Fixit
Make Your Life Easier

BUSINESS ANALYSIS REPORT (BAR)

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EXECUTIVE SUMMARY

Fix It is an app that that connects skillful Chinese repairmen, gardeners, and other specialists with Chinese immigrants that need repair/maintenance work done. Fix It is offered in Mandarin and Cantonese, the two main Chinese languages spoken by Chinese immigrants in Canada. It aims at creating job opportunities for newly immigrated Chinese repairmen who do not speak English fluently. The app is easy-to-use and allows the customer to find, communicate and book an appointment with the worker. Fix It is unique, in that no other digital product in Canada has a home-improvement app made for Chinese customers.

The target market of Fix It is Chinese immigrants, between the ages of 20 and 50, who have recently moved to Canada and are not fluent in English or French. Fix It also targets Chinese immigrants who provide repair/maintenance services. Fix It will gain revenue by taking a certain percentage of repairers' earnings as well as from in-app ads.

RECOMMENDATION

The number of Chinese immigrants residing in Canada is rapidly growing. According to the Canadian Magazine of Immigration, the number of immigrants from China grew 63.9% from 332,825 in 2001 to 545,535 in 2011, making Chinese the second largest foreign-born group in Canada. Even though Chinese immigrants receive immense growth opportunities in Canada, they face several challenges while adjusting to the new environment. A new study conducted by the Ontario Council of Agencies Serving Immigrants (OCASI) has states that, the biggest concern for new immigrants and refugees settling in Ontario are finding employment and making sure that they have suitable language skills. According to interviews we conducted with Chinese immigrants, we found they all face language barriers. Zhang Wei, a 30-year-old man who lives in Toronto, mentioned that: [translated] "When I first moved to Canada with my family, it was incredibly difficult to communicate with people at work. I have been living in Canada for 12 years, but I still do not have a full command over English".

Many Chinese immigrants lack the language skills to support them in conducting day-to-day tasks that require communicating with others. If a newly immigrated woman, who is a housewife, faces a malfunction in the heating system of her house, it would be difficult for her to find a repairman. Even if the housewife is able to call a repairman successfully, she would not be able to communicate with the repairman and explicitly understand the cause of the malfunction and how to prevent it in the future, thus causing this issue to recur.

Fix It is a platform that connects skillful Chinese repairmen, gardeners, and other specialists with Chinese immigrants that need repair/maintenance work done. The **mission statement** of Fix It is to enable immigrants to find and communicate with repairmen easily. Fix It also aims at creating job opportunities for newly immigrated Chinese repairmen that do not speak English fluently. Fix It allows the customer to find, communicate and book an appointment with the worker, within the app.

1. Goals, Strategies and Objectives

Goal	Strategy	Objectives
Increase brand awareness	According to Statista, there are nearly 2.46 billion social media users worldwide. Promoting Fix It on social media platforms would undoubtedly reach a very wide audience. We plan to promote our app on Chinese social media platforms in order to gain traction from our target market.	● Rank on the first page of Google and Baidu's search engine results ● Reach 10,000 downloads of the app through Fix It ads on social media platforms by the first year.
Increase sales, revenue and profitability.	During the introductory phase, we will apply penetration pricing to our product. By setting our prices artificially low, we will be able to get customers to switch to our app from other apps. This is expected to increase our sales. Once the growth period ends, we then will increase our prices in order to break even and earn profits.	● Reach 4,000 downloads of the app on social media platforms within the first 3 months. ● Receive 1 million CAD in revenue in the 2nd year.
Reduce unnecessary operating costs	We plan to reduce channel length in order to eliminate unnecessary operating costs. We will directly select the qualified workers without hiring other human resource companies as intermediaries. Repairmen can submit the application form though our mobile app.	● Cut operating costs by 30% through the elimination of contact with human-resource companies.

