

BABA BLANKETS

FINAL COMPANY
REPORT 2021



JA OF GREATER WASHINGTON

**SOUTH LAKES HIGH SCHOOL,
RESTON VA**

**MENTORS: AANAND VASUDEVAN,
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EXECUTIVE SUMMARY & TABLE OF CONTENTS

MISSION STATEMENT:

To provide warmth and comfort to loved ones and those in need who we cannot physically be with right now due to the COVID-19 pandemic.

In the midst of a global pandemic, the feeling of warmth and comfort, commonly associated with love and safety, is difficult to obtain in the absence of physical interaction. With this absence becoming prominent as the pandemic persists, our team was determined to provide a product/experience that would show those we miss, that our love extends far beyond physical interaction. With this objective, our team decided on a product that was loved amongst all ages - a blanket. This led to the formation of Baba Blankets. Through conscientious and diligent sourcing, careful crafting of partnerships, and focused supply chain planning, we were able to fulfill our mission "to provide warmth and comfort to loved ones and those in need."

With our vision of building a community company focused on giving back, we wanted to ensure that all our community partners were aligned with our vision. Therefore, we partnered with local community-based companies to jointly achieve our goals while giving back to different non-profits in the area. Our donation systems reached across Northern Virginia from our local high school, a senior living facility, and a homeless shelter. Our goal of making a social impact within our local area began with giving back and further expanding to partnerships and campaigns focusing on mental health, social activism, and giving back to those in need.

Our sales began with an initial campaign to "Gift Your Love, Send A Hug" and expanded to different partnerships and causes that were important to us. We are proud to say that our slogan extended far beyond the boundaries of our loved ones, and we have been able to donate \$1,610 to different partners in our region. Our core business model was also successful with \$3,269 in sales and 21% in Gross Margin %.

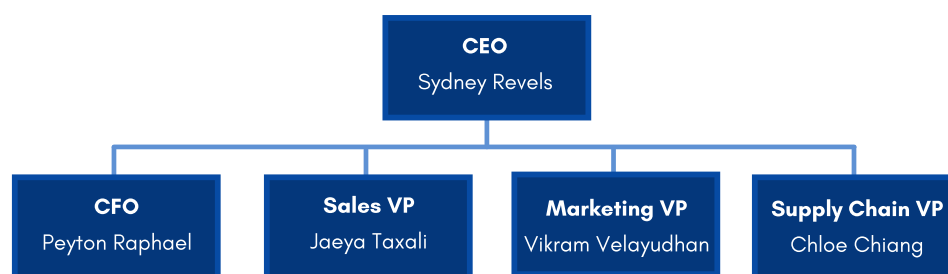
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LEADERSHIP & ORGANIZATION

LEADERSHIP

We wanted the formation of our company to be organic and equitable. Potential Baba Blankets' employees had the opportunity to submit a one-minute pitch to present their candidacy and capabilities of holding a position as a team leader to the company and mentors. Through anonymous company votes, the top five candidates were elected as team leaders and given the opportunity to choose which position they would like to hold (CEO, VP of Finance, VP of Sales, VP of Marketing, VP of Supply Chain) through a collective decision.



ORGANIZATION, STRUCTURE, & DEVELOPMENT

As a company consisting of nineteen members, we recognized the potential benefits of having a diverse team. In our first phase of production we required company members to fill out a form consisting of department-based interests and questions. The team leaders then divided the company members according to interests and skill set into assigned departments. We understood that the only way to truly understand one's skill set is to see them in action, which led to a week long grace-period of viewing company members as our team divided work amongst each department to begin our first blanket line sales. With proper consideration and observation, we decided current company member placements were appropriate as we proceeded into our second phase of business.

In our second phase we wanted to allow our team to learn about the other company departments which led to a series of virtual professional development meetings: 'How to Sell A Product', 'Social Media Marketing & Site Aesthetic', 'Packaging & Shipping', and 'Financial Record Keeping'. These meetings allowed our company members to gain a thorough understanding of the inner workings of our business while standardizing our processes.

