Professionalism in the IT Industry

COMP1635

"The HUB for teachers and parents"

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EXECUTIVE SUMMARY

Involving parents on children's academic life has a significant impact on the outcome of the students' education. Fast-paced modern living standards withhold time from parents, and very often it is difficult for them to keep up with what is arising at school regularly. Scootle's team has come up with an innovative solution and has drawn a business plan to develop and implement it. The answer, named Scootle, is a modern web and mobile application which aims to provide a solution to this issue thanks to its innovative way of communication.

Business plan introduction:

- Scootle has a unique approach that will allow parents to be more involved in their children's academic life. The application will not only allow parents to control their children grades, but also provide them with a monitored messaging tool and a central communication hub to the involved parties.

- The team members are: Gabriel, the specialist of the team. Hamza, the business analyst. Dalia, the team complete finisher. Kamilah, the team coordinator. AlAmin, the company shaper. The five members have set in motion the development of Scootle.

- Scootle has great market potential and it can therefore be profitable. There are about 10 million students in the UK, even a small percentage could generate a huge income. Additionally, the web and mobile market is constantly growing.

- Scootle has a business to business approach, therefore the billed clients are only the schools. The target will be primary and secondary schools, where parent's involvement is more necessary.

- The marketing campaign will focus on social media and sales representatives. On social media the focus will be on profiles that have keyword such as "education" "teaching" or "school", and the sales representatives will be paid a fixed rate for each visit to a School and a sales fee in case of success.

- The aim for the initial period (6 months) is to use a small budget to develop the software. Scootle will look for funds to sustain the development and keep operations on-going for 3 years. It will charge a monthly or yearly fee on a per student base, and the aim is to reach the break-even point in two years and a half.

PRODUCT DESCRIPTION

The Product

The mission of the product is to simplify and make communication between schools and parents more efficient. The aim is to establish a trusted hub where parents are empowered with the ability to be on top of their children education and be involved without the need to visit the school. Scootle allows parents to gain full knowledge regarding the performance of their child in school. It will not just focus on providing parents with grades, assignments, due dates, and attendance like any typical school application system. It will also give parents or guardians the permission to take part in their children's progress by having access to additional information within the institution such as registration, policies, news, trips, volunteering and relevant information regarding both parent and child. In other words, all paper-based communication needed within schools will be available on Scootle. Also, one of the key features will be the creation of communication channels or direct messages chat.

The Unique Selling Proposition – Market Value

The communication channel will be a monitor group chat that will include parents and teacher of a specific class. The strategy is very similar to what modern business communication tools such as "Slack" have, but Scootle will specialise in schools. Very often parents create group chat using messaging solutions (e.g. WhatsApp, Facebook etc..). The problem is that often this might create disputes among parents, or confusion about the information provided from school on a specific trip. Including a teacher or a staff member in the chat-group can solve this kind of issues quickly. The aim is also to allow the parents to communicate with the teacher without the need to make an appointment on going to school. The direct chat will also be on a monitored, and all the messages will be stored. The system will make everything that was discussed formal and official.

One of the possible drawbacks could be the constant messages that a school staff member or teacher might receive from parents. Teachers will not have to be regularly available, and there will be "availability" hours for both direct messages or group channels. Additionally, a teacher might argue that will give them more work, and it will require for them to be more engaged. But the counter-argument is that in modern companies' employees need to be able to multitask, and, for example a project manager might be getting message notes while planning the delivery of a project as well. However, it is important to make sure that there is schedule time where the teacher cannot be disturbed, such as we in the classroom with the pupils or planning something important.

The real market value of such a product is also the fact that previous youth generation, knows as generation Y or millennials are the new parents of nowadays society. This generation is very tech-savvy and lives a much more fast-paced life of previous generation because it grew in the middle of the explosion of the digital era. Millennials consult their GP via an App, book a taxy using App, buy they groceries online, all of this to save time. The value for the costumer is the time that parents can save by using Scootle and the fact that such a service can make a difference when choosing a school over another.

The Business Model and Profits

Scootle business model is B2B, the service must be sold directly to the schools. The presence of Scootle must add a factor of prestige to the school and attract parents. Scootle charges a monthly or yearly fee per student. The licensing model will charge the schools on a yearly per-student base, the higher the number of students the more competitive the price will be. Scootle will be a very cheap service that will adapt to the school needs, and the costs will vary from £2 to £3 per month per student. There is not a forced long-term commitment, and the client can adapt the number of licenses from one academic year to another.

