



Aspire Supplies

Group #18

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Products and How We Came Up with Our Idea





Products

Our company will sell office/school supplies (notebooks, pencils, folders, etc.)

Our goal is that for each item purchased, we will provide an item to a child in need in the area.

How We Decided

We decided on this because we wanted to create a company that is beneficial to people in our community and serves a greater purpose.

Mission, Vision, and Values Statement



Mission Statement

Our team's purpose is to provide school and office supplies to our community both locally and globally.

We strive to bless children and adults in less fortunate areas of the world with the necessities for school and work in order to lessen their disadvantage in these aspects due to financial concerns.



Vision

Our vision is to cut the number of children who can't afford school supplies in half within the next five years by providing them with the same product our customers purchase (buy one, give one)."



Values

We commit to each and every product.

We work with the utmost integrity.

We lead our company with pride.

We inspire our future thinkers.

We motivate our defeated workforce.

We are dedicated to our goals.

External Environment (General and Task)



General Environment

Economic

- The economy is currently trying to reorganize and recover following the pandemic
- Consumer buying confidence is slowly increasing
- Corporate profits are expected to increase in the coming years, and when corporate profits are high businesses are more inclined to purchase office supplies

Technological

- Zoom learning and the ability to complete assignments online has decreased the need for some physical office supplies
- Increased use of technology (phones, ipads, tablets) by K-12 students may decrease the market for artistic school supplies since many kids have the option to spend time on their phones rather than utilize physical artistic tools

Sociocultural

- Many companies are allowing employees to work completely remote
- The amount of K-12 students, a major consumer of school supplies in this industry, are expected to increase in the coming years
- Remote learning may require students to purchase materials on their own that their teachers would provide traditionally



General Environment

Political-legal

- Government programs that aid schools and students with purchasing of school supplies
- Political decision of whether or not students have in-person school, and various regulations like masks and social distancing which could affect student attendance
- Government spending on pandemic-related costs could affect funding for educational programs
- Some state and local governments have previously threatened to pull school funding if school board's pandemic related decisions do not align with their beliefs

International

- The changing ability of mail services to ship to foreign countries with the pandemic and pandemic recovery
- Understanding need and respectful practices for worldwide donations



Task Environment

Competitors:

- Office Stationery Wholesaling in the U.S. (Staples, VRTV)
- Book, Magazine, and Newspaper Wholesaling in the U.S. (Ingram Industries, ReaderLink)
- Operators in the School Supplies Wholesaling industry compete with major manufacturers
- Technology has allowed for large retail chains to skip wholesalers and source products from manufacturers



READERLINK



Task Environment

Regulators:

- Consumer Product Safety Commission
- U.S. Department of Education
- Code of Federal Regulations (Part 1500.87)
- Fair Labor Standards Act
- Americans with Disabilities Act





Task Environment

Suppliers:

- Office Stationery Manufacturing in the U.S. (Cenveo, LSC Communications)
- Art & Office Supply Manufacturing in the U.S. (Newell Rubbermaid, ACCO Brands)
- Toy, Doll, and Game Manufacturing in the U.S. (Cartamundi, Mattel)
- Printing in the U.S. (RR Donnelley, American Printing)

Cenveo®
publisher services





Task Environment

Customers:

- Office Supply Stores in the U.S. (Staples, Office Depot)
- Supercenters in the U.S. (Walmart, Costco)
- Private Schools in the U.S.
- Public Schools in the U.S.
- Colleges & Universities in the U.S.





Task Environment

Strategic Alliances:

- Texas Instruments
- Amazon



Our Competitive Strategy



Differentiation Strategy

- We want to distinguish ourselves from the major competitors in this saturated industry through improving the quality of our products and our customer service.
- The industry report shows that the industry leaders Staples and ODP Corporation hold over 80% of the total revenue; therefore, we decided that our strategy needs to emphasize our high-quality products and innovative ideas in order to compete in this highly saturated industry.
- Current success in this industry has shown leaders minimizing their stores due to less consumer demand and to minimize profit loss. These major corporations have also introduced new product lines in order to remain relevant to consumers (Thomas, 2021).
 - Smaller players in this industry have formed alliances with each other in order to lower costs and increase profits.



Where does our firm's strategy fit?

According to the industry report, this industry is currently bouncing back from the decline caused by the pandemic; therefore, our strategy needs to be strong, unique, and flexible in order to enter and fit into this newly-emerging industry.

We chose a differentiation strategy because our strategy needs to emphasize customer service, high-quality products, and personalization in order to survive amidst the industry leaders.

Competitors

Real-World Direct and Indirect





Real-World Direct Competitor - Staples Inc.

Staples is identified as one of Aspire Supplies' real-world direct competitors due to both corporations competing in the office supply market. They currently lead the market by holding 47.4% of the market share and are continuously looking to expand.

“In February 2015, Staples announced that it had reached an agreement to purchase Office Depot Inc. (Office Depot), the industry's second-largest operator, for \$6.3 billion. However, due to the potential anticompetitive effect that such a merger would have on industry prices, the deal was rejected by the Federal Trade Commission.” (Thomas, 2021)





Real-World Direct Competitor - The ODP Corporation

The ODP Corporation consists of Office Depot and OfficeMax. With 36.0% of the market share, this corporation is the largest in-store retailer of office supplies in the United States and the second leading competitor in the office supply market.



“In an attempt to compete with Staples Inc. (Staples) and other online, big-box retailers, Office Depot acquired OfficeMax, the industry's third-largest player at the time. Through the deal, Office Depot has made millions of dollars in annual cost savings while closing hundreds of stores.” (Thomas, 2021)





Real-World Indirect Competitor - Veritiv Corporation

A new entrant in the office stationery wholesaling industry yet holding 7.8% of the market share, Veritiv Corporation is an Ohio-based packaging and printing products created in 2014. This corporation is an indirect competitor to Aspire Supplies due to our companies selling very similar products because of the similarities between the office supply industry and the office stationery wholesaling industry.

