



IACBE Case Competition 2019

écree

Presented by Lynn University

Who Is ecree?

The ecree Competitive Advantage

We teach. They fix.



Industry Overview











E-Learning, digital education, educational software, edTech:

- The EdTech industry netting over \$9 billion in 2017, up 30% from the prior year (Medium, 2017)
- Industry market size is valued at over \$8 billion, with global spending around \$5 trillion (Brandongaille, 2017)
- Current market growth rates are continuing to exceed 9% in the U.S., and globally at 18.3% (Brandongaille, 2017)

Industry Overview continued

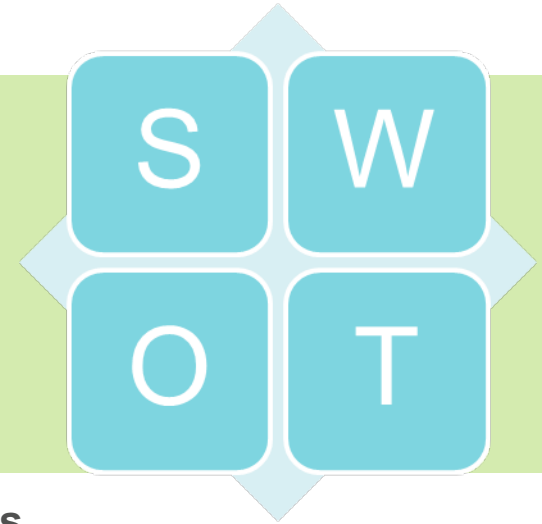
- Over 65% of students are using educational apps/software on a weekly basis (Statista, 2018)
- 53% of those who purchased and/or are using EdTech software are actively trying to develop and improve skills (Statista, 2018)
- Two of the largest barriers to increasing usage are lack of funding by schools and districts at around 63% and the availability of devices at around 60% (Statista, 2018)

Competitive Analysis

	<u>Grammarly</u> 	<u>WhiteSmoke</u> 	<u>Ginger</u> 	<u>Hemingway Editor</u> 	<u>LanguageTool</u> 	<u>Writers Workbench</u> 
Cost (monthly)	\$29.95	\$14.95 (Premium)	\$29.96	\$19.99	\$4.92	TBD (New Platform)
Unique benefits	Simplicity, Precise accuracy and quick fix ability	Language translator	40 languages, dominate IOS performance	Fluency breakdown, low price and teaching	Several languages, easily embedded	Teaching tool, not quick fix tool, education driven
Free trial	Yes	No	Yes	Yes	Yes	Via request
Accuracy	Very Accurate	Relatively Accurate	Very Accurate	Inconsistent	Accurate	N/A
Add on	Yes	No	Yes	Yes	Yes	Yes
Threat level	High	Moderate	High	Moderate/low	Moderate	Low
	<u>ProWritingAid</u> 		<u>CorrectEnglish</u> 			
Cost (monthly)	\$50		\$24			
Unique benefits	Writing coach, offers templates		Writing coach, research tools, formatting			
Free trial	Via Request		Yes			
Accuracy	Accurate		Moderate			
Add on	Yes		Yes			
Threat level	High		Moderate/high			



SWOT Analysis



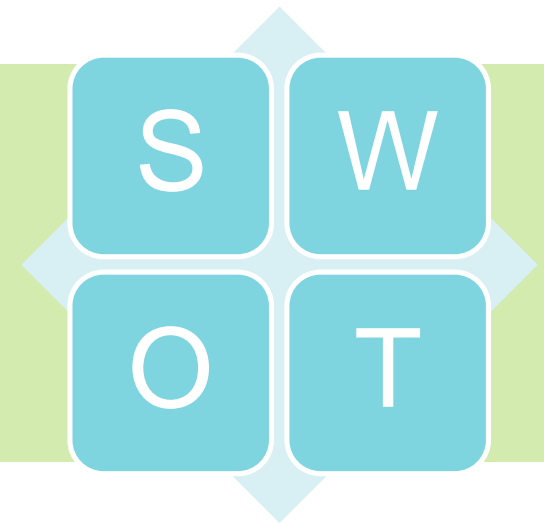
Strengths

- On-demand, quality feedback
- Less expensive than competitors
- More of a customized platform
- Saves teachers and parents time

Weaknesses

- No foreign languages
- Limited free capabilities
- No mobile, iPad, tablet capabilities
- Only on Canvas and LMS
- Paper maximum of 3,000 words
- Lack of brand awareness

SWOT continued



Opportunities

- Booming industry/market
- Trend in technology in the classroom
- Gen Z growing up with technology
- Distance learning on the rise (Statista, 2017)
- Increased number of students in aftercare programs (Statista, 2017)
- Academic under-preparedness is a trend (Statista, 2017)
- The growing number of homeschoolers (3.3%) (Washington Post, 2017)
- The growing number of students with learning differences... 1.8 million (National Center for Education Statistics, 2012)

Threats

- Highly competitive marketplace
- First-mover brands with high brand recognition
- Many colleges offer similar programs
- Some offer for free versions
- Mobile takeover with Gen Z



Target Audience

Primary: **Millennial Moms**

Secondary: **Gen Z**





This is *Sam*



Millennial Moms

The \$2.4 trillion social media influencer (Forbes, 2017)

13 million
Millennial
Moms in the
U.S.

86% use social media to be an influencer... and is not looking for branded messages depicting perfection... She's more interested in authentic marketing that resonates with the realities of her busy lifestyle.

3.4 social
media
accounts

Spend
8+ hours
online a week
primarily
browsing
parenting
advice

46% of Millennial
Moms trust
recommendations
from other parents
(compared to just 36%
of Gen X mothers)

Have an
average of
24 close
friends they
to share
product
recommenda
tions

30% of
Millennial
Moms are
single and
work full-time
jobs

Spends
almost **17**
hours a week
on their social
networks

Sources: Forbes (2017), Weber / Shandwick, KRC Research (2016), MediaPost (2018)



Meet *Jordan*

Generation Z

Growing Up Connected



Contribute
\$44 billion to
the American
economy

By 2020, they
will account
for **1/3** of the
U.S.
population

91% access
at least one of
their social
media
accounts daily

Has an
obsession over
Instagram

Tends to find new products on
Instagram, with 45% using it
for brand discovery

Is **1.3 times**
more likely to
purchase a
product
recommended
by one of their
favorite
influencers

25% said they
spend seven
hours a day on
their phone

Sources: Huffington Post (2016), AdWeek (2018), Adaptability (2018), Business Insider (2018)

Subcultures within Generation Z

- Large homeschool population
- Significant population with learning differences
- Majority are academically under-prepared
- Vast majority are technology advanced (using computers, apps, mobile daily)

Please see Statista slides at the end of the presentation for reference and growth rates.

