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Business Venture Proposal for an Educational Subscription Box Service in South Africa: Insights from Parental Perspectives

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Date: 28 February 2024

Keywords: educational subscription box, learning through play, hands-on educational projects, early childhood development, parental involvement, parental perspective

Declaration Form

I **Kutlwano Ngwarati** (Student number: **565223**) am a student registered for **Master in Business Administration** in the year **2023**. I hereby declare the following:

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Signature: 

Date: **28 February 2024**

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Executive Summary

South Africa faces significant challenges in its education system, characterised by low global rankings and low critical thinking and problem-solving skills among children. However, amidst these challenges, the emergence of educational subscription box services presents an exciting opportunity for academic improvement. These services offer hands-on activities that have the potential to enhance learning outcomes and encourage a deeper engagement with educational materials. Despite this potential, there remains a significant gap in research regarding the feasibility and adoption of such services in the South African context.

This report addresses this gap by examining the viability and potential impact of introducing Kutamba, an innovative educational subscription box service, in South Africa. The research methodology includes a comprehensive analysis of the educational subscription industry landscape, consumer behaviours, and market dynamics within the South African context. Through data collection, including qualitative research methodologies such as online semi-structured interviews with English-speaking parents residing in South Africa, supplemented by data extraction from industry-leading educational subscription websites, the study aims to gain deep insights into parental perspectives and preferences regarding educational subscription box services.

The research findings reveal an understanding of parent preferences and market opportunities, identifying 14 emergent themes related to educational value, parental involvement, and product quality. Insights drawn from successful educational subscription services highlight the importance of curriculum alignment, hands-on learning experiences, and effective customer acquisition strategies tailored to the South African market.

Building upon these insights, the report presents a comprehensive business proposal for Kutamba, outlining key features such as strategic milestones, marketing strategies, operational plans, and financial projections. Kutamba aims to revolutionise early childhood education in South Africa by offering hands-on STEM (science, technology, engineering, and mathematics) projects aligned with local educational standards and delivered directly to children's homes. The proposed implementation plan outlines a phased approach to product development, market entry, expansion, and scaling, emphasising continuous evaluation and adaptation based on customer feedback and market trends.

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1. Introduction

1.1. Statement of Purpose

South Africa's educational landscape presents significant opportunities for improvement. The country's education system is one of the lowest-ranking in the world (The Economist, 2017). The lack of innovation in the system continues to be a pressing issue that results in low critical thinking and problem-solving skills in children (The Economist, 2017). The growing popularity of educational subscription box services offers an innovative approach to enhancing learning outcomes through hands-on activities. However, there is little research on the feasibility and adoption of such services in South Africa.

This business venture proposal aims to develop a comprehensive business plan for an educational subscription box service in South Africa. The proposal will draw insights from KiwiCo, a leading educational subscription box company, and incorporate parental perspectives on their beliefs on the effectiveness of educational subscription boxes. Leveraging the success of KiwiCo and considering parental perspectives will help bridge the gap between global best practices and local cultural contexts.

The proposed educational subscription box services will cover STEM-related subjects. STEM education is essential for children in South Africa because it catalyses economic development, innovation, and societal progress (Cook et al., 2017). South Africa can address the growing demand for qualified professionals in industries such as information technology, engineering, and healthcare by equipping young learners with STEM skills (Imi Research, 2022). STEM education also nurtures creativity, critical thinking, and problem-solving skills (Imi Research, 2022). Each subscription box will feature age-appropriate hands-on educational activities delivered directly to children's homes. Understanding parental perspectives will be crucial in developing the box to ensure the service resonates with their cultural values and expectations. Through qualitative research methods such as interviews, this study explores parents' attitudes, preferences, and perceived benefits of an educational subscription box service.

The results from the research will contribute to the advancement of innovative educational solutions that can positively impact the educational landscape in South Africa. By reviewing KiwiCo's success and parental perspectives, the aim is to create a viable and impactful business model for an educational subscription box service in South Africa.

Literature Matrix

In the literature matrix presented, a diverse range of organisational and educational issues are examined, from the effective implementation of learning through play in formal schooling to the slow uptake of hands-on learning methods in early childhood programs. The section explores the motivations behind companies' adoption of subscription models and investigates the value drivers of growth in the subscription box services industry. Through the lens of various conceptual frameworks and research methodologies, these studies contribute to understanding issues within the field of hands-on learning.

Table 1: Literature matrix

Author (Year)	Organisational Problem	Research Problem	Conceptual Frame Used	Population and Sample	Research Gap
R. Parker, B. Thomsen, and A. Berry. (2022)	The notion of learning through play has been well promoted, but more evidence needs to be provided on how educational providers can practically apply it in schools.	How has learning through play been applied in formal schooling, and how has it impacted children's holistic skills?	Constructivist learning theories	61 children between the ages of 6-12	More evidence and practical guidance must be provided on how learning through play can be employed effectively in schools.
UNICEF (2018)	Hands-on learning has demonstrated many benefits for young children, yet there has yet to be a slow uptake of these teaching methods in early	Investigate why there is a slow uptake of hands-on learning in early childhood programmes.	In-depth structured interviews.	94 Early childhood practitioners.	Minimum literature on why there is a slow uptake of hands-on learning in Sub-Saharan Africa

	childhood programs.				early childhood programmes.
Bhatt, D. and Kim, H. (2018)	There has been a surge in companies providing a subscription model, but more research on this topic needs to be done.	What are the reasons behind companies adopting a subscription model?	In-depth structured interviews.	14 participants (Founders or managers of subscription companies)	There is little literature on subscription services and how they can offer valuable insights for companies in this industry.
Andonova et al. (2021)	Subscription box services have grown over 100% in the last five years. The growth has been further accelerated by the Coronavirus pandemic in 2020. Despite this growth, there needs to be more literature on how the subscription economy works.	What are the underlying mechanisms and critical growth drivers in the subscription box services industry?	The Four C's	5 Subscription services	It provides a detailed view of the subscription box industry and offers guidance on how managers can navigate the subscription box economy.

1.2. Background of the Opportunity Identified

Early childhood development is crucial in shaping a child's future success and well-being (Parker et al., 2022). Research attributes learning through play as the most effective pedagogy for achieving more holistic educational outcomes (Parker et al., 2022). According to Parker et al. (2022), hands-on educational activities teach cognitive and problem-solving skills more

effectively than traditional education methods. High-quality educational experiences during the early years can profoundly impact outcomes (Parker et al., 2022).

The South African education system is one of the lowest-ranking in the world (The Economist, 2017). The lack of innovation in the system continues to be a pressing issue (The Economist, 2017). This presents an opportunity to bridge the gap and provide innovative solutions that support early childhood learning and development.

Educational subscription box services have gained significant popularity globally (IMARC Group, 2023). The educational landscape in South Africa, combined with this growing trend, presents a unique opportunity to offer curated educational materials and activities that can be delivered directly to children's homes. Traditional education methods often struggle to engage and inspire students, and there is a growing recognition of the need for innovative approaches to enhance children's learning experiences. Educational subscription boxes provide hands-on learning opportunities, promote critical thinking skills, and encourage creativity and problem-solving abilities (KiwiCo, 2023).

KiwiCo, a leading educational subscription box service provider based in the United States of America (USA), has demonstrated high levels of success in delivering engaging and educational experiences to children through hands-on projects and activities (Forbes, 2022). By analysing KiwiCo's strategies, curriculum design, customer acquisition, and operational model, valuable lessons can be learned in exploring the applicability of such a venture in the South African context.

1.3. Purpose of the Business Venture

The business venture aims to address the need for engaging educational resources for young children in South Africa. By leveraging the insights from KiwiCo's success and incorporating parental perspectives, this master's research project seeks to develop a business venture proposal for an educational subscription box service tailored to the South African market.

The primary goal of the business venture is to enhance learning outcomes by providing hands-on learning activities that can help foster creativity, critical thinking, problem-solving, and innovation skills in children. The business venture also aims to empower parents to actively participate in their children's educational journey through curated materials and comprehensive learning resources.

1.4. Objectives of the Proposed Business Venture

The objectives of the proposed business venture include the following:

- Perform a comprehensive analysis of KiwiCo's success to identify strategies and best practices contributing to the company's growth and impact. The results will reveal how the business venture can position and differentiate itself in the educational market.
- Conduct a thorough market analysis of the South African early childhood development sector, including trends, demographics, competition, and opportunities.
- Gather insights and perspectives from parents with young children in South Africa using interviews. The aim is to understand their needs, expectations, preferences, and willingness to subscribe to educational subscription box services.
- Identify and address the unique cultural aspects and context of South Africa and determine how these factors may influence the design and content of an educational subscription box. This objective is important to ensure that the proposed subscription box service resonates with the target audience and aligns with their values and beliefs.
- Develop a business model for an educational subscription box service in South Africa. This includes defining the target market, designing the subscription box contents and themes, establishing pricing strategies, and outlining marketing and distribution channels.

The proposed business venture aims to establish a successful and sustainable educational subscription box service in South Africa by achieving these objectives.

1.5. Justification of the Business Venture

South Africa faces significant challenges in providing children with quality educational resources and experiences (The Economist, 2017). Traditional educational approaches often fail to engage students and achieve high learning outcomes (Parker et al., 2022). Research emphasises the importance of learning through play during early childhood development (Parker et al., 2022). This business venture proposal aims to address these needs by offering an innovative and accessible educational solution that promotes active learning, critical thinking, and creativity. KiwiCo's success justifies exploring a similar offering and business model tailored to South Africa.

Parents increasingly seek ways to enhance their children's educational experiences (Chen and Yang, 2019). Parental involvement plays a crucial role in a child's development, but parents may need more resources, knowledge, skills, or time to actively engage in their child's learning process (Chen and Yang, 2019). An educational subscription box service can save time and effort by directly delivering curated, age-appropriate educational activities and materials to a child's home. This convenience factor makes this offer attractive to parents who want to engage their children whilst supporting their learning journey. The proposed business venture is justified by the need for accessible, innovative educational solutions in South Africa that can promote parental involvement.

1.6. Scope of the Proposed Business Venture

The scope of the business venture proposed focuses specifically on early childhood development within the context of an educational subscription box service in South Africa. Scientific research has proved that the most critical period of human development is from birth to eight years old (Parket et al., 2022; Lelahester et al., 2018; Bick and Nelson, 2017). Learning happens throughout one's life, but the rate at which it occurs during childhood can never be matched (Cook et al., 2017). During these formative years, a child experiences rapid development in cognitive abilities, emotional intelligence, mental resilience, and physical well-being (Bick and Nelson, 2022). Hence, it becomes crucial to establish the foundation for future success during the early stages of life (Parker et al., 2022).

In South Africa, learning through play is embraced in a child's formative years in pre-primary or nursery schools (UNICEF, 2018). The practice is shunned in most schools when a child enters the primary school stage (UNICEF, 2018). According to the Finland education system which is one of the best education systems in the world, learning through play is relevant and widely used in primary schools (UNICEF, 2018). South African parents are responsible for fostering learning through play after their child completes pre-primary schooling.

The business venture proposal will develop a subscription box service for children aged five to eight. These are children in the early grades of primary school, where learning through play remains critical, although often neglected for more traditional educational approaches (Parker et al., 2022). The study will not consider children under the age of play-based learning generally embraced in pre-primary or nursery schools.

This thesis will only cover the development of a comprehensive business proposal. Implementation and actual operations of the business venture are beyond the scope of this study.

1.7. Operational Definitions

Educational subscription box: A monthly subscription service that provides a curated, age-appropriate box containing educational materials and activities focusing on science, technology, engineering, and mathematics. The box will support early childhood development and encourage learning through play.

Learning through play: Learning through play, or play-based learning, defines how a child experiences educational play (Parker et al., 2022). This educational approach emphasises active engagement, exploration, and problem-solving through play-based activities (Bick and Nelson, 2017). It also highlights the importance of creating a supportive and stimulating environment that encourages children to experiment with various materials, concepts, and ideas (Parker et al., 2022).

Hands-on educational projects: Hands-on educational projects allow children to build, create, investigate, problem-solve, and explore real-world concepts (Parker et al., 2022). The focus is on active participation and learning by doing, which enhances comprehension, critical thinking, problem-solving skills, and knowledge retention (Bick and Nelson, 2017).

Early childhood development: Refers to a child's formative years, from birth to eight years old, characterised by rapid cognitive, physical, social, and emotional growth (Parker et al., 2022). This stage encompasses a range of skills and abilities, including language development, motor skills, cognitive development, emotional regulation, and socialisation (Parker et al., 2022).

Parental involvement: Refers to parents' active participation, engagement, and support in their child's educational and developmental journey. In the context of this paper, this type of participation will focus on providing a supportive learning environment at home.

Parental perspective: Refers to the beliefs, attitudes, preferences, and opinions of parents regarding their child's education and the educational resources they use or want for their children. Parental perspective can influence a parent's involvement, decision-making, and interactions with educational resources.

1.8. Delimitations of the Business Venture

The delimitations of the business venture include:

Geographical delimitation: The study focuses on the South African market and does not extend to other countries or regions. The findings and recommendations may not apply to different geographical locations.

Benchmarking KiwiCo: The study analyses the factors contributing to KiwiCo's success and how these insights can be applied to the proposed venture in South Africa. The study does not perform an in-depth analysis of other successful or unsuccessful ventures in the same industry.

Parental perspectives: The study is limited to the perspectives of South African parents regarding educational subscription box services and does not include the perspectives of educators, children, policymakers, or other stakeholders.

Time constraints: The study operates within a specific timeframe, considering the available resources, data, and research period. Developments must be considered before the research deadline.

Data collection methods: The study uses qualitative research methods such as interviews to gather insights from parents. The limitations of these methods include sample size, potential bias, and generalisability. These are acknowledged and addressed within the study.

1.9. Structure of the Paper

The paper is structured as follows:

Chapter 2 comprises a critical literature review summarising fundamental theories, concepts, and empirical studies relevant to the identified opportunity. This section also provides a rationale for the target market selected. Using guidance from the literature review, a theoretical framework is formulated.

Chapter 3 describes the research design and methods employed to conduct the study. This includes an explanation of the data collection methods selected, a justification of why these methods are appropriate for developing the business venture and the data analysis techniques used to analyse the data. This section also discuss ethical considerations and how participant confidentiality will be maintained.

Chapter 4 focuses on the open coding data analysis process by discussing data pre-processing steps to ensure data quality. This includes an in-depth explanation of the available coding methodology, showcasing how the researcher approached the data analysis process and generated initial codes. This section also presents the emergent themes, patterns, and their interconnections, shedding light on the complexities of the identified opportunity.

Chapter 5 discusses the research findings from the open coding analysis. These findings are critically examined, interpreted, and presented to explore their alignment with the theoretical framework developed in Chapter 2 and to highlight the practical implications for a business venture proposal.

Chapter 6 is a transition from research findings to a comprehensive business venture proposal, including components such as the company's vision, mission, industry and competitor analysis, product and service offering, marketing and sales strategy, supply chain management, and sourcing of materials, organisational structure and management, risk analysis, and financial projections.

Chapter 7 captures the essence of the study by revisiting its purpose, scope, and objectives. It summarises the key research findings from the literature review, theoretical framework development, and empirical analysis. Additionally, this chapter outlines the main features of the business venture proposal presented in Chapter 6. It offers a high-level implementation plan for the business venture proposal, outlining potential next steps to realise the proposed venture.

2. Literature Review

2.1. Introduction

Many theories have been proposed on what factors can contribute to children's holistic development. This literature review will highlight the two major themes that emerge repeatedly throughout literature. These themes are learning through play and parental involvement. The literature review will also explore how learning through play can influence learning outcomes. Although literature represents these themes across various contexts, this review will focus primarily on early childhood development. The final chapter will explore different methodologies for creating a new business venture and explain the rationale for the chosen method.

2.1.1. Learning through Play

Throughout literature, learning through play has been acknowledged as one of the best pedagogy methods (Lelahester et al., 2018). Children thrive in an environment centred on learning instead of teaching (Chen and Yang, 2019). As the world evolves and more technology is introduced into the global ecosystem, the holistic development of a child becomes more important. Holistic development includes cognitive, social, emotional, creative, and physical skills (UNICEF, 2018).

Project-based learning is the use of hands-on educational material to solve problems. Parker et al. (2022) theorises that engaging children in real-life projects cultivates their ability to learn actively and think critically, thus intensifying and improving learning outcomes. Bell (2010) states that the more the tasks or projects reflect reality, the more motivated and encouraged children are to ask questions and engage in discussions. The medium to long-term effects of project-based learning have been comprehensively reviewed, with a study showing that children's academic performance improved by up to 65% through project-based learning (Chen and Yang, 2019). Another study compared two British schools for three years and concluded that the schools that used project-based learning far outperformed those that did not in the national exam (Cook et al., 2017). Psychological research has also shown that traditional educational methods may limit children's learning (Lelahester et al., 2018).

One of the critical features of project-based learning is that it is child-led (Maros et al., 2021). Children learn the content by working through a project instead of learning through traditional

methods such as lectures and texts (Cook et al., 2017). The projects are generally based on real-world challenges with no right or wrong answer. This helps to build self-efficacy because children build solutions based on application and their ability to think critically (Chen and Yang, 2019). Project-based learning offers an attractive alternative to traditional education by shifting the focus of education from what instructors teach to what students learn (Maros et al., 2021).

STEM-based Project Learning

According to research from Oers (2015), STEM-based project learning can increase a child's critical thinking and problem-solving skills. STEM-based project learning entails focusing on projects related to science, technology, engineering, and mathematics. A comprehensive review by (Oktavia and Ridlo, 2020) found that combining the approach of STEM and project-based learning can positively influence creativity, confidence, collaboration, and communication (Oktavia and Ridlo, 2020). Children with excellent communication skills can articulate themselves well, encouraging them to ask questions and challenge themselves to solve high order thinking problems (Oers, 2015).

According to the PISA 2018 results, South Africa ranked 74th out of 75 countries for scientific skills (Mlachila and Moeletsi, 2019). This shows that South Africa has low scientific skills, and more innovative and stimulating learning environments are needed to improve this score (Mlachila and Moeletsi, 2019). STEM project-based learning can be one of the approaches used.

Self-efficacy Through Play

Self-efficacy is an essential skill for children to develop. It helps children develop the confidence to be proactive in life (instead of reactive), believing they can influence their lives through their actions (Trundle and Smith, 2017). Entrepreneurs have credited self-efficacy as one of the key contributors to their success (Forbes, 2017). According to studies by Cook et al. (2917), children develop this skill by making choices and performing activities alone. Parker et al. (2022) noted that play hugely influences child development. Project-based learning enables children to make decisions and evaluate the outcomes of those decisions within a play setting (Cook et al., 2017). This helps children self-regulate their actions and develop an "I can do it" attitude that can later translate into entrepreneurial ventures (Trundle and Smith, 2017).

Developing an entrepreneurial mindset and character is essential for development and global economic competition (Meola, 2016). It helps set one apart, especially in a country like South Africa, where the youth unemployment statistics remain high (Stats, 2022).

2.1.2. Transitioning from Pre-primary to Primary

The benefits of play-based learning have been widely acknowledged in pre-primary schools where children between the ages of zero and five attend, but only some of these schools have adopted this form of teaching (Yoo and Maher, 2020). A study conducted by UNICEF (2018) revealed that less than 15% of pre-primary schools in South Africa adopt a learning-through-play curriculum. This number reduces to less than 5% of primary schools that offer a project-based learning curriculum (Sandford et al., 2015).

Globally recognised definitions of early childhood span the years zero to eight (Parker et al., 2022). Children have rapid cognitive and emotional development during this period (Yoo and Maher, 2020). The beginning of a child's journey to formal schooling is a significant milestone in the early years of a child's life, and neuroscientists have discovered that the prefrontal cortex of the brain is refined by play (Yoo and Maher, 2020). A positive start to school is linked closely with positive social and academic outcomes throughout a child's schooling experience. Still, there are often stark differences in the pedagogies used between pre-primary and primary schools (Yoo and Maher, 2020). A study by David Elkind (Parker et al., 2022) concluded that society, including school, often rushes children toward adulthood. This is evident in schools where teachers pressure children to conform to standards that are not child-friendly (Parker et al., 2022). Interestingly, teachers are often positioned as agents of change and are responsible for implementing school policies (Chen and Yang, 2019). Their individual beliefs, skills, knowledge, and attitudes mediate between what is written in policy and what is enacted in the classroom (Chen and Yang, 2019). Research in South Africa reveals that teachers are not well-informed about project-based learning and often fail to guide children (Mirkhil, 2012).

To achieve the 2030 National Development Plan Agenda, early childhood development investment remains a crucial priority for the South African government (Mlachila and Moeletsi, 2019). Despite growing support for learning through play at a global and national policy level, the evidence suggests that school implementation still needs to be improved (Mlachila and Moeletsi, 2019).

To help children transition from pre-primary to primary school, there has been a global call for a "push-down curriculum" where pre-primary schools using project-based learning have been encouraged to introduce traditional teaching methods sooner (Yoo and Maher, 2020). Others argue that the principles and approaches used in project-based early learning institutions should be "pushed up" into primary schools (Yoo and Maher, 2020). There is also a perception among teachers that learning through play is for toddlers, and children entering "big" (primary) schools should adjust accordingly (Yoo and Maher, 2020). This division across different communities has resulted in a low uptake of play-based learning in schools.

In Finland, an educational model developed in 1996 delayed the start of traditional schoolwork (introducing mathematical or reading skills) until a child was in the third grade (age nine) (Pentti, 2018). This model has worked well for the country that scored 7th in the PISA 2018 results (Mlachila and Moeletsi, 2019). Finland focuses on the children's learning potential and aims for holistic development through the continuity of the educational system from preschool to the elementary and primary grades (Pentti, 2018).

A study by Mirkhil (2012) showed that children cannot differentiate between play and learning in the early school years. Project-based learning combines learning and play, making it an excellent resource for children from zero to eight years old. Tasci (2015) argues that play deprivation can negatively affect brain development and problem-solving skills. Children (generally) are naturally curious beings who love interacting with their environment (Mirkhil, 2012). The schooling environment does a disservice to them by enclosing them in a traditional education environment rather than letting them explore and build their knowledge using the world (Mirkhil, 2012).

Project-based learning is one of the learning methods that support life-long learning. In a study by Palmer and Hall (2011), engineering instructors consider project work the most effective teaching method because it synthesises knowledge by providing real-life engineering problems. This study also draws a positive correlation between using projects in early learning and university (Palmer and Hall, 2011).

2.1.3. Parental Involvement

There is compelling evidence that parental involvement positively influences a child's academic achievement (Bartnett et al., 2020). Despite this evidence, parents remain uninvolved in their children's learning in African countries (Bartnett et al., 2020). A study conducted in

Zimbabwe, Namibia, Uganda, and South Africa revealed that parental involvement remains low, with more than 97% of schools exploring strategies to promote parent participation (Meier et al., 2015). Research has also revealed that parents, teachers, and principals do not fully understand parental involvement (Meier et al., 2015). Some have confined the definition to terms such as payment of school fees, volunteering, and providing donations for stationary or renovations of a school (Meier et al., 2015). For this study, parental involvement is defined using Tasci's (2015) definition, which states that it is a process through which parents meaningfully participate in their children's various educational activities at home to enhance academic performance. These activities range from assisting with homework, engaging in discussions, and playing with your children indoors and outdoors (Tasci, 2015). This definition, however, poses a challenge as research conducted by Munji and Mncube (2018) revealed that most South African teachers and principals believed that parents were too poor and lowly educated to be meaningfully involved in their children's education.

The benefits of parental involvement occur across all socio-economic classes; therefore, all parents can participate in their children's education with guidance (Bartnett et al., 2020). This is supported by the research of Mutodi and Ngirande (2014), who found that the involvement of parents plays a vital role in children's education despite a parent's socioeconomic status. A parent who shows interest in their child's schooling motivates them to work harder and apply themselves more diligently (Bartnett et al., 2020). Research conducted in the USA affirms that parental involvement positively affects children's achievement because parents can engage their children in discussions to make them appreciate the value of education (Maros et al., 2021). The way parents interact with their children at home plays a more significant role in predicting children's academic outcomes than the extent to which they are involved in school (Bartnett et al., 2020).

Although parental involvement has many positives, there can be downsides when parents and teachers clash on how children should be educated (Munji and Mncube, 2018). This can impair a teacher-parent relationship where teachers can reinforce practices that exclude parents and discourage parental involvement (Munji and Mncube, 2018). According to studies conducted in South Africa, teachers tend to exclude parents who are uneducated and socioeconomically disadvantaged (Munji and Mncube, 2018).

Some parents believe teachers are professionals who should be left to perform their duties (Mirkhil, 2012). In South Africa, Mirkhil (2012) confirms that parents think interference with

school activities could be counterproductive. These parents must realise that educating children requires a collaborative effort between the school and home (Mirkhil, 2012).

Parents with high self-efficacy believe they can influence their children's educational outcomes (Yoo and Maher, 2020). These parents are more optimistic and consistent in their interactions with their children, knowing that the effort they put into their children will reap results (Yoo and Maher, 2020). Parents with high aspirations for their children's future are more likely to be involved (Yoo and Maher, 2020). Attributing success to internal and controllable factors such as effort kindles feelings of pride, satisfaction, confidence, and self-esteem in parents and children (Yoo and Maher, 2020).

Mirkhil (2012) advocates for education and training programmes that provide parents with skills, abilities and materials to support their children's academic journey outside school. These programmes could guide parents with low self-efficacy or knowledge of how they can help their children. These programmes can range from providing guidance or help with homework to performing indoor or outdoor activities related to the school curriculum or global topics, such as suggesting parents go to the zoo for an educational family outing with their children (Mirkhil, 2012).