2.   Industry Environment and Demand

a.   *Demand*

Fix It falls in the home improvement industry. Diagram 1 shows the sales of the home improvement industry in Canada from 2010 to 2017. Home improvement industry sales generated 39.2 billion Canadian dollars in 2010, increasing to 47.9 billion Canadian dollars in 2017. There was a 22.2% rise in sales from between 2010 and 2017. This proves that the home improvement industry is booming and the demand is relatively increasing, hence its increase in sales.

b.   *Industry Environment*

There are several apps that allow users to find repair services. Examples include: Redbeacon Home Services and Repairpal. However, these apps only cater to customers that speak English. Also, they do not provide all the services that Fix It provides. Repairpal only provides car maintenance information to users, and Redbeacon only provides quotes for home repair jobs such as plumbing, painting, and cleaning. None of these apps allow repairmen and customers to communicate with the app. Fix It, on the other hand, provides a wide range of information on services including moving, repair, fitting, and gardening. Fix It does not have any direct competitors since other apps do not cater to Fix It's target market- Chinese immigrants.

3.   Target Market

The target market of Fix It is Chinese immigrants, between the ages of 20 and 50, who have recently moved to Canada and are not fluent in English or French. We conducted several interviews in Mandarin with people who recently moved to Canada from China. One of them was Min Ying, a 40-year-old woman who works as an engineer in Waterloo, Ontario. When asked about the necessity of having a service like Fix It in the market, she said: [translated] "Back home, when I needed any repair work done, I was able to find a good repairman through referrals by friends. However, when I moved to Canada, I didn't know anyone. This made it very difficult to find good repairmen

immediately, especially due to the language barriers. At times, I hired workers via the internet but they didn't do their jobs properly. It is crucial to have a forum like Fix It that allows newcomers like me, find good repairmen that speak Mandarin." Considering the needs of our target market, Fix It incorporated a rating system. Users are able to rate repairmen and leave comments on their personal profile. This would allow customers to determine if the repairman is skilled enough for the desired task.

Fix It also targets Chinese immigrants who provide repair/maintenance services. As mentioned previously, one of the main issues faced by immigrants is finding employment. Fix It provides employment opportunities to Chinese repairmen. Workers simply need to submit an application through the app. Once it is approved, they can start building up their profile. The "Profile" feature helps workers to increase their chances of being booked by a customer. Workers can upload their certificates and write about their previous jobs to enhance their profiles.

4. **Market Elements**

a. *Product*

We made use of product differentiation strategy in order to make Fix It more attractive to our target market. Fix It is unique, in that no other digital product in Canada allows Chinese customers and repair workers to interact, thus distinguishing our product from others.

Our prototype is a mobile app designed for iOS and Android. When users open the app, they can select their preferred language and sign-in/sign-up. After this, they can search for a home service through the search bar or by scrolling down to select a category. Users can then select the time and place for the appointment. The algorithm will automatically match users with the most suitable repairmen. The app allows users to review the workers' profiles, rating score, and comments made by

other users. When the request has been sent, the repair professionals will contact users through the apps instant messaging feature.

b. _Price_

 In order to effectively market our service we first had to figure out our base price. We used pricing strategies to price our product namely: focus strategy and penetration pricing. Fix It is focused on serving the needs of a very narrowly defined market segment and aims to be the low-cost leader and differentiating its product. In the initial phase of our product, we will use penetration pricing to lure customers away from other apps. We will charge a lower percentage of revenue from the workers, thus reducing their overall price charged to the customer. Through the use of this strategy, we aim at attracting Chinese customers who try to use other repair apps despite their inability to understand English. After a 3-4 months, we will gradually increase our prices.

The base price was figured out by first looking at all of our costs directly related to the service. These include the development and maintenance of the app and website. After looking at these numbers, we looked at other repair apps - Repairpal gains revenue through in-app ads. We looked at other apps that connect customers to service-providers and what they based price are. Uber, for example, takes 25% of the ride fare from drivers. Since we do not have any direct competitors, so to find the right price for our customers was challenging. But after taking into account our cost of goods, and other subscription services, we decided to charge the repairmen/companies 10% from each deal in the introductory phase of Fix It. After a couple of months, we will charge 25% from workers. Fix It is also expected to gain revenue from in-app ads by repair companies and other businesses.

