

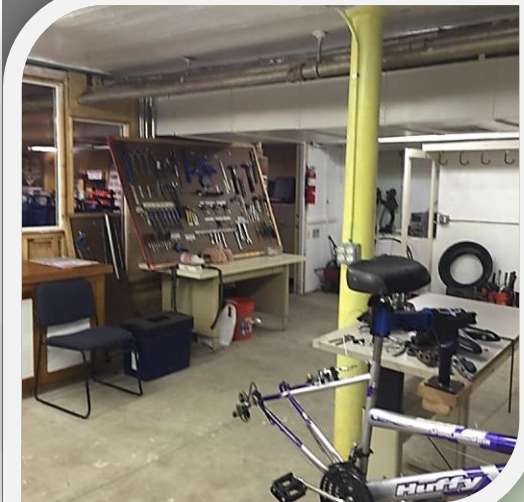
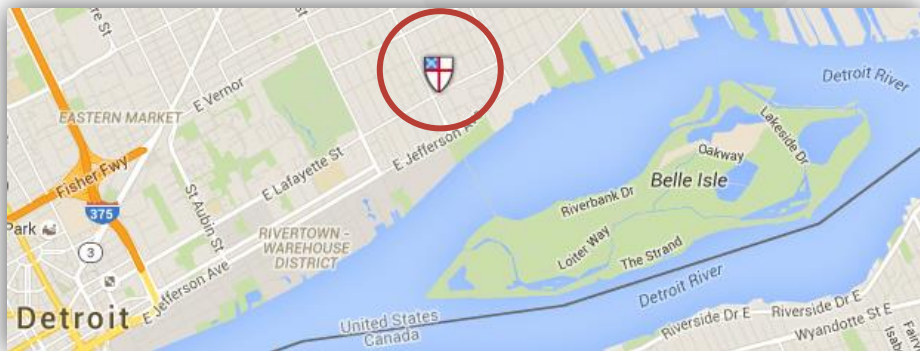
BUSINESS MODEL PROPOSAL

BH BIKES



Denise Collaku | Nina Stojic

BH BIKES TODAY



COMPETITIVE ADVANTAGE



Spend an Hour / Spend a Day!
 No visit to Detroit is too short to enjoy the splendor of historic Belle Isle, the crown jewel of Detroit's public park system. Located close to the hub of downtown, travel time to Belle Isle by car or bus is about five minutes.



- Joint efforts
 - Belle Isle Conservancy
 - Friends of Belle Isle
 - Belle Isle Botanical Society
 - Belle Isle Women's Committee
 - Friends of Belle Isle Aquarium

1 / Nancy Brown Peace Tower (Carillon Tower)
 85-foot carillon tower dedicated to the newspaper columnist who raised most of the building fund from readers.
 Computer Automated Performances

2 / The Casino
 Wonderful rental facility. Come and enjoy the beautiful architecture and great scenery. Whether you are hosting a wedding reception, baby shower or business meeting, your event will be memorable.
 Year-round rental.
 (313) 628-2069

3 / Flynn Pavilion
 Thanks to a grant from the Urban Parks and Recreation Recovery Program of the National Park Service, Belle Isle's Flynn Pavilion is totally restored. Visitors are able to rent paddleboats in the summer and enjoy Lake Takoma.
 (313) 628-2069