2.1.4. Learning Through Play and Parental Involvement in the African Context

Learning through play in African contexts exhibits distinctive characteristics (Akpan and Akpan, 2011). Holistic development is encouraged, which differs from some Western contexts that prioritise individual achievement (Akpan and Akpan, 2011). Play in Africa often intertwines with cultural practices, creating social responsibility, community spirit, and holistic development (Göncü et al., 2019). Play is a platform for children to develop cognitive skills and learn about their roles within the community and cultural identity (Göncü et al., 2019). Resourcefulness and improvisation are also crucial aspects of play in African settings (Göncü et al., 2019). Limited access to toys and structured play spaces compels African children to improvise, enhancing creativity, problem-solving, and adaptation skills (Akpan and Akpan, 2011). Through play, children learn to make the most of what they have, utilising natural materials and their imagination to create toys and games (Akpan and Akpan, 2011). Play seamlessly integrates with daily activities and community rituals (Akpan and Akpan, 2011). Hegde (2011) notes that play is not confined to designated spaces or times in many African communities but is intertwined with chores, ceremonies, and communal activities. This

integration blurs the lines between play and learning, offering children valuable life skills and cultural knowledge (Hegde, 2011).

Research by Adedoyin (2015) suggests that cultural norms, economic constraints, and access to educational resources influence parental involvement in education. For instance, in South Africa's urban townships, parents often engage in informal learning activities, such as community gardening or neighbourhood watch programs, indirectly contributing to children's education and socialisation (Adedoyin, 2015). Extended family support is a cornerstone of parental involvement in many African communities (Adedoyin, 2015). Grandparents, siblings, and wider family contribute to childcare and education, forming a broader support network with unique dynamics (Adedoyin, 2015). Traditional practices also shape parental involvement in African contexts. Storytelling, singing, and games passed down through generations are informal learning tools that transmit cultural identity and values (Adedoyin, 2015). Kalamba (2014) highlights how these practices enhance parent-child bonding and instil critical cultural values and knowledge. However, economic and time constraints can pose challenges to parental involvement. Morrow (2005) notes that poverty and demanding work schedules may limit parents' ability to engage in structured play activities or participate in their children's schooling. Despite these challenges, parents remain essential in shaping their children's learning experiences through everyday interactions and informal learning opportunities (Morrow, 2005).

Although the importance of learning through play and parental engagement is universally recognised, South Africa faces unique challenges that require a tailored approach (Hegde, 2011). The legacy of apartheid continues to influence the country's educational framework, leading to ongoing inequalities in resource distribution, educator standards, and school infrastructure between historically privileged and marginalised institutions (Hegde, 2011). Furthermore, South Africa's multicultural society and multilingual educational model introduce complexities and opportunities for enhancing learning through play and parental participation (Hegde, 2011). Practical approaches must acknowledge these diverse cultural and linguistic contexts to create inclusivity in educational settings and equitable access to learning opportunities (Hegde, 2011).

2.1.5. Learning Through Play with Subscription Box Services

Educational subscription box services have changed the landscape of childhood learning, offering engaging and interactive experiences that combine play with educational content (Kourt and Joachims, 2022). Research by Marsh and Winship (2020) emphasises the role of educational subscription boxes in promoting active learning, critical thinking, and problem-solving skills among children. By integrating play-based activities with educational content, subscription boxes offer a holistic approach to learning that appeals to children's natural inclination to explore and discover (Kourt and Joachims, 2022).

Educational subscription boxes feature a wide range of content tailored to different age groups, interests, and learning objectives. Common components include:

- **STEM materials:** Many subscription boxes include STEM materials such as building kits, experiments, and coding activities. These hands-on projects encourage children to explore scientific concepts, develop problem-solving skills, and cultivate an interest in STEM subjects (Marsh and Winship, 2020).
- **Literacy resources**: Reading materials, storybooks, and language-based activities are often included to promote literacy skills and language development. Subscription boxes can support children's language acquisition and communication skills by incorporating storytelling and language-based games (Kourt and Joachims, 2022).
- **Art and creativity supplies:** Art materials, craft kits, and creative projects inspire artistic expression and imaginative play. These activities encourage children to explore their creativity, develop fine motor skills, and express themselves through various artistic mediums (Marsh and Winship, 2020).
- **Problem-solving games:** Puzzles, logic games, and problem-solving challenges stimulate critical thinking and analytical skills. Subscription boxes promote cognitive development and problem-solving abilities by presenting children with puzzles and challenges to solve (Kourt and Joachims, 2022; Marsh and Winship, 2020).

Learning through play with educational subscription boxes offers numerous benefits for children's development (Marsh and Winship, 2020). The interactive nature of subscription box activities captures children's interest and motivates them to learn (Kourt and Joachims, 2022). Subscription boxes also provide opportunities for children to develop a wide range of cognitive, social, emotional, and physical skills (Kourt and Joachims, 2022). Through hands-on activities

and play-based learning experiences, children can enhance their problem-solving abilities, creativity, and communication skills (Marsh and Winship, 2020). Additionally, educational subscription boxes often involve parents or caregivers in learning, fostering positive parent-child interactions, involvement, and bonding (Marsh and Winship, 2020). By providing structured activities and resources, subscription boxes empower parents to support their children's learning journey and participate in meaningful educational activities together (Akpan and Akpan, 2011; Marsh and Winship, 2020).

While educational subscription boxes offer numerous benefits, critically evaluating the potential limitations is essential. Studies by Akpan and Akpan (2011) highlight the importance of culturally relevant content and materials that resonate with South African children's experiences and backgrounds. Additionally, there are resource limitations such as cost and sustainability (Marsh and Winship, 2020). High subscription fees may pose a barrier to access for low-income families, worsening educational disparities. The environmental impact of packaging and shipping materials may raise sustainability concerns. Mitigating these limitations requires innovative solutions, such as offering subsidised or free subscriptions for underserved communities and adopting eco-friendly packaging practices.

2.1.6. Four Methodologies for a New Business Venture

An entrepreneur's process of launching a new venture is characterised by significant complexity and uncertainty (Leschke, 2013). Developing a business model before launching a new venture can reduce uncertainty (Leschke, 2013). Within entrepreneurship, there are emerging developments in business model design. This literature review will focus on four: The traditional business model, the business model canvas, the lean start-up methodology, and the value proposition canvas.

The Traditional Business Model

A business model describes how a venture creates, captures, and delivers value (Leschke, 2013). The architecture of a business links the entrepreneur's creativity and innovation with strategic management for execution and implementation (Kim and Park, 2020). The architecture can be documented in a business plan, which details how a venture will achieve its vision (Kim and Park, 2020). Several strategic tools and models have been used to craft a

business plan; however, researchers have mainly focused on two tools: Abell's model for competitive positioning and the SWOT (strengths, weaknesses, opportunities, and threats) analysis (Kim and Park, 2020).

- **Abell's model:** Scans a company's competitive environment and develops a value proposition to help it differentiate itself (Kim and Park, 2020).
- **SWOT:** Guide a company's strategic planning and decision-making by identifying the company's strengths, weaknesses, opportunities, and threats in the internal and external environment (Kim and Park, 2020).

Debates continue to arise on the usefulness of a business plan in new venture creation and what the contents of a business plan should include (Kim and Park, 2020). Some authors argue that entrepreneurs can succeed without developing a business plan, and planning too much can lead to analysis paralysis (Kim and Park, 2020). Other authors argue that it is only possible to achieve any goal by first mapping out a strategy for implementation (Kim and Park, 2020). Many researchers agree that a business plan can help provide a structure or framework for delivering products or services to a target market (Leschke, 2013).

The Business Model Canvas

The business model canvas is a visual tool that helps entrepreneurs test assumptions on critical resources and activities within the business (Osterwalder and Pigneur, 2010). It also assists organisations in seeing the bigger picture of the business framework and aligning activities by identifying potential trade-offs (Osterwalder and Pigneur, 2010). This can help organisations iterate quickly.

The business model canvas comprises nine building blocks that show the logic of how a company intends to deliver value to customers (Osterwalder and Pigneur, 2010). The nine blocks cover three main areas: desirability, viability, and feasibility.

- **Desirability** determines if the proposed business venture can offer products or services that are wanted or needed in the market. The building blocks included in this area are value proposition (how does it solve a customer problem or satisfy a customer need?), customer segment (who are your customers?), channels (how do you plan to reach your customers?) and customer relationships (what type of relationships will your company establish with customers?) (Osterwalder and Pigneur, 2010).

- **Viability** determines if the proposed business venture has an opportunity to make revenue and reach profitability. The building blocks included in this area are revenue streams (how does the company generate revenue?) and cost structures (what are the incurred costs in operating the business model?) (Osterwalder and Pigneur, 2010).
- **Feasibility** determines if the proposed business venture can deliver on the desirability elements. The building blocks included in this area are vital resources (does the organisation have the required assets to make the business model work?), key activities (what are the most important activities the company must perform to enable the business model?) and partnerships (outline of the the network of suppliers and partners that make the business model work.) (Osterwalder and Pigneur, 2010).

The business model canvas has been widely adopted and used by practitioners; however, it has been critiqued that the framework does not offer competitive positioning or quantify economic leverage points, which can blindside entrepreneurs if the model is used in isolation (Kim and Park, 2020).

Value Proposition Canvas

The value proposition canvas is a powerful tool that enables entrepreneurs to refine their value proposition to customers (Osterwalder et al., 2014). Like the business model canvas, it provides a visual tool that helps test assumptions and activities within the business (Osterwalder et al., 2014). Organisations that examine the key elements of the value proposition can gain clarity on the uniqueness of the product and how it addresses customer needs (Osterwalder et al., 2014).

The value proposition canvas can be divided into two key areas: product and customer.

- **Product** includes benefits, experience, and features. Benefits refer to the positive outcomes and advantages customers gain from using the product or service (Osterwalder et al., 2014). This can include solving a problem, improving efficiency, saving time or money, or having fun. Experience refers to customers' emotions, feelings, and overall satisfaction when using the product or service (Osterwalder et al., 2014). Features focus on the specific characteristics and functionalities of the product or service. This includes tangible attributes, specifications, technical capabilities, and unique selling points (Osterwalder et al., 2014).

- **Customer** includes wants, needs, and fears. Wants are the desires and preferences of customers, reflecting their aspirations, preferences, and what they look for when comparing two different services or products (Osterwalder et al., 2014). Needs refers to the underlying problems, challenges, or gaps customers want to address (Osterwalder et al., 2014). Fears represent the concerns, worries, or potential barriers that customers may have (Osterwalder et al., 2014).

The value proposition canvas offers entrepreneurs a framework to develop a value proposition that can resonate with their target market (Osterwalder et al., 2014). The in-depth analysis helps align the product offering with customer expectations (Osterwalder et al., 2014).

The Lean Start-Up Methodology

The lean start-up methodology favours execution over planning (Ries, 2011). The methodology encourages entrepreneurs to continuously run business experiments that can test hypotheses to achieve product-market fit (Ries, 2011). It is built on the premise that it is better to fail fast and use the lessons to make success (Ries, 2011). This can help get ideas off the ground quickly whilst engaging customers early (Hampel et al., 2020). The model focuses on building experiments using prototypes, testing assumptions, and using the lessons to validate an organisation's business model (Ries, 2011).

The lean start-up methodology has been widely adopted and celebrated as one of the models that help drive innovation in new business ventures (Hampel et al., 2020). Based on customer feedback, an entrepreneur can determine if they should proceed with the proposed business model, pivot to a revised business model with some changes or close the new business venture (Hampel et al., 2020). The methodology helps start-ups mitigate against failure by testing business model assumptions and uncertainty before using resources for building or marketing products/services that customers may not want or need (Ries, 2011).

2.1.7. Rationale for Chosen Methodology

The lean start-up methodology has been selected as the chosen methodology for the business venture. This methodology focuses on continuous improvement through rapid iterations and experiments. This is ideal for subscription box services where customer feedback and market insights can be used for quick adoption, flexibility, and business model refinement. The lean

methodology enables the business venture to operate agile and dynamically to meet customers' evolving needs and preferences.

The traditional business model and business model canvas are valuable tools that can be used to visualise and map out a business model. Still, the lean methodology provides a more iterative, customer-focused, and flexible approach suited for this business venture focused on the subscription box industry.

The value proposition canvas will be used in conjunction with the chosen methodology (the lean start-up methodology). By combining the lean method with the value proposition canvas, the researcher aims to gain in-depth insights that can assist in effectively aligning the product offering with customer expectations and needs.

2.2. Theoretical Underpinnings: Hands-on Educational Projects, Early Childhood Development and Parental Involvement

There has been increased interest in exploring the use of hands-on educational projects to promote the development of young children (Martin, 2020). A child's early years of development are critical in shaping their cognitive, social-emotional, and physical growth and these benefits are strongly supported by a range of theoretical frameworks, including constructivist learning theory, social cognitive theory, ecological systems theory, and theory of experiential learning (Parker et al., 2022). This section outlines the theoretical underpinnings of this study using these four theoretical frameworks as well as the incorporation of an additional theory called self-determination theory to argue for a conceptual framework that can be used to explain the role hands-on educational projects and parental involvement play in cultivating an entrepreneurial spirit in young children.

2.2.1. Hands-on Educational Projects and Theoretical Frameworks

Several researchers have contributed to developing a constructivist learning theory framework (Mogashoa, 2014). The theory emphasises the importance of children's active participation in learning (see Figure 1 below). Jean Piaget's (1964) research identified essential milestones in children's mental development. He argued that children's thinking developed in stages, each characterised by a different way of active learning (Piaget, 1964). His theory supports learning through play for exploration and experience. Lev Vygotsky's (1978) sociocultural theory

emphasises the importance of social interaction and collaboration in the learning journey. This theory argues that a child's holistic development isn't achieved in a traditional classroom setting but rather through engagements with hands-on educational projects (Vygotsky, 1978). According to Jerome Burner (1966), learning should be an active and iterative process where learners can relate new information with prior experiences and knowledge. These theories have influenced the constructivist learning theory, highlighting children's active role in learning (Mogashoa, 2014). In the context of this business proposal, hands-on educational projects can provide children with opportunities to engage with materials and solve real-world problems. Educators and parents can encourage more meaningful learning outcomes by allowing learners to explore, discover, and construct their knowledge (Mogashoa, 2014).



Figure 1: Constructivist learning theory

(Source: Mogashoa, 2014)

Social cognitive theory, developed by Albert Bandura, demonstrates that learning happens through a combination of cognitive, behavioural and environmental factors (Bandura, 1986). Children learn through observation and using peers, teachers and parents as a benchmark for modelling behaviour (Bandura, 1986). Positive reinforcement of the learned behaviour, such as praise or rewards, can increase the likelihood of repeated behaviour. In contrast, negative reinforcement, such as punishment or criticism, can decrease the possibility of the behaviour

being repeated (Bandura, 1986). Social cognitive theory also incorporates self-efficacy, which refers to self-belief (Bandura, 1986). Individuals who believe they can perform a behaviour successfully are more likely to persevere when faced with challenges (Bandura, 1986). Hands-on educational projects could allow children to interact with their environment and develop through observation, modelling, and reinforcement from educators and parents (Parker et al., 2022).

Experiential learning theory is a framework that describes how individuals acquire knowledge, skills, and values through direct experience (Kolb, 1939). The framework developed by David Kolb (1939) states that learning is a continuous cycle involving experiences, reflection, conceptualisation, and active experimentation. Hand-on educational projects can engage children in active experimentation, such as testing and iterating their designed solutions (Kolb, 1939). Continuous learning enables experiences, knowledge and skills to build upon each other, supporting ongoing learning and development (Kolb, 1939).

Ecological systems theory, developed by Urie Bronfenbrenner (1977), emphasises the importance of a conducive environment in shaping a child's development. Children who have supportive structures at school and home will develop broader societal and cultural understanding, which can improve their cognitive and emotional development (Bronfenbrenner, 1992). This theory helps understand the complex interactions children experience in various contexts (Bronfenbrenner, 1992). According to Bronfenbrenner, these different contexts can be grouped into five distinct categories:

- **Microsystem** refers to a child's immediate environment, such as family, peers, school, and neighbourhood (Bronfenbrenner, 1992). These relationships can influence the child's behaviour, attitudes, and beliefs (Bronfenbrenner, 1992).
- **Mesosystem** evaluates the interactions between different microsystems, such as the relationship between the family and the school and how a child can be indirectly influenced (Bronfenbrenner, 1992).
- **Exosystem** includes the social structures that indirectly affect children, such as government policies, the workplace, or the media (Bronfenbrenner, 1992).
- **Macrosystem** includes the more significant cultural, social, and economic factors such as a country's gross domestic product and beliefs (Bronfenbrenner, 1992).

Self-determination theory, developed by Edward Deci and Richard Ryan (2000), explores human motivation and personality development. The theory states that children who feel

supported and valued by their parents are more likely to develop a sense of autonomy and self-determination (Ryan and Deci, 2000). Educators and parents can provide children with this support by allowing them to make their own decisions, take risks and be innovative and creative (Ryan and Deci, 2000). This can involve using hands-on educational projects to allow children to explore their interests and take ownership of their learning (Ryan and Deci, 2000). This enables children to develop skills, knowledge, and expertise (Ryan and Deci, 2000). These attributes can contribute to academic achievement (Mishra and Zachary, 2014).

Self-determination theory consists of three psychological needs, namely autonomy, competence and relatedness, shown in Figure 2 below:

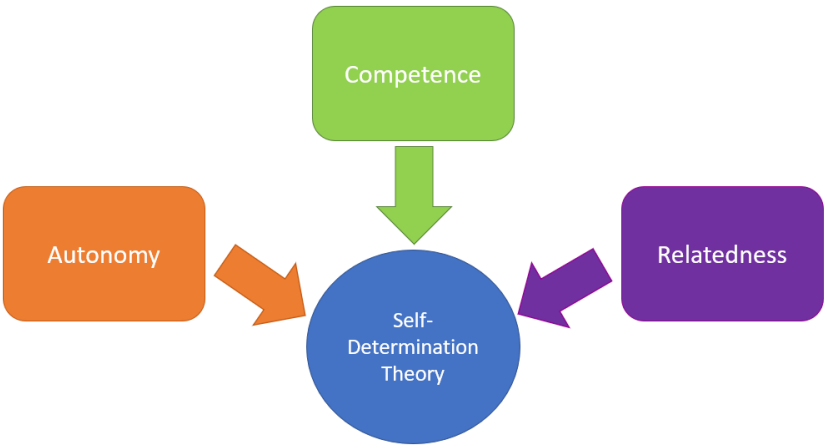


Figure 2: Self-determination theory

(Source: Ryan and Deci, 2000)

Autonomy refers to an individual's need for choice and freedom (Ryan and Deci, 2000). Hands-on educational projects can give children autonomy, allowing them to choose the type of projects that interest them and determine how to solve their challenges (Ryan and Deci, 2000). Parental involvement can support this need by giving children guidance and resources to pursue what they choose (Ryan and Deci, 2000).

Competence is closely related to self-efficacy and demonstrates an individual's need to feel adequate and capable in their endeavours (Ryan and Deci, 2000). Hands-on educational projects can help children develop competency by solving tough challenges that require problem-solving, creativity and critical thinking skills (Ryan and Deci, 2000). Parental involvement can support this need through encouragement and constructive feedback (Ryan and Deci, 2000).

Relatedness refers to one's need to feel connected and valued by others (Ryan and Deci, 2000). Parental involvement can support this need by solving problems with their children and learning about their interests and passions (Ryan and Deci, 2000).

Parental involvement that supports children's autonomy, competence and relatedness can contribute to self-determination, motivation, and increased engagement (Ryan and Deci, 2000).

2.2.2. Conceptual Framework for Hands-on Educational Projects and Parental Involvement

The proposed business venture analysed the use of hands-on educational projects through four different theoretical frameworks. These frameworks were used because they provide a basis to understand how hands-on educational projects and parental involvement can improve learning outcomes in young children. A child's behaviour, attitude, and beliefs affect their outlook on life (Martin, 2020). The conceptual framework (Figure 3 below) for this business venture proposal aims to investigate the role hands-on educational projects and parental involvement have in cultivating a desire to learn in young children. The framework incorporates constructivist learning theory, social cognitive theory, ecological systems theory, and experiential learning theory to support hands-on educational projects. Self-determination theory was added to integrate parental involvement in the conceptual framework. The framework includes literature from various sources, including Piaget (1964), Vygotsky (1978), Burner (1966), Bandura (1986), Kolb (1939), Bronfenbrenner (1992), Ryan, and Deci (2000).

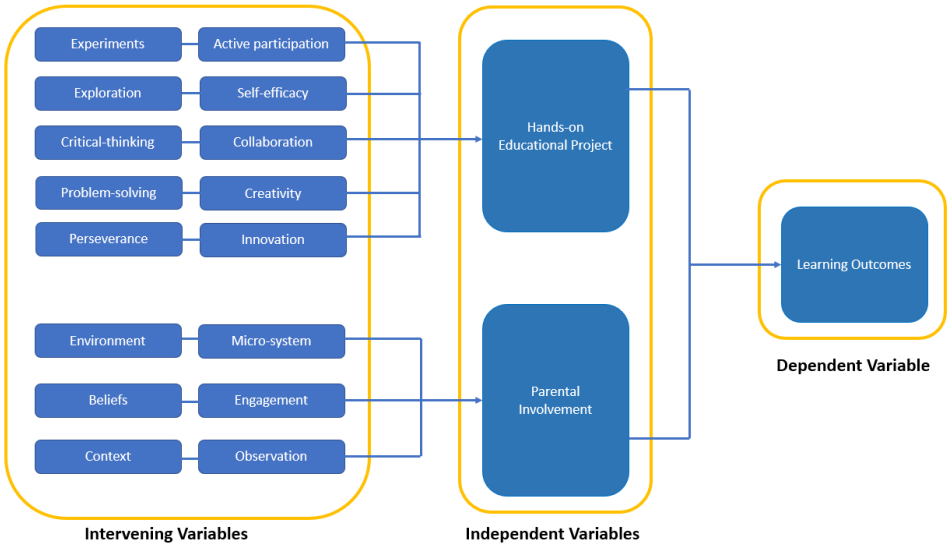


Figure 3: Conceptual framework

The business venture's proposed conceptual framework explores the role of hands-on projects and parental involvement in cultivating a desire to learn in young children. Literature from the empirical review suggests that improved learning outcomes can significantly benefit children's personal and professional lives (Parker et al., 2022). The proposed model comprises 16 intervening variables shown in Figure 3. The independent variables include hands-on educational projects and parental involvement. The dependent variable is learning outcomes. The framework concepts are used in the context of children between the ages of five and eight in South Africa.

2.2.2.1. Linking Hands-on Educational Projects with Learning Outcomes

The conceptual framework incorporates elements from the constructivist learning theory, social cognitive theory, ecological systems theory, and experiential learning theory as key constructs to support hands-on educational projects. According to constructive and experiential learning theories, hands-on educational projects can improve learning outcomes in young children by engaging them in activities that allow them to explore and experiment during learning (Kolb, 1939). As children construct their understanding of the world, they develop critical thinking, problem-solving, risk-taking, creativity, innovation, and self-efficacy (Martin, 2020).

2.2.2.2. Linking Parental Involvement and Learning Outcomes

In South Africa (generally), learning through play activities at school stops for children above the age of five when they enter primary school (Yoo and Maher, 2020). However, a child's development is at its peak from birth to age eight. Neuroscientists recommend that children continue to learn through play until the age of eight (Parker et al., 2022). With most schools opting to teach children using traditional methods, it is the responsibility of parents to initiate learning through play activities at home (Yoo and Maher, 2020)

According to social cognitive theory, ecological systems theory, and self-determination theory, parental involvement can significantly influence a child's behaviour, attitude, and beliefs by providing positive encouragement (Ryan and Deci (2000). Parents can help their children develop skills to solve hands-on educational projects by providing opportunities for them to practice, ask questions and engage (Bartnett et al., 2020). Constructivist learning theory also highlights the importance of social interaction in shaping learning (Piaget, 1964). Children can

learn through collaboration, meaningful discussions, and observing and imitating their parents' behaviour (Parker et al., 2022). Additionally, parents can help children connect their learning experiences to real-life situations and provide opportunities for children to explore their interests and passions (Bartnett et al., 2020). Parental involvement can help create a supportive learning environment for children to help foster self-efficacy, essential in improving learning outcomes (Bartnett et al., 2020).

2.2.2.3. Deduction from Conceptual Framework

The proposed conceptual framework provides a systematic approach to understanding how hands-on educational projects and parental involvement can improve learning outcomes in young children in South Africa.

The conceptual framework aims to test the following concepts:

- **Concept 1:** Implementing hands-on educational projects significantly improves learning outcomes among the targeted population.
- **Concept 2:** Parental involvement significantly enhances learning outcomes in the specified domain.

Through data collection and analysis, this research aims to provide evidence regarding the existence and strength of these relationships. The results from the tests will clarify the unique value proposition of the proposed business venture and determine its feasibility. This will act as a guide in the development and implementation of the venture, as well as evaluate its effectiveness, impact, and alignment with customer needs.

2.3. Summary of Chapter 2

The literature review provides an overview of how learning through play can help improve learning outcomes. It also explores how the pedagogy method of project-based learning can develop self-efficacy in children. Project-based learning is an efficient way to acquire new knowledge, and linking education with improved learning outcomes is essential in this era of global development. These themes apply to the proposed business venture of using hands-on educational projects to improve children's academic achievements. From the literature, it can be concluded that many parents are not involved in their children's school activities at home.

This is due to a lack of guidance on how parents can support their children. This literature review formed the basis for developing the semi-structured data collection interview.

The proposed business venture will close the knowledge gap of children when they transition from pre-primary to primary school by providing project-based learning activities that support their educational outcomes. These activities will be developed based on the results obtained from the conceptual framework, which incorporates elements from five theoretical frameworks. The framework aims to understand the role hands-on educational projects and parental involvement have in improving learning outcomes in young children in South Africa.

3. Methodology

3.1. Introduction

This business venture proposal aims to comprehensively analyse KiwiCo's success to identify strategies and best practices that have contributed to the company's growth and impact. Additionally, the proposal explores parents' perceptions of educational subscription boxes in South Africa and uses those insights to develop a successful business plan. To achieve this, a qualitative research methodology will be used.

3.2. Research Approach

The research methodology suitable for achieving the desired outcomes is the qualitative approach. Qualitative research centres on the socially constructed aspect of reality and the contextual factors that influence the investigation (Denzin and Lincoln, 2008). Furthermore, this study adopts an inductive approach due to limited research on parents' perceptions of educational subscription boxes.

