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Salma Battuta Daycare

Business plan

1.0 Executive Summary

Company Profile Summary

Many newcomers to Quebec City from Morocco struggle to find affordable quality childcare. Salma Battuta Daycare is a home based childcare and child enrichment service provider focused on promoting Morocco's cultural heritage. It offers both full-time and after school programming. Salma Battuta Daycare will focus on the borough of La Cité - Limoilou in Quebec City. Salma Battuta Daycare is a sole proprietorship owned and operated by Mrs. Battuta.

Market Research Summary

There's been recent focus on the childcare industry across Canada due to research reporting that only 21.8% of children 0 - 5 years of age have access to a regulated daycare service provider. With the increased need for both parents to work, the demand for full-time childcare service providers continues to grow. Finding a niche within the market will be critical. Salma Battuta Daycare will focus on providing quality, activity-based childcare services founded in Moroccan cultural traditions. Salma Battuta Daycare will target Moroccan newcomers who have settled in Quebec City, with one parent has found employment with the other currently seeking employment.

Marketing Summary

Salma Battuta Daycare's key strategy is to be an active member of the Moroccan immigrant community in Quebec City, specifically within the borough La Cité - Limoilou. Salma Battuta Daycare will achieve this through attending community events to promote their services. A secondary strategy will be to create awareness for Salma Battuta Daycare within the community. This will be achieved through listing in local online directories and hanging posters at local mosque, grocery store, community centres, and employment offices.

Salma Battuta Daycare will be located at 1840-1870 23e Rue, Quebec City, QC. Liability insurance, marketing costs and learning materials will be needed. To ensure quality childcare services, Salma Battuta Daycare has developed a set curriculum of activity based learning focused on Moroccan cultural traditions.

Finance Summary

\$2,500 will be needed to start the business with \$2,000 being provided in funding from Futurpreneur Canada and \$500 as an investment by owner. In the first year of business, Salma Battuta Daycare expects to earn \$26,000 in sales with expenses estimated at \$4,500. By the end of year two, Salma Battuta Daycare expects sales to increase to \$39,000 with costs increasing to \$6,500.

2.0 Company Profile

Business Overview

Salma Battuta Daycare is a childcare facility dedicated to providing childcare and child enrichment services to the immigrant Moroccan community focusing on developing an understanding of their cultural heritage. Salma Battuta Daycare was established on 01/01/2014.

Salma Battuta Daycare is a bilingual childcare facility offering high quality services in French and Arabic focused on maintaining Moroccan cultural heritage within the next generation of Canadian raised children. The limited number of spots allows Salma Battuta Daycare staff to provide focused quality care and instruction for each child. The welcoming and jovial approach of a childcare provider who has emigrated from Morocco provides credibility and authenticity.

Salma Battuta Daycare is a sole proprietorship business. Salma Battuta Daycare will provide intimate small group premier childcare services. Curriculum will include:

- Arabic and French tutoring
- Instruction in traditional musical instruments & singing
- Activity based learning (guided arts and crafts, logic puzzles, word games)
- Introduction to Moroccan cuisine through provided meals and snacks

Salma Battuta Daycare will provide two enrolment options:

1. Fulltime preschool program for children 12 months to 6 years of age
2. 3 hour - after school childcare for children 4 - 6 years of age

Company History

Salma Battuta immigrated to Canada in 2014 with her husband and two children. In Morocco she had been a school teacher and activity involved in their local community. Upon moving to Quebec City, the local school board did not recognize her qualifications and she struggled to find meaningful work where she could apply her knowledge and skills.

During this time, Mrs. Battuta provided fulltime childcare to her own two children who were not yet school aged. She approached this as she had teaching by creating a curriculum that focused on maintaining her family's Moroccan heritage. At the same time, she joined a local Moroccan parents group to begin establishing connections within the Quebec City community.

In the parents group, Mrs. Battuta repeatedly heard others complain about the inability to find time to meaningfully share their cultural heritage with their children. Many parents expressed concern and fear that their Canadian raised children would not remember or maintain their unique cultural traditions. It was these discussions that lead Mrs. Battuta to open Salma Battuta Daycare.