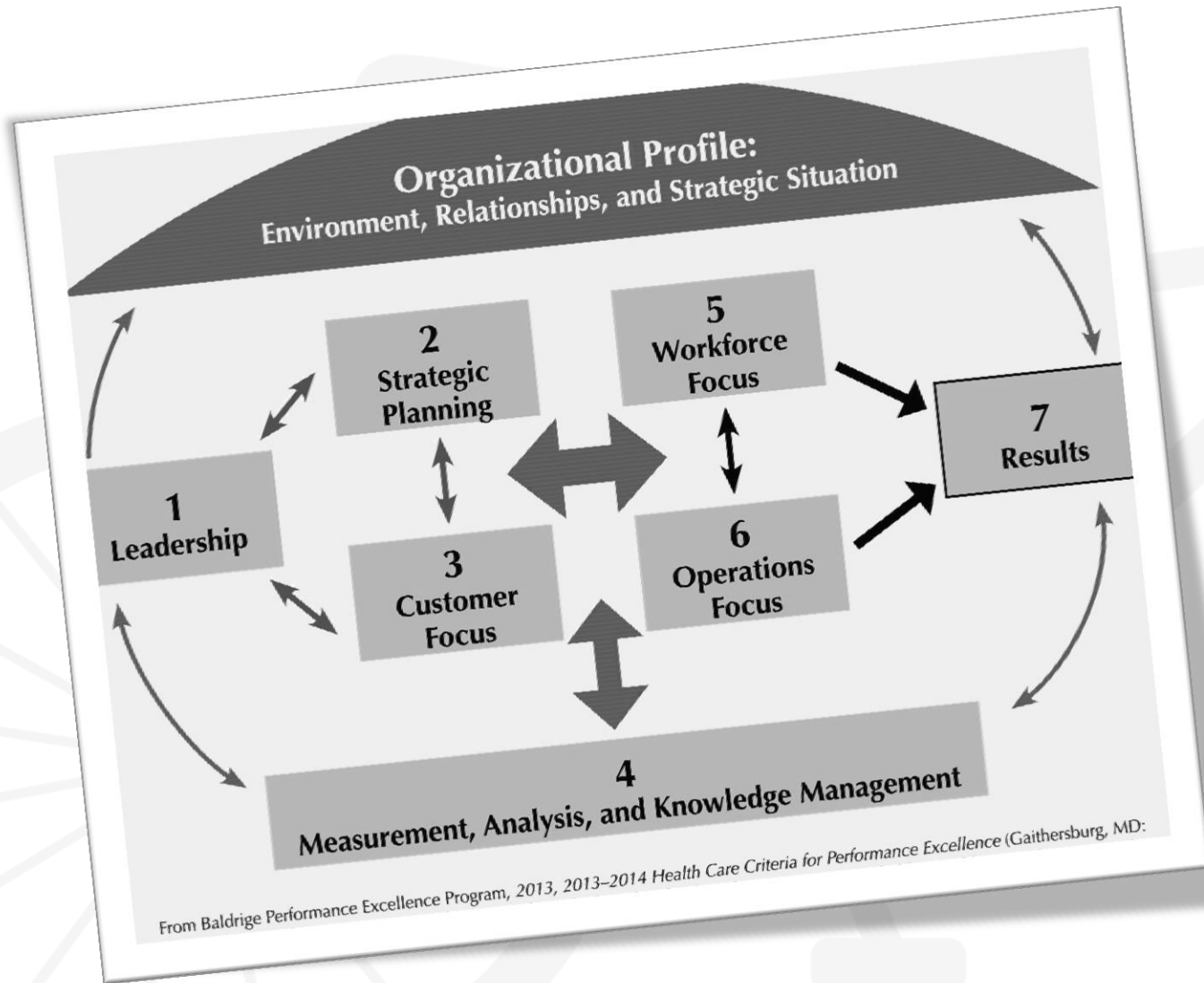
4 / Chip-N-Putt and Practice Facility
 Come and hit a few balls at our state-of-the-art practice facility with a short putting course and mini-course or visit our Chip-N-Putt Family Golf Center where you can play and learn the game of golf in a fun family environment.

5 / Scott Memorial Fountain
 A shrewd investor, James Scott bequeathed his entire fortune for this huge, carved, white marble fountain. Worth every penny. Colored light and water shows presented from dusk until 11 p.m.
 Fountain operated Daily, Memorial Day - Late Sept.

6 / Anna Scripps Whitcomb Conservatory
 Patterned after Thomas Jefferson's Monticello, permanent displays of cacti, ferns, palms and one of the largest collections of orchids in the country.
 Available for Weddings 10 a.m.-5 p.m. Daily, Including Holidays

7 / Kids' Row
 Calling all Kids! Kids' Row is a magical place that includes a half-acre complex of brightly colored play areas for children 12 and under and a brand new Giant Slide. Nestled in-between is a new family-friendly comfort station with concession stand. The Kids' Kingdom includes slides, climbing surfaces, animal sculptures and even a space capsule merry-go-round.

- Maintenance
- Sales
- Rentals
- Apprenticeships
- Community events



1. CUSTOMERS

2. LEADERSHIP

3. OPERATIONS

CRITERIA FOR PERFORMANCE EXCELLENCE

Customer

- Products/services
- Marketing/promotion

- How do you obtain information from your customers?
- How do you serve customers' needs to engage them and build relationships?
- How do you continue to serve the community?



Leadership

- Workforce
- Staff

- How do your senior leaders lead?
- How do you govern and fulfill your societal responsibilities?
- What skills are required?
- What transformational behaviors are needed?



Operations

- Business process flow
- Customer value vs. Operation metrics

- How do you design, manage, and improve your key products and work processes?
- How do you ensure effective management of your operations on and ongoing basis and for the future?
- How do you sustain your value?



CRITERIA FOR PERFORMANCE EXCELLENCE

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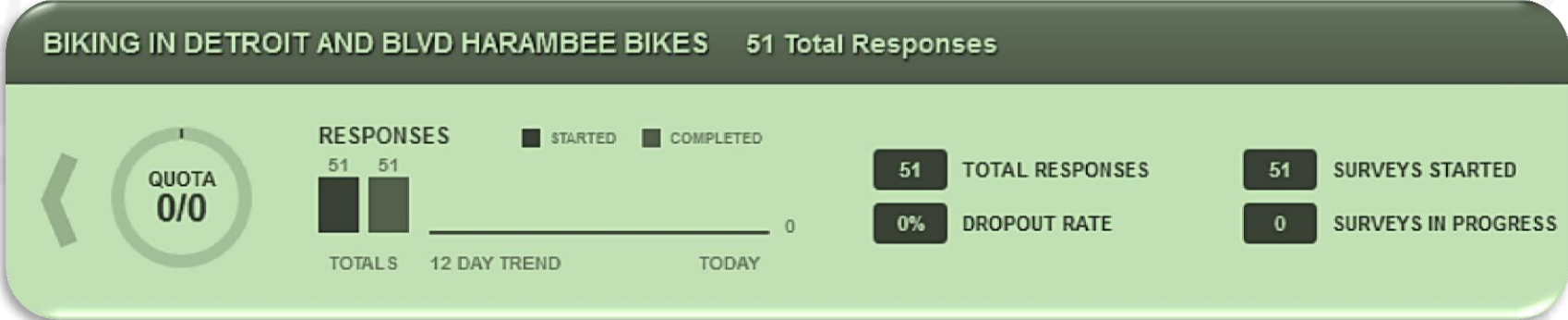
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SURVEY REPORT OUT