Inductive research involves the observation of patterns within the data to formulate theories based on these observations. It allows the researcher to adapt their investigative approach as they progress (Dudovskiy, 2011). This inductive approach will also be applied when collecting insights from KiwiCo.

Within this qualitative research methodology, thematic analysis is the research method for exploring and comprehending the data gathered from the participants. Thematic analysis is particularly suited to addressing inquiries about experiences, meanings, and perspectives, predominantly from the participants' standpoint (Hammarberg et al., 2016).

3.3. Research Paradigm

The research approach selected for this study aligns with the constructivist-interpretivist paradigm. Denzin and Lincoln (2008) describe qualitative methods as a broad set of empirical procedures aimed at defining and interpreting the experiences of research participants within specific contexts.

Within the interpretive paradigm, reality is not a singular, universally defined entity, and its meaning can vary among individuals. Researchers working within this paradigm aim to derive

meaning from participants by engaging in interactions and conversations that stimulate content. This approach involves the researcher interpreting details (Ponterotto, 2005). Ponterotto (2005) argues that reality cannot be objective, as each individual's experience, understanding, and labelling of reality are unique to their subjective interpretation. This paradigm assumes a qualitative methodological research approach, mainly focusing on qualitative in-depth content analysis for this study. Within the constructivism-interpretivism paradigm, the goal is to comprehend the "lived experiences" from the participant's perspective (Ponterotto, 2005). This approach explores the complex interplay of individuals' perceptions and experiences within their social and cultural contexts to enable a deeper understanding.

3.4. Research Design

3.4.1. Qualitative Research

Qualitative research aims to describe and understand rather than explain and predict human behaviour (Babbie and Mouton, 2001). Unlike quantitative research, qualitative research does not rely on statistical analysis or quantification (Babbie and Mouton, 2001). Instead, it involves a comprehensive exploration of a subject, allowing the researcher to observe the natural development of behaviours and actions without exerting control over variables (Henning, 2004), given the need to understand and explore various facets of educational subscription box services in South African, a qualitative methodology is deemed most suitable for achieving the study's objectives.

3.4.2. Exploratory Research

Schutt (2006) defines exploratory research as an inquiry into how people function within a specific setting, the meanings they attribute to their actions, and the issues that concern them. Crawford (2007) further elaborates that exploratory research seeks patterns, ideas, or hypotheses rather than testing or confirming hypotheses. This definition aligns with the study's approach, as it aims to uncover current perspectives on educational subscription box services in South Africa without seeking to prove a predetermined hypothesis.

3.4.3. Grounded Theory

Grounded Theory, initially presented by Glaser and Strauss (1967), is the process of creating theory through systematic data analysis while grounding observations in data. Over time, perspectives on Grounded Theory have evolved. Locke (2001) highlights Glaser and Strauss' initial focus on understanding and exploring phenomena without relying on previous theoretical frameworks. In contrast, Charmaz (2006) suggests the need to restrict domains of inquiry and interest while still allowing for free inquiry within these domains. This approach aligns with the study's objective of formulating a theoretical basis for educational subscription box services in South Africa, where more substantial theory is needed.

3.4.4. Use of the Literature Study in Shaping the Interview

The literature review has significantly informed the design of the interview process, which is focused on semi-structured interviews based on exploratory research and grounded theory. Incorporating insights from various theories such as constructivist learning theory, social cognitive theory, ecological systems theory, and experiential learning theory, the interview questions have been crafted to explore parental perspectives on the link between hands-on educational projects and learning outcomes, as well as the role of parental involvement in facilitating learning through play activities. The literature review highlighted the importance of continuing learning through play beyond pre-primary schooling, especially in South Africa, where traditional teaching methods may only partially support children's developmental needs. Additionally, it emphasised the significant influence of parental involvement in shaping children's behaviour, attitudes, and beliefs and creating a supportive learning environment. The interview was designed to contribute to a deeper understanding of the proposed conceptual framework and its implications for the proposed educational subscription box service in South Africa.

3.4.5. Interviews

The study employed an exploratory qualitative research approach based on grounded theory to understand parents' perspectives, experiences, and viewpoints comprehensively. This methodology facilitated the gathering of rich data essential for interpreting the subjective dimensions of the research inquiries.

Interviews were selected as the primary data collection method due to their effectiveness in thoroughly exploring respondents' reactions to questions and the ease with which they respond. The "Data Collection" section further details the researcher's interview approach.

Qualitative research allows for investigating underlying reasons, motivations, and complexities associated with various aspects of the research questions. This approach enables researchers to capture nuances and subtleties often overlooked by quantitative methods. Furthermore, qualitative research offers data collection and analysis flexibility, allowing researchers to adapt their approach as new insights emerge.

3.5. Data Collection

Collecting Primary Data from Parents

Data was collected using semi-structured, in-depth interviews where the researcher and participants engaged in a flexible conversation. An interview protocol guided the interviews and included follow-up questions, probes, and comments to delve deeper into the participants' thoughts, feelings, and beliefs regarding subscription box services. To aid the interviews, an interview guide was prepared in advance (see Appendix A), although the wording of the questions and their sequence were not strictly adhered to (Dudovskiy, 2011). The interviews were conducted online using Google online video conferencing tools, and these interviews were recorded, transcribed, and analysed.

Collecting Secondary Data

The data collection involved two main methods: gathering information from YouTube videos and web scraping on the KiwiCo website and other relevant websites. The researcher searched for relevant videos shown by KiwiCo or other individuals/organisations related to their products or services. These interviews were downloaded, transcribed, and analysed to extract valuable insights, information, and participant opinions.

Additionally, data was collected through web scraping on KiwiCo website and other educational websites that have reviewed KiwiCo products. Web scraping is an automated method of extracting data from websites. The data collected included product descriptions, customer reviews, blog posts, and other publicly available website information. To perform web scraping, the researcher utilised Python - a specialised coding tool to navigate the

identified websites and retrieve the desired data (see Appendix B for a snippet of the Python code). The data was stored in an Excel spreadsheet and analysed using thematic analysis.

3.6. Population and Sampling

This research study used purposive and snowball sampling, two non-probability sampling strategies, to select interview participants. The researcher is involved in selecting interview participants, making this research methodology less objective than other probability methods (Stratton, 2021). This type of sampling does not allow for generalisation. The findings apply only to the participants involved in the survey (Stratton, 2021).

Purposive or judgment sampling involves intentionally selecting participants based on specific characteristics. It is a non-random sampling strategy that does not require predetermined sample sizes (Etikan et al., 2016). Conversely, snowball sampling is a method where one participant provides the researcher with the name of at least one additional potential interviewee. This process continues as each subsequent participant suggests the name of another potential participant, resulting in the sample size growing like a rolling snowball (Etikan et al., 2016).

To start the process of these two sampling techniques, the researcher utilised her network as a mother of an early primary school child and requested interviews with other parents. She also leveraged social media platforms like Meta to join school and parent community groups. She asked for interviews with parents from these forums and communities.

The research involved interviewing 27 English-speaking South African parents with children in the early primary school stage. A child's mother or father was selected for the interview, and the selection depended on the parent, who is mainly responsible for purchasing gifts for children in the home. The decision to focus on parents of primary school children (aged five to eight years) is based on the understanding that parents with children in this age group often play a significant role in selecting toys for their children. One of the main aims of the study was to gain insights into how parents perceive and evaluate the educational value of educational subscription boxes. Therefore, parents who are already subscribed to subscription boxes were not included in the research to ensure a focus on those who have yet to engage with such services. Table 2 below is the biographical information of interview participants.

Table 2: Biographical information of interview participants

Parents	Date of interview	Profession	Highest Educational Level	Gender	Ethnicity	Age group
1	13-09-2023	Manager	Masters	Female	Black	30-40
2	17-09-2023	Psychologist	Doctorate	Female	Black	30-40
3	17-09-2023	Risk Analyst	Degree	Female	Indian	30-40
4	17-09-2023	Secretary	Certificates	Female	Black	20-30
5	02-10-2023	Data Analyst	Honours	Female	Coloured	30-40
6	03-10-2023	Executive	Masters	Male	Black	30-40
7	11-10-2023	Administrator	Matric	Female	Black	30-40
8	24-10-2023	Director	Doctorate	Female	Black	30-40
9	24-10-2023	Supervisor	Matric	Male	Black	30-40
10	30-10-2023	Personal Assistant	Degree	Female	White	40-50
11	02-11-2023	Data Analyst	Degree	Female	Black	30-40
12	02-11-2023	Accountant	Honours	Female	White	40-50
13	02-11-2023	HR Director	Masters	Female	White	40-50
14	07-11-2023	Data Engineer	Honours	Male	White	30-40
15	10-11-2023	Data Engineer	Honours	Male	Black	30-40
16	12-10-2023	Architect	Honours	Male	Black	30-40
17	19-11-2023	Engineer	Honours	Female	Black	30-40
18	19-11-2023	Engineer	Honours	Female	Black	30-40
19	19-11-2-23	Consultant	Masters	Female	Black	30-40
20	21-11-2023	Executive	Honours	Female	Black	30-40
21	23-11-2023	Manager	Honours	Female	White	40-50
22	23-11-2023	Manager	Masters	Male	White	30-40
23	23-11-2023	Manager	Degree	Male	White	30-40
24	26-11-2023	Accountant	Honours	Female	Coloured	30-40
25	08-12-2023	Nurse	Degree	Female	Black	40-50
26	08-12-2023	Manager	Degree	Male	Black	30-40
27	10-12-2023	Manager	Honours	Female	Black	30-40

Purposive sampling was also used to select YouTube videos and websites for this research. The sampling strategy involved a deliberate selection process guided by the independent and dependent variables from the conceptual framework aligned with the research objectives. For the analysis of YouTube videos, 13 videos were selected. These videos included interviews, webinars, or presentations on educational subscription boxes, KiwiCo, or parental perspectives on learning through play. The selection considered factors such as the relevance of the content, the diversity of perspectives and experiences represented, and the quality of the video. Through the purposeful selection of YouTube videos that align with the research focus, the study aims to ensure that the data collected is rich, informative, and directly applicable to the research objectives. Table 3 below is the list of YouTube videos selected.

Table 3: List of YouTube videos selected

Video	Date of download	Name of Video	YouTube Video Link
1	05-11-2023	How to Build a Subscription Product with Alexandra Friedman, Eurie Kim and Sandra Oh Lin	https://www.youtube.com/watch?v=g2Q_cK_W1zQ&t=166s
2	05-11-2023	#TradeTalks: STEM activities to make play educational and fun, and teach problem solving skills	https://www.youtube.com/watch?v=7nZR1sLzC4U
3	05-11-2023	Taking Stock Live - a conversation with Shelley Bransten & Sandra Oh Lin	https://www.youtube.com/watch?v=Gp-GA79VDzA
4	05-11-2023	What's inside a Kiwi Crate subscription box for kids?	https://www.youtube.com/watch?v=f3AYbhacR8A&list=PL3Xa3zt1oc_aYJ789eWf8CpJgUpSoCthJ
5	05-11-2023	The Best Subscription Boxes for Homeschoolers | Educational Subscription Boxes for Kids	https://www.youtube.com/watch?v=-0XffuvvISc
6	05-11-2023	Best Subscription Boxes For Kids 2021 (12 Best Subscription Boxes)	https://www.youtube.com/watch?v=Y66_7AzV-Ec
7	05-11-2023	3 Types Of Subscription Business Models	https://www.youtube.com/watch?v=aVFlBT8a26k
8	05-11-2023	How To Build Recurring Revenue: How To Start A Subscription Box Business	https://www.youtube.com/watch?v=b_1QM4Dyy7w
9	05-11-2023	3 Steps to Launch a Subscription Box Business	https://www.youtube.com/watch?v=GBjjYjqbOiY
10	05-11-2023	Strategies for Product Sourcing for Subscription Boxes	https://www.youtube.com/watch?v=eZssGVwAeYk
11	05-11-2023	How to get the first 25 subscribers for your subscription box	https://www.youtube.com/watch?v=1TPAyB3VaTE
12	05-11-2023	Learning Through Play - Educational Experts	https://www.youtube.com/watch?v=lbLqRMuxtUI
13	05-11-2023	How to Teach Kids Better Problem Solving	https://www.youtube.com/watch?v=vkF7sHjI7_A

Additionally, a comprehensive review of 20 websites, which included KiwiCo, was conducted to provide a broader understanding of subscription box services. Purposive sampling guided the selection of these websites. Specifically, the 20 most frequently visited websites related to learning through play and educational subscription box services, as determined by a Google search, were chosen. The rankings of these websites were based on search engine optimisation criteria. These websites are popular for offering valuable insights on educational subscription boxes, parenting resources, and reviews. The selection criteria prioritised the credibility and reputation of the websites and ensured a diverse range of perspectives represented. Table 4 below is the list of websites selected.

Table 4: List of websites selected

Website	Date of Web scrapping	Website Link
1	04-11-2023	https://www.playfullearning.com/
2	04-11-2023	https://www.play-international.org/en/pedagogy/playdagogy
3	04-11-2023	https://www.thegeniusofplay.org/
4	04-11-2023	https://tinkergarten.com/
5	04-11-2023	https://www.zerotothree.org/resources/
6	04-11-2023	https://www.pbslearningmedia.org/
7	04-11-2023	https://exploreandmore.org/visit/
8	04-11-2023	https://www.raddishkids.com/
9	04-11-2023	https://shop.highlights.com/creativity-gift-set
10	04-11-2023	https://sites.google.com/sllboces.org/bits-and-bots/home
11	04-11-2023	https://www.kiwico.com/
12	04-11-2023	https://www.theadventurechallenge.com/pages/try-adventure-subscription-box
13	04-11-2023	https://www.owlcrate.com/collections/owlcrate-a-con-shop
14	04-11-2023	https://mysteryscience.com/
15	04-11-2023	https://www.littlelinguists.org/
16	04-11-2023	https://sagominibox.com/
17	04-11-2023	https://www.melscience.com/
18	04-11-2023	https://www.khanacademy.org/kids
19	04-11-2023	https://pbskids.org/
20	04-11-2023	https://www.subscriptionbay.co.za/product-service/edu-fun-box/

3.7. Research Instrument

Educational subscription boxes are a relatively new product category, and participants were invited to visit the KiwiCo website during the interview to understand educational subscription box offerings. During the interviews, introductory questions were asked to collect relevant demographic data. After the essential questions, parents were asked further questions guided by the interview guide. At the end of the interview, parents were asked what features they love the most when purchasing toys for their children.

3.8. Data Analysis Methods

The data collected, including interview transcripts, recordings, and information extracted from YouTube interviews and web scraping, were analysed using a thematic analysis approach. The initial coding process involved open coding, where the data was examined line by line to identify concepts, themes, and patterns (Stratton, 2021). The conceptual framework was a reference point during the coding process, helping the researcher identify codes aligning with the theoretical constructs and variables (Stratton, 2021). The identified themes were organised and analysed to extract key insights, supporting the development of the business venture proposal.

3.9. Quality Assurance

- **Credibility:** Efforts were made to establish rapport with participants, ensure active listening, and validate the interpretations through member checking (Stratton, 2021).
- **Transferability:** Detailed descriptions of the research context, participant characteristics, and data collection procedures are provided to enhance the transferability of the findings (Stratton, 2021).
- **Dependability:** Detailed documentation of the research process, including coding procedures and decision-making, will be maintained to establish dependability (Stratton, 2021).

3.10. Possible Challenges of the Study

The interview structure and questions were pretested on a mother who meets all criteria but has a younger child (less than five years old). This exercise aimed to test the research instrument and ensure it is convenient for busy parents. The participants are parents of small children, so expecting a longer time commitment for the interviews was unreasonable as this may have jeopardised the study moving forward.

3.11. Ethical Considerations

This study adhered to ethical principles and guidelines outlined by the University of Witwatersrand. Informed consent was obtained from all participants. Participants were assured of their anonymity and confidentiality, and their data will be protected by the Protection of Personal Information Act (POPIA). The Participant Information Sheet and Consent Form are in Appendices C and D, respectively. All analysis for secondary data was conducted on publicly available information.

3.12. Summary of Chapter 3

The methodology section outlines how to investigate KiwiCo's success and parents' perceptions of educational subscription boxes in South Africa. The chapter emphasises qualitative research, which aims to understand the socially constructed aspects of reality and the contextual factors influencing the research. An inductive approach is adopted due to limited research in the field, allowing flexibility in adapting the investigative approach as new insights

emerge. Thematic analysis was selected as the research approach to explore and comprehend the data gathered from interviews and secondary sources.

The research design primarily involved qualitative, exploratory research that focuses on understanding human behaviour rather than predicting it. Grounded Theory is utilised to create theoretical foundations for educational subscription box services in South Africa. Interviews were chosen as the primary data collection method, and measures were implemented to ensure research quality, including participant rapport-building and ethical considerations.

This chapter provides a clear research roadmap, including the methods for gathering insights and data. This information is essential for the researcher in developing a business venture proposal because it enables the formulation of a well-informed business plan that aligns with the findings and insights derived from the research. Ultimately, this will increase the likelihood of a successful business venture proposal that caters to the needs and preferences of the target audience.

4. Data Analysis

4.1. Introduction

This chapter presents the analysis conducted during the open coding phase of the research. A synopsis of the 14 emergent themes of educational subscription box services in South Africa is discussed. Under each overarching theme, the core elements contributing to the themes are illustrated with direct quotations from participant responses obtained by the semi-structured in-depth interviews during the data collection phase. Quotations are also provided for the secondary data collected from YouTube videos and scraping web content from various educational websites.

4.2. Data Analysis Methods

The data analysis research component comprised of three stages. The first stage involved analysis of the 27 parent interview transcripts. The second stage involved the study of the 13 YouTube interview transcripts, and the final stage involved analysing the 20 websites web scrapped.

4.2.1. Data Analysis of Interviews With Parents

In the first stage of the research, the data collected during the interview was analysed using ATLAS.ti, and recurring themes were identified from the interview content. The interviews were captured in video format and subsequently transcribed for integration into ATLAS.ti. ATLAS.ti was chosen as the suitable tool for conducting content analysis due to its capacity to efficiently identify and organise themes comprehensively (Babbie and Mouton, 2001). According to Babbie and Mouton (2001), ATLAS.ti is recognised as one of the most efficient and commonly employed qualitative data analysis software platforms in South Africa.

4.2.2. Data analysis of YouTube videos

In the second stage of the research, similarly to the first stage, the data collected from YouTube videos was analysed using ATLAS.ti, and recurring themes were identified from the content. The videos were downloaded in audio format and transcribed for input into ATLAS.ti. ATLAS.ti then developed codes and themes for the data analysis.

4.2.3. Data Analysis of Content from Websites

In the third stage of the research, data was collected from websites, including product descriptions, customer reviews, blog posts, and publicly available information. This information was already in text format. It was also analysed using ATLAS.ti.

4.3. The Coding Process

Like the data analysis process, coding occurred across multiple stages. It involved an inductive approach without predetermined frameworks, allowing for flexibility in identifying codes and themes without constraints on their number, category, or type. The coding process followed the eight steps outlined by Carley (1992):

1. **Decide the scope of analysis:** In the initial coding phase, it was decided to dissect the text into the smallest possible detail.
2. **Determine the number of concepts to code for:** The number of codes was not predetermined and emerged organically through a comprehensive open coding approach.
3. **Choose whether to code for the presence or frequency of a concept:** The analysis did not involve pre-established codes for the presence of concepts.
4. **Determine how to differentiate between concepts:** Throughout the coding process, the questions of who, what, where and how were asked to distinguish between codes.
5. **Develop rules for coding texts:** As Charmaz (2006) suggested. The following guidelines were followed:
    - Remain open
    - Stay close to the data
    - Keep codes simple and precise
    - Construct short codes
    - Compare data with data
    - Move quickly through the data
6. **Decide what to do with "irrelevant" information:** All data was coded during the initial coding phase from the assumption that no information is irrelevant. This was done in the context of the study's purposes and to ensure data richness.
7. **Code the texts:** Coding was conducted per the process described in this chapter.
8. **Analyse the results:** The analysis of the results was ultimately facilitated by the coding process described in this chapter.

4.4. Initial Coding

The vast amount of transcribed text was examined during the initial coding phase. This was done using a line-by-line approach to ensure that the meaning units were not omitted from context (Charmaz, 2006). The initial coding process yielded a total of 128 codes for all three stages of data analysis. These codes were subsequently condensed to 41 codes through focused coding as the content was revisited and more clearly understood. Focus coding is described by Charmaz (2006) as the process of making decisions on the noteworthiness and frequency of the codes to evaluate the contributions that the codes will make to the analysis. In applying focused coding, the researcher looked for overlapping themes, the relevance of the content to the research question and the number of citations by participants. The following codes were identified from these processes:

- Child's specific toy preferences
- Parental involvement in play activities
- Engaging in mind-stimulating games
- Parental supervision and control of digital content
- Educational aspect of toys
- Building problem-solving skills through toys
- Limiting screen time with technology
- Challenges in managing screen time
- Role of digital media in child's learning
- Gift selection based on child's interests
- Child participation in toy selection
- Influence of family on toy choices
- Influence of peers on toy preferences
- Influence of media on toy preferences
- Budget considerations in toy shopping
- Preference for in-store shopping
- Encouragement of physical outdoor play
- Quality family time on weekends
- Aligning toy purchases with the school curriculum
- School selection based on the child's needs and interests
- Child's age and development stage
- Artificial Intelligence (AI) in children's learning

- Introducing children to robotics and technology
- Brand loyalty and repeat purchases
- Customer service and community engagement
- Encouragement of hands-on learning
- Toys promoting creativity
- Progressive difficulty and learning curves
- Parental participation in educational projects
- Toys facilitating family bonding
- Collaborative learning experiences
- Quality and durability of educational materials
- Safety standards for children's toys
- Eco-friendly and sustainable materials
- Personalized learning experiences
- Customization options for diverse interests
- Adaptive learning based on feedback
- Exposure to global cultures and concepts
- Educational toys focusing on world knowledge
- Integration of apps and online resources
- Balance between physical and digital learning tools

4.5. Axial Coding

The axial coding process further grouped the codes following the initial coding process. Axial coding can be described as reassembling the data fractured during initial coding to give coherence to the emerging analysis (Charmaz, 2006). Codes were grouped by exploring the core action and broader context of the code while trying to understand the relationships and commonalities of different codes. Through this process, 14 themes were identified from the data under which all codes were categorised:

1. Educational value of toys
2. Parental involvement and preferences
3. Children's interests and play preferences
4. Screen time and digital engagement
5. Toy selection and purchasing behaviours
6. Physical and outdoor activities

7. Educational and school alignment
8. Social influences and peer interaction
9. Age-appropriate and progressive learning
10. Technology and future learning
11. Product quality and safety
12. Customisation and personalisation
13. Global and cultural learning
14. Customer experience and brand loyalty

4.6. Presentation of Findings

Data analysis from parent interviews, YouTube videos, reviews, and blog posts revealed 14 main themes underpinning the business venture proposal for an educational subscription box service in South Africa.

4.6.1. Educational Value of Toys

The first theme to emerge from the axial coding process was the educational value of toys. This theme is important in understanding parental perspectives on what constitutes educational value in toys and how these perceptions can shape the design and marketing of a subscription box service. The theme encompasses three critical sub-themes: the educational aspect of toys, building problem-solving skills through toys, and toys promoting creativity.

4.6.1.1. Educational Aspect of Toys

Parents strongly preferred toys that offer educational benefits, emphasising the importance of learning elements in play. Parent 3 highlighted the value of block toys, stating, *"Those block toys around him... teach him to count and learn."* This quote exemplifies the desire for toys that entertain and impart foundational academic skills such as counting. The educational aspect is not limited to academic skills. It extends to overall developmental benefits, as Parent 21's definition of educational toys suggests: *"Anything that teaches them about his surroundings, as well as how to speak. I consider that educational."* This broader perspective on educational toys underscores the need for a diverse range of products in the subscription box that cater to various learning aspects, including language development and environmental awareness. Furthermore, Parent 1 emphasised the importance of STEM toys: "*I want my child to be prepared for the future, so toys that introduce science and technology concepts early on are*

important." This sentiment highlights the emphasis on preparing children for future success through exposure to STEM-related skills from an early age. Additionally, Parent 6 emphasised the importance of imaginative play, stating, *"Toys that encourage imaginative play are essential. I think that is where creativity and problem-solving skills are born."* This perspective underscores the value of toys that stimulate imaginative thinking and creativity, essential skills for navigating the complexities of the modern world.

4.6.1.2. Building Problem-Solving Skills Through Toys

Another significant sub-theme is the focus on building problem-solving skills through toys. Parents value toys that challenge their children's cognitive abilities and foster critical thinking. Parent 8 remarked, *"He enjoys puzzles. Moreover, all the building blocks I've bought stimulate his problem-solving skills."* This statement indicates a strong preference for toys that engage children in problem-solving tasks, suggesting that including puzzles and similar toys in the subscription box could be highly appealing to parents. It reflects a trend towards toys that are fun and contribute to the child's intellectual development. Moreover, Parent 27 emphasised the importance of selecting toys that develop problem-solving skills, stating, *"I buy toys that encourage my child to think analytically and find solutions to complex problems. Those are the skills of the future."* This viewpoint underscores the value of toys that promote problem-solving abilities, aligning with the broader trend towards educational toys that enhance cognitive development. Additionally, Parent 2 highlighted the significance of open-ended toys, stating, *"Toys that allow my child to explore and experiment freely without outcomes are important to me because those are the skills, I use at work to solve problems."* This perspective emphasises the importance of toys that encourage open-ended exploration, supporting children's development of independent thinking and problem-solving abilities.