COMPANY INFORMATION – MANAGEMENT TEAM

Education is a crucial element for any children. Proper instruction will enable the next generation to achieve brilliant careers and success in life. Every year parents spend a significant number of hours to follow their kids learning progress at school to make sure they obtain the most out of their education. Scootle was established to diminish parent's time engagement while guaranteeing exceptional feedback from the school on their children. Scootle is not just a simple portal where parents can check grades or absence, but it is a communication platform between the school and the family. The team recognised a business opportunity because the IT market lacks any similar tool.

The business idea was shared to the team by Dalia Albusairi, from her personal experience she suggested to the team the potential of such a tool. Dalia's idea combined with the brilliant minds of the rest of the team set in motion the development of Scootle.

The team members are by Gabriel Ciortea Pop, Hamza Nemiri, Delia Albusairi, Kamilah Agbaje and Al Amin Dhali.

One of the strengths of the team is the balance in leadership, there is not a chief executive, but there are people responsible for their area of expertise.

Gabriel is the IT system engineer expert, thanks to his numerous years of experience in deploying IT infrastructure he will be leading the main technical tasks of the start-up; Gabriel is the specialist of the team. Kamilah is the team coordinator and provides to the team her support in organising the company's agenda and to make sure that team deadlines are met, she is also very tech savvy and a great help for the advisor. Hamza is the business analyst of the company, with his calm and problem-solving attitude he evaluates the financial business opportunities of the firm; he is the Monitor Evaluator. Al Amin is the company's shaper, thanks to his strong attitude towards excellence he works with the partners to make sure that the team delivers outstanding results within the decided deadlines. Dalia, the mind that gave origin to Scootle, is the team complete-finisher, she commits to making sure that the product is developed precisely, up to modern standard and complies to regulations.

Pestle Analysis

Political:
Scootle is an application that is marketed for use in the educational sector. The allocation of resources in the nation is highly dependent on the political party in power. When a different political party is in authority, it could mean that priority is given to other sectors in terms of funding. With a large number of schools in the United Kingdom being government funded, this could mean that the number of sales relies on the what political party is in power and its priority in the public sector. In a situation whereby the leading political party places an emphasis on education, Scootle intends on capitalising on government funding opportunities for technology in schools.

Economical:
The web/mobile application market is expected to grow at a rate of 19.2% by 2023. (Allied Market Research, 2017) The analysis suggests that consumers' need for versatile multi-platform application is in huge demand. This gives Scootle an opportunity to strengthen its brand so that it can become distinguishable in this market. The development of technology such as Scootle results in an increase in productivity and a higher economic growth thus contributing to the Gross Domestic product (GDP) of the United Kingdom.

Socio-cultural:
The United Kingdom is home to a lot of individuals from diverse backgrounds, all of which are potential consumers. The demographics of users means that the product may have to provide features to accommodate the differences in people. For example, a content translator to cater to pupils, staff or parents with English as a second language or the ability to change font sizes or colour for people with visual impairments. It would be unethical to provide such facilities for people who may experience difficulties using our system. We live in fast paced society that relies heavily on instant gratification. Majority of the parents or guardians who may use our application will be Millennials. They are a generation known for their computer mediated communication. Therefore, Scootle will be valued by users for its ability to complement their lifestyle.

Technological:
With ever-developing technology, it is essential for Scootle to be able to adapt to all the changes. Scootle has used this to its advantage by providing the product as both a website and a mobile app. This will help increase the engagement of our users and allow users to access the system quickly, giving them the freedom of choosing their favourite platform. Scootle is a next-generation desktop and mobile software. The software and database are hosted on the cloud, and the team has selected Amazon AWS services. A cloud infrastructure allows the company to scale the software and adapt to it the potential increasing number of clients.

Legal:
Scootle accounts for a large number of student profiles across the country, and as a result, it needs to consider data protection laws. This also means we need to spend a substantial amount of money on security to avoid our systems getting hacked and data getting compromised. Precise data retention policy must be applied according to GDPR regulation as well. Additionally, especially because it will provide a direct message feature with a teacher, it is vital to set terms of use that are fair and protect the rights of all parties involved.

