



2015/2016 Student Business Report Cover Sheet

BUSINESS NAME: Headphone Helpers
BUSINESS DESCRIPTION: Headphone Helpers are a new innovative product designed to make the lives of earphone users everywhere easier. The Product is simply a silicone band that is used placed around the neck of the consumer. The earphones then slip up through the loops which are located at either end of the band and into the user's ears Headphone Helpers are comfortable, durable and can be used anywhere and everywhere. The product is a great fix to all your earphone problems from them becoming tangled to constantly falling to the ground while walking, running or jogging
SCHOOL NAME: Colaiste Craobh Abhann  Coláiste Chraobh Abhann
SCHOOL ADDRESS: Creowen, Kilcoole, Co. Wicklow.
STUDENT NAMES: Luke Byrne.
TEACHER NAME: Mr. Ruairi Farrell
TEACHER CONTACT NO: 01-2970198

Executive Summary

- **Product:** Headphone Helpers are a new and innovative product. Its novel design aids earphone users everywhere, stopping their earphones from getting damaged and tripping them up. It is a simple yet effective design is showing to be a great seller.
- **Design:** Headphone Helpers are a product which I have designed myself from scratch. I drew the sketches of what I envisaged the product to look like and then approached manufacturers to try to make my idea become a product. The product when fully designed was outsourced to a company in China to make the product. I forwarded on the design that I felt was right and a mould was made for Headphone Helpers.
- **Packaging:** The packaging you see the Headphone Helpers in now is sourced from a company in the UK who manufacture blister packs. These packs are suitable for hanging and stacking in shops.
- **Patent:** Over the first few months of Headphone Helpers, I decided I would patent the design of it to make sure that it would be difficult for anyone to copy my unique innovative idea. This was advised by many businesses who I consulted about the product. The manufacturer to whom I have outsourced the production of Headphone Helpers to doesn't know what purpose the silicone bands have. I chose to keep this confidential and not tell him what they are used for to ensure that I am the only retailer of the bands and nobody would have the ability to copy my design.
- **Website:** The website that is currently being used for Headphone Helpers is www.headphonehelpers.com. Previous to this website, I designed another less practical one with a free website builder called weebly. The current website is a wordpress website and has the convenient .com domain name. Both websites were designed by me and images can be found in the appendix at the back of the plan.
- **Ordering Online:** Headphone Helpers can be ordered through the website that I have currently set up and the bands can then be delivered directly to the customer. The product can be paid for using Paypal and debit/credit cards through my business online ordering system. In order to make this system secure, I met with the Bank Manager from Bank of Ireland Greystones and had a conference call with the Head of new business development in their head office.

- **Social Media:** Headphone Helpers facebook page has a total of 362 likes and 639 followers on Twitter. I also have pages set up on Pinterest, Tumblr and Instagram which I use to promote the business.
- **The Late Late Show:** I was selected by The Late Late Show to appear on the enterprise section of their show on the 25nd of January 2016 on a segment for successful entrepreneurs. Headphone Helpers was picked as one of seven products to appear on the show out of hundreds of applications. I was featured alongside already successful and established entrepreneurs with years of experience behind them.
- **Sales Avenues:** Headphone Helpers are widely available. I have made personal appearances in the Credit Union and the Bank of Ireland branches in Greystones, Co. Wicklow. I also sell my product in Go Gym, Greystones and Slimming World in Delgany, Bray and Greystones. I have been in contact with the owner of Heaton's to make arrangements about Headphone Helpers possibly being introduced into his stores. They can also be available to be purchased in Wicklow Tyres, Sally Walk Beauty Salon and WOW Beauty Salon or online through the website www.headphonehelpers.com.
- **Wholesaling:** Headphone Helpers has secured a wholesale agreement with an online company who have requested to stock and sell the bands through their online ecommerce store (www.secretfashionfixes.ie).
- **Profit:** Headphone Helpers profit currently stands at €1703. This is profit minus all of the expenses that I faced.
- **Distribution:** I was approached by a marketing and distributing company following the Late Late Show appearance. This company offered to process my orders and post them to customers for a cut of the profit. I am currently in negotiations about outsourcing the marketing and distribution to allow me to work on creating new sales avenues.
- **Sales:** Over the past few weeks I employed a sales manager to accompany me to appearances in places like Go Gym and Slimming world on a commission basis in order to progress the company.

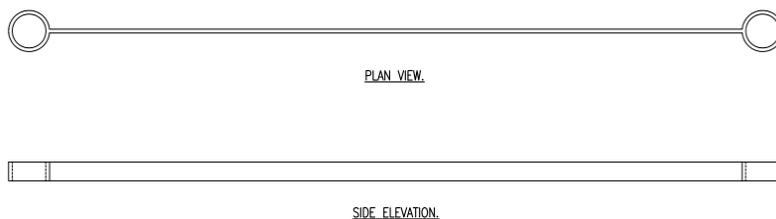
Introduction: Product Description

Headphone Helpers are a new innovative product designed to make the lives of earphone users everywhere easier. The product is simply a silicone band that is placed around the neck of the consumer. Earphones then slip up through the loops and into the ears of the user.

I came up with Headphone Helpers as I wished to find a fix to a personal peeve which I had when it came to earphones. I run with earphones in and one thing that annoyed me the most was when they were constantly falling down to the ground and tripping me up. The other reason I adopted the idea of Headphone Helpers was because of the huge potential market there was for the product. I then got to work designing Headphone Helpers. It was a tedious process in regards to sizes and finding the correct measurement for the loops to make it compatible with all earphones. After the issue of sizes had been resolved, prototyping was a huge factor in the product. I designed the prototype myself out of material to make sure that I was happy my vision for the product before I started sourcing a manufacturer.

Manufacturing:

To manufacture the product Headphone Helpers, my manufacturer needed a plan to follow. I designed sketches by hand using a pencil of what I envisaged the product would look like. I then commissioned a professional drawing and design of these sketches by a professional architect. Due to the fact that Headphone Helpers was a custom made project the manufacturer needed to make a unique mould for Headphone Helpers designed specifically to my requirements. I chose to keep the purpose of Headphone Helpers confidential and not tell my manufacturer what they were used for. This would ensure that I am the only retailer of Headphone Helpers and nobody could copy my design.



To source Headphone Helpers, I looked for silicone wristband manufactures in Ireland this was unsuccessful as everyone who was retailing them was importing them from outside Europe. I then broadened my search looking in places like China, where once people heard I was a 16 year old student they weren't interested. I finally came across two businesses who were willing to help but through further inspection of the second of the companies I realized that this was in fact a fraud company. My current manufacturer is based in China where Headphone Helpers are manufactured in China.

Innovation

Headphone Helpers are a new novel product. It is an innovative and hasn't been seen on the market before. The product itself was only put on sale on December. This is because I was acquiring a form of intellectual property called a European Community Design.

This is a permit which protects the products design and appearance. I was advised to do this by numerous people I encountered along the way. Throughout the months of October and November, I prepared and filed the patent. I was also told by professionals to post a registered letter with pictures of the product along with the product itself and leave it unopened as proof that the product was in fact in operation on that date.

The European Design gives me competitive advantage for 25 years should I choose to renew it. The design needs to be renewed every 5 years to keep its validity. I filed and sorted all the issues with the design myself through the OAMI who are in charge of all design and patent in Europe. To start off the patent process, I was in contact with a patent attorney. He offered to help me file the design. This unfortunately was not the case when it came to actually filing the patent he became difficult and we parted ways. I then headed to the patent office in Kilkenny who offered advice to me to go and file the patent myself. I took this advice and went and filed the patent through the OAMI this was not difficult and it was a great experience. They then came back with an examination report and the flaws of my application which I fixed. The design now has a priority date which means that I am covered for product protection.

Design information			
Design number	002906701-0001	Filing language	English
Name		Second language	French
Filing date	11/12/2015	Reference	
Registration date		Vienna Classification	
Expiry date		Verbal element	
Design status	Design waiting for events		

Indication of the product, (Eurolocarno)	
Locarno	14.03, 14.99
Values	Headphone apparatus, Holders for headphones

This is an excerpt from the report from the European design registry

Marketing Mix

Product:

I came up with the product Headphone Helpers when trying to think of something beneficial for the public, and that had a large enough target market that I could aim my product for. Its simple design allows it to be packaged easily and can be distributed without taking up too much space in retail stores. It is a unique and new product which has not been manufactured before.



Price:

When coming up with a price for my product, I knew that it had to be affordable yet profitable enough to keep the business going. I needed something that could compete with the market and not turn potential customers away. I decided on €7 as my price. I knew that I would be able to keep it at that price as it is profitable for the company. This could also include postage and packaging when ordered through my website or through different wholesaling avenues.

Place:

I have currently a successful website which people can get information about Headphone Helpers, purchase them through paypal or with a debit or credit card securely. International orders can also be placed through my website. I sold in the CCA TY pop up shop, I have stock in Go Gym, Shoreline, Wicklow Tires, Sally walk Beauty Salon, WOW hair and beauty salon and have sold in Bank of Ireland, the Credit Union and I am currently in negotiations with Heatons. Secret Fashion Fixes an online ecommerce store contacted me about my product featuring in their online store. It is now live on their website and available for purchase.

Promotion:

To promote Headphone Helpers I knew I would have to get the product out there to be noticed. I created a Facebook page which as at February 2016 has 332 likes on a Twitter Account with 629 followers, a website set up which people can order through, a gmail account especially for Headphone Helpers. Headphone Helpers also appeared on the Late Late Show on the 25th of January 2016 for new innovative ideas alongside fully fledged companies. This exposure lead to a massive increase in website traffic and online ordering. Visitors to my page peaked on the 25nd and the 26th of January where there were 400 hits on the Headphone Helpers website with 40 orders coming through on that night alone.

Packaging:

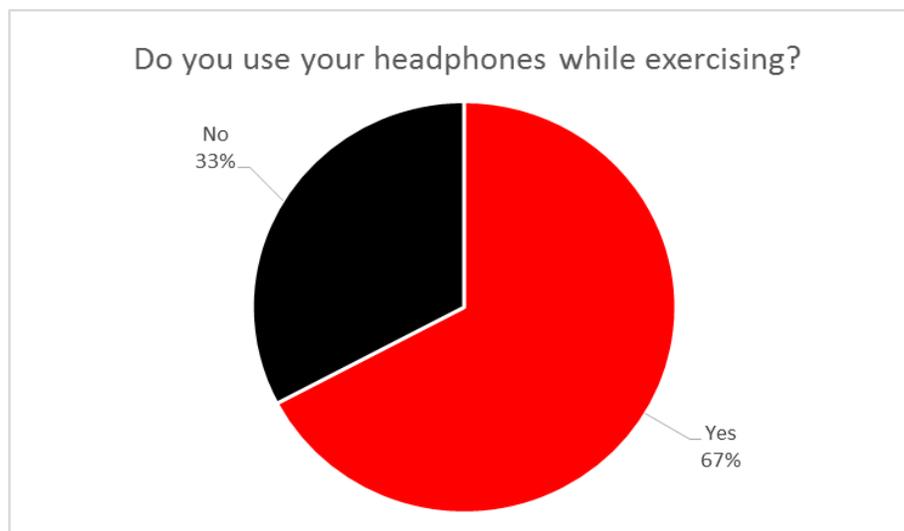
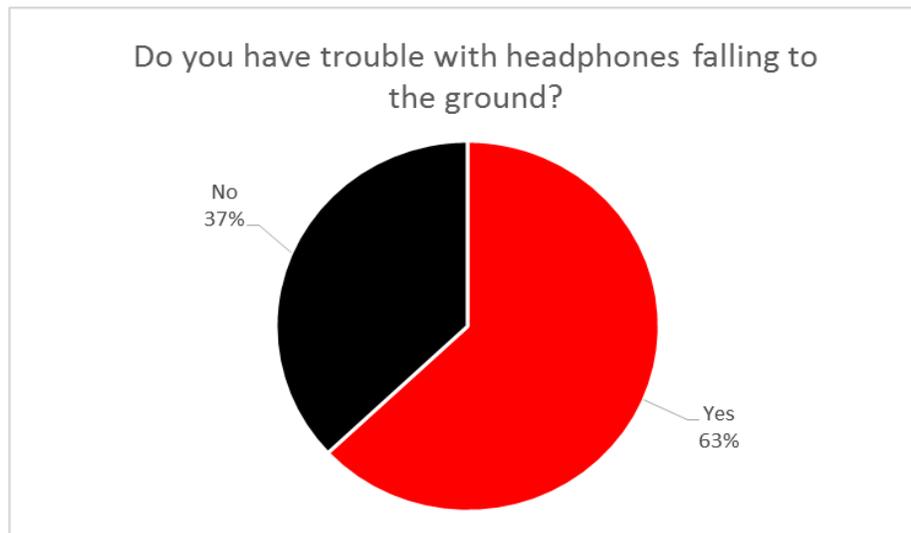
It is important to package Headphone Helpers in an attractive way to make it appealing to the customers. The packaging that is currently used is a small blister pack with a card inserts that was made to fit Headphone Helpers. This style of packaging is mainly focusing on shops and retail in chains such as Heatons or Tesco. A vast amount of meeting with product designers were held to ensure that the product was in the best possible packaging for sale.

Marketing

Market Research:

I designed a questionnaire to distribute to potential consumers and asked a wide range of questions. Some of the most prominent results from the questionnaires are outlined below;

- 65% of people own a pair of earphones
- 70% use them daily.
- 55% were males and 45% were females.
- 53% of people who wear earphones have trouble with them falling to the ground.
- 76% of people use earphones while exercising



Focus Group:

I realised from my initial market research questionnaires that there was a huge potential market for Headphone Helpers. I then developed a concept made out of material to give people the idea of how the Headphone Helper would function. I then selected five people to be part of my focus group before I developed a prototype. I prepared a list of questions and prompts for the group to discuss so I could get some feedback on the Headphone Helpers. This was very worthwhile and I made some changes to the design before it went to manufacture.

Competitors:

Competitors to the product currently include; earphones that are designed to stop them from falling out of your ear such as those manufactured by beats and other well known.

Positioning of Product:

The current position of the product Headphone Helpers in the public domain is wide spread. I have composed an official website that customers can order and pay for their goods online on the website.

Distribution Strategy:

Currently goods are being distributed by Post. Products have been shipped overseas to the UK, Belgium and the Netherlands with new export avenues arising daily. My website accommodated people ordering overseas and has the capabilities to enable it to deal with people from different countries and currencies.

Channels of Distribution:

The channel of distribution the product undergoes starts with the manufacturer. I place an order to the manufacturer I deal with in China. He is a reliable manufacturer of materials and I sourced him myself. He then manufactures the product for me and posts it to my base of operations from where I can distribute it to potential customers.

Sales

- Headphone Helpers are sold in many locations. The CCA Transition Year pop up shop was the first place in which I sold Headphone Helpers. This provided a good foundation for me to practice my pitch and entice people to buy the product. This stands to me now when I got to other places to sell.
- The second place in which I sold was in the Bank of Ireland. This was a great chance to get some sales on the board.
- Thirdly Headphone Helpers featured in the Credit Union this was one of my best selling points. Sales would not be my strongest attribute when it comes to business and this is certainly one of the drawbacks to being a sole trader that you have responsibility for all areas of business. I critically evaluated myself and I acted on it to employ a sales manager to accompany me on these promotional appearances for Headphone Helpers.
- Slimming World groups in Delgany, Bray and Greystones allowed Headphone Helpers to be sold at their classes as they felt it was an excellent product that their members would be interested in. This proved a successful sales avenue for the business.
- Go Gym (a large Leisure Centre with a huge membership base) were kind enough to allow me to sell in their gym located in Greystones. This was an opportunity to sell in a different type of atmosphere where people would be using earphones.
- Headphone Helpers is also selling in Wicklow Tires, Sallywalk Beauty Salon and Wow Beauty Salon.
- Headphone Helpers were approached by Secret Fashion Fixes an online ecommerce store who wholesale goods. This was an amazing chance to get the product into different areas. A wholesale price was agreed between us.



Headphone Helpers for sale in two of its many locations (Go Gym and the Credit Union)

Finance for Headphone Helpers

Pricing Strategy and Cost of Goods

- In relation to the cost of goods, currently I can get the entire product packaged and all to my front door for €1.56 per unit. That is including the Headphone Helper, the blister pack, card inserts and postage. I have an agreement with my manufacturer from Canada that he will pay the duties incoming to the country if any arise.
- In the first months of Headphone Helpers, I ran with a penetration pricing strategy to entice customers to buy the product and create a market and opportunities to get people interested in Headphone Helpers. Since then the pricing of Headphone Helpers has increased from €5 to €7. This is because I have secured a solid foundation of marketing the product and promotions such as The Late Late Show which has increased sales. Hence, I increased the price to capitalize on the increased awareness and product recognition and also to increase the profit margin to move the company forward. This also allows me to include postage and packaging on each of the products which are purchased directly through my website which is my main sales avenue.

Profits and Cost Breakdown

- The Bands and packaging cost █████ each. This is the total cost. This excludes all duties and postage into the country as my manufacturer agrees to pay all of the fees. The silicone bands that Headphone Helpers are made from cost €████ each. The packaging of blister packs cost █ cent and the card inserts cost █ cent each. Headphone Helpers on sale for €7 currently take in a profit of €████.
- The profit I retain from Headphone Helpers goes back into the business to progress it. Headphone Helpers are currently involved in a wholesaling partnership with Secret Fashion Fixes. This means, I had to lower my price to wholesale the goods. The current agreed price for wholesale with Secret Fashion Fix is €5. This I think is a reasonable wholesale price as usually wholesale price is 50% of retail price.



Headphone Helpers being endorsed by Henry Shefflin

Income and Expenditure Account

Details	€	€	€
Income			
50 Headphone Helpers @ €5		■	
360 Headphone Helpers @ €7		■	
<u>Total Income</u>		■	■
<u>Expenditure</u>			
Mould		■	
200 Drawstring Bags		■	
500 Blister Packs		■	
500 Card Inserts		■	
700 Headphone Helpers		■	
Patent Attorney fees		■	
Stationary		■	
Patent		■	
Sales Manger wages		■	
Total Expenditure		■	■
Income - Expenditure			■
Net Profit			■

Product Pricing List – Per Headphone Helper

<u>Details</u>	€
Headphone Helpers	■
Blister Pack	■
Card Insert	■
<u>Total Cost</u>	■

Profit Margin:

In regards to profit margin the product costs ■ to make. I am currently retailing the product for €7. This means I am making ■ on each Headphone Helpers. That is a profit percentage of 349% profit on each Headphone Helper. The entrepreneur time involved per unit is 10 minutes. Which equated to €1.66 per unit in labour costs based on €10 per hour payment.

Review and Conclusion

As a sole trader all of the work is mainly left up to me. This often results in a lot of work and the sole responsibility for all avenues of the business being left with me. I had to contact a lot of manufacturers asking them could they make the product. At the outset, I contacted people in Ireland and all across Europe. I was then informed by a source that I wouldn't be able to manufacture the product inside Europe so I went further abroad and got in contact with companies in China who were willing to help me out.

I had some small discrepancies throughout the process of my Mini Company, such as a delay in the product being manufactured and the producer being behind schedule.

I did develop quite a lot of skills over the current course of the Mini Company. I learned how to contact manufacturers and how to address companies properly about products. I gained knowledge of HTML and making websites. I also gained a firm understanding of the business industry and I came across some of my weaker points such as making public announcements and taking constructive criticism about my product.

Headphone Helpers is designed to allow corporate companies to print their logo on the band. This could be used for corporate nights or events such as marathons and triathlons. This will hopefully be one of the main sales avenues for Headphone Helpers into the future.

Headphone Helpers development over the past few month has been vast, from designing the product from scratch to where it is now has been a great experience. Sales increased considerably after The Late Late Show bringing in sales of over 300 Headphone Helpers between January and February. This gives Headphone Helpers a total sales figure of €2,870 and a profit of €1,483.



Headphone Helpers on The Late Late Show

Future Plans:

For the future of Headphone Helpers, I hope to approach companies who may use the bands as a promotional tool by placing their company name or event on the band when ordering in bulk. I also hope to approach organisers of marathons, triathlons and other sporting events along the lines of Dublin Marathon.

Another option I could possibly take would be to do it in the colours of GAA clubs like Wicklow with a yellow and blue band. I could also get the band manufactured in colours of English football league times like Manchester United or Chelsea.

The final thing that I would want to get is to get an investor for Headphone Helper who would help me get it into major retail chains and also give me some business advice and support on taking Headphone Helpers further.

Personal Development:

In addition to the financial success of my business I developed personally by being involved in the Headphone Helper process. I have grown in confidence and my communication skills have improved from dealing with suppliers, customers and different agencies. Following meetings with the Local Enterprise Office, bank manager and a patent attorney I learnt that there is support available for entrepreneurs and is something I will capitalize on coming into the future. I learned how to establish my own website and how to effectively promote and market my business through social media outlets. Overall I learned how to lead, manage and coordinate a business from inception to right through to final fruition.



SWOT Analysis

Here is just a brief SWOT analysis of the business Headphone Helpers:

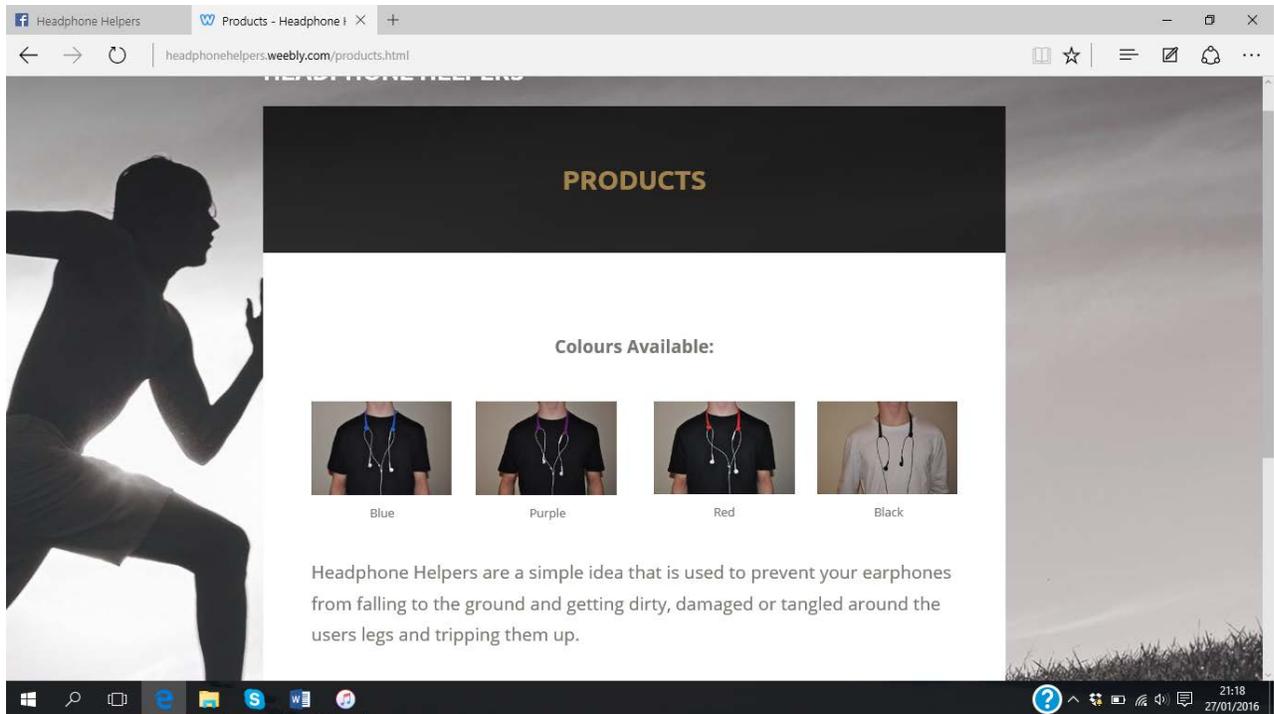
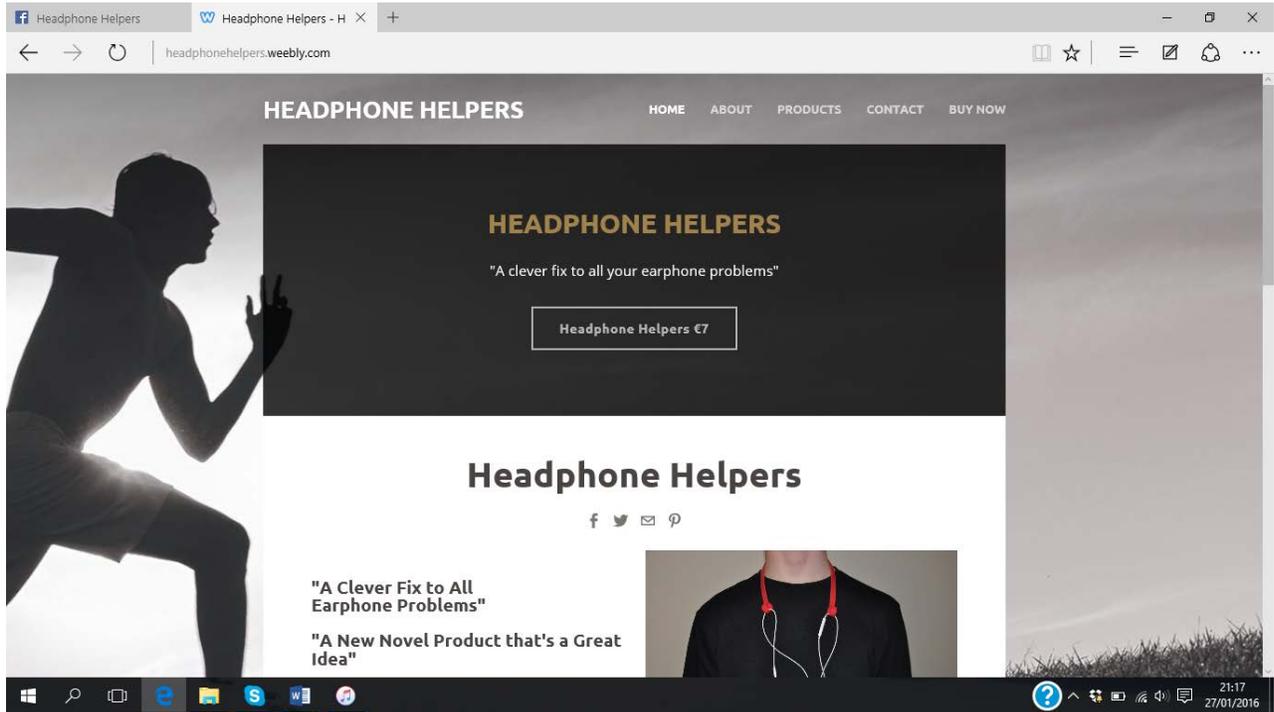
Strengths <ul style="list-style-type: none">➤ Affordable price.➤ Portable – can use wherever, whenever.➤ Unique and innovative product.➤ No limited markets as product is suitable to all ages and genders. One size fits all.➤ Product is patented so cannot be copied.➤ The Late Late Show appearance.	Opportunities <ul style="list-style-type: none">➤ New sales avenues such as gyms, marathons, triathlons, fitness clubs➤ Headphone Helpers has the ability to have advertisement or company logos printed on the bands. This allows me to receive sponsorship from larger companies to have their logos printed on the bands of Headphone Helpers as promotional gifts.➤ Huge public interest in health and fitness
Weaknesses <ul style="list-style-type: none">➤ I am heavily involved in the assembly process of Headphone Helpers as I feel that it is essential to maintain over the product quality➤ Headphone Helpers is a one purchase item and repeat business from the same person is not possible.	Threats <ul style="list-style-type: none">➤ Competition from other impulse buys➤ Headphone Helpers are dependent on its ongoing cooperative relationship with its suppliers. It is essential for the success of the business that these relationships are maintained. However, in the event of an issue developing with one of the suppliers I am currently working on backup channels

Appendix 1 (Social Media):

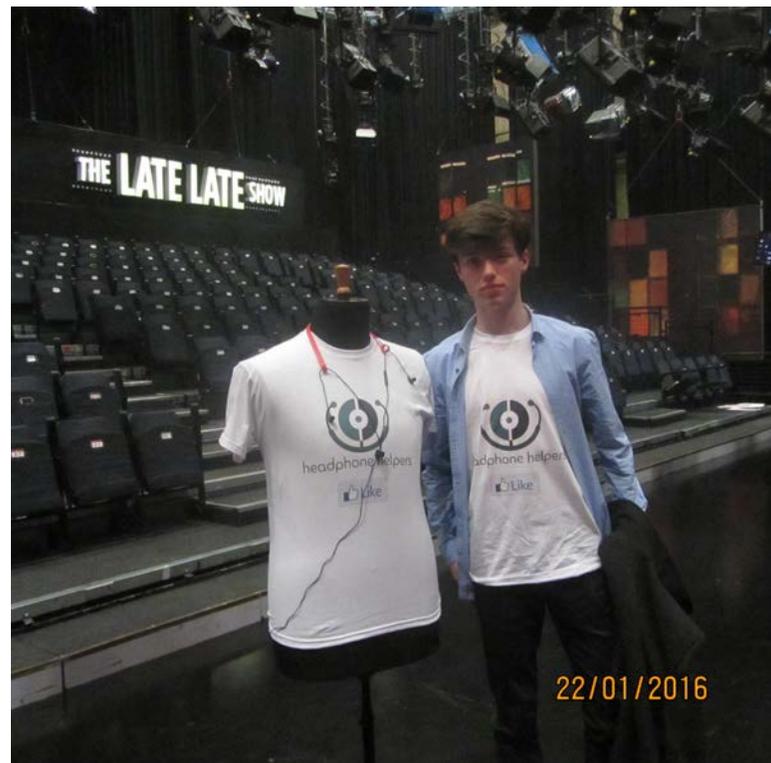
The screenshot shows the Facebook page for 'Headphone Helpers'. The page header includes the name 'Headphone Helpers' and navigation tabs for 'Page', 'Messages', 'Notifications', 'Insights', and 'Publishing Tools'. The main content area features a large profile picture of a person wearing headphones and a cover photo with a circular logo. Below the cover photo, there is a status update from 'Headphone Helpers' dated '24 January at 14:30' with the text: 'Just want to say a massive thank you to Paul in Hisen Technology who was a great help over the past few days, Thanks again paul!'. The update shows '220 people reached' and 'Boost Post' options. On the right side, there is a 'Promote' section with statistics for 'THIS WEEK': 181 Page Likes, 2,184 Post Reach, 100% Response Rate, and 35 minutes Response Time. The bottom of the page shows a Windows taskbar with various application icons and a system tray with the time '21:11' and date '27/01/2016'.

The screenshot shows the Twitter profile for 'Headphone Helpers' (@HeadphoneHelpers). The profile picture is a circular logo with a stylized 'H' and 'H' inside. The bio reads: 'Headphone Helpers is a Mini Company set up to prevent earphones from falling to the ground when they fall from the users ear.' The location is 'Dublin City, Ireland' and the website is 'headphonehelpers.weebly.com'. The profile was 'Born on October 16, 2000'. The statistics show: 690 Tweets, 1,107 Following, 639 Followers, and 99 Likes. The main content area displays a tweet from 'Headphone Helpers' dated 'Jan 16' with the text: 'Like Headphone Helpers on Facebook!!!!!!'. The tweet has 1 retweet and 1 like. On the right side, there is a 'Who to follow' section with suggestions for 'EventBuddie', 'ORIGINAL', and 'liam @paynswodka'. The bottom of the page shows a Windows taskbar with various application icons and a system tray with the time '21:15' and date '27/01/2016'.

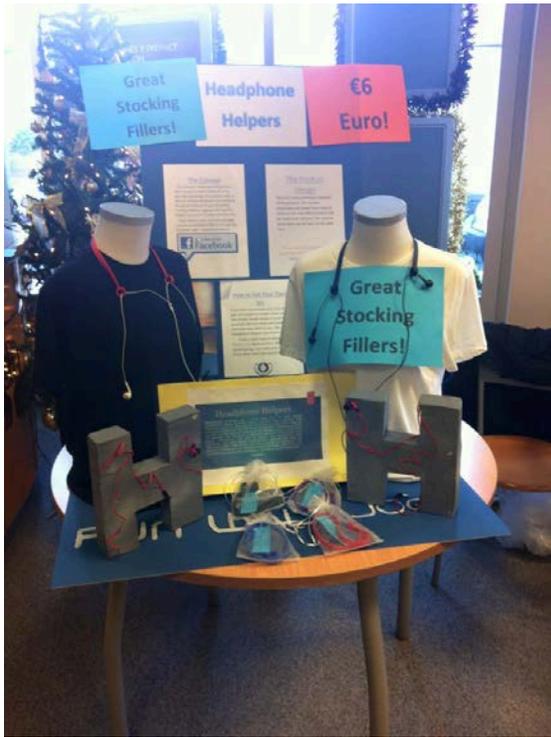
Appendix 2 (Website):



Appendix 3 (The Late Late Show Appearance):



Appendix 4 (Sales promotions for Headphone Helpers):



Headphone Helpers on sale in The Credit Union



Headphone Helpers on sale in Go Gym



Headphone Helpers on sale in Slimming World

Appendix 5 (Online ordering):

The screenshot shows the 'Products' page on the Headphone Helpers website. The navigation menu includes Home, Products, About Us, Contact Us, and Gallery. Below the navigation, there are four product images labeled Red, Blue, Purple, and Black. Each image shows a person wearing a black t-shirt with a pair of headphones around their neck. Below the images are three columns of selection options for each color. Each column has a 'Buy Now' button and a list of payment methods (MasterCard, Visa, American Express, PayPal, and Bitcoin).

Irish Delivery Qty	UK Delivery Qty	Rest of World Qty
1 €7.00 EUR	1 €7.00 EUR	1 €7.00 EUR
Colour: Blue	Colour: Blue	Colour: Blue

The screenshot shows a detailed view of a person wearing a red and white headphone. The person is wearing a black t-shirt. The text above the image reads: "Headphone Helpers can be used anywhere. In the Gym, while running walking, jogging, cycling, on public transport or just out and about!".

Appendix 6 (Wholesaling Headphone Helpers):



09th February

Dear Sir/Madam

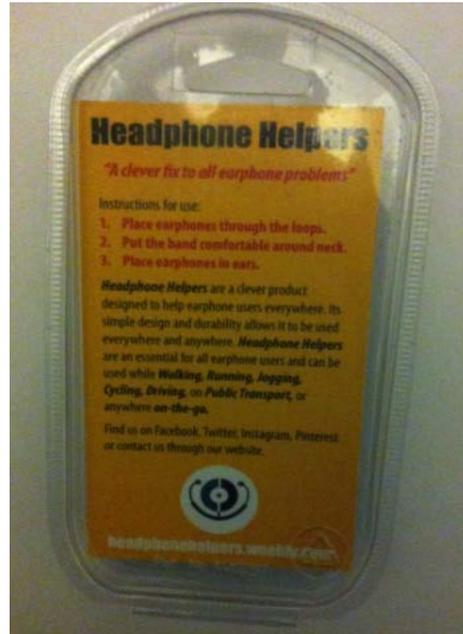
We are delighted to announce the introduction of Headphone Helpers to our Secret Fashion Fixes Online store. We feel this is a very simple yet very clever accessory that fits perfect with our www.SecretFashionFixes.ie target audience and product portfolio and are delighted to stock and sell it.

We would like to Congratulate Luke Byrne on his new product and wish him every success for the future.

Yours sincerely

Dee Fitzgerald
Director
Secret Fashion Fixes Ltd
Mobile: 086 3190774
Email: dee@secretfashionfixes.ie

Appendix 7 (Headphone Helpers Packaging):



Headphone Helpers

"A clever fix to all earphone problems"

Instructions for use:

1. Place earphones through the loops.
2. Put the band comfortable around neck.
3. Place earphones in ears.

Headphone Helpers are a clever product designed to help earphone users everywhere. Its simple design and durability allows it to be used everywhere and anywhere. *Headphone Helpers* are an essential for all earphone users and can be used while *Walking, Running, Jogging, Cycling, Driving*, on *Public Transport*, or anywhere *on-the-go*.

Find us on Facebook, Twitter, Instagram, Pinterest or contact us through our website.



headphonehelpers.weebly.com