

One sentence pitch of business idea:

Copify is a web-based printing platform to help students and scholars get efficient printing services with an easy-to-use interface, a selection of templates and order status.

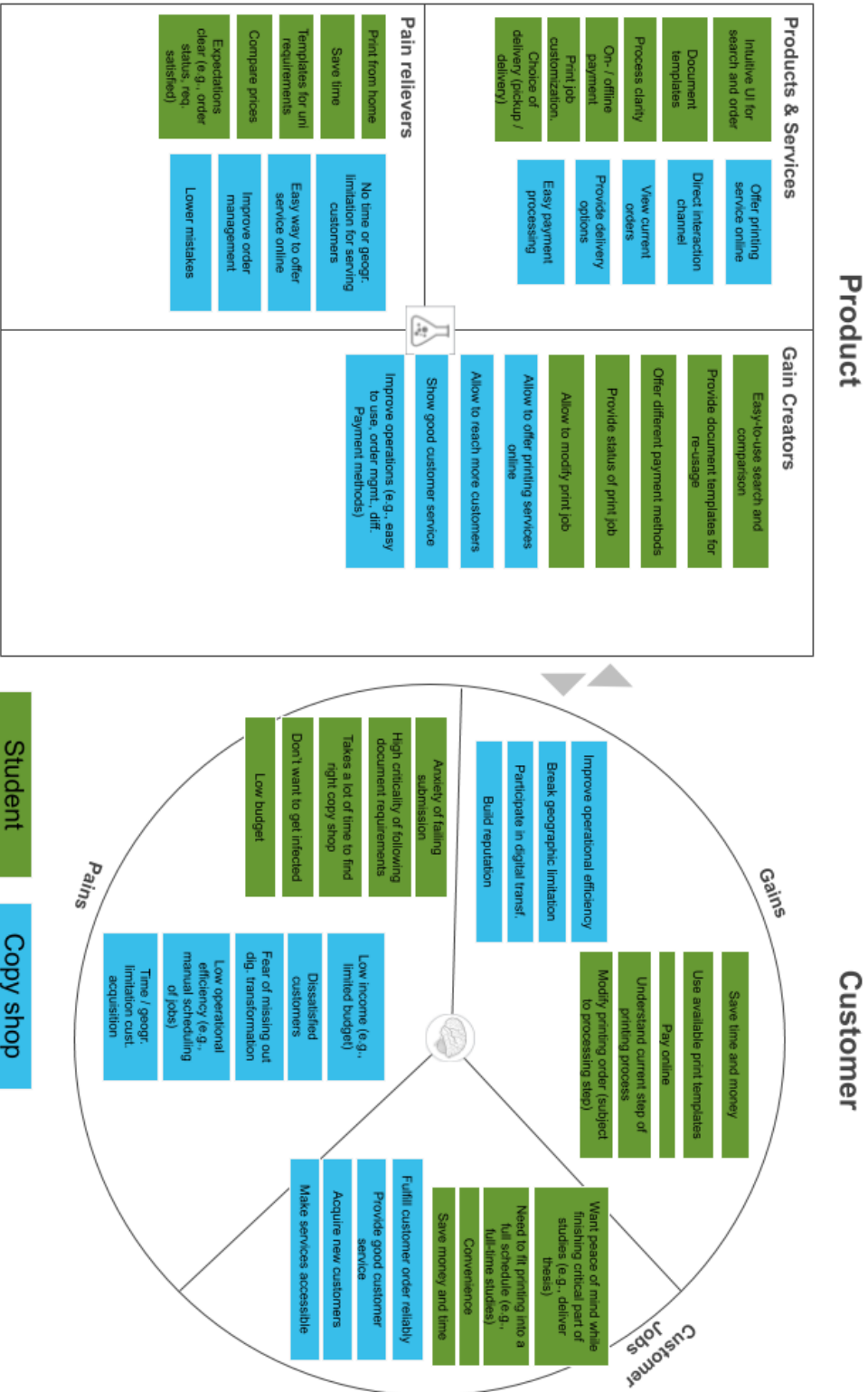
Value Proposition Canvas

Designed for: Copify

Designed by: SEBAMA-SS21-Team 37

Date: 1 May 2021

Version: V3



# Business Model Canvas

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<b>Key Partners</b>  Internet provider Copy shops Payment provider Investors Student union / universities	<b>Key Activities</b>  Platform development Platform maintenance Customer onboarding Customer service Sales and marketing	<b>Value Propositions</b>  Easy and intuitive search Use available templates Order process clarity Different delivery options Different payment options Modify print order Low prices Easy sign up process Simple order management Efficient resource usage Customer access	<b>Customer Relationships</b>  On-demand Self-service	<b>Customer Segments</b>  Niche market: Student / scholar / anyone who wants to print Niche market: Copy shop
<b>Key Resources</b>  Website Platform Brand Employees Funding		<b>Channels</b>  Web application (any browser) Word of mouth Online marketing Offline marketing		
<b>Cost Structure</b>  Platform development and design Platform operation cost (e.g., internet provider, maintenance) Marketing (incl., Ads fees) Payment processing fee Other personnel cost (e.g., finance, HR)	<b>Revenue Streams</b>  Hardware Misc. Broker fees for transaction			