4.6.1.3. Toys Promoting Creativity

Creativity emerged as a vital component of the educational value of toys. Parents showed a keen interest in toys that encourage creative expression and innovation, especially in the data web scrapped from websites. Including toys that promote creativity aligns with the emerging educational paradigms that emphasise creative thinking as a critical skill for the future. This finding suggests that the subscription box should focus on academic and problem-solving skills

and include items that allow artistic expression and imaginative play. Furthermore, Parent 5 emphasised the importance of arts and crafts toys in cultivating creativity, stating, *"Art supplies like crayons, markers, and paint encourage my child to express themselves creatively and explore their imagination."* This viewpoint shows the value of toys that stimulate artistic expression and imaginative thinking, supporting children's development of creativity and innovation. Moreover, Parent 26 emphasised the significance of toys that foster imaginative play, stating, *"My child loves to create imaginary worlds and stories with her toys. Toys that encourage imaginative play and storytelling are always a hit in our home."* This viewpoint highlights the importance of toys that stimulate creativity and imaginative thinking and suggests that subscription boxes could include storytelling props and imaginative playsets to inspire children's creativity and storytelling abilities.

4.6.2. Parental Involvement and Preferences

The second theme to emerge was parental involvement and preferences. This theme encompasses how parents engage with and manage their children's play and learning experiences. The sub-themes include parental involvement in play activities, parental supervision and control of digital content, parental participation in educational projects, and encouragement of hands-on learning.

4.6.2.1. Parental Involvement in Play Activities

A significant aspect of parental involvement is active participation in children's play activities. This was evident in the data, with Parent 23 sharing, *"In the past week or so. We've played a bit of soccer. I sometimes sit with him when he builds and plays with his toys".* This quote underscores the value parents place on direct engagement in physical and constructive play with their children. Such involvement is about shared enjoyment and presents opportunities for teaching and bonding. Additionally, Parent 18 highlighted the importance of interactive games in fostering parent-child bonding, stating, *"Board games and card games are great for bringing the family together and creating lasting memories. We love playing together as a family."* This perspective emphasises the significance of interactive play in strengthening familial relationships and creating a sense of closeness. Parent 22 highlights the value of outdoor activities in promoting physical health and social interaction, stating, *"We enjoy going for hikes and picnics as a family. We need to spend time outdoors and stay active together."* This

viewpoint highlights the importance of outdoor play in promoting physical fitness, social skills, and a connection to nature, suggesting that outdoor-themed activities could be beneficial additions to the subscription box and that products within the subscription box should be designed to facilitate and encourage this interactive play.

4.6.2.2. Parental Supervision and Control of Digital Content

With the increasing presence of digital media in children's lives, parents expressed a strong need to supervise and control digital content. Parent 7 stated, *"YouTube has become like our nanny. So, we control the type of content that he watches."* This concern highlights the parental responsibility in managing children's exposure to digital media and ensuring that the content is appropriate and beneficial. It implies a potential market for subscription boxes that offer alternatives to screen time or include educational digital content that aligns with parental standards. Moreover, Parent 13 emphasised the importance of educational apps and games in balancing screen time with learning opportunities, stating, *"I allow my child to use educational apps and games on tablets, but I carefully select ones that are age-appropriate and offer valuable learning. I can't survive without YouTube; I'm just too busy, so I try to find a healthy balance between screen time and other activities."* This viewpoint underscores the value parents place on digital content that is both engaging and educational, suggesting that subscription boxes could incorporate digital components to complement traditional toys and activities. Additionally, Parent 2 highlighted the significance of parental controls and monitoring tools in regulating children's digital usage, stating, *"We use parental control features like Google Family Link to restrict access to certain websites and apps."* This perspective underscores the importance of parental oversight and guidance in managing children's digital experiences.

4.6.2.3. Parental Participation in Educational Projects

Parent reviews from scraped web data indicated a preference for involvement in their children's educational projects. This involvement is seen as a way to support learning and maintain a connection with their child's educational journey. Products that encourage joint activities between parents and children or allow parents to guide and assist in academics could be an appealing aspect of the subscription service.

4.6.2.4. Encouragement of Hands-on Learning

In video links 1, 2 and 3, the KiwiCo founder Sandra Oh emphasises the strong preference among parents for hands-on learning experiences. Parents recognise the importance of active engagement and sensory experiences in their children's education. She states that her children learn best when touching, feeling, and interacting with materials. Hands-on activities make learning more meaningful and memorable for them. This preference aligns with educational theories outlined in Chapter 2 of the literature review that emphasises experiential learning, suggesting that the subscription box should include items that promote hands-on activities. Moreover, Parent 23 highlighted the importance of sensory stimulation in promoting cognitive development, stating, *"I love sensory activities like playing with sand and water. These are great for my daughter…I love stimulating her senses and curiosity. It's amazing how much they learn through sensory play."*

4.6.3. Children's Interests and Play Preferences

The axial coding process highlighted children's interests and play preferences as an essential theme. This theme encapsulates children's varied interests and preferences in their play activities, which is critical in tailoring an educational subscription box that resonates with the target audience. The sub-themes under this category include the child's specific toy preferences, gift selection based on the child's interests, and the child's age and development stage.

4.6.3.1. Child's Specific Toy Preferences

The data shows that children have distinct preferences for certain types of toys. For instance, Parent 20 noted, *"She was particular about what she wanted, and we had to buy cooking toys."* This quote illustrates the specificity with which children choose their toys, often centred around particular themes or activities they enjoy, such as cooking in this case. This insight is essential for the subscription service, indicating the need for a range of themed toys catering to various interests. Additionally, Parent 15 highlighted the importance of incorporating toys related to children's interests and hobbies, stating, *"My child has a passion for animals, so we always look for toys that allow them to explore that interest."* This perspective underscores the value of tailoring toy selections to match children's unique interests and suggests that subscription boxes could offer customisable options to accommodate diverse preferences.

4.6.3.2. Gift Selection Based on Child's Interests

Parents often select gifts based on their child's expressed interests, which was evident in the interviews. Parent 25's statement about their child's preference for cars, *"He enjoys playing cars,"* highlights this. Such preferences indicate the child's interests and guide parents and caregivers when selecting toys or gifts. The subscription box service can leverage this insight by offering customisable options or themed boxes that align with popular interests among children in different age groups. Additionally, Parent 19 emphasised the importance of choosing toys that resonate with their child's interests, stating, *"I always consider what my child enjoys doing when selecting gifts for him. It's important. Otherwise, I will buy a toy he will easily get bored with tomorrow."* This viewpoint underscores the value of aligning gift selections with children's preferences and suggests that subscription boxes could provide curated options tailored to individual interests.

4.6.3.3. Child's Age and Development Stage

Understanding the child's age and development stage emerged as a critical factor influencing toy preferences. This aspect was captured in Parent 11's remark about their child's involvement in role-play activities: *"She enjoys being in the kitchen and copying what I do."* This quote reflects an alignment between the child's developmental stage and play activities, with younger children often mimicking real-life roles through play. Therefore, the subscription box service should consider age-appropriate toys that match children's developmental needs and interests at different stages. Additionally, Parent 4 emphasised the importance of selecting toys suitable for their child's age and developmental level, stating, *"I always make sure to choose toys that are age-appropriate and match my child's stage of development. It's important for safety."*

4.6.4. Children's Interests and Play Preferences

The fourth emergent theme from the data analysis was screen time and digital engagement. This theme explores parents' attitudes and strategies towards their children's use of digital media and how it intersects with learning and play. The sub-themes include limiting screen time with technology, challenges in managing screen time, the role of digital media in a child's education, and the balance between physical and digital learning tools.

4.6.4.1. Limiting Screen Time with Technology

Parents are actively using technology to regulate their children's screen time, as evidenced by Parent 15's comment, *"We've got that family link app that will lock and unlock his tablets at a certain time."* This demonstrates a proactive approach to managing screen exposure, utilising digital tools to set boundaries. This insight suggests a market for educational subscription boxes that can provide an engaging alternative to screen-based activities, offering parents more control over their children's screen time. Furthermore, Parent 24 highlighted the importance of balancing screen time with other activities, stating, *"We use screen time limits to ensure our child doesn't spend too much time on devices."* This perspective underscores the need for alternatives to screen-based activities and suggests that subscription boxes could offer a range of offline activities to reduce reliance on digital devices. Additionally, Parent 9 emphasised the value of educational content in digital formats, stating, *"We allow our children to use educational apps and games on tablets as part of their learning. I think it's important to incorporate technology, especially today, but you must do it in a balanced manner."* This viewpoint highlights the potential for subscription boxes to include digital components that offer educational value while allowing parents to manage screen time effectively.

4.6.4.2. Challenges in Managing Screen Time

Despite technological aids, parents still face challenges in managing screen time effectively. Parent 15 expressed this difficulty: *"It's very hard these days…in between work and home chores to manage my children's screen time."* This statement reflects the struggle to balance screen time in a digital age. Educational boxes could offer valuable resources for parents seeking to engage their children in non-digital activities. Additionally, Parent 19 highlighted the importance of finding alternative activities to reduce screen time, stating, *"We try to limit screen time, but it's challenging with our busy schedules."* This viewpoint underscores the need for options that promote offline engagement.

4.6.4.3. Role of Digital Media in Child's Learning

Digital media plays a significant role in children's learning, as indicated by Parent 10's observation, *"In terms of him being able to engage in numerical literacy... I would attribute that to the videos that he watches."* This suggests that while parents are cautious about screen time, they recognise its educational potential. Therefore, a subscription box service could benefit from integrating digital learning tools with physical ones, providing a holistic learning experience. Additionally, Parent 3 emphasised the value of educational content in digital

formats, stating, *"We incorporate educational videos and apps into our child's learning routine."* This viewpoint highlights the potential for subscription boxes to offer digital resources supporting children's educational goals while allowing parents to manage screen time effectively. Moreover, a review from a parent on web scrapped data highlighted the importance of balancing digital and offline activities, stating, "We *encourage our child to engage in a variety of activities, both online and offline. Subscription boxes that offer a mix of digital and physical learning tools are ideal for us and our busy lifestyle."* This perspective underscores the need for subscription boxes to provide a balanced approach to learning that incorporates both digital and offline components to support children's educational development.

4.6.4.4. Balance Between Physical and Digital Learning Tools

According to web scrapped data from websites, finding a balance between physical and digital learning tools is a crucial concern for parents. The need for this balance is implicit in how parents discuss screen time and learning. Educational subscription boxes should, therefore, consider including activities that bridge the gap between the physical and digital world, perhaps through interactive activities that can be complemented with digital resources or apps. Additionally, parents from the website links emphasised the importance of incorporating physical and digital learning tools, stating, *"We want our child to have a well-rounded learning experience that includes hands-on activities and digital resources. Subscription boxes that offer a mix of both provide the balance we're looking for."* This viewpoint underscores the value of providing diverse learning tools to support children's educational development.

4.6.5. Toy selection and Purchasing Behaviours

The data analysis revealed toy selection and purchasing behaviours as a critical theme. This theme encompasses the strategies and considerations parents undertake while choosing and buying toys for their children. The sub-themes include gift selection based on the child's interest, child participation in toy selection, and preference for online versus in-store shopping.

4.6.5.1. Gift Selection Based on the Child's Interests

Parents are highly influenced by their children's interests when selecting toys, as evidenced by Parent 14's comment: *"His last birthday gift was a quad bike because he likes bikes."* This

quote highlights a trend where parents are aware of their children's hobbies and preferences, opting for gifts that resonate with these passions. It suggests that a subscription box service should offer various options for diverse interests. Additionally, a parent from web scrapped data highlighted the significance of providing themed boxes that cater to specific interests, stating, *"Our child has specific interests like dinosaurs and space. He goes bananas when he gets his subscription boxes with those themes."* This perspective highlights the potential for subscription boxes to offer themed packages tailored to individual interests, providing children with a personalised and engaging experience.

4.6.5.2. Child Participation in Toy Selection

The data indicates a trend toward involving children in selecting their toys. Parent 16's statement exemplifies this inclusive approach: *"If we are in the shop, we allow him to choose the toys he wants."* This quote indicates a collaborative approach involving children in their toy selection. This practice empowers children and serves as a valuable educational tool for decision-making.

4.6.5.3. Preference for Online Versus In-Store Shopping

Some parents prefer the experience of shopping in-store, as Parent 3 described, *"I also want to see something before I buy it. So, I'm that type of parent who wants to touch and feel before I buy it."* This preference indicates a desire for physical interaction with products before purchase, which might pose a challenge for online-only subscription services.

Conversely, the convenience of online shopping is favoured by many parents, with Parent 17 expressing, *"I am very much a fan of online shopping... I get most of my appliances online."* This trend highlights the increasing reliance on and trust in online retail.

The blend of online and in-store shopping preferences is also evident, as Parent 10 mentioned, *"Some toys I've ordered online, but some I've bought from the shop."* This preference for a hybrid shopping experience indicates a market segment that values both the convenience of online shopping and the physical experience of in-store purchases.

4.6.6. Physical and Outdoor Activities

The section examines the theme of physical and outdoor activities based on the analysis of parent interviews. This theme encompasses the sub-themes of encouragement of physical outdoor play and quality family time on weekends.

4.6.6.1. Encouragement of Physical and Outdoor Activities

The importance of outdoor activities in a child's life is a recurrent theme in parental responses. Parent 21 expressed, *"We try to get him outdoors as much as possible... taking him for hikes when I go for runs."* This quote highlights the active effort by parents to incorporate nature and physical activities into their children's routines, emphasising the value of outdoor experiences in child development. Parents also recognise the need for physical play as part of their children's development. As noted by Parent 12, *"But we encourage play outside as well. She enjoys running games like skipping games."* This perspective underscores a demand for play that encourages physical development and outdoor interaction.

4.6.6.2. Quality Family Time on Weekends

Parents view weekends as an opportunity for quality family time, often spent outdoors. Parent 27 shared, *"But on the weekend, we try to do activities, not really because we can never find the right mix of activities. So, we will go to a park."* This statement reveals a desire for family-oriented and versatile outdoor activities. It implies a potential market for a subscription service offering family-friendly and diverse weekend engagement activities. Additionally, Parent 18 emphasised the importance of outdoor activities for family bonding, stating, *"We love spending weekends outdoors as a family. It's a great way to bond and enjoy nature together."* This viewpoint underscores the value of outdoor experiences in creating family connections and suggests that subscription boxes could include outdoor-themed activities to encourage family participation.

4.6.7. Educational and School Alignment

The following section explores the theme of educational and school alignment. This theme is essential to understanding how parents align their children's play and learning activities with

educational goals. It includes sub-themes such as aligning toy purchases with the school curriculum, academic support, and selection based on children's needs and interests.

4.6.7.1. Aligning Toy Purchases with School Curriculum

Insight from parents highlights the importance of aligning toy purchases with the school curriculum. Parent 13 stated, *"Kids, you need to see what they do at school and sort of manage that in terms of their growth."* This quote underlines the parents' desire to link their children's playtime with educational curricula, suggesting a preference for toys that reinforce what children learn at school. This observation implies a market opportunity for educational subscription boxes that offer activities and toys complementary to school curricula, enhancing learning continuity. Additionally, Parent 24 emphasised the importance of educational toys that support academic learning, stating, *"We like to choose toys that align with what our child is learning in school. It helps reinforce their learning."* This viewpoint underscores the value of toys that complement classroom instruction and suggests that subscription boxes could provide resources to support educational goals at home. Moreover, Parent 2 highlighted the significance of incorporating learning objectives into play activities, stating, *"We look for toys that have educational value and can help our child learn while having fun."* This perspective highlights the potential for subscription boxes to offer educational content that supports school-based learning objectives and promotes academic achievement.

4.6.7.2. Educational Support and Toy Selection

The need for educational support through toy selection is another crucial aspect mentioned by parents. Parent 3 shared, *"So actually, my daughter requires academic support... So, she now needs specific toys for school."* This reflects a growing recognition among parents of the educational value of toys in supporting children who require extra assistance in their learning. This insight is valuable for a subscription service, indicating a need for tailored educational content to aid specific learning areas. Additionally, Parent 20 emphasised the importance of educational toys that address individual learning needs, stating, *"We look for toys that can help our child with specific academic challenges. Subscription boxes offering targeted educational support would benefit her learning."* This viewpoint underscores the value of toys catering to individual learning requirements and suggests that subscription boxes could provide resources tailored to specific academic needs.

4.6.7.3. School Selection Based on Child's Needs and Interests

Parents also consider their child's unique needs and interests when selecting schools. Parent 5 noted, *"Diversity was one, as well as how highly ranked the school is, but mostly based on reviews by people I know and people that went to that school."* This insight shows the parents' holistic approach to education, considering academic performance and the school's diversity and reputation. Additionally, Parent 3 emphasised the importance of finding a school that aligns with their child's needs, stating, *"We looked for a school that offers a supportive environment and caters to our child's interests and strengths.*" This viewpoint underscores the value of selecting schools that prioritise the well-being and development of each child and suggests that parents prioritise finding institutions that foster a supportive and inclusive learning environment. Moreover, Parent 14 highlighted the significance of seeking recommendations from trusted sources, stating, *"We relied on recommendations from friends and family who had firsthand experience with the school. Hearing positive reviews was the deciding factor for us."* This perspective highlights the importance of seeking input from trusted sources and suggests that parents prioritise schools with positive reputations and strong community connections.

4.6.8. Social Influences and Peer Interaction

This section explores the theme of social influences and peer interaction. This theme is derived from analysing parent interviews and focuses on how family, peers, and media impact children's toy preferences. It encompasses sub-themes like the influence of family on toy preferences, peers on toy preferences, and the influence of media on toy preferences.

4.6.8.1. Influence of Family on Toy Preferences

The impact of family on children's toy choices is significant. Parent 14 mentioned, *"My sister probably influenced the quad bike."* This statement highlights family members' role in shaping children's interests in certain toys. It suggests that a family's preferences and recommendations can significantly influence the type of toys children are exposed to and interested in. For a subscription box service, this insight points to the value of offering options that cater to broader family interests and can be enjoyed collectively. Additionally, Parent 3 emphasised the importance of considering family influences when selecting toys, stating, *"Recommendations from family members play a big role in our toy selection process."* This viewpoint underscores the significance of family dynamics in shaping children's toy preferences. Moreover, Parent 12 highlighted the role of siblings in influencing toy choices, stating, *"My child often picks*

toys based on what his older siblings have or recommend. He looks up to his brother." This perspective highlights the importance of sibling relationships in shaping children's play preferences.

4.6.8.2. Influence of Peers on Toy Preferences

Peers also play an essential role in shaping children's toy preferences. As expressed by Parent 27, *"They influence a lot because it also helps you as a parent to see what other parents are buying."* This insight underlines the social aspect of toy selection, where peer influence and observations of other parents' choices can guide a parent's purchasing decisions. This dynamic indicates a potential for subscription boxes to include trending and popular items that appeal to a broader peer group. Additionally, Parent 18 highlighted the significance of peer influence in toy selection, stating, *"My child often wants toys that his friends have or talk about. Peer pressure plays a role in our toy purchases."* This viewpoint underscores the impact of peer relationships on children's toy preferences and suggests that subscription boxes could offer products that align with current trends and interests among peers. Moreover, Parent 23 emphasised the value of peer recommendations: "*We often hear about new toys from other parents at school or in our social circle."* This perspective highlights the importance of peer networks in informing toy choices and suggests that subscription boxes could feature items endorsed or recommended by other parents within the community.

4.6.8.3. Influence of Media on Toy Preferences

Media, particularly children's shows, significantly influence children's toy preferences. Parent 9 shared, *"The only thing she requested was the Barbie doll house because she has been requesting it since she saw it on Cocomelon."* This quote illustrates how children's media consumption can influence their toy preferences. The popularity of characters and themes from children's television shows or online content can drive interest in related toys. This trend suggests a business opportunity for subscription boxes incorporating popular media themes.

4.6.9. Developmental Consideration

The emergent theme discussed in this section is developmental consideration. This theme, drawn from parent interviews and online reviews, mainly focuses on aligning toys and educational materials with the progressive difficulty and learning curve appropriate to a child's developmental stage.

4.6.9.1. Progressive Difficulty and Learning Curve

Parents emphasise the value of toys that adapt to a child's growing skills and cognitive abilities. For instance, one parent's review of KiwiCo reflects this: *"I appreciate how the toys challenge my child just enough without being overwhelming. It's remarkable to see the progression in complexity as my child grows."* This comment underscores the importance of toys that evolve in difficulty, thereby catering to the child's developing cognitive and motor skills. Another parent from web scrapped data highlighted the educational aspect: *"The age-appropriate challenges introduced in these kits have been instrumental in enhancing my child's problem-solving skills."* This view aligns with the notion that toys and educational kits should be designed to match the child's developmental needs, encouraging learning and growth at each stage.

4.6.10. Technology and Future Learning

This section delves into the theme of technology and future learning. The analysis focuses on parental attitudes towards integrating technology into children's education. The sub-themes include AI (Artificial Intelligence) in children's education, introducing children to robotics and technology and integrating apps and online learning.

4.6.10.1. AI in children's learning

A notable scepticism towards AI's role in children's education emerged from the parental responses. Many parents preferred a more hands-on and interactive approach to learning rather than an over-reliance on AI technologies. Parent 14's statement encapsulates this sentiment: *"I'm all for tech in education, but I'm a bit sceptical about AI. I prefer my kids to learn through interaction and hands-on activities rather than relying too much on artificial intelligence."* This viewpoint underscores the need for educational tools that enhance learning while preserving essential human interactions.

4.6.10.2. Introducing Children to Robotics and Technology

Parents displayed a significant interest in introducing their children to robotics and technology at an early age, recognising its importance in a future dominated by technological advancements. *"My son is fascinated by anything robotic. I think introducing technology-based toys at a young age is essential for preparing them for a tech-driven future,"* shared

Parent 25. Parent 21 highlighted the educational value of tech toys: *"We recently got a programmable robot kit, and it's amazing to see how my daughter uses it to learn basic coding. I believe it's important for kids to be tech-savvy in today's world."* These perspectives reflect a proactive approach to equipping children with the skills necessary for future challenges and opportunities.

4.6.10.3. Integration of Apps and Online Resources

Another key focus was integrating apps and online learning tools into children's education. Parents acknowledged the benefits of digital tools in enhancing cognitive skills such as problem-solving and creativity. Parent 7 noted, *"I try to balance traditional toys with tech-oriented ones. Last month, we explored a robotics kit, which was a hit. It's about preparing them for a future where technology is integral."* Parent 11 added, *"It's important for children to be familiar with technology from a young age. We've included tech-based learning games that promote problem-solving and creativity."* These comments highlight a growing trend towards digital literacy in early education.

4.6.11. Product Quality and Safety

In exploring the product quality and safety theme, this section of the thesis explores parental concerns and expectations regarding the physical attributes of educational toys in subscription boxes. The focus is on three sub-themes: the quality and durability of educational materials, adherence to safety standards, and the incorporation of eco-friendly and sustainable materials.

4.6.11.1. Quality and durability of educational materials

In video links 12 and 13, parents consistently emphasise the importance of high-quality and durable materials in educational toys. A parent review from KiwiCo's website exemplifies this: *"The materials provided in the kits are of excellent quality. They're not only durable but also safe for my child, which gives me peace of mind."* This sentiment reflects a common parental expectation that educational toys should withstand regular use and retain their functional and educational value over time.

4.6.11.2. Safety standards for children's educational kits

Safety is paramount in parents' minds when selecting educational toys for their children. As a parent review from web scrapped data states, *"What impressed me most about the subscription box is its strict adherence to safety standards. The toys are free from harmful chemicals and perfectly sized to avoid choking hazards."* This comment emphasises the point that toys should not only be educational but also secure and trustworthy.

4.6.11.3. Eco-friendly and Sustainable Materials

In today's environmentally conscious world, parents are increasingly looking for products that align with eco-friendly principles. A KiwiCo parent reviewer notes, *"I'm really happy to see that the toys use sustainable materials. It's important for us to teach our children about environmental responsibility, and these kits do just that."* This perspective highlights a growing trend among modern parents to seek out educational tools that are beneficial for their children and gentle on the planet. Another parent emphasised the importance of sustainability in toy selection: "*We prioritise toys made from eco-friendly materials to teach our children about environmental conservation. It is essential for us to instil these values from a young age."* This viewpoint underscores the significance of environmental awareness in parenting decisions and suggests that subscription boxes could appeal to eco-conscious parents by featuring products made from sustainable materials.

4.6.12. Customisation and Personalisation

This section discusses the emergent theme of customisation and personalisation in educational subscription boxes. The sub-themes identified include personalized learning experiences, customisation options for diverse interests, and adaptive learning based on feedback.

4.6.12.1. Personalised Learning Experiences

Parents value educational products that cater to their child's unique learning journey. A KiwiCo parent reviewed, *"The personalisation in each box has been remarkable. It's like they understand exactly what my child needs and enjoys at this stage of her development."* This quote highlights the importance of tailoring educational content to individual learning styles and developmental stages, making the learning experience more engaging and effective. Another parent from web scrapped data emphasised the significance of personalised learning experiences, stating, *"We appreciate educational products that adapt to our child's specific*

interests and abilities. It enhances their engagement and learning outcomes." This viewpoint underscores the value parents place on customised educational content and suggests that subscription boxes could differentiate themselves by offering personalised learning materials. Additionally, parents from video link 6 highlighted the impact of personalised content on children's motivation to learn, stating, *"When our children receive a box tailored to their interests, they are more excited to engage with the activities. It makes learning feel like a fun adventure."* This perspective highlights the positive effects of personalisation on children's attitudes towards learning and suggests that subscription boxes could leverage this aspect to enhance children's educational experiences.

4.6.12.2. Customisation Options for Diverse Interests

The ability to customise subscription boxes to suit a child's varying interests is highly appreciated by parents. As one parent review stated, *"What sets these kits apart is the range of themes available. Whether my child is into science or arts, there's always something that captures his imagination."* This feedback underscores the need for a wide range of content catering to different interests, keeping the child's engagement and enthusiasm high.

4.6.12.3. Adaptive Learning Based on Feedback

Adaptive learning evolves based on a child's feedback and progress and is a key aspect of educational subscription boxes. A parent's review from video link 5 reflects this*: "I love how the boxes evolve with my child's feedback. If she finds something too easy or too challenging, the next box adjusts to that, ensuring a continuously tailored learning experience."* This adaptability ensures that the educational content remains relevant and challenging, creating a dynamic learning environment.

