TextChange

Textbooks just got cheaper.

1782 W. Dell Dr.
Anaheim, Ca 92801

(714) 757-557

Available soon on the Apple App Store

Executive Summary

The number one complaint students have about college, is that college costs too much. One of the expenses students loathe are purchasing their course textbooks. Why? Because college textbooks are expensive. College students do whatever they can to avoid buying such expensive textbooks, some might go as far as participating in illegal activities to do so.

TextChange is an app that will let students rent or buy their textbooks from other students near them. This easy and efficient app will give students the option to rent their textbooks for a day or for an entire semester. How is this different from Amazon or Chegg? Aside from giving the option to rent for as little as a day, the app gives the students the ability to either request it delivered to them or to pick it up. The best part is that this app bases your request for textbooks, all on whoever is closest to you.

Description of Business

TextChange will be a limited liability company. The company will be managed by Steffanie Rodriguez and Adam Allred.

TextChange Team

Since we will be a new company we will only have four employees. We do plan to be a successful app and plan to hire more employees to maintain customer satisfaction.

Business

Steffanie Rodriguez, Business Manager

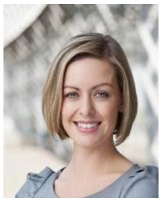
Steffanie will be responsible for all duties regarding the business aspects of TextChange. She will be CEO and interim CFO. She will be passing the position to CFO once there is enough funding to hire an experienced employee.

Communications

George Rodriguez, Projected Client Success Manager

George has four years of experience as a Client Success Manager previously with Uber. He will be responsible for driving revenue-generating growth and customer retention. He will be qualified ensure a seamless transition from sales to client successfully, and return important customer insights to help TextChange succeed.

Marketing



Melanie Johnson, Projected Marketing Researcher and Designer

Melanie has three plus years of experience in marketing research for a previous private company. She will work alongside our engineer to design an efficient and easy mobile app. She will also give us a cost estimation to develop TextChange.

Engineering

Adam Allred, Engineering Manager and Designer

Adam has three years of experience as an engineer with a former private company. He will oversee all the logistics of developing the TextChange app, making sure it will function successfully. He will work alongside Melanie, to ensure the app is aesthetically pleasing for our customer base.

Problem

According to NBC, textbook prices have risen three times the inflation rate at 1,041 percent since 1977. Although the prices of textbooks have increased, shockingly, only 23.4% of college students buy their required textbooks. Of the college students who do buy their textbooks, they spend on average $1,200 on books and supplies every year. Worst part is only 9.4% of surveyed students said they **always** need a few chapters from the textbook. Around 34% answered this question claiming they needed a few chapters for their course **most** of the time.

Amazon and Chegg are optional solutions to this problem, they offer students the option to rent, buy, or sell on their websites, but one issue with these companies is that it takes time for their textbooks to reach students. Students can also sell their textbooks back to bookstores and other independent stores or websites, but they are given low-balled price offers. There is a faster and more accessible solution to this problem that can help college students get their money's worth. The solution is TextChange.