## Business Model Canvas Descriptions

Customer Segments
<p>We have a two-sided market. On the one side, end-customers represent demand for print services. On the other side, copy shops represent the supply for print services</p> <ul style="list-style-type: none"> <li>• <b>Individual customers (Niche market:</b> students, scholars, anyone who wants to print) <ul style="list-style-type: none"> <li>◦ Typical student: studies full-time, wants to conveniently get printing jobs done (e.g., print thesis or seminar paper) according to university requirements in the most efficient time and for a low budget. Requirements may lead to documents getting rejected and missing crucial deadlines. Thesis submissions are typically highly critical as they pose the last module of a student's studies. Students have high affinity for technology and already have high familiarity with different variations of online shopping. They love the convenience of online shopping and love easy to use interfaces to buy products and services</li> </ul> </li> <li>• <b>Copy shops (Niche market)</b> <ul style="list-style-type: none"> <li>◦ Small copy shop that predominantly operates offline printing</li> <li>◦ Typical small copy shop: small enterprise which is led by owner who has about 3 - 5 employees, has about 4 copy machines for self service but also offers more specialized prints, operated by employees which have a certain degree of technology affinity, have a website to provide general information but no online shop (they find it too cumbersome or expensive to setup a fully fledged online shop which offers all required functionality), may accept online orders but only accept cash.</li> </ul> </li> </ul>
Value Propositions
<p><b>Customization</b></p> <ul style="list-style-type: none"> <li>• Use available templates for university documents: re-use existing templates created by other students (ranked and proposed by popularity)</li> <li>• Depending on order status, allowing customers to modify print job order</li> </ul> <p><b>Risk Reduction</b></p> <ul style="list-style-type: none"> <li>• Order process clarity: copy shop can communicate current status of order to customer by updating the current process step (e.g., in prep, in print, ready for pick up), reduces fear of missing timelines</li> </ul> <p><b>Convenience/Usability</b></p> <ul style="list-style-type: none"> <li>• Convenient payment options: allowing customers to select different payment options (e.g., cash payment or Paypal)</li> <li>• Different delivery options: copy shops can offer different delivery options from which the user can select from</li> <li>• Easy and intuitive search: breaking down geographical limitations (all copy shops around you in one place), easy to use interface</li> </ul> <p><b>Price</b></p> <ul style="list-style-type: none"> <li>• Low prices: Through possibility of comparison, customer can get the best price</li> </ul> <p><b>Easy sign up process</b></p> <ul style="list-style-type: none"> <li>• The technical job of deploying their services online will be completed by our developers.</li> </ul> <p><b>Simple order management</b></p> <ul style="list-style-type: none"> <li>• Easy and convenient way to see and manage all orders on the platform</li> </ul> <p><b>Cost Reduction</b></p> <ul style="list-style-type: none"> <li>• Copy shops have access to relevant pool of customers (less effort for marketing)</li> <li>• Efficient resource usage: When printers do not print, they lose money and to circumvent this the printer shop wants to have high utilization (e.g., by attracting more orders)</li> <li>• Copy shops can save the cost of developing and maintaining websites by themselves.</li> </ul>
Customer Relationships
<ul style="list-style-type: none"> <li>• Customers and copy shops can interact the platform through our website on-demand (when, where and how they want), this includes the whole ordering process but also enquiring customer service</li> <li>• The website is mostly self-service, the customers and copy shops will receive the necessary information to resolve the issues on their own (1st level support), may provide communication channels if assistance is</li> </ul>

