

Business Plan



iService

Convenience at your hands

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Executive Summary

The problem/need/opportunity: Analyzing Qatar's market, we noticed that there exists a problem where it is difficult for people to find ways to get their errands done. Whether these errands are grocery shopping, fixing your phone, or even buying flowers for your wife's anniversary. Especially with factors such as Qatar's traffic, lack of known places, and the cost of getting services done for you, individuals become desperate when seeking out other options to get errands done for them. This has highlighted an opportunity for us where we can step into this market and provide a platform that tackles this problem through getting all customer errands done for them.

The solution: iService intends to solve the problem by introducing a website platform where all customers could make requests for errands to be done. The company aims to provide reliable, trained, and licensed individuals who are willing to get the requested service done for the customer.

Our mantra: Providing convenience for all

Our vision: Be the most convenient platform that connects people with trusted and trained freelancers to ensure that all their needs are met.

Our mission: Helping people get their daily errands done to bring them convenience at their fingertips. We cater to a range of errands and make sure that we carry a request within the least amount of time.

Our customers: Busy individuals who have a packed daily schedule such as students, professors, working mothers and many other professionals. These individuals are mainly the large population of ex-pats who do not want to spend a lot of time and money searching out for ways to get things done. We also target the Qatari population who have domestic help who are not qualified enough to carry out specific errands for them; such as housemaids not being able to fix furniture.

Our business model: It consists of five components. Our key partners are the freelancers. The expenses include system development and maintenance, and marketing costs. We make revenue by taking 10% of the transaction that carries out between the customer and the freelancer. Finally, our core competency is how committed we are to provide ease to our customer's life.

Our competitive advantage: We are a one stop shop since we cater to all errands with offline feature.

iService will currently launch in Qatar through a website and SMS platform. After measuring success in this market, we hope to expand within the Gulf region to take convenience a step further for all.

Business Model

iService's business model consists of five components that act as the foundation for the company: Key partners, Expenses, Revenue Sources, Customers, and finally, the core competency. These five components will be discussed in further detail as we zoom into each one of them.

Key Partners:

The essential key partners for the company are the freelancers. The freelancers are essentially the individuals who act as the bridging component between the business and the customers. Initially, all interested freelancers must undergo a detailed vetting process to make sure that they are reliable, trusted and secure enough to take up the different requests the customers will put forward. After the freelancers pass through the screening process, there will be an official record of them stored in our database. The main purpose of this is for iService to have quick and easy access to the freelancers stored in the database to efficiently respond to a customer's request within the least amount of time. In addition, the freelancers will have the opportunity to access the website to carry out several things such as viewing and accepting all customer requests, and even noting down their area of expertise for customers to be aware of their skills.

Expenses:

iService expenses fall within two categories, the system expenses and the marketing expenses. Within the system expenses, this will include costs such as the maintenance of the website, and the development of the application for the customers. These costs make up the largest proportion of expenses for the company since it is essentially based online and all the interactions happen on the website platform. In addition to this, the second category is the marketing expenses. These marketing expenses will arise in the early stage of the launch as iService is a company that will be newly introduced to the Qatar market, therefore we focus heavily on creating an awareness and being recognized as a trusted platform. Examples of marketing costs include the advertising campaigns that will help create awareness and reach out to potential customers.

Revenue Sources:

The main revenue stream for the company comes through the transaction that happens between the freelancer and the customer. Each time a request is fulfilled by the freelancer, they receive a certain amount of money because of this interaction and completed errand. iService then takes 10% of the overall profit that was generated through this interaction between the two parties. There will be a further discussion on the revenues that the company will generate captured in the financials section of the report to provide further detail.

Customers:

iService aims to cover a wide range of potential customers that would benefit from this service which will overall help boost the company's growth in the long run. In general, we target busy individuals who value time as this essentially is a platform that will make their daily schedules more efficient and allow them to spend time elsewhere. These busy individuals first include students as

they naturally do not have enough time within their schedule to carry out all they would desire. Second segment of customers are the professional workers and especially working mothers. This is because this segment is constantly dividing their time and day into getting done a range of different tasks such as getting the laundry done, or even delivering a present in time for Mother's Day. Overall, the potential customers we are attempting to captivate are those who are busy and do not have time in their hands to carry out all their errands and requests.