- 16-question survey study
 - Demographic
 - Quantitative
- Distributed to parishioners/ participants of Church of the Messiah and its events
- 51 survey responses
- Hypothesis testing
 - Chi-Square
 - Correlation
 - ANOVA



SURVEY RESULTS



Demographics:

- 41 and older (43%)
- Male (65%)
- Income less than \$20k (69%)

Bike Usage:

- More than 11 times per [warm] month (41%)
- Never used competitor services [Detroit Bikes, The Hub, or Back Alley Bikes] (75%)

Awareness:

- Familiar with BH Bike Shop (74%)
- Closest shop to Belle Isle (60%)

Church Community Life:

- Profits to BH Bikes = Value to church (88%)
- BH important to community life (76%)

BH Use of Services:

- Have not used BH in the past (59%)
- Plan to use BH in the future (65%)

Price Range:

- Bike repair - \$10-20 (46%)
- Bike purchase - \$41-60 (33%)

Bike Rental:

- Likely to use hourly or daily bike rental (41%)

Promoting Awareness:

- Social media (45%)
- Signs, flyers, brochures (31%)
- Word of mouth (22%)

HYPOTHESES RESULTS



No relationship:

- Age groups and those BH Bike Shop familiarity
- Age groups and bike usage

No difference:

- Likelihood of visiting BH Bike Shop based on age groups
- Likelihood of renting a bike based on age groups
- Importance of BH to community life based on age groups

Strong inverse or negative relationship:

- The greater the importance of BH to the community, the less the likelihood of utilizing future BH Bikes services
- The greater use of BH Bikes rental services, the less the importance of BH to the community

Strong positive relationship:

- The greater the likelihood of future BH Bikes services, the more likely the usage of rental services

INITIAL SUITE OF PRODUCTS/SERVICES

Products



- Used/new bicycles
- Used/new parts
- Bike accessories
- Branding accessories

Services



- Tune up (various levels)
- Brake adjustment
- Gear adjustment
- Overhaul
- Bike assembly
- Cosmetic cleaning
- Lube/air (free?)
- Repairs/Maintenance
- Tours, rentals, events

Promotions



- Free tune up with every new bike sold (limited time or mileage)
- Free installation of accessories
- Authorized warranty
- Custom bikes
- Quick, affordable repairs
- Knowledgeable staff
- Apprenticeships
- Community events



Customer

- Products/services
- Marketing/promotion
- How do you obtain information from your customers?
- How do you serve customers' needs to engage them and build relationships?
- How do you continue to serve the community?

PERFORMANCE EXCELLENCE: CUSTOMER!



WHAT ARE THE CUSTOMER EXPECTATIONS?

- **Delivering quality products/services**
 - Desired vs. sufficient levels of products/services
 - Affordable, prompt and convenient service
- **Keeps customers coming back for more (developing loyalty)**
 - Ongoing, personalized relationship
 - Under-promise - Over-deliver

WHAT IS THE TARGET MARKET?

- **Transportation industry**
 - Low income individuals
 - Depend on bike to get to work/school/daily tasks
 - One of the only vehicles in household
- **Exercise industry**
 - Older individuals in need of mobility
 - Adventure vs. stationary bike at gym
- **Social recreation industry**
 - Young, active individuals
 - Enjoy physical activities in social/group setting

WHAT IS THE BEST WAY TO MARKET TO DETROIT TOURISTS?

- Bike rentals
- Individual or self-guided tours
- Monthly group rides
- Community-building events
- Partner with events in City of Detroit
- City renaissance
- Build confidence as a rider
- Learn rules of road in comfortable atmosphere
- Gateway to becoming a regular cyclist
- Learn about Detroit
- “Cool” or “Fit” factor
- City renaissance

PERFORMANCE EXCELLENCE: CUSTOMER!



HOW DO WE TAP THE POTENTIAL OF BELLE ISLE BIKING?

- **Bike rentals/nature trails**
- **Individual or self-guided tours**
 - Monthly group tours, events
- **Showcasing Belle Isle's points of interest**
 - Day at the beach, golf range, park, etc.
- **Partnering with MI Dept. of Natural Resources**
 - Aquarium, Museum, Zoo, Conservatory

