

## Coolip Business Plan

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## Introduction

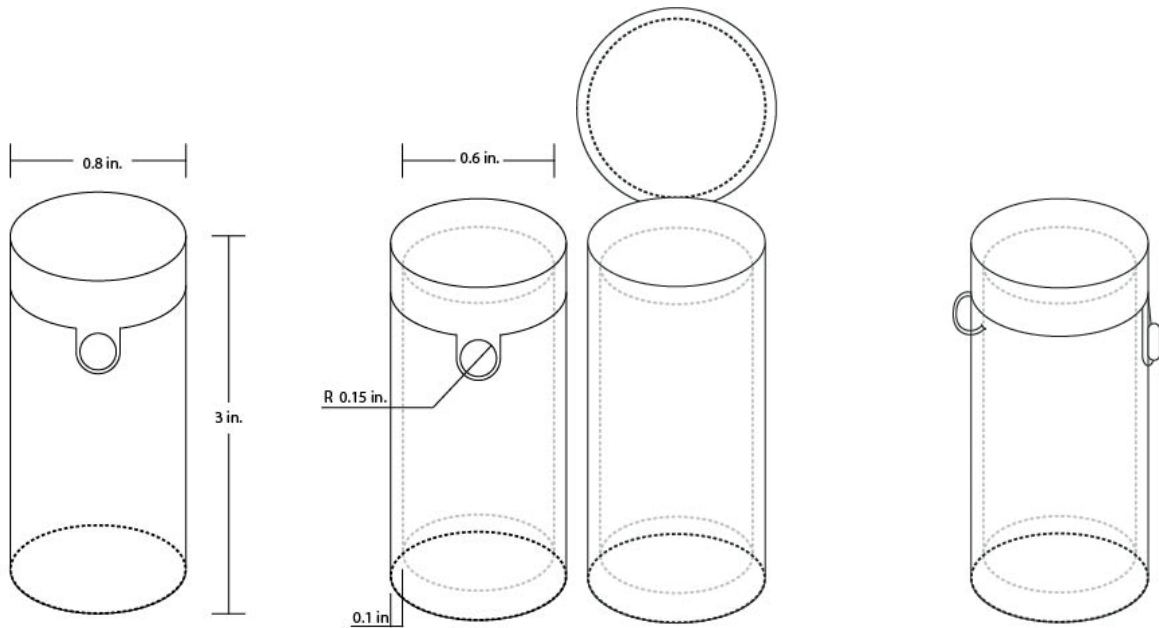
CooLip is a heat resistant container that holds lip balm and lipstick, which was inspired by the problem of having to clean up the sticky messes created by melted lip balm when it is stored in warmer areas. By being able to provide and sell a heat resistant container for lip balm, we are helping to solve the problem of it melting in the first place, thus solving the problem of cleaning up the messes. We believe this product could be used by a large number of people, as lip balm is commonly used by many kinds of people with different hobbies, interests, and lifestyles. Based on material costs as well as the simplicity of its design, CooLip is both viable and feasible.

## Our Idea

Our idea is to create a container that would keep lip balm and lipstick insulated, preventing it from melting in hot climates, warmer areas such as cars or pockets, or while on vacation. We also want to help our customers save money in the future by not having to buy a new lip balm or lipstick before it is necessary due to its melting or getting lost. The container will also include a keyring that allows it to easily attach to one's keys or a backpack/purse. Our logo combines the idea of our name with our product. The lip balm graphic acts as the "l" in cool and connects to the "L" in lip, serving the purpose of showing our audience what the product is for.



## Prototype



Pictured is a rough prototype of a lip balm-specific (larger versions will be made to accommodate lipstick) sized Coolip. The outside dimensions of this version are a height of 3 inches with a diameter of .8 inches. This allows for an outer layer of fabric, a thin (~.1 in.) shell of flexible insulating foam, and an inner layer of InsulBright insulating fabric. This shell leaves just enough room for a standard .15 oz tube of lip balm (2.8 in. tall with a diameter of .6 in.). Our design includes a flip-up lid that closes using a snap button. On the back of the container, there is a small metal keyring that allows users to conveniently attach the Coolip to their keychain, lanyard, or anything else they choose.

For this prototype, the two insulating materials we chose are a simple insulating foam (something similar to the foam used to wrap heating pipes) and the InsulBright insulating fabric. Both of these materials are flexible, affordable, and highly insulating. Other than these, the only other necessary materials are a snap button, a keyring, and the outer layer of decorative fabric.

The inner layer of the InsulBright will require ~6.25 square inches of fabric, while the outer layer will require ~8.55 square inches of fabric. Without knowing the wholesale prices at

which we can purchase these materials or the other production costs (manufacturing, shipping, labor, etc.) we would face, it is difficult to calculate precisely how much each unit will cost to produce. Although, being such a small product comprised of a small number of very affordable materials, it is safe to assume the cost of production will never come close to the price we can sell them at, either wholesale or retail.

### **Desirability**

The reason for creating a product like this is aiming to help prevent lip balm and lipstick from melting when left in warm areas. While avoiding this problem, we are also helping users save money in terms of not having to buy new lip balm as often, which in turn, is helping the environment by reducing the overall amount of waste produced by lip balm. People often have several different lip balms and lipsticks around their house, in their car, or at work. Coolip makes it easy to attach your lip balm to your keychain and carry the same one around without having the stress of it melting in different settings. The keyring feature on the back of it will also help people locate their lip balm more quickly and prevent it from getting damaged. For example, students specifically may keep a lip balm in their backpack along with other things.

### **Viability**

We believe Coolip can work, financially speaking, because we do not anticipate the costs of making the product to be very high. We want the product to be affordable and convenient for everyone but especially for college students. We imagine the materials needed to make this heat resistant container will not be incredibly expensive. For this reason, we will be able to sell each one for a reasonable price while still making a small profit.

## **Feasibility**

We believe Coolip can work, technically speaking, because of the simplicity of its design. We plan on using small stainless steel containers that can withstand the heat of a hot car or even direct sunlight. The product design is not complicated to make, and we have researched some of the best and most affordable materials to achieve our goal.

## **Business Model Canvas**

### Key Partners

- The company we get the supplies and materials from
- Whoever makes the product/manufacturer
- Places selling the product
- Sustainable/eco-friendly lip balm brands (Burt's Bees)
- Vera Bradley line (outer design)

### Key Activities

- Making the product
- Marketing the product
- Selling the product
- Establishing relationships with customers and manufacturers
- Designing for specific segments' interests (Sports teams, LVC/collegiate line, patterns/Vera Bradley line, colors)

### Key Resources

- Materials for making the product
- Our key partners

### Value Proposition

- A way to store lip balm anywhere without worrying about it getting damaged, having to replace it, etc.

- Prevents lip balm from melting when kept in a warmer place
- More eco-friendly by reducing waste and the overall amount of chapstick bought

#### Customer Relationships

- Should establish personal relationships with customers, so they tell other people good things about us

#### Customer Segments

- Anyone who uses lip balm
- College students who keep a lip balm in their backpack, car, dorm, etc.
- Adults who keep a lip balm in their bag, desk, pocket, etc. at work
- Travelers who like to take a lip balm on vacation with them

#### Channels

- An individual product that we would have other places sell (CVS, Walmart, etc.)
- A website where you can buy the product directly from us

#### Cost Structure

- Materials to make the product
- Making the product itself
- Marketing to advertise the product

#### Revenue Streams

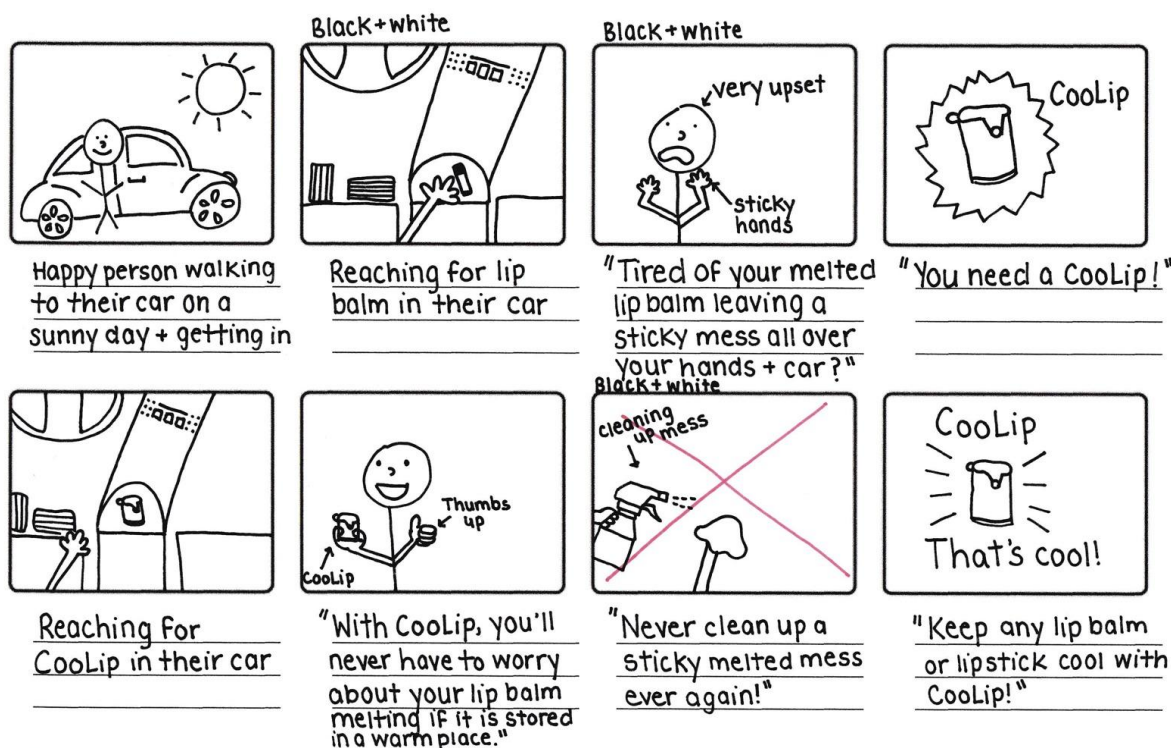
- Charge for each product
- Sell them for a reasonable price to ultimately sell more
- About \$3 to \$6 each

### **Our Story**

To tell a compelling story about our product, we had to go about it a bit differently than most would. The problem that we identified is not necessarily a dire need, but it still exists. We

decided to tell the story of CoolLip through a commercial-style video. We did not produce this video, but we came up with storyboards to show how it would be done.

To tell a story that would get people to purchase a CoolLip, we chose to show two different scenarios; that way, people could more likely imagine themselves in each situation. The scenarios start the same, but when the user goes to reach for their lip balm, one is upset, while the other is pleased. The negative scenario we showed is the user finding a sticky mess when they go to use their lip balm, which leaves their hands covered in it. Later we show this same person cleaning the inside of their car where the mess was found. To represent these situations negatively, we decided to make these clips of the video black and white. When the situation is positive, we show it in color. We are essentially presenting the user with the same scenario twice, but in the second one, the person has a CoolLip, which is why the situation has turned positive. We show the user that with a CoolLip, their life will be more convenient. We clearly show what the product will look like and what purpose it serves through our story.



## Persona

While our product has a broad target audience, as lip balm is a commonly used, everyday item, we decided to base our persona off of who we believe will benefit from and use CoolLip the most.

- Karli is a 20-year-old Physical Therapy student who attends Lebanon Valley College.
- She loves going to the gym, is a big advocate of self-care, and drives a jeep.
- She works at a pool over the summer and teaches color guard outside in the fall, so she spends a lot of her time outdoors.
- She is big into online shopping, often clicks on ads when she sees a sale because she likes to save money, and gravitates towards eco-friendly products.
- As a Physical Therapy student, she often has to make long treks to the Arnold Health Professions Pavilion.

We feel that Karli is the ideal audience to sell our product to because first, she loves self-care, so she would be the type of person to use chapstick often to avoid chapped lips. She is also outside a lot in various kinds of climates or driving her jeep with her top down, so she is at a higher risk of her lip balm melting. Karli would benefit from our insulated lip balm container to prevent this problem from occurring. Because she is big into online shopping and saving money by shopping sale items, she would be more inclined and motivated to click on an ad for our product online and check it out.

## Content Marketing

Our marketing strategy focuses on casting a wide net of potential customers based on anti-clutter, being environmentally friendly, and self-care. The container will help prevent messes and clutter, therefore appealing to those who do not like messes. Our product also appeals to environmentally conscious individuals, as it reduces overall lip balm purchases as well as waste produced by lip balm. Finally, as our product provides easy and mess-free accessibility to

continuous lip balm use, it will appeal to those who value self-care. This concludes our content marketing strategy and how we will use these ideas to appeal to a broad target audience.

## **Conclusion**

CooLip would be useful all-year-round. It is especially beneficial to have during the summer, as lip balm is at risk of melting almost anywhere it is stored without air conditioning. The warmer climate increases the risk of lip balm melting. Even if it is kept somewhere inside, direct sunlight through a window can be detrimental to lip balm, especially if stored inside of a car. People are more prone to getting chapped lips during the winter, so it is common to always be carrying a lip balm. Lip balm is easy to keep in one's coat pocket; however, this places it at a much higher risk of melting due to the warmth inside of the pocket.

Along with CooLip being useful throughout the whole year, it is also beneficial to a broad target audience. Anyone who uses lip balm would fall into our customer segments. Still, specifically we are looking at college students, working adults, and travelers who like to take a lip balm on vacation with them. In addition to it being useful all-year-round by many kinds of people, its design makes it both viable and feasible.