Environmental:
We make use of AWS cloud data centres for our data-driven application, Scootle. The constant need for users to quickly gain access to information means that the use of data centres cannot be compromised. AWS was selected as the first choice not only for its reasonable price but also for its sustainability. Using Amazon's data centre is more sustainable than using on-premise solution, for instance, AWS makes uses of 50% of renewable energy, and they are designing every year more sustainable solution (Amazon, 2018).

Competitor Analysis

A competitor in this industry would be 'Sims learning gateway'. Sims, just like Scootle, aims to share data amongst parents, teachers and students in a digital matter. Unlike Scootle, Sims can only be accessed via their web portal. It is not available on other digital markets such as the AppStore or Google Play. This could result in a reduced engagement from users.

Another competitor is Moodle which is a free and open source learning environment. One of Moodle's drawbacks is that it has to be customised according to the needs of the institutions; and it is not easy to set-up. At first glance, Moodle may be desirable due to its open source nature. However, Scootle being closed- sourced means that we've ensured that the User experience is pleasant and appealing to users. Priority has also been placed on security making it less vulnerable to hacking.

To conclude none of the competitors includes an innovative communication approach like Scootle.

TARGET MARKET ANALYSIS

Due to the nature of the service that Scootle provides, it is quite simple to identify the pool of customers to whom we want to sell our product. Our application targets the educational sector and primarily it provides a service to schools and parents. For instance, only in the UK, there are more than 10 million students, across about 32,000 schools (BESA, 2018) therefore there is an excellent potential for Scootle.

Scootle aims to sell the products to schools, which is the direct client of the business. However, Scootle's users will be schools' staff and parents of the pupils. Therefore, the aim is to make Scootle popular not only for schools but also for parents. The marketing plan initially will direct primarily schools in the wealthy areas as they are more likely to have funds for such services. The team believes that Scootle success will rely on the new generation of parents. Millennials, which are now becoming the next generation of parents are always using their mobile devices to keep up with the news, to engage with work, to purchase goods or to get a cab. Empowering this type of parents with a tool that allows them to monitor and control the schooling outcome will provide to be essential in a modern society. Scootle will smoothly integrate with the racing life of a modern working parent.

In its target analysis, Scootle considers that in 2017 millennials make up 90% (Working Families, 2017) of all new parents and their education style vastly differs from the previous generation. A generation Y parent might be looking into ethical food and be interested to know what the kids are eating at school every day and might like to have direct contact with someone who can help them to make sure their kids are provided with a healthy diet.

Less digital enthusiast parents might not be looking into using something like Scootle; however, the fact that a school is using Scootle adds a factor of prestige, and it shows how much importance the School gives to communicating with parents.

The goal of Scootle is not to focus only on wealthy millennials living in affluent areas. It will be the initial target to make sure the start-up survives. At the beginning might look like a luxury tool but, a tool like Scootle can be useful to any school or parent. Solutions like Scootle will prove essential to the way that nowadays society is changing and becoming more and more digitalised, especially in the way we communicate. Scootle targets every school and every parent because it believes it can make life simpler for both parents and the school. We presume that it is very likely that services like Scootle will become widely used in the next ten years.

In the target analysis is essential also to mention the period of sales, at the beginning of every academic year is the time where most transactions are bound to happen. Even though we plan to have deployments at any time of the year, due to the schools' financial plans, it is very likely that the summer period is when the product will sell the most, and this must also be addressed in the marketing plan.

MARKETING PLAN

Our marketing strategy is structured to make sure Scootle profits and maintains a healthy position in our targeted market while reaching out to as many schools in the UK as possible whilst advertising and hiring, especially during the first six months of its launch to make sure Scootle starts on the right mark.

The marketing plan will be essential at the beginning of Scootle's life, and it is important to be able to reach as many potential customers as possible in the initial phase. As a consequence, the marketing allocated budget will be significant, especially considered the small initial start-up budget. There will be three marketing approaches: spread the word on social media by targeting people with the use of relevant tags, purchase adverts space on local newspapers and most importantly, paying a decent rate to the sales representative to call schools and schedule demo session with the stakeholders of the school.

During the launch of Scootle, the product will be supported by a Twitter, Facebook and Instagram campaign. The will be a reasonably limited budget for social campaigns (about 20% of the marketing budget), the goal, in this case, is not to sell but mostly to spread Scootle's name on people's social media. The team aim is to ultimately maximise Scootle's exposure to the public and our targeted markets. The team will create advert posts that will target people that have a relevant connection to tags such as "education", "schooling", "teaching"; the aim is to target teachers and schools' managers. The post will redirect to a page that fully describes Scootle potential and its convenient price.