Creative Strategy



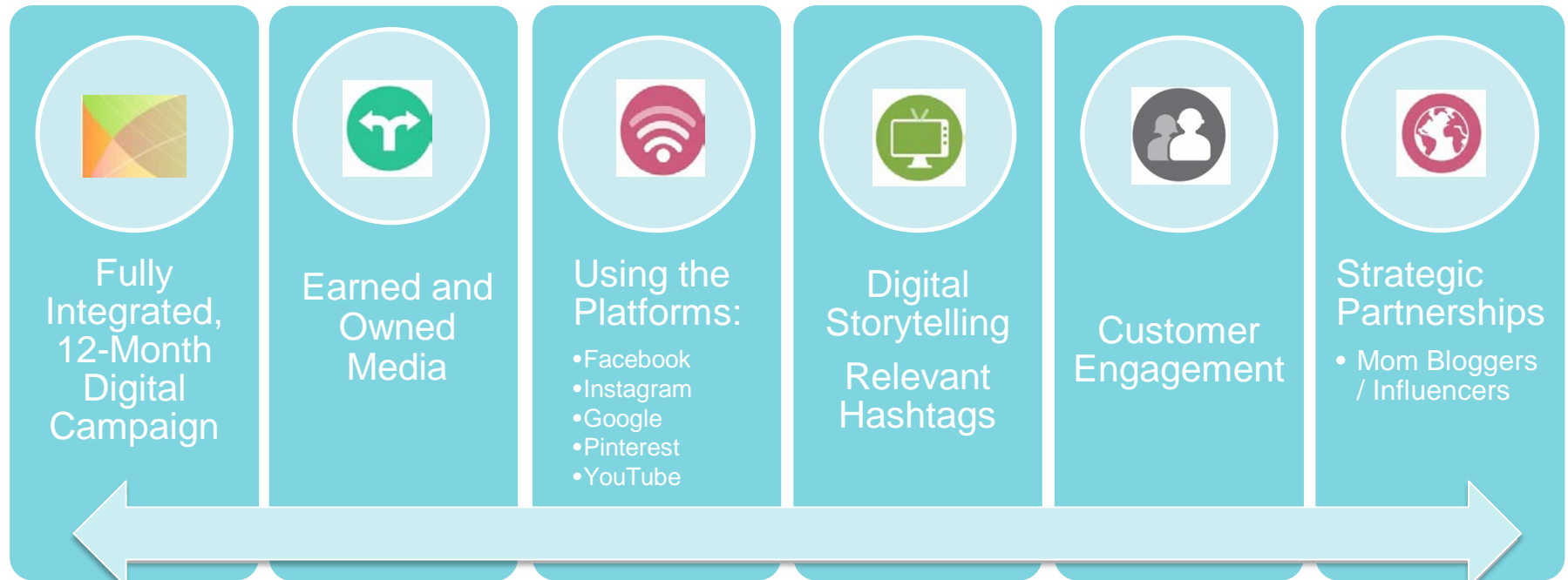
The AHA! Moment ...Based on one common thread



Creative Strategy continued



The **It's Your Time** Campaign





Homework Made Easy

écree

Ecree is a writing app that saves moms time and helps kids succeed.



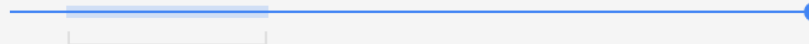
Google Ads and SEO

(A combination of paid and earned media)

Set your budget

\$ ▾ 3,000.00 per day average ⓘ

\$91,200.00 monthly maximum



Typical competitor budget range ⓘ

How your budget works

What you pay for

Pay only when people click your ad or call your business.

How much it costs

Costs vary for each click, but you won't spend more than your monthly budget.

If you change your mind

Try running your ad, but no need to commit. Change your budget or cancel your ad at anytime.

BACK

NEXT

Estimated performance ⓘ

788,692 - 1,314,512
impressions
per month

44,470 - 74,118 clicks
per month

This estimate is based on businesses with similar ad settings and budget.



IT'S YOUR TIME #MomLife #MomWin

THAT MOM-ENT WHEN YOUR KIDDO EARNS AN "A"

ECREE-AN ONLINE WRITING APP
TO HELP MOMS AND THEIR KIDS
SAVE TIME AND SUCCEED

Get 20% OFF! Click for more information.

écree
YOUR PERSONAL ONLINE WRITING APP
HOMEWORK MADE EASY

FaceBook and Instagram Ads

(A combination of paid and earned media)

IT'S YOUR TIME #MomGoals #MotherhoodSimplified

THAT MOM-ENT YOU KNOW LIFE JUST GOT A BIT EASIER

Get 20% OFF! Click for more information.

ECREE-AN ONLINE WRITING APP
TO HELP MOMS AND THEIR KIDS
SAVE TIME AND SUCCEED

écree
YOUR PERSONAL ONLINE WRITING APP
HOMEWORK MADE EASY

Get 20% OFF! Click for more information.

IT'S YOUR TIME

#Winning

THAT SMIRK YOU GET
WHEN YOU KNOW
YOUR PAPER IS
"A" WORTHY

écree

YOUR PERSONAL ONLINE WRITING APP
HOMEWORK MADE EASY

Facebook and Instagram Ads continued

Get 20% OFF! Click for more information.

THAT CONFIDENCE
YOU GET WHEN
YOU KNOW
YOU ARE READY

écree

YOUR PERSONAL ONLINE WRITING APP
HOMEWORK MADE EASY

#Freedom

IT'S YOUR TIME

#GENIUSATWORK

Not a writer? We all can't be good at everything.
But with the [ecree](#) writing app your papers can go from
"blah" to "schwing" in an instant.

Most [ecree](#) users saw a 5 percent increase in their grades
for each paper submitted using the [ecree](#) writing app--
that's like going from an 85% to a 90%
with just a few clicks of a button.

Now you can get the grades you want,
faster and easier than ever before...
and you don't have to rely on mom to proofread.

[So what are you waiting for?](#)

Now you can get the grades you want, the help you need
and the time to do the things you really want to do.

CLICK BUTTON BELOW TO GET STARTED WITH [ecree](#)



Top Mom Hashtags

#momlife

#momcommunity

#mommalife

#bloggermom

#momgoals

#ohheymama

#momblogger

#momconfessions

#modernmom

#parentlife

#welcometoparenthood

#modernmotherhood

#mamalife

#momboss

#momwin

#parenthood_unveiled

#motherhoodsimplified

#momentsinmotherhood

#mommydiaries

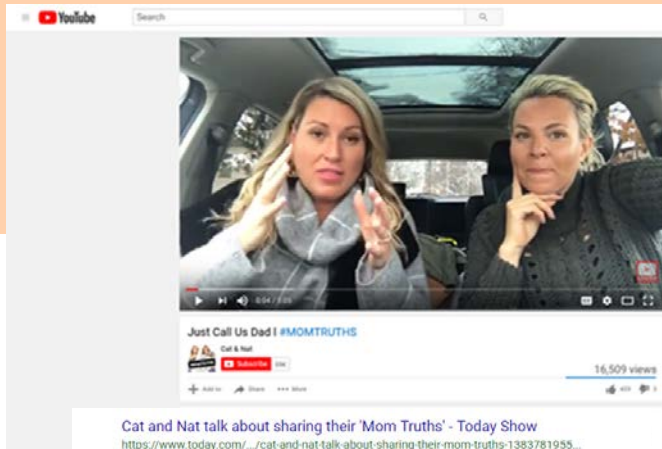
#momlove

#bestofmom

#simplymamahood

#showerdaily

Facebook and YouTube Mommy Bloggers



Cat and Nat talk about sharing their 'Mom Truths' - Today Show
<https://www.today.com/.../cat-and-nat-talk-about-sharing-their-mom-truths-1383781955...>

Nov 29, 2018
Best friends Catherine Belknap and Natalie Teifer - aka Cat and Nat - join TODAY to talk about connecting with ...

