

Milestone 2

INNOVATE 1X03: The World of Entrepreneurship

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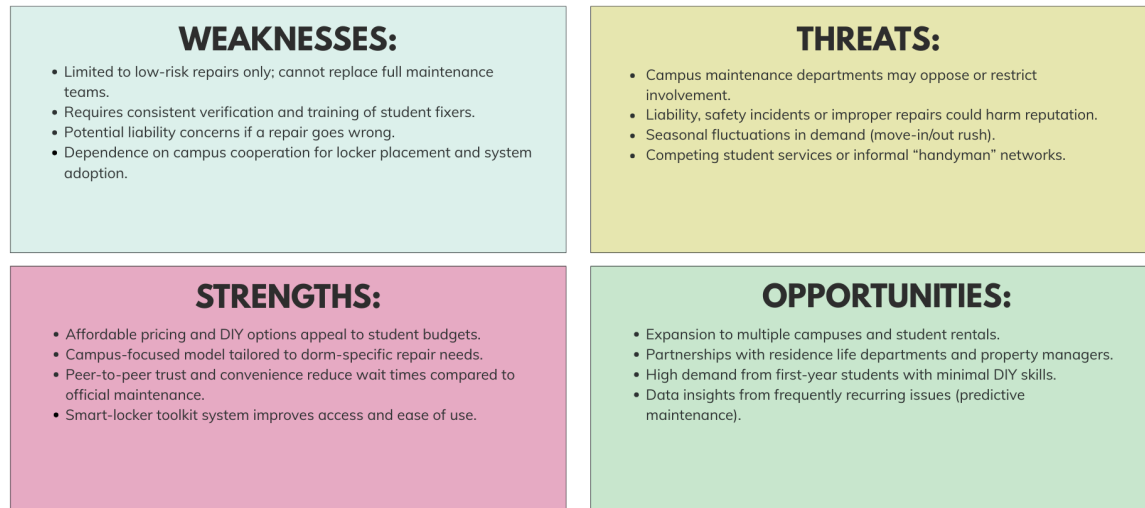
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Part A - Environmental Analysis