Core Competency:

The four components discussed above all align well with iService's overall core competency which is to make their customer's lives easier by providing them convenience through all aspects. This sheds light upon the company's underlying magic which is the fact that we are a one stop shop that responds to our customers within the click of a mouse. The speed is a critical component of our core competency as we do not want to keep our potential customers who are already busy waiting any longer. In addition to this, we are available both online and offline since the platform is offered on our official website, and through the SMS system in place. Here, the customer should enter their request in a specific format and deliver it to us through the SMS feature which they could access offline, anywhere and anytime.

Marketing

After identifying our core competency, we can enter the market with a solid foundation, and the main way in which we're going to strengthen our market entry strategy is through the powerful use of social media. Social media platforms offer a medium that can be accessed and reached out to a large base of our potential customers. We will extensively advertise on platforms such as Facebook and YouTube ads in order to create awareness online.

Market entry will be the first step into penetrating into Qatar's market and after we have established a connection and reached out to potential customers, iService aims for growth in the future through different ways. The main method will be that first, the company will introduce and focus on one category for errands which is delivery. After witnessing success in this single category, we will later expand and introduce other categories such as home errands, and repairing requests.

The customer segment we are primarily focusing on is the newcomer who has been new to Qatar and lacks expertise and knowledge about the information here. In addition, we also cater the expatriates in Qatar who values time and cost of chores being done. In order to penetrate this specific market, we will be looking forward to build a strong PR which justifies most of our budget being allocated for marketing. Therefore, we will be heavily investing on building up the brand image at the initial stage of our website and then doing more advertisement and promotion on the later stage of our business.

Sales

As the website is primarily a platform to connect customers with skilled taskers who can run errand for them, therefore the main sale of the website is the 10% transaction fees for each chore completed. Therefore, the founders of the application will maintain the website for the time being. The founders will also be the management team acting as Chief Executive Office, Chief Operational Officer, Chief Financial Officer and Chief Technical Officer. However, we will hire an additional employee on part-time basis to handle additional requests.






The additional employee will be provided with part-time basis along with interns for universities around Qatar. The employees will be provided with a salary of Qr. 1,500 per month on part time basis. However, for any additional tasks or success, the company will provide the employee with incentive-based 10% out of the sales. The interns will be provided with certificates and recommendations for their work along with fuel and lunch costs.

The recruitment of the employees will be primarily based on hiring a Business or Programming student who can comprehend both the technical as well as the organizational side of the application. They will be trained by the management team for the business process and technical parts. In addition, they will be required to sign privacy and confidential form to make sure the business process and technical aspects are kept in private to maintain the competitive advantage in the market.

The sales of the company will be generated from cash/debit card of the people who performs the tasks. Method of payment for the 10% of the transaction fees will be taken from the taskers through credit/debit card or PayPal. However, customers can pay the taskers via any sort of payment ranging from cash, credit/debit card, PayPal or even bitcoin. The financial part of the website will be handled by Chief Financial Officer. Our CFO has prior experience with finances through working in different projects and internships.

Competition

QatarLiving is a platform that considers the Consumer-to-Consumer model that is available in Qatar. This platform focuses on buying and selling used items in Qatar. A customer can post a question if they're looking for buying a certain second hand item or look through other users who are selling their personal items. Personal contact details are provided for each user to perform a transaction. As there are many advertisements on the platform, revenues are generated solely by viewing of these advertisements and featuring other promoted items. This platform doesn't provide any trading services, no authentication or validation for registered users so there is no sense of security. The biggest security risk is that a user's personal information is displayed to everyone using the platform. A major problem in the platform is that there are redundant and spam postings regularly, advertisements usually block the main features of the page.

				
Qatar, 2005	Qatar, 2016	Qatar, 2016	Qatar, 2017	US & UK, 2008
Buy/Sell items	Delivery service	Home services	Home services	Home services
Laptop & phone accessible	Laptop accessible	Laptop accessible	2 separate apps for client & company	Laptop & phone accessible
Risk of personal information	Uses their own employees	Uses their own employees		
Redundant, advertisement and spam posts	Focused on one sector	Focused on one sector		

Pick & Drop is a platform that considers the Consumer-to-Business model that is available in Qatar. This platform is a delivery service that focuses on delivering products from businesses to consumer's locations. Revenue is generated via consumer per transaction depending on their location and the magnitude of task. Transaction can only occur offline via phone call. This offline transaction requires manual data processing which makes it time consuming for the employees. The major problem is that to order a pickup or drop-up service, users should fill out a form. The form itself is too vague, you select either 'Pick' or 'Drop' and provide your contact details. No field to explain what you want to deliver or drop off i.e. you can't explain the magnitude of your request.