Meet Cat and Nat, whose 'Mom Truths' are striking a ... - Today Show
<https://www.today.com/.../meet-cat-and-nat-whose-mom-truths-are-striking-a-chord-wit...>

Aug 17, 2017
Shop Jill's Steals and Deals: Stylish and sporty watches, fashionable belt bags, colorful earbuds, chic ...

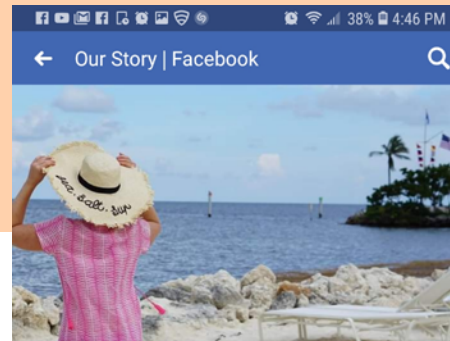
Cat & Nat | TODAY.com

community.today.com/user/catandnat
Cat & Nat head up a rapidly-exploding community of like-minded moms who tune-in daily to watch them re-write the paradigm of "the perfect mom" with honesty ...

Cat & Nat - We are LIVE with Jenna Bush Hager of the Today...

<https://www.facebook.com/catandnat/videos/1426850484097769/>

Aug 1, 2017
We are LIVE with Jenna Bush Hager of the Today Show talking about literally anything and everything! Hot ...



local mom scoop

Our Story

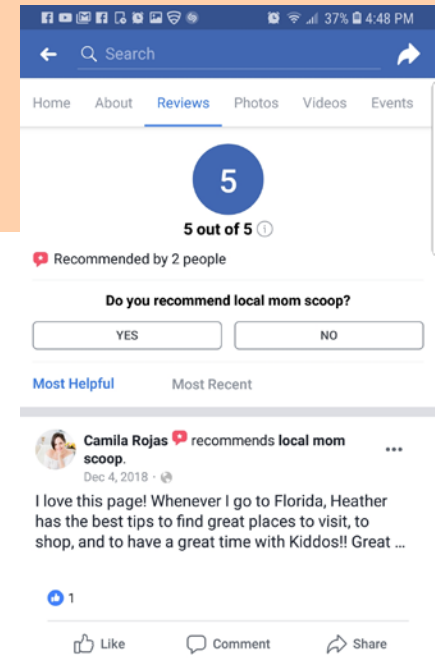
JUNE 25, 2018

A South Florida Lifestyle blog for moms.

As a personal shopper during my pre-mom life, I had the pleasure of helping people look and feel better about themselves. Clients would ask me for advice on what to wear and where to go.

Now, during my journey of motherhood, it's brought me back to helping people again. Not only with fashion, but places to take your children, the hottest dining spots, where to travel with your kids and more.

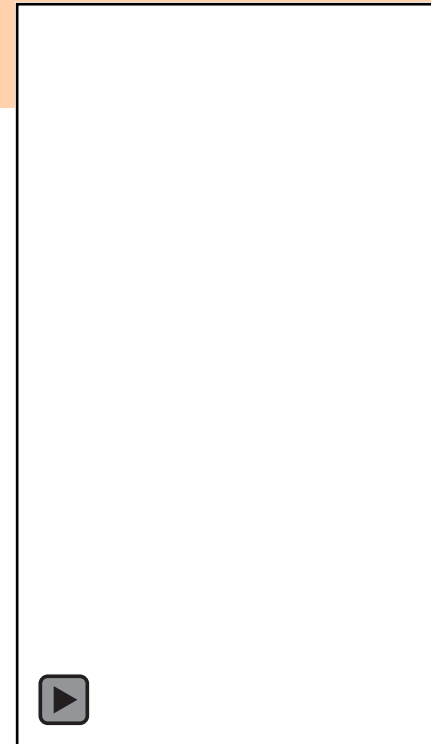
Being a mom in South Florida can be tough sometimes.



Facebook and YouTube Mommy Bloggers continued

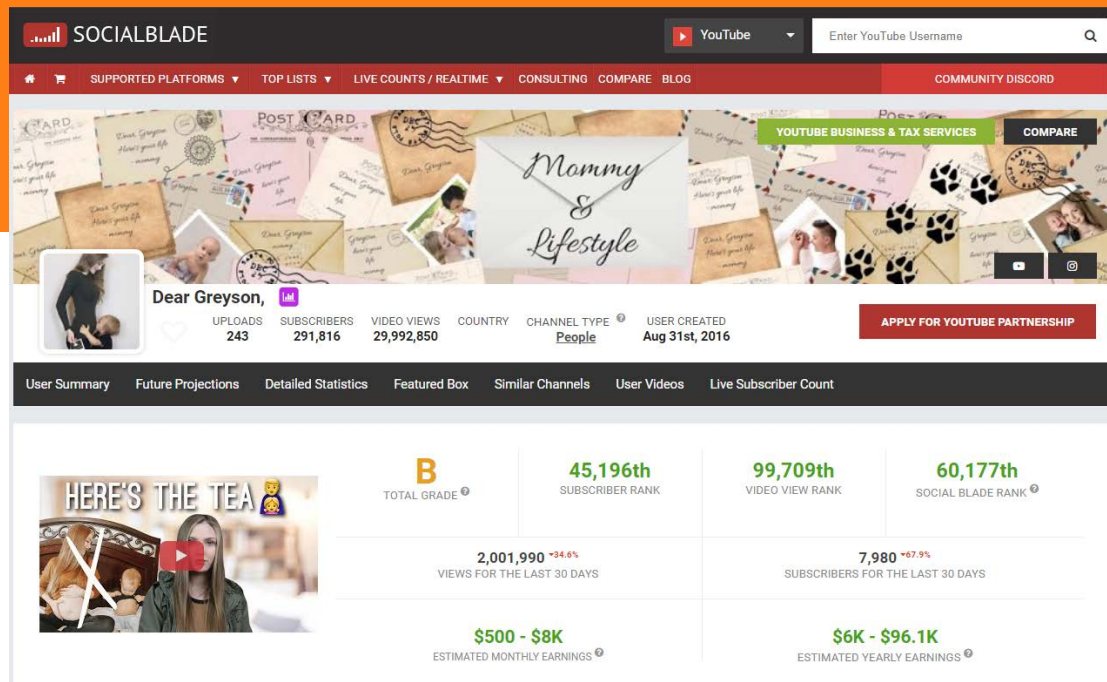
Presenting:
Carpool Conversations
by ecree