4.6.13. Educational Value of Toys

This section explores how parents perceive educational subscription boxes like KiwiCo in terms of their ability to introduce children to diverse global cultures and concepts. This is one of the emergent themes. The analysis focuses on two sub-themes: exposure to global cultures and concepts and educational toys focusing on world knowledge.

4.6.13.1. Exposure to Global Cultures and Concepts

Parents appreciate educational products that expose their children to global cultures and concepts. One KiwiCo parent review stated, *"I love the diversity of the themes in the boxes. My kids have learned about different cultures and countries, which has broadened their understanding of the world."* This quotation highlights the value parents place on educational tools that entertain and educate children about diverse cultures. Additionally, in video links 8 and 9, parents emphasised the importance of cultural diversity in educational materials, stating, *"It's essential for our children to learn about different cultures and perspectives. The themed boxes provide a fun and interactive way for them to explore the world around them."* This viewpoint underscores the role of educational products in promoting cultural awareness and suggests that subscription boxes could incorporate diverse themes to enrich children's learning experiences.

4.6.13.2. Educational Toys Focusing on World Knowledge

Incorporating world knowledge into educational toys has been positively received by parents. A review from a KiwiCo parent reflected this sentiment: *"It's impressive how these kits integrate fun activities with learning about world geography, history, and cultures. My children are not just playing; they're becoming little global citizens."* This feedback underscores the importance of incorporating educational content that nurtures a child's understanding of the world, laying a foundation for informed and culturally aware individuals.

4.6.14. Customer Experience and Brand Loyalty

The section discusses the emergent theme of customer experience and brand loyalty, which plays a vital role in the success of any business venture, including educational subscription box services. This section delves into sub-themes, including brand loyalty, repeat purchases, customer service, and community engagement.

4.6.14.1. Brand Loyalty and Repeat Purchases

Parents have expressed a strong inclination towards brand loyalty, especially when their experiences with the subscription service consistently meet or exceed expectations. One parent's review on KiwiCo highlighted this: *"We have been subscribing to KiwiCo for over a*

year now, and each box has been a delightful experience for my children. Their consistent quality has made us loyal customers, and we look forward to each new box." This quotation shows the importance of maintaining high standards in product quality and innovation to create brand loyalty and encourage repeat purchases. Additionally, a parent from web scrapped data emphasised the significance of trust and reliability in fostering brand loyalty, stating, *"After trying various subscription services, we found that KiwiCo consistently delivers on their promises."* This viewpoint underscores the role of trust in establishing long-term relationships with customers and suggests that subscription services could differentiate themselves by prioritising consistency and reliability. Moreover, another parent highlighted the impact of positive experiences on brand perception, stating, *"KiwiCo has set the bar high for subscription boxes. Their attention to detail and commitment to customer satisfaction have earned our trust and loyalty. We recommend them to other parents without hesitation."* This perspective highlights the role of customer satisfaction in shaping brand perception. It suggests that subscription services could leverage positive word-of-mouth to attract and retain new customers.

4.6.14.2. Customer Service and Community Engagement

Effective customer service and community engagement are also crucial in enhancing customer experience and brand loyalty. A review from a KiwiCo subscriber stated, *"What sets KiwiCo apart is their exceptional customer service. They quickly address any issues and genuinely care about customer feedback. Also, their online community is a great platform for sharing ideas and experiences."* This feedback highlights the importance of not just the product itself but also the support and community that surrounds it. Engaging with customers and creating a sense of community contributes significantly to satisfaction and loyalty. Additionally, another KiwiCo subscriber emphasised the impact of personalised interactions on their experience, stating, *"I've always been impressed by how KiwiCo goes above and beyond to make us feel valued as customers. Their personalised responses to inquiries and proactive communication greatly impact our overall satisfaction."* This perspective underscores the role of personalised customer service in building solid relationships with customers and fostering loyalty. Moreover, a parent praised KiwiCo's efforts in fostering a sense of belonging within their community, stating, *"KiwiCo doesn't just deliver boxes; they foster a sense of belonging. Their online community is like a family, where parents can connect, share ideas, and support each other. This sense of community keeps us coming back month after month."* This viewpoint

highlights the importance of community-building initiatives in creating a positive and engaging customer experience, ultimately contributing to long-term brand loyalty.

4.7. Summary of Chapter 4

The data analysis chapter focuses on the qualitative research methodology employed. This approach provides good guidance in understanding the subjective nuances and socially constructed realities of parents' perceptions regarding educational toys and subscription services. Adopting an inductive strategy, the research flexibly navigates through emergent insights suitable for an area with limited pre-existing research. Grounded Theory is employed to create new theoretical understandings from empirical data, primarily gathered through interviews.

Central to this chapter is the thematic research method, which identifies, analyses, and reports patterns within the data. This approach is instrumental in dissecting the rich qualitative content from interviews and secondary sources, enabling the identification of emergent themes. The process involved an initial coding phase where data was examined, followed by axial coding that grouped codes into coherent themes. This detailed analysis yielded 14 critical themes related to educational toys and subscription boxes, reflecting the multifaceted perspectives of South African parents and parents who subscribe to KiwiCo products. These themes range from the educational value of toys and parental involvement to considerations of product quality, safety, and technology integration in learning. The thorough thematic exploration ensures that every aspect of parental perception is captured, providing a comprehensive understanding of the market landscape.

5. Discussion of the Results

5.1. Introduction

The analysis of parental perspectives on educational subscription box services in South Africa has revealed significant insights into potential customers' preferences, needs, and expectations. This analysis is overlayed with data from KiwiCo, YouTube videos and global parental perspectives on subscription box services. By integrating these findings with the conceptual framework outlined in Chapter 2, this discussion seeks to bridge theoretical constructs with practical applications. The emergent customer personas reflect a diverse range of parental attitudes towards children's education, play preferences, and the role of technology and hands-on projects in learning. This chapter introduces these personas, links the analysis to the conceptual framework, selects the most promising customer persona for the business venture, and discusses the implications for the business plan.

5.2. Customer Personas and Conceptual Framework Linkage

5.2.1. Customer Persona 1: The Engaged Educator



Figure 4: Engaged educator persona

(Source: OpenAI, 2024)

The engaged educator persona represents parents deeply invested in their child's educational journey, actively seeking to enrich school learning with hands-on educational activities at home. This group values educational toys that align with school curricula, emphasising STEM, creativity, and problem-solving skills. Their preference underscores the conceptual

framework's emphasis on hands-on educational projects as a vehicle for developing critical thinking and innovation (Concept 1). The engaged educator's desire for parental involvement aligns with the framework's acknowledgement of parents' pivotal role in enhancing learning outcomes through active engagement (Concept 2). Subscription boxes tailored to this persona are envisioned to offer a curated selection of activities that align with educational standards while providing opportunities for parent-child collaboration, ensuring a personalised learning experience that caters to individual developmental stages and interests.

Key Attributes:

- Values educational toys that align with school curricula and foster academic skills.
- Prefers toys that offer a blend of fun and learning, focusing on STEM, creativity, and problem-solving skills.
- Actively seeks out toys and activities that encourage parental involvement, including board games and outdoor activities.
- They are interested in subscription boxes that offer customisation and personalisation to match their child's developmental stage and learning needs.

Ideal Subscription Box Features:

- Curated educational activities that align with school subjects and curricula.
- A mix of STEM, arts and crafts, and problem-solving toys.
- Options for parent-child collaborative projects.
- Personalisation based on the child's age, interests, and educational needs.

5.2.2. Customer Persona 2: The Digital Navigator



Figure 5: Digital navigator persona

(Source: OpenAI, 2024)

The digital navigator represents the tech-savvy parent who appreciates the educational potential of digital technology but remains cautious about screen time and content quality. This persona's balanced approach to technology integration mirrors the conceptual framework's advocacy for a blend of hands-on and digital learning tools to enhance educational outcomes. By offering high-quality, safe, and age-appropriate digital content alongside physical toys and activities, subscription boxes designed for the digital navigator can provide a holistic learning experience that leverages the benefits of technology while mitigating its potential drawbacks.

Key Attributes:

- Emphasises a balanced approach to technology, combining digital and physical learning tools.
- Values educational subscription boxes that offer high-quality, safe, and age-appropriate digital content.
- Seeks products that introduce children to technology and coding in an engaging and educational manner.
- Prefers toys and activities that can reduce screen time while still being educational and interactive.

Ideal Subscription Box Features:

- Inclusion of educational apps or digital content that complements physical toys and activities.
- Interactive tech-based toys, such as programmable robots or STEM kits.
- Guides or suggestions for balancing screen time with physical play.
- Safe, child-friendly digital content recommendations.

5.2.3. Customer Persona 3: The Global Citizen



Figure 6: Global citizen persona

(Source: OpenAI, 2024)

Parents who embody the global citizen persona prioritise exposing their children to diverse cultures, languages, and global perspectives to foster an inclusive worldview. This approach aligns with the conceptual framework's broader educational goals of developing well-rounded individuals equipped to thrive in a globalised society. Subscription boxes catering to this persona would feature educational materials promoting cultural awareness, environmental responsibility, and global citizenship, offering customisable options for exploring specific cultural themes or global issues.

Key Attributes:

- Prefers educational toys that introduce children to different cultures, languages, and global perspectives.
- Values products that promote understanding and appreciation of diversity.
- Interested in subscription boxes that offer stories, games, and activities from around the world.
- Purchases toys that are eco-friendly and made from sustainable materials.

Ideal Subscription Box Features:

- Educational materials focusing on world geography, cultures, and languages.
- Inclusion of eco-friendly toys and activities that teach environmental responsibility.
- Diverse and inclusive toys and stories that reflect a global perspective.
- Customisable options to explore specific cultures or global themes.

5.2.4. Customer Persona 4: The Creative Innovator



Figure 7: Creative innovator persona

(Source: OpenAI, 2024)

Parents who represent the creative innovator persona prioritise nurturing creativity and innovation in their children, favouring toys and activities that encourage artistic expression and imaginative play. This approach resonates with the conceptual framework's emphasis on hands-on educational projects that foster creativity, problem-solving, and self-expression. Subscription boxes designed for creative innovators would offer diverse arts and crafts supplies, do-it-yourself (DIY) projects, and challenges that stimulate imagination and creative thinking.

Key Attributes:

- Prefers toys and activities that encourage artistic expression, creativity, and open-ended play.
- Invests in products that support a child's imaginative development and storytelling abilities.
- Interested in subscription boxes that offer a variety of arts and crafts, DIY projects, and creative challenges.

Ideal Subscription Box Features:

- A wide range of art supplies and craft kits.
- Activities that promote imaginative play and storytelling.
- Challenges and projects that encourage innovation and creative problem-solving.

5.2.5. Customer Persona 5: The Active Explorer



Figure 8: Active explorer persona

(Source: OpenAI, 2024)

The active explorer persona represents parents who value physical activity and outdoor exploration, recognising the developmental benefits of active play. This perspective aligns with the conceptual framework's recognition of experiential learning, where hands-on physical activities enhance learning outcomes. Subscription boxes catering to active explorers include outdoor games, nature exploration kits, and activities that promote physical health and encourage exploration of the natural world, fostering a love for adventure and discovery.

Key Attributes:

- Values toys and activities that promote physical health, coordination, and outdoor adventure.
- They seek opportunities for their children to explore the natural world and engage in physical challenges.
- Prefers subscription boxes that include outdoor games, nature exploration kits, and sports-related activities.

Ideal Subscription Box Features:

- Equipment and guides for outdoor exploration (e.g., binoculars, magnifying glasses, nature scavenger hunts).
- Sports and physical activity-based games and toys.
- Activities that can be done in a garden or park, encouraging outdoor play and adventure.

5.2.6. Customer Persona 6: The Social Connector



Figure 9: Social connector persona

(Source: OpenAI, 2024)

Parents representing the social connector persona prioritise social skills and peer interaction, understanding the importance of friendship, teamwork, and empathy in child development. This persona's preferences align with the conceptual framework's emphasis on social cognitive theory, where learning occurs in a social context. Subscription boxes for social connectors would feature board games, collaborative projects, and role-playing activities that encourage social interaction, emotional understanding, and the development of strong interpersonal skills.

Key Attributes:

- Look for toys and activities that can be shared with friends and promote cooperative play.
- Values subscription boxes offering group activities, games, and projects encouraging social interaction.
- Interested in products that help children understand emotions, develop empathy, and navigate social situations.

Ideal Subscription Box Features:

- Board games, team challenges, and projects that require collaboration and communication.
- Role-playing games and activities that promote empathy and social understanding.
- Guides and tips for parents on fostering social skills and managing peer relationships.

5.3. Selection of the Customer Persona for the Proposed Business Venture

Based on the data analysis and emergent themes from the parental perspectives, the 27 parents who were part of the interviews can be segmented into six customer personas. Figure 10 illustrates the distribution of parents into customer personas.

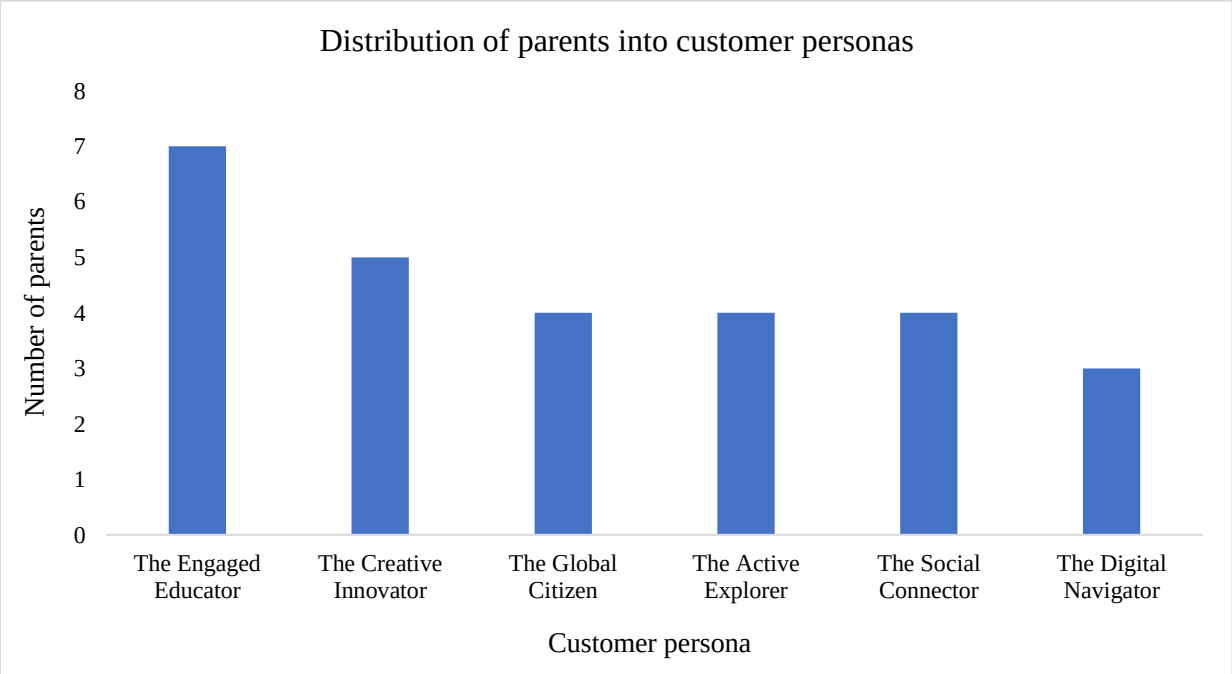


Figure 10: Distribution of parents into customer personas

Based on the data analysis, the engaged educator persona, representing approximately 25% of the parent population, has been selected as the primary target. This choice is informed by the persona's strong alignment with the conceptual framework, emphasising hands-on educational projects and parental involvement.

The rationale for selection:

1. **High educational value alignment**: This persona's emphasis on educational content, STEM toys, and problem-solving skills aligns closely with the core value proposition of the subscription box service. Focusing on the engaged educator persona ensures that the service meets the demand for educational enrichment outside the classroom.
2. **Market demand and growth potential**: The global emphasis on STEM education and preparing children for future challenges indicates a strong and growing market demand (IMARC Group, 2023). Targeting the engaged educator persona positions the business offering in a market with significant expansion potential.
3. **Parental involvement and commitment**: The engaged educator represents parents who are deeply involved in their children's education and are willing to invest in resources that contribute to their children's learning. This involvement suggests a higher likelihood of subscription continuity and engagement with the service.
4. **Value proposition**: By focusing on this persona, the service can differentiate itself through curated educational content that aligns with school curricula and fosters critical thinking and creativity. This focus enables the creation of unique value propositions that can set the business apart from competitors.
5. **Positive social impact**: Aligning the business venture with the engaged educator persona serves a market need and contributes to the broader societal goal of improving education and preparing children for the future. It also aligns with Sustainable Development Goal (SDG) 4, which focuses on ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all (United Nations, 2015). This alignment enhances the brand's image and fulfils corporate social responsibility objectives.

Expanding the Service to Accommodate Diverse Needs

While the engaged educator persona remains the primary target for the business venture proposal, it is essential to acknowledge other customer personas' diverse needs and preferences. However, when the business is ready to scale and expand, these additional

customer personas will be considered. The focus for the initial growth will be on the engaged educator.

5.4. Important Features in Subscription Box Services

Based on the data analysis and the comments from parents who have used KiwiCo and other educational subscription box services, several key features stand out as critical to the success of an educational subscription box service. Figure 11 illustrates the key features identified.

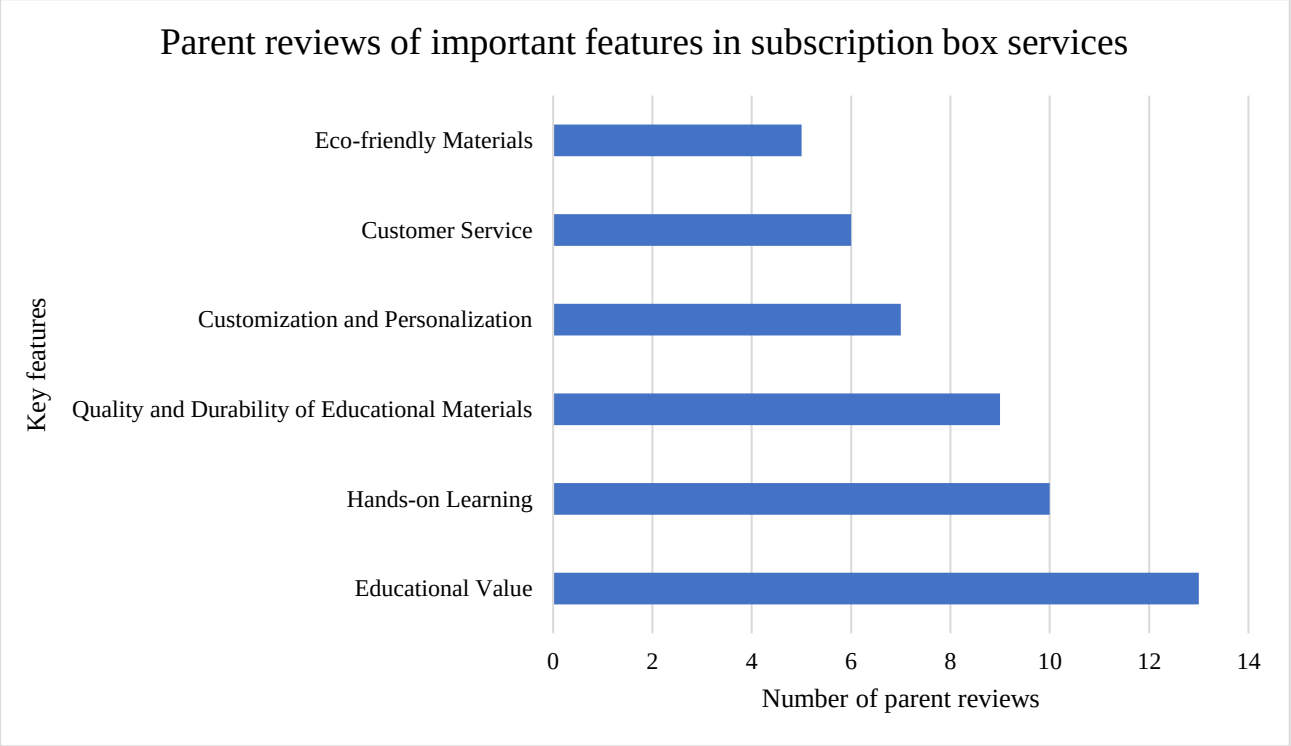


Figure 11: Key features in subscription box services

These features include:

1. **Educational value and alignment with curriculum:** Parents look for toys and activities that offer educational benefits, such as STEM learning, problem-solving skills, and creativity, that align with school curricula.
2. **Hands-on learning experiences:** Parents prioritise subscription boxes that provide hands-on, experiential learning opportunities for their children, enhancing engagement and knowledge retention.
3. **Quality and durability of educational materials:** Parents appreciate high-quality, durable materials that are safe for their children and provide long-lasting value.

4. **Customisation and personalisation:** The ability to tailor the subscription box to a child's interests, developmental stage, and learning preferences is highly valued.
5. **Customer service and community engagement:** Effective customer service and a sense of community among subscribers are essential for building brand loyalty and trust.
6. **Eco-friendly and sustainable materials:** There is a growing demand for sustainable, eco-friendly products, reflecting a commitment to environmental responsibility.

The top three key features will be focused on for the initial development of the business venture proposal. These include:

1. Educational value
2. Hands-on learning
3. Quality and durability of educational materials

These features align closely with the persona of the engaged educator. This alignment is essential for developing an educational subscription box service that effectively meets the needs and expectations of this customer segment.

How each feature resonates with the engaged educator:

- **Educational value:** The engaged educator places a premium on the educational content and outcomes of toys and activities. They seek resources that entertain and contribute to their child's cognitive development, academic skills, and future readiness. This persona values toys and activities that offer clear learning objectives, reinforce school curricula, and stimulate intellectual growth. Incorporating STEM kits, literacy tools, and problem-solving games that align with educational standards can significantly enhance the appeal of the subscription service.
- **Hands-on learning:** The engaged educator understands the importance of experiential learning. Hands-on activities facilitate active engagement, allowing children to explore concepts in depth and apply what they have learned in practical settings. This approach to learning is seen as essential for developing critical thinking skills, creativity, and a deeper understanding of the subject matter. Integrating activities that require physical manipulation, such as building sets, science experiments, and art projects, caters directly to this need. These activities should be designed to challenge and excite children.

- **Quality and durability of educational materials:** Durability and quality are critical for the engaged educator, who views educational tools as investments in their child's development. High-quality materials ensure that toys and activities withstand repeated use, offering sustained educational value. The subscription service should prioritise selecting materials that are robust, safe, and made from sustainable resources whenever possible. Quality assurance processes, including testing and feedback from educational professionals and parents, can help maintain high standards.

5.5. Deduction from Conceptual Framework

The findings from the data analysis and the development of customer personas provide empirical support for the conceptual framework's propositions. The significant association between hands-on educational projects and improved learning outcomes is evident in parents' preferences for educational toys and activities promoting active learning. Furthermore, parental involvement is confirmed as a critical factor in enhancing learning outcomes, with many parents expressing a desire for products that facilitate meaningful engagement with their children's education.

5.6. Analysing KiwiCo's Success

According to data web scrapped from the listed websites, KiwiCo's success is underpinned by a multifaceted approach that includes several key components essential for sustaining competitiveness in the educational subscription box industry. This section delves into the three main pillars of KiwiCo's approach: innovative curriculum design, effective customer acquisition and retention strategies, and a streamlined operational model.

5.6.1. Innovative Curriculum Design

Central to KiwiCo's success is its commitment to developing an innovative curriculum design centred on creating engaging, age-appropriate educational experiences for children.

Key elements of their approach include:

- **STEAM integration:** KiwiCo integrates science, technology, engineering, arts, and mathematics (STEAM) concepts into its products, ensuring that each subscription box offers opportunities for holistic learning across multiple disciplines.

- **Developmental alignment:** KiwiCo aligns its curriculum with developmental milestones, ensuring that activities are tailored to the cognitive, social, and emotional needs of children at different stages of development. This approach enhances the educational value of the subscription service and resonates with parents seeking age-appropriate enrichment activities for their children.
- **Hands-on learning:** KiwiCo prioritises hands-on, experiential learning, providing children opportunities to explore, experiment, and problem-solve through tangible activities and projects. This encourages active engagement and deepens learning outcomes.

5.6.2. Effective Customer Acquisition and Retention Strategies

KiwiCo's ability to attract and retain customers is fundamental to its sustained growth and market leadership. The company employs various customer acquisition strategies to effectively reach and engage its target audience.

Key elements of their approach include:

- **Digital marketing:** KiwiCo leverages digital channels such as social media, email marketing, and online advertising to raise awareness of its brand and attract new customers. The company targets parents and caregivers with relevant content and offers that communicate the value proposition of its subscription service.
- **Referral programs:** KiwiCo incentivises existing customers to refer friends and family members through referral programs, offering discounts or other rewards for successful referrals. This strategy harnesses the power of word-of-mouth marketing and encourages customer advocacy, contributing to organic growth and customer retention.
- **Partnerships and collaborations:** KiwiCo partners with influencers, educational institutions, and other brands to expand its reach and access new customer segments. Leveraging the credibility and influence of its partners, KiwiCo establishes trust with potential customers, thereby accelerating acquisition efforts. Additionally, such partnerships contribute to customer retention by reinforcing KiwiCo's position as a reputable provider of educational enrichment solutions.

5.6.3. Streamlined Operational Model

KiwiCo's operational efficiency is another critical driver of its success. The company leverages advanced technology and data analytics to optimise its supply chain management, inventory control, and production processes.

Key features of their operational approach include:

- **Subscription-based model:** KiwiCo operates on a subscription-based model, offering flexible subscription options ranging from monthly to annual plans. This model provides recurring revenue streams and fosters long-term customer relationships, enhancing predictability and stability for the business.
- **Supply chain management:** KiwiCo manages its supply chain efficiently to ensure timely delivery of subscription boxes to customers. By optimising inventory management, production processes, and logistics, KiwiCo minimises lead times and maintains high levels of customer satisfaction.
- **Customer support and engagement:** KiwiCo prioritises customer support and engagement, providing responsive assistance and resources to address customer inquiries, feedback, and concerns. By offering personalised support and creating a sense of community among subscribers, KiwiCo strengthens brand loyalty and retention.