c. *Promotion*

The budget that we set aside for advertising and promotion is $9,500 for our first year. We plan to start out with online advertising. We conducted a survey on daily usage of the most popular Chinese apps with 30 newly immigrated Chinese people between the ages of 20 and 50. According to the results, 100% of them use Wechat, 87% use QQ, 80% use Weibo, 23% use Douban, and 27% use Youku on a daily basis. Since Fix It targets Chinese immigrants who do not have a command over English, advertising on Chinese apps could be effective. As shown in Diagram 2, Wechat, QQ, and Weibo are the most used social-media apps and we plan to advertise our app through these platforms. 87% of the people surveyed use Baidu, a Chinese equivalent of Google, on a daily basis. We plan to utilise Baidu's AdWords which will allow us to shoot our product to the top of any relevant searches made by potential customers. Chinese immigrants still use the apps they used back in China, so advertising on these platforms could be the best way to attract the customers. The above-mentioned strategies are also likely to create brand awareness, thus achieving Fix It's goals and objectives for the first year.

Apart from online advertising, we will also be advertising around Canadian cities. According to a study conducted by Statistics Canada in 2011 (Diagram 3), Ontario, British Columbia, Alberta and Quebec had the most Chinese immigrants. Fix It will be advertising in the major Canadian cities in these states: Toronto, Montreal, Vancouver, and Calgary. We will place ads on billboards and buses and trains. Having free advertisement would help gain the attention of immigrants. Millions of people everyday use public transport, so placing ads on public transportation will allow our service to be seen by many people. Having ads placed in these critical areas will allow us to reach the broadest possible audience. These ads will entirely be in Mandarin or Cantonese. According to Globalnews.ca, the top mother tongue in Canada, other than English or French, is Mandarin, with 641,000 speakers. Another Chinese language, Cantonese, takes second place. Other promotional strategies include: a free repair

job for each new user, and discounts for workers. This is expected to increase app downloads, thus increasing sales and revenue.

Fix It is projected to have approximately 10,000 customers regularly booking appointments. Based on our research on different companies, and first-year projections, we decided that 10,000 customers for our first year would be good growth. The company's second years projections are estimated to be 6000 customers. Our third-year predictions are expected to be approximately 20,000 customers. Thus, our marketing strategy is to market both online and around major Canadian cities to gain the most traction.

d.   *Place/Distribution*

According to the 2011 census, 27.7% of population of Vancouver is Chinese, 10.8% of population of Toronto is Chinese, 6.8% of population of Calgary is Chinese, and 2.9% of population of Montreal is Chinese; (Jphillips, 2018) therefore, we will focus on creating brand awareness mainly in these cities. We will have a small channel length; we will directly distribute our product to repairmen without relying on an intermediary such as: human resource companies. This is likely to lower our operating costs. We plan to recruit repairmen through ads on social media and promotional strategies such as: discounts.

PLAN

Diagram 4 shows Fix It's timeline.

- **In March 2019**, we will be recruiting repairmen and creating profiles for them.

- **In May 2019**, we will be putting the app and website through user tests and finding out what to change. This period will include usability testing and interactive prototyping.

- **In September 2019**, there will be the final round of usability testing before the official release of the app.

- **By December 2019,** we hope to get our app to the public and start advertising online and offline to increase brand awareness and attract customers.

- **In February 2020**, we hope to have 10,000 users within the first year.

- **In April 2020**, we hope to increase the user count to 15, 000.Throughout the year, we will also begin accepting user feedback and making more frequent minor updates to improve user experience.