Salma Battuta Daycare plans to officially open as a sole proprietorship on June 15, 2014 focused on providing childcare and child enrichment services to aged 12 months to 6

years.

Salma Battuta is currently enrolled in an early childhood first aid course that includes a component on the management of severe allergic reactions. She is also applied for a recognition granted by a Home Childcare Coordinating Office so she can become recognized as a home childcare provider.

Salma Battuta Daycare has not registered the business with the province or federal governments because it is in the name of the sole proprietor. Salma Battuta Daycare is working with Connect Legal, a legal service for low-resource immigrant small business owners, to find a lawyer to confirm the special conditions she must complete by her second year of business.

Salma Battuta Daycare has a waiting list of 4 families wishing to enrol their children in her Moroccan childcare and child enrichment program totalling 4 children for July 2014.

Management

Salma Battuta Daycare will operate as a sole proprietorship. Salma Battuta will be the owner and curriculum director. Her eight years of teaching experience in Morocco combined with her recent experience as the primary care giver for her own two children has left her well equipped to start the Salma Battuta Daycare.

Location

Salma Battuta Daycare will be a home-based business. Salma Battuta Daycare will be located at 1840-1870 23e Rue, Quebec City, QC. The location is in the middle of the residential borough of La Cité - Limoilou. It is walking distance for many Moroccan families that live in the area.

Legal Structure

Salma Battuta Daycare is a sole proprietorship.

Salma Battuta Daycare consulted with Connect Legal and incorporation to reduce potential liability and risk was considered but decided that it was not required as sole proprietorship is the standard in the home childcare industry.

Salma Battuta Daycare is in the process of securing liability insurance. This is a requirement of being recognized as a home childcare provider.

Vision & Mission

To foster enthusiasm and awareness of Moroccan cultural traditions in children of new immigrants being raised in Canada, employing language, music, arts, and food.

To provide quality child care and child enrichment services to the children of Moroccan newcomers establishing a knowledge and appreciation for their cultural heritage.

Goals & Objectives

- Enrolment of 4 children in 40 hours of childcare and child enrichment services per week.
- Enrolment of 2 children in after school enrichment services totally 15 hour per week per child.
- Hiring of an early childhood educator (ECE) graduate part-time by year two to expand to enrol 9 children.

Professional Advisors

Salma Battuta Daycare has contacted CDI's Quebec Campus to enquire if they offer training programs to meet the special condition requirements for the recognition of Salma Battuta Daycare.

3.0 Market Research

Industry Profile & Outlook

Salma Battuta Daycare operates primarily in the education/childcare/child enrichment industry.

The childcare industry in Canada is diverse and varies greatly from province to province. In Quebec, the childcare industry is divided into four types of service providers:

- Subsidized childcare centres
- Private unsubsidized childcare centres
- Home childcare providers
- Unlicensed home childcare providers

Childcare providers wishing to register as a home childcare provider are required to contact the Home Childcare Coordinating Office. There is no license fee and facilities are not required to adhere to the province's age range restrictions. This distinction aligns with Salma Battuta Daycare's curriculum approach focused on peer learning and 'family' atmosphere blending various age children together.

The industry's growth can be attributed to the increased need for both parents to be part of the workforce. According to a report published by the Canadian Child Care Federation, the number of children, 0-5 years of age with mothers in the labour force in 2009 was 1,268,200. The same report showed that only 21.8% percent of children 0-5 years had the ability to enrol in a regulated centre-based child-care space with the average cost in Quebec (due to subsidized daycare) being \$1,850/annually. Although the Quebec government provides subsidized daycare facilities many areas have no availability and long waiting lists.

The Quebec government has continued to take steps to lower costs and improve quality of early childcare services in the province. As part of the 2009-2010 budget, the refundable tax credit for childcare expenses was altered to ensure the net cost per day of non-subsidized private childcare was on par with subsidized childcare. This helps to

ensure cost is not a limiting factor for parents finding the “right” childcare provider for their children. For newcomers to Quebec, cost is a critical consideration when selecting childcare. Salma Battuta Daycare’s pricing reflects the need of affordable rates for their target market.