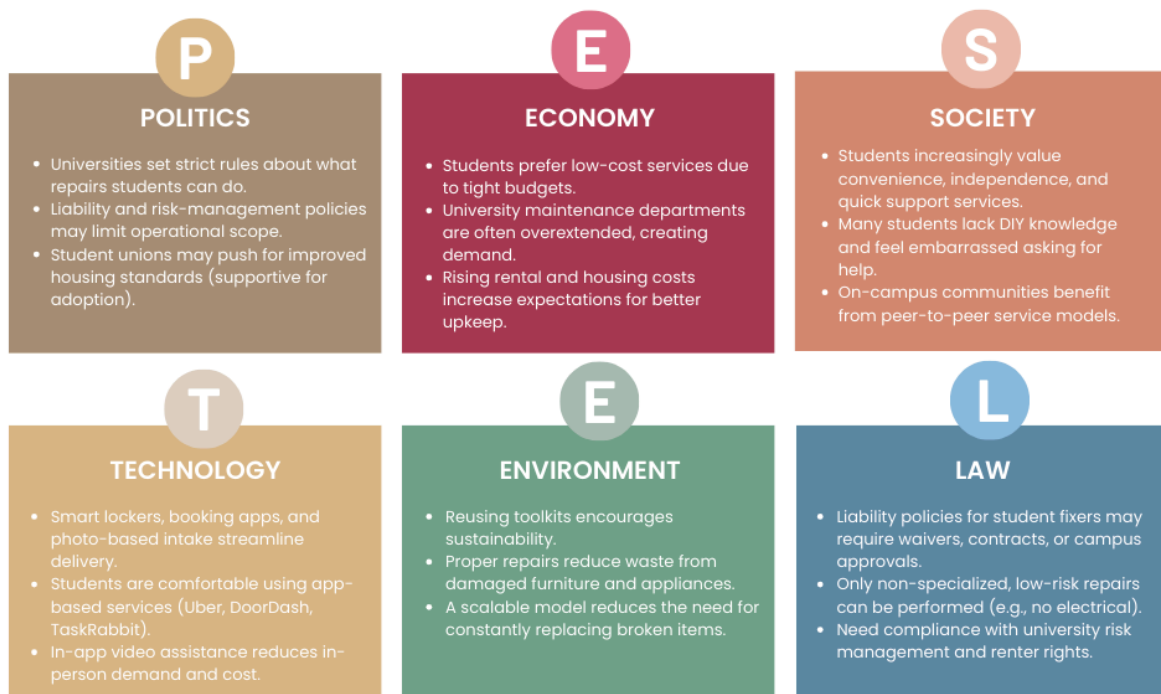
1. Assessments

a. SWOT Analysis -



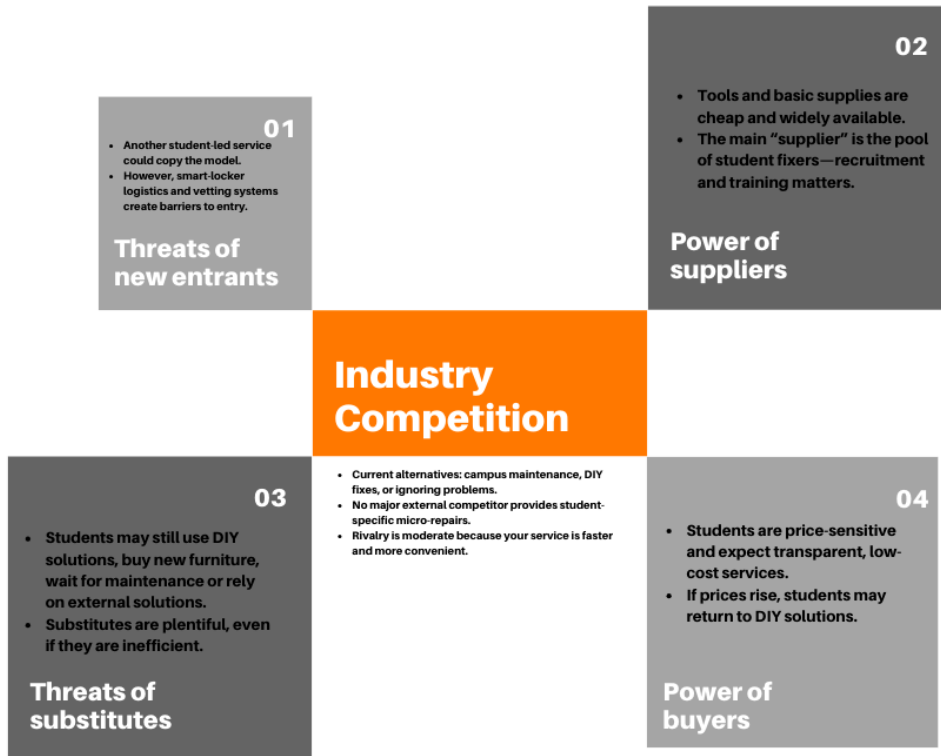
Key Finding: The SWOT reveals that the greatest advantages are speed, affordability, and student-to-student trust—but your biggest threats involve institutional cooperation, liability, and ensuring safe task boundaries.

b. PESTLE Analysis -



c. **Key Finding:** The PESTLE shows that social and technological factors strongly support the service, while legal and political constraints create clear boundaries on what repairs can be offered (Government of Ontario, 2021).

d. **Porter’s Five Forces Analysis:**



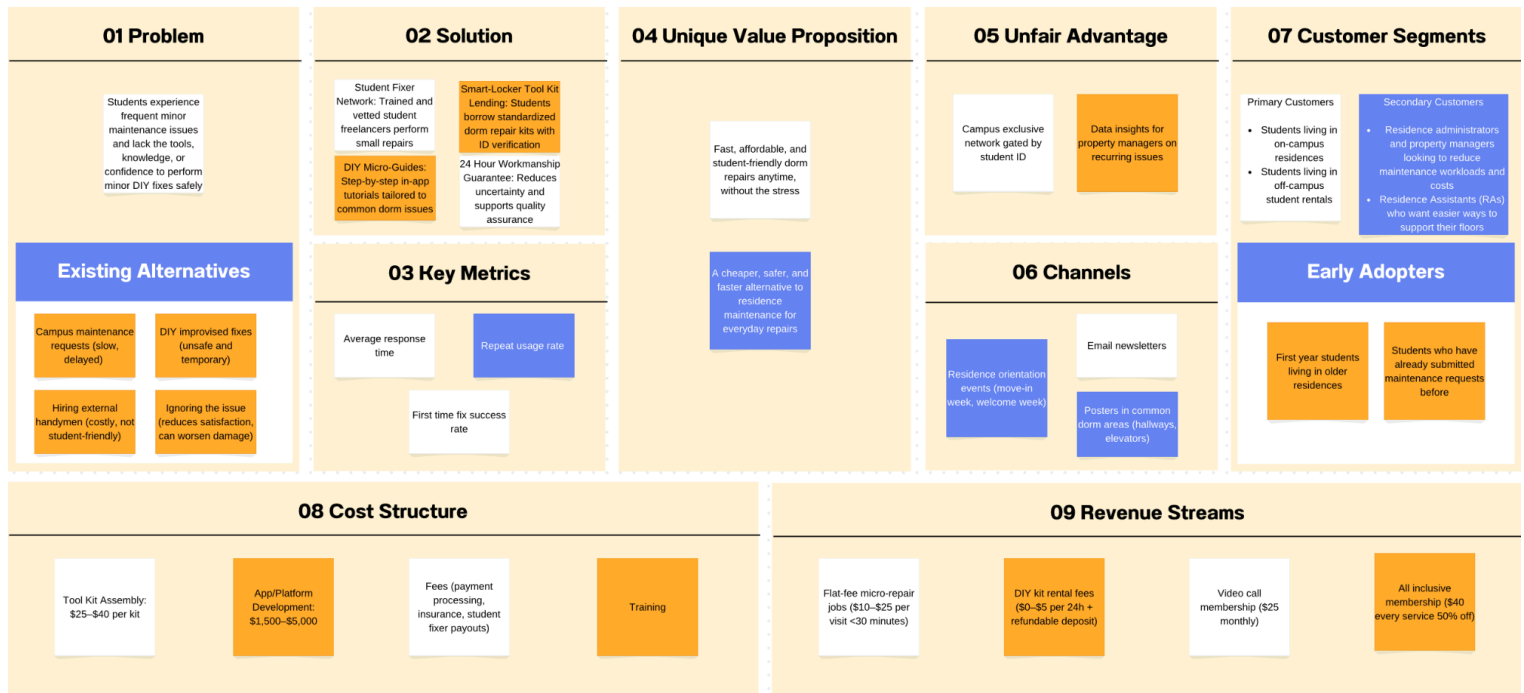
Key Finding: The Five Forces highlight that substitutes and student price sensitivity are major challenges (Bogdan, 2024). To stay competitive, the service must remain affordable, convenient, and low-friction.

2. Stake Holder Analysis:

Stakeholder	Role	Power/Influence
Students (Users)	Primary customers who borrow toolkits or book fixers. Their satisfaction drives usage, reputation, and demand.	High – They determine adoption and revenue.
Student Fixers	Primary customers who borrow toolkits or book fixers. Their satisfaction drives usage, reputation, and demand.	High – Service quality and reliability depend on them.
Residence Life / Housing Department	Controls campus policy, toolkit locker locations, safety regulations, and approvals.	Very High – They can enable or block operations.
Property Managers (off-campus housing)	Benefit from fewer maintenance requests and may form partnerships.	Medium–High – Can expand market reach.
University Risk & Legal Teams	Set rules for liability, allowed tasks, and student safety.	Very High – They define what the service is permitted to do.
Campus Maintenance Staff	Existing service providers; may feel workload relief or competition.	Medium – Could support or resist the solution.
Student Union / Campus Community Groups	May promote the service or advocate for student housing improvements.	Medium – Can influence adoption and awareness.
Parents of Students	Want safe, functional dorm environments for their children.	Low–Medium – Influence indirectly through expectations.
Tool & Equipment Supplier	Provide standardized toolkits and materials.	Low – Tools are easily sourced and replaceable.