The team will spend another 20% of the marketing budget to purchase adverts in local newspapers. This will mostly aim to target areas where there are significant incomes, and therefore schools have more funding for services like Scootle. Boarding school towns are also taken into account.

Finally, the remaining funds will go to hire sales representatives to call numerous schools around the UK to ensure all schools are given a brief representation what the product is about and the benefits it can bring to their school. Sales representatives will be instructed to focus on the innovative communication features on top of what is already expected from an application of this kind. It will also include a quick discussion about the cheap licensing system on a yearly or monthly basis and the ease it can bring to their schedule and the parents' schedule of their students to entice them as much as possible. One of the other focuses of the marketing strategy is to capitalise on schools that inherit a

higher number of students. Extra energy will be allocated to chase and call schools that have a significant number of students to maximise economic return.

Also, Scootle, like most other businesses has competition, one of them being, 'Sims learning gateway. The marketing campaign aims to show how Scootle differs from other platforms. The marketing adverts will focus on showing that Scootle will not only provides grades, school's events or forms, but that it is a modern communication gateway. Furthermore, one of our USPs is highlighted around our customer needs and demands, Scootle is closed-sourced compared to our other competitive apps that are open sourced making it more difficult to set-up. Therefore, the campaign will mark this exceptional feature and it will make clear that personalisation is easy to implement, and training required is minimal and that the help-desk staff will be available to solve any support request.
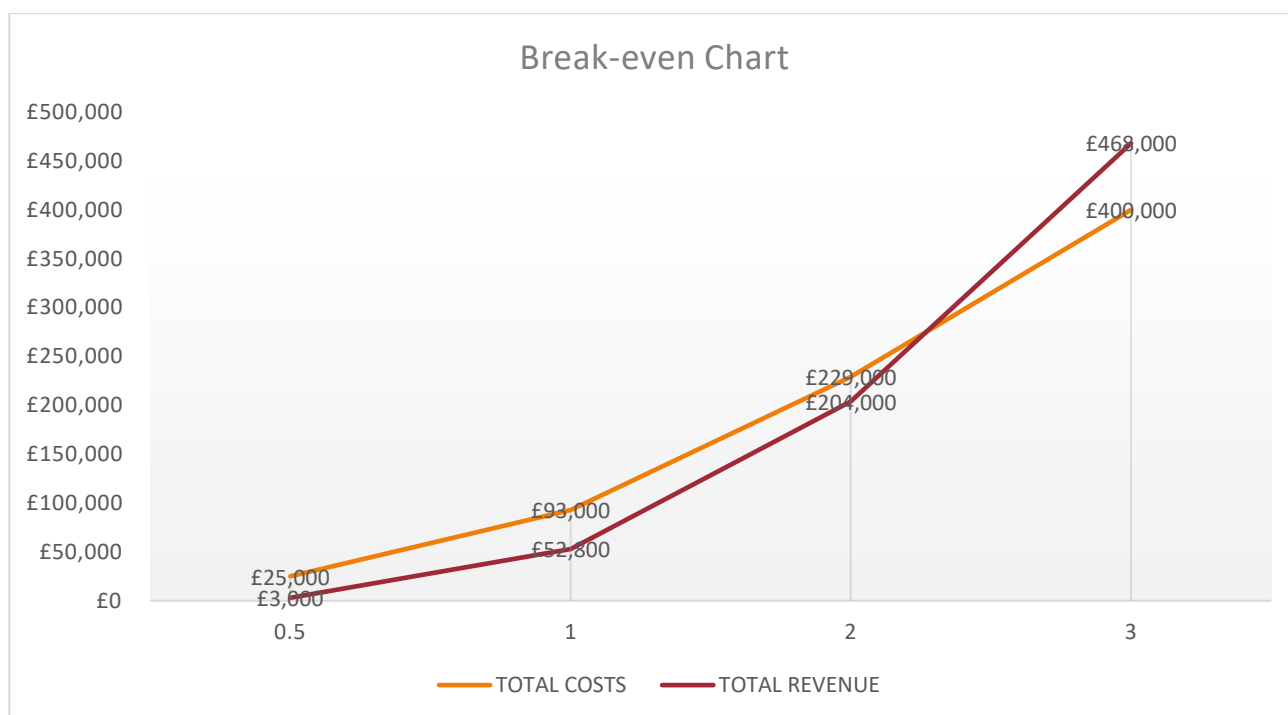
FINANCIAL PROJECTIONS