Syaanh and **EasyQatar** are similar platforms that consider the Consumer-to-Business model that is available in Qatar. Both platforms provide handy services and house repairing services e.g. cleaning, pest control, carpentry, plumbing etc. Revenue is generated with every transaction a customer makes online and the magnitude of the task. A customer can select many different options when providing a request and the form is more explicit. But these platforms have a limited number of sectors or services and they're only available for companies with a business license. There are workers who specialize in this field that cannot be considered in these platforms. Another problem is that there is no web application, only a mobile app for these platforms. But there are two different apps i.e. one app for the clients and another for the companies which is peculiar.

TaskRabbit is a platform that considers the Consumer-to-Consumer model that is available in the USA. This platform almost any task but focuses mainly on handy services and transportation tasks. When posting your order online, the form is more explicit and specific. The downside is that you can only select a limited number of services, there is no 'other' sectors in the platform that the user can select. This platform connects users and freelancers in the USA but doesn't connect with any local businesses or service providers in the country. Only freelancers can take on other user's orders, not businesses.

Since the platform the team is creating is to find skilled taskers to run errands for them, the platform will be a web application with online and offline features. If someone wants a certain job done, they can post their request on the platform, this request can be anything. The team took initiative to

incorporate these businesses within their platform but to add more value to it. The user is free to request any sort of request and this doesn't limit or restrict the number of services available in the platform.

The teams project innovation framework is incremental. As the team's platforms ideas, have already been existed by other businesses, the team has decided to incorporate the businesses together. And they have identified the flaws with each of the businesses and this gave a better understanding of how the platform should be designed.

The projects innovation framework is also disruptive. Apart from bringing these businesses together and removing the flaws, the team have decided to use another feature that hasn't been used in the market (this feature will be explained into more depth in 3.3). As all these local platforms are focused on online, there are no platforms that are offline. So the team are planning to use an SMS feature. If the user wants a request for a service, they don't need to connect to the platform and go online via Wi-Fi. They can just type an SMS in this format [service you require], [Location], [Time], [Price] and send it to the platforms private number. For example, [Coffee, CMUQ Qatar Foundation, 4:30pm, QR20]. Having this offline feature can help many users with no Wi-Fi access and their request will still be approved.

Another aspect that makes the project a disruptive platform is its business process. As there is a Consumer-to-Business model process, the team is also developing a Customer-to-Customer model process. Regular users (freelancers) can use this platform as well. They can follow up on customers' requests which they think is viable. They can make extra money from looking at requests on this platform around the country.

Operations

Since we only provide services, we do not own any products or materials. Our only assets are the website and the team of skilled and trusted employees that will be responsible for keeping the business running. These employees include the developers who will be maintaining the website, and the marketing team as well, to advertise the website and reach as big a market as possible. The marketing team is also responsible for coming up with new and creative ideas to reach as many people in Qatar as possible and appeal to them. Last, but not least, we would need a research and development team to make sure our services are up to date and that we are providing people with what they want and constantly keeping up with the public's needs.

The way our services work is that people post requests onto the website regarding the chores they want to be done under a specific category ranging from delivery to repairing. After the request has been placed, the freelancers who favorite the specific category gets a notification about new postings. They can either accept the request or bargain for more money if the requested price is not being reasonable. If they ask for more money, the owner of the request could either accept it or reject it until another freelancer takes it. As a result, the customers get someone to do their task for cheap, fast and with convenience.

In order to make sure that all the freelancers are informed about the business process all the freelancers are required to watch instructional tutorials on the website and complete certain

activities online to ensure that they deliver the best quality of services for the customer. In addition, both customers and freelancers will have access to free support system where they can ask for any question, enquire about the offerings or even report for any issues.