With Quebec’s economy growing and the birth rate declining, immigration to Quebec can be expected to grow in the future, according to canadavisa.com. It is also expected that immigrants from French speaking countries such as Morocco will continue to increase due to the weighting of French fluency in Quebec’s immigration program matrix (<http://www.theglobeandmail.com/globe-debate/how-quebec-chooses-immigrants/article15519576/>). In a recent HSBC Bank of Canada survey of 600 new immigrants, they found two of the biggest challenges for newcomers to Canada was “missing family” and “making friends”. Salma Battuta Daycare’s focus on maintaining Moroccan cultural traditions provides a welcoming and familiar environment not just to the children but also their parents.

Local Market

The Québec City CMA accounts for 9.7% of the Québec population and in 2013, 791,934 people lived in the area (<https://www.quebecinternational.ca/economic-statistics/economic-reports-and-outlooks/demographics/>). The borough of La Cité – Limoilou is Quebec City’s second most populated borough and is continuing to see its population increase.

According to the La Cité – Limoilou Pluriel website, the majority of household included in the borough are between \$20,000 and \$79,999. In addition, the Institut de la statistique du Québec estimates 14% of the population being 0 – 14 years old.

There are currently 30 daycare service providers registered with the province according to the La Cité – Limoilou Pluriel website (<http://lclpluriel.org/78-clclp-public?start=9>). This excludes recognized home childcare providers and unlicensed childcare. Despite the number of facilities, Salma Battuta Daycare has identified only one other daycare focused on providing childcare for newcomers to Quebec City.

According to the Québec International, Québec City saw an annual increase in immigration of 3.1% from 2012 – 2013. The Government of Quebec’s immigration, diversity, and inclusion department has identified the five main countries of birth for newcomers to Quebec City as: France, Columbia, the United States, China and Morocco. From 1996 – 2006 the borough of La Cite-Limoilou received 39% of all new immigrants that immigrated to Quebec.

Key Competitors / SWOT Analysis

	Strengths	Weakness	Opportunities	Threats
Garderie La Maison de enfants de Limoilou Accès prioritaire aux personnes	<ul style="list-style-type: none"> • Well established • Subsidized daycare service provider 	<ul style="list-style-type: none"> • Long waitlist due to full enrolment • Children are broken up into age divisions 	<ul style="list-style-type: none"> • Low cost daycare services for parents due to provincial subsidy 	<ul style="list-style-type: none"> • Expand program through hiring additional Early childhood educators of Moroccan decent
Salma Battuta Daycare	<ul style="list-style-type: none"> • Familiar with local Moroccan immigrant community • Contacts at Centre multiethnique de Québec to help promote services 	<ul style="list-style-type: none"> • Not an established home based childcare provider in Quebec 	<ul style="list-style-type: none"> • Provide curriculum focused on Moroccan culture • Provide family setting through diverse age range of children 	<ul style="list-style-type: none"> • Provincial regulations may change and require license fees to register home-based daycare providers.

Target Market

Salma Battuta Daycare is focused on selling to consumers (B2C).

Target Market profile for Salma Battuta Daycare consumers:

1. Single or married households with children under 6 years old (demographics)
2. Newcomers to Quebec from Morocco (demographics)
3. Households where both caregivers are working full-time (demographics)
4. Family income: \$30,000 (demographics)
5. Parents concerned that their children will lose their Moroccan heritage and wish to maintain their cultural traditions (lifestyle)
6. Parents feeling overwhelmed by the challenges of adapting to a new culture and country (psychographic)
7. Household concerned with supporting immigrant community's local businesses (behaviour)
8. Located in Quebec City's La Cité - Limoilou borough (scope)

Keys to Success

Establishing an active presence in the Moroccan immigrant community will be essential to gain new students for daycare services. Salma Battuta Daycare will engage the community through events sponsored by their local Mosque and the Centre multiethnique de Québec. Salma Battuta will look to provide open houses for prospective parents to establish a familiarity with the child and family prior to enrolment in a daycare programs.