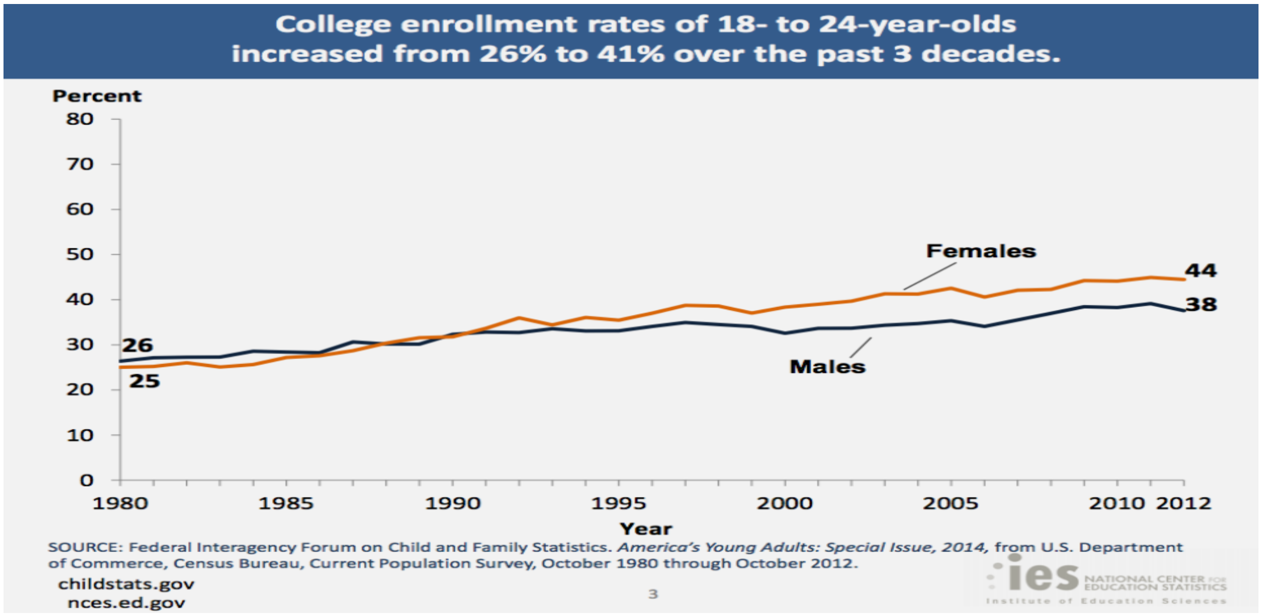
Solution

TextChange is an app that allows student-to-student textbook renting and buying based on geographical location. Think of the efficient Uber app but for textbooks. TextChange allows you to search for the textbook you need and connects you to a student closest to you, who is willing to let you rent it or buy it. The app gives students the option to rent a textbook minimum of one day and maximum of one semester's length. Students will be able to spend less money when they need a textbook and the students who no longer use their textbooks can get a certain amount of return.

Marketing

Market Analysis

The Target market for TextChange will consist primarily of college students between 18-25 years old. According to the National Center for Educational Statistics, college student's average income is $14,400. As of 2016, the college graduate average loan debt is $37,172. There are 20.5 million undergraduate college students currently enrolled across the nation. Of these, 11.5 million are women.

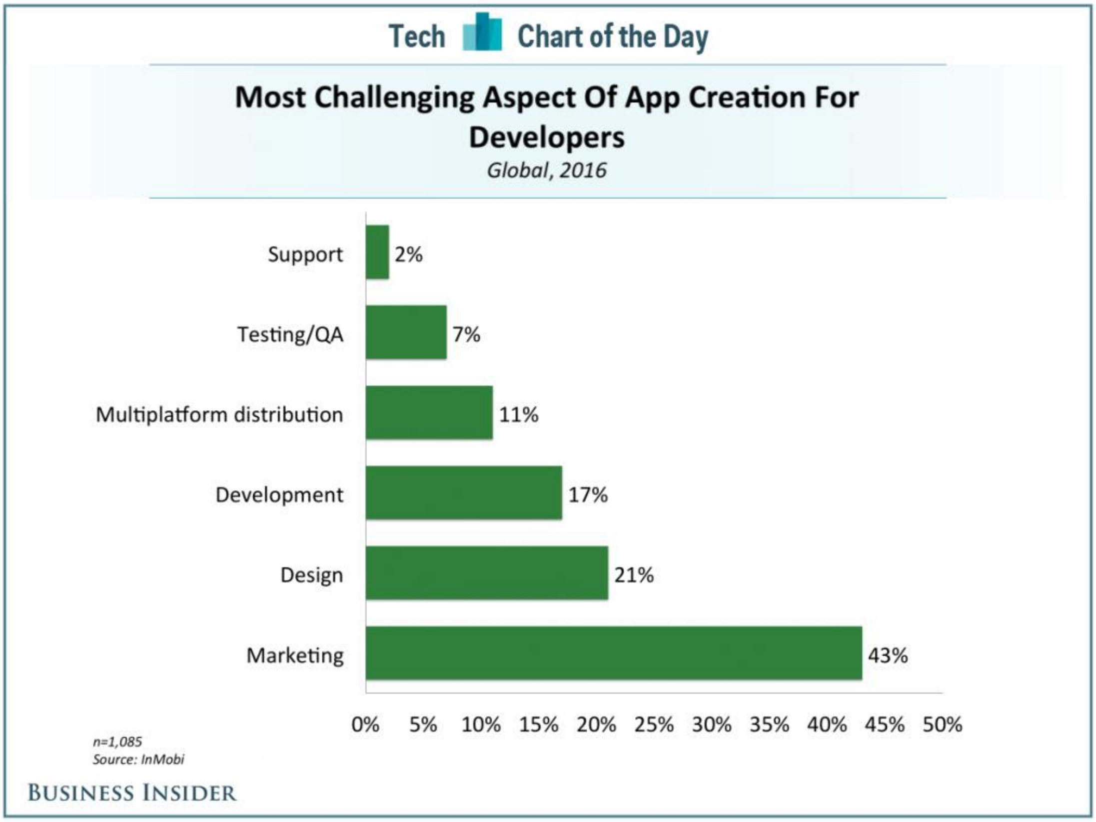


Location

The goal for this app is to have it universally accessible someday, but it must first be tested in a target location to see if it is going to be successful. TextChange will be available for use at the top 10 universities with the most undergraduate students. If there are towers and Nasa still has their satellites in rotation, TextChange can be accessed by anyone with a smartphone. Our headquarters will be in Anaheim, California because that is where most our employees live.