In order to make sure the service is safe and secured, the website has integrated rating system by which both customers and service providers can rate each other to perform any task. Therefore, freelancers with good ratings have more chances of getting new and big chores and customers with good ratings have more chances of their tasks being performed on time.

In addition to that, we take safety and regulations seriously. Therefore, during registration of both customers and freelancers, both users are asked to provide the website with their Qatar National Documents which is kept confidential. In case of emergency or any other issue, the users can be held accountable through the National Documents.

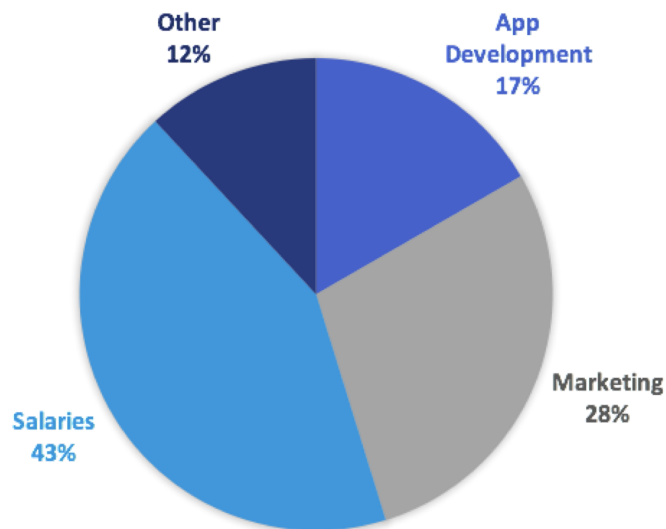
Financial Projections

The financials for iService has been mainly forecasted through the calculation of revenue and expenses of the operation for 5 years. The main source of revenue for the platform is basically 10% fees per transaction. With the worst case scenario of starting with only 20 transactions per week which comes down to 3 orders per day in the first month and an average of Qr. 20 fees per transaction, we generate Qr. 2,000 on the first month. However, we generate additional revenue through posting advertisement and featured content with the charge of Qr. 500 per week.

Now from the expense side, we spend basically on the marketing of the platform through social media and other outlets which goes around Qr. 5,000. In addition, the charge of hiring one part-time employees besides the management team costs the team around Qr. 1,500. Finally, the deployment of the built website and maintaining it with the domain name would cost around Qr. 1,000 at the start.

Through low expense cost and utilizing our skills, we will be successful to breakeven and start gaining profit within 6 months of operation around June. At the end of the first year, we forecast to generate a cumulative profit of Qr. 29,300. With the help of more marketing and more transactions, we forecast to generate around Qr. 1,000,000 within the end of our first five years of operation.

We value our project worth around Qr. 1,000,000 for which we distribute our website according to the money and time invested. For investors, the ratio of their provided money will be normalized with a million Qatar Riyal to determine the distribution of the Company's equity. That being said, if investors finance Qr. 100,000 they would own 10% of the company's equity after 5 years of operation and rest of them would remain to the founders. If the investors finance a total of Qr. 300,000 they would be provided with 30% of the company and so on. The founders will receive the leftover shares with the minimum of 70% of which will be equally distributed among each. The employees will receive a maximum of 3% of the company's equity provided of hard work and success of the company.



Capital costs mainly includes development of the website, cost of servers and laptops and renting a small office space in Qatar. As we're at the initial stage of the project, so we won't be requiring office space at the initial stage.

Fixed costs include application deployment i.e. using Node JS and SQLite database and paying extra incase the team needs more storage space. The initial marketing is vital since the team needs to bring in as many users and businesses to the platform. Platform

maintenance is an important factor as well so a group of people need to maintain the platform. They need a monthly salary in order to maintain the application once the team decides to pass on the project to someone else. For the variable cost, both administrative and marketing cost have been included. Sales and marketing costs will be around Qr. 30,000. The marketing will be mainly for market research and advertising through social media. As the platform is deployed on Heroku and as more used use the platform, the larger the database file.