Customer Survey Summary

During the initial business planning stages of Salma Battuta Daycare, Mrs. Battuta informally talked with other mothers at community events about the need for quality daycare. Several of these conversations lead to parents highlighting the fear of their children losing their Moroccan heritage because they were being raised in Canada. When Mrs. Battuta inquired if parents would be interested in daycare services where the curriculum was focused on Moroccan culture, she was met with an overwhelming positive response.

4.0 Sales & Marketing

Pricing Strategy

Fees for daycare range from the low end of \$7/day (subsidized) to \$45/day (private) with most companies requiring parents to commit to monthly contracts.

Competition: \$25/day.

Salma Battuta Daycare's full-day childcare services will charge \$25/day with a commitment of 5 days a week (Monday - Friday) for a minimum of one month. Families will be charged this fee bi-monthly. Salma Battuta Daycare's after school childcare will charge \$10/day with a commitment of 5 days a week (Monday - Friday) for a minimum of one month. Families will be charged this fee bi-monthly.

Pricing will reflect the quality of services provided and the cost savings of services being a home-based business. In the future, Salma Battuta Daycare may consider providing discounted rates to families who enrol more than one child.

Marketing Strategy

Networking within the Moroccan Newcomer community

Continuing to be an active member of the Moroccan community in the neighbourhood of La Cité - Limoilou will be critical for the success of the business. The marketing strategy will be to meet Moroccan newcomers who are in the process of settling into Quebec City. Salma Battuta Daycare's strategy is to be seen as a welcoming and quality daycare option for families who have secured employment in Quebec City and are now struggling to locate affordable childcare.

Online Daycare Directory

Since many newcomers to Quebec City will rely on internet searches for services, Salma Battuta Daycare will apply to be added to the La Cité - Limoilou Pluriel website and the Quebec City website's PDF of education facilities (Bienvenue à La Cité - Limoilou - Ville de Québec). Appearing in these directories will increase awareness and visibility of Salma Battuta Daycare within the newcomer community.

Poster

Salma Battuta Daycare will print posters to be posted on bulletin boards of local mosque, grocery store, community centres, and employment offices. This will provide another means of increasing visibility of Salma Battuta Daycare in areas that are highly trafficked by Moroccan newcomers.

Marketing Activities

Primary marketing activity

Salma Battuta Daycare's primary marketing activity will be networking within the Moroccan newcomer community in La Cité - Limoilou. Specific activities will include presenting at Mrs. Battuta's the parent group, speaking at the Mosque, and volunteering at the Centre multiethnique de Québec for their Moroccan culture day. Mrs. Battuta will dress traditional attire during these events to further promote Salma Battuta Daycare's dedication for promoting Moroccan heritage as part of their curriculum.

The goal of attending these events is to engage with other families with young children. Mrs. Battuta will informally chat with other women to understand how they've been settling into Quebec City, their childcare situation and potential needs. These will be welcoming conversations where Mrs. Battuta asks questions to encourage conversation.

Mrs. Battuta will have 250 business cards printed that include her name and contact information. These will be bilingual with French on one side and Arabic on the other. Mrs. Battuta will hand these out to prospective families interested in her Moroccan childcare services. The cost for printing these postcards was \$25 using a provided template and online printer.

Marketing Objectives

Goal #1: Four networking events a month

Goal #2: Addition to the La Cité - Limoilou Pluriel website by September 2014

Goal #3: Addition to the Quebec City website's PDF by December 2014

Positioning Statement

Salma Battuta Daycare is a quality home-based childcare provider focused on helping inspire the children of Moroccan newcomer families to learn and maintain their cultural heritage.

The Sales Process

Salma Battuta Daycare sales cycle is two - four weeks.