Meet *Caroline*
– Mommy Blogger



Top 50 U.S. Mommy Bloggers by Cision

1. LaDonna Dennis – Mom Blog Society
2. Liz Gumbinner – Cool Mom Picks
3. Scarlet Paolicchi – Family Focus Blog
4. Jacinda Boneau & Jaime Morrison Curtis – Pretty Prudent
5. Jenn Worden – Jenn's Blah Blah Blog
6. Lenore Skenazy - Free Range Kids
7. Lisa Leake – 100 Days of Real Food
8. Janel C – A Mom's Take
9. Leah Segedie – Mamavation
10. Kristen Howerton – Rage Against the Minivan
11. Nicole Feliciano – MomTrends
12. Heather Armstrong – Dooce
13. Melissa Weintraub – The Mommyhood Chronicles
14. Cher Kachelmuss – Mom and More
15. Lisa Weidknecht – Planet Weidknecht
16. Pamela Maynard – Mom Does Reviews
17. Kate Marsh Lord – The Shopping Mama
18. Louise Bishop – MomStart
19. Liz Mays – A Nut in a Nutshell
20. Colleen Shibley – Shibley Smiles
21. Vera Sweeney – Lady and the Blog
22. Anna Fader – Mommy Poppins
23. Jennifer Gervens – Sweet T Makes Three
24. Kimberly Vetrano – She Scribes
25. Crissy Page – Dear Crissy



Pinterest

ecree

0 followers · 0 following

ecree is a FAST, EASY AND PERSONALIZED writing feedback that can help every student – and every teacher.



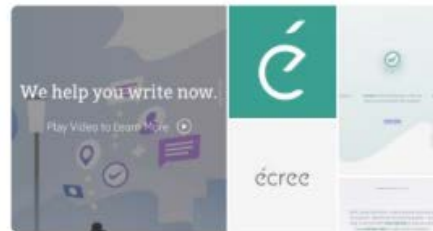
Boards

Pins

Tries

Topics

0 boards



ecree

10 Pins



Writing tips

6 Pins



Teacher

2 Pins



Learning differences

1 Pin



Homework Help

5 Pins



Homeschool

5 Pins

Digital Media Plan

Key Metrics

	Google	Facebook	Instagram	Pinterest	YouTube
Conversion Rates	8.2%	4.7%	3.1%	2.9%	.5%
Traffic Drivers *	9.1%	13.9%	3.9%	NA	1.25%

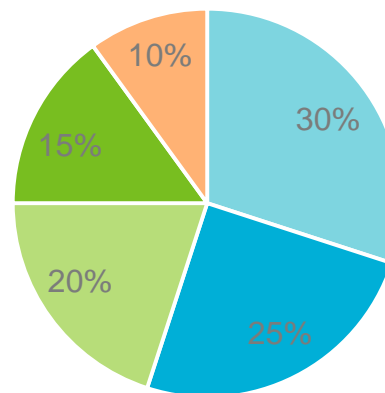
* Average % of visitors websites received from each platform

Source: Forbes (2018)

Digital Budget

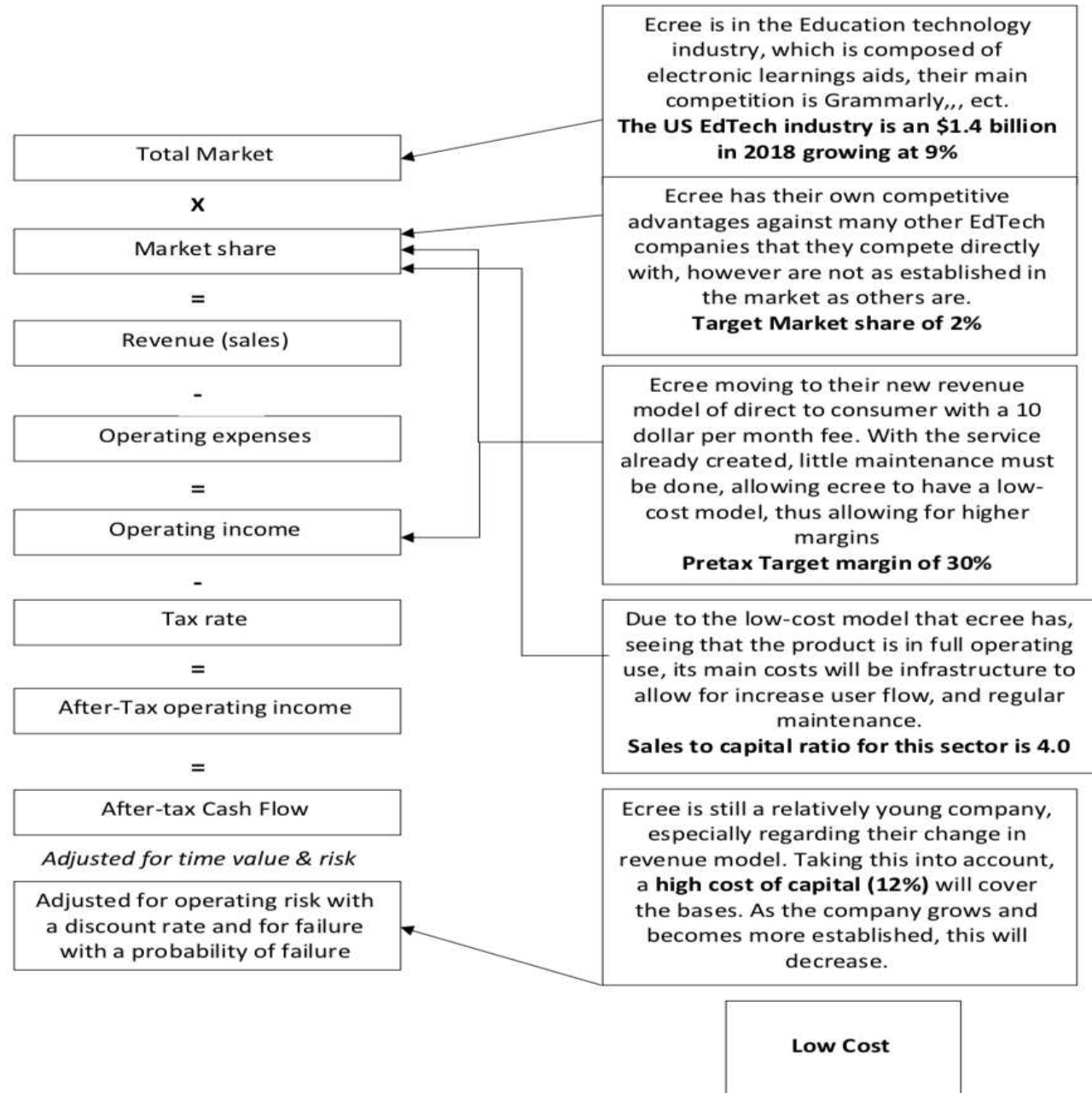
\$6 million
marketing budget 2019
(based on 20% of revenue)