“Veritiv Corporation is a business-to-business provider of packaging products and services, as well as facility solutions, print, and publishing products and services. The Company operates through four segments: Packaging, Facility Solutions, Print, and Publishing and Print Management (Publishing).”
(CNBC, 2021)





Real-World Indirect Competitor - Ingram Industries

Another industry within the same realm as the office supply market is book, magazine & newspaper wholesaling because these are all paper products, similar to ours. The leader of this industry with 18.9% of the market share is Ingram Industries, one of our company's real-world indirect competitors. Ingram is privately owned, with specialty in book, magazine, CD, DVD and video distribution; barge operation; and motor insurance.

“Subsidiary Ingram Book Group Inc. (Ingram Book Group) states that it is the world's largest wholesale distributor of book products. Ingram Book Group is one of the largest independent wholesale book distributors in the United States, shipping more than 175.0 million books and audio tapes per year, and representing about 43,000 publishing imprints.” (Rodriguez, 2021)



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Strategic Goals



Strategic Goals

Goal: Double our give back rate after 10 years from buy one, give one to buy one, give two.

Goal type: Growth

Why? If we are able to double our give back rate within the next ten years, our company will be able to accomplish our vision significantly sooner. With a firm goal set to double our donations, our company will be able to achieve our vision of cutting the number of children in need of school supplies in half.

Tactical goal #1: Increase sales by 7% each year for the next 5 years. By increasing our sales, we will have additional profits to put towards providing additional supplies to children in the community.

Tactical goal #2: Increase our company's advertising by 5% each year. This will be done by attracting new customers locally and globally through social media, online advertisements, and billboards. By attracting new customers, our profits will grow and we will have a larger amount of funds that will aid in doubling our donations.

→ Both of these tactical goals depict concrete ways our company will be able to foster economic improvements in order to proceed with accomplishing our vision of cutting the number of children who can't afford school supplies in half within the next ten years. By expanding our customer base, we can increase sales .



Strategic Goals

Goal: Expand and establish donation and customer relationships in 20 different areas locally/globally in the next 5 years.

Goal Type: Growth

Why? The process of putting customer relations and donation structures into place both locally and globally will require a solid foundation and plan of steps of steady growth to reach our goal stated in our mission statement of being able to bless children and adults in less fortunate areas both locally and globally.

Tactical goal #1: Hire remote employees in 30 different countries who can identify opportunities and begin to create in person connections with both potential customers and organizations and donation centers.

Tactical goal #2: Create a worldwide advertising campaign to promote expansion globally as well as spread the company name and encourage donations centers, business partners, and customers to reach out and purchase products or create relationships. Advertisements will include an incentive to customers of buy 1 product get one 50% off their first purchase and reiterate the notion that your purchase resulted in 2 supplies going towards those less fortunate.

→ Each of the tactical goals promote outreach and the widespread discovery of opportunity as well as the creation of connections globally, which we can then capitalize on and create working business relationships over the next 5 years, helping to further our vision of cutting the number of students who can't afford school supplies in half within the next five years.

S.W.O.T. Analysis

STRENGTHS

1. Focused and unique mission and purpose with our “buy one, give one” philosophy.
2. Strong competitive strategy focused on improving the quality of our products as opposed to our competitors.
3. Customer service oriented.
4. Effective and easy-to-use online purchasing website that allows purchasing in bulk or individual items.
5. Driving marketing strategy that focuses on our sustainable and high quality products.

WEAKNESSES

1. Start-up company which could mean lack of expertise in some areas.
2. Increased quality of our products will be expensive.
3. Lack of brand recognition by consumers.
4. Donating additional products to students in need is costly.
5. Lack of capital since we are a start-up company. Funding will need to come from investors/loans.

OPPORTUNITIES

1. The overall economy is improving from the decline caused by the pandemic.
2. In the next few years, the number of children in K-12 education is projected to increase.
3. Corporate profits are expected to increase, and when profits are high, businesses will purchase more miscellaneous items like office supplies.
4. Partnerships/alliances with other smaller businesses in this industry to compete with the major players.
5. Expand into greater e-commerce sales by selling through Amazon.

THREATS

1. With so many businesses deciding to stay with remote working, the demand for office supplies could decrease.
2. Industry leaders, Staples and Office Depot, hold over 80% of the market share.
3. Shipping back-ups at U.S. ports could lead to increased shipping prices and delays.
4. Reliant on suppliers which could cause issues if they stop producing certain products/go out of business.
5. Schools may use government-funded programs to provide supplies to students who need them rather than purchasing from us.

Culture



Corporate Culture

Customers, shareholders, employees, and communities that participate in our business are all important to Aspire Supplies. We are committed to a positive work environment and inclusiveness. Consistent with our mission and value statement, we are also devoted to serving our customers and communities with pride.

Structure

Our managers reward behavior consistent with our organizational culture and always hold our employees to the highest standard of accountability. Our top management leads by example. To keep morale and motivation high, we often recognize our employees excellence and emphasize their importance within our organization.



How our Corporate Culture & Structure Align with our Strategic Goals

One of our main focuses within our organization and corporate culture is serving our community. Our two strategic goals of expanding our donation relationships globally and locally and giving back to our community go hand-in-hand with our mission, to provide necessary school materials to those in less fortunate areas. This strategic goal will spread our devotion and materials across a larger geographic range. The feedback and pride from this goal will keep employee morale and motivation high, which is very important to our company's structure and function.



Works Cited

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