**Loop  
Abbreviated Business Plan**  
Experience for Students, Affordable for Businesses

https://loopondemand.com

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| **Contact Information** Nia Daughtry, Founder 1909 Rio Grande St. #706 832.233.4565  nia@loopondemand.com  **Industry** HR/Staffing Online Marketplace Freelance Services  Digital Content  **Company Ownership/Legality**  Startup  Delaware C-Corp (pending) Service Marketplace Freelance Services  Digital Content  **Year founded** 2018  **Number of Employees**  2  **Funding Opportunity** $1,500,000 Seed  **Use of Funds**  50% Development  30% Marketing/Sales  20% Operations  **Burn Rate** $0  **Current Monthly Revenue** $0  **Existing Debt** $0  **Existing Investors** N/A | An on demand freelance marketplace platform that connects local businesses and college students for digital content management. Our platform allows students to work on various projects and programs relevant to their area of study or personal interests while they are obtaining real world work-related experiences all while attending school. At the same time giving local entrepreneurs and small business owner access to those students who have the skills they need at the affordability they desire.  **PROBLEM/OPPORTUNITY**  Early stage startup founders, budding entrepreneurs, and small business owners are struggling in increasingly competitive marketplaces, constantly looking to reduce payroll costs and inefficiencies, and as a result need an on-demand local network of trustworthy independent contractors. Areas they need help are leveraging social media (or any digital platform) to build their brand, and to market their service or product by creating digital content (e.g. Website creation, product photos, demo videos). This is where [Loop](https://www.loopondemand.com/) can assist them to get things done quickly and efficiently. Hiring local students through Loop means that they can access short-term help on key projects. Entrepreneurs and Founders need help and want to leverage students who are taking the time to study, learn, create and edit content professionally with the skills to post online and reach target audiences. With the growth of social media, digital content creation has become a necessity and students provide businesses an affordable option to hiring expensive professional outside of their small bootstrapped budget. The Small Business Association estimates that there are 27.9 million small businesses in America, and 80% of those had no employees. We are serving this market segment with our Loopers derived from the 19.9 million college students in America.  **CURRENT UNMET NEED**  Other than manual on campus recruiting, there isn’t a platform that allows entrepreneurs, small businesses, and organizations to target college students and hire them on a project-per-project basis to create and manage digital content online. With the growth of Web 2.0, social media, and viral marketing the need to utilize content creation is essentially non-negotiable to build a brand, market a business/product, or to reach a large audience. Small businesses, startups, and organizations are in desperate need of help with social media, with pains related to **time, ability, and money**. To create *and* management digital content takes a significant amount of time and skill to be done right and hiring expensive agencies to take care of it is just not an option for thousands of small business with less than 10 employees. But digital content **IS** a necessity and is only effective if its managed and consistent.  College students often have a hard time finding part-time jobs within their area of interest that fits their schedule to bring in some income for living expenses. Often times, students opt to either not have a job and struggle to get by or to take a job even at the expense of their grades. Students also have to take whatever job’s available instead of working to gain experience in their respective skill sets and interests. Students often act as impromptu freelancers juggling various projects gained from word-of-mouth in their free time but lack the platform to generate more customer leads in an efficient and reliable way.  **SOLUTION/PRODUCT**  Loop will allow college students to create a profile of their interests, skills, and portfolio while working as 1099 contractors. They will be able to review and accept various matched projects requested by clients. The principal mechanism for the use of this platform is a computer application deployed on mobile devices. The system will allow client businesses to request a service specific to their needs (for example, they need an image created for a Facebook advertisement), which will be viewed by local students, and ultimately select a student to provide the service. Students also post the services they offer with their rates on the Loop Services page. To further automate the solution, Loop will use algorithms including geo-locating to match clients recommending the best [Looper](https://www.projectsxloop.com/apply-to-loop) for their specific project. Loop’s value proposition is that it allows clients to find, book, and pay local freelance college students, and ensures the quality delivery of content at affordable prices. The platform allows Loopers to manage all their projects, transfer files, and communicate with their clients. Client businesses will be able to rate the students (and students rate their clients), creating a method of mutual accountability. The Loop technology system will include a website, mobile device application software, and secure cloud-based servers.  **SERVICE AND PRODUCT SUMMARY**  We define Digital Content as anything that can be viewed on a phone or computer screen. We create solutions to projects big and small needing just one person or we provide entire teams depending on the client’s needs. We offer freelance photography, videography, graphic design, and web development as our pilot services through our marketplace that matches and curates Loopers to clients for optimal consumer experience. These services can be acquired on a project basis, a monthly basis, or via a designated team of Loopers to manage a client’s digital content.  **POTENTIAL RETURN/REVENUE MODEL**  **The challenge with local networks is that they are small and tend to be avoided by investors. However, a business based locally with nationwide scale can succeed. They key to our growth is to focus on one target customer in one location at a time.** To date, Loop takes 15% transaction fee and we have a robust bounty system to reward students and client businesses for referrals. Moving forward, we are testing a tiered subscription model for returning clients who needs a consistent Looper, or team of Loopers (Plans from $99 to $249 a month). Our target client businesses are extremely broad and can shoulder multiple demographics and geographies. Initially we are focusing on local businesses with <25 employees within 15 square miles of a University (starting at UT Austin).  **COMPETITION**  **Our market is changing quickly. That means that there is room for new players as technology develops and better options surface. Current competitors are** [Fiverr](https://www.fiverr.com/)**,** [Upwork](https://www.upwork.com/)**, and** [Freelancer.com](https://www.freelancer.com/)**. From our research, we have found while these marketplaces might have name recognition, they also have horrible reviews, scoring as high as 1.9 stars on accredited review sites. With these remote outsourcing sites there is often a time zone difference, or a language barrier making it very difficult for small local business to communicate effectively. This expands the time and costs of each project. Loop is hyper local, connecting students and client businesses in the same geographic area allowing for in-person meetings, quick conversations, ensuring the Looper and the client always are on the same page, at the same time.**  **DIFFERIENTATION**  Our competitors such as Fiverr and Freelancer offer similar services at prices that are significantly higher. The problems we are solving both sides of our market face, and those are: Time, Ability, and Money. In addition to our solution, we have three main distinctions from our competitors: 1. Geo-location-based matching that allows clients to work with Freelancers in their area for optimal communication needs. 2. Since our Loopers are local jobs that require on-site or in-person projects can be completed, such as photography. 3. Deliverables and interaction with clients are quality controlled through guidelines put in place by Loop leveraging blockchain for immutable reviews, user verification, and ratings based on a variety of on-chain and off-chain metrics. Lastly, we save our users (Loopers and Clients) time by narrowing down choices to the best few options to choose from.  **EXECUTION PLAN/GO TO MARKET STRATEGY**  **Build an early base of Loopers by running social media campaigns and on campus recruiting starting at UT Austin, then ACC, next St. Edwards, Houston-Tillerson, and Texas State. Our strengths are; 1) we easily interact with our early adopters/clients, 2) we are developing local brand ambassadors to help with our marketing, 3) we will be sponsoring local in-person events to drive greater emotional attachments (Live, Work, Hire Locally from Local Students), and 4) every new city/expansion increases our defensibility.**  **FINANCIALS**  \*These are only estimations and contain forward-looking statements based on impossible or hard-to-estimate factors. This is not an offering or sale, and there is no guarantee that any of the above numbers will prove to be true.  The Company has had extremely limited operations. We are actively improving our website and developing a mobile device software application for a platform that connects students with client businesses. We intend to develop our integrated beta systems (marketplace platform) in mid-2019 (sooner if we receive funding) and test our marketing and systems in a small market like Austin, Texas. Our intention is to learn from this experience in our initial test market, refine our software and marketing strategy to deploy our marketing and systems into a slightly larger market (Central Texas including several Universities). The Company plans to continue this iteration of development, deployment, and learning and ultimately test a large metropolitan market (Houston, DFW, San Antonio, others). These initial markets are likely to be within Texas.  **LOCATION**  Loop Technology, Inc. is a Delaware C-Corp based in Austin. Most B2B operations (payments, scheduling etc.) will be performed online via our platform for both clients and our Loopers. Austin, Texas in the #1 city to start a business, and our founding team all UT Austin students that spend a majority of the year based in Austin. The founding team will work out of various co-working spaces.  **CUSTOMERS**  Our clients make their purchasing decisions based on the stack of Looper quotes for their projects we provide them. In the request process they have already detailed a budget, so proposals will not be given to them if the Loopers quote is more than 1.5x the clients budget.  Our clients see college students as fresh-faced an innovative. This often a theme our clients want to project to their audiences and see the benefits of hiring college students with fresh and relevant perspectives on projects. The freelance marketplace industry is currently perceived as a resource that is hard to navigate, and easy to get expensive. Our customer use Loop because of its ease, value, and commitment to remaining affordable.  **THE TEAM/RELEVANT EXPERIENCE**  Our company is run by young, technologically savvy entrepreneurs with a strong bench of advisors.Leading the team is our founderNia Daughtry supported by Cofounder Shawheen Attar and Advisor Brent Brightwell.  **Nia Daughtry** – CEO & Founder: A second year Management Information Systems Major at The University of Texas at Austin pursuing a minor Entrepreneurship and certificate in the Elements of Computing. Began what was “Project Loop” May of 2018 managing and completing 15 via student freelancers for a local Austin based startup Xplosion Technology, and a handful of individual projects.  **Shawheen Attar** – CTO & Cofounder: A second year Electrical Engineering/Computer Engineering Major, pursuing a Minor in Entrepreneurship. Joined the team September, 2018 to build our MVP.  **Brent Brightwell** – Advisor: A seasoned local entrepreneur and CEO of kaZING, a blockchain-based, AI-driven logistics & resources platform for home and small business services. marketplace platform for home services. He is an MBA Leader with 20 years of experience with small startups to large organizations such as HP, EMC, BMC, and more. He has launched and re-launched brands, products, services, and companies.    **SERVICE AND SUPPORT**  While our goal is to primarily leverage AI, self-help and contextual resources (e.g. Imagery, tracking) the initial offering consists of application support help as well as customer service accessible by text, web or in-App and call-center accessibility. Under investigation is a white glove/concierge service for specialized offerings and serves as a basis for building roadmap items. The AI will serve as a basis for longer-term service support scale and is the foundation for the intimate customer understanding to enable the best customer experience at scale.  **SERVICE PROCESSES**  Loop is a cloud-based service provider (SIC/NAIC) and a broker of multiple service providers and companies that need help. Loop does not manufacture the product sold through the platform.  **CUSTOMER DEFINITION**  A revolutionary shift is occurring in the on-demand labor space. Almost everyone owns a smartphone and the public has already begun to rely on, trust, and expect on-demand services world-wide. Individuals can now get things done today that would have taken weeks or months to get done previously. Businesses can now get help and fill gaps safely in real time with independent contractors. The shift to an on-demand economy is not complete, meaning there is still significant market growth to be seen. Loop seeks to meet these needs with a single platform. Loop addresses a market gap for small business, startup, and other bootstrapping organizations.  **SALES PROCESSES** Our Sales team consists of those who will be directly calling on small business to address their immediate needs, and our Business Development Managers (BDMs) will be recruiting students at the grassroots level at each university. Marketing will be responsible for running campaigns and sponsoring/organizing events that generate prospect leads for both Sales and BDMs.  **FIVE FORCES MODEL/SWOT ANALYSIS**   |  |  | | --- | --- | | **Strengths**   * In-house talent * Differentiated offering (new market channel for suppliers) * Vetted pilot and data source * Austin market access * Leveraged operating model * Shared Trust Model (P2P Blockchain) * NfX: 2-sided Marketplace, Local Networks | **Weaknesses**   * Limited history with logistics or material/equipment providers * Ability to scale customer support out of the gate * Ability to negotiate markup/margins * Limited MVP to test hypothesis on rev and subscription generation * No existing relationships in the marketplace | | **Opportunity**   * Incentives to promote platform usage and loyalty (e.g. Simple back office contracts/support) * Community job creation and agency synergies * Provisional patents * Environmental/Green positioning * Data Source * Establish relationships through API integration | **Threats**   * Disintermediation by providers going direct to customers * Competition with vaster experience and deeper pockets * Compliance requirements (regulations & governance) * Potential inability to support market guarantee requirements or quality control * Competition with early to market advantage * M & A activity |   **SUBSTITUTES/RIVALS**  Beyond our Marketplace competitors, including but not limited to Fiverr, Freelancer.com, Design Pickle, and Upwork we also are competing with on campus recruiting, online bulletins (Yellow pages, craigslist, Yelp, etc.), and independents such as:   * Hobbyist – Free, or under $100 * Amateur – $25 – $100 per hour * Student – $35-90 per hour * Semi-Pro – $50 – $160 per hour * Professional – $75-$300 per hour * Top Professional – $250-$500+ per hour   We will then target the Hobbyist – the Semi-Pro to our platform leveraging our reliable payment system, booking process, and project management dashboard.  **MARKET ANALYSIS**  **Our target market for freelancers is college students across the United States, consisting of nearly 20 million students. According to a study done by Freelancers Union in association with Elance-oDesk, the freelancing market contributes about $1.4 trillion to the US economy as a whole, and by 2027, freelancers will make up 50% of the workforce, consisting of over 86.5 million freelancers (additional figures can be found in the figure below).**  **Our plan for growth in the future is to target students at large universities across the country, starting with universities in Texas. Since we know the freelance market is growing at a rapid pace, eventually, we plan on growing Loop with our freelancers, expanding to allow non-college students to work with Loop.**    https://lh4.googleusercontent.com/FRNjO_HeFYOZUxUZ1EPphGtN7NMfLASPh2CmjSy7Szgt2od8PNFjX-zIyuHxQ93LUsXIaXhMer76qFyTLN_DgFS4lsMZ2EJm_wDZWYm91y6w0quBbeQIFkK61Z7VjrTVWsWofPSn  **freelancersunion.org**  **PRICING**  Our pricing model consists of two main sources of revenue. The first is a 15% transaction fee for every project is completed through Loop, and the second is our tiered subscription model that ranges from charging $99 to $250 per month for further access to our discount credits (that contains a $ value) and our teams of Loopers.  The individual freelance projects that we price on our websites can range anywhere from $20 to hundreds of dollars, depending on the freelance project that is being completed. These prices are determined on a variety of factors, including the skill level of the freelancer, the cost the freelancer would like to charge, and the market cost of the task. We take a 15% of the price paid by the client and the remainder goes to the freelancer. The main cost assumptions that are implicit in our model is time. For the freelance projects, the price paid for the project must satisfy our freelancer for the time they put into the project. |