iService Profit and Loss Statement 2018-2022

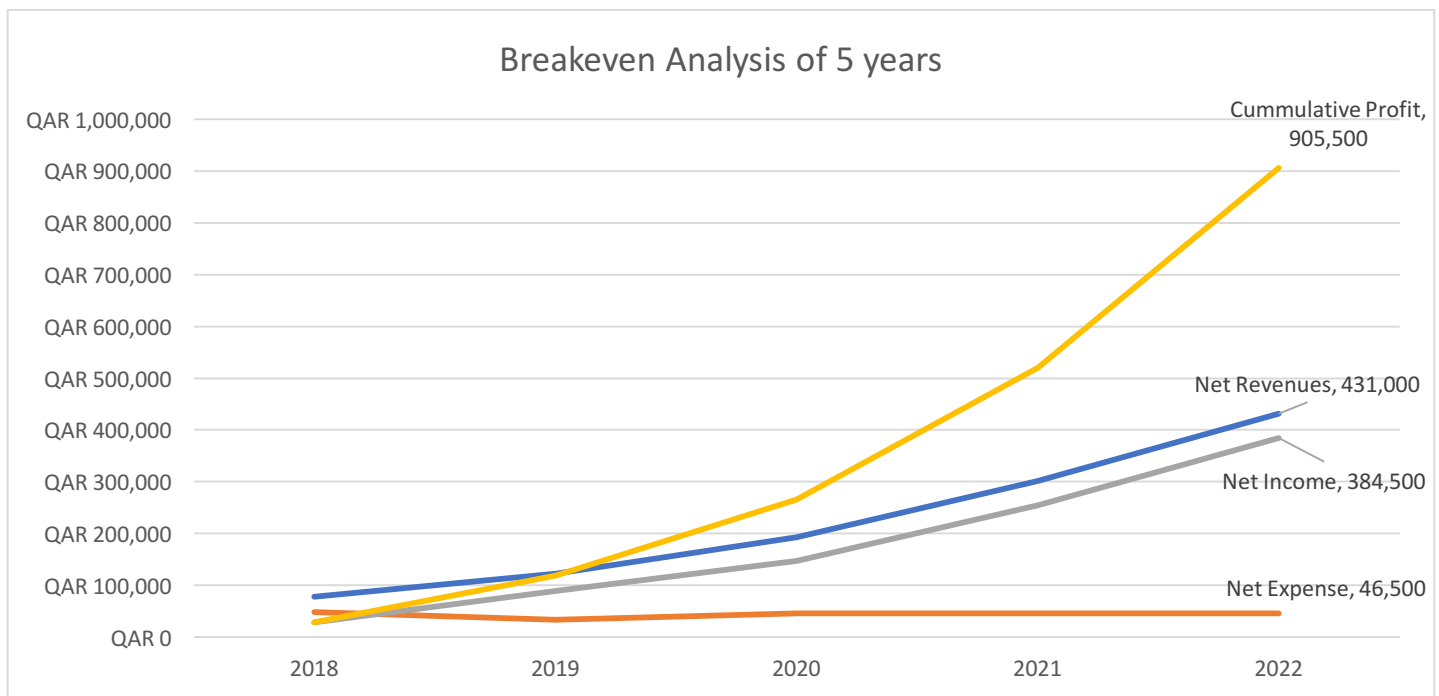
	2018	2019	2020	2021	2022
Revenues					
Payment per transaction	31,800	53,000	106,000	198,750	318,000
Advertisement	26,500	39,750	47,700	53,000	53,000
Contract Subscription	20,000	30,000	40,000	50,000	60,000
Net Revenues	78,300	122,750	193,700	301,750	431,000
Expenses					

Marketing Expenses	30,000	15,000	10,000	10,000	10,000
Salaries	18,000	18,000	36,000	36,000	36,000
Website development & maintainance	1,000	500	500	500	500
Net Expense	49,000	33,500	46,500	46,500	46,500
Net Income	29,300	89,250	147,200	255,250	384,500
Cummulative Profit	29,300	118,550	265,750	521,000	905,500

To create revenue from the web application, whenever a freelancer or business take on a request, the customer has to pay these people for their services. Either they pay from the web application via credit card or in person, there is a log in the backend showing all the requests and who undertook each request, mainly the transaction of each request. For each of these transactions, 10% fee is extracted from the amount and given to the team.