Within our own leadership team, we realized that connection was key between departments and made sure to do weekly updates between all departments. Furthermore, our CEO conducted individual department meetings to ask questions about outside meetings, company concerns, and to allow connections to be built through the current virtual environment. Through these private meetings we were able to gain insight on the positives and negatives within the structure and organization of each department: allowing us to adapt and overcome difficulties through discussion.



INNOVATION

Our primary product is a 50 by 60 inch, polyester throw blanket that comes in a variety of patterns and colors that correlate to set collections and campaigns. Our product selection methodology separates us from other competitors. As a result of labeling our product as a “gifting blanket”, we strive to build an experience around our blanket; our slogan “Gift Your Love, Send A Hug,” supports this.

PRODUCT METHODOLOGY

As a team, we made a decision early on to resell a product, as not to cause potential harm through physical interaction, amid the COVID-19 Pandemic, rather than produce one. We began by researching products that showed good market potential due to the pandemic which resulted in an array of household necessities. However, after researching the potential around the growth of blanket sales, we collectively decided it would be the best product to create revenue and as well as the most beneficial product to donate. Following our product research, we did a market analysis on retail stores that sell throw blankets. Through this analysis, we determined the average pricing for a throw blanket to be \$27.24. Our Baba Blankets are priced at \$17.99, marking us below the average of retail throw blankets and guaranteeing a more affordable price for our customers.

PRODUCT SPECIFICATIONS

The Baba Blankets collections were broken up into either seasonal or long-term. Our previous and current collections consist of the following: Holiday Collection, Valentine’s Day Collection, and Baba Originals.



PRODUCT/VENDOR SELECTION CRITERIA

Given our mission, we were conscientious about our product/vendor selection. Our criteria for a product vendor consist of blanket quality, customer reviews, and blanket price. We source our blankets from wholesalers, making sure they fit our quality check. Before each blanket is delivered, picked up, or shipped out, we check the samples for the thickness, softness, and craftsmanship of the blanket. The blanket must be durable and must also be soft and comfortable. We then continue to execute a thorough quality assurance inspection to spot any loose threads or holes in the blanket. For customer reviews, we took into consideration (if possible) a review from varying satisfaction levels (1-5) and the number of reviews available to take into account whether the customer had issues with the blanket or the vendor itself. Since our blankets are priced at \$17.99 we wanted to find blankets that cost no more than \$10. By setting our price limit to \$10 and adding our packaging cost of \$2.18, we were able to calculate our profit per blanket purchase, which was \$5.18.

Product/Vendor Selection Criteria						
Wholesaler	Vendor	Blanket Quality	Customer Ratings	Number of Reviews	Price	Collection
American Traditions	Academy Sports & Outdoors	thin, soft, good	4.0 out of 5	2	\$2.99	Holiday
Elegant Comfort	Amazon	good thickness, plush, good	4.6 out of 5	2832	\$12.99	Holiday
Serta	Big Lots	very thick, fluffy, good	5.0 out of 5	26	\$4.99	Valentine's
Spritz	Target	good thickness, plush, good	5.0 out of 5	87	\$9.99	Valentine's
FOHOG	FOHOG	good thickness, plush, good	4.2 out of 5	527	\$8.99	Baba Originals
Oriental Trading	Oriental Trading	soft, squishy, overall good	4.9 out of 5	17	\$1.42	Valentine's

PACKAGING

Packaging was an important aspect of our “experience.” Our packaging consists of a set list of items:

- Delivery Bag/Shipping Box
- 2 Sheets of Tissue Paper
- Handwritten Card
- Navy Blue Envelope
- Thank You Sticker
- Name Tag (Delivery/Pick-Up)



MARKETING & SALES

FOCUS ON GIVING BACK

Although we are a company that sells a common product, a blanket, our company is much more than that. To our customers, our blankets represent a way to connect and spread love to their loved ones they have not been in physical contact with due to the pandemic. Moreover, by sending their love through our blankets, we are empowering our customers to give to the community we live in. At Baba Blankets, we donate 20% of our monthly profits into our donation system or campaign for the month in addition to donation blankets purchased and monetary donations made. Along with giving back blankets, we strive to learn from stories that lie within the community. We believe learning from one another is crucial, and it is important to recognize those who make a difference within the community.

