**1.0 Executive Summary**

**Company Profile Summary**

The face of tutoring is changing and Zebra Tutoring plans on being in the forefront of the new wave of tutors. Zebra Tutoring Services offers Writing/Reading Tutoring Services in the Riverdale area primarily to high school students by making learning fun and fully engaging the students to want to learn. The area of focus will be in the Riverdale area of Toronto. Zebra Tutoring is fully owned by Tanya Maliak who has three years’ experience tutoring students on a part time basis (tutored 17 students to date) gaining valuable experience working for Oxford Learning. She holds a degree in English and her interests lie in pedagogy – specifically designing effective and engaging one-on-one tutoring modules. She has taken three pedagogical tutoring training courses from Dartmouth College and is a committed life long learner.

**Market Research Summary**

The face of tutoring has changed dramatically in the last 10-20 years. In 2010 CBC did a report on the Canadian tutoring industry which has gone through dramatic changes with growth projections of over 7% per year predicted. The drive has been pushed by parents who have solid post-secondary education and wish the same for their sons/daughters. The tutoring business in Canada is generally fragmented with a good mix of large established tutoring companies like Sylvan, Oxford and Kumon. With demand increasing and more players entering the market creating a niche will be important. Zebra Tutoring will be targeting parents with University Education with household incomes of $80,000 – 160,000 and whose daughters and sons are rising achievers.

**Marketing Summary**

Zebra Tutoring’s key strategy is to be an active member in the community (Riverdale area) and to be seen as an expert on engaging students with their own learning. A secondary strategy will be placing posters, with tear offs, in coffee shops, grocery stores and community centres in the area, a common practice for new tutoring businesses. In social media, Zebra Tutoring will initially focus on Linkedin (since the target group are mainly professionals and executives).

The location will be located at 222 Danforth Ave. Liability insurance, marketing costs and providing professional workbooks will be needed. To ensure quality tutoring Tanya Maliak is committed to the latest ongoing training. Students will work in a relaxed, productive but fun environment. Zebra tutoring will encourage frequent feedback to improve our process and experience.

**Finance Summary**

$12,000 will be needed to start the business with funds coming from the Futurpreneur Canada Start-up Program. In the first year of business, while the foundation is built, Zebra Tutoring plans on generating just under $36,000 in sales with expenses of $7,500. By the second year plans are to increase its sales by 60% to $58,000.

**2.0 Company Profile**

**Business Overview**

Zebra Tutoring is a tutoring company (beginning with English tutoring) dedicated to bringing back excitement and student engagement in the learning process. Zebra Tutoring was established on 01/08/2012

Zebra Tutoring is an English tutoring services for high school students that is committed to making lessons engaging and fun -- which in turn motivates students to learn and retain more knowledge.

Zebra Tutoring is a service business. Services and products offered: One-on-one tutoring (30, 60, 90 minutes) Group work (3-5 students) Free information seminars for parents (45 minutes) Workbooks (14 page workbook for level 10 & 11 high school)

**Company History**

Currently from her part-time business Ms. Maliak has three steady clients. In the last four months she has had just over $1,500 in sales working part-time. Various advertising in the local papers did not produce any conclusive results. Instead, networking in local community events proved to be more effective.

**Management**

Zebra Tutoring is run and fully owned by Tanya Miliak, who has over five years of experience as an ESL teacher and has tutored high school students in English. She holds a B. A. in English and has a TESL certificate. Tanya Miliak tutored high school students on a part-time basis for the last 3 years. Ms. Miliak teaches in an engaging and interactive manner that has students enjoying the tutoring sessions. Ms. Miliak’s main focus was initially with Newcomers -- and her passion has always been coaching and encouraging those who are adapting to their new environment. Her professional commitment in teaching has won her The Student’s Choice Award in ESL in 2010.

**Location**

Zebra Tutoring will be store front. Zebra Tutoring will be located at 222 Danforth Avenue, Toronto, ON M1M1M1. This location is within walking distance for the majority of clients, close to a number of schools and easily accessible by public transit.