<p>needed (customer service)</p> <ul style="list-style-type: none"> <li>• Customer service should be 2nd level support and resolve issues of customers and copy shops as quickly as possible</li> <li>• As platform and website are fully integrated in our business model there will be no additional costs except for the dedicated customer service</li> </ul>
Channels
<ul style="list-style-type: none"> <li>• <b>Awareness:</b> Word of mouth (recommendations by past customers), digital marketing (Google / Youtube / Facebook, Instagram), other sponsorships or marketing activities (e.g., recommendation by universities, sponsorship of student events, free printing of lecture scripts at Fachschaft), recommendation by copy shop (e.g., have stickers at front door indicating that they use a certain platform [e.g., restaurants having Lieferando stickers])</li> <li>• <b>Evaluation:</b> word of mouth (customers telling potential customers about positive experience with the platform), website (to evaluate how easy it is to set up a print order)</li> <li>• <b>Purchase, Delivery:</b> website (customers and shops interact over website, copy shop processes order), copy shop (copy shop fulfills print job and delivers to customer)</li> <li>• <b>After-sales:</b> website and/or email (contact users over website and inform about promotions)</li> </ul>
Key Activities
<ul style="list-style-type: none"> <li>• Develop platform: provide website and platform for copy shops and end-customers, develop the feature which provide value to our customer (e.g., easy search for copy shops, search for templates, setting own printing templates, choosing payment options, choosing delivery options, seeing order status)</li> <li>• Maintain platform: e.g., ensure that platform runs continuously</li> <li>• Customer onboarding: help copy shops and customers to sign up on our platform</li> <li>• Customer service: answer customers questions through emails and provide after sale services for customers, resolve potential issues (e.g., customer doesn't pay)</li> <li>• Sales and marketing: attract copy shops and customers to our platform</li> </ul>
Key Resources
<ul style="list-style-type: none"> <li>• Platform: the most important place offering all functionalities of easy and intuitive user experience to customers and copy shops to carry out transactions and generate profits for platform)</li> <li>• Personal: Employees (team of development, team of operation, team of management, and other employees)</li> <li>• Financial: Funding (financing from investors to pay for everything)</li> </ul>
Key Partners
<ul style="list-style-type: none"> <li>• Copy shops: provide their printing services on printing platform</li> <li>• Internet provider (supplier): provide technical infrastructure services to run website / platform</li> <li>• Payment provider: provides payment method (e.g., access via Paypal API) for ordering process</li> <li>• Investors: provides funding / investment for our website / platform</li> <li>• Students: by printing and setting document requirements students also contribute towards selection of pre-defined document styles</li> <li>• Universities / student unions: access to students (potential customers) for marketing activities</li> </ul>
Cost Structure
<ul style="list-style-type: none"> <li>• Personnel cost (software development, customer service, onboarding of new customers, business development [outreach to printing shops to establish partnerships]) → expensive, most of initial effort will be spend on getting the website up and running, fixed costs</li> <li>• Platform operation cost (e.g., hosting the platform, buying cloud credits, etc.) → variable costs, depending on the traffic we generate and want to cover</li> <li>• Payment method fee (fee to be paid to payment provider) → (relatively) expensive since fees will scale together with the transaction volume we generate and paid through online payment method (variable costs)</li> <li>• Marketing (promote the platform via online Ads [e.g., Google Ads, Instagram, Facebook, etc.], or offline marketing activities), these are variable costs</li> <li>• Hardware (e.g., laptops for employees), fixed costs</li> </ul>

- Other costs (e.g., costs for registering GmbH, office rent), fixed costs
- Economies of scale: the more printing jobs occurred on our platform, the lower our cost per transaction is;
- Economies of scope: the more cities our business covers, the lower our cost per transaction is.

Overall, our business is more value driven since we focus on creating maximum value for our core customer (student) by following the customer-first approach.

*Details seen in table (Cost Structure) below*

#### Revenue Streams

- Brokerage model, we are market-makers by bringing customers and sellers together to facilitate transactions (print jobs)<sup>1</sup>
- Revenue generated by charging **fee or commission** for each successful transaction
- Fee is to be paid by **print shop**
- Fee is charged when order is successfully sold. This fee is calculated as a percentage of the total amount of the sale. The total amount of the sale includes the item price, and any shipping and handling charges. Sales tax isn't included in the calculation. If for some reason the buyer doesn't pay, the copy shop needs to either cancel the sale or report it as an unpaid item in order to be eligible for fee refund.

*Details seen in table (Revenue streams) below*

Revenue Streams							
Students of Munich	Graduates in Munich (per Year)	30% Market Share in Munich	Spend on Printing per Student in Munich (per Year)	Transaction Volume (per Year)	Revenue - 10% of Transaction Volume (per Year)	Revenue - 10% of Transaction Volume (per Month)	Revenue-per Month -Expand in 4 Cities (München, Berlin, Stuttgart,Köln )
120.000	30.000	9.000	120,00 €	1.080.000,00 €	108.000,00 €	9.000,00 €	36.000,00 €

Cost Structure		
Fixed Cost (Once a life) in EUR		25.000,00
Costs for registering GmbH	25.000,00	
Variable Cost (per Month) in EUR		25.690,00 / Month
Personal Cost		16.000,00
Employees DevOp team(2 Persons)	8.000,00	
Employees of Marketing Team (1 Persons)	4.000,00	
Employees of Management Team (1Persons)	4.000,00	
Platform Operation Cost		190,00

<sup>1</sup> <http://digitalenterprise.org/models/models.html#Brokerage>

Hosting the Platform	40,00	
Buying Cloud Credits (730 hours/ month)	150,00	
Payment Method Fee		4.500,00
Fees Charged by Bank/Payment Platform / PayPal	5% of Transaction Volume per Month	
Marketing Cost		2.000,00
Promotion Fees via Digital Ads (Google Ads, Instagram, Facebook)	1000,00	
Offline Marketing Activities Fees	1000,00	
Variable Cost - Hardware		1.000,00
Laptops	500,00	
Other Office Supplies	500,00	
Other Cost		2.000,00
Rent of Office	2000,00	

***It takes 3 years to reach the break even point.***

*Our business model is mapped to **1** of the business model categories as presented in the lecture.*

### **Brokerage - Transaction Broker**

Brokers are market-makers: they bring buyers and sellers together and facilitate transactions.

Our platform as a broker plays a role in:

Business-to-Consumer (B2C): offline shops provide online printing services on our platform to individual customers, who need printing services, like printing theses, scripts etc..

Our platform as a broker charges services providers (offline copy shops) a fee or commission (10% of the transaction volume) for each transaction it enables.