Salma Battuta Daycare's sales process is to engage in discussions with women of newcomer Moroccan families, as they are the primary childcare provider. During these informal conversations, Mrs. Battuta will describe her experience immigrating to Quebec City, highlighting challenges and concerns she had while settling into the country and city. The initial goal of these conversations is to build trust by creating a level of comfort and ease with the woman she is speaking with.

The Moroccan community is close knit with Mrs. Battuta meeting the same woman at multiple events. Over the course of 3 - 4 events Mrs. Battuta will continue these informal conversations inquiring about the family's progress settling into Quebec City, asking questions and providing encouragement and guidance.

After Mrs. Battuta has established trust with a woman, she will informally mention her own transition into being self-employed at the Salma Battuta Daycare. She will talk about how this has impacted her family and the support she has from her husband. These conversations will include questions to engage the woman to share her current childcare and employment challenges. This will help Mrs. Battuta to better assess the potential of the family to use her services.

At the end of the conversation, Mrs. Battuta will share her business card with the woman and suggest that she drop in to the Salma Battuta Daycare to see the services first hand with her child(ren).

It is expected that woman will take another week to organize a visit to Salma Battuta Daycare with their children. At this encounter Mrs. Battuta will engage the child(ren) to partake in the activities of the daycare while the mother is encouraged to relax and enjoy a cup of Mint tea and dates.

Following a visit to Salma Battuta Daycare, it is expected that another week will pass while the family discusses and determines if they can afford full-time daycare or the afterschool program. During this time, Mrs. Battuta will likely engage with the woman at community events without asking about the deliberations. Once a decision is made the woman is likely to confirm the child's enrolment or not via a phone call.

Strategic Alliances

Salma Battuta Daycare has a strategic alliance with the Centre multiethnique de Québec to help promote her services as part of their adaptation and settlement program for newcomers to Quebec City.

5.0 Operations

Location(s)

Salma Battuta Daycare will be a home-based business at 1840-1870 23e Rue, Quebec City, QC . This location is within walking distance of Salma Battuta Daycare's target market in the borough of La Cité - Limoilou. However, it is also easily accessed by public transit, which will increase convenience during the winter months.

Full-time daycare services will be provided Monday – Friday from 8am – 6pm. After school services will be provided from 3pm – 6pm. These hours will help to accommodate families who work 9am – 5pm by allowing for drop-off and pick up after work hours are completed.

Legal Issues

Salma Battuta Daycare anticipates the following legal issues:

- Business Licenses

- Registering employees

- Contract agreements (partnerships, independent contractors etc.)

Salma Battuta Daycare's sole employee has enrolled in an early childhood first aid course to allow for registration as a home childcare provider with Home Childcare Coordinating Office.

Insurance Issues

Salma Battuta Daycare requires liability insurance.

Human Resources

Salma Battuta Daycare will have 1 – 10 full-time staff.

Salma Battuta Daycare will have 0 part-time staff.

Salma Battuta Daycare will open with one full-time employee, Mrs. Battuta. Mrs. Battuta will be solely responsible for the day to day operations and curriculum creation.

Process/Production

1. Parent contacts Salma Battuta Daycare to register their child in either the full-time or after school program via a phone call. During this call Mrs. Battuta collects the woman's contact information and arranges a face-to-face meeting at a convenient location.
2. At the meeting, Mrs. Battuta will bring the Salma Battuta Daycare paper registration form and have the family complete. This will be offered in both French and Arabic to ensure the most accurate information is collected about the child and family. Salma Battuta Daycare's payment and cancellation policies are discussed and agreed to with the family. Mrs. Battuta will collect the first two-week payment at this meeting payable by cheque or cash.
3. Depending on the time of month when the paperwork is completed, Salma Battuta Daycare will arrange for the child(ren) to start at the facility on either the 1st or 15th of the month.
4. The first time the child(ren) attend Salma Battuta Daycare, Mrs. Battuta will greet the children at the door. The family is asked if they'd like to remain for a

maximum of thirty minutes for a cup of mint tea. This is not required and offered to help provide a level of comfort and transparency for the family.

