



MendTality Business Plan Summary

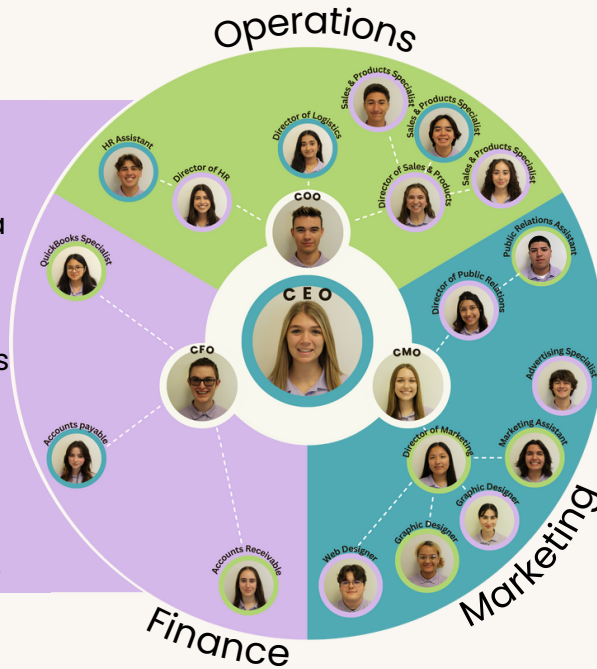
About the Business

Company Overview

MendTality aims to improve the mental wellness of young adults and allow them to prosper through both a words of affirmation product line and an interactive student program. The Prosperity Project is offered to high schools through contracts in which MendTality will conduct the program through a 3-day service. Students will develop better habits that will result in a more positive mindset. MendTality also offers products with words of affirmation such as hoodies, T-shirts, jewelry, calendars, and journals that serve as a constant reminder of the positivity that should be involved in daily life, therefore further improving the customers' mental well-being. MendTality started operation in Bakersfield, California in October 2023 and is positioned in the wellness industry, as the main focus of this industry is mindfulness and lifestyle changes which aligns with MendTality's mission. MendTality filed as an S corporation to capitalize on favorable taxation and limited liability protection for the business owners. MendTality strives to mend minds one word at a time.

Organization

MendTality organizes its team members into a circular organizational structure, as opposed to a traditional hierarchy structure where someone is always left at the bottom. MendTality avoids this as it could lead to negative self thinking. The company encourages inclusiveness, collaboration, and a positive company culture.



Mission Statement

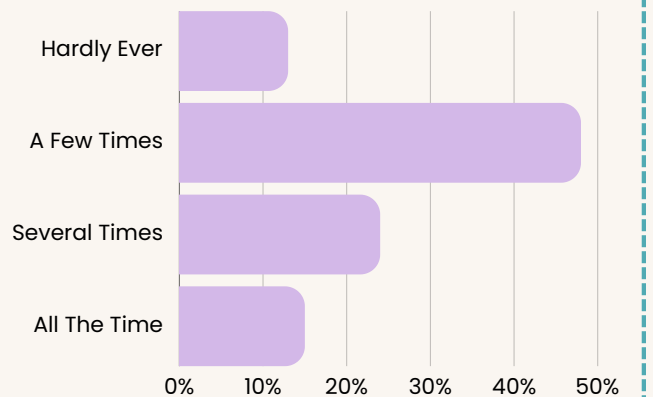
To promote positive thinking among young adults to improve mental well-being and foster prosperity.

Business Rationale

Problem Statement

It is often said that there are two types of people in the world, those who see the world as glass half-full, and those who view the world as glass half-empty. The glass half empty view leads to negative thoughts which is found by the National Science Foundation to take up 80% of daily thoughts. Young adults deal with negative thoughts both internally and externally. External negative thoughts are general negative views on the world while internal negative thoughts tend to make individuals compare themselves and feel less than. With the increase of negative thoughts, young adult's mental health continues to decline.

Negative Thoughts In A Day



*Data from in-house market research
*Generation Z surveyed

Solution Statement

MendTality works to replace the negative thoughts young adults have with positive ones in the form of positive affirmations. By introducing positive messages, MendTality helps the customer to create a better mental space and limit the negativity in their lives. Through an interactive student program called the Prosperity Project, students participate in activities and lessons that dive into how focusing on positivity can improve daily life and better mental well-being. Students leave the program with tools and better habits that can be implemented into everyday life that in turn increase overall positivity. MendTality's product line consists of frequently used products with positive messages to further the goal of increasing positivity by allowing the customer to surround themselves with positive words that will subconsciously become a natural part of their lives.



Products



Company Goals

Short Term

- Attending the CADA Conference in March of 2024 to market The Prosperity Project to school districts.