Platform

TextChange will be offered in the IOS Apple Store before being offered on any other app platform. This is because the median revenue per app on IOS is generally $300-$700 more than an Android. The app will eventually be available on the Android App store, but it won't be until TextChange generates enough revenue to invest money to convert the version to an android app.



Projections

Milestones

	Incomplete	In the Process	Complete	Duration (projected)	Cost (projected)
Phase 1: Discovery of App Idea					
Goal of App			x	1 day	0
Research Apps			x	3 days	0
Target Audience			x	1 day	0
App Store Platform			x	1 day	0
App Cost Decision			x	1 day	0
Analyze Competition			x	1 day	0
Gather Feedback			x	1 day	0
Phase 2: Hire Team					
Engineer/Designer		x		1 week	4,000
Marketing Researcher/Designer		x		2-4 weeks	1,500
Communications		x		2-4 weeks	2,000

Phase 3: Designing the App	x			3 months	1,000
Phase 4: Developing the App	x			6 months	6,000
Phase 5: Testing the App	x			1 month	2,000
Phase 6: Launching the App	x			-	0
				Total Cost	**16,500**

Competition

The other competitors in student-to-student book exchange apps are:

1. Book U
2. Textbook Valet
3. Cash4Books
4. Borrow'd
5. BB Campus

Although these are direct competitors for TextChange, these apps lack consistency, reliability, and functionality. These apps are very low quality that do not work at times, some do not allow users to enter the app because they crash. TextChange will be different because it will not have these issues, because the investments of money and time will make sure this app succeeds.

Business Model

TextChange will develop revenue in two ways. One, charge a service fee to users renting or selling their textbooks to other students with our platform. Since we are technically the "middle man" of the transaction, we provide our users a faster and more available location to exchange their books for money. How this will work is very similar to Uber, we will take a certain percentage of their profits. This idea will let us retain our users in both directions. For the students who rent or sell their textbooks out, they will continue to use our app because we won't take advantage of their services and loyalty. For the students who rent or buy the textbooks, they will continue to use our app because we offer a cheaper and faster alternative compared to competitors.

The second way we will develop revenue is by giving other companies in-app advertisements options.

Financing

I have $6,000 saved for TextChange. I am requesting to borrow $10,500 for phases 2-4. I will use the TextChange money to hire developers to make sure the app and service are stable, recruit marketing and sales professionals to distribute the app, get customer service personnel to keep customers happy, etc. Developing an app can range from $10,000 - $400,000. TextChange will be on the lower end of this cost spectrum because my team will charge me less to get this app out in the app store, in exchange for a permanent job with paying benefits.

TextChange only needs two investors during this time. The two investors will each get 5% ownership of the company.

References

"Best Way to Promote New App." *Best Way to Promote New App - AppFutura*. N.p., n.d. Web. Nov. 2016.
https://www.entrepreneur.com/article/228328

"College Textbook Prices Have Risen 1,041 Percent Since 1977." *NBC News*. N.p., n.d. Web. Nov. 2016.
http://www.nbcnews.com/feature/freshman-year/college-textbook-prices-have-risen-812-percent-1978-n399926

"High Textbook Prices Affect Student Grades, Study Shows." *USA Today*. Gannett, n.d. Web. Nov. 2016.
http://college.usatoday.com/2014/01/29/cost-of-textbooks-affects-student-grades-study-shows/

Tan, Adella. "How to Choose the Best Platform for Your Mobile App." *How to Choose the Best Platform for Your Mobile App*. N.p., n.d. Web. Nov. 2016.
http://blog.smaato.com/how-to-choose-the-best-platform-for-your-mobile-app

"Fast Facts" N.p., n.d. Web. Nov. 2016.
http://nces.ed.gov/fastfacts/display.asp?id=372

"How Often Do Students Actually Use Their Textbooks? | The Daily Californian." *The Daily Californian*. N.p., 2013. Web. Nov. 2016.
http://www.dailycal.org/2013/11/25/often-students-actually-use-textbooks/

"How Do Free Apps Make Money?" *Savvy Apps*. N.p., n.d. Web. Nov. 2016.
http://savvyapps.com/blog/how-do-free-apps-make-money

"U.S. Student Loan Debt Statistics for 2016 | Student Loan Hero." *Student Loan Hero*. N.p., n.d. Web. Nov. 2016.
https://studentloanhero.com/student-loan-debt-statistics/