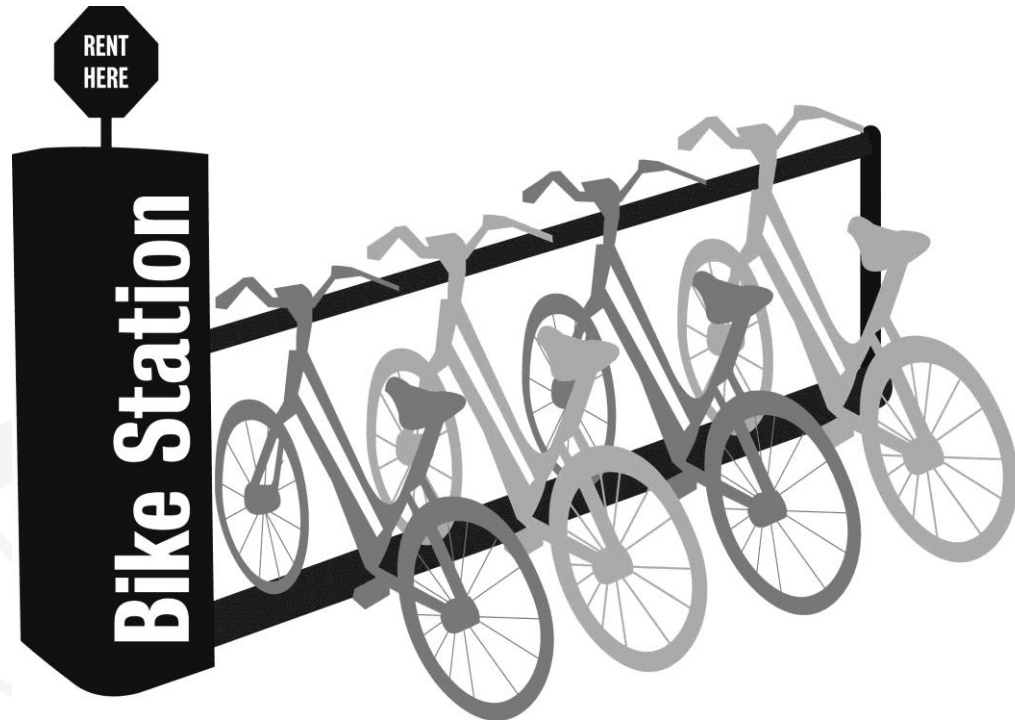
HOW DO WE ENSURE THAT WE HOLD AND KEEP A COMPETITIVE ADVANTAGE?

- **Tap into multiple markets**
 - Various types of bikes (cruisers, mountain bikes, road bikes, etc.)
- **Families (tag-alongs, trailers, kids bikes)**
 - Tourists/out-of-towners
- **Top notch service**
 - Going out of the way for customer service
 - i.e. Offer van/trailer service to pick up bikers at end of trail
- **Location is everything!**
- **Marketing!**
- **Website is key**
 - e-Portal (search, purchase bikes/tours)
 - Location, hours, contact information
- **Social media (build customer relationships inexpensively)**
 - Facebook, Twitter, Blog (photos, promotions, new events, products, latest in bike movement, local trails, etc.)
- **Outreach (local businesses)**

HOW CAN WE LEARN FROM OUR COMPETITORS OUTSIDE OF THE AREA?

- Environment where everyone enjoys benefits/opportunities of cycling
- Cost-effective solution
 - \$3 benefit for every \$1 invested (healthcare savings + impact on local economies)
- Create safer roads, stronger communities
 - Bike-dedicated lanes, safely paved roads, bike trails
 - Avg. number of on-road bike lanes for US city = 134 miles

BELLE ISLE BIKE RENTALS



Zagster/
Rock Ventures

Wheelhouse
Detroit

Campus
Student
Bike Shop



CRITERIA FOR PERFORMANCE EXCELLENCE

Leadership

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- Staff

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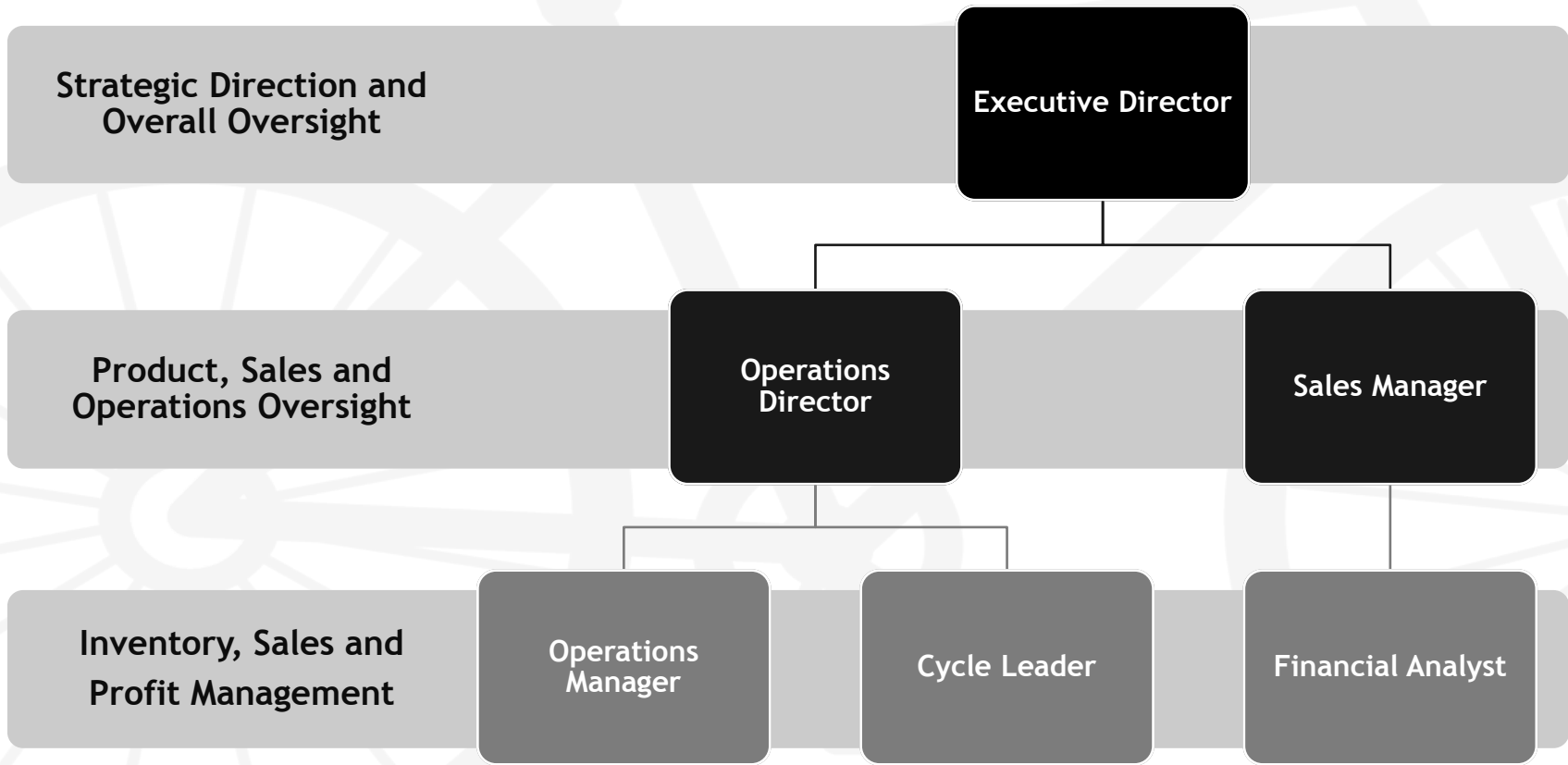


