# Company description

## The company’s Mission

StarLoop, partnership incorporation, is an imaginative, energetic and innovative education company aimed at developing the game-based learning app and providing the game-based maker education service offline for making more children acquire creative practical knowledge. Its’ brand name also is “StarLoop”. The company headquarters are located at 4th floor R2-A Gaoxin South 7th Rd Shenzhen, Guangdong, China. The company aims at providing the high-quality service for the middle-class family. We view and treat our customers and employees like our family member. We aim to create our friendly and equal community and flat management structure and work-life-balance work environment. Our business principles are keeping focusing on the aspects and staying the profession in the aspects. In other words, the company provides the high-quality service in the specific aspects.

## Services and Product

Its app describes the story about an adventure in the universe. The users will have the different task, like calculate the location of the destination through the basic math and be creative to design users’ own programming for controlling the robot or rocket to reach the planet and so on. That means users have to learn the different knowledge through the app and finish their target using the programming. At the beginning, the online product will download and access freely, then in the future, the higher- quality online service is going to be provided after paying for it. Besides, we are going to provide the high-quality service in Shenzhen for creatively teaching programming through the game in our class. Our company is dedicated that students happily study the basic knowledge and practical knowledge from programming in an interesting way.

The product attracts the kids by an adventurous story in the universe. It also can link with the major social network, like WeChat, Facebook and Line for competing with their friends. The learning methods adopt the way of solving the puzzle to code the project or task applying the knowledge of the math, physics and astronomy, but those are the simple way to present in the game.

# Target market

## Market Description

For online service, our target market is that kids, whose family have electronic devices such as mobile phone, computer and tablet, aged 10 to 15 in Chinese-speaking countries. Those kids who focused on and are interesting in the programming. Meanwhile, their parents are price-sensitive customers. For offline service, the target geographic area includes:

* NanShan district
* Bao’An district
* Futian district
* Longhua district
* Luohu district

The psychographic market includes the student who is interesting in programming. Furthermore, the parents are family-oriented, in other words, they pay attention to the education of their children.

In planning, the price sensitive customer is our target. Especially for those parents, they cannot afford their children go to private school to accept the western educational method for creativity and practical ability, but they consider about their children’s ability.

## Market Size and Trends

According to the Central Intelligent Agency (2017), the number of kids aged 10 to 15 is about 100 million in China. In China, the government abolished the one-child policy in 2015 (Phillips, 2015), it is easy to say that more children are going to birth in China. In other words, our target market will increase in the future due to slightly growing birth rate from 1.43% to 1.70% in China (BBC, 2017). With the increasing population and fierce competition, children need the more suitable and proper education for competing with human and machine. The StarLoop provides the service aiming to improve their creativity, cooperation and the ability to solve problems. According to Mullen (2017), the children who lack those ability accounting for 50% in China.

StarLoop’s president conducted a market research survey with a selection of targeted family. It provides an information about the parents’ attitude when children use the product:

* 80% parents indicated acceptance for acquiring knowledge through the educational game
* 15% parents indicated worried for acquiring knowledge through the educational game
* 5% parents indicated reject for acquiring knowledge through the educational game

The survey also indicated how many time parents would like to restrict their children to play.

* 45% parents chose ‘under 30 minutes per day’
* 55% parents chose ’under 1 hour per day’
* 5% parents chose’ under 2 hours per day’

Parents have the crucial effect on our targeted customer, this is main factors why we have the question for parents. It shows whether the parents want their children to have creativity and practical ability.

* 95% parents chose ‘Yes’
* 5% parents chose ‘do not care’

It revealed what kinds of the information the parents believe in.

* 70% parents selected ‘recommend by teacher’
* 60% parents selected ‘recommend by other parents
* 30% parents selected ‘advertisement for TV’
* 5% parents selected ‘advertisement for Internet’

the 90% parents said they are dissatisfaction with the current situation of public schools in China.

## Strategic opportunities

For our online service, the long-term outlook for the industry is to cooperate with the educational institution and school for maintaining the educational content and expand the market. In other words, educational institution and school profoundly affect the students’ choice. In addition, the company will establish a favourable relationship with parents, such as prompt feedback. Our platform also will consider the parents’ worry. It will limit the students’ playtime. Clearly, there is a really good opportunity for Star Loop’s service on Internet for expanding the market and maintaining the platform. Some users are going to choose the higher-quality service from the app or website after using the free product. Our company provide the higher-quality service in the platform than before with affordable price.