The project will face a significant initial tangible cost; there will be a need for programmers, cloud resources and equipment including laptops, tablets and smartphones for the team to perform testing. Once the product is ready to enter the market, there will be additional tangible costs. Scootle will need the funds for a Marketing campaign and a help desk line for clients. The help-line will work on a ticket-based system, and the team has agreed to connect an existing third-party tool for the management, which will require further investment. To reduce possible office costs, the team will be working remotely of renting office space when needed. In term of intangible costs, it is it important that schools and parents will recognise Scootle as something that will enable them to provide a better education for the pupils, therefore is important to make sure Scootle is able to build a Prestige value around its brand.

The schools will not require any internal massive IT infrastructure, only personal computers and teacher should be armed with smartphones. Revenue will be generated only from the schools; parents will not be charged to use the application. The approach means a business to business method which will also require sales agents that will be paid commission on sales.

Initially, Scootle will be sustained by the UK government start-up load, which will give Scootle £25,000 to start the business and cover the first 6 months of costs and has very small interests. During that period small incomes should start coming from the fourth or sixth months, when the team has taken onboard few small schools which will be charged a competitive price because will be also the beta testers of the system.

Further funding will be needed after the initial start-up loan, the aim is to obtain a bank loan of about £50,000 and then renegotiate with the bank after one year an addition £50,000, which combined with the forecasted income should be able to cover all Scootle expenses until it reaches the break-even point.

Break-even Chart

Break-even Chart showing TOTAL COSTS (orange) and TOTAL REVENUE (dark red) over periods 0.5, 1, 2, and 3.
- TOTAL COSTS: £25,000 / £93,000 / £229,000 / £400,000
- TOTAL REVENUE: £3,000 / £52,800 / £204,000 / £468,000

Break-Even Analysis				
COSTS				
Item	6-months	Year 1	Year 2	Year 3
Equipment purchase (laptop,smartphone and tablet)	£1,000	£5,000	£10,000	£20,000
AWS Cloud services (IaaS)	£1,000	£5,000	£25,000	£50,000
Software Developers	£15,000	£40,000	£80,000	£100,000
Help Desk Service	£0	£12,000	£24,000	£60,000
Marketing Campaing	£5,000	£10,000	£20,000	£20,000
Sales Agents	£2,000	£20,000	£40,000	£100,000
Attorney costs for contract and terms	£1,000	£1,000	£5,000	£10,000
Office Space	£0	£0	£25,000	£40,000
TOTAL COSTS	£25,000	£93,000	£229,000	£400,000
Revenue Projections				
Item	6-months	Year 1	Year 2	Year 3
Schools with < 200 students (**£3 p/month p/student**) 6 Months: 100 students for testing school (discount price) 1st year: 800 students 2nd year: 3000 students 3rd year: 7000 students	£3,000	£28,800	£108,000	£252,000
Schools with > 200 students (**£2 p/month p/student**) 6 months: no students 1st year: 1000 students 2 year: 4000 students 3 year: 9000 students	£0	£24,000	£96,000	£216,000
TOTAL REVENUE	£3,000	£52,800	£204,000	£468,000

From this brief cost analysis, it is clear that the aim for the initial period (6-months) it to use a small budget (£25,000) to develop the software and set in motion the sales process with the help of a small marketing campaign aimed to target primary and secondary schools in London. Initially the team will be limited to the 5 funders with the exception of 1 freelancer senior developer that will consult the team with strategical technical choices. Once the software hits the market and starts to be used by few schools the aim is to recruit an additional software developer to help with all the bugs and add extra features. As the revenue increases over the years the aim is to recruit more developers to make Scootle a better tool that it becomes essential for schools. AWS cloud services costs will increase as the market demand increases, initially there will be only the testing environment for developer but then a live environment will have to scaled according to the usage. The help-desk service will be set in motion right after Scootle debut on the market and it will mostly be covered by the funders. Sales will initially be covered by the funders with the help of marketing campaign, however the aim is to recruit sales agents and set in motion a business to business model. Finally, the breakeven point is reached after about two years and half, from that moment Scootle will finally become a profitable business.

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