5.7. Key Insights from KiwiCo Applicable in the South African Context

Analysing how South African parents view educational subscription box services, alongside insights from KiwiCo, offers essential insights for launching a similar initiative in South Africa. Blending international experiences with local needs provides a comprehensive understanding of market dynamics, informing the creation of a subscription box service tailored to South African families. The primary focus on the engaged educator, driven by their high value on educational alignment and hands-on learning, offers a strategic starting point for market entry. This choice is reinforced by KiwiCo's success, which capitalises on similar values through its STEAM-focused, developmentally aligned curriculum.

Strategic Implications from KiwiCo's Approach

KiwiCo's successful strategy presents a roadmap for replication and adaptation in South Africa. The following insights are particularly relevant:

1. **Curriculum adaptation:** Tailoring the curriculum to align with local educational standards and cultural contexts can enhance relevance and appeal to South African parents.
2. **Localised marketing:** Leveraging local social media platforms and community networks can enhance visibility and trust, while partnerships with local schools and educational influencers can drive adoption.
3. **Cultural and educational relevance:** Customising boxes to reflect South Africa's diverse cultural heritage and educational challenges can increase relevance and appeal.
4. **Accessibility and affordability:** Considering South Africa's economic diversity, offering tiered pricing models and accessible entry points is essential for broad market penetration. This approach addresses the varying economic capabilities of South African families, ensuring broader access to educational resources.
5. **Operational efficiency:** For the South African market, addressing challenges related to distribution and ensuring reliable customer support are critical for sustaining long-term relationships and trust.
6. **Community engagement:** Building a sense of community and trust among South African parents through online forums, local events, and educational resources can strengthen brand loyalty and advocacy.

KiwiCo's strategies provide a valuable blueprint for launching an educational subscription box service in South Africa. The business venture proposal will align with the engaged educator persona and integrate critical insights from parental perspectives and KiwiCo's model—tailored to local needs and preferences—to meet South African parents' educational aspirations effectively. This approach ensures market relevance and enhances children's broader educational development, positioning the service as an essential learning and growth tool in South Africa.

5.8. Conclusion

The synthesis of data analysis, crafting customer personas, and aligning critical features with the engaged educator persona give a clear path forward for the proposal of an educational subscription box service in South Africa. This business venture is positioned to capitalise on the high demand for educational enrichment, offering a product that aligns with the values and expectations of the identified target market. Drawing on critical insights from KiwiCo's success—such as the emphasis on STEAM integration, innovative curriculum design, and a blend of digital and physical learning tools—the proposed service is positioned to offer an enriching learning experience that captivates both children and their parents.

By positioning the service on the principles of educational value, hands-on learning, and quality and durability, the business is well-equipped to provide a compelling educational experience. This strategic focus promises commercial success and contributes to the broader societal goal of nurturing a passion for learning among young South Africans. Including KiwiCo's successful strategies, such as effective customer acquisition and retention, operational efficiency, and the prioritisation of customer support, further strengthens the proposal. These insights will be pivotal in shaping Chapter 6, which will focus on the business venture proposal. This chapter will guide the development of a service that is not only innovative but also impactful, aiming to redefine educational excellence in the subscription box industry.

6. Business Venture Proposal

6.1. Executive Summary

Kutamba, a pioneering educational subscription box service in South Africa, is positioned to revolutionise early childhood education through hands-on STEM projects. Founded by two visionary South African black women, Kutamba aims to nurture a love for knowledge in young minds aged five to eight, preparing them for a world that values innovation and critical thinking. With a mission to achieve a 60% market share in the South African hands-on STEM projects industry within three years and establish itself as the top children's activity brand, Kutamba seeks to engage future innovators with thoughtfully curated subscription boxes.

Responding to a growing demand for educational subscription services, Kutamba's offerings are designed to be locally relevant and culturally sensitive, filling a gap in the market for high-quality, engaging educational materials. The company's business model is grounded in robust research and market analysis, identifying a significant opportunity to capitalise on changing parental preferences and the emphasis on early childhood education. Kutamba's unique value proposition lies in its alignment with South African educational standards and its focus on fostering curiosity and creativity.

Kutamba's market entry is supported by a comprehensive industry and market analysis, highlighting the potential within the subscription box industry and the educational segment's current trends. With an innovative approach to product design, marketing, and operations, Kutamba is set to differentiate itself in a competitive landscape. The business plan outlines Kutamba's strategic milestones, product offerings, marketing strategy, operational plan, and financial forecasts, providing a roadmap for the company's launch and growth.

Kutamba is positioned to achieve profitability in its third year of operations, aiming to double its sales year on year. With a startup capital of R1.1 million, R350,000.00 from founders' networks and an anticipated R750,000.00 in grant funding, the company is well-funded for its initial phase. This first year is expected to see expenses totalling R800,000.00, covering product development, marketing initiatives, and operational costs.

As Kutamba solidifies its presence in the market and elevates its brand recognition, the company is poised for a steady increase in revenue, costs, and profitability. The growing subscriber base and heightened brand awareness will drive continuous growth and improve financial outcomes annually.

Kutamba seeks to raise an additional R5 million in venture capital in exchange for a 25% equity stake by the end of its third fiscal year to accelerate its mission and scale operations further. This critical investment will be channelled into expanding production capabilities, intensifying marketing efforts, and broadening the product range to include new educational themes and age groups. This strategic injection of capital is intended to enhance Kutamba's footprint in South Africa and explore opportunities for international expansion, ensuring Kutamba's position as a leader in innovative educational solutions for children.

6.2. Company Description

Company name: Kutamba

Contact details in South Africa: 53 Mitchell Street, Parktown, Johannesburg, 2093

T: +27 11 560 7823 **E:** sales@kutamba.com

The legal structure of the company: Kutamba, meaning "play" in Shona, is a registered PTY Ltd company in South African. The organisation's foundation is built on a partnership between two visionary South African black women, each holding an equal share of 50% in the company.

Mission: Kutamba's core mission is to revolutionise early childhood education by embedding the joy of learning and discovery through hands-on STEM projects. Kutamba aims to nurture a love for knowledge, preparing young minds for a world that values innovation and critical thinking.

Strategic milestones - Ambitious but attainable milestones guide our journey:

- Attain a 60% dominance in the South African hands-on STEM projects sector by 2028.
- Maintain an annual revenue increase of 50%.
- Position Kutamba as the premier children's activity brand in South Africa.

Target Population: Kutamba's slogan is *Engaging Future Innovators* because the organisation is dedicated to enriching the lives of South African children aged five to eight. The curated STEM activities are designed to be age-appropriate, ignite curiosity and encourage

creativity. Kutamba aims to surpass conventional learning methods, transforming education into an engaging and joyful journey for every child.

6.3. Description of the Opportunity

According to IMARC Group (2023), there is a growing demand for educational subscription box services, reflecting a rising interest in hands-on learning experiences for children. This trend is evident in the USA, where companies like KiwiCo have thrived, offering innovative educational subscription boxes tailored to various age groups and learning levels (National Home Education Research Institute, 2022). KiwiCo's success underscores the increasing demand for personalised and engaging educational materials worldwide.

Similarly, the global market for educational subscription boxes has witnessed increased demand, driven by changing parental preferences and a growing emphasis on early childhood education (National Association for the Education of Young Children, 2021). This trend extends to Africa, where markets are emerging and presenting opportunities for innovative educational tools and resources (UNESCO, 2022).

In response to this growing demand, Kutamba seeks to capitalise on the opportunity by offering a range of educational subscription boxes specifically designed for South African children. The identified opportunity lies in addressing the need for high-quality, locally relevant educational materials that encourage creativity and critical thinking. Many educational resources available in South Africa need more captivating elements that parents seek for their children's development (UNESCO, 2022). Kutamba aims to fill this gap by providing thoughtfully curated subscription boxes that cater to diverse learning interests and preferences while aligning with South African educational standards. These boxes offer various hands-on activities and projects, promoting curiosity, exploration, and skill development.

Assumptions

The business plan is based on the following assumptions, which were tested for feasibility before the launch of Kutamba's educational subscription box service:

- Parents in South Africa seek innovative educational resources to supplement their children's learning.

- South African parents are willing to invest in educational subscription boxes to enhance their children's educational journey.
- There is a demand among parents for personalised and age-appropriate educational content that aligns with South African curricula.

How assumptions were tested:

The Kutamba team comprehensively validated these assumptions by engaging with parents through semi-structured interviews (refer to Appendix A). The interviews involved a sample size of 27 parents residing in South Africa, representing a diverse range of age groups and educational backgrounds.

The interview results were overwhelmingly positive, with parents expressing a strong desire to enhance their children's learning experiences with educational material. Furthermore, they emphasised the importance of personalised and curriculum-aligned content in their decision-making process. These favourable responses align with educational research, indicating that parents increasingly seek supplementary educational resources to support their children's growth and development (UNESCO, 2022).

6.4. Industry and Market Analysis

6.4.1. Industry Analysis

The global subscription box market has experienced substantial growth in recent years, reaching a size of US$ 32.9 Billion in 2023 (IMARC Group, 2023). Industry analysts project significant expansion, expecting the market to soar to US$ 105.4 Billion by 2032, representing an impressive compound annual growth rate (CAGR) of 14% from 2024-2032 (IMARC Group, 2023). This growth trajectory shows the immense potential within the subscription box industry.

Key factors driving this growth include the rising demand for personalised items and curated products (IMARC Group, 2023). Consumers increasingly seek unique and tailored experiences, fuelling the popularity of subscription boxes across various sectors, including education (IMARC Group, 2023). Furthermore, the rise of social media-based start-ups leveraging subscription box models and the influence of social media blogs has contributed significantly to market expansion (IMARC Group, 2023). These platforms are powerful marketing channels, driving consumer engagement and brand loyalty.

Educational subscription box services are an exciting segment. Companies like KiwiCo have demonstrated the viability and appeal of educational subscription boxes, capturing the attention of parents worldwide with their innovative offerings (KiwiCo, 2023). The success of such ventures highlights the growing interest in hands-on learning experiences and the demand for supplementary educational resources that enrich children's learning journeys (IMARC Group, 2023).

In South Africa, where educational opportunities are increasingly valued, there is an opportunity for entrepreneurs to capitalise on this trend (UNESCO, 2022). Kutamba aims to seize this opportunity by offering a diverse range of educational subscription boxes tailored to South African families' unique needs and preferences.

6.4.2. Trends in the Educational Subscription Box Services

The educational subscription box market has witnessed a significant transformation, particularly accelerated by the digital age and the global COVID-19 pandemic (IMARC Group, 2023). Online retail has experienced rapid growth, becoming the preferred choice for consumers seeking educational subscription boxes (IMARC Group, 2023). This shift is driven by the convenience of online shopping, which offers a wide selection of curated educational materials, doorstep delivery, and streamlined purchasing experiences (IMARC Group, 2023).

6.4.2.1. USA market

The demand for educational subscription box services has surged in the USA as parents seek convenient and engaging ways to supplement their children's learning experiences (National Home Education Research Institute, 2022). Several factors contribute to this growing demand:

- **Shift in parenting values:** Millennial parents place a high value on education and enrichment activities for their children (National Home Education Research Institute, 2022). They are willing to invest in educational resources that support their children's cognitive, social, and emotional development (National Home Education Research Institute, 2022).
- **Convenience and time saving:** Educational subscription boxes offer a convenient solution for busy parents who may need more time or resources to curate educational materials and activities independently (National Home Education Research Institute,

2022). By providing curated, age-appropriate content delivered directly to their doorsteps, subscription box services save parents time and effort while ensuring their children access enriching learning experiences.

- **Personalisation and customisation:** Many educational subscription box services, like KiwiCo, offer customised options tailored to each child's age, interests, and learning style (KiwiCo, 2023). This level of personalisation enhances the educational value of the subscription service and resonates with parents who seek individualised learning experiences for their children (KiwiCo, 2023).

6.4.2.2. Global Markets

The demand for educational subscription box services is not limited to the USA but is a global phenomenon. Several factors contribute to the global growth of this market:

- **Rising middle class:** As emerging economies experience economic growth and rising middle-class populations, parents increasingly prioritise educational opportunities for their children (Forbes, 2022)
- **Internet penetration and e-commerce:** The rise of internet access and e-commerce platforms has facilitated the widespread adoption of subscription-based services worldwide (Forbes, 2022). Families in remote or underserved areas can now access educational resources and previously unavailable products, driving demand for subscription box services (Forbes, 2022).
- **Shifting educational landscape:** The educational landscape is undergoing a significant transformation with the rising popularity of home schooling and alternative learning methods (Forbes, 2022). This shift is fuelled by various factors, including dissatisfaction with traditional schooling systems, concerns over safety and health, and the desire for more personalised and flexible learning experiences (Forbes, 2022).
- **Cultural emphasis on education:** In many cultures around the world, there is a strong emphasis on academic achievement and educational attainment. Parents view educational subscription boxes as a valuable investment in their children's future success and are willing to allocate resources towards these enrichment activities (Forbes, 2022).

6.4.2.3. African Markets

While the demand for educational subscription box services in Africa is still emerging compared to more developed markets, there are indications of growing interest and potential for expansion due to the following factors:

- **Rising disposable income:** Economic growth in many African countries has expanded the middle class, increasing household disposable income (UNESCO, 2022). As parents have more resources available for discretionary spending, they are likely to invest in educational products and services for their children, including subscription box services.
- **Expanding access to education:** Efforts to improve access to education and early childhood development programs across Africa have heightened awareness of the importance of early learning experiences income (UNESCO, 2022). Educational subscription boxes can complement formal education initiatives and support children's learning and development.
- **Focus on STEM education:** As the demand for STEM skills continues to rise in Africa due to the increasing importance of these disciplines in various industries and sectors, educational subscription boxes can provide innovative and captivating methods for students to acquire knowledge and proficiency in these subjects' income (UNESCO, 2022).
- **Emerging e-commerce ecosystem:** While e-commerce infrastructure in Africa is still developing, there has been significant growth in the income of online retail platforms and digital payment systems (UNESCO, 2022). As e-commerce continues to expand, educational subscription box services have the potential to reach a broader audience of parents and caregivers across the continent.

A combination of factors, including parental preferences, technological advancements, and cultural attitudes towards education, drives the demand for educational subscription box services. As these trends continue to gain momentum globally, Kutamba has an opportunity to capitalise on the growing demand for innovative educational products.

6.4.3. VRIO Analysis

Kutamba's VRIO Analysis is shown in the Table 5 below.

Table 5: VRIO Analysis

Capability	Valuable	Rare	Inimitable	Organisational Support	Competitive Advantage
Product Design	Yes	Yes	Can be imitated by competitors	Yes	Yes
Product Functionality	Yes	Yes	Can not be easily imitated by competitors	Yes	Yes
Hand-crafted	Yes	No	Can be imitated by competitors	Yes	Yes
Opportunities for Brand Extension	Yes	No	Can not be easily imitated by competitors	No	Has potential to become a competitive advantage in future

Kutamba's competitive advantage lies in its educational subscription boxes' unique design and functionality. The organisation's primary differentiator is its intellectual property, particularly in crafting subscription boxes that are visually engaging and highly educational. The engaged educator persona, the target market for Kutamba, values educational resources that offer a blend of creativity, quality, functionality, and personalisation, making these elements pivotal in their decision-making process.

6.4.4. PESTEL Analysis

Kutamba's PESTEL analysis is illustrated in Figure 12 below. It outlines the related risks and opportunities identified in the business venture proposal.

Political	Economic	Social	Technological	Environmental	Legal
• South Africa's educational policies, government support for learning initiatives aimed at improving educational outcomes. • Political instability in the country with upcoming elections can affect consumer confidence and spending.	• South Africa's economic conditions, including GDP growth rates and disposable income levels among the middle class. • Changes in exchange rates and inflation levels can impact the cost of materials, thereby influencing profitability.	• The value placed on education by South African society impacts the demand for Kutamba's services. • The size and growth of the target market can influence market potential. Urbanisation trends also affect consumer behaviour and access to educational resources.	• The availability and accessibility of internet services affect the reach of Kutamba's offering. • Advances in e-commerce platforms and payment systems in South Africa enable Kutamba to streamlines subscriptions and sales.	• Consumer awareness of environmental issues affects preferences for sustainable and eco-friendly products. • Environmental challenges might influence the cost and availability of materials.	• Kutamba must navigate South Africa's regulations on consumer protection, e-commerce, data protection (such as POPIA - Protection of Personal Information Act), and educational content standards to ensure compliance and build trust. • Apply trademark for Kutamba name.

Figure 12: PESTEL Analysis

6.4.5. Competitor Analysis

A competitor analysis was conducted to determine how the proposed business venture can distinguish itself. This analysis aims to provide insights into the South African educational subscription box landscape by examining key competitors' offerings and value propositions in early childhood development.

Moxie Kids Craft Box

Moxie Kids Craft Box is a bi-monthly craft subscription box for children aged three to nine (Moxie Kids, 2020). Each box contains all the necessary supplies for four crafts, with a new theme introduced every second month (Moxie Kids, 2020). According to the information on the company website, these boxes provide an excellent opportunity for children to enhance their creativity and fine motor skills whilst fostering parent-child engagement (Moxie Kids, 2020).

Wacky Box

Wacky Box is a monthly subscription box service that offers an impressive selection of 14-16 educational activities (Wacky Box, 2020). The subscription fee covers the delivery cost, providing added convenience to customers (Wacky Box, 2020). The boxes are tailored to meet

the needs of children across four distinct age groups: 5-12 months, 1-2 years, 2-4 years, and 4-6 years (Wacky Box, 2020).

Charley's Boxes

Charley's Boxes is a monthly subscription box service designed for babies aged between 0-18 months (Charley's Boxes, 2023). Each box is thoughtfully assembled and includes essential items with three core pillars: education, development, and fashion (Charley's Boxes, 2023). A parent will select the desired age category from the available options (0-3 months, 3-6 months, 6-12 months, and 12-18 months), and the box will be curated with age-appropriate and gender-specific items (Charley's Boxes, 2023).

Based on the competitor analysis, it has been determined that Moxie Kids is the sole online service provider offering educational subscription box services specifically designed for children aged five to eight, aligning with the target market segment specified in the business venture proposal. However, it is essential to note that Moxie Kids operates on a bi-monthly delivery schedule, which differs from the proposed business venture's plan. Additionally, the Moxie Kids subscription box's contents does not align with Kutamba's STEM-based offering.

6.4.6. SWOT Analysis

The following section provides a summary overview of the SWOT identified in the educational subscription box industry. See Figure 13 below.

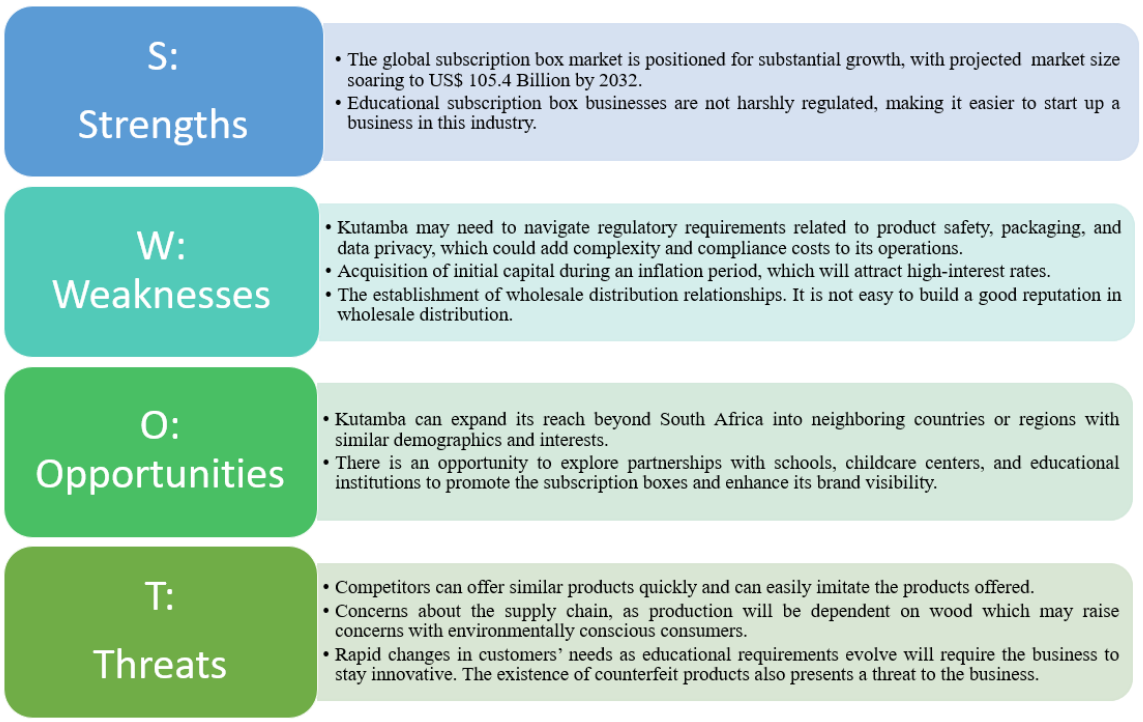


Figure 13: SWOT Analysis

The SWOT analysis highlights the significant potential and challenges facing Kutamba in the landscape of educational subscription boxes. While the rapidly growing global subscription box market offers growth opportunities, Kutamba must navigate regulatory complexities, high acquisition costs during inflationary periods, and challenges in establishing wholesale distribution relationships. Additionally, the threat of competitors offering similar products, concerns about the sustainability of the supply chain, and the need to stay innovative amidst evolving customer needs poses exciting challenges. Promising avenues for expansion include entering new markets beyond South Africa and forging partnerships with educational institutions.

6.4.7. Porter's Five Forces

Porter's Five Forces Analysis is a strategic framework used to understand the competitive dynamics within an industry.

How each of the Porter's Five Forces applies to Kutamba:

1. **Threat of new entrants**
    - **Barrier to entry**: The educational subscription box market has moderate to high barriers to entry, including the need for a substantial initial investment in product development, marketing, and supply chain logistics. Kutamba's unique value proposition, focusing on curriculum-aligned and locally relevant content, creates a high barrier for new entrants.
    - **Market knowledge**: Kutamba's understanding of the South African educational market and parental expectations provides a competitive edge that new entrants might find challenging to replicate quickly.
    - **Brand recognition and trust**: Building a trusted brand in the educational sector takes time and consistent delivery of quality. Kutamba's first move advantage allows it to establish brand recognition and loyalty among its target segments.

2. **Threat of substitute products or services**
    - **Availability of alternatives**: Alternatives to Kutamba's service include free online educational resources, traditional educational toys, and other informal learning methods. However, the educational value and curriculum-aligned nature of Kutamba's offering reduces the threat level.
    - **Differentiation**: Kutamba's focus on hands-on, engaging learning experiences tailored to the South African context differentiates it from generic educational products and services, lowering the attractiveness of substitutes.

3. **Bargaining power of suppliers**
    - **Supplier diversity**: Kutamba relies on a wide range of suppliers for materials; thus, the bargaining power of any single supplier is reduced.
    - **Cost of switching**: The ability to switch suppliers without incurring significant costs or delays can lower supplier bargaining power. Kutamba's strategy is to develop strong relationships with multiple suppliers and consider in-house production after the third year of operation.

4. Bargaining power of buyers

- **Choice and information**: With access to a global market, buyers (parents) have considerable choice and information about educational products, increasing their bargaining power.
- **Price sensitivity**: The sensitivity of South African consumers to price, especially in a market with varying disposable income levels, can give buyers substantial bargaining power. Kutamba can mitigate this by demonstrating its subscription service's exceptional value and unique benefits.

5. Intensity of competitive rivalry

- **Market saturation**: The educational subscription box market in South Africa may not be as saturated as in other regions, offering Kutamba an opportunity to capture market share before the competition intensifies.
- **Differentiation**: The degree to which Kutamba can differentiate its offering from competitors will influence the intensity of rivalry. Continuous innovation and customer experience enhancement can help maintain a competitive edge.
- **Cost of exit**: Low exit barriers in the industry might encourage competitors to stay and fight for market share, increasing competitive rivalry. To navigate this challenge effectively, Kutamba should focus on building strong customer relationships and brand loyalty.

Kutamba's entry into the South African educational subscription box market is met with a mix of opportunities and challenges. By strategically navigating the five forces, focusing on differentiation, and leveraging its unique understanding of local educational needs, Kutamba can effectively position itself for success. Establishing partnerships, maintaining flexibility in the supply chain, and continuously engaging with customers are essential strategies to mitigate the threats and capitalise on the opportunities within the market.

6.4.8. Value Proposition and Key Differentiators

In crafting the value proposition and critical differentiators for Kutamba's educational subscription box service in South Africa, inspiration was drawn from the unique characteristics of the market and insights from parental perspectives. The strategy revolves around aligning

with local educational standards, cultural contexts, and economic realities to offer a compelling and differentiated offering.

Key differentiators:

- **Curriculum adaptation**: Kutamba recognises the importance of tailoring its curriculum to align with local educational standards and cultural contexts. By ensuring that the content resonates with South African parents and addresses the specific learning needs of their children, the subscription service can enhance its relevance and appeal.
- **Localised marketing**: Leveraging local social media platforms, community networks, and partnerships with schools and educational influencers, Kutamba aims to enhance visibility and trust among South African parents. By engaging with the community in meaningful ways, the organisation can drive adoption and establish a strong presence in the market.
- **Cultural and educational relevance**: The subscription boxes are customised to reflect South Africa's rich cultural heritage and educational challenges. By incorporating themes, activities, and materials that celebrate diversity and address local educational priorities, the offering can increase relevance and appeal to its target audience.
- **Accessibility and affordability**: Recognising the economic diversity of South Africa, Kutamba offers tiered pricing models and accessible entry points to ensure broad market penetration. By catering to varying economic capabilities, the company will democratise access to educational resources and empower families across the socioeconomic spectrum.
- **Operational efficiency**: Addressing challenges related to distribution and ensuring reliable customer support is paramount for sustaining long-term relationships and trust. Kutamba demonstrates its commitment to delivering a satisfying customer experience by prioritising operational efficiency and excellence.
- **Community engagement**: Building a sense of community and trust among South African parents is central to Kutamba's brand. The organisation will create meaningful connections and facilitate knowledge-sharing among parents through online forums, local events, and educational resources.

