



EconomEco

Business Plan

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Executive Summary

Product

We offer a marketplace platform for environmentally-friendly companies to sell their products. These products will mainly be practical, everyday items. Aside from this marketplace we have a phone application which creates an economic and competitive incentive for users to participate in environmentally-friendly challenges. Upon completion of these challenges, users will earn points, and at a certain threshold, they will earn rewards like t-shirts and bracelets. Those that earn the most points on a leaderboard will earn extra prizes every month along with recognition of their virtues.

Customers

Our customers will mainly be students and young adults, but we believe we can reach people of all ages that are looking for common household items to boost their standard of living.

Future of the Company

As environmental education becomes more advanced and climate change becomes a more relevant factor in most people's lives, we hope to reach out to even more people. We will cooperate with other nonprofit organizations as they can help build our public image, connect us with a larger customer base, and help boost sales. We will also establish chapters of this cooperation at high schools so that more students and their families have access to information about the environment. Students will receive SSL hours for their work.

Company Description

Mission Statement

Right now, climate change is projected to cause 250,000 deaths each year between 2030 and 2050. The mission of our project, EconomEco, is to incentivize people to save our environment and spread awareness of how pressing climate change has become, while simultaneously helping the people that are hit the hardest.

Principal Members

Carina Guo: Co-Founder, Member

Sirui Xue: Co-Founder, Member

Richard Tan: Co-Founder, Member

Legal Structure

EconomEco is a limited liability company located in Maryland. It will partner with one or more nonprofits in a private-nonprofit partnership model.

Market Research

Industry

Right now, most retail companies offer two kinds of products: first, those which are cheap and practical, but environmentally harmful, or second, goods that are environmentally-friendly, but expensive. These environmentally-friendly companies also do not have a lot of exposure, so they have a hard time selling their products to mass markets. The problem is a lack of consumer incentive—the majority of people want environmental protection to be easy and usually will not help this cause unless they are directly affected. By creating a platform for these companies to reach out to more customers, we also motivate customers to buy more of their products, naturally benefiting the environment.

Detailed Description of Customers

Students in particular are always looking for ways to save money. They are the biggest buyers of backpacks, phone cases, notebooks, and many other items that can be easily made with environmentally-friendly materials. Crucially, students and young adults are empirically proven to be the most politically engaged in environmental policy. As a whole, our customer base includes everyone of all ages and classes. However, as students are also the most integrated into social media and communication technology, they will be the main ones that help spread our message to others.

Company Advantages

	Environmental Impact	Price	Reward Incentive	Customer Service	Quality	Shopping Experience	Shipping	Product Variety
EconomEco	5	4	5	3	5	2	5	3
Amazon	2	3	0	5	3	5	5	5
Ebay	3	5	0	4	2	4	4	5
JouleBug	4	0	3	0	0	0	0	0