MARKETING: SOCIAL MEDIA ANALYSIS

We believed that the best way to market our products was through social media in terms of our audience as well as in terms of our ROI. We posted content and advertisements on Facebook, Tiktok, and Instagram. Instagram was deemed our most successful platform of marketing, as we had the highest amount of customer engagement through the app compared to the others we marketed through. About 1,394 other unique Instagram accounts have seen content from our account. This is an estimated metric provided by Instagram which helped us understand the reach of our account. Instagram also provides data for impressions of our account, an impression is anytime one of our posts has been on someone's screen. We had a total of 17,837 impressions. The next metric we used to analyze our Instagram account was content interactions. The total amount of content interactions from December to February was 1,586. Another tool we utilized was our Instagram follower breakdown. This helped us understand where our followers were located, their gender, and their age. The majority of our followers are from the local area, with 61% of them coming from the surrounding cities of Reston, Herndon, and Chantilly. 65.9% of our followers are women, while 34.1% of our followers are men.

VISION

Our sales and marketing strategy, driven by our vision and mission to be a community-based company, sets us apart from our competition. As a local, community-based, and student-led company, our product aims to provide warmth and comfort to loved ones who our customers cannot physically see due to the pandemic. By connecting our customers with their loved ones in a safe manner, we give back a large portion of our profit and are able to donate blankets at large to the community in this time of need.

For every *blanket* bought, we *help* those in need

SALES PROCESS

Our diligent sales team meets weekly to implement sales strategies, brainstorm sales partners, and ways to increase revenue. Our sales plan prioritized three factors, efficiency, effectiveness, and inclusion. Every company member was required to make five sales efforts per week, while the sales team was required to make five sales efforts per day. This included calling family members, texting, and emailing local organizations/schools. To keep sales efforts consistent throughout the company, we sent a weekly "sales updates" form every Monday. There, every company member was required to input how many successful sales they have made, who they sold to, and general feedback for the sales team. In addition to our weekly efforts, we conducted a sales workshop in December, to ensure that members of the company felt confident and knowledgeable when disclosing our product to customers. The sales workshop gifted people the opportunity to learn how to take sales rejection and keep trying. Moreover, our decision to work closely with marketing and have joint weekly calls brought new innovative ideas for sales strategies, post content, and campaign ideas.

MARKETING & SALES

PARTNERSHIPS & CAMPAIGNS

Our biggest strength that makes our model work is our partnerships with local community-based organizations. We follow an extremely careful process of picking partners that we believe align with our mission of serving the community. Our sales strategies were always aligned with our partnerships as well as our marketing campaigns. Through these partnerships and campaigns, we focused on identifying partners whose causes we wanted to highlight.

South Lakes Food Pantry

The SLHS PTSA Food Pantry is available for students and families in the SLHS Pyramid and designed to help close the hunger gap for the 30% of SLHS students who are on free and reduced lunch (approximately 730 students). . Since April 2017, the Food Pantry has distributed 38,000 bags of food and toiletries (sending home more than 3,000 items per week). As of now, weekly orders rapidly increase from 30 students/week at launch to 150/week and are still growing. For the month of December, our holiday line of blankets launched, where we profited about \$2700 in sales within a month. All donated blankets purchased and monetary donations were sent to the South Lakes High School Food Pantry, where we donated 48 blankets and \$650 to purchase food items. The Marketing and Sales team visited Good Shepherd to donate these blankets in person, and the team got to speak with Amy Shaw, head of the food pantry, about her job and her struggles she has faced due to the pandemic.