5. Mrs. Battuta introduces the child to the other children at the daycare, asking questions about what they like before deciding on an activity to engage them with while their caregiver leaves. Mrs. Battuta will have five initial activities prepared for new students to help ensure a welcome and smooth transition into the daycare.

6. Records will be kept on each child's initial abilities in order to provide progress reports to parents on their child's development. Parents will receive monthly summaries of their child's behaviour, development and any highlights/concerns from the month.

7. In the third week of each month, Salma Battuta Daycare will call each family to confirm enrolment in the following month and arrange receipt of payment, prior to the 1st of the month.

Risk Assessment

Salma Battuta Daycare's marketing will be spent attending Moroccan community events. However, if these efforts prove unsuccessful in connecting with families, Salma Battuta Daycare will consider becoming a formal partner of the Centre multiethnique de Québec so they are included in their settlement and adaptation process for newcomers to Quebec.

Salma Battuta Daycare's strength is their quality curriculum focused on understanding of the cultural traditions of Morocco. Salma Battuta Daycare will keep close contact with relatives still in Morocco to ensure that they maintain a current understanding of cultural norms and trends.

Salma Battuta Daycare will close their home-based daycare if sales are less than \$12,000 at the end of the first year. Salma Battuta Daycare would cancel their liability insurance and hold a community garage sale to sell off all assets. Anything remaining after the garage sale would be posted on Kijiji.

6.0 Financials

Start-Up Costs

The example business plans do not include start-up costs, cash flow or income statement example content. To review how to create these elements for your business, please visit www.futurpreneur.ca/en/bplan and use the free online business plan writer. Not only does it provide tips and tricks on what to include but it outputs a custom spreadsheet with all the formulas you will need.

Sales Forecast

Key Assumptions for Salma Battuta Daycare

- No sales in the first month due to extensive networking
- Slowest months: July/Aug – summer vacations
- Full-time daily rate of \$25/day with a minimum one month commitment
- After school daily rate of \$10/day with a minimum one month commitment
- Once enrolled in full-time, 90% of families will continue services until their child is school aged
- 80% of after school enrolments will cancel for July and August

Year One Sales Forecast (Including Assumptions)

June - \$0

- Launched the business
- Printed 250 business cards and 200 posters
- Emailed La Cité Pluriel about being added to their list of Daycare providers
- Attended Mosque summer get together
- Attended Centre multiethnique de Québec's "Kick-off to Summer" BBQ
- Attended two parent group meetings (weekly)

July - \$1,000

- \$1,000 – two full-time enrolments from leads generated PRIOR to starting the business
- Attended two parent group meetings (weekly)
- Two follow up calls with contact at La Cité Pluriel about being added to their list of Daycare providers
- Organized presentation at mosque as part of August's monthly meeting
- Visited and hung posters at local YWCA, Service d'orientation et d'intégration des immigrants au travail (SOIIT), Centre multiethnique de Québec, and Service d'aide à l'adaptation des immigrants et immigrantes (SAAI)

August - \$1,000

- \$1,000 - Continuation of two full-time enrolments from July
- Conducted two trial/introductory visits with families
- Attended two parent group meetings (weekly)
- Addition of Salma Battuta Daycare to La Cité Pluriel website
- Presented services of Salma Battuta Daycare at local mosque's monthly meeting
- Visited and hung posters at Ressource Familles Lévasion, Maison pour femmes immigrantes, and Centre communautaire Jean-Guy-Drolet.

September - \$1,500

- \$1,000 - Continuation of two full-time enrolments from August
- \$500 – new enrolment in full-time programming

- Conducted two trial/introductory visits with families
- Attended two parent group meetings (weekly)
- Attended Catch-Up coffee/tea meet-up hosted by Service d'orientation et d'intégration des immigrants au travail (SOIIT)
- Visited and hung posters at Patro Roc-Amadour, Centre des loisirs Saint-Sacrement, and Motivaction Jeunesse.

Year Two Sales Forecast

Cash flow

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Income Statement

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