Figure 1: Comparison of Competitor Advantages and Disadvantages

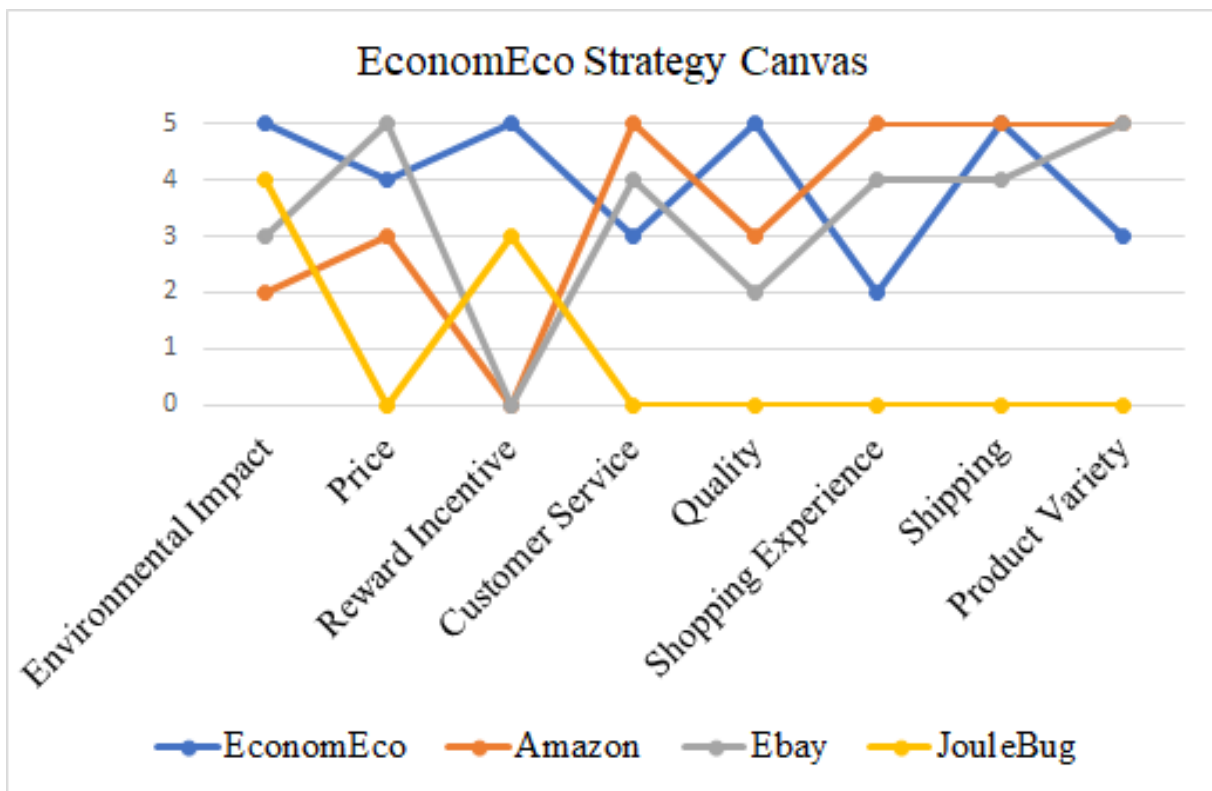


Figure 2: Visual representation of business competition

Companies that represent a marketplace would be competition such as Amazon or eBay. Though they have been successful with mainstream products, most businesses crowd out eco-friendly

ones, and they don't include a section for challenges. EconomEco is specifically for eco-friendly businesses, but still reaches out to the same broad range of consumers because the products are relatively common. On the other hand, companies like Joulebug may incorporate environment-friendly challenges, but they have neither a marketplace nor a monetary bonus system for completing these challenges. Thus, we would attract an even larger consumer base because we provide more incentive to get involved.

Regulations

EconomEco will follow the federal, state, and local regulations of home-owned businesses. As a limited liability corporation, we will also follow taxing regulations - taxes will be on personal income of the members, rather than the corporation, and members will pay self-employment tax contributions towards Medicare and Social Security.

Most regions do not allow SSL hours to be given to students working under a for-profit. Instead, they will be awarded hours under the title of the partnered nonprofit organization.

Service Line

Product/Service

- Marketplace for eco-friendly products, with discount codes for users purchasing orders above a certain amount
- Environmentally friendly challenges that distribute points to users that allow users to compete with each other and can be used to receive rewards (e.g. walking instead of driving a car, recycling, and referring friends)
- Donations for planting potatoes in developing and impoverished nations
- High school clubs and partnerships with recycling centers

Pricing Structure

The price of our products will be set by the companies offering the product. However, we will charge companies a small sales fee of 5% per transaction.

Donations will be an ancillary revenue stream, but all of the money that comes in through donations will almost entirely go towards planting potatoes in developing, impoverished nations.

Research and Development

EconomEco has already conducted basic market research on how online retailers charge people for selling on their platform. A 5% sales fee on transactions is slightly below the majority of marketplace rates which will both encourage companies to join us, as well as keeping enough profit for us to grow.

Marketing & Sales

Growth Strategy

To grow the company, EconomEco will:

- Create high school clubs (chapters)
- Advertise on social media (e.g. Facebook Groups, Instagram)
 - Due to the point reward incentive, users will also help advertise on social media
- Partner with environmentally-conscious interest groups

Communicate with the Customer

- Customers can contact us through social media platforms such as Instagram, Twitter, Facebook, and WeChat
- We will have a customer service section on the website and app
- Our contact information will be on the website and app

How to Sell

The members will be in charge of advertising on several social media accounts. Once clubs at high schools are set up, we will have student outreach teams that will be responsible for advertising EconomEco contacting student governing bodies and local school news sources.

We will contact companies whose products we see as viable for the marketplace and offer them a venue to sell their products such as Stasher Bags, Mom's Organic Market, and Pela Phone Cases.

From the company's perspective, our platform is another revenue stream for them.

One risk is that there are companies are hesitant to sell their product on the marketplace. In this case, we plan to purchase common goods wholesale and retail them out to customers ourselves. Once we gain enough customer traffic, then our platform will be more established, so companies will be more willing to sell their product. There is little financial risk, as the costs for starting this company only includes minor costs such as website maintenance and application developer fees.

Profit Projection

We project that EconomEco will generate a profit of \$1800 in the first year. This figure comes from three factors: first, the 5% sales fee, second, the expectation that the products cost an average of 30 dollars and third, the projection that we will have 100 sales a month. Thus, we will get 1800 dollars in the first year. Then, we project that the number of products and consumers will increase, so our profit will increase by 30% every year.

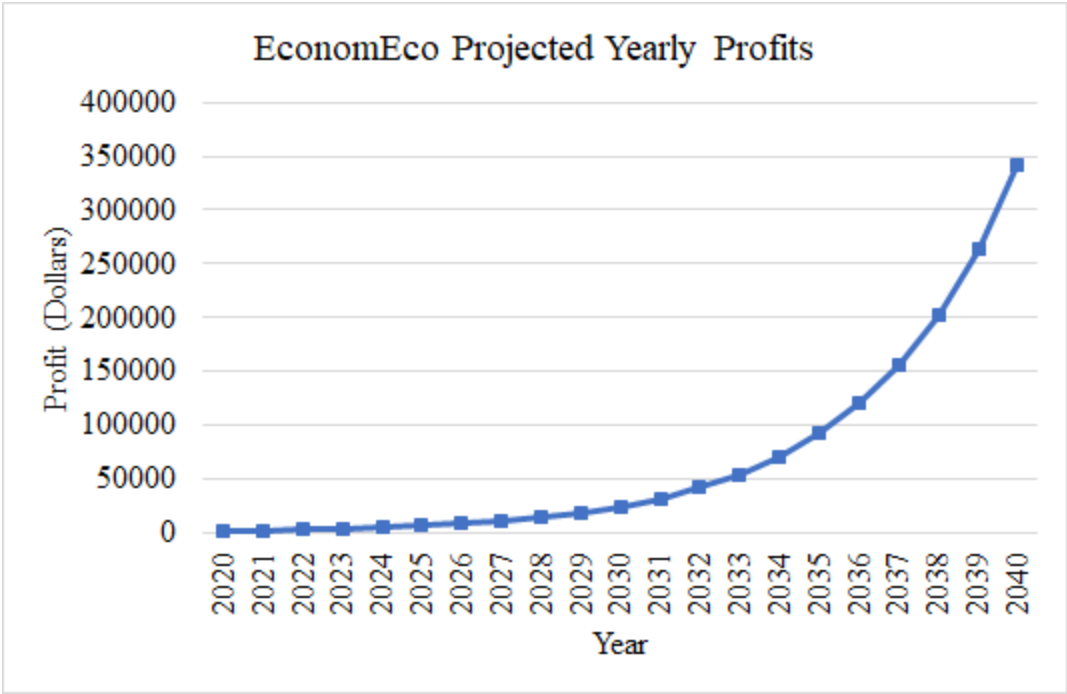


Figure 3: Graph of Projected Profit for EconomEco

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