

Web-Pro Executive Summary

Web-Pro business venture is an entrepreneurial firm that is going to start its operations in March 2008. Its location will be at AlAkhawayn University in Ifrane (AUI) and will be a 100 percent student run business. AUI Students from the School of Business Administration, the School of Science and Engineering, and the School of Humanities and Social Sciences will be involved in running and operating the venture. Web-Pro is a service company with a core business of selling websites development packages for Moroccan small and medium enterprises. These service packages target mainly SMEs located in the regions of Fez-Boulemane and Meknes-Tafilalet during the company's first year of operations, with a prospect to expand to largest markets such as Casablanca and Rabat starting the second year.

Website development packages offered by the company include other services than designing and building customers' websites. In fact, students will have the opportunity to demonstrate their academic and personal skills in real world projects. Consultancy in management, marketing, and communication will be offered in our packages to help SMEs develop good managerial and external communication strategies.

The company targets Moroccan enterprises who sense the importance of having a World Wide Web interface to interact with their stakeholders. Three main packages will be offered: "Web-Pro Site", "Web-Pro +", and "Web-Pro Catalogue". Our main goal is to offer an opportunity for Moroccan SMEs to develop their websites at a high quality and at an affordable price. We believe an opportunity exists in the website development industry for main reasons:

- **Technological Standardization**: after the privatization of the Moroccan leader in telecommunication; "Itissalat Al Maghrib", and the introduction of competition via "Mediatecom", the internet technology became affordable for Moroccans. In fact, it allowed many businesses and individuals to own their own internet line. The computers industry followed the same trend of decreasing prices. In fact, nowadays a good quality computer could be bought at an average market price of \$500. That price was more than the double just three years ago. This prospect encouraged businesses to computerize their daily managerial operations.

- Changing habits toward internet technology: Nowadays, more than 4 million Moroccans use the internet daily. Internet lines have been increasing and the Moroccan industry of website development is growing twice as much as the global industry; 24% compared to 12% respectively¹.
- Distinct market opportunity: In December 2007, Morocco is finally going to introduce the e-commerce. Moroccans will have the opportunity to shop online and pay by credit card. This is a new era for most Moroccan businesses that will have to present and offer their products and services online if they want to survive to competition.
- Expensive or unprofessional competitors: Competition either offers competitive services, or unprofessional work. Our main competitive advantages will be quality and affordability.

These facts represent a unique opportunity to provide website development packages for Moroccan SMEs at an affordable price. This Business will also encourage enterprises develop their status by following the technological trend. We hope we will help improve the entrepreneurial economy of the regions we target. Having AUI as a partner will certainly reinforce our position and provide us a reliable image. AUI's image is also going to be improved as a University providing new opportunities to the Moroccan market.

The company will be selling its services directly. We will have commercials contacting small and medium enterprises via direct mail and also by visiting directly these potential customers. Furthermore, Web-Pro will be offering its services via its own Web-Site as well. All information concerning our company, departments, services and packages offered will be provided in our website. Prices will be also transparent and posted on the company's website. Moreover, a special page where customers could enter the service needed will allow us to send them the appropriate tariffs depending on the customer's need. Our venture will differentiate itself by giving emphasis to its high quality services, its related brand name to AUI, its package offerings including management and marketing consultancies, and its affordable prices.

¹ http://www.webhosting.info/domains/global_stats/total_domains/

The management team is composed of four AUI students; including two master students majoring in business and one from the engineering school. Our diversification and specialization are our main strengths. Indeed, every team member excels in a specific major business field. The marketing, sales and distribution is the specialization of Zineb Maïmmadi. Graduating with a bachelor in business administration, majoring in marketing and international business, Zineb now is a full time MBA student at AUI. Fahd Bachir is a master student at AUI majoring in the corporate finance. Dina Rizk is a business student majoring in finance and management. Fahd and Dina are in charge of all the finance part of our venture. Karim Amharech is also an AUI student specializing in website development and design. He is in charge of the technical part concerning the websites development for Web-Pro. All team members have strong background about the industry and have already have work experiences. Web-Pro members are completely motivated and ready to start their venture.

The total Moroccan market size for websites' development in 2007 has been estimated to 25.2 million dollars. Web-Pro's year 1 projected sales volume is 30 packages with total revenue of \$15,000. This represents a 1 percent market share. Web-Pro estimated market share and sales volume are presented in table 1. Our sales estimates are based on selling the "Web-Pro Site" package, which the cheapest package offered by our company. We estimated our unit sales and market share assuming that we are going to sell only the "Web-Pro Site" package at \$500 to only 30 customers during the first year, which represents the worst case scenario for our company. Given these assumptions, our market share will be 1% of the entire market during the first year. This percentage is projected to increase to 3 percent by 2011. Sales growth is estimated to be 30 percent per annum after the second year.

Table 1**Web-Pro: Market Analysis**

	2007	2008	2009	2010	2011	2012
Market Units Sales (in units)	2527	3133	2528	3135	2529	3136
Web-Pro Units Sales (in units)	—	30	39	51	66	86
Market Share % (in units)	—	1	2	2	3	3
	—					
Web-Pro Unit Price (in US\$)	—	500	500	500	500	500
Market Sales (in US\$)	2 527 000	3 133 480	2 528 000	3 134 720	2 529 000	3 135 960
Web-Pro Units Sales (in US\$)	—	15 000	19 500	25 350	32 955	42 841.5
Market Share % (in US\$)	—	0.48	0.77	0.81	1.30	1.37

Beginning the second year, our services will expand to largest markets targeting mainly SMEs located in Casablanca and Rabat. The company's break-even volume is 35 units of its lowest priced package. Gross margin is 83 percent.

The initial investment of Web-Pro and the working capital of the first six months will be financed by AlAkhawayn University. The company will take the legal form of a Limited Liability Partnership (LLP) where the four management team members will be associates. Web-Pro being a student run business financed by the university is not going to be listed in the stock exchange. If the business succeeds as estimated, it will not be sold, it will be a tool AlAkhawayn University students will use to put into action their academic background, and an encouraging first step in the entrepreneurial world.