Business users i.e. local businesses and freelancers can pay for premium features. One of these features include that the team will provide a business contract between the business users. The benefit of paying for this contract every month is that there will be no 10% cut from each transaction. Another feature is that per the business user's favorite categories; the application will send notifications of requests related to their expertise. They don't need to constantly check the requests every day, they will be automatically notified of requests related to their expertise.

Finally, another premium feature is the featured listings. The local businesses or freelancers will be displayed on the home page and this will generate more revenue for the company. Just as forecast, with the worst-case scenario of 50 transactions per month with an average of Qr. 10 fees, we will still be breaking even within 14 months of our website deployment. Then from second year onwards with a steady revenue we forecast our platform to generate more than Qr. 300,000 within 5 years through the transaction fees solely.



Management Team

All startups should have a Board of Directors. Investors will have seats on the Board. The Board will meet monthly for the first year, quarterly for the second year, and eventually annually once the company is up and running smoothly. The function of the board is to appoint a CEO, to agree on the business plan of operations, and to vote on the compensation of the senior executives in the company. In a startup, most important thing is to state that you understand the board needs to exist, that you anticipate recruiting certain types of businessmen to board, how many board members you'll have, what their compensation will be (usually it's nice to give them a small number of stock options), and cover their expenses to attend board meetings.

A strong management team is highly important for iService to grow and develop. In the process of development, a strong management team is central in spreading leadership and constructing a compelling course of action that will guarantee the success of the development of iService. The structure we have planned for iService is a strong one that will act as a catalyst in the making of iService.

At the top of the pyramid we have the board of directors and ownership. Followed by the chiefs' suite. The chief's suite consists of three crucial positions starting with the Chief technology officer (CTO). The CTO's task is to overlook and handle the development and maintenance of the app and the website. CTO is an important indispensable position because iService is based on the application program and the website, and to withhold our side of the promise of providing a successful platform the CTO must be of high competence and responsibility. In addition, the suite contains Chief operations officer (COO) and chief financial officer (CFO). The COO overlook all operations including

the vetting process of the freelancers and overlooking the errands for our customers. The CFO oversees both monetary and non-monetary actions. All three are led by Chief Executive Officer (CEO). A leader is crucial to make ensure that all departments are under a unified goal and uphold iService's values.

Current Status

iService's most important assets are the website and the app. Our service upholds the values and the goals of making our customers lives easier through providing platforms for busy individuals to fulfill their errands without wasting time and effort, which is why we provide them with the platform that saves them both. We can successfully offer our service through creating the website and App.

The Website is a significant core aspect of our business; therefore, we have put in the time and effort to create the most user-friendly and convenient website for both our customers and freelancers over the past year. We are proud to share and state that our website is successfully completed and is running and functional.

As for the App, it is under development and we would like to continue to work upon in hopes of making successful and popular in Qatar. To do so, we need to conduct further testing and add improvement to the design. Furthermore, connect to more local businesses to partner with our application.

In addition to providing our platform online, we plan to offer our services offline as well, by implementing our SMS service. In the future, we plan to create an SMS access to our service. This platform will be a key player in differentiating our iService from other competitors in addition to add more convenience to our customers.

Payback AND Profit

The company will make money by taking 10% from each transaction that goes through. Since we will be breaking even within six months as shown in the financials section, we will start liquidating part of our company after our first year of deployment. As the first year is more focused on hosting the platform, creating brand awareness and brand image of the company, the company will distribute its stock starting the 2nd year. However, the company will go public after 3 years after which investors can transform their shares to acquire their cash back.

The stocks will be distributed according to the amount of initial funding provided by the investors normalized to a million Qatar Riyal which is our cumulative profit by the end of 5th year. So for a funding of Qr. 100,000, the investors will acquire 10% stocks from the company which they can transform into cash after 3 years provided it gets big.

However, provided the company doesn't become big enough to go public, the investors will be provided with the dividends to the investors and the founders along with profit as the company forecasts to go around half a million Qatar Riyal by the end of 4th year. The distribution of the dividends will also follow the same procedure as the initial funding of the investors.

In unlikely case that the company does not go public and doesn't make enough equity enough to pay dividends back to the investors, the company will be acquired by a larger company in order to pay the investors for which they will receive shares in the publicly traded company. After the company is being acquired by a larger company the investors will be able to sell their shares according to their funding distribution and get the money back.
