

Dream World Books

Grange Post Primary School
Senior Sector

Business Report

Andrew Shelly

Aaron Hoey

Contents

1. Introduction
2. Business Summary
3. Business Structure
4. Product
5. Marketing & Promotion
6. Finance
7. Review
8. Conclusion

Dream World Books

Introduction

Dream World Books

Idea: Children's Storybook

After a long brainstorming session Aaron Hoey and Andrew Shelley decided to create a children's story book for children aged between 2-6 years of age. We based this decision on our skills, and decided that we could create, design and print a book. We chose a children's book as we felt it would be easier to create a suitable interesting story.

There are two promoters associated with this business.

- **Andrew Shelly;** Managing Director, Creative Director and Sales
- **Aaron Hoey:** Sales and Marketing and Finance

Business Idea

Dream World Books is a book company that writes, designs, and publishes children's storybooks for children aged between 2-6 years.

We have younger cousins, nieces and nephews and we enjoy reading to them. We also have good creativity and enjoy working with younger children

Summary

Dream World Books is a fully illustrated Children's Story Book, written, designed and published by Aaron Hoey and Andrew Shelley. We both have creative imaginations and we like working with children this gave us the idea to make a children's story book. Our product aims to improve children's speech and imagination.

We have developed our communication skills and we enjoy working with others and as part of a team. We felt that we had the artistry skills to design the book but we needed to learn how to design a book on a computer and take it from an idea into a published book. In order to do this we had to learn computer programs such as Photoshop.

We also had to learn business skills as we were both very unfamiliar with marketing, market research, costing and advertising. All of these elements posed a challenge to us.

Our customers comprise of anyone who has children aged between 2-6 years. However from our market research we feel that females who are mothers, aunties or grandparents are our target market.

The biggest risk we faced was a financial risk, we got a start-up loan from our school but we also had to get a loan of our parents in order to cover the initial costs of printing the product.

Time was a big difficulty for us, as it was extremely time consuming trying to get the product finished and printed in time in order to sell it. We wanted to have them finished for Christmas but unfortunately we didn't get it completed in time.

Learning some of the new skills was a difficulty as it was hard to learn these in a very short space of time. Skills such as promotional and sales are marketing posed a big challenge as both of us are quite shy however as time passed and the more interactions we had with people these skills improved immensely. To date we have twenty-eight books sold and have placed order for an additional 15 books, with our ISBN number ready, we can move onto selling online and into shops such as Easons, etc

Business Structure

We felt that we each had stronger skills with certain parts of the business and we figured out what our strong points and our weak points were.

Aaron felt that he was stronger in Finance; he also has good communication skills so he felt stronger at dealing with Marketing and Andrew felt that he was better as a Creative Director because he is very creative and good at illustrating and it was his idea for the company so he was the Managing Director.



Product

We decided to create a storybook as literacy is a very important topic at the moment and our school is promoting a literacy initiative. The story is about a girl dreaming about going on an adventure to a castle.

In our book we used bright colours in order to grab the attention of the reader.

To make our product, we both came up with the story and characters. Initially Andrew illustrated the entire book and we then scanned the drawings onto a computer and photo shopped them. Andrew's sister is very good at Photoshop and she showed him how to use it for the pictures. All that had to be done on Photoshop was to add colour and text.

Once the book was ready for print, we rang all of the local print shops in Sligo to find the most competitive price. Once we found the most competitively priced printer for what we wanted we arranged a meeting. In this meeting we brought along a digital copy of the book and explained what we wanted to be printed. We asked for a few sample copies to be printed.

On our samples there were a few mistakes, i.e. our names were printed wrong on the front cover. Once we had corrected the mistakes we ordered our books to be printed ready for sale. We decided to print 30 as this was reducing the financial risk if we were unable to sell our books. Due to price restraints we opted for a stable bind as oppose to a sealed bind.

Meeting with the printers was quite difficult as this had to be done outside of school time and it was very time consuming ensuring that all of the mistakes were corrected.

our product is very innovative, as we wrote and illustrated the book ourselves to promote reading and literacy in younger children.

If this book is a success that we can add to it and maybe create a series of books. The book is designed to be easy to read and the colours and characters grab the reader's attention.

Price

In order to cost our book we had to examine both our fixed and variable costs.

Our fixed costs included the use of a computer and scanner in order to produce the book, however both of these were available to use free of charge, posters to advertise our book, phone costs in dealing with the printers initially and travel costs in and out of the printers.

Fixed Costs	€
Posters	5.00
Phone Calls	5.00
Travel Costs	8.00
Total Fixed Costs	18.00

As we sold 30 books our total fixed cost per book was $18 / 30 = .60$

Our variable costs included our labour and printing of the book

Variable Costs	€
Labour per book	1.00
Printing of one book	3.33
Total Variable Costs	4.33

Total Costs per book = $.60 + 4.33 = €4.93$

We decided to price our product as €5.99, this leaves us with a profit of €1.06 per unit. We decided on this price as we wanted our pricing to be competitive as from our market research we found those children's books that are not interactive start at around €7, however these are hard bound.

Marketing and Promotion

We decided that we would carry out both field and secondary research. Initially we searched prices for other kid's books to compare our price to theirs and to see the difference between prices. We also searched how much a paperback and hardback book would cost. Here are some of our findings:

- Our Book (**'Emilia's Magical Adventure'**): €5.99
- **'Holiday Heartbreak'** by Rachel Renee Russell:€7.99
Difference in Price : €2.00
- **'The Adventures of Jenny ,Sylvester and their six little chicks'** by Dolores Keaveney : €9.99
Difference in price : €4.00
- **'If I Were A Bee'** by Dolores Keaveney : € 9.99
Difference in Price : €4.00

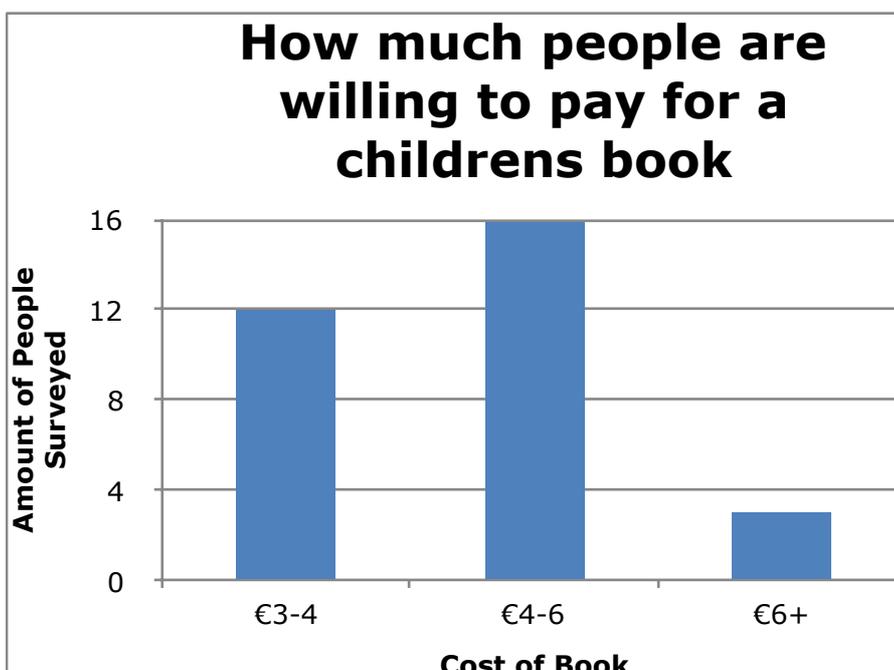
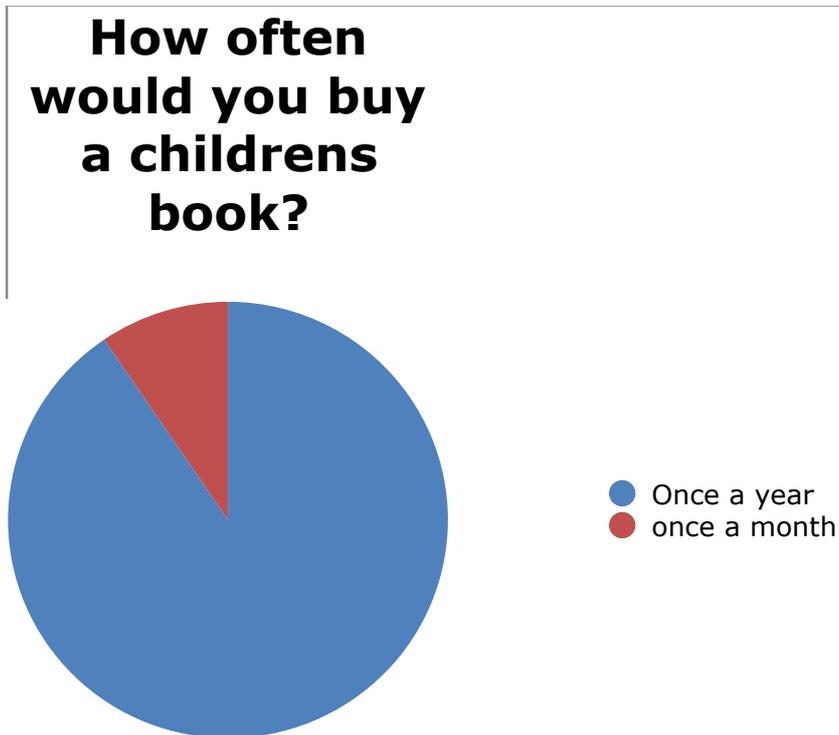
Based on this research we decided to carry out surveys, based on these surveys we hope to find out if:

- Our book is priced competitively?
- Who our target market will be as this will dictate where we will promote and sell our book?
- Is there a demand for our book?

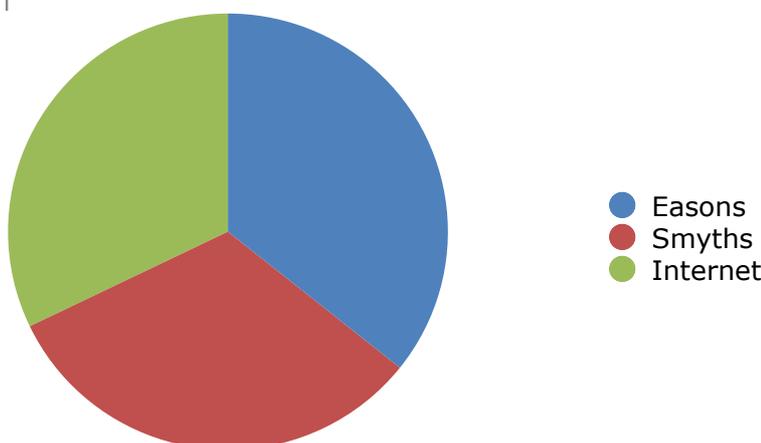
We carried out a survey on 31 first years from our school

Market research Results

1. People said that they like to see colour, creativity and imagination in children's book.



Where would you buy childrens books?



Place

We sold the books in 'Five Star Fun'. Aaron also went from door to door selling books. We intend on selling them in the local chemist and setting up a stand in the school foyer. We are also selling the book on Done Deal.

Promotion

We put a photo up on Facebook to promote our business. When we sold them in 'Five Star Fun' we included a promotion poster. We intend on sending our books to our local primary schools with a cover letter explaining who we are in hope that they may purchase them for their school libraries. We plan on setting up a Facebook campaign to help promote the business/

We decided to promote our product a few ways; initially we promoted it through a Facebook campaign. We then approached a Children's Activity Centre called 'Five Star Fun' close to where we live and asked them could we sell our product in their centre as this would reach our target audience. We are also going to approach our local national schools with a copy of the product and ask if they would like to buy it as a resource for their school libraries.

Finance

Profit and Loss Account Estimate

<u>Income</u>		
School Grant	30	
Loan	85	
Sale of books so far	179.70	
Total Income		294.70
<u>Expenditure</u>		
Printing Costs	120	
Promotional Materials	20	
Total Expenditure		140
Total profit		154.70

Profit and Loss Account Actual

<u>Income</u>		
School Grant	30	
Loan	100	
Sale of books so far	168	
Total Income		298
<u>Expenditure</u>		
Printing Costs	100	
Promotional Materials	20	
Total Expenditure		120
Total profit		178

Review/ Conclusion

Overall we found this experience very challenging but rewarding. We worked well as a team because we helped each other out with difficult situations. As Andrew was the illustrator of the book a lot of the initial work fell on his shoulders however once the book was ready for printing we both had an equal workload.

Throughout this experience we developed a number of skills. We have seen our confidence grow as we had to meet with numerous members of the public through carrying out market research, dealing with the printers, advertising and selling the book. We also created links with other business with others e.g. Michael from Five Star Fun.

We also got to develop other skills such as financial literacy marketing and problem solving; these are skills that will benefit us later on in life.

If we do continue trading we may another book and create a mini series of books. When we told our teacher about the book she thought it was a good idea and she encouraged us to bring it to the next level.

The best advice we could give to other students is to work with someone that is good with people and that has got a good creativity. We would also advise that you set up an enterprise in an area that you are interested in as the process is very long and if you're not interested in the product / service that you may lose enthusiasm.