable server and to maintain the record of the students to be accessed by the website.
2. Budget management and Financial adviser – To maintain the financial basis of the company and also to make sure the outflow is less and inflow remains constantly increasing and the company's profit levels and stocks increase.
3. Project manager and a team – To make sure the functioning of all the hatchets of the plan take place efficiently. To make sure all aspects are fulfilled.
4. HR team and servicing team.

TARGETED CUSTOMERS

The customer value proposition of our product is that it will help to ease the daily routine of a student at a fairly cheap price. People who live in hostels, which are quite far from the academic buildings usually prefer taking cabs or bus which cost quite much when you consider frequent use.

Our product solves this problem as it will be your choice where you want to take your ride, forwards, backwards, wherever you want. It will be based on a system of subscription, and will be at extremely minimal rates, making it more alluring for the students.

- Hostellers:- They form most of our potential customer base. Students have to walk from one academic building to other throughout the day.
- Professors:- Professors like students have to take classes in different places throughout the day.
- Shop owners/employee: In a campus like VIT, we can all kind of shops present for necessity of the students. They can use the product to save time.
- Workers (Sweepers, Mess workers, etc.): They might need to use a ride to go to and fro from main gate to hostel blocks.
- Wardens:- Wardens sit in hostel offices and have to travel almost the same distance as students.
- Day boarders:- They live outside the campus and can benefit more from our service.

BUSINESS LOCATION

Considering our initial applications, we have to limit our location to inside the vit campus only. Our primary location can be the hostel rooms itself in which one room can be set up as a hub from where all the other aspects can be controlled from in the room. Considering other inputs and applications, the website handling and cycle stand management can be handled from inside the hostel blocks itself

Once the business sets its pace, there will be a change of location wherein the control will be transferred to a remote location mostly outside VIT which will act as a hub remotely.

Considering the fact that we prosper and our business runs properly inside campus, a place outside campus will be very helpful so as to control all the aspects of the business remotely in a comparatively convenient location with all possible machines and equipment's required.

A kind of service station with in-house repair shop can also be developed so that there is less space covered and more utilization of the resources takes place.

The example is shown in the picture below:



The only difference in our project and this image is that the area required will be for bicycles and hence will be very less. (Less than half of the above given picture)

STRATEGIES FOR ATTRACTING TARGET CUSTOMERS

1. **HOSTELLERS:** Freshers will be our major target customers because initially whenever any parent enters the campus with their ward to get enrolled into the college, the first thought that comes into mind by seeing how far the blocks are from the academic buildings is to buy a bicycle for them or consider the shuttle cab business. So, during this time, this scheme developed by us can prove to be highly beneficial.

Considering other hostellers, when we appeal to their time management and resource usage, we might be able to attract a lot of students due to our relished schemes.

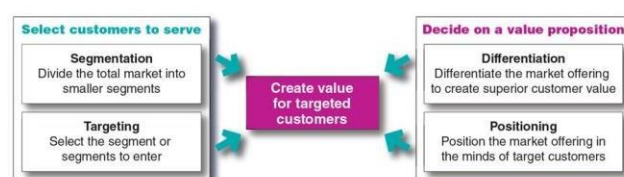
The prices of the renting system will be nominal and a graph of comparison of the prices of transport and other criteria considering hostel life will be shown wherein students would have spent more on shuttle cabs in a month or wasted more time in a month rather than when subscribed to our scheme.

2. **WORKERS:** For workers, special discounts can be provided for red tags and other people working in the college so that they don't need to buy their own bicycles to travel from one place to another in the campus. Considering construction workers especially, the bicycles can be used by them as a daily basis to commute from one place of construction to another considering the fact that construction is always going on in VIT and various other college campuses.

3. **SHOPKEEPERS AND OTHER RETAILERS:** Food delivery systems inside campus can be promoted by lending the bicycles to these shops and also delivery system can be monitored via the website so as to which worker will go where.

4. **EVENTS IN VIT:** Cycles can be given as a rent to various events in vit during GRAVITAS or RIVIERA like cyclothon, triathlon etc. wherein the student chapters require a lot of cycles and hence a handsome amount can be generated from the same.

Designing a Customer-Driven Marketing Strategy



DETAILS ABOUT THE SERVICE AND WHAT APPROACH TO PREFER

We are planning to rent the bicycles to students using an online subscription. Users can use the cycles to travel within VIT campus. It will lessen the crowd on the roads and also helps in avoiding unnecessary accidents. It starts with buying the unused cycles present in VIT at very cheap rate which are left by final year students. This will ensure that our start-up investment is less initially. This will increase the amount of profit we earn in future. To buy these initially we need some investors.

MAJOR COMPONENTS:

1. Bicycles already present in VIT for rent.

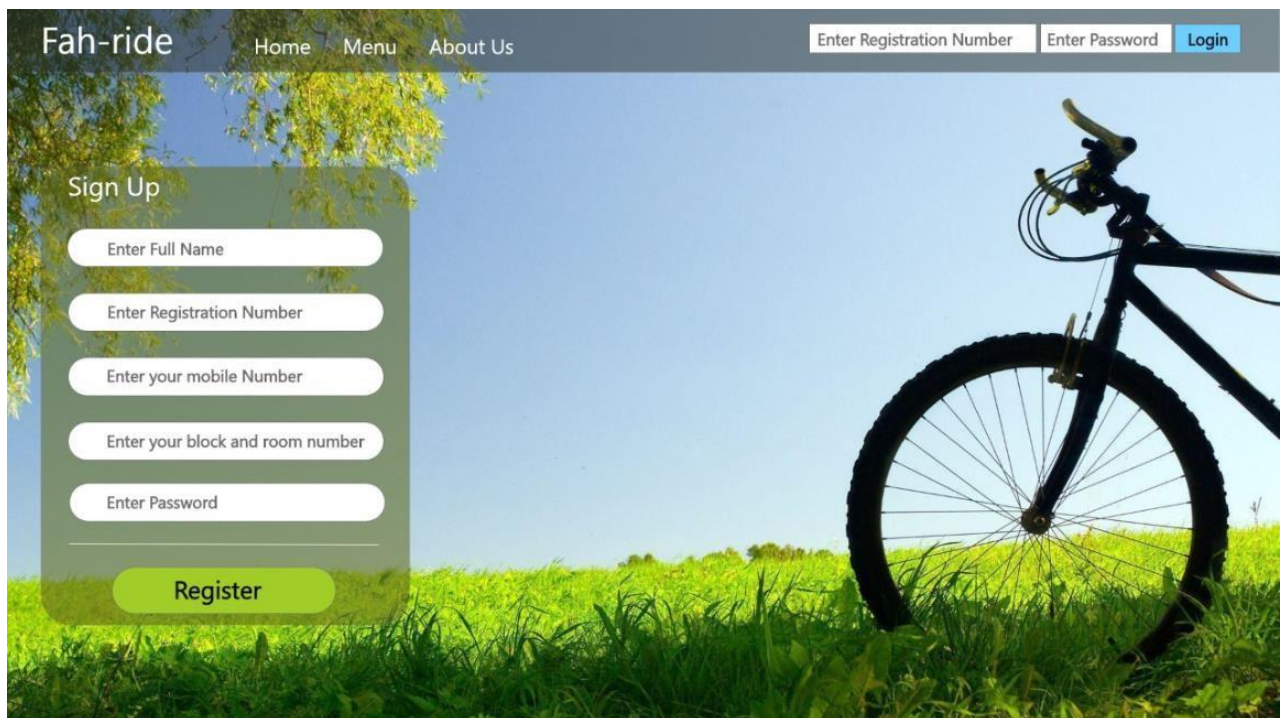


2. Cycle stand space:



3. WEBSITE:

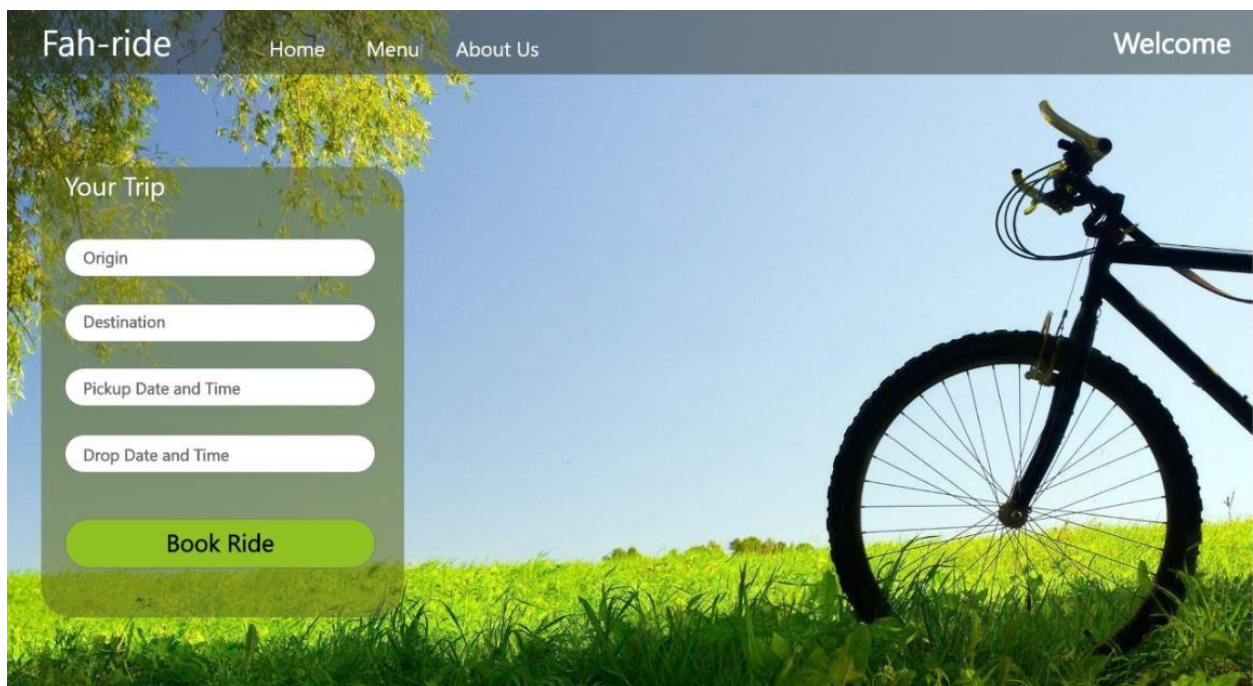
This first page will display login information of the subscribed users and also the option to subscribe to us as follows:



The screenshot shows the 'Fah-ride' website's 'Sign Up' page. The header includes the site name 'Fah-ride' and navigation links 'Home', 'Menu', and 'About Us'. On the right, there are input fields for 'Enter Registration Number' and 'Enter Password', followed by a 'Login' button. The main content area features a 'Sign Up' title and five input fields: 'Enter Full Name', 'Enter Registration Number', 'Enter your mobile Number', 'Enter your block and room number', and 'Enter Password'. A green 'Register' button is positioned below these fields. The background is a scenic image of a bicycle in a grassy field under a blue sky.

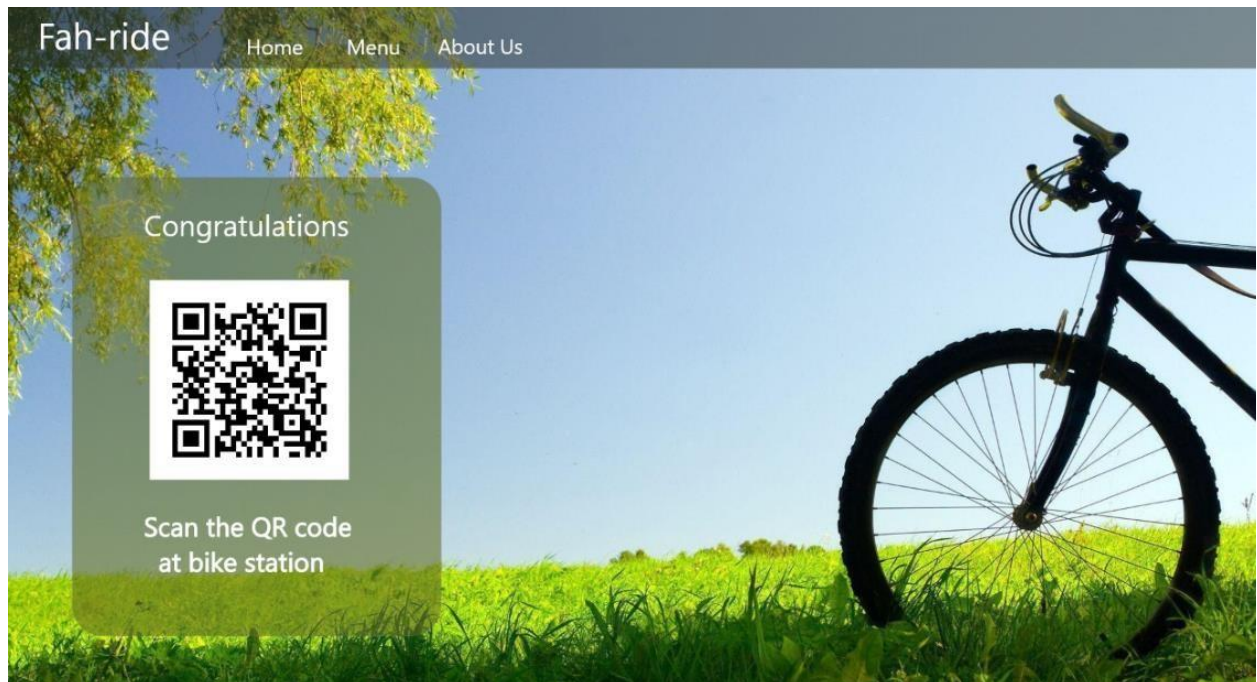
Once subscribed and paid for the same (via card/net banking online), the user will be directed to this website to select the origin, destination, pickup date and drop date.

Bicycles will be provided number-wise according to the subscription.



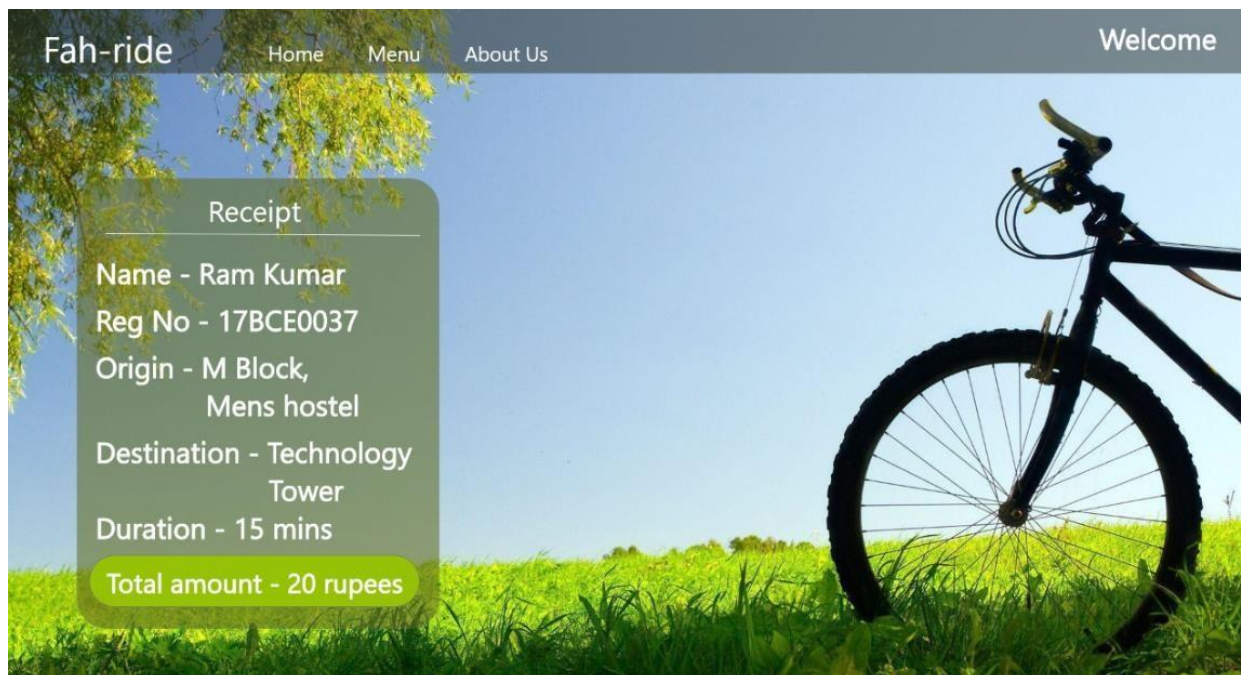
The screenshot shows the 'Fah-ride' website's 'Your Trip' page. The header includes the site name 'Fah-ride' and navigation links 'Home', 'Menu', and 'About Us'. On the right, there is a 'Welcome' message. The main content area features a 'Your Trip' title and four input fields: 'Origin', 'Destination', 'Pickup Date and Time', and 'Drop Date and Time'. A green 'Book Ride' button is positioned below these fields. The background is the same scenic image of a bicycle in a grassy field under a blue sky.

After entering the details, to subscribe to the bicycle, this QR code will be scanned at the cycle stand and the bicycle will be provided for the given registration number wherein the details of the bicycle will be noted along with the number in an excel sheet for further review.



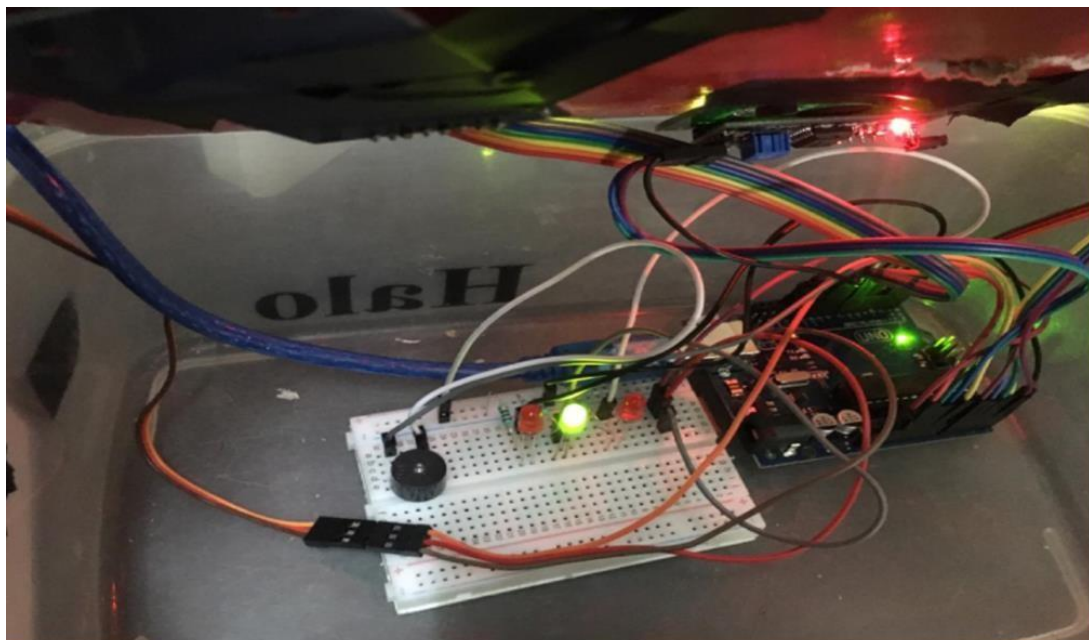
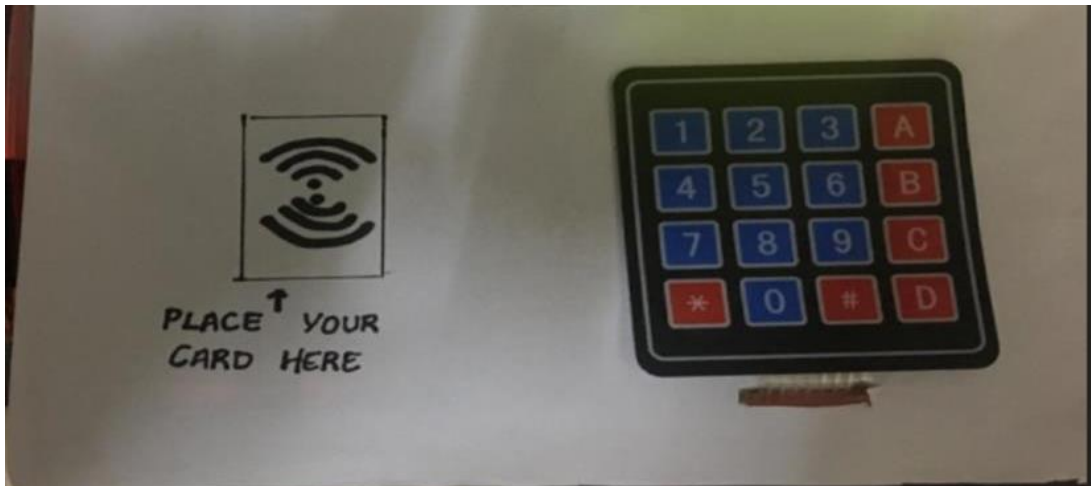
Every bicycle will have a particular number noted along with this kind of receipt for the dropping purpose.

The amount displayed can be paid full in cash or can be cut out from the subscription plan.



3. RFID system at the cycle stands so that the students can access the required cycles and it will prevent any theft or burglary and also all the data will be maintained by the computer online and hence the exact time and date of the travel can be calculated.

The prototype is as follows:



OTHER BASIC COMPONENTS PROCESS FLOW

Market Research:

Before starting the start-up first we will do market research to know whether people like our idea or not. This will also help us to know the potential number of customers. To do so, we will make google forms to take up survey. We talk to the sponsors to know how much they can invest in us and in return what we can give to them.

Sponsors:

Indeed, a lot of funding will be required for the start-up to gain popularity and develop. That funding will enable the team to lay the foundation of whole start-up. This will initially be acquired from the sponsors and angel investors. Later on, as the start-up will grow, the funds coming in from the services will be used as the basis for the functioning of the whole company.

What after buying?

After getting the cycles our work is to repair them. We will make sure that they will be in good working condition. For this task, we will tie up with cycle repair shops present in VIT at different places. This also helps to generate continuous employment for different cycle shop workers.

Installation of cycle stands:

When our cycles will be ready the next step is to install cycle stands at different sites in VIT. These sites should be close to academic and hostel blocks so that students or teachers can go to any building they want from any other building. Cycle stands will be used for various purposes like posters of sponsor's product for advertisement. Some small shops of eatables will be opened at the cycle stands. This will attract more number of customers.

Development of work space:

- **Office Space:** An office will be required to carry out all the administration work regarding the provision of the services. A good office environment will create a good vibe among the employees. It will harness the happiness among employees and if employees are happy then it is definitely going to be profitable for the company.
- **Team:** A team of enthusiastic members will be required for the flawless provision of the services at a steady rate without any interruptions in the way of customer satisfaction.
- **Furniture:** Although that much of a furniture is not required for a single room space of the administrative office, still a couple of tables and chairs will be needed for the team to sit down and do the necessary work. Other than furniture we will need basic machines like printing machine, fax machine in our office.

- **Computers:** In today's world these are the basic thing you need to run a company. Since we are thinking of making a online website based service, we will be needing a computer to design the frontend and the backend plus, troubleshoot the bugs if any are present.
- **Servers:** A server will be needed for sure to keep the app running. We need to take care of the size of the server based on the number of people inside a campus, or the potential number of customers.

Development of website:

To make sure that we can reach to maximum number of people we design a website for online subscription and easy to access. For that we will need a team of software engineers who will make front end and back end at first to start the business and as our income grows we will add more qualified employees who will suggest the effective changes to make the website more interesting and catchy. In our website we give 3 options to our customers that are:

- Subscribe daily
- Subscribe weekly
- Subscribe monthly

This will help to reach customers with different interest level. At first we will start some discount's or exciting schemes to attract more number of customers. Website is also used to generate money online by online advertisements.

Availability of Hardware:

Our start-up's key factor is availability of a well-furnished bicycle. This is the most important factor. Whole start-up is dependent on abundant availability of hardware whenever needed. This hardware includes spare bicycles, spare parts, repairing equipment, pumps and the hardware which will be required at the cycle stands. This will ensure that we will be ready to face any malfunctioning in our cycles. With this we will have instant solution, if customer face any difficulties.

Plan of Expansion:

The idea is to start with our own college. But, in future if we succeed we will expand this idea and try this with other colleges also. Not only colleges this can also be implemented in large societies where hundreds of people are living in tall building's. In such societies parking is always an issue. So, best way is to use the cycles for going nearby places.

COMPETITION AND HOW TO TACKLE THEM

The major competition is that from the already running cabs. Cabs being automobile, need no effort to be driven in, the driver does the driving, you just sit and ride along in comfort. Nowadays, many campuses, including our own, has introduced air conditioned cabs. This adds on to the competition. We would sure not be able to provide the air conditioning and the freedom of just sitting there until the destination is reached. But we sure provide you with the facility of choosing your own route, riding in your own comfort, singing along the tunes you love. Plus, we also have a plus point towards the health side.

Over crowdedness of the cabs and also over crowdedness of the roads filled with students will be reduced by a large amount by this method. And an efficient and anytime-anywhere available transportation system is what we propose.

The following points make our service stand out from the others:

1. Firstly, it support the motion of “Go Green”, adding the green points to our side.
2. Then, it is an individual or two person ride, making you the controller of your route and your destination, you don’t get the unnecessary halts in between, and can commute in your own good mood.
3. No need to worry about the change, no annas in this area to humiliate you, the service will be based on a subscription basis, providing each subscriber a unique identity by which they can access the cycles, billable maybe monthly or so.
4. Extra health points in our favour



VS



SPONSORSHIPS

We made the following google form to see what kind of sponsors can we get outside VIT.
The responses are as follows:

Sponsorship

This is an initiative taken by the students of VIT Vellore to improve the transportation system in the campus and to stop the overcrowding of the roads and subways of the college by providing a suitable and eco-friendly way of transportation. Our project is known as FAH-RIDE (german for bicycle). It is a cycle lending system or renting system which involves renting cycles using a website.

What we propose, is a service rather than a product. We are proposing the use of bicycles as a mode of commutation inside the campus premises. The service doesn't only include the provision of cycles to people, in fact, it is based on a revenue system basing on subscription. People will be able to use this service if they have subscribed to us just like amazon prime.

To put this idea into action we need suggestions as well as monetary help from resources. This form is hence circulated to obtain the idea of the amount of sponsorship that we can receive to execute our idea and how can we obtain the sponsorship required.

Also, we need some people to support us

We are aiming for sponsorship of around 50,000 rupees to put our plan into action. Please fill the form for proper feedback for us.

(This is just a form to see how many sponsors can we get and their conditions)

* Required

Email address *

Your email

Name of the company *

Your answer

Name of the company *

Your answer

Phone number *

Your answer

What would you like from our customers as well as from our employees (Regarding advertisement, rating, etc.)? *

Your answer

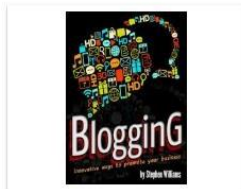
What key metrics and key performance indicators (KPIs) are most important to you? *

Your answer

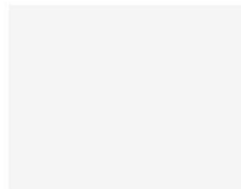
How would you like to measure the return of your investment? *

Your answer

Which of the following methods would you prefer when it comes to advertising and other online activities. *



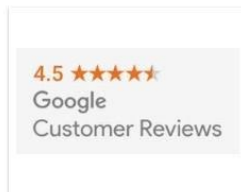
☐ Social media advertising (Social networking, microblogging, photosharing and videosharing)



☐ All of the above



☐ Every year for freshers as well as for other students, maps and brochures for your company will be circulated (majorly for food joints)



☐ Ratings and reviews of your company on google and all other major websites (500 atleast)



☐ Advertisements via posters and banners on cycle stands, cycles as well as on our website.



☐ Advertisements via posters and banners on cycle stands, cycles as well as on our website.

What capital investment would you like to make to us if you are satisfied with the conditions above for advertisement and other returns if all your expectations are considered and fulfilled? *

Your answer

☐ Send me a copy of my responses.

SUBMIT

THE RESPONSES ARE AS FOLLOWS

Who has responded?

Email
ravi.sr.shankar@gmail.com
caes@live.in
singhalshagun24@gmail.com
sivakumarsubramanian2@gmail.com
krisbaskaran@gmail.com
prak2335@gmail.com
sourabhyada.1985@gmail.com
priyamam786@gmail.com
arungraphics.vellore@gmail.com
caesdelhi@gmail.com

Name of the company

10 responses

Vatsalya Asset Management
Centre for Architecture and Interior Services
CAIS
NA
DXC Technology
Tcs
CAES
Homz solutions Pvt ltd
Arun graphics
Vatsa Investment Solutions

Phone number

10 responses

9873398283
9811011517
9720689201
9840810338
9663394323
7397269147
9953056281
7827945434
9345302321
7379210554

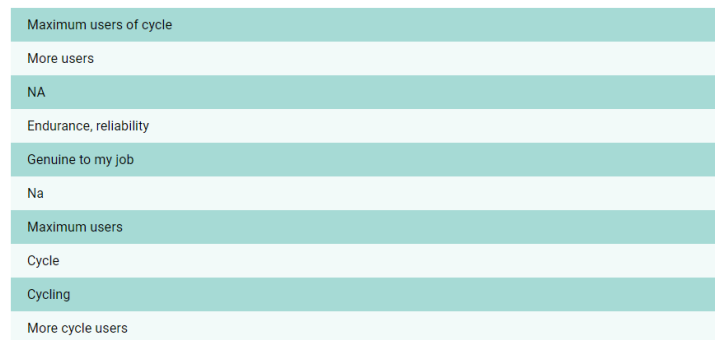
What would you like from our customers as well as from our employees
(Regarding advertisement, rating, etc.)?

10 responses

Complete use of eco friendly features
Eco friendly transport system
NA
Customer friendly environment
Business promotion
Good
ECO FRIENDLY SYSTEM
Good creative
Advertisement
Eco friendly system

What key metrics and key performance indicators (KPIs) are most important to you?

10 responses



How would you like to measure the return of your investment?

10 responses



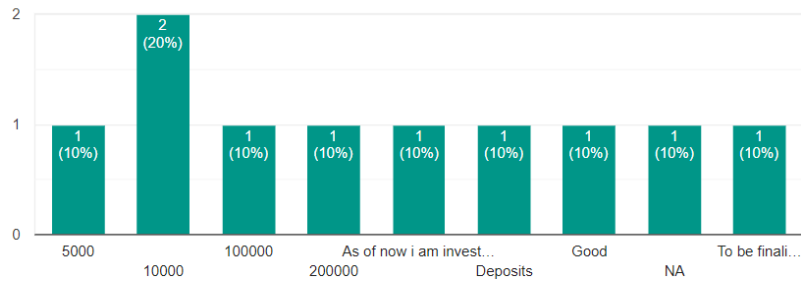
Which of the following methods would you prefer when it comes to advertising and other online activities.

10 responses



What capital investment would you like to make to us if you are satisfied with the conditions above for advertisement and other returns if all your expectations are considered and fulfilled?

10 responses



KEY PARTNER FORM ANALYSIS:

KEY PARTNERS

This is an initiative taken by the students of VIT Vellore to improve the transportation system in the campus and to stop the overcrowding of the roads and subways of the college by providing a suitable and eco-friendly way of transportation. Our project is known as FAH-RIDE (german for bicycle). It is a cycle lending system or rent system which involves renting cycles using a website.

What we propose, is a service rather than a product. We are proposing the use of bicycles as a mode of commutation inside the campus premises. The service doesn't only include the provision of cycles to people, in fact, it is based on a revenue system basing on subscription. People will be able to use this service if they have subscribed to us just like amazon prime.

To put this idea into action we need suggestions as well as monetary help from resources. This form is hence circulated to obtain the idea of the amount of sponsorship that we can receive to execute our idea and how can we obtain the sponsorship required.

Also, we need some people to support us.

We are aiming for sponsorship of around 50,000 rupees to put our plan into action. Please fill the form for proper feedback for us.

(This is just a form to see how many sponsors can we get and their conditions)

All we require is some support regarding the servicing of the bicycles for our company and some spare parts for the same. Please show as much support as you can.

COMPANY NAME *

Short answer text

COMPANY NAME

3 responses

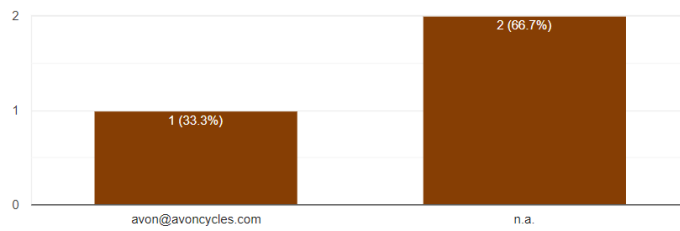
GS. cycles, katpadi

V. Babu cycle shops, Vellore

Avon cycles, New Delhi

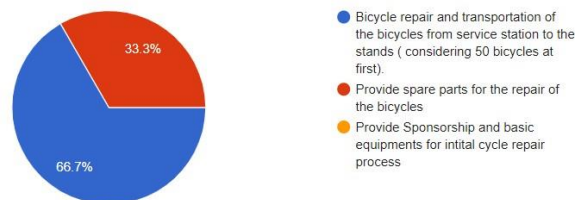
Email

3 responses



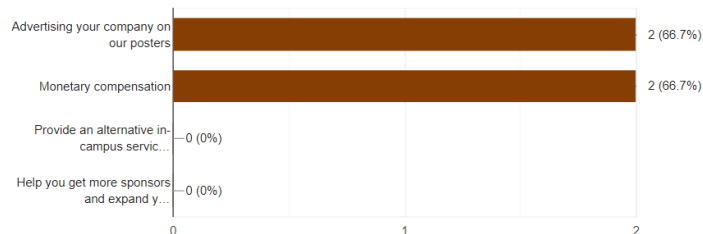
How would you be able to provide the services for us?

3 responses



How would you like us to pay for your services?

3 responses



If you need monetary compensation, how much would it cost for one-time cycle repair and transport? (for 50 cycles approximately).

3 responses

Considering 25 cycles at a time in a month, transportation + else = 10,000 rupees.

20,000

n.a. We expect you to tell the dates before hand to check for spare parts so that we can contact you to tell you whether the part is available or not.

How much time would it take for a bulk order to be finished if we paid you the wholesome amount?

3 responses

2-3 days
4-5 days
3-4 business days for shipping

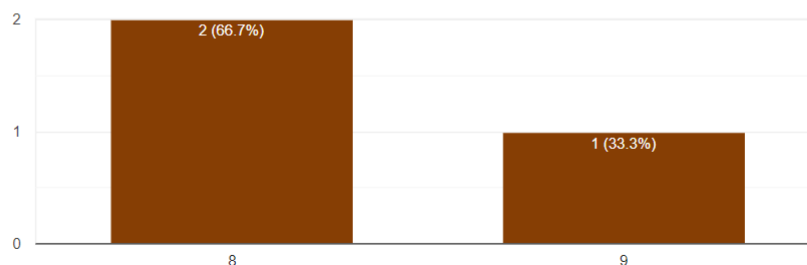
How frequently would you be able to accept repairs of cycles (may not be 50, mostly less) when considering emergency cases?

3 responses

Monthly. Can be done for a light order like 3-4 cycles once in a week.
Emergency cases will be entertained but might require extra money. 1-2 days of repairs
n.a.

How did you like it when the idea was pitched to you by one of the company members? rate on a scale of 1-10. (10 being excellent pitching).

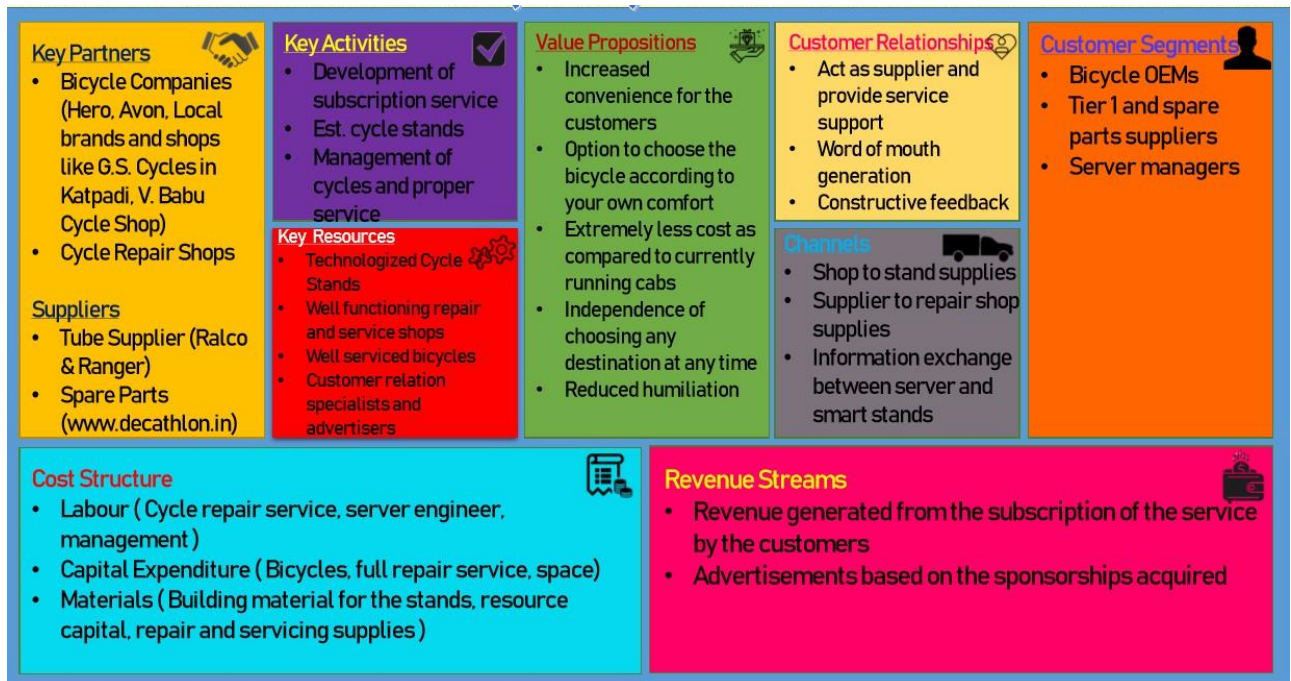
3 responses



These google form responses provided a key effect in the business plan formation and budget draft.

OPERATING PLAN

Our business plan basically comprises of the following departments:



This picture accurately gives the basic business model canvas of our project wherein we consider various blocks for value proposition and development of the project as an integrated process of collaboration and trust of various entities.

When considering the budget analysis, the following calculations can come into light:

BUSINESS PLAN BUDGET

MILESTONE 0

INITIAL SETUP OF THE START-UP:

First question that comes into mind is that for renting cycles, we need cycles. Hence, considering the cycles left over by the seniors in VIT which are auctioned by VIT to other buyers or students, the initial plan has been developed.

1. Considering we start with 50 cycles, 5 cycle stands and a office space setup in one of our hostel rooms. The cost structure is given as:

- For renting one cycle : 500 – 1000 rupees.
- For renting 50 cycles (taking average rates for bulk order): 40,000 rupees.

2. Considering each stand:

- Equipment costs for one stand:
 - Circuit setup along with the wiring and components: 500 rupees
 - External wiring and setting up the motor and other components: 2000-2500 rupees

- Advertisements and poster: 500-1000 rupees
- Hence, cost for total 5 stands: 17,250 rupees. (valid for the next 3 years)
- Stands will be set up near CDMM, SMV, between TT and SJT and 2 Near the Men's Hostel.