PERFORMANCE EXCELLENCE: LEADERSHIP!



Leadership

- Workforce
- Staff
- How do your senior leaders lead?
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- What transformational behaviors are needed?



POSITIONS VS. COMPETENCIES



Title	Lominger Competencies
Executive Director*	<ul style="list-style-type: none"> Managing Vision and Purpose Strategic Agility Command Skills
Operations Director*	<ul style="list-style-type: none"> Process Management Dealing with Ambiguity Conflict Management
Sales Manager	<ul style="list-style-type: none"> Interpersonal Savvy Motivating Others Drive for Results
Operations Manager	<ul style="list-style-type: none"> Planning Drive for Results Managing & Measuring Work
Cycle Leader**	<ul style="list-style-type: none"> Functional/Technical Skills - Bicycle Build and Repairs Developing Direct Reports & Others (Apprenticeship) Priority Setting
Financial Analyst*	<ul style="list-style-type: none"> Functional/Technical Skills - Accounting and Bookkeeping Communications - written and presentation Action Oriented
Social Media Analyst**	<ul style="list-style-type: none"> Functional/Technical Skills - Social Media Applications/Uses Creativity Customer Focus

* These positions denote that same person and competencies may be applied across multiple business

** This position denotes the expertise needed for the type of business and will need to be obtained differently for each needed skill set

COMPETENCY DETAILS



Title	Competencies	What it means to BLVD Harambee
Executive Director	Managing Vision and Purpose	<ul style="list-style-type: none"> The ability to communicate a compelling and inspired vision and sense of purpose of BLVD Harambee and bringing the profits back into the Church for self sustainment. Talks beyond today and about possibilities by creating mileposts and symbols to rally support behind the vision.
	Strategic Agility	<ul style="list-style-type: none"> The ability to anticipate future consequences and trends of community life and its impact, if any, on the services offered. Has a broad knowledge and perspective and creates competitive breakthrough strategies and plans that are future oriented.
	Command Skills	<ul style="list-style-type: none"> Encourages direct and tough debate but isn't afraid to take unpopular stands and move on if necessary Faces adversity head on and is considered for direction in crisis
Operations Director	Process Management	<ul style="list-style-type: none"> Has the ability to organize the resources, process activities and measures efficiency and productivity of the tasks to be completed within the service Good at figuring out processes necessary to get things done by being able to simplify complex processes and getting more out of fewer resources
	Dealing with Ambiguity	<ul style="list-style-type: none"> The ability to comfortably handle risk and uncertainty by making decisions and acting without having the total picture Can shift gears and effectively cope with change
	Conflict Management	<ul style="list-style-type: none"> The ability to hammer out tough agreements and settle disputes by finding a common ground and getting cooperation with minimum noise. Good at focused listening and reads situation quickly
Sales Manager	Interpersonal Savvy	<ul style="list-style-type: none"> Relates well to a diverse group of individuals by building constructive and effective relationships Builds appropriate rapport by using diplomacy and tact
	Motivating Others	<ul style="list-style-type: none"> The ability to motivate a diverse group by making one feel work is important and creating a climate in which people want to do their best Empowers others by coaching and mentoring to push tasks and decisions down that is in the best interest of the cost of doing business
Sales & Operations Manager	Drive for Results	<ul style="list-style-type: none"> The ability to constantly and consistently deliver optimal performance Can be counted on to exceed goals successfully and very in tune with the cost of doing business and overall purpose of the service

COMPETENCY DETAILS CONT.