In the market, the young parents focus on the creativity and interest of their children. A number of Chinese students mention the importance of the programming in the many subjects in university. According to Megan Smith (2016), President Obama endorsed mandatory computer programming education in schools, it shows the importance of the programming. Marc Prensky(2008) think the programming is the new literacy, early children can learn the foundation of coding before they can write the English correctly. In other words, StarLoop focuses on the young parents and combine with programming and other subjects, such as math, physics and astronomy in the game.

For another service, the company will rely on the impact of the brand to expand the offline services on summer vacation.

# Competition

## Description of competition

The Competitors of StarLoop are made of these classifications:

Individual tutor

International school

Game-based learning education company

K-12 after-school tutoring services

Online course service

Vocational training company

StarLoop hopes to establish the integral education scheme, the first step is providing the online service for the students who are interesting in acquiring knowledge through programming like math, physic or astronomy. The second step is providing the offline service in summer for all student. But the international school is suitable for the rich people, our target market cannot afford it.

For the individual tutor, it is made of the individual programmer post their course online and make an appointment with customers. Usually, the place of the class is in students’ room. But this way is not professional and demutualization, which may cause the customers to have unsafe and distrust feeling.

The number of international schools are 10 in GuangZhou province (ExpatArrivals, 2017), and those school often have long waiting lists, and the long process, like interviews, placement tests and application fee (ExpatArrivals, 2017).

Game-based learning education company is the better solution for study the programming. The representative has the CodeMonkey in English-speaking countries.

TAL Education Group is a leading K-12 after-school tutoring services provider in China. The competitor has established “Xueersi” brand in Chinese educational industry, but our company focus on the combine with education and game on summer vacation. Meanwhile TAL has a number of office and classroom in China.

Online course service is not major choose due to lack of the resource and attention.

For vocation company, it is Tarena International, Inc launched a new product for teaching programming to children, which is the after-school tutoring services (Commission, 2016).

## Market share distribution

According to Xinhua (2017) The information about market share distribution is provided as follows:

The survey of the market share distribution indicates that the target market is diverse and competitive currently.

## Competitive position

Generally, this is ranking competitors’ strength:

1. Game-based learning education company

2. K-12 after-school tutoring services

3. Individual tutor

4. Online course service

5. Vocational training company

6. International school

Firstly, the Game-based learning education company is Codemonkey developed by the Israeli company which is the successful product in the English-speaking country, but it does not have the Chinese edition.

Then K-12 after-school tutoring services are traditional education methods in China, and TAL Education is one of the leading group in there. TAL Education has the programming tutoring services in some cities in China, and the company can use their previous classroom, but the main problem is that the teachers did not have enough experience in teaching children. Meanwhile, the company offer the lower salary than the average salary in IT industry.

After that, individual tutors are full of the burgeoning market, but they lack the resource and substantial users to respond to new competitors. Also, the quality of the online course service is difficult to be guaranteed, and it may not be suitable for children.

Vocational training company, Tarena International, could have been the major competitive opponent since offering the tutoring services in China, but the company get into the crisis of confidence owing to the fraudulent the way of enrolment (Anon., 2017).

The international schools are costly, and the children have to give up the Chinese university in the future, cause all of the students will apply for the foreign universities or high school in international schools.

## Barriers to entry

It is not easy to enter the market for the new company, which require enough capital for buying the equipment and rent the servers. Moreover, the attractive content of the game is important, our company bought the patent of the three-body problem, Hugo Award winner, as the content of the game. Furthermore, the learning method and learning content need innovate and practical, StarLoop invited the Professor Fairhurst as our astronomy adviser and the Dr Eslambolchilar as our programming and math adviser. Finally, the marketing expense is necessary, because the new company have to find their own customer in the crowded market. Although the new competitors may come from the anywhere, they have to profoundly understand and correctly analyse the domestic market.

## Strategic opportunities

StarLoop focus on the provide high-quality service for customers and get rid of traditional education method for reducing the cost. Therefore, our company is cheaper than traditional after-school tutoring service. The product has two editions: the first one is for self-studying at home, the second one is that the teaching assistant tools. In other words, teachers can help students solve and design the problem in the product. This way is easy for teachers to assign the homework.

The advantage of StarLoop as follows:

• Our company has a good reputation and healthy finance status.

• Our services are affordable with high quality.

• Second-mover advantage

• Our customer may insist on buying the services because our services are coherent and uniform

• Our company have a friendly and positive relationship with customers.

As for the future competition, the traditional education may become the powerful competitor relying on their abundant funds in the future. At the time, the company, CodeMonkey, may join the Chinese market with their experience.

SartLoop is going to expand the market quickly and enhance their services’ quality through cooperating with Chinese well-known school. Our company will compete with traditional education company through professional products and contend with CodeMonkey with profoundly understand the Chinese market.

The data and content illustrate that it is a unique opportunity for SartLoop in the promptly expanding market.

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