Social Media



■ Google SEO ■ Facebook ■ Instagram ■ Pinterest ■ YouTube

Financials





Financials continued

Year	2019	2020	2021	2022	2023	
Total User Number	234014	297052	333084	360117	378170	Total user number includes 200,000 pre existing users
Revenue	\$ 28,053,646.27	\$ 35,610,575.17	\$ 39,930,140.38	\$ 43,170,807.78	\$ 45,335,062.05	annual revenue based off of 9.99 per month
Highschool Students	40000.00	40016.00	40029.61	40036.01	40045.22	highschool enrollment for the US total off of 0.25% + growth rate
	0.04%	0.03%	0.02%	0.02%	0.09%	
Growth Rate	150.0%	175.0%	100.0%	75.0%	50.0%	500.00%
Attriction Rate	10%	10%	10%	10%	10%	
User Number	260016.00	330057.61	370093.62	400129.83	420189.28	

Financials

continued

	Intrinsic Valuation					
	1	2	3	4	5	
Overall market	\$ 1,450,000.00	\$ 1,580,500.00	\$ 1,722,745.00	\$ 1,877,792.05	\$ 2,046,793.33	US EdTech market 1.4B us dollars growing 9%
Market Share (Gross)	1.935%	2.253%	2.318%	2.299%	2.215%	targeted market share takeover of 2% over 5 years
Annual Revenues	\$ 28,053.65	\$ 35,610.58	\$ 39,930.14	\$ 43,170.81	\$ 45,335.06	
Operating Margin	23.93%	24.16%	25.75%	27.31%	29.34%	corporate tax rate of 21% as benchmark
Operating Income	\$ 6,713.41	\$ 8,602.64	\$ 10,281.49	\$ 11,787.83	\$ 13,300.52	
Effective Tax Rate	21%	21%	21%	21%	21%	generating between 3.06 - 4 dollars of revenue for every dollar of capital
less taxes	\$ 1,409.82	\$ 1,806.56	\$ 2,159.11	\$ 2,475.44	\$ 2,793.11	
After-Tax Operating Income	\$ 5,303.60	\$ 6,796.09	\$ 8,122.37	\$ 9,312.38	\$ 10,507.41	
Sales/Capital Ratio	\$ 4.00	\$ 4.00	\$ 3.77	\$ 3.57	\$ 3.06	
Free Cash Flow to the Firm	\$ 7,013.41	\$ 8,902.64	\$ 10,581.49	\$ 12,087.83	\$ 14,801.39	
				discount rate	12%	discount rate of 12%, which is the top end of most US companies

Financial Index

Numbers in 000s					
	eegree financials	5 year			
VC Totals	\$ 1,500.00	\$ 300.00			
Software development (43%)	\$ 645.00	\$ 129.00			
Sales & Business Development (%)	\$ 525.00	\$ 105.00			
Marketing (15%)	\$ 225.00	\$ 45.00			
Office and Admin (7%)	\$ 105.00	\$ 21.00			
check	\$ 1,500.00	\$ 300.00			
Cash Flow					
Year	2019	2020	2021	2022	2023
sources of capital					
VC Capital	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00
other	\$ -	\$ -	\$ -	\$ -	\$ -
Total capital contributions	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 1,200.00
Revenues	\$ 28,053.65	\$ 35,610.58	\$ 39,930.14	\$ 43,170.81	\$ 45,335.06
growth %	N/a	78.78%	89.18%	92.49%	86.82%
Total Sources of Cash	\$ 28,353.65	\$ 35,910.58	\$ 40,230.14	\$ 43,470.81	\$ 46,835.93
Uses of cash					
Software development	\$ 4,337.05	\$ 5,470.59	\$ 6,118.52	\$ 6,604.62	\$ 6,929.26
% of revenue	15.00%	15.00%	15.00%	15.00%	15.00%
Sales & Business development	\$ 8,521.09	\$ 10,788.17	\$ 12,084.04	\$ 13,056.24	\$ 13,705.52
% of revenue	30.00%	30.00%	30.00%	30.00%	30.00%
Marketing	\$ 5,655.73	\$ 7,167.12	\$ 7,631.73	\$ 7,815.75	\$ 7,751.96
% of revenue	20.00%	20.00%	19.00%	18.00%	17.00%
Office & Admin	\$ 2,826.36	\$ 3,582.06	\$ 3,814.36	\$ 3,906.37	\$ 3,647.80
% of revenue	10.00%	10.00%	9.50%	9.00%	8.00%
percentage of revenue use	75.00%	75.00%	73.50%	72.00%	70.00%
Opeartional Costs	\$ 21,340.23	\$ 27,007.93	\$ 29,648.65	\$ 31,382.98	\$ 32,034.54
Operating P/L	\$ 6,713.41	\$8,602.64	\$10,281.49	\$ 11,787.83	\$ 13,300.52
Net cash flow	\$ 7,013.41	\$8,902.64	\$10,581.49	\$ 12,087.83	\$ 14,801.39
cash flow growth rate	n/a	27%	19%	14%	22%
Beginning Cash Balance	\$ -	\$ 7,013.41	\$ 15,916.06	\$ 26,497.54	\$ 38,585.37
Ending Cash Balance	\$ 7,013.41	\$ 15,916.06	\$ 26,497.54	\$ 38,585.37	\$ 53,386.76

Thank you

A sincere thank you to **IACBE** and **ecree**
for this amazing, hands-on learning opportunity.

References

Industry Overview Sources:

<https://medium.com/the-edtech-world/edtech-landscape-743716608675>

<https://brandongaille.com/23-edtech-industry-statistics-and-trends/>

<https://www.statista.com/study/17598/e-learning-and-digital-education-statista-dossier/>

References continued

Millennial Moms Sources:

https://www.schoolfoundations.org/sites/schoolfoundations.org/files/2016nc_What%20Matters%20to%20Millennial%20Parents_40%20Millennial%20Mom%20Facts.pdf

<https://www.forbes.com/sites/christinecarter/2017/06/15/millennial-moms-the-2-4-trillion-social-media-influencer/#7ed4ed0b2261>

<https://www.mediapost.com/publications/article/313742/millennial-moms-the-misunderstood-influencer.html>

References continued

Gen Z:

https://www.huffpost.com/entry/8-key-differences-between_b_12814200

<https://www.adweek.com/brand-marketing/as-gen-z-reshapes-the-social-media-landscape-marketers-need-to-be-open-to-change/>

<http://adaptly.com/understanding-new-generation-gen-z-social-platforms/>

<https://www.businessinsider.com/teens-gen-z-generation-z-what-teens-are-like-2018-6#gen-z-spends-a-lot-of-time-on-their-phones-4>

References continued

Top 50 Mommy Bloggers:

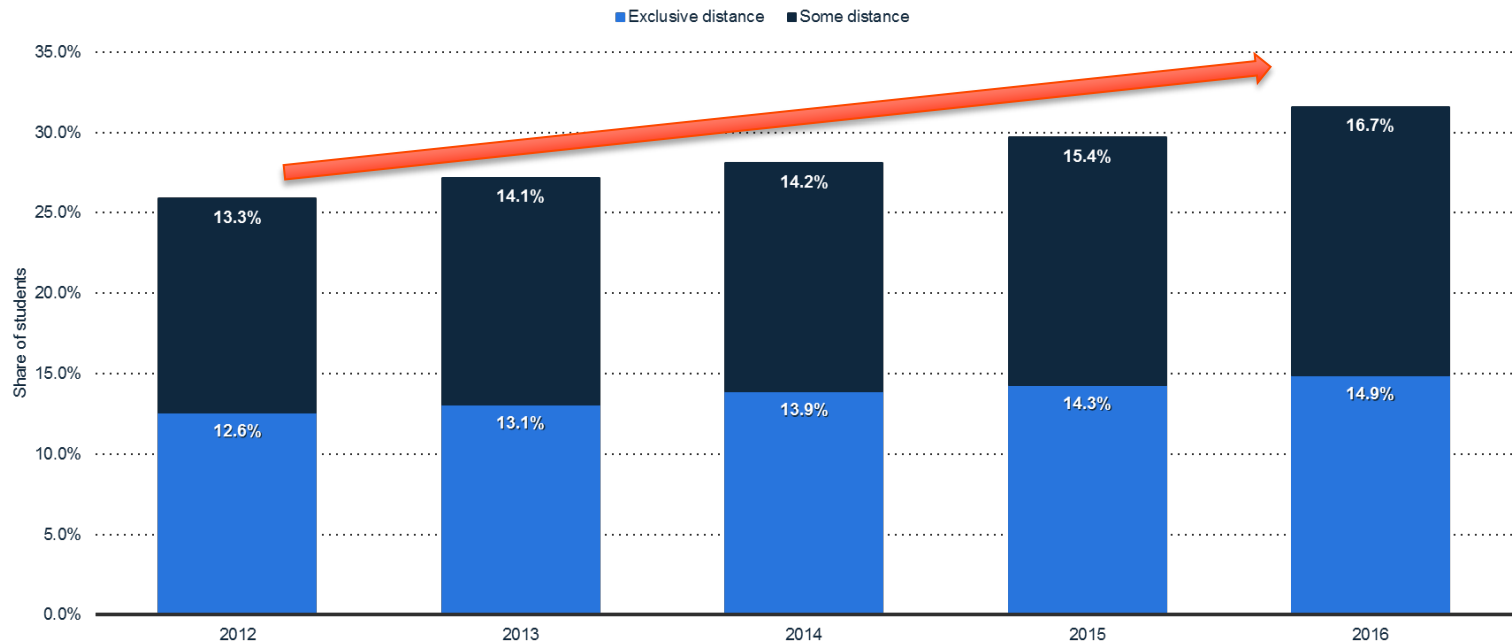
<https://www.cision.com/us/2014/05/top-50-u-s-mom-bloggers/>

Appendix

The following data and graphs were presented as part of the research conducted for the **Industry Overview, SWOT Analysis, and Generation Z Subcultures** portions of the presentation.

Percentage of students in the United States taking distance learning courses from 2012 to 2016

U.S. student distance learning enrollment 2012-2016



Note: United States; 2012 to 2016

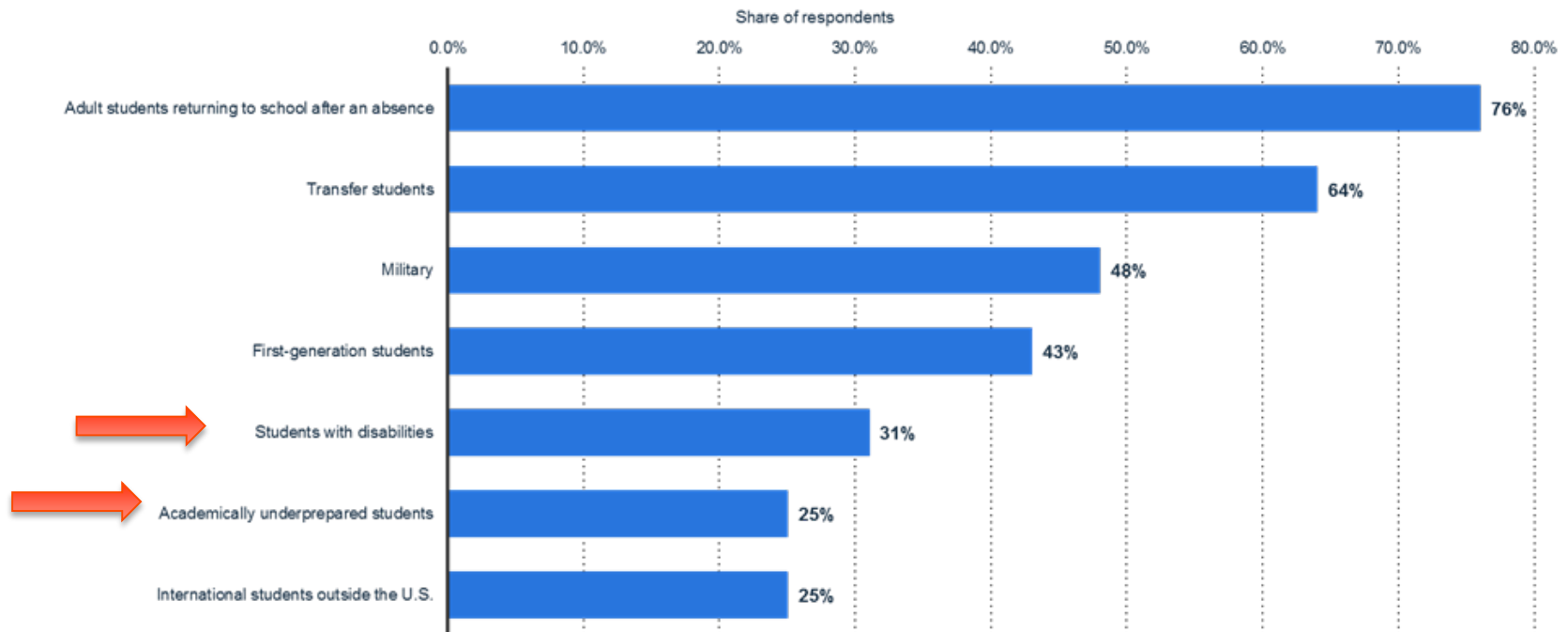
Further information regarding this statistic can be found on [page 35](#).

Source(s): BSRG; [ID 944245](#)

[Market overview](#)

Target populations of online education programs in the United States in 2017

U.S. population targeted by online education programs 2017



Note: North America, United States; October and November 2017; 295 Respondents; School administrators representing public and private nonprofit colleges and universities offering online courses

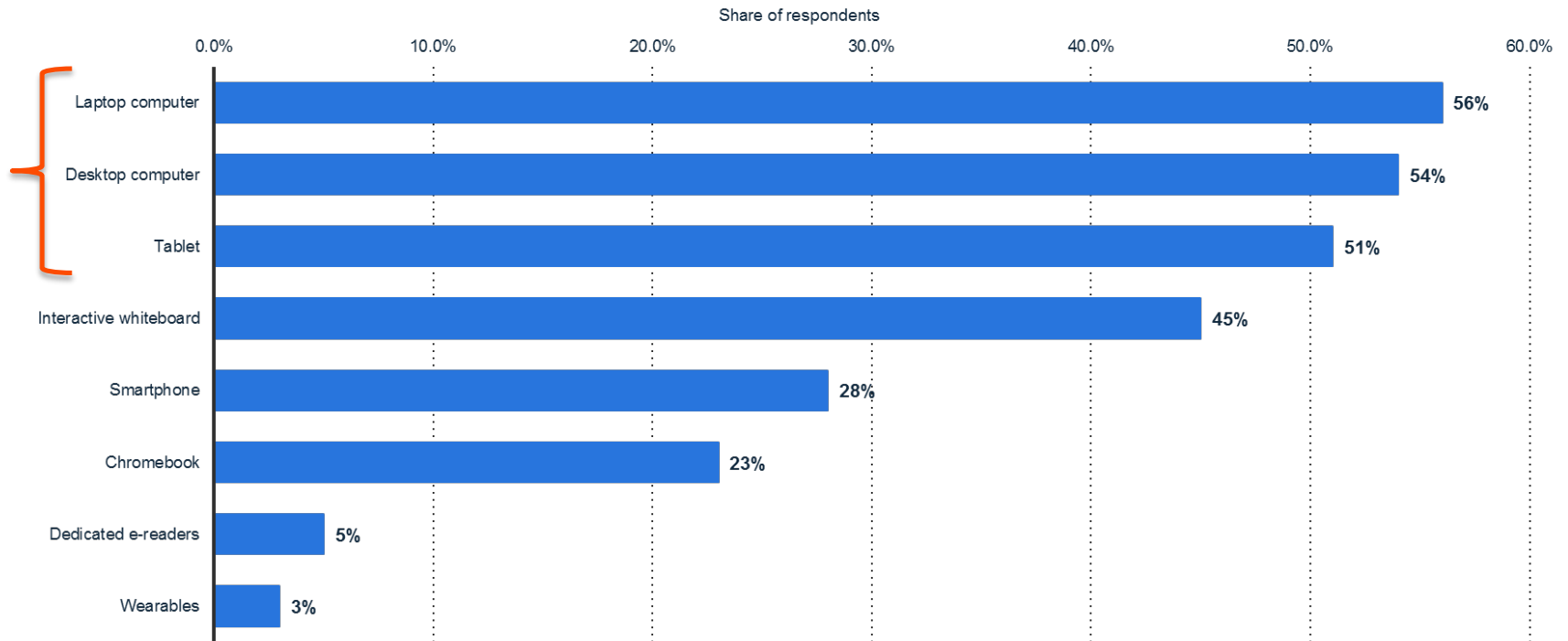
Further information regarding this statistic can be found on [page 41](#).

Source(s): BestColleges ; [ID 731146](#)

[Course selection and enrollment](#)

Which devices are used in the classroom in a typical week?

U.S. classroom device weekly usage 2016



Note: United States; 2016; 18 years and older; 2,800; PreK-12 classroom teachers in public or private schools; parents of children under age of 18, who, if they have school-aged children do not home-school their child; children in kindergarten through grade 12

Further information regarding this statistic can be found on [page 54](#).

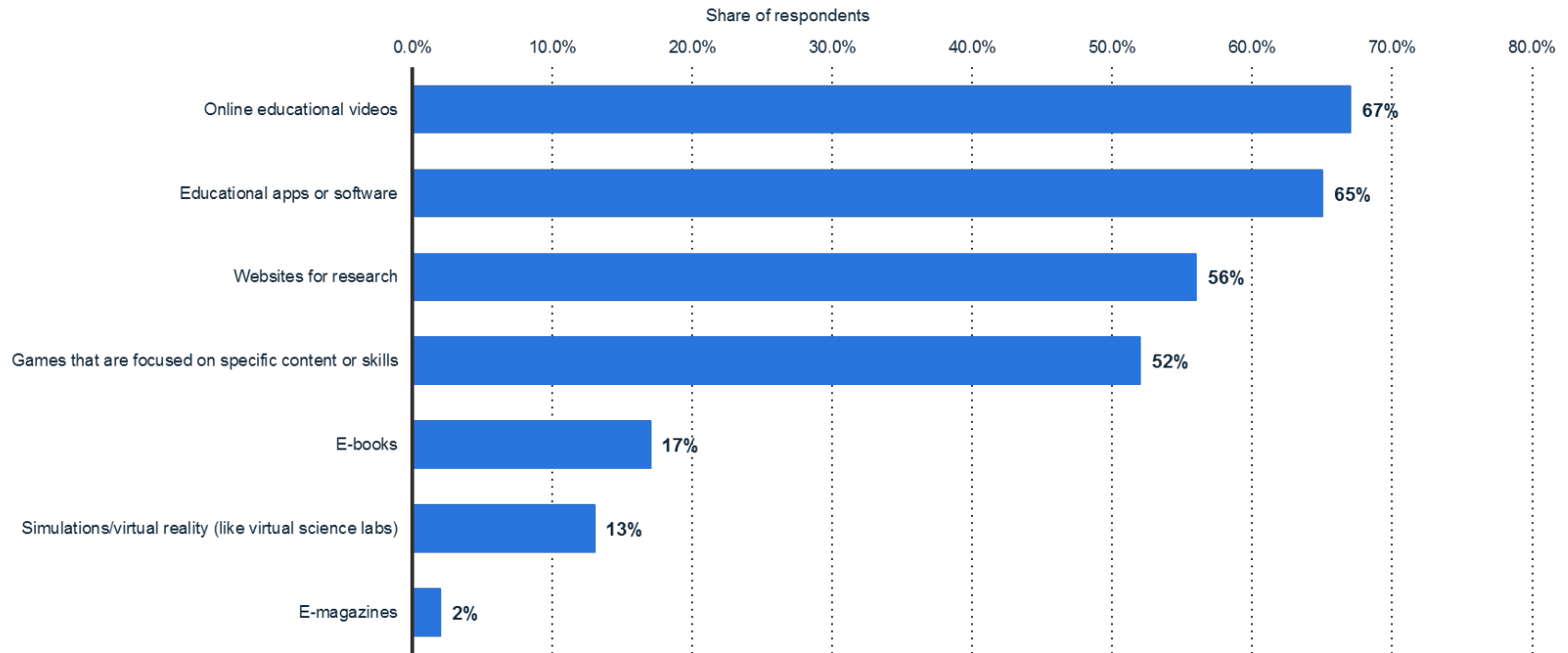
Source(s): Deloitte; [ID 266605](#)

2/3

 [PreK-12 classroom](#)

Which digital learning materials do you use in your classroom in a typical week?

U.S. classroom digital learning materials weekly usage 2016



Note: United States; 2016; 18 years and older; 2,800; PreK-12 classroom teachers in public or private schools; parents of children under age of 18, who, if they have school-aged children do not home-school their child; children in kindergarten through grade 12

Further information regarding this statistic can be found on [page 55](#).

Source(s): Deloitte; [ID 658475](#)

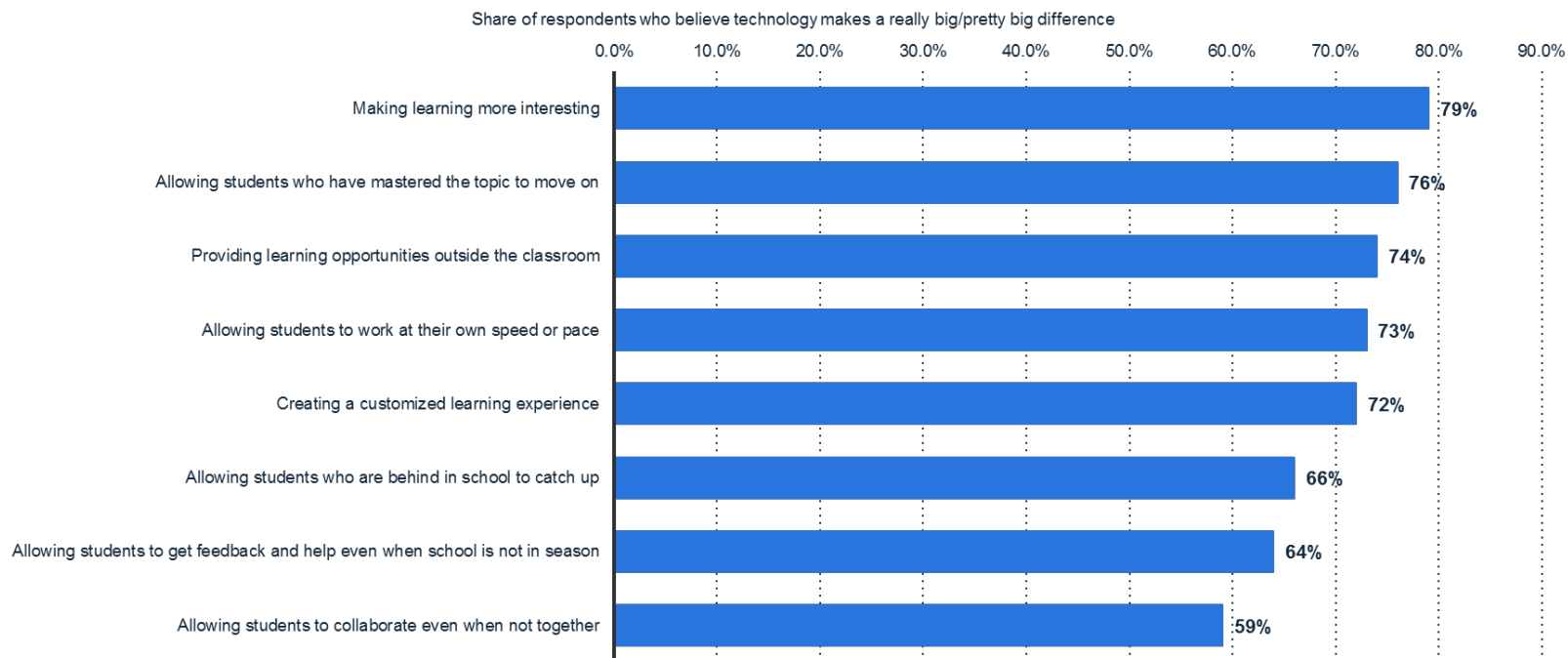
23



[PreK-12 classroom](#)

Perceived positive difference of classroom usage of education technology according to educators in the United States in 2016

U.S. positive influence of education technology usage 2016



Note: United States; 2016; 18 years and older; 2,800; PreK-12 classroom teachers in public or private schools; parents of children under age of 18, who, if they have school-aged children do not home-school their child; children in kindergarten through grade 12

Further information regarding this statistic can be found on [page 56](#)

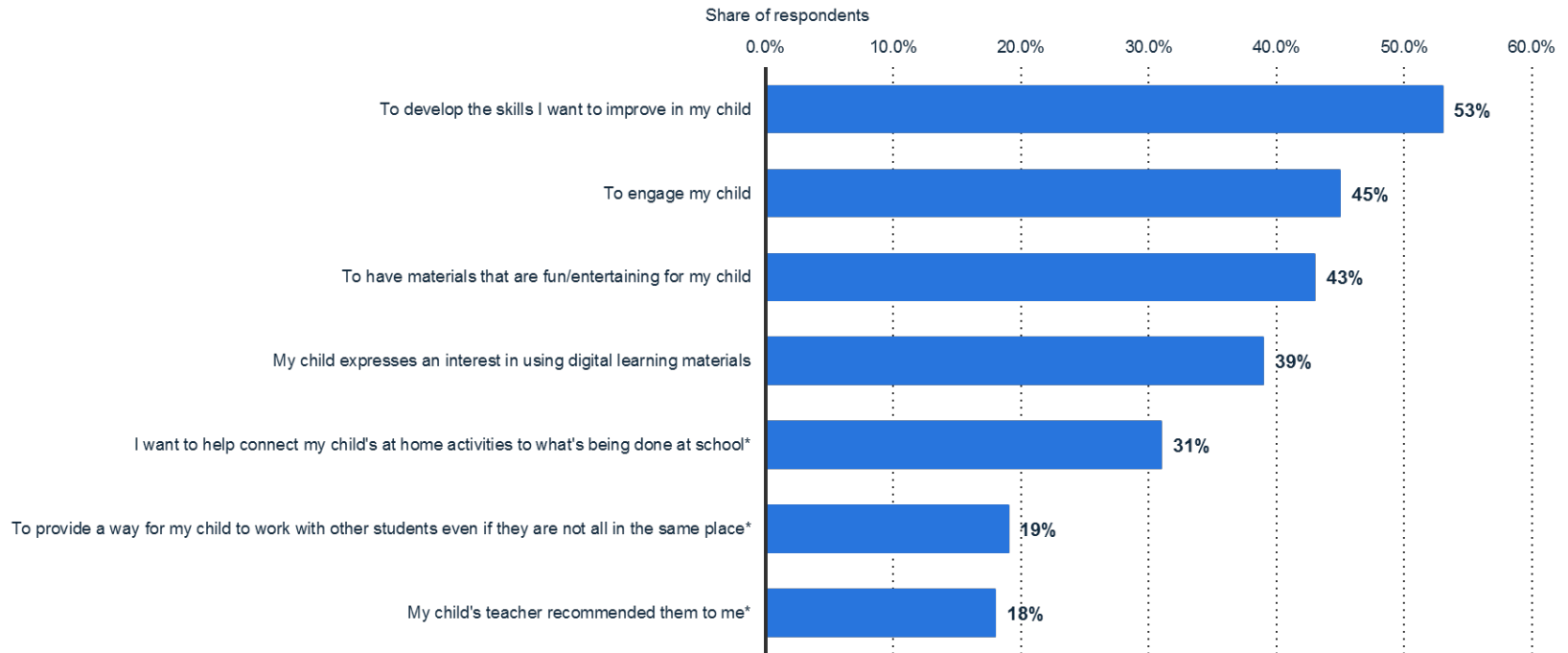
Source(s): Deloitte; [ID 658500](#)

30

[PreK-12 classroom](#)

Which are the top reasons you acquire or want to acquire digital learning materials for your home?

U.S. home digital learning materials acquisition reasons 2016



Note: United States; 2016; 18 years and older; 2,800; PreK-12 classroom teachers in public or private schools; parents of children under age of 18, who, if they have school-aged children do not home-school their child; children in kindergarten through grade 12

Further information regarding this statistic can be found on [page 58](#).

Source(s): Deloitte; [ID 658552](#)

[PreK-12 classroom](#)