Title	Competencies	What it means to BLVD Harambee
Operations Manager	Planning	<ul style="list-style-type: none"> The ability to accurately scope out length and difficulty of tasks by breaking down the process steps and developing schedules/task/people assignments. Measures services performance goals and evaluate results in order to set objectives and goals for service excellence
	Managing & Measuring Work	<ul style="list-style-type: none"> The ability to assign responsibility for tasks, sets clear objectives and measures to monitor process, progress and results Designs feedback loops into work to continually evaluate process efficiencies and cost effectiveness of the services delivered
Cycle Leader	Bicycle Build and Repairs	<ul style="list-style-type: none"> Has the functional and technical knowledge and skills to build and repair bicycles by having a strong understanding of the components and mechanics for multiple types of bicycles
	Developing Direct Reports (Apprenticeship)	<ul style="list-style-type: none"> The ability to build the knowledge of people by providing challenging and stretching tasks of the service by frequently holding development discussions and by constructing development and training plans. Is a people builder and cooperates with the development of the community
	Priority Setting	<ul style="list-style-type: none"> The ability to spend time on what's important by quickly identifying the critical few and sense what will help or hinder in accomplishing the goal Creates focus and eliminates roadblocks
Financial Analyst	Accounting and Bookkeeping	<ul style="list-style-type: none"> Has the functional and technical knowledge and skills of profit and/or non-profit accounting and bookkeeping to maintain the financials of the business.
	Communication Skills	<ul style="list-style-type: none"> The ability to clearly and succinctly communicate in a variety of settings and styles by getting the message across with a desired effect.
	Action Oriented	<ul style="list-style-type: none"> The ability to seize more opportunities than others by enjoying to work hard and full of energy for things that are challenging.
Social Media Analyst	Social Media Applications	<ul style="list-style-type: none"> Has the functional and technical knowledge and skills of social media applications, tools and uses to target, engage and connect with the prospective market
	Creativity	<ul style="list-style-type: none"> The ability to easily make connections by coming up with new and unique ideas among previously unrelated notions. Tends to be value-added in brainstorming settings and seen as original.
	Customer Focus	<ul style="list-style-type: none"> The ability to establish and maintain effective relationships with customers by acting with the customer in mind and gaining their trust and respect. Gets first-hand customer information and uses it for improvements in products and services.

CRITERIA FOR PERFORMANCE EXCELLENCE

Operations

- Business process flow
- Customer value vs. Operation metrics
- How do you design, manage, and improve your key products and work processes?
- How do you ensure effective management of your operations on and ongoing basis and for the future?
- How do you sustain your value?



INITIAL MARKETING STRATEGY



Executive Summary

- One page overview of marketing plan summarizing each section

Target Customers

- Describe customer to be pursued based on demographic profiles and influencers
 - **Transportation, Exercise and Social Recreation Industries**

Unique Selling Proposition / Positioning Strategy

- Distinguishes BH Bikes from competitors
- Represents the company's image and value
 - **Belle Isle location**

Pricing Strategy

- Detail how pricing will support BLVD Harambee's self-sustaining capabilities
 - **Affordable, quick service/quality products**

Distribution Plan

- Details how customers will buy products/services from BH Bikes
- Identify different ways to reach out to customers
 - **Online presence, Word-of-mouth, Flyers**

Marketing strategy allows you to use pathways and footholds that apply your limited marketing budget more effectively.

SALES AND MARKETING OPERATIONS



Products

- Buy
 - New Bicycles
 - Used Bicycles
 - Parts
 - Bike Accessories
- Rent
 - Bicycles
 - BH to Go Kiosk



Services

- Maintenance
 - Tune up
 - Repair
 - Apprenticeships
 - DIY Space
 - Tours and Events



Promotions

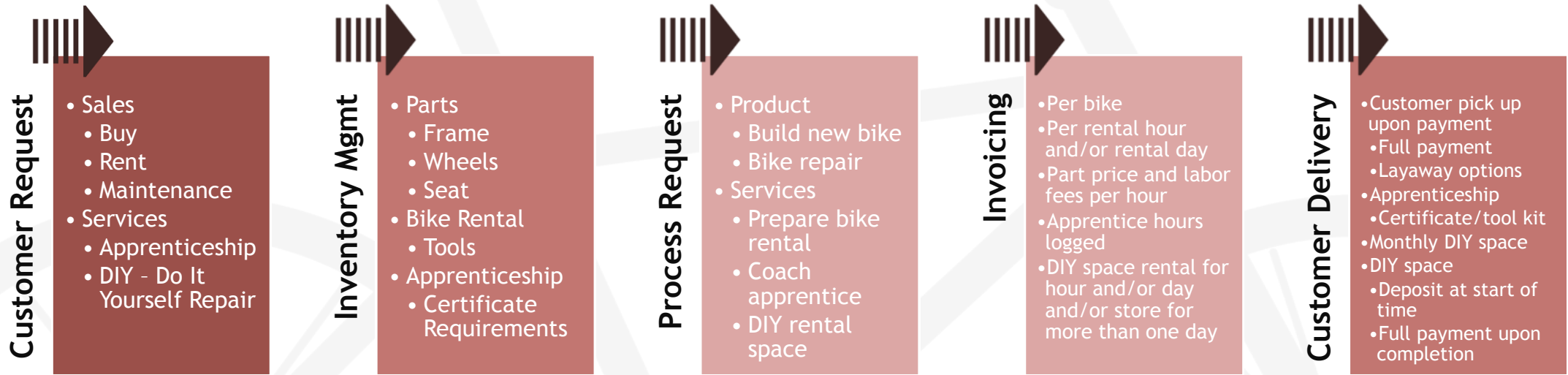
- Free tune up with every new bike sold (limited time or mileage)
- Free installation of accessories
- Authorized warranty
- Custom bikes

**\$3 benefit
for every
\$1 invested**

Sales and Marketing Metrics:

- **Social Reach:** Anyone that the company can reach with content or marketing messages, Total of company's social media following subscribers
- **Leads Generated:** Once lead is generated, company has contact information and can nurture customer relationship for products/services and word-of-mouth referrals
- **Forecasted Revenue:** Based on lead-to-customer transition and average revenue per product/service
- **Actual Revenue:** Measured throughout month and reported at end of sales cycle, providing actual revenue

GENERAL OPERATIONS



Key Performance Indicators:

Financial Metrics

- Profit:** Most important metric to be analyzed for both gross & net margin
- Cost: Measuring cost effectiveness, finding ways to reduce and manage
- Cost of Goods Sold:** All production costs for product/service to analyze actual profit margin and forecast product mark-ups

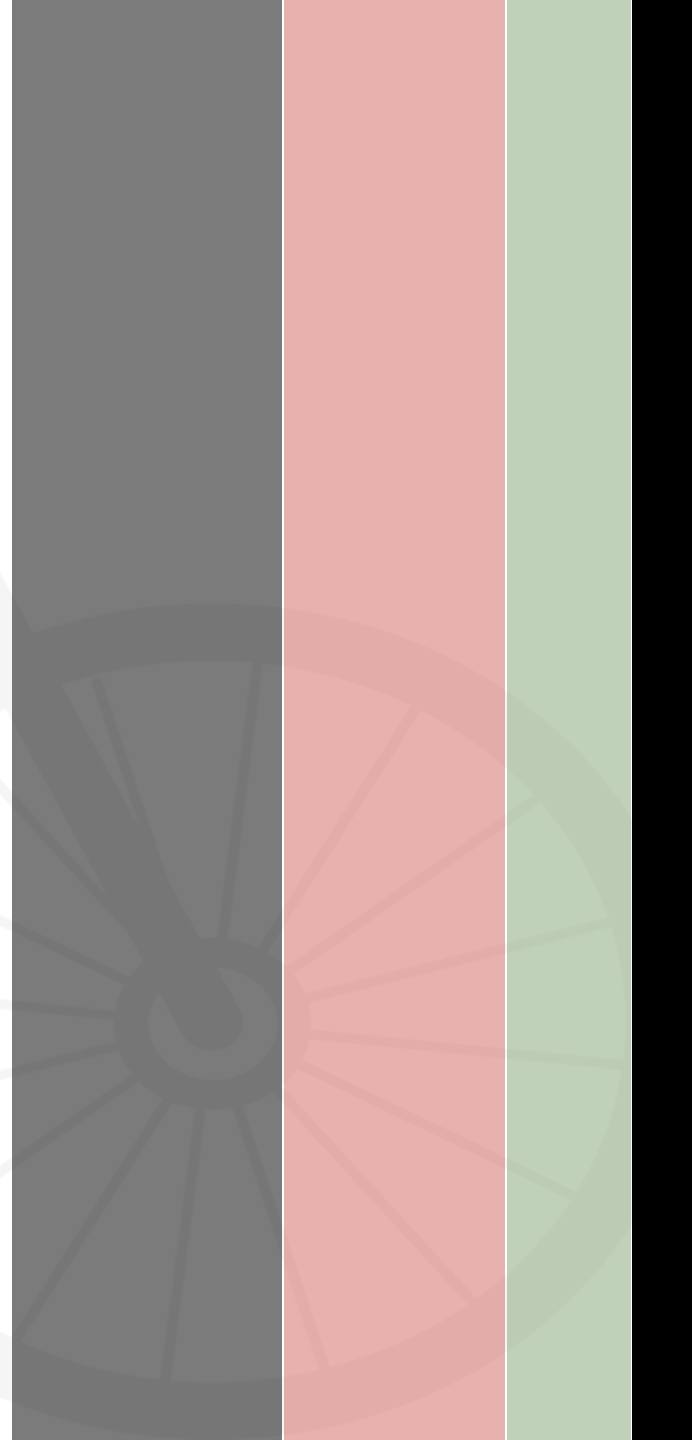
Customer Metrics

- Customer Satisfaction/Retention:** Measuring satisfaction rate and percentage of repeat business
- Customer Lifetime Value:** Looks at value of BH Bikes from long-term customer relationship & assists w/ word-of-mouth forecasting

Process Metrics

- Percent of Product Defects:** Number of defective units divided by total number of units produced in designated time frame
- Efficiency Measures:** Number of total hours divided by total units produced in designated time frame
- Customer Support/Complaint:** Analyze number of incidents, resolution, and time it took to resolve

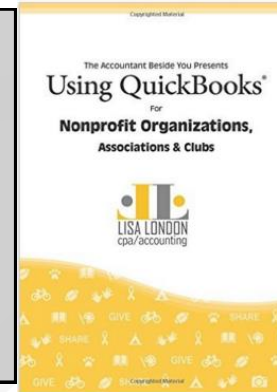
RESOURCES



PURCHASED RESOURCES

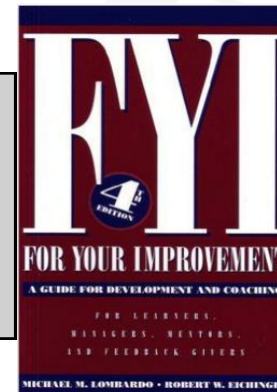
Using QuickBooks for Nonprofit Organizations, Associations and Clubs

- Step-by-step instructions of using QuickBooks for nonprofit organizations
- Highlighting overhead allocation
- Setting up internal accounting control to protect revenues received



FYI: For Your Improvement, A Guide for Development and Coaching

- Easy-to-use development tool
- Features actionable tips for leadership competencies and focus areas



RECOMMENDED SOFTWARE

Shopify

- Highly recommended Point of Sale software

SquareSpace

- Easy-to-use development tool
- Features actionable tips for leadership competencies and focus areas

Recommended hardware:

- iPad
- Card reader

90-DAY PLAN

30 Days

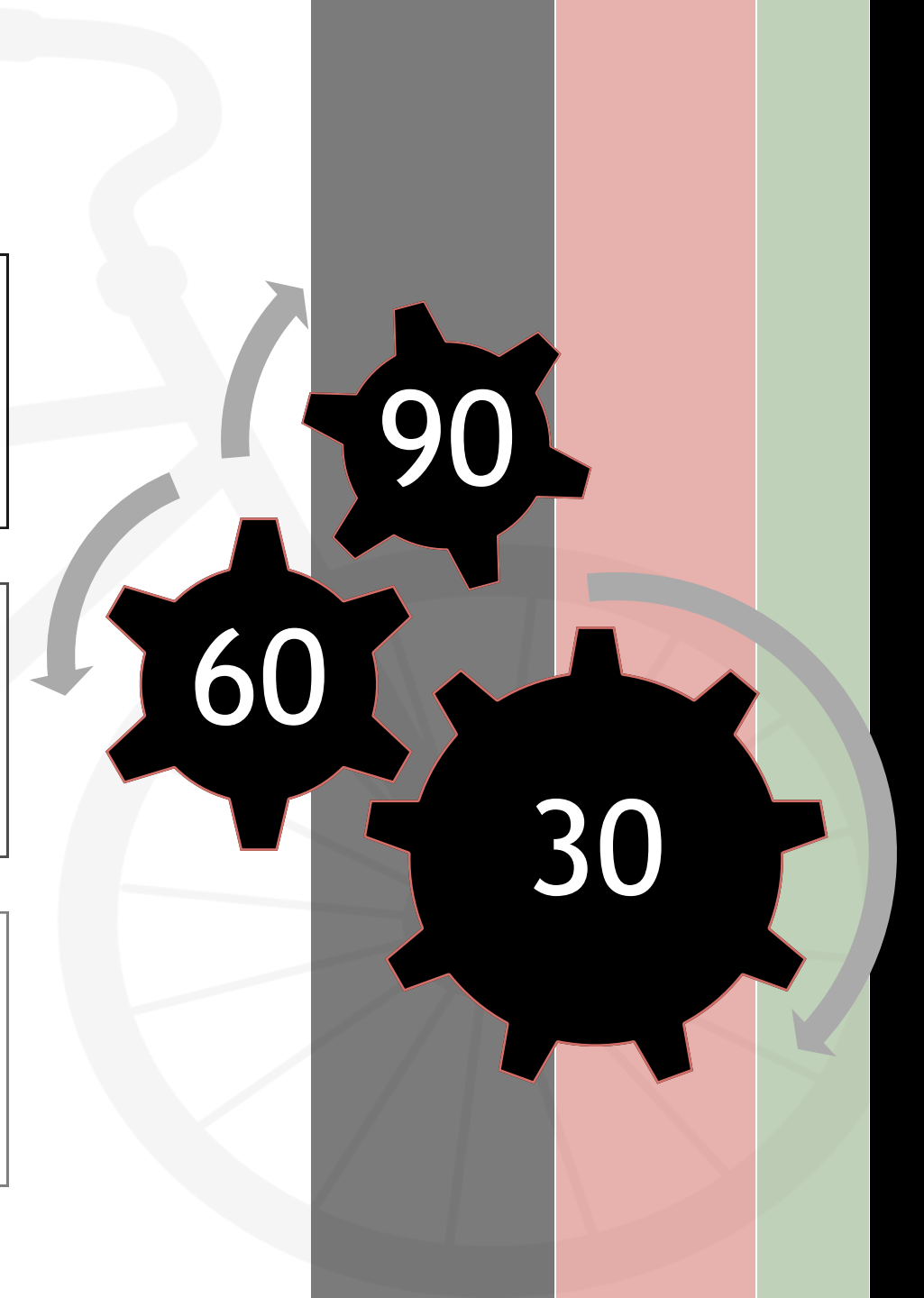
- Staffing
- Finalize Products and Services Suite
- Complete Marketing Plan
 - Website Design
 - Social Media Accounts Set Up

60 Days

- Set up Quick Books
 - Financial Set Up and Reporting
- Set up Shopify Account
 - Inventory Management and Reporting
 - Operations Reporting

90 Days

- Grand Re-Opening Event
- Establish Partnerships
 - Belle Isle
- BH on the Go
 - Design Remote Kiosk





QUESTIONS