**Legal Structure**

Zebra Tutoring is a sole proprietorship. Zebra Tutoring will operate as a sole proprietorship for the foreseeable future. This is the norm for start-ups in this industry. Insurance will provide protection against any liability.

Zebra Tutoring is interested in securing liability insurance.

**Vision**

To be the benchmark for quality tutoring in the greater Toronto area, with hundreds of testimonials from students and parents.

**Mission**

Tutoring in ways that spark interest and fun and provide relevant examples to the student’s own experience.

**Goals & Objectives**

* Attend three networking or community events a week.
* Steady base of 20 clients by the January 2013 with monthly revenues of $2,800.
* Three exceptional testimonials by February 2013.

**Professional Advisors**

Zebra Tutoring will rely on the services of Ms. Miliak’s long time lawyer and accountant for matters surrounding the start-up of the business.

**3.0 Market Research**

**Industry Profile & Outlook**

Zebra Tutoring operates primarily in the service industry.

The tutoring business in Canada is fragmented with a good mix of large established tutoring companies such as Sylvan, Oxford and Kumon; Region-specific franchise companies like Tutor Bright in the Greater Toronto area and Calgary Tutoring Centres in Calgary; various smaller franchises and many one person operations and online resources like FindaTutor.ca which is a private tutoring search. The industry is unregulated so there are minimal barriers to entry.

However, parents who are making the decision to hire a tutor look for qualifications, years of teaching/tutoring experience and ability to work with children/youth. The determining factor is the quality, method of tutoring and the results.

The tutoring industry has few barriers to entry, making it easy for small operations to set up shop and attract clients. The fact that it is unregulated also means that successful businesses in this industry have built strong reputations through word of mouth and effective advertising.

The tutoring industry has witnessed some dramatic changes in the last 10 - 20 years. The number of formal businesses that offer fuller tutoring services has grown between 200%-500% in major Canadian cities over the past 30 years, a growth that is independent of public school enrolments or economic trends. In Ontario these businesses grew by 60% in the few short years between1996 and 2000 (Davies, Aurini and Quirke, 2002). Franchise opportunities continue to grow and expand and Sylvan was named the number one franchise by the American Association of Franchisees & Dealer (<http://tutoring.sylvanlearning.com/franchising.cfm#opportunity>).

A report on the Canadian Council on Learning (2007) outlines what has happened more recently in the tutoring industry: Janice Aurini, an assistant professor of sociology at the University of Waterloo, describes the growth in supplemental education as a "revolution," created largely by educated parents who feel pressured to help their children compete for the best spots at university. These parents aren't against public school education. They just want more for their kids. Most of these kids are getting A’s and B’s in the public school system. Most parents who hire tutors (73%) estimate that their children's overall academic performance is in the A or B range. Thus, the majority of tutors are hired by parents of children whose academic performance is average to high achieving. Zebra tutoring will therefore focus on rising achievers rather than what the initial assumption of targeting families who have children with low grades.

Household income is the strongest predictor of parents' decisions to hire tutors. Families with annual household incomes greater than $100,000 are almost three times more likely (2.9 times more likely) to hire tutors than families making less than $40,000. An average hourly rate runs around $40/hr. For this reason Zebra Tutoring will be looking at targeting higher income families and families that have university educated parents. There are many tutors who discount their prices but tend to be private tutors who usually work part time. Eighty-one percent of parents who have hired tutors, in contrast to 68% of parents who have not hired tutors, agree that homework was a source of household stress. From a marketing perspective Zebra will include “relieving homework stress for parents” as one of its core messages.

In an article on CBC News entitled the Tutoring Revolution (August 30, 2010), according to the report by the Canadian Council on Learning (2007) spending on tutoring generally has grown between seven and 10 per cent in the last three years and expectations are that this trend will continue. Online tutoring tools and integrating online resources will become a growing market. Technology such as Skype offers more remote tutoring services. However, face-to-face tutoring will continue to play a pivotal role as personal attention is still highly valued. Another growing area is peer tutoring – where students coach and guide each other (in part because the internet has changed the way people access information). Because of the proliferation of the number of tutoring businesses differentiation, methodology and substantiating results will play a greater role in branding a tutoring company.