Beloved Yoga & Mental Health Campaign

Beloved Yoga is a local Reston-based yoga studio offering live, online, and on-demand yoga classes accessible for all. They are committed to excellence in education and offer 200 hour & 300-hour teacher training and specialized certificates for professionals. Beloved Yoga prioritizes and values mental health and well-being, which is a principle we both share and preach through our company. Through our partnership, we have conducted interviews with the company's female CEO, Maryam Ovissi, about the role she plays in the community. She has also done various meditation videos with our blankets, as warmth and comfort reduces stress. These videos have helped our followers and company members to prioritize their mental state of being. In January, we launched our mental health campaign in order to spread awareness and educate people on the importance of self-care and mental well-being. Throughout the week, we released mental health tips to include in one's daily routine with affirmations such as 'i am enough' and 'you got this. A highlight from the campaign was a company-wide video with our team answering the question 'what is something you did today for your mental health?'. Not only did that video bring us closer as a company, but it illustrated our diverse interests and activities we do for our mental well-being. Most importantly, we began our Baba Stories series by introducing Ms. Gigliotti and her story that included battling her disease with a brain tumor, her mental state of being, her recovery process, and daily mental health tips we can all incorporate into our lives.

NVFS

On February 16th, we launched our 92-day campaign with Northern Virginia Family Services. Within NVFS, the Family Shelter 'SERVE'. Our goal is to fill every one of their shelter's 92 beds with a blanket in 92 days. Throughout the campaign, we will be continuing our interview series with impactful community members, furthering our partnerships with local businesses, and educating people on Northern Virginia Family Services and homelessness. Northern Virginia Family Services (NVFS) provides the essential building blocks for financial, emotional, and physical well-being, serving as leaders and innovators for the Northern Virginia community. Every year, they empower more than 40,000 individuals to achieve self-sufficiency. With these essential resources, our community is better equipped for future success and engagement among all of our neighbors.

MARKETING & SALES

Valentine's Day Campaign

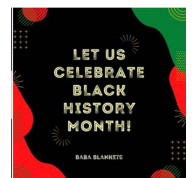
In February, we began our Valentine's Day campaign, with the intention of providing warmth and comfort to the elderly population that is separated from society due to COVID-19. To battle this lack of interaction, from February 1st-14th, all monetary and purchased blanket donations were donated to the Ashby Ponds Senior Living Center located in Ashburn, VA. Ashby Ponds provides both assisted living and independent living facilities for the elderly of Northern Virginia. With the help from our community, we were able to donate over 70 blankets to provide the elderly with warmth and comfort for Valentine's Day!

Cards To Frontline Workers

Baba Blankets took part in writing cards to the frontline workers at Fair Oaks Hospital in Chantilly, VA. Connecting with the frontline workers was an objective of the company while developing donation systems, however, it was difficult to accomplish as hospitals enforced strict regulations on physical donations. After consulting with hospitals in the area, we finally were given consent to donate cards to the frontline workers rather than blankets. Every card included a personalized message, along with pictures and stories about the company and its members, and a coupon for a Baba Blanket.

Black History Month Campaign

As a diverse company ourselves, we are constantly looking for ways to contribute and learn about our community and educate ourselves along the way. Black History Month was not only a perfect time to educate ourselves and contribute to Black Lives Matter movements but additionally, help educate and encourage our community to do the same. We believe it is important to use our platform to spread awareness and knowledge. For our three-day campaign, we plan to donate at least \$100 to a BLM organization in D.C.



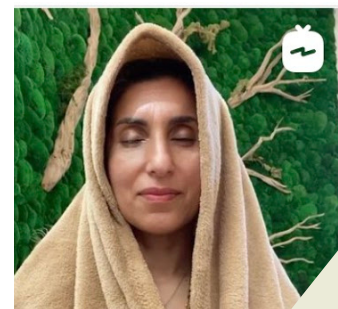
[Mrs. Gigliotti's Mental Health Journey](#)



[A Teacher Admires the Pandemic](#)



[Meditation with Baba Blankets](#)



FINANCIAL OVERVIEW

CAPITALIZATION

As a company, we originally set to raise \$250 in capital to establish the company and to form lasting partnerships with an investor. The deal reached for the initial \$250 included 0% interest and 0% royalty, but due to our organic growth, we did not need to use any of that capital.

FINANCIAL DETAIL

As of 3/3/21, when this data was taken, our revenue was \$4,230 with a Gross Margin of \$880 which translates to a 21% GM%. Given the nature of our business, we feel that this margin is very strong, especially taking into account our donation processing service where we aimed to make little to no profit. We sold a total of 238 blankets at an average price of \$13.74. We also processed a total value of \$960 in terms of cash donations.



Financial Highlights	
Total Revenue	\$4,230.08
Total Gross Margin	\$884.13
Gross Margin %	20.90%
Total Donation	\$960.79

Statement of Activities	
Revenue	
# Blankets Sold	238
Avg. Price per Blanket	\$13.74
# Donations Proccesed	23
Avg. Donation Amount	\$41.77
Total Revenue	\$4,230.08
Expenses	
COGS	\$2,385.16
Marketing	\$64.97
Sales Expenses	\$195.93
Sales Tax (6%)	\$172.30
Processed Donations	\$960.79
Total Expenses	\$3,779.15
Net Profit	\$450.93



LESSONS LEARNED & LOOKING AHEAD

ORGANIZATION

In adapting to a virtual environment, organization has become key in our company's growth. We have learned that our company's organizational structure depends on transparency and communication. Through sending weekly email updates, allowing anonymous questions, and providing our company members with deadlines for company efforts, we as a team have learned ways of adapting to change and keeping organization.

PRODUCT DEVELOPMENT

In order to sell for the holiday season, our team was a little rushed, so some of our blankets did not fit all of the criteria for our blankets. Some of the blankets were not the greatest quality or others were more costly, and we learned from this and did further research for more affordable and higher quality blankets. Another hurdle we faced was the COVID-19 pandemic. Due to the pandemic, the company could not meet together to package orders. Our solution was for one person to create and assemble the orders, while others would deliver them.

MARKETING & SALES

The biggest lesson we learned was the importance of giving back to our community over just gaining profits for ourselves. Donations and giving back, gave people the greatest incentive to purchase a blanket. Since our product was generic, we needed a powerful selling factor. Aside from our soft and warm quality, the act of "gifting a blanket" allowed people to support their loved ones. Additionally, interviewing people from the community and launching campaigns made our company stand out, and caused us to sell numerous blankets within a short period of time. We are grateful for the positive feedback we've gained from the community, and are eager to further help people in need in the near future.

FINANCIALS

One of the challenges posed with this increasingly virtual world was finding new ways to track expenses and helping the team understand/work with them. It was a challenge to implement new ways of keeping up to date on all purchases made by the team. We started to understand that the easier it was for the team to track expenses the better adherence we would have. Through feedback from other team members and observations that were made we were able to best streamline the process for everyone involved.

SPRING BLANKET LINE

In the coming spring, our company will be continuing sales and launching our Spring collection, 'Swing into Spring'. Our spring collection will consist of colors that represent livelihood and nature. The purpose of this collection will be to highlight the beauty of nature and the endless possibilities that lie within the day ahead. Furthermore, this collection will be in collaboration with Beloved Yoga, starting our "Just Breath" campaign. The goal of this campaign is to encourage people to take time for themselves and to view the world from a clear perspective.

STICKERS SPEAK PARTNERSHIP

Highlighting mental health is a goal of Baba Blankets and our current partner, Stickers Speaks. A student-run company that works to ease the daily battle of mental health. With their stickers, they aim to provide resources and information to, not only help those struggling every day but to also educate those who may not be knowledgeable on the subject of mental health. Our partnership solidified a connection between two companies determined to make a change. To best collaborate we decided to make a custom sticker, highlighting both companies, to include in future blanket purchases.