Part B - Business Model

Lean Canvas:



Average Response Time (KPI 1):

One of our main offerings with the DIY Dorm Repair Kit + On-Call Student Fixers is the speed. This also happens to be one of the main issues that students face with the current system. Students currently wait days or even weeks for minor residence maintenance (McMaster University, n.d.). When the items that need repairs hinder everyday tasks such as a bedframe, delays can greatly impact students' stress, mental health, and overall quality of life (Segal, 2024). Response time reflects the strength of our solution. We offer a 24 hour guarantee. The monitoring strategy is to track the time between when a request is submitted and when a fixer is assigned, or when a locker opens for tool pickup. This will highlight how efficient our solution is and determine time/dates of high traffic. We want to aim for less than 2 hours on high traffic periods. There will be set benchmark expectations such as “Fixer assignment within 30 minutes during peak times” and “Locker/tool access within 5 minutes.”

Repeat Usage Rate (KPI 2):

Because our model relies on low cost micro-repairs, sustainability comes from repeat usage, not one-time bookings. This KPI directly ties to the Customer Segments, Unique Value Proposition, and Revenue Streams sections of the canvas. If students consistently choose to rebook repairs or re-borrow kits, it means our service is affordable, trustworthy, and genuinely solving a recurring need. The monitoring system to track repeat usage is to keep an eye on how many users have used our service more than once. This means, booking another repair, borrowing a tool kit again, or using video assist. We set retention goals such as 30–40% repeat usage within the first three months. We also plan to monitor student reviews, cancellation reasons, and in-app satisfaction scores to identify common pain points. We can use retention data to update and refine the bundle and membership pricing in the future.

First-Time Fix Success Rate (KPI 3):

Since the service uses trained student fixers, quality control is essential to building trust. The Solution and Unfair Advantage elements of the Lean Canvas rely heavily on consistent, safe, and effective repairs. A high first-time fix success rate indicates that training, task scoping, micro-badges, and the 24 hour guarantee are functioning as intended. To monitor this, we plan to track every job completed and measure how many require follow-up within the 24 hour guarantee period and how many complaints/reviews we receive of unsuccessful repairs. We are aiming for a minimum 90–95% first-time success rate. By reviewing cases that failed on the first attempt, we can identify training gaps or common repair types causing issues and adjust fixer onboarding modules, task scope, and toolkit inventories accordingly. A strong fix success rate builds credibility and encourages positive word-of-mouth among students.

Part C - Break-Even Analysis

We modeled contribution margin and monthly cash flow with formulas only: price \$20/job; wage \$18/hr; 30 minutes/job (labour \$9.00); materials \$2.50; fixed costs \$610/month; start-up \$2,200 amortized over 24 months (loan \$91.67/month). Variable cost per job is \$11.50, contribution margin \$8.50, and final monthly cost (fixed + loan) \$701.67.

Break-even results

- Quantity: 83 jobs per month ($701.67 \div 8.50 = 82.55$, rounded up).
- Revenue: \$1,660 per month ($83 \times \20).
- Time: demand first exceeds 83 jobs in Month 9, so monthly profit turns positive then; cumulative profit crosses zero in Month 15 (payback).

Trajectory and cash needs

Cumulative cash bottoms around -\$1,728.83 in Month 8. Plan for ~\$1.8k working capital to bridge the ramp. By Month 17 the model shows +\$1,858.67 cumulative profit with monthly profit near +\$862, indicating healthy headroom to reinvest in kits/lockers or marketing.

Interpretation

Breaking even at 83 jobs or \$1,660/month is reasonable for a campus pilot starting at 40 jobs with 10% monthly growth. Month 9 signals operational viability (positive month), Month 15 is full payback, and Month 17 shows sustained surplus. Small improvements, slightly higher price or 5 fewer minutes per job, would lower break-even units and shorten payback further.

Excel Attached in assignment.

References

Bogdan, S. (2024). *92% of Ontario post-secondary students stressed about money, survey finds*. Global News.

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