**Local Market**

In the Greater Toronto Area there are well over 500 tutors (based on the Yellow Pages) and another probable 1,000 tutors who are not listed (and many who work part time). Tutors specialize in subject topics: The demand is strongest in math then the sciences and then Reading/English and even ESL. Zebra Tutoring will specialize in Writing/Reading tutoring which means that approximately 20 % of tutors offer Writing/Reading services (roughly 300). These are based on observations in the Yellow pages. Because Zebra Tutoring is located in Riverdale the immediate market will be focusing on will be the Riverdale area of Toronto.

Three business have been identified as direct competitors: Oxford Learning, Easy Read and Expert Tutors. There may be more as some tutors do not readily advertise. A census done in 2006 shows Toronto’s Ward 30, Toronto - Danforth (which encompasses all of Riverdale area and further space to the east) had 44% of household income over $80,000 (in 2005 terms) and 35% of the population 15 years or older held a university degree – both indicators are part of Zebra Tutoring’s target market.

**Key Competitors / SWOT Analysis**

*TOP Tutors*

Strengths

* Good reputation
* Well established
* Online presence

Weaknesses

* $145 diagnostic test required
* $390 for 8 sessions

Opportunities

* No fee diagnostics

Threats

* May decide waive diagnostic fee
* Offer online tutoring

*Zebra Tutoring*

Strengths

* Familiar with local community

Weaknesses

* Will need to rent space

Opportunities

* Make learning exciting for students

Threats

* High schools may begin to offer in-school tutoring

**Target Market**

Zebra Tutoring is focused on selling to consumers (B2C).

Target Market profile for Zebra Tutoring:

* Parents with children in high school (demographics)
* Students planning on attending university (lifestyle)
* One or both parents holding a degree (demographics)
* Family income: $ 80 k plus (demographics)
* Parents desiring that their children attend university (lifestyle)
* Students needing help in essay writing (behaviour)
* One or both parents are concerned about their community (lifestyle)
* Both parents and children are computer literate (demographics)
* Parents feeling overwhelmed with demands placed on their time with increased competition for university admission (behaviour)
* Located in Toronto’s Riverdale area (scope)

**Keys to Success**

A consistent networking strategy and visibility program (being involved in the community in particular education related activities) in the area of the business location (in this case the Riverdale) will be crucial to develop exposure to parents. Zebra Tutoring will develop a portfolio of testimonials that highlight both the results and the students “love” of learning.

Zebra Tutoring will monitor the tutoring session through feedback from the student and consistently upgrade their methodology and pedagogical approaches (through ongoing training).

**Customer Survey Summary**

Zebra Tutoring Customer Survey Summary 32 people who had used tutoring services in the last 12 months were surveyed between September and October, 2011. Over 65 % of those surveyed indicated that they selected a tutor based on a recommendation from a friend or colleague. The second most common way was through face-to-face interaction (24%). Since word of mouth advertising is a by-product of the business need to make local networking and community relationship development a priority marketing strategy.

**4.0 Sales & Marketing**

**Pricing Strategy**

Fees range from the low end of $20 hr to $55/hr Usual range for established tutoring companies like Oxford Tutoring $49/hr with a minimal commitment of at least 2 hours per week. Assessment fees are extra.

Competition: 45/hr plus an assessment fee. Zebra Tutoring will be offering $40/hr for the first 10 hours as an introductory offer.

Pricing will reflect the image of high quality tutoring using the latest student engagement methodologies. A small discount will be offered as an introductory offer but discontinued once the business has established some ground.

**Marketing Strategy**

*Networking in the Riverdale community*

Face to face relationship building is critical to the success of the business. Marketing strategy will focus primarily on networking activities where parents of high school youth are likely to be in attendance (see Primary Marketing Activities detail). Zebra Tutoring’s key strategy is to be an active member in the community (Riverdale area) and to be seen as an expert on engaging students with their own learning.

