Grassroots Lawn Services Business Plan

Logan Walden

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Grassroots Lawn Services- Business Plan

by

Logan M. Walden

Advisor: Jeff Amerine

An Honors Thesis in partial fulfillment of the requirements for the degree Bachelor of Science in Business Administration in Finance and Accounting.

Sam M. Walton College of Business
University of Arkansas
Fayetteville, Arkansas

May 13, 2023
WORKFORCE

By developing a community of service-partners who meet professional and equipment standards, we are able to capitalize on the market of existing people/companies that are looking to make an extra buck without the hassle of developing their own customer base. (Similar to Uber.)

SERVICE

By following well-defined operating procedures, our service-partners have the ability to offer consistent service every time. With a variety of service levels available to choose from, our service-partners can meet a customer’s many needs regardless of how they might be changing!

AVAILABILITY

We are here to meet the needs of our customers. Whether they need lawn service twice a week, once a month, or tomorrow morning, we’ve got it covered. Our customers no longer have to worry about scheduling with one service provider. This provides our customers easier access to lawn services and less competitive scheduling.
The Team

Logan Walden  Founder & CEO
Michael Walden  Chief Operations Officer
TBA  Director of Marketing
TBA  Software Engineer
The Problem

Consumers don't have the time available to take care of their own lawn in a manner that satisfies expectations.

Oftentimes, consumers do not own or have access to equipment.

Single provider lawn services can be costly and difficult to schedule.
Customer Targets

- Young working professionals
  Tend to be too busy or are unable to devote the necessary effort to lawn maintenance.

- Elderly

- Single-Parent Households

- Households where access to lawn equipment is limited

- Individuals that are responsible for the upkeep and maintenance of their lawn.

- Very large or complicated lawns

- Individuals that value the appearance of their lawn.
"YOUR LAWN, YOUR WAY. THAT'S THE GRASSROOTS DIFFERENCE."

Utilizing the community and a service-partner workforce, Grassroots Lawn Services provides customers a consistent and professional lawn service experience while avoiding the high cost and competitive scheduling of traditional single-provider lawn services.
The Grassroots Solution.

Availability. We are here to meet the needs of our customers. Whether they need lawn service twice a week, once a month, or tomorrow morning, we’ve got it covered. Our customers no longer have to worry about scheduling with one service provider. This provides our customers easier access to lawn services and less competitive scheduling.

Workforce. By developing a community of service-partners who meet certain professional, equipment, and training standards; we are able to capitalize on the market of existing individuals/companies who now have the ability to offer consistent service options available to choose from, our service-partners can meet a customer’s many needs regardless of how they might be changing!

Service. By following well defined training guidelines, successful best practices, and established standard operating procedures, our service-partners have the ability to offer consistent service every time. With a variety of service options available to choose from, our service-partners can meet a customer’s many needs regardless of how they might be changing!

All of these together help us save our customers time and money!
Marketing Opportunities

Grassroots will reach customers through the Grassroots app and social media accounts. Placing ads on Facebook and TikTok will allow for Grassroots to grow its business. Grassroots will also utilize the existing customers brought in by local service-partners.
Revenue Structure

Customers are able to list their lawn and select a desired service package and time on our platforms. Different prices depending on desired service package.

Service-Partners View listings and accept jobs. Providers bring in 90% of total package price. Will not have to expend funds on marketing themselves. (seeking top local lawn care companies to bring reputation to Grassroots)

Pay transaction is executed using an online payment service, BILL ($0.50 per transaction)

20% proceeds of all lawn care services performed through our service-partners stays with Grassroots
**Cost Structure**

**Customer Acquisition Costs**
- Marketing
- Social Media Ads
- Facebook
- TikTok

**Distributing Costs**
- App development
- Insurance

**Partner Acquisition Costs**
- Marketing
- Advertising in places like mower shops, hardware stores, etc.

**Other Costs**
- Hosting Costs - 20% of total (Similar to Uber)
- Online Payment Service Costs - BILL ($0.50 per transaction)
Key Metrics

A. Beta version of app complete by 6th month of business.

B. Break-even by end of 2nd year.

C. $4,000 in revenue per week by the end of the 2nd year.
The lawn service industry is a niche market that would have high entry cost for potential competitors to enter a market where Grassroots is already established and is using a large portion of the workforce.

The accessibility Grassroots provides to both Customers and Service-Partners is unique in our industry.
Investment Opportunity

Valuation: $1,800,000
Equity in Grassroots: 10%
Ask: $180,000
## Income Statement ($USD)

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of Services Sold (per year)</strong></td>
<td>$30,000</td>
<td>$60,000</td>
<td>$120,000</td>
</tr>
<tr>
<td><strong>Sales Revenues</strong></td>
<td>$1,500,000</td>
<td>$3,000,000</td>
<td>$6,000,000</td>
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<tr>
<td><strong>Product Sales growth %</strong></td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Cost of Goods</strong></td>
<td>$1,200,000.00</td>
<td>$2,400,000.00</td>
<td>$4,800,000.00</td>
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<tr>
<td><strong>Gross Profit</strong></td>
<td>$300,000</td>
<td>$600,000</td>
<td>$1,200,000</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales &amp; Marketing</td>
<td>$22,000.00</td>
<td>$44,000.00</td>
<td>$88,000.00</td>
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<tr>
<td>Building, Warehouse, Office Expenses</td>
<td>$31,500.00</td>
<td>$31,500.00</td>
<td>$31,500.00</td>
</tr>
<tr>
<td>Supplies &amp; Maintenance Expenses</td>
<td>$83,712.00</td>
<td>$ -</td>
<td>-</td>
</tr>
<tr>
<td>Salaries, Payroll Taxes, &amp; Contractors</td>
<td>$183,029.00</td>
<td>$186,689.58</td>
<td>$190,423.37</td>
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<tr>
<td>Cost of App/Website</td>
<td>$78,000.00</td>
<td>$14,000.00</td>
<td>$14,000.00</td>
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<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>$398,241</td>
<td>$276,190</td>
<td>$323,923</td>
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<tr>
<td><strong>Operating Profit: EBITDA</strong></td>
<td>$ (98,241)</td>
<td>$323,810</td>
<td>$876,077</td>
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<tr>
<td>Depreciation</td>
<td>$66,970</td>
<td>$2,392</td>
<td>$2,392</td>
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<tr>
<td>Amortization</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Total depreciation &amp; amortization</strong></td>
<td>$66,970</td>
<td>$2,392</td>
<td>$2,392</td>
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<tr>
<td><strong>Operating Profit before interest &amp; taxation: EBIT</strong></td>
<td>$ (165,211)</td>
<td>$321,419</td>
<td>$873,685</td>
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<tr>
<td>Interest expense</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
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<tr>
<td><strong>Operating Profit before taxation: EBT</strong></td>
<td>$ (165,211)</td>
<td>$321,419</td>
<td>$873,685</td>
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<td>Income Tax</td>
<td>36%</td>
<td>$115,711</td>
<td>$314,527</td>
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<td><strong>Net Income</strong></td>
<td>$ (165,211)</td>
<td>$205,708</td>
<td>$559,158</td>
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</tbody>
</table>
Contact Us

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🌐 Grassroots Lawn Services

🌐 www.grassroots.com

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