

CHAPTER I

EXECUTIVE SUMMARY

The last few years have been a very promising year for education based mobile application because of the hundreds of thousands of Students in Indonesia now aware of how important education is. However due to a shift of values in millennials' mindset, practicality and convenience, conventional means to deliver education has become more and more obsolete. Furthermore, considering how dependent Indonesian students are to teachers and course providers, a niche of peer tutoring has become an untapped potential until now. Moreover, the progress of technology also offers a solution in both of these problems which also provides a great opportunity.

In response to the problem of convenience and an unfilled niche in the educational student market, Tutoria was launched. Tutoria is a mobile application which match-makes tutors and tutees similar to how an online taxi service operates; tutors will have associates' status and work without employee regulation (although Tutoria does apply restrictions and obligations accordingly). Tutoria's core competencies and competitive advantage rest in three key areas: flexibility, dependability and affordability.

Tutoria defined its market as a source of external education. The total size of this market is huge due to untapped gap, with the estimation of Rp. 370,000,000,000 (only counting 500,000 students in Jakarta alone multiplied by price users are willing to pay for a tutoring session which is Rp. 75,000.00). Tutoria

expects to attain at least 4,000 active users (with the retention rate of 35%) in the first four quarters of operation and expect a steady growth to 25% in the end of the first year. Currently, Tutoria is only operating in Universitas Pelita Harapan campus located in Lippo Karawaci, Tangerang, Banten. Tutoria is planned to aim to have 100 sessions done by the end of Q2 of 2021 and have around 50 tutors from Pelita Harapan university alone by the end of 2021. Furthermore, by 2022, after maximizing our university's market of 5,000 students, Tyutoria will move to penetrate surrounding universities in Jakarta, Bogor, Depok, Tangerang and Bekasi area since most private universities are located here. Tutoria will continue to expand horizontally until by the start of 2024 we have 2,000 tutors at the ready with 35% of market size.

Finally, by 2025, it is observable that, Tutoria is ready to move to high-school level students by working with the government to pierce the national schools in the area which will also open the gates for outer regions of Java for greater market expansion. Hence, Tutoria will need a capital investment of Rp. 570,000,000 (Rp. 50,000,000 for equipment, Rp. 5,000,000 for installation, Rp. 600,000 for brand design and patent, Rp. 300,000,000 for mobile app development, Rp. 36,000,000 for server rent, Rp. 20,000,000 for tutor recruitment marketing campaign, Rp. 20,775,000 for promotional and programming, Rp. 19,000,000 for legal activities, Rp. 60,000,000 for rent, Rp. 10,000,000 for orientation and training activities, Rp. 48,625,000 for emergency cash) in exchange of 12% equity. Based on our estimation, Tutoria will Break-Even on Q4 of year 1. Its first year Revenue would amount to Rp. 1,350,000,000 with a Net Income of Rp. 380,000,000.

Category	Items	Cost
Cash	Cash	Rp. 48,625,000
Operational	Equipment	Rp. 50,000,000
	Installation	Rp. 5,000,000
	Mobile App Development	Rp. 300,000,000
	Server Rent	Rp. 36,000,000
Marketing	Brand Design	Rp. 600,000
	Tutor Recruitment Marketing Campaign	Rp. 20,000,000
	Promotional and Programming	Rp. 20,775,000
Training and Development	Orientation and Training	Rp. 10,000,000
Rent	Rent	Rp. 60,000,000
Legal	Legal	Rp. 19,000,000
Total		Rp. 570,000,000

Table 1.1.1 Tutoria's Pre-operating Funding Requirement

Tutoria Funding Allocation

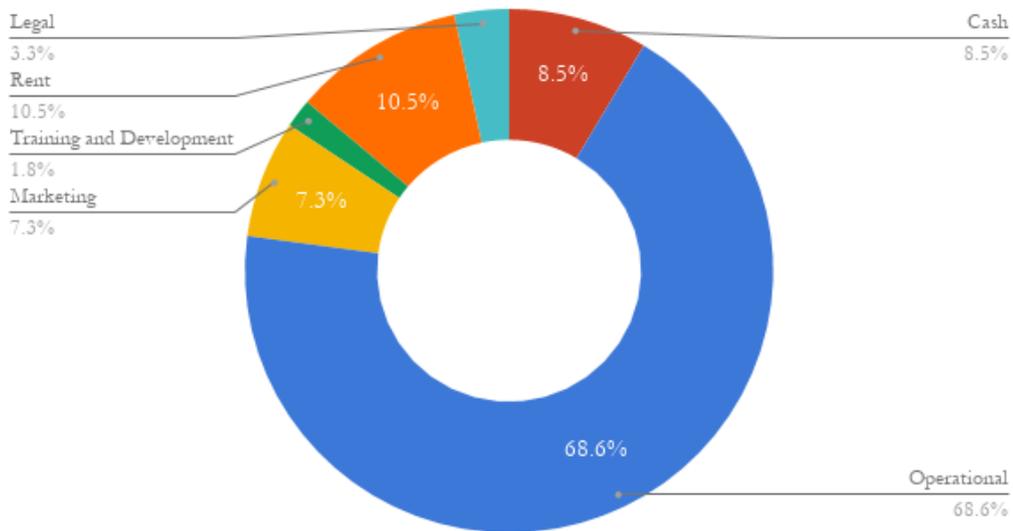


Figure 1.1.1 Tutoria Funding Allocation