*Posters in local cafes/shops*

A secondary strategy will be placing posters, with tear offs, in coffee shops, grocery stores and community centres in the area, a common practice for new tutoring businesses (see Secondary Marketing Activities Detail).

*Social Media: Linked In*

In social media, Zebra Tutoring will initially focus on Linkedin (since the target group are mainly professionals and executives) which is an effective way to reinforce connections made at a networking event. Linkedin also hosts Expert Talk Shows and one that we be hosting is “ Getting Your Son or Daughter Interested in their Own Learning” (see Supporting Marketing Activities Detail).

Marketing Activities

*Primary marketing activity*

Zebra Tutoring’s key marketing activity will be networking in the community (primarily Toronto’s Riverdale community) including professional and informal networking groups and through larger community sponsored events such as the Sick Children’s Relief Fund. Representatives will be professionally dressed yet casual at all times.

Networking events will include the Riverdale Share Community Association, Danforth Business Improvement Area, and Concerned Parents Association. The support materials on hand will be business cards and bookmarks. 1,000 book marks will be ordered for a cost of $500. The idea is to be engaged with other parents but not do a “hard sell”. If parents are interested they would be emailed an article titled “Engaging Students Today”. This would be followed up 3-4 days later with an email or phone call. It is important that Zebra tutoring have an effective contact management system. The goal will be to network at least twice a week; three times in peak season (Fall and Spring). The weekly cost will range from $20 to $100 a week with the average being $60/week. It is expected that for every third networking event Zebra Tutoring will land a sale.

Marketing Objectives

**Goal #1:** Three networking events a week starting in November with 2 contacts per event.

**Goal #2:** 10 on-going students a month (2 hours a week) by the end of February 2013.

**Goal #3:** 23 clients ($48,000 in sales) by the end of the first fiscal year.

**Positioning Statement**

Zebra Tutoring is a high quality tutoring company that creates interesting and fun interactions between the tutor and the student.

**The Sales Process**

Zebra Tutoring sales cycle is 2-4 weeks.

The selling processes will involve an informal meeting with potential clients in the form of networking, community meetings, and casual gatherings with associates.  The marketing tactic calls for a soft sales approach.  Individuals will not be sold initially. Instead, interest will be shown to potential clients’ challenges. Once a client has shown interest in tutoring, Zebra Tutoring will follow up with an article on “engaging students” via email (within three days). A follow-up call will be made and where possible a one-on-one meeting arranged (3- 7 days). Zebra Tutoring will outline the tutoring service and ask for the sale. After the meeting most people will need one week to talk it over with their spouse. At that point clients would be ready to buy.  Another week would pass by before a one-on-one meeting was set with the student. Payment is due at the end of tutoring session.

**Strategic Alliances**

Math and science tutors (that strictly offer only those topics) are a natural strategic alliance as they could refer clients to Zebra Tutoring and vice versa and would be seen as a value-added benefit to the parent. Currently a relationship has been formed with Omega Math Tutoring (who is based just east of the Riverdale area) to refer business.

**5.0 Operations**

**Location(s)**

As Zebra Tutoring’s target market lives in and around Toronto’s Riverdale neighbourhood, a lease has been secured at 222 Danforth Avenue. This is within walking distance for the majority of clients, close to a number of schools and easily accessible by public transit. Rent is $1000/month. The space is the upper floor of a two story building with signage on the main level.

Hours of operation are Monday – Thursday 2:00pm – 8:00pm and Saturdays 9:00am – 5:00pm.

Zebra Tutoring website will launch/launched on 16/10/2012.

Zebra Tutoring will have an easy-to-navigate website for marketing and contact information purposes. No monetary transactions will be conducted on the website, however clients will be able to schedule or cancel appointments. The majority of the content on the website will be static, however there will be a link to the blog “A to Zebra” where new material will be posted on a weekly basis.

The website will be developed for launch and will be developed by an external developer. In addition to designing the website and the developing the tutorial scheduler for launch, the web developer will perform maintenance and support on an as-needed basis.

