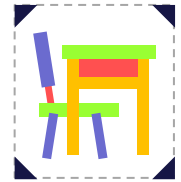











BUSINESS MODEL - EMPTYDESKS.COM



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|--|--|---|---|--|
| <p>Co-founders </p> <ul style="list-style-type: none"> • Social business accelerator with extensive experience with Higher Education (15 yrs. of exp. with HE) • Ex-Provost of well renowned university (50 yrs. with HE) • MIT University official with PhD, and profound HE network (12 yrs. with HE) • Social media company CEO | <p>Key Activities </p> <ul style="list-style-type: none"> • With customers: Validated learning to assure buy-in of value proposition and viral, sustainable growth • With partners: Building a large and growing network of high-quality partner institutions | <p>Value Propositions </p> <p>For customers:</p> <ul style="list-style-type: none"> • 20-50% discounted prices • Large and varied availability of high-quality courses to keep enrolled and earn a degree • Streamlined application process • Career advice and pathways • Course ratings and reviews to empower student choices <p>For partners:</p> <ul style="list-style-type: none"> • 2-5 additional percentage points of EBITDA margin (colleges usually have margins of 0-20%) • Recognition as socially responsible institutions with access to a diverse population • Path to educational innovation and differentiation | <p>Customer Relationships </p> <p>For customers:</p> <ul style="list-style-type: none"> • Outstanding online community experience to search, analyze, rate, and review courses <p>For partners:</p> <ul style="list-style-type: none"> • One on one • Customer Relationship Management reports | <p>Customer Segments </p> <ul style="list-style-type: none"> • Main customer: low-income, first-generation college student who drops out of college; in total there are 4.5 million in the US, 89% don't earn a degree in 6 years; the biggest ethnicity is Latino • Other customers <ul style="list-style-type: none"> – First time student curious for a risk-free experience with college – Adult continuing learner who wants to go back to school for a great class or two – Regular university student who wants to take well-informed decisions about courses |
| <p>Partners</p> <ul style="list-style-type: none"> • Regionally accredited US middle-ranking universities and colleges, with small class sizes <29 students (~avg. class size is 29; estimated number of 1,300 institutions as potential key partners) | <p>Key Resources </p> <ul style="list-style-type: none"> • In-depth understanding of first-generation college student • High credibility and networks in the HE sector • Ability to excel in social media validated learning • Technology to support both customers and partners | | <p>Channels </p> <p>For customers:</p> <ul style="list-style-type: none"> • Word of mouth • Community build-up • Online marketing (facebook, youtube, google) <p>For partners:</p> <ul style="list-style-type: none"> • Direct relations with top officials | |
| <p>Cost Structure </p> <ul style="list-style-type: none"> • Software development + Entrepreneurs for validated learning ~ 25-40 %* • University relationship management ~ 10-20%* • Online marketing ~ 15-20%* • Other SG&A ~ 5%* • EBITDA margin ~ 20-30%* <p>* (% over total revenues)</p> | | <p>Revenue Streams </p> <ul style="list-style-type: none"> • Main stream: Margin over courses purchased • Additional stream: Advertising (limited, targeted, and discrete) | | |