Long Term

- Develop a larger, evolving product line that promotes positivity and helps retain customers
- Launch an interactive app to promote positivity by using technology to reach customers every day

VE Competitive Analysis

	Wellness Products	Positive Affirmations	Student Interactive Program
Rizilient	✓		
lune	✓		
Empower	✓		
MendTality	✓	✓	✓

The Prosperity Project

MendTality goes into high school campuses to run the Prosperity Project which is a 3-day interactive assembly where 200 students from the school attend each day. The program is designed to help teenagers change their way of thinking and incorporate more positive thoughts and behaviors into their lives so they can become more prosperous while also building positive connections with their peers. The program has a detailed itinerary that is focused on changing mindsets and is led by a trained team of MendTality employees. Students who attend the program will leave with resources that encourage a positive mindset along with a new understanding of how positivity affects their daily lives. They will understand how to change negative thoughts into positive ones through activities, team building, meditation, and journaling.



S

- Secure sales contracts so bolster revenue
- Products are designed by teens for teens

W

- Long sales cycle for The Prosperity Project
- MendTality has a smaller marketing budget as a startup

O

- Increased mental health struggles among teenagers have opened a door for MendTality to help mend the problem
- There are few interactive student programs nationwide

T

- Loss of school funding could threaten sales of The Prosperity Project
- Crowded market

Marketing Plan

Target Markets

Primary

MendTality has a primary target market of teenagers and young adults from the ages of 13-24 years old. Being a young adult can be hard, so by targeting people within Generation Z, MendTality is focusing on those who may be struggling with a lack of positivity in their lives. The teenage years are a formative time in life when there are new changes and new challenges. These challenges are only made worse since teens are still developing mentally. This target market can benefit from MendTality's positivity products and interactive student program.

Secondary

The mental well-being of children can often affect the mindsets of an entire family, therefore, MendTality has a secondary target market aimed towards the parents who will buy these products for their children. MendTality strives to help support not only the child who is experiencing negative thoughts but the entire family by providing the knowledge and resources needed to combat negative thinking through their usage of positive affirmations and The Prosperity Project.

B2B Primary

MendTality has a B2B primary target market of high schools for their interactive student program The Prosperity Project. Through contracts with schools, MendTality is able to offer their program to a wide range of young adults who may be dealing with negative thoughts in their everyday lives and help students develop more positive habits.

Business Risks

Risks

Participants engaging in physical activities may lead to injuries or accidents

Operational disruptions, such as a facilitator being unavailable to run an interactive student program

Solutions

MendTality has acquired liability insurance to negate potential liabilities

Contingency plans are in place, including having a backup facilitator ready at short notice to ensure smooth operations for The Prosperity Project in schools



Product: MendTality's merchandise consists of apparel, jewelry, calendars, and journals that all promote a positive mindset for teens. Each product reads a positive message that not only will bring more positivity into the customer's life, but also those around them. All products are designed by the MendTality team, therefore they are all made by teens for teens.



Price: MendTality provides affordable prices for young adults, considering factors such as VE student incomes and average earnings. Using charm pricing, the company encourages customers to perceive values as rounded down. Competitive pricing is employed by analyzing and aligning with competitors' price points.



Placement: MendTality places their products within easy access to young adults and generates sales through their e-commerce website as well as in-person VE trade shows, virtual trade shows, open houses, and sales contracts with schools.



Promotion: MendTality uses a variety of marketing channels such as social media, SEO, radio and video commercials, and paid sponsorships. The company focuses on platforms like Instagram and TikTok to target teens as well as Facebook to target parents. The company optimizes its website with popular search keywords aligned with its mission. At their booth at trade shows, employees encourage customers to take a picture with a positivity frame to post on their social media.



Positioning: MendTality positions itself as a company that promotes positivity for young adults so that they can grow a more prosperous mindset. Their color palette is specifically geared towards colors that represent different aspects of mental well-being that also create a calming environment for customers. Additionally, the use of a dragonfly is a part of the MendTality company branding because it represents growth, change, love, and hope.

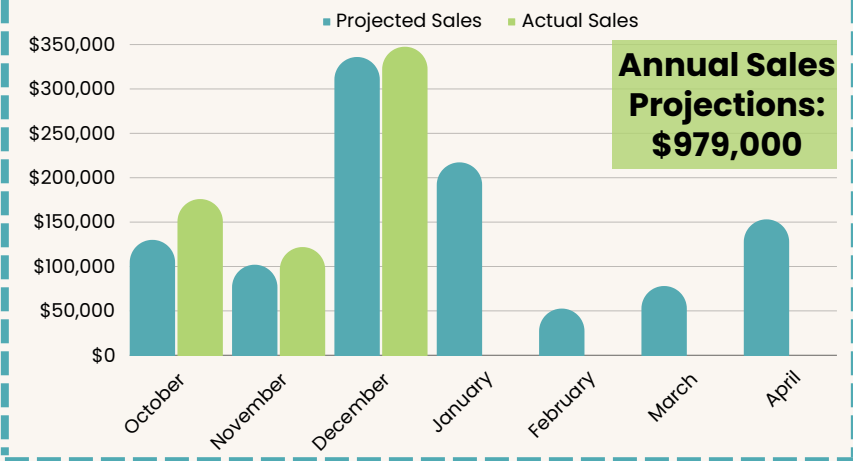
Financial Highlights

MendTality, in order to begin operations, obtained \$5,000 from each of its chief officers for a total of \$20,000 in equity investments. Two angel investors also each invested \$50,000 into the company for a total of \$100,000. Alongside this, Virtual Enterprise provided MendTality with \$50,000 in seed money. MendTality also obtained a \$150,000 loan, which is set at a fixed interest rate of 10.5%. As of December 31st, MendTality held \$92,280.19 in inventory assets.

Balance Sheet

MendTality	
Date: December 31st, 2023	
Balance Sheet	
Assets	
Current Assets:	
Bank Accounts	\$209,190.22
Other Current Assets	\$92,280.19
Total Assets	\$301,470.41
Liabilities & Equity	
Liabilities:	
Total Current Liabilities	\$3,371.15
Total Long-Term Liabilities	\$150,000.00
Total Liabilities	\$153,371.15
Equity:	
Opening Balance Equity	\$50,000.00
Owner Investments	\$100,000.00
Net Income	\$28,099.26
Total Equity	\$148,099.26
Total Liabilities & Equity	\$301,470.41

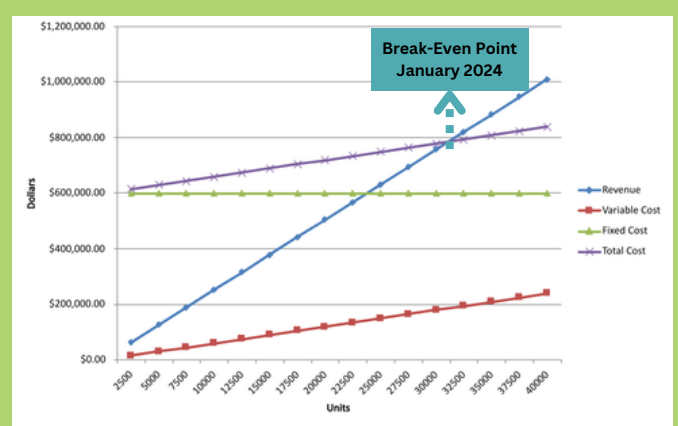
Sales Projections



Profit & Loss

MendTality		
Date: December 31st, 2023		
Profit & Loss Statement		
	Actual	Projected
	10/1/2023 - 12/31/2023	12/31/2023 - 04/30/2024
Trade Show Revenue	\$195,263	\$585,000
Web Sale Revenue	\$7,187	\$14,000
Sales Contract	\$278,272	\$250,000
Open House	\$175,972	\$130,000
Total Sales Revenue	\$656,694	\$979,000
Cost of Goods Sold	\$174,918	\$231,044
Gross Profit	\$481,775	\$747,956
Expenses		
Payroll	\$123,431	\$332,997
Payroll Tax	\$48,971	\$34,279
401K Contributions	\$9,250	\$46,252
Worker's Compensation	\$135	\$315
Advertising	\$10,800	\$34,000
Liability Insurance	\$180	\$420
Loan Payment	\$6,448	\$45,137
Rent	\$8,625	\$20,125
Utilities	\$1,498	\$4,263
Legal Fees	\$1,500	\$3,500
Psychologist Fees	\$1,000	\$3,400
Trade Show Fees	\$2,000	\$4,000
Charitable Contributions	\$528	\$950
Supplies	\$11,056	\$14,456
Total Expenses	\$225,422	\$544,094
Income Before Tax	\$256,353	\$203,862
Sales Tax	\$5,519	\$60,143
Net Income	\$250,834	\$143,720

Break-Even Analysis



MendTality's forecasted break-even point is based on their average selling price per unit of \$25.24 and their average cost of goods sold per unit of \$5.97. This puts the company at an average gross profit margin of 76.4%. The company's annual fixed cost is \$599,340.56. MendTality is projected to reach the break-even point at 31,103 units sold, or a total sales value of \$785,021.06, which is projected to occur in January of 2024.

Profit & Loss Analysis

MendTality has, from 10/1/23-12/31/23, earned a sales revenue of \$656,694. With the cost of goods sold accounting for \$174,918 of the overall revenue, the company's gross profit was \$481,775. With current operating expenses totaling \$225,422 and excluding sales tax, MendTality has, by December of 2023, brought in a net income of \$250,834.