**Legal Issues**

Zebra Tutoring anticipates the following legal issues:

Business licenses

Location & zoning by-laws

Zebra Tutoring has obtained a Master Business License, confirming registration of the business name with Service Ontario. For the sign at the entrance to the building, a sign permit has been obtained from the city of Toronto.

**Insurance Issues**

Zebra Tutoring requires liability insurance.

**Human Resources**

Zebra Tutoring will have 1 - 10 full time staff.

Zebra Tutoring will have 0 part time staff.

Zebra tutoring will start out small with the owner as the only employee. Plans are to hire a part-time independent contractor in April of Year 2 (working 15-20 hours a week) when there will be a substantial increase in business.

**Process/Production**

Zebra Tutoring Process

1. Parent signs a waiver (including liability issues) explaining what services Zebra Tutoring offers and what is expected of the student during tutoring. This is an excellent opportunity to clarify expectations.
2. Parent pays for at least the first 6 lessons up front; for larger amounts they can post-date the cheques.
3. The first session with the student is an assessment of the student’s level of skill and knowledge. Feedback is given and an action agenda is co-created with the student. Zebra reports back to the parent on the initial assessment. Privacy/disclosure issues are talked about in this session.
4. Lessons are designed to suit the student’s style of learning and engagement. Regular check-ins are done to see if the student is finding the tutoring sessions interesting and useful.
5. Records are kept with each student that include the days and time meet with them, the subject or subjects tutored them in, and any problems they seem to have with the material.
6. A follow up report is given after every 6 sessions with the parent.
7. After the full tutoring sessions the student is asked for feedback about the sessions as well as the parent.
8. After all the tutoring sessions (possibly even during) if the student and parent are satisfied with the tutoring a letter of recommendation is asked (posted it on the website with their permission).
9. A check-in is done with the parent and student after three months of the completion of the tutoring as a way to follow up and stay connected.

**Risk Assessment**

Zebra Tutoring will be spending the majority of its efforts networking and engaging in community events. However, should those marketing efforts prove to be ineffective, a much more concerted effort would be made in social media, in particular using facebook, which is part of the secondary marketing strategy.

Zebra Tutoring strength lies in the experience and methodology of the owner. Should the effectiveness of the teaching model of making “learning fun” not work regular feedback sessions with both the parent and the student will inform ways to improve the tutoring services. The owner is committed to learning new teaching methodologies that enhance the learning process.

If, after a full year of business, sales are less than $12,000 (cumulative) Zebra Tutoring would close its door, sell off any supplies such as workbooks, and shut down the website.

**6.0 Financials**

**Start-Up Costs**

The example business plans do not include start-up costs, cash flow or income statement example content. To review how to create these elements for your business, please visit <http://futurpreneur.ca/en/bplan/> and use the free online business plan writer. Not only does it provide tips and tricks on what to include but it outputs a custom spreadsheet with all the formulas you'll need.

**Sales Forecast**

Key Assumptions for Zebra Tutoring

* No sales in the first month due to extensive networking to drum up business
* Slowest months: Dec (holiday season) and July/Aug – summer vacations
* Average hourly rate: $40 (increased to $45 by the end of Year One)
* Each student, on average, will attend one tutoring session per week
* Each student, on average, will have 3 months of tutoring

Year One Sales Forecast (Including Assumptions)

**September - $0**

* Launch of business –extensive networking (at least 3 x week)
* Posters placed at 16 key strategic sites

**October - $640**

* Eager parents who want their son/daughter in tutoring immediately
* 4 students x $40 x 4 weeks
* Continue with extensive networking (3 x a week)
* Attend the local community fundraising event

Year Two Sales Forecast

**Cash flow**

The example business plans do not include start-up costs, cash flow or income statement example content. To review how to create these elements for your business, please visit <http://futurpreneur.ca/en/bplan/> and use the free online business plan writer. Not only does it provide tips and tricks on what to include but it outputs a custom spreadsheet with all the formulas you'll need.

**Income Statement**

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