- **By June 2020**, we will reach our break-even point and we anticipate to achieve positive growth from that point forward.
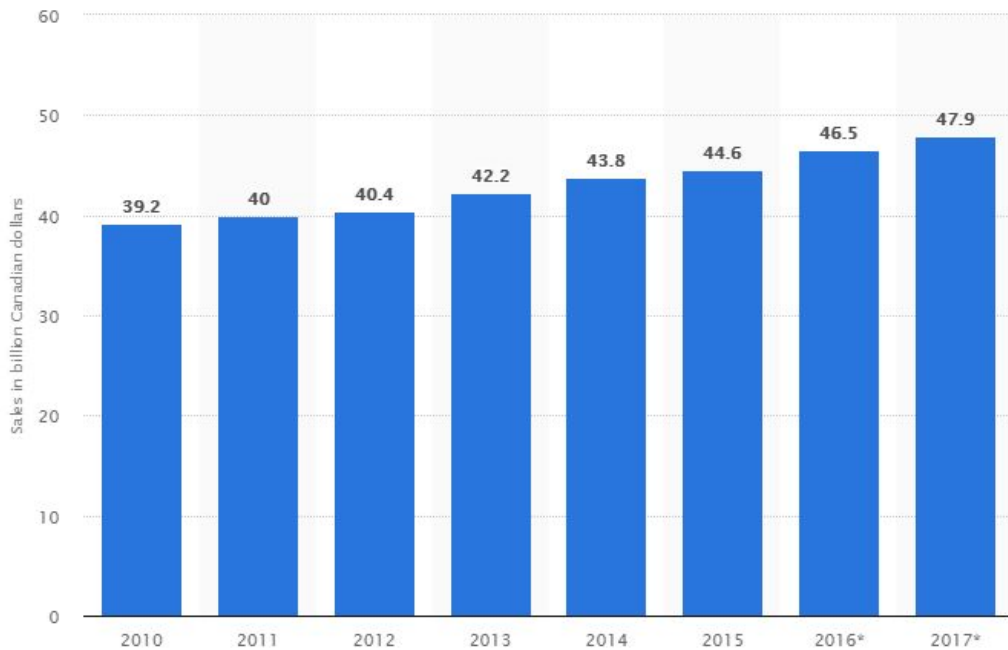
Diagram 1 - Home improvement industry sales in Canada from 2010 to 2017 (in billion Canadian dollars)