3. Consider the repairing of the auctioned bicycles:

- For each bicycle to be repaired by a gross amount of 200 rupees. We finalise the total repair costs to be around 10,000 rupees.

4. Website and App development costs or other miscellaneous costs: 25,000 rupees.

5. Administrative and maintenance costs: 30,000 rupees.

INITIAL INFLOW:

1. Considering an average of 50 subscriptions in the initial stages of the start-up, we have the following plan.

- From the analysis of the google forms, we see that approximately 3-4 rounds are taken by the students from block to block. Hence considering 5 rupees for one side commutation, 8 rounds in total and approximately 40-50 subscriptions, we have:
 - Total subscription inflow per day = 2,000 rupees approximately.
 - For a month : 60,000 rupees.
 - For a year: 7,20,000 rupees.
- Now, analysing this, the subscriptions will be done as follows:
 - Each subscriber will be given an account wherein he or she will be given the option to recharge the subscription.
 - Minimum amount of subscription recharge will be 100 rupees and maximum has no limits
 - On each time a cycle is used, an amount of 5 rupees will be cut from the account of the user. With each extra half an hour, extra 5 rupees will keep on reducing until the cycle is returned to any respective stand.
 - Once the subscription amount vanishes, the account can be recharged with minimum 100 rupees amount again and the system can be used.

NOTE: THE INITIAL INFLOW PLAN WILL COME INTO PLAY BY CROWDFUNDING. EACH MEMBER OF THE TEAM WILL BE CONTRIBUTING 25,000 RUPEES FOR THE PLAN TO FALL INTO PLACE AND HENCE EARN A DEFINITIVE SHARE OF THE COMPANY.

This amount grossing up to approximately 1,25,000 rupees will be our initial investment to the company.

2. By Renting cycles for college events and other public services:

- Considering the events like cyclothon and other fests, we can rent these cycles to the concerned people and receive a handsome amount for the same.
- Considering the lending price of one cycle as: 200 rupees (fully serviced)
- Advertising for the event: 5,000 rupees (via bicycles and stands)

- Considering an order of 25 bicycles, total amount: 5,000 rupees.

Hence during events, we can consider an inflow of approximately 10,000 rupees (after cutting all the losses and services).

3. Considering advertisements during fests or occasionally: 5,000 each

Total advertisement costs as inflow: 15,000 rupees.

MILESTONE 1:

This milestone comes into effect once the turnout of our initial MILESTONE 0 increases beyond 2,00,000 rupees.

Considering the start-up is now prospering and blooming. We now want to expand our start-up to consider more customers and services.

Here investors and sponsors play a major role. We will be needing an investment of 1,00,000 rupees for the following reasons:

- To increase the number of cycles from 50 to 100 and hence increase the number of subscribers
- To increase the number of cycle stands by introducing 3 cycle stands every year.

From the considered google forms, we will be taking investments on a rate of 6% annually so that after break-even successfully, we will pay it off in the nearing phases.

The following transactions come into play when we consider yearly costs of the required services:

1. STAND MAINTENANCE AND OTHER REPAIRING COSTS: 20,000 rupees (5,000 per quarter)
2. Annual cycles repair: 20,000 – 25,000 rupees for all the remaining cycles.
3. Website and Application Update: 5,000 quarterly -> 20,000 annually.

Hence, the total outflow considering milestone 1:

- New cycles: 37,500 rupees.
- New stands: 11,000 rupees
- Other required costs: 65,000 rupees
- TOTAL: 1,13,500 rupees

From this, 1,00,000 will be covered by the investment and the rest will be taken care by the income produced.

INFLOW:

Total inflow considering new cycles and approximately 80-90 subscriptions: 10,00,000 rupees approximately. (if we consider the weather conditions and all to be a part)

Total manageable profit margin: 8,00,000 rupees.

Considering advertisement and other value propositions to cost up to 50,000 as well.

MILESTONE 2:

The main motive of getting out of the milestone 1 and going towards 2 is to return the investment offered to us by analysing the BREAK EVEN POINT.

The break-even point (BEP) or break-even level represents the sales amount— in either unit (quantity) or revenue (sales) terms—that is required to cover total costs, consisting of both fixed and variable costs to the company. Total profit at the break-even point is zero. Break Even Analysis is a handy tool to decide if a company should or should not start producing and selling a product.

Break even analysis involve:

- Fixed Costs - Fixed costs are costs that must be paid whether or not any units are produced. These costs are "fixed" over a specified period of time or range of production.
- Variable costs-Variable costs are costs that vary directly with the number of products produced.
- Break Even Point = $\text{fixed costs} / (\text{selling price} - \text{variable costs})$

Hence, after Milestone 0, we can progress towards our break even point using this formula which takes us approximately 2-3 years to reach the break-even point.

Once we reach the break-even point, the investors will have their returns in the exact amount as was discussed earlier, for it to be 6% interest per annum. Once, we return all the investment, the company shares can be divided among the team and we will have a self-earning start-up.

To rush up towards the break even point, several other points including the points of MILESTONE 2 can be considered as follows:

- Tie ups with the grocery stores and other accessory stores can be made such that they can go for delivery to the hostel doorsteps.
- Employment generation using these schemes and receiving government grants.
- Small shops near cycle stands for basic food items or snacks to increase revenue
- Increased advertisements to restaurants and companies outside VIT to promote their business using our start-up.

As the milestone 2 follows the same idea of MILESTONE 1, by increasing number of cycles and stands. There will also be a substantial increase in the number of employees for the company in various fields including circuitry, web design, data analytics and recruits will be selected.

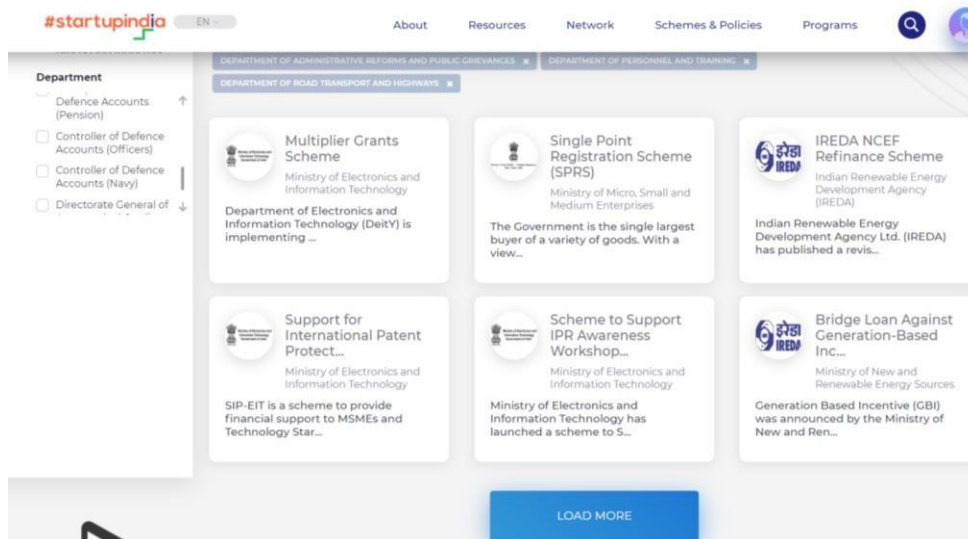
MILESTONE 3:

To set up the business office in VIT campus and thinking about expanding the business to other colleges.

FINANCE AND FIRM

1. Sponsorships:

1.1 Government oriented:



SMART INDIA HACKATHON 2019

A unique initiative to identify new and disruptive digital solutions for solving the challenges faced by our country under the program of Smart India Hackathon 2017. This event was held on 1st – 2nd April 2017 for 36 hrs non-stop competition. 9544 technology students, 598 problems statements, 29 different central govt. ministries, 26 different Nodal centres & funding of Rs. 3 Lakh per team for 100 qualified teams.

- ▶ [Smart India Hackathon 2019](#)

M.TECH PROJECTS AS INTERNSHIP WITH SMALL AND MEDIUM ENTERPRISES (MSMES)


The main objective of the scheme is to nurture an innovation ecosystem that benefits the technologically deficient MSMEs and technical institutes both. 408 Small and Medium Enterprises have given requirement of 738 Technology students.

The Indian government has introduced over 50+ start-up schemes in past few years. Each start-up scheme is missioned towards boosting the Indian start-up ecosystem.


Consider this. Close to 4,400 technology start-ups exist in India and the number is expected to reach over 12,000 by 2020. India is also at third place behind US and Britain in terms of the number of start-ups. Furthermore, in line with its global counterparts, India has its own billion dollar club to boast about. This includes start-ups like Flipkart, Snapdeal, Ola, InMobi, Hike, MuSigma, Paytm, Zomato, and Quikr. With the next \$100 Mn funding raise, fintech start-up MobiKwik too looks to join the unicorn club.

1.2. From our google forms, we depicted that there is a good amount of investors and key partners that we have to support our project and also funding requirements can be fulfilled from that.

2. BANK LOANS:



10 Business Loans For Startups And MSMEs By The Indian Government

SHARE STORY 494 SHARES 

- The government has launched a 59-minute loan platform that enables easy access to credit for MSMEs
- SIDBI has started lending to companies directly instead of through banks
- Changes have been observed in the existing schemes for startups and MSMEs

India today is home to **more than 39K startups**. The Indian startup ecosystem is producing unicorns at double the speed than before, with multi-billion dollar fundings from global investors, and celebrating high-profile exits such as the \$16 Bn Walmart-Flipkart acquisition last year. At the same time, the country's micro, small, and medium enterprises (MSME) sector comprising **577 Cr** companies is beating challenges of setting up and building the consumer base, among others.

A number of other government startup loans and schemes for entrepreneurs in India have been introduced in the past few years. Here is a list of some of the most popular and notable government schemes that offer business loans for startups And MSMEs in India.

1. 42 (End to End Energy Efficiency) – Click to read more ➤
2. Bank Credit Facilitation Scheme – Click to read more ➤
3. Credit Guarantee Scheme (CGS) – Click to read more ➤
4. Credit Linked Capital Subsidy for Technology Upgrades – Click to read more ➤
5. Coir Udyami Yojana – Click to read more ➤
6. MSME Business Loans For Startups In 59 Minutes – Click to read more ➤
7. Pradhan Mantri Mudra Yojana (PMMY) – Click to read more ➤
8. SIDBI Make in India Soft Loan Fund for MSMEs (SMILE) – Click to read more ➤
9. Standup India – Click to read more ➤
10. Sustainable Finance Scheme – Click to read more ➤

For more details on how to get loans for start-ups visit:
<https://indianmoney.com/articles/government-loan-for-business-startups-in-india>

3. CROWDFUNDING and EVENTS:

Crowdfunding is a way to raise money for an individual or organization by collecting donations through family, friends, friends of friends, strangers, businesses, and more. By using social media to spread awareness, people can reach more potential donors than traditional forms of fundraising.

Before you start crowdfunding find the best platform for your needs. Compare the best online fundraising platform by fees, features, support, and more.

We can also go for hackathons and other competitions to raise money for our startup.

4. VIT EVENTS LIKE GRAVITAS AND OTHERS:

Cycles can be given for rent and the surplus amount can be collected and added into inflow. Also to various shopkeepers these cycles can be provided as a mode to deliver food on the doorstep of students rooms. This is a thought that can come into play only when the start-up has a good start.



ASSUMPTIONS

With the increase in population across the globe, and countries trying to lessen the pollution generated by fuel vehicles demand for cycles will surely be on the rise and is one of the main contributing factors to the growth of our market in this segment. Developing economies such as China, India, and Brazil comprise of high human population due to which the demand for cycles for transportation in these regions is expected to surge in terms of revenue and volume over the coming years.

Considering VIT and other colleges, we assume that the students living in the blocks are aware of our service and utilize it as much as possible. Also, considering this is a very good idea to start a go-green initiative in-campus, we hope that the government bodies also agree to our terms and help us regarding loans and other support. Also, we assume that the calculations for the business plans are approximate and that the total functioning might require more or less money on a 10% error rate. Regarding sponsorships as well, an estimate has been provided but the results have not been practically achieved yet and to find more aspiring sponsors and meet their demands, we need future guidance and some professional thinking experience.

Also, our major portion of calculations was based on the response of the google forms which are accurate hence the error assumptions are very less as compared to other resources.

FUTURE GOALS

Firstly we will start with our own college. But if we succeed in the future, we will extend this concept and also pursue it with other schools and colleges like SRM, Manipal etc. These colleges are even more crowded than VIT. This can be applied not only in colleges but large societies where hundreds of people live in tall buildings. Parking is always a concern in such communities. Therefore, the best way to do this is to use the cycles to go nearby places. Also including various other features like geo-tagging and other promising features will help us a lot in the future considering the technical advancements.

CONCLUSION

We have prepared exhaustive business plan for our company considering various factors. We have financial planning and break-even analysis in place. We know about our market competitors. We have planned and decided our go to market strategies and marketing strategies. Also, we have decided our future products and services. All this planning and research shows that this business idea is feasible and has a great market for it.

We will provide various plans or schemes to subscribe to our service through our website so that it is feasible to all kind of customers. Cycles will be provided to the customers on demand. Customers can also use the small shops present on bicycle stands to eat.

The following Equipment will be used:

- Spare parts
- Spare cycles
- Repairing equipment
- Tie up cycle shop workers
- Tie up with small vendors

THE

END