# Executive Summary

## Company Name & Contact Information

* Company name and location: Smart Mirror; Wenzhou
* Contact Information: Jasper Chen; chenpen@kean.edu; 13777700818

## Opportunity/Problem

Smart Mirror intends to solve females’ cosmetic and making-up problems and aims to promote consumers’ making-up efficiency. Our consumers’ needs consist of professional skills and advice in making-up, selection of various cosmetic products and so forth. On the other hand, focusing on the cosmetic companies on the production side, Smart Mirror helps broaden their sales channels, strengthen advocation with accurate advertisements in Smart Mirror, and utilizes data collected online to lead to precise production.

### 3.Solution

First, aiming at consumers’ making- up problems, Smart Mirror provides educational cosmetics videos which consumers are able to reach easily by searching on the Smart Mirror. In tandem with the educational videos, Smart Mirror offers an online shopping platform to allow consumers to add to their shopping carts appearing in the videos and make a decision later. Additionally, Smart Mirror would establish personas for each consumer in view of data collected from their searching history, consuming history, and personal information such as their skin type, job and so forth. Utilizing the data, Smart Mirror can accurately recommend educational videos and cosmetics to consumers and help decide cosmetic companies’ production.

### 4.Competition and Competitive Advantage

With the existence of huge demand for females to learn and update their skills in making up, Smart Mirror’s education videos can perfectly solve consumers’ need. Comparable to spending money having the expertise to teach continuously and taking make-up lessons, consumers can experience achievement of self-learning through high-quality educational videos conveniently at any time and update their skills easily by following the trend and fashion. Besides, another option which can probably address consumers’ need is smartphones. However, users’ experience of smartphones would be inferior with the limitation of the size of smartphones and single picture at one time, which can not offer different functions simultaneously at one time compared to Smart Mirror which focuses on this aspect. Apart from promoting efficiency in consumption side, Smart Mirror can help cosmetic companies to advertise right information at the right time and right place to increase their selling. Utilizing the data collected from consumers, consumers’ needs can be better analyzed which can be used for production.

### 5.Target Market

### Our company would be located in Wanda Plaza, Wenzhou. Having the company located in Wanda Plaza will bring a significant advantage in geographic and demographic aspects. With great transportation network built around Wanda Plaza, our distribution work of Smart Mirror would be much easier. Besides, there are numerous office buildings and residential buildings around Wanda Plaza, and around 2 million females work and live in this area. Our company divides our product market into two market segments. The first market focuses on real estate agencies, which allowed us to have large-scale selling. Another market aims at female aged mainly from 18-35 with high consumption ability who have a strong potential need to learn skills in make-up and a strong desire to save time on making up. Furthermore, our company concentrates on exploring online markets and physical markets at the same time, which can widen our markets.

### 6.Why Us?

Our company pursues and holds values such as high-quality products, innovation, user-friendly, and so forth. SM consists of employees who have had related work experience for multiple years and advisors who are experienced in marketing, engineering, and finance and so forth. SM would build a strong connection with suppliers and our customers. Our company cares about consumers and is willing to listen to their voice. Our team members are determined and ambitious to make this innovative product to bring convenience and solve problems of our consumers.

### 7.Forecast

Our company would make money basically from three ways: 1) selling mirrors; 2) advertisements; 3) certain percentage of turnover of cosmetics companies. Our initial goal is to sell 1000 Smart Mirrors in the first year of our business. We would set the price of each Smart Mirror at $399, therefore we expect to make $399,000 from selling mirrors. Besides, our company would cooperate with cosmetics. We would advertise and recommend cosmetics and they would offer some cosmetics free to us which we would use to give way to attract early users. Therefore, we might not make lots of money from the advertisements in the early stage but in the later period. The third way is a certain percentage of turnover of cosmetic companies. We estimate the average spending of each consumer on cosmetics is $100, hence total turnover is $100,000. The percentage we would set at 3.89%, so we could get $3,890. The total revenue would be $402890 in the first year. The total cost for the first year estimated is $485,000. Hence, we would run at a loss in the first year and start to make the profit in the second year. The first year would mainly be used to penetrate the market and promote our products, which is the strategic reason why we would accept the loss initially. Our revenue would increase later from selling more Smart Mirrors, advertisements, and commission.

### 8. Financing Needed

Our company decides to apply for a $235,000 loan to fund our business. Our company’s cost would be divided into four main factors: 1) offline store; 2) cost of production of Smart Mirror; 3) cost of acquiring educational videos; 4) salary and other expenses. Therefore, the money loaned would be used to cover the expenses. It might be used to cover some unforeseen expenses. This $235,000 would help SM successfully grow up and generate its own revenue.