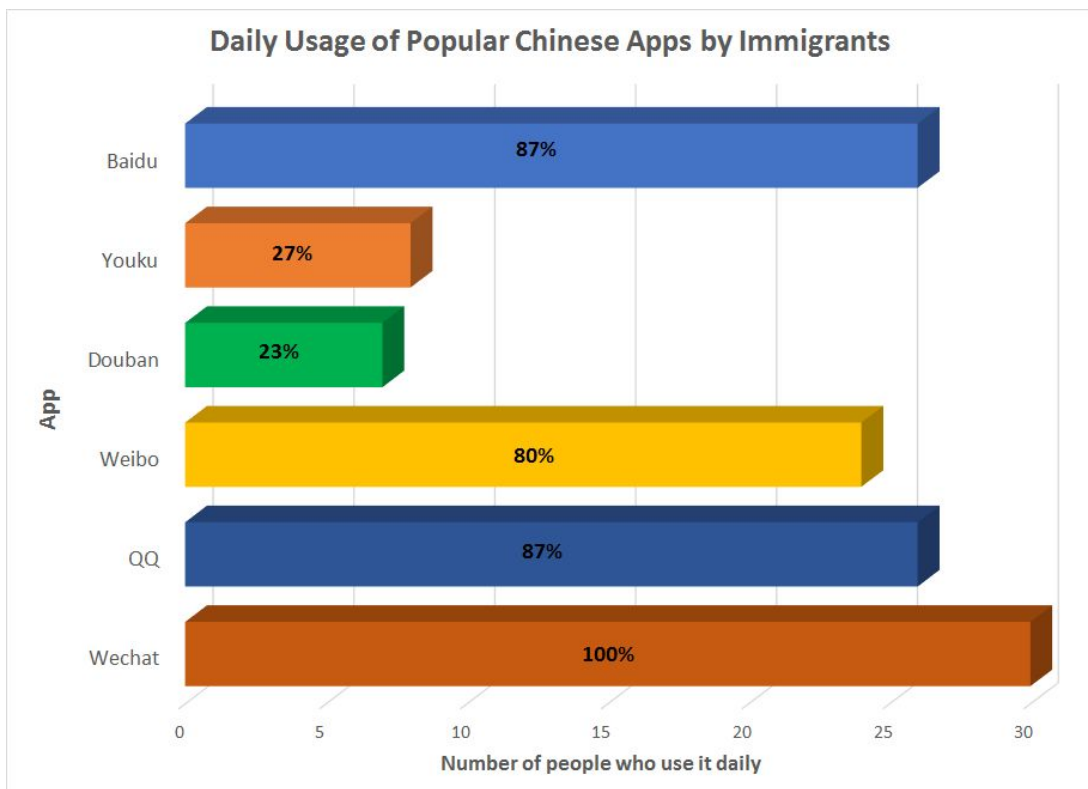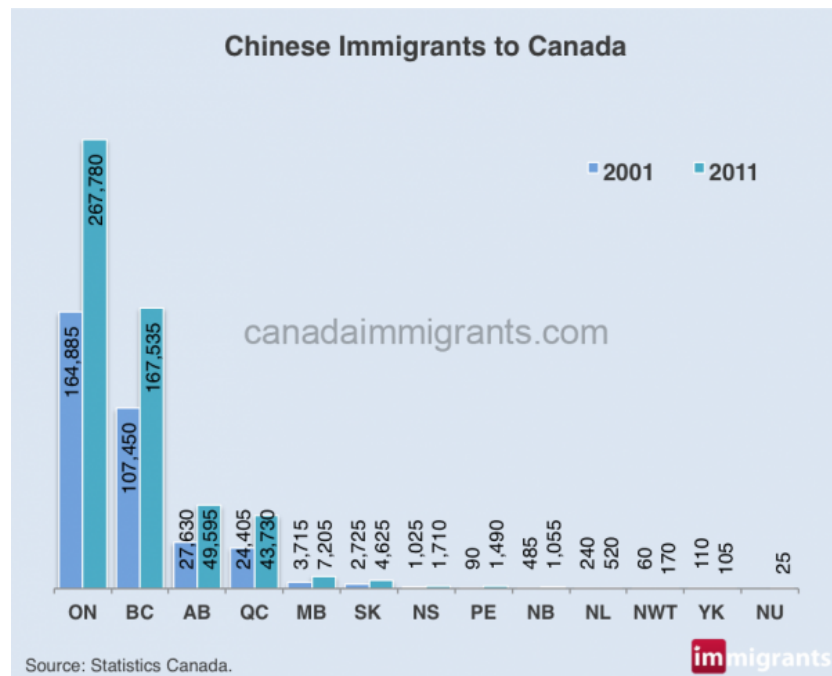**Diagram 2 -** Daily Usage Of Popular Chinese Apps by Chinese Immigrants in Canada

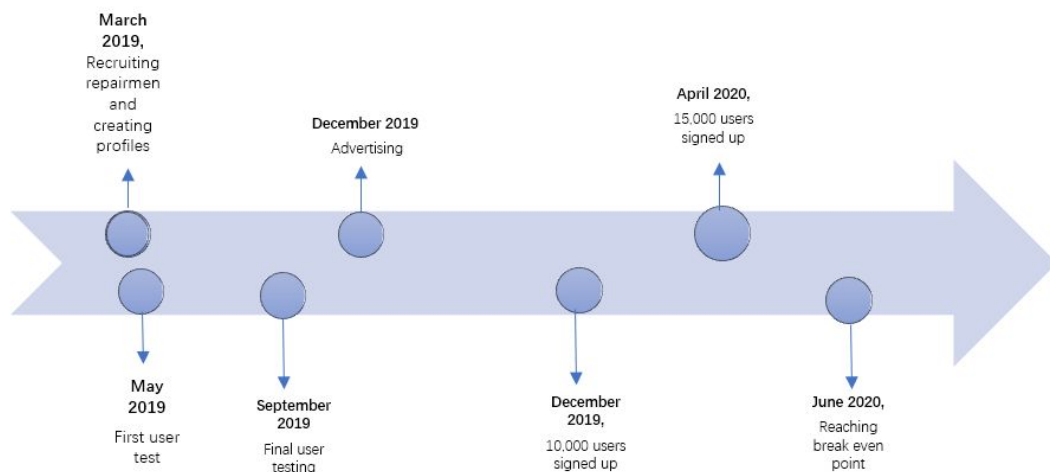**Diagram 3 -** Number of Chinese Immigrants in Canada