Kutamba's value proposition and critical differentiators are anchored in the commitment to address South African parents and children's unique needs and preferences. By offering a

culturally relevant, accessible, and engaging educational experience, Kutamba aims to impact the lives of families across the country positively.

6.4.9. Value Proposition Canvas

Figure 14 illustrates the value proposition canvas.

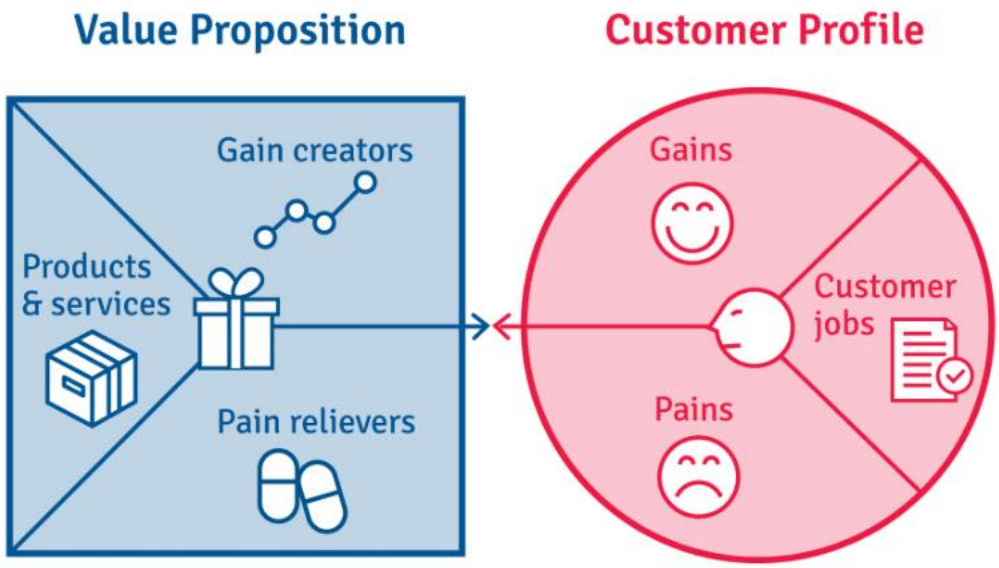


Figure 14: Value proposition canvas

(Source: Osterwalder et al., 2014)

Value Map: Kutamba's Educational Subscription Box Service

Products and services:

- A curated selection of educational activities aligned with school subjects and curricula.
- A mix of STEM, arts and crafts, and problem-solving toys to foster critical thinking and innovation.
- Options for parent-child collaborative projects to enhance learning experiences.

Gain creators:

- Educational activities aligned with school curricula meet the needs of the engaged educator customer persona seeking to supplement school learning.

- A blend of fun and learning, focusing on STEM, creativity, and problem-solving.
- Opportunities for parent-child collaboration in learning activities strengthen the parent-child bond and enhance learning outcomes.

Pain relievers:

- Addressing the difficulty in finding educational toys aligned with school curricula by offering curated activities.
- Providing options for toys that blend fun and learning, particularly in STEM and problem-solving areas.
- Offering opportunities for meaningful parent-child involvement in learning activities addresses the desire for collaborative learning experiences.
- Different theme options mitigate the challenge of finding subscription boxes that cater to the child's specific needs and interests.

Customer Profile: Engaged Educator Persona

Jobs to be Done (JTBD):

- Supplement school learning with hands-on educational activities at home.
- Enhance critical thinking and innovation skills through engaging toys and projects.
- Cultivate parent-child collaboration in learning activities.
- Ensure personalised learning experiences tailored to individual developmental stages and interests.

Pains:

- Difficulty finding educational toys aligned with school curricula.
- Limited options for toys that blend fun and learning, especially in STEM and problem-solving areas.
- Lack of opportunities for meaningful parent-child involvement in educational activities.
- Challenges in finding subscription boxes that offer customisation based on the child's needs and interests.

Gains:

- Enriched educational experiences that complement school learning.
- Development of STEM, creativity, and problem-solving skills through engaging toys.

- Strengthened parent-child bond through collaborative learning projects.
- Personalised learning experiences tailored to the child's developmental stage and interests.

Achieving fit between the value proposition and customer profile

The value map of Kutamba's educational subscription box service aligns well with the needs and preferences of the engaged educator persona. By offering a curated selection of educational activities meticulously aligned with school subjects and curricula, Kutamba addresses the pain point of difficulty in finding educational toys that meet academic standards. The blend of STEM, arts and crafts, and problem-solving toys fosters critical thinking and innovation, fulfilling the engaged educator's desire to enhance their child's skills and provide a fun and engaging learning experience. Moreover, the options for parent-child collaborative projects cater to the engaged educator's goal of cultivating meaningful parent-child involvement in learning activities, strengthening the parent-child bond while achieving educational objectives. Additionally, Kutamba's provision of different theme options ensures that the subscription boxes are personalised to the child's specific needs and interests, further enhancing the tailored learning experiences sought by the engaged educator persona.

6.5. Product Description

6.5.1. Product Themes

Kutamba will introduce a series of 12-monthly themes upon its launch. This approach ensures Kutamba has a year-long pipeline of themed subscription boxes available for parents who opt for monthly, quarterly, bi-annual, or annual subscriptions.

Below is a list of the 12 themes, along with the corresponding activities:

- **Month 1 - Architectural Adventures:** Children will embark on an architectural adventure which will foster an understanding of architecture and design principles by building the Nelson Mandela Bridge. They will experiment with structural designs such as arches, beams, trusses, or suspensions and learn about engineering principles like tension, compression, and stability as they construct their bridges. Theme components include wood lollipop sticks, string, glue, masking tape, scissors, and newspapers.
- **Month 2 - Breath of Life:** Children will delve into the fascinating world of the respiratory system and learn about the anatomy and function of the lungs and how it

enables humans to breathe and supply oxygen to their bodies. This hands-on experiment will include constructing a respiratory system model using everyday materials, observing lung capacity through simple breathing exercises, and conducting experiments to understand the diaphragm's and intercostal muscles' role in breathing. Theme components include a plastic bottle, balloons, sticky tape, putty adhesive, straws, and scissors.

- **Month 3 - Bubbling Chemistry:** Dive into the exciting world of chemistry with fizzing bath bombs. Children will explore the science behind effervescent reactions and learn about the chemical reactions that produce fizz. They can experiment with different ingredients to create their own bath bomb formulas, adjusting the amounts to observe variations in fizziness and colour. Theme components include silicon moulds, cream of tartar, bicarbonate of soda, lavender essential oils, water in a spray bottle, olive oil and food colouring.
- **Month 4 – Space Explorer:** Engage children in the wonders of outer space by embarking on a journey through the cosmos as they design and create their own astronaut helmets. Through this hands-on activity, children will develop an appreciation for space exploration, astronomy, and the limitless possibilities of the universe. Theme components include cardboard, aluminium foil, tape, and colourful markers.
- **Month 5 – African Safari:** Embark on a virtual safari adventure. Children will channel their inner explorers as they craft their own binoculars for animal spotting. With their newly crafted binoculars in hand, children will set out on a virtual safari, exploring the rich diversity of the animal kingdom. Through imaginative play and discovery, children will develop an appreciation for nature and wildlife conservation. Theme components include wood tubes, coloured paper, string, sticky tape, mirrors, and markers.
- **Month 6 - Renewable Energy Explorers:** Explore the world of renewable energy by building a waterwheel and experimenting with hydroelectricity. Through this hands-on experimentation, children will explore how the movement of water can be converted into electrical energy, learning about renewable energy sources and sustainable power generation. With each turn of the waterwheel, children will witness the magic of hydroelectricity in action, gaining a deeper understanding of its environmental benefits and real-world applications. Theme components include a plastic bottle, adhesive putty, electrical tape, string, plastic straw, wooden straw, scissors, and water.
- **Month 7 - Mad Scientist Lab:** Dive into the world of chemistry and physics by building a DIY volcano. Young scientists will uncover the mysteries of the natural

world and unlock the secrets of scientific principles, helping them develop critical thinking skills, problem-solving abilities, and a deep appreciation for the wonders of the universe. Theme components include newspapers, bicarbonate of soda, vinegar, water, dishwashing liquid, flour, red food colouring, paint, paintbrushes, packing tape scissors and a plastic bottle.

- **Month 8 – Secret Agent:** Children will embark on an exciting Secret Agent adventure to solve mysteries and conduct experiments with invisible ink. Agents (children) can write secret messages on white paper with their homemade invisible ink, revealing hidden clues and mysteries. This activity teaches children about chemical reactions and the science behind invisible ink. Theme components include lemon juice, white paper, a plastic cup, and a cotton bud.
- **Month 9 - Eco Explorers:** Embark on a green journey of eco-consciousness where children will cultivate their own mini garden and nurture a love for nature and sustainability. This gardening activity will teach children the importance of caring for the environment, promoting biodiversity, and reducing their ecological footprint. As they watch their garden flourish, they will develop a deeper appreciation for the natural world and the role they can play in protecting it. Theme components include a shoebox, a plastic cup, compost soil, and bean seeds.
- **Month 10 - Rocket Launcher:** Prepare for an out-of-this-world adventure with the rocket launcher theme. Children will embark on an exhilarating journey into space as they design and create their rocket launchers. Little engineers and innovators will propel their miniature rockets into the sky. With each adjustment and modification, they will fine-tune their designs for maximum altitude and distance. Through this hands-on activity, children will explore physics and engineering principles. Theme components include a plastic bottle, adhesive putty, tape, string, plastic straw, wooden scissors, and water.
- **Month 11 - Eco-Engineer Explorers:** Join this mission to inspire environmental awareness through innovative solutions. Children will become eco-friendly innovators as they engage in the hands-on activities of designing a water filtration system to purify water and reduce environmental impact. They will learn about the importance of clean water and sustainable practices. Theme components include plastic bottles, sand, gravel, charcoal, and cloth.
- **Month 12 - Racer Rally:** Rev up your imagination and hit the track with the Racer Rally. Children will unleash their creativity as they design and build their own cars.

Through hands-on construction and experimentation, they will explore design, aerodynamics, and mechanical engineering principles. Theme components include wood, bottle caps, lollipop sticks and straws.

6.5.2. Components of Kutumba Educational Subscription Boxes

Educational subscription boxes, such as those offered by Kutamba, are meticulously curated to provide children with enriching experiences that foster curiosity, creativity, and learning. Figure 15 shows the components of a Kutamba box.



Figure 15: Example of Kutamba Box - Breathe of Life Theme

(Source: OpenAI, 2024)

Breakdown of the components included in Kutamba's subscription boxes:

- **STEM Materials:** Kutamba's subscription boxes feature a diverse array of hands-on STEM projects designed to introduce children to concepts in science, technology, engineering, and mathematics. From building simple machines to conducting exciting experiments, these activities immerse children in the wonders of STEM subjects.

- **Literacy resources:** Parents are provided with books and reading materials that contain instructions and provide real-life applications of the hands-on activity for that specific theme.
- **Craft supplies:** Kutamba's subscription boxes contain literacy resources and all the components required for that activity for that specific month, except for easily accessible resources like scissors or water. When a Kutamba box is delivered, parents don't have to purchase additional materials or components to complete the activity with their children. They can open their Kutamba box and start building.

6.5.3. Kutumba Educational Subscription Box Options

Kutamba recognises parents' diverse needs and preferences, offering both premium and standard subscription options. The premium option is designed to meet the high standards of the engaged educator, featuring high-quality, durable projects crafted from wood and robust plastic components. These premium materials ensure longevity and sustained educational value, aligning perfectly with the engaged educator's preference for resources that are long-term investments in their children's development. These materials can be reused to repeat the hands-on activity several times.

In contrast, the standard subscription option offers components made from cardboard, providing an accessible and budget-friendly alternative for families while maintaining educational value. While not as durable as the premium materials, these cardboard components still facilitate hands-on learning experiences and creative exploration, making them suitable for families seeking a more affordable option.

Additionally, Kutamba provides a variety of tiered subscription box prices, including monthly, quarterly, bi-annually, and annually, to accommodate different budgetary and scheduling preferences. Parents opting for longer-term plans are incentivised through discounts, encouraging them to commit to ongoing educational enrichment for their children while enjoying cost savings.

6.5.4. Three Year Product Rollout Plan

Kutamba's product rollout plan draws inspiration from the principles of the lean start-up methodology. This approach emphasises iterative development, rapid experimentation, and

customer feedback to build a sustainable business model and deliver maximum customer value. By applying lean principles, Kutamba aims to optimise resources, minimise waste, and continuously improve its product offerings. Conducting market research allowed Kutamba to gain insights into the preferences and needs of South African parents regarding educational subscription boxes. This research was the foundation for developing the initial set of subscription box themes, ensuring alignment with local educational standards and cultural contexts.

Year 1: Establishing Kutumba's Presence (Launch Phase)

Quarter 1-2: Pilot Testing and Refinement

- Launch a limited Kutamba subscription box release to gather early adopters' feedback.
- Iterate product offerings based on customer feedback, refining themes, activities, and components to enhance relevance and appeal.

Quarter 3-4: Enhance Brand Visibility and Trust

- Launch targeted advertising campaigns on social media platforms to reach a wider audience and increase brand awareness.
- Collaborate with influential parenting bloggers and educational influencers to promote Kutamba's subscription box service and build credibility within the community.

Year 2: Scaling and Diversifying Kutumba's Offerings (Growth Phase)

Quarter 1-2: Scaling Operations

- Optimise production and logistics processes to accommodate increased demand as Kutamba gains traction in the market.
- Expand the distribution network to reach a wider audience, including partnerships with local retailers and online marketplaces.

Quarter 3-4: Introducing New Subscription Box Options

- Introduce additional subscription box options, such as themed boxes targeting other customer personas.
- Collaborate with local educational experts and influencers to develop innovative themes and activities tailored to South African children.

Year 3: Consolidation and Innovation (Maturity Phase)

Quarter 1-2: Enhancing Customer Experience

- Invest in technology and customer support infrastructure to improve customer experience, including streamlined subscription management and responsive customer service.
- Launch community engagement initiatives, such as online forums and exclusive events, to foster a sense of belonging among Kutamba subscribers.

Quarter 3-4: Innovation and Future Growth

- Explore opportunities for product innovation, such as incorporating emerging technologies into subscription box activities.
- Expand Kutamba's reach beyond subscription boxes by offering supplementary educational resources, such as online courses or workshops, to support children's learning journeys further.
- Throughout the three-year product rollout plan, Kutamba will remain committed to providing enriching educational experiences that foster curiosity, creativity, and learning among South African children. Aligning with the lean start-up methodology principles, Kutamba will continuously iterate on its offerings based on customer feedback, ensuring that its subscription boxes remain relevant and valuable to families nationwide.

6.5.5. Pricing Strategy

To develop a comprehensive pricing strategy for Kutamba, several factors highlighted in the industry and market analysis were analysed, including the competitive landscape, customer preferences, and Kutamba's value proposition and differentiation factors. The goal is to ensure Kutamba's pricing reflects its value, appeals to its target market, and supports its overall business objectives.

Below is the structured approach followed in developing Kutumba's pricing strategy:

6.5.5.1. Cost-Plus Pricing

Creating a cost breakdown for the premium and standard options of Kutamba's educational subscription boxes involves estimating the costs associated with sourcing materials, assembly, packaging, and distribution. For the premium version, higher-quality, durable materials such as wood and robust plastic components will be considered, whereas, for the standard version,

cardboard and lower-cost materials will be used. Below is an example of components for the Breath of Life Theme, including a plastic bottle, balloons, sticky tape, putty adhesive, straws, and scissors.

Premium Subscription Box Cost Breakdown

1. Materials:
    - Wood components: R60.00
    - Robust plastic components (including plastic bottles): R45.00
    - High-quality balloons: R35.00
    - Premium sticky tape: R17.50
    - Putty adhesive: R15.00
    - Durable straws: R7.50
    - Scissors: Not included
2. Assembly and Packaging:
    - Labour (Assembly): R60.00
    - Packaging materials: R42.50
3. Distribution:
    - Shipping and handling: R95.00

Total cost per Kutamba premium box: **R377.50**

Standard Subscription Box Cost Breakdown

1. Materials:
    - Cardboard components (replacing wood): R30.00
    - Standard plastic bottle: R7.50
    - Standard balloons: R7.50
    - Standard sticky Tape: R3.75
    - Putty adhesive: R11.25
    - Standard straws: R 3.75
    - Scissors: Not included
2. Assembly and Packaging:
    - Labour (Assembly): R50.00
    - Packaging materials: R32.50
3. Distribution:
    - Shipping and handling: R75.00

Total cost per Kutamba standard box: **R221.25**

Notes:

- **Materials cost:** The premium box includes higher-quality, more durable materials than the standard box, justifying the higher cost.
- **Assembly and packaging:** The premium box requires more detailed assembly and packaging due to the nature of its components, leading to higher costs in these areas.
- **Distribution:** The premium box's shipping and handling costs are slightly higher due to its potentially larger size and weight.

6.5.5.2. Competitive Analysis

Kutamba analysed the prices of its competitors, including Moxie Kids Craft Box, Wacky Box, and Charley's Boxes, to understand the market landscape.

- Moxie Kids Craft bi-monthly subscription box: R670.00
- Wacky box monthly subscription box: R380.00
- Charley's box monthly subscription box: R519.00

From the analysis, Kutamba can draw the following conclusions about the current market landscape for educational subscription boxes in South Africa.

- The price range for children's educational subscription boxes varies significantly, from R380.00 for Wacky Box to R670.00 for Moxie Kids Craft Box. This variation indicates a diverse market with different value propositions and target segments.
- With its bi-monthly subscription at R670.00, Moxie Kids Craft Box suggests a premium offering or more extensive kits, given its higher price point spread over two months. This could imply that a market segment is willing to pay more for value-added products.
- The varied pricing and subscription models offer Kutamba insights into potential gaps in the market. Kutamba's offerings align more with STEM education and provide unique, high-quality components not found in other boxes, providing an opportunity to command a higher price point.
- Different price points in the market validate Kutamba's strategy to offer both premium and standard subscription options. This approach allows Kutamba to cater to different market segments, from more budget-conscious parents to those seeking premium educational experiences for their children.

6.5.5.3. Kutumba' Pricing Strategy

Using Kutamba's cost analysis and competitive landscape insights, a value-based and tiered pricing strategy that aligns with the needs of the engaged educator customer persona and market demands can be formulated.

Value-Based Pricing Strategy

Kutamba's premium and standard boxes offer unique educational experiences, aligning with the engaged educator's desire for high-quality, curriculum-based learning tools. The value provided by these boxes, especially the premium option with its durable and high-quality materials, justifies a price point that reflects their superior educational value compared to the market average.

Premium Subscription Box Pricing

Given the total cost of R377.50 for the premium box and considering the value-added features (durability, educational quality, and alignment with curriculum standards), a markup that ensures profitability while emphasising the box's premium status is applied. Compared with Charley's box monthly subscription fee of R519.00, Kutamba's premium offering could position itself slightly higher due to its monthly delivery and STEM-focused content, aiming for a monthly subscription fee of R600.00. This price reflects the premium materials, the unique educational content tailored to the South African curriculum, and the convenience of monthly delivery.

Standard Subscription Box Pricing

With a total cost of R221.25 for the standard box, this option targets a more price-sensitive segment without compromising educational value. Given the competitive price point of Wacky Box at R380.00 monthly, Kutamba can offer its standard option at a competitive yet profitable price point, ensuring accessibility. The monthly subscription fee will be R350.00. This competitive pricing for the standard option makes Kutamba accessible to a broader audience, offering excellent educational content at a more budget-friendly price point.

Tiered Pricing Model

Kutamba will offer discounts for longer subscription commitments to cater to varying preferences and commitment levels, incentivising engagement and loyalty. This approach provides savings for the customer and ensures a steady revenue stream for Kutamba.

- **Quarterly Subscription:** 5% discount on the monthly price
- **Bi-Annual Subscription:** 10% discount on the monthly price
- **Annual Subscription:** 15% discount on the monthly price

For the **Premium Subscription**, assuming a base monthly price of R600.00:

- Quarterly: R570 per box
- Bi-Annual: R540.00 per box
- Annual: R510.00 per box

For the **Standard Subscription**, assuming a base monthly price of R350.00:

- Quarterly: R332.50 per box
- Bi-Annual: R315.00 per box
- Annual: R297.50 per box

6.5.5.4. Customer Feedback and Market Testing

During the first year of its launch, Kutamba will test and refine its pricing strategy with early adopters of its educational subscription service. Leveraging a combination of value-based and tiered pricing models, Kutamba aims to appeal to a broad spectrum of the market, from budget-conscious families to those seeking premium educational resources for their children. Kutamba plans to implement customer feedback mechanisms to gauge the market's response, including surveys, questionnaires, and focus groups targeted explicitly at parents within its core demographic. This approach will enable Kutamba to gather insights into the perceived value of its offerings, customer price sensitivity, and the overall competitiveness of its pricing structure in the South African educational subscription box market.

6.6. Marketing Strategy

6.6.1. Marketing Objectives

The marketing objectives of Kutamba aim to strategically position the educational subscription box service to reach and engage the target segment effectively.

Below are Kutamba's marketing objectives.

- **Brand awareness:** Establish Kutamba as a top-of-mind brand within the first two years of launch.
- **Engagement:** Cultivate a community of engaged parents and educators through social media, online forums, and educational workshops.
- **Customer acquisition**: Achieve a subscriber base of 1000 customers within the first 12 months.

6.6.2. Digital Strategy

Kutamba's digital strategy is focused on creating brand awareness and driving customer acquisition. The digital strategy focuses on the marketing funnel and a 6-week content strategy. Kutamba's marketing funnel is shown in Figure 16 below.

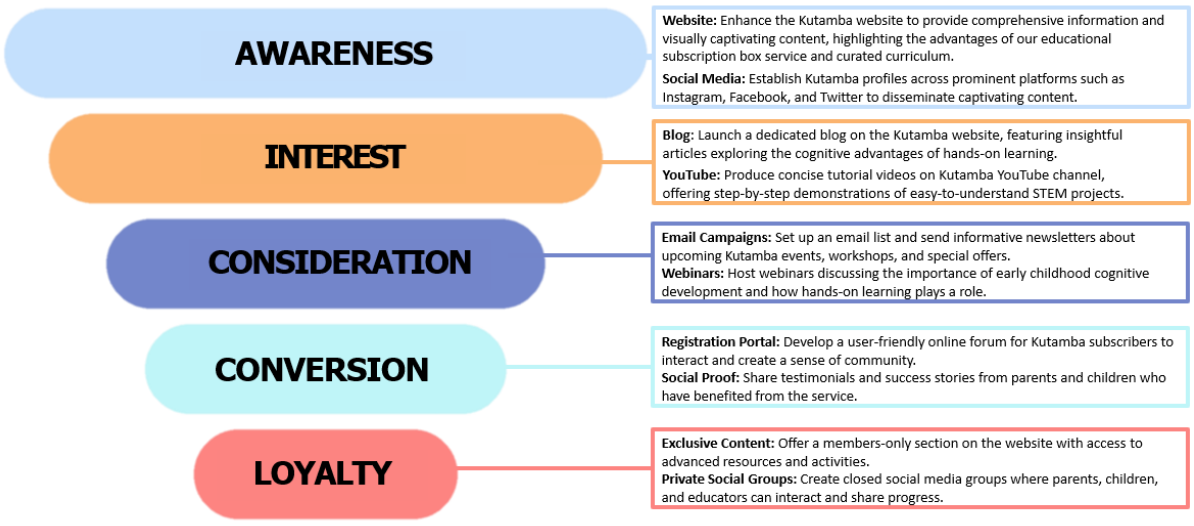


Figure 16: Kutamba's marketing funnel

Kutamba's 6-week Content Strategy

Week 1

- Day 1: Meet the Kutamba Team: Introduce the Kutamba team and their expertise in educational product development. Share photos and brief bios of key team members.
- Day 2: Welcome Post: Launch the journey with a warm welcome to the Kutamba community. Outline the company's mission, values, and the excitement of embarking on this educational adventure.
- Day 3: Parent Engagement Tips: Discuss the importance of parental involvement in children's learning journeys. Provide practical tips and suggestions for parents to actively engage with Kutamba activities.
- Day 4: Kutamba Showcase: Share a video or photo montage showcasing the diverse range of Kutamba themes available, highlighting the creativity and educational value of each.
- Day 5: Fun Facts About STEM: Share interesting and fun facts about STEM topics to spark curiosity and excitement for learning among parents and children.

Week 2

- Day 1: Cognitive Boost: Highlight how hands-on projects enhance cognitive skills such as critical thinking, problem-solving, and pattern recognition. Share a testimonial from a parent or expert about these benefits.
- Day 2: Behind-the-Scenes: Offer a behind-the-scenes look into the creation process of a Kutamba, from concept development to final product assembly.
- Day 3: Parent Testimonials: Share stories and testimonials from satisfied Kutamba subscribers, highlighting the positive impact of Kutamba subscription boxes on their children's learning and creativity.
- Day 4: Kutamba Unboxing: Film or document the unboxing experience of a Kutamba box, showcasing the excitement and anticipation that comes with receiving a new educational package.
- Day 5: Interactive Poll: Run a poll asking parents about their perception of hands-on learning in early childhood education. Share the results and highlight the service's alignment with their thoughts.

Week 3

- Day 1: Meet the Kutamba Innovators: Spotlight young creators and innovators who have been inspired by Kutamba to pursue their interests in STEM fields.
- Day 2: DIY Science Experiment: Share a simple and fun science experiment that families can try at home using common household items, aligning with Kutamba's mission of hands-on learning.
- Day 3: Parenting Tips: Offer parenting tips and advice related to fostering creativity, curiosity, and critical thinking skills in children.
- Day 4: Kutamba Review: Feature a detailed review of a specific Kutamba theme, including hands-on demonstrations and feedback from real subscribers.
- Day 5: STEM Book Recommendations: Recommend a selection of STEM-themed books for children, providing additional resources for families to explore together.