Diagram 4 : Fix It's Timeline

Development of Prototype

Invision link: https://invis.io/59GMM7KDW74#/288562562_Prototype-Language

We tested these wireframes (diagram 5) with the group of people we interviewed. Most interviewees said that the app was easy to use however, they could not figure out how to get to certain pages. We realised that some buttons were not intuitive, such as the message icon. In the final prototype (diagram 6), we added a 'send a message' label next to the message icon to make it clearer. Another issue users found with the wireframes was that when they tried to submit the worker application, there was no response message to confirm that their application was received. We added response messages to the application and sign-up pages in our final prototype.
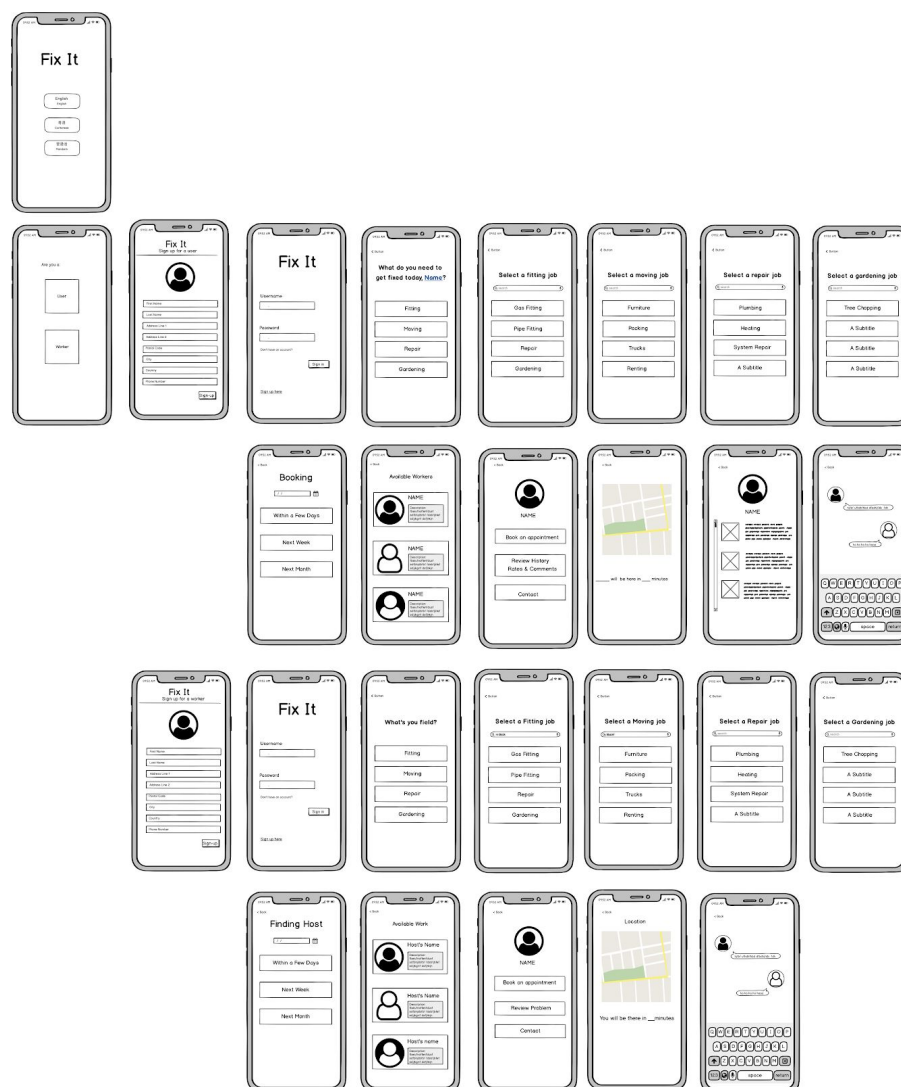

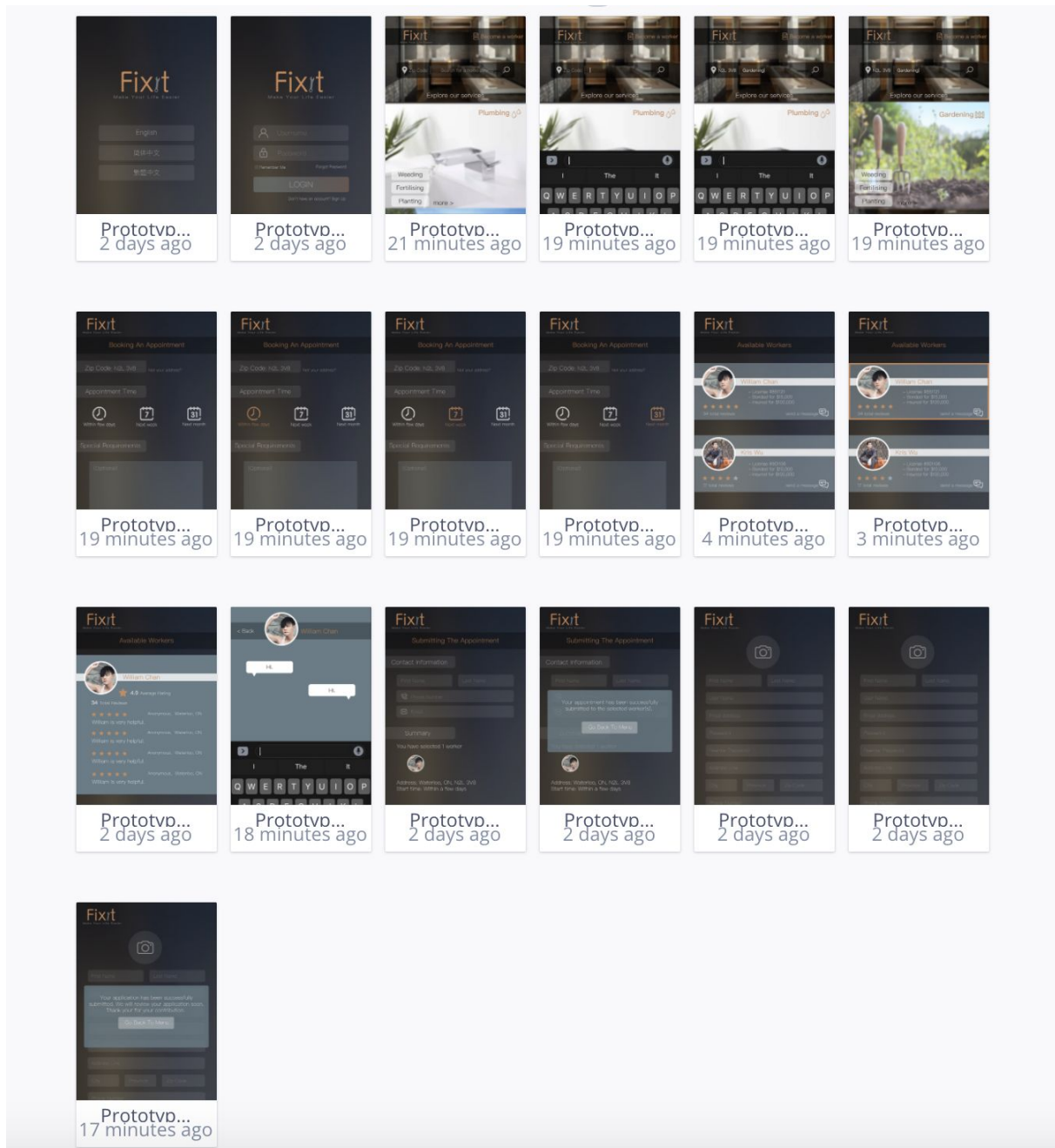**Diagram 5:** Wireframes (low-fidelity prototype)

Diagram 6: High-fidelity prototype

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