Week 4

- Day 1: Meet the Kutamba Community: Highlight the vibrant and diverse Kutamba community, showcasing photos, stories, and testimonials from subscribers.
- Day 2: DIY Art Project: Share step-by-step instructions for a creative art project that promotes exploration and self-expression.
- Day 3: Parenting Session: Host a live question and answer session with Kutamba experts, addressing common questions and concerns from parents about fostering a love for learning in their children.
- Day 4: Kutamba Sneak Peek: Provide a sneak peek of an upcoming Kutamba theme, offering a glimpse into the exciting themes and activities that subscribers can look forward to.
- Day 5: STEM Career Spotlight: Showcase inspiring individuals who have pursued careers in STEM fields, sharing their stories and highlighting the diverse opportunities available.

Week 5

- Day 1: Strategic Thinking: Explain how hands-on activities encourage strategic thinking and planning, fostering valuable skills for academic and real-life scenarios.
- Day 2: Outdoor Exploration Activity: Share ideas for outdoor exploration and discovery, encouraging families to connect with nature and apply STEM concepts in the world around them.
- Day 3: Parenting Hacks: Offer time-saving and creative parenting hacks for incorporating hands-on learning activities into busy schedules.
- Day 4: STEM Podcast Recommendations: Curate a list of engaging and educational STEM podcasts suitable for children and families, offering another avenue for learning and exploration.
- Day 5: STEM Workshop: Announce a friendly STEM workshop for parents and children. Encourage participation and friendly competition while applying learned strategies.

Week 6

- Day 1: Meet the STEM Educators: Highlight educators and teachers who have integrated STEM into their classrooms, sharing success stories and tips for incorporating hands-on learning into curriculum.
- Day 2: Parenting Support Group: Host a virtual support group or discussion forum for parents to connect, share experiences, and exchange ideas for promoting a love of learning in their children.
- Day 3: Kutamba Giveaway: Host a giveaway or contest where subscribers can win a free Kutamba box, generating excitement and engagement within the community.
- Day 4: Beyond the Box: Highlight how the cognitive skills learned through hands-on activity extend to academic excellence and problem-solving in various subjects.
- Day 5: Community Engagement: Showcase photos or testimonials from parents and children who have formed friendships and connections through the service. Encourage parents to share their experiences.

6.6.3. Partnerships and Collaborations

Kutamba's service offering aligns with SDG 4: Quality Education, which focuses on ensuring inclusive and equitable quality education for all and promoting lifelong learning opportunities

(United Nations, 2015). Using this information, Kutamba will strategically position itself as an organisation that contributes positively to societal and global outcomes. This information will be used to cultivate a community of engaged parents and educators through social media, online forums, and educational workshops, as well as explore potential strategic partnerships with schools, educational organisations, and influencers to expand reach and credibility.

6.6.4. Marketing Budget

Table 6 outlines Kutamba's marketing budget.

Table 6: Marketing budget

Marketing Objective	Approach	Tactics	Timeline	Responsibility	Budget
Increase Subscriptions	1. Digital Presence – Develop to a responsive and user-friendly website	• Develop a user-centric website highlighting Kutamba's interactive approach, curriculum details, and success stories. Create a simple online registration process with easy navigation	2 weeks	Web Developer, Content Team	R3 000
	2. Social Media Marketing - Utilise platforms like Facebook, Instagram, and YouTube to share engaging content, stories, and insights tailored to different early childhood development stakeholders	• Create a content calendar focusing on one hands-on learning concept each week, blending educational content with fun challenges and puzzles. Run targeted ads to reach local parents, emphasizing Kutamba's unique value proposition	Ongoing	Social Media Manager	R20 000 per month
	3. Content Creation - Develop content assets about the benefits of hands-on for early childhood development.	• Craft engaging blog posts, videos, and infographics showcasing how hands-on projects boosts math, social, and emotional skills in young children. Share these resources on the website and social platforms.	Ongoing	Graphic Designer	R4 000 per month
Enhance Brand Awareness	4. Partnerships - Collaborate with local schools, libraries, and community centers to offer workshops and presentations.	• Identify potential partners; Reach out and propose collaborations • Showcase Kutamba's distinctive approach and its benefits for young children	Ongoing	Partnerships Manager	R4 000 per month
	5. Online Parent Workshops	• Design and host engaging workshops, inviting parents to discover the powerful connection between hands-on learning and child development. • Leverage personalized email invitations and social media promotion.	Online	Partnerships Manager, graphic designer and content team	Variable
Drive Engagement	6. Referral Program	• Launch a referral program where existing partners and parents can refer potential subscribers for incentives. • Create referral cards and personalised thank-you gifts.	Ongoing	Marketing Manager	R5000 incentives
Build Thought Leadership	7. Expert Webinars - Host webinars led by early childhood experts, discussing the cognitive and social benefits of chess for young children.	• Identify guest speakers; Plan webinar topics; Promote webinars	Ongoing	Marketing Team	R600 per webinar
	8. E-books - Create in-depth resources about the intersection of chess, education, and child development.	• Develop content, Design and publish resources • Offer these resources as downloads on the website	Once per quarter	Content Creator and graphic designer	R6000
Monitoring and Evaluation	9. Data-Driven Insights	• Regularly analyze website traffic patterns, social media engagement metrics, and enrollment trends. Make strategic adjustments based on insights gained.	Ongoing	Marketing Team	No Costs

6.7. Operations Plan

6.7.1. Organisational Structure Overview

The company plans to operate with a flexible structure, consisting of one permanent staff member and two to four contract workers, whose numbers will adapt based on volume

demands. The permanent role will be a sales order fulfilment consultant, who will handle all customer interactions and order management. Contractors will focus on assembling the educational boxes and performing administrative tasks.

Additionally, Kutamba will benefit from the expertise of a dedicated management team, responsible for:

- Building relationships with suppliers, contractors, and key stakeholders.
- Regularly analysing competitors and adapting strategies accordingly.
- Managing the recruitment, retention, and training of skilled personnel.

An advisory board will be established to strengthen the company's foundation, as shown in Figure 17. This board will provide external expertise in various areas, including:

- Early childhood development
- Identifying potential investors
- Networking opportunities
- Formulating growth strategies

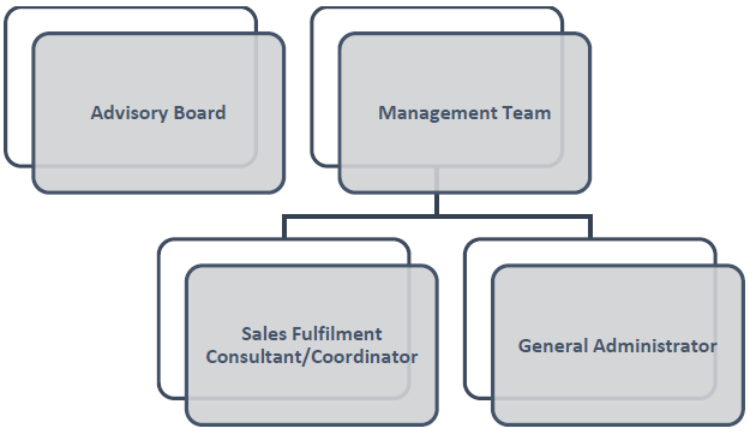


Figure 17: Organisational structure

6.7.1.1. Advisory Board

Dr Lebohang Mokoena is an esteemed educator with over 20 years of experience in early childhood development. She holds a Ph.D. in Early Childhood Education and is the Principal of Nurture and Nature Montessori School, a renowned institution known for its innovative

approach to early learning. Dr. Mokoena is passionate about creating nurturing environments where children can thrive and reach their full potential. She brings a wealth of knowledge in child psychology, curriculum development, and educational leadership to the advisory board. Dr. Mokoena's insights and expertise in early childhood education will be invaluable in guiding Kutamba's efforts to create engaging and developmentally appropriate educational experiences for young children.

Dr. Thembi Khumalo is a respected child psychologist specialising in early childhood development. With a Ph.D. in Clinical Psychology and years of experience working with young children and their families, Dr. Khumalo brings a deep understanding of child development, behaviour, and mental health to the advisory board. She is dedicated to promoting children's social, emotional, and cognitive well-being and has contributed to numerous research studies and publications in the field of child psychology. Dr. Khumalo's expertise will be instrumental in ensuring that Kutamba's educational programs are academically enriching and supportive of children's holistic development and mental health needs.

6.7.1.2. Management Summary

Kutlwano Ngwarati is a prominent tech entrepreneur, strategist, and role model with extensive experience in data science and engineering. Her passion lies in using data and technology to create intelligent solutions that empower African organisations. She leverages cutting-edge technologies like cloud computing, AI, big data, and blockchain to drive progress.

Previously, she co-founded a successful EdTech startup in South Africa, demonstrating her innovative approach to using technology for positive impact. This approach has earned her recognition from prestigious global institutions like the United Nations, Total Energies, and Impact Amplifier.

Kutlwano's diverse skillset includes data analytics, statistical modelling, strategic technology management, project management, innovation, and entrepreneurship. As Chief Operating Officer, she plays a vital role in shaping the company's product innovation and technology direction.

Goitsemodimo Masilo is a seasoned consultant with more than a decade of experience in management consulting and finance. She has demonstrated proficiency in spearheading significant transformations for diverse organisations throughout her career. Her expertise includes business strategy, digital transformation, organisational change, and strategic human resources planning. With a rich background spanning 18 countries, Goitsemodimo offers a global outlook in this venture.

As Chief Executive Officer, she offers strategic direction and counsel to the company's board. This involves ensuring coherence with the company's financial objectives, mission, and vision for the future.

6.7.2. Order Process

Kutamba's subscription box service offers a seamless online experience through its interactive website. Customers can easily place orders for their educational boxes using the user-friendly customisation tool, which allows them to personalise their box with their child's name before purchase. After placing an order, customers receive a confirmation email detailing the expected delivery date. The website features a tracking tool enabling customers to monitor the status of their orders.

Beyond processing transactions, the website gathers valuable data on customer demographics, purchasing habits, and popular pages. This data informs future marketing strategies, ensuring Kutamba effectively reaches and connects with its customers.

6.7.3. The Production Process

The Kutamba order fulfilment process encompasses the following stages:

1. **Order Placement:** Customers will place their orders through the Kutamba website and finalise payment using various methods, including direct bank transfers and credit card transactions.
2. **Order Processing:** An Enterprise Resource Planning (ERP) system will oversee order tracking, ensuring streamlined management. Kutamba will assemble and prepare orders within a maximum of five business days.

3. **Courier Delivery:** Partnered courier services will collect orders from the production facility daily and transport them to their destinations within two to five business days. Customers will receive their Kutamba orders within ten business days from payment.
4. **Customer Assistance:** Kutamba's dedicated staff will promptly address all customer inquiries and help when necessary.

Figure 18 below illustrates the Kutamba order fulfilment process.



Figure 18: Sales order fulfilment

(Source: Schwarz, 2022)

6.7.4. Risk Analysis

The Kutamba business plan faces the following risks:

Technological issues – Medium

Risk description: Kutamba relies heavily on its website and digital platforms for customer interaction and order processing. Any technical glitches, server outages, or cybersecurity breaches could disrupt operations and damage the company's reputation.

Contingency plan: To address this risk, Kutamba will invest in robust information technology infrastructure and cybersecurity measures to safeguard its website and digital platforms against technical issues and cyber threats. Regular maintenance, software updates, and security audits will help mitigate the risk of downtime or data breaches.

Supply chain disruptions – Medium

Risk description: Kutamba's ability to deliver subscription boxes relies on a smooth and efficient supply chain. Disruptions such as delays in sourcing materials, transportation issues, or supplier problems could result in delayed deliveries and customer dissatisfaction.

Contingency plan: Kutamba will diversify its supplier base to reduce reliance on a single source for materials. Establishing relationships with multiple suppliers and implementing contingency plans for supply chain disruptions help mitigate the risk of delays or shortages.

Regulatory compliance – Low

Risk description: Kutamba must adhere to product safety, data privacy, and consumer protection regulations. Failure to comply with these regulations could result in legal penalties, fines, or reputational damage.

Contingency plan: Kutamba should stay abreast of regulatory requirements and ensure compliance with relevant laws and regulations. Regular audits, employee compliance training, and legal counsel can mitigate the risk of regulatory violations and legal consequences.

Market saturation – Low

Risk description: The educational subscription box market may become oversaturated with competitors offering similar products and services, leading to increased competition and difficulty standing out.

Contingency plan: Kutamba will continue differentiating its subscription boxes by offering unique themes, high-quality materials, and exclusive educational content. By providing value-added features that set it apart from competitors, Kutamba can attract and retain customers.

6.8. Financial Data and Forecasts

6.8.1. Start-up Capital

Kutamba's founders have secured R350,000.00 in funding from trusted associates. This interest-free loan, extending for three years, will support a comprehensive marketing campaign to amplify the product launch.

6.8.2. Grant Funding

Beyond the initial investment, Kutamba plans to secure additional start-up capital by participating in grant competitions offered by various organizations, including:

- Total Energies Foundation: Grants between R250,000 and R500,000
- South African Breweries Foundation: Grants between R500,000 and R1.4 million
- Gauteng Enterprise Propeller: Grants between R250,000 and R500,000
- Sasol: Grants between R250,000 and R500,000
- Technology Innovation Accelerator: Grants between R350,000 and R1 million

These competitions typically award grants between R250,000 and R1.4 million to the top three winners. Assuming Kutamba wins grants from all these organisations, it could secure an average of R750,000.

Combined with the secured interest-free loan, this would bring Kutamba's total start-up capital to R1.1 million. This capital will fund the company's operations for the first three years.

6.8.3. Three Years of Projected Financial Statements

The financial statements were formulated using the following assumptions:

Year 1 Assumptions

- By implementing robust marketing strategies, Kutamba aims to achieve a subscriber base of 1,000 parents within its first year of operation. Revenue projections are based on an initial cohort of 300 subscribers from the third month of operations, followed by incremental growth of 100 subscribers per month over the subsequent nine months.
- The revenue distribution reflects an equal split between the premium and standard subscription box services.
- Marketing expenditure aligns with the marketing budget outlined in Section 6.6.4.

Year 2 Assumptions

- In the second year of operations, sales and marketing expenditures are projected to increase by 10% and 15%, respectively.
- The revenue distribution reflects a 55% and 45% split between the premium and standard subscription box services.

Year 3 Assumptions

- In the third year of operations, sales and marketing expenditures are projected to increase by 15% and 20%, respectively.
- The revenue distribution reflects a 60% and 40% split between the premium and standard subscription box services.

Consistent Yearly Assumptions

- With the implementation of an aggressive marketing strategy, Kutamba sales are expected to double every year.
- The cost of goods and expenses will increase at a rate above inflation every year.

6.8.3.1. Kutamba Income Statement

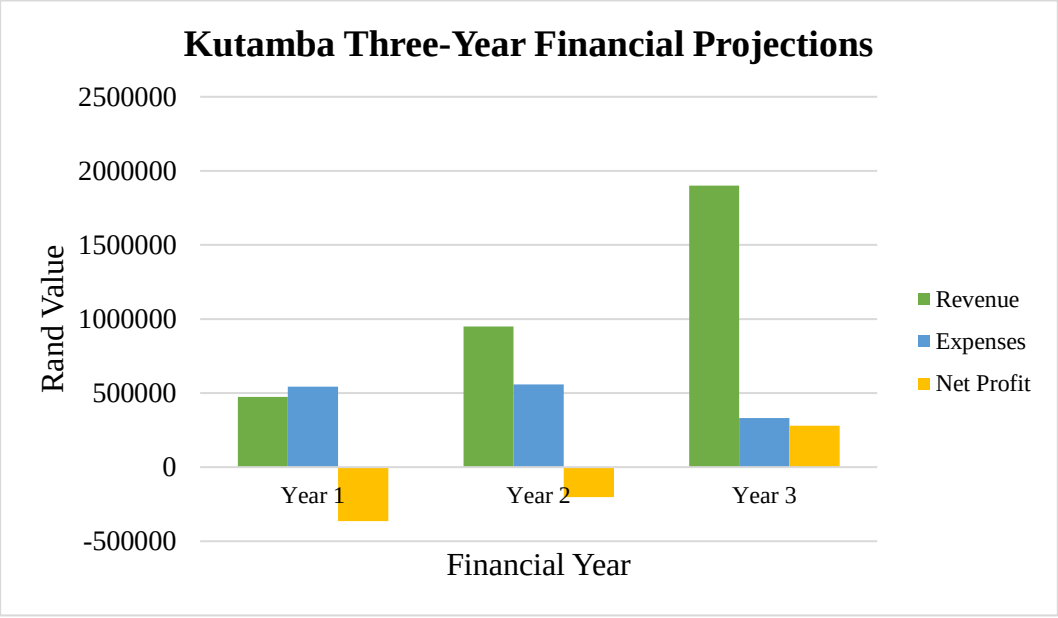


Figure 19: Kutamba Three-Year Financial Projections

The income statement analysis for Kutumba over three consecutive years reveals significant growth in revenue, effective cost management, and improved profitability. Initially, the company saw its revenue streams expand across premium and standard subscription box services. Premium subscription revenue doubled annually, climbing from R300,000.00 in Year 1 to R1.2 million by Year 3, while the standard subscription box followed a similar upward trajectory from R175,000.00 to R700,000.00 over the same period. Consequently, total sales revenue rose from R475,000.00 in the first year to R1.9 million by the third year.

Despite the rising cost of sales, which increased from R296,250.00 in Year 1 to R1.185 million in Year 3, the company significantly boosted its gross profit from R178,750.00 to R715,000.00, indicating an efficient business model scaling. However, operating and administrative expenses exhibited variability, with total expenses peaking in the first two years but saw a substantial decrease in Year 3 to R330,697.50. This is due to a significant reduction in marketing and advertising expenses, despite fluctuations in administrative costs, particularly in stationary and other expenses.

The financial turnaround became evident as the company progressed from a loss in the first two years to achieving a substantial pre-tax profit of R384,302.50 in Year 3. After accounting for a 27% company tax, the net profit stood at R280,540.80, marking a successful transition to profitability. This journey reflects the company's ability to scale operations, manage costs, and optimize its marketing strategy, leading to a robust bottom line by Year 3.

A detailed income statement for Kutamba is available in Appendix E.

6.8.3.2. Kutamba Balance Sheet

Over three years, Kutumba transformed its financial structure, demonstrating effective financial management and strategic growth. Initially burdened with debt, the company successfully paid off its initial loan by the end of Year 3, showcasing its strong debt management capabilities. Throughout this period, there was a marked fluctuation in the composition of its current assets, transitioning from an exclusively cash position in Year 1 to a diversified mix of cash and inventories by Year 3. This shift reflects a strategic approach to asset management and highlights the company’s evolving operational needs and responses to market demands.

Significantly, the owner's equity in Kutumba experienced growth over these years, attributed to the owner's additional investment and the retention of earnings within the business. This increase in owner's equity is a testament to the owners' confidence in the business and the effective reinvestment of profits to fuel growth and stability. By Year 3, Kutumba achieved a milestone by operating without any liabilities, presenting a healthier balance of assets.

A detailed balance sheet statement for Kutamba is available in Appendix F.

6.8.3.3. Kutamba Cashflow Statement

Over three years, Kutumba showcased a transformation in its approach to cash flow management, evolving from a phase of financial challenges to achieving a commendable level of financial health. Initially, the company grappled with considerable cash outflows, attributed mainly to substantial operating and administrative expenses, and this period of financial strain highlighted the immediate need for stringent cost control measures and strategies to enhance revenue generation.

Moving into the second year, Kutumba began to see the fruits of its labour with the emergence of a modest positive net cash flow. This marked a pivotal point, signalling a move towards financial stabilisation. It indicated that the company's efforts to rein in costs while simultaneously boosting sales revenue were beginning to pay off. This shift laid the groundwork for sustainable financial management and operational practices.

Another breakthrough came in the third year when Kutumba witnessed a dramatic improvement in its cash flow. This resulted from a significant increase in sales revenue, coupled with disciplined spending habits. Kutumba's journey from financial turbulence to stability and growth exemplifies the power of focused financial strategy and operational efficiency in overcoming challenges and achieving long-term success.

A detailed cash flow statement for Kutamba is available in Appendix G.

6.8.4. Venture Capital Investments

Kutamba aims to secure a capital investment of R1.5 million in exchange for a 30% equity stake by Year 3. This valuation aligns with the anticipated sales revenue, estimated at R5 million. The investment will remain within the business for five years, with an expected annual

repayment of R250,000 (excluding dividends) commencing from Year 3. Furthermore, at the end of Year 4 (equivalent to Year 7 since the company's inception), projected dividends of R300 000 will be distributed for the 30% shareholding.

The injected capital will be allocated towards acquiring a versatile laser cutting machine, enabling in-house production of components for the subscription boxes. This state-of-the-art equipment can proficiently cut materials such as wood, plastic, metal, paper, cardboard, and glass. By leveraging this technology, Kutamba anticipates a 25% reduction in the cost of goods for its educational subscription boxes.

The procurement strategy involves purchasing this machine from China, ensuring quality and cost-effectiveness. The surplus capital will be strategically utilised to introduce a new subscription box service tailored for the digital navigator persona. This demographic, fuelled by the rapid expansion of the AI and data industry, presents an enticing market opportunity. Entrance into this space will commence from Year 4 of operations after the establishment of Kutamba's brand within STEM early childhood development.

A breakdown of the capital investment is shown in Table 7 below.

Table 7: Breakdown of capital investment

Use of Capital	**Costs**
Purchase of Laser Cutting Machine	R850,000.00
Import Costs (includes shipping, custom duties, and agent costs)	R250,000.00
Launch of Kutamba Digital Navigator Range	R400,000.00
Total	**R1.5 million**

Kutamba proposes an adaptable investment strategy for the R1.5 million by presenting it as a convertible note. With this arrangement, the note would carry a 20% discount and be capped at R5 million. This approach offers Kutamba the advantage of postponing valuation negotiations with investors, allowing the company to scale its operations before pursuing additional venture capital.

7. Summary and Conclusions

This concluding section presents a summary of the research findings, key highlights from the business venture proposal and an implementation plan.

7.1. Summary of Purpose, Scope, and Objectives

The primary aim of this report was to examine the viability and potential impact of implementing a new business venture within the educational subscription industry in South Africa. Throughout the research journey, the author analysed the landscape, scrutinised consumer behaviours, and evaluated market dynamics. The scope included understanding the feasibility of launching an educational subscription service catering to young children. Comprehensive analyses of KiwiCo's success factors and the South African early childhood development sector were conducted. Through qualitative research methodologies like interviews, the author delved into the perspectives of South African parents, aiming to understand their specific needs, expectations, and openness towards educational subscription box services. Furthermore, cultural differences and contextual intricacies within South Africa were considered to ensure the service's alignment with local values and preferences. In synthesising these insights into a business model, the venture aimed to create a sustainable and impactful educational subscription box service that meets the educational needs of South African children.

7.2. Key Research Findings

The analysis of educational subscription box services in South Africa, incorporating insights from KiwiCo's success and parental perspectives, reveals an understanding of parent preferences and market opportunities. The research identified 14 emergent themes, reflecting parents' multifaceted considerations regarding children's toys and educational materials. These themes span from the educational value of toys, parental involvement, and digital engagement to product quality and safety considerations. A significant insight is the strong preference for toys that entertain and offer educational benefits, including STEM learning, problem-solving skills, and creativity. Parents emphasise the importance of hands-on, experiential learning, demonstrating the value of subscription boxes that provide engaging and educational activities.

The analysis utilised a qualitative approach, employing ATLAS.ti for thematic analysis of interviews, YouTube videos, and web content, resulting in a rich understanding of parental perspectives. The coding process revealed specific preferences for educational toys that align with school curricula, foster creativity, and promote physical activity. Additionally, parents desire products that encourage parental involvement, highlighting the importance of family engagement in children's learning processes.

KiwiCo's success, analysed through web scraped data, provides valuable insights into practical strategies for educational subscription services. Innovative curriculum design that integrates STEAM concepts, developmental alignment, and a focus on hands-on learning is critical to the company's success. Effective customer acquisition and retention strategies, alongside a streamlined operational model, further underscore KiwiCo's market leadership. These insights are particularly relevant for the South African context, suggesting the need for curriculum adaptation to local educational standards, localised marketing efforts, and operational efficiencies tailored to local distribution and customer support challenges.

The study proposes focusing on the "engaged educator" persona as the primary target market for a new educational subscription box service in South Africa. This persona represents parents who value educational content, hands-on learning, and quality materials, aligning closely with the core offerings of the proposed service. Integrating key features identified as necessary by parents, such as educational value, hands-on learning experiences, and high-quality materials, the service aims to meet the needs and expectations of South African families.

7.3. Main Features of the Business Proposal

The business proposal for Kutamba, a South African educational subscription box service, outlines a comprehensive strategy to revolutionise early childhood education through hands-on STEM projects. Founded by two visionary South African women, Kutamba aims to nurture a love for knowledge in young minds, preparing them for a world that values innovation and critical thinking. Targeting children aged five to eight, the service looks to engage future innovators with school curriculum-aligned, age-appropriate activities that ignite curiosity and encourage creativity.

Kutamba's strategic milestones include:

- achieving a 60% market share in the South African hands-on STEM projects industry within three years,
- sustaining yearly revenue growth of 50%, and
- establishing itself as the top children's activity brand in South Africa.

The opportunity for Kutamba is underscored by a growing global demand for educational subscription box services, a trend reflected in the success of companies like KiwiCo in the USA. South African parents' desire for high-quality, locally relevant educational materials presents an excellent opportunity for Kutamba's offerings.

The business proposal is built on assumptions validated through interviews with South African parents who strongly desire personalised and curriculum-aligned educational content. Kutamba's industry and market analysis reveals a booming global subscription box market projected to grow significantly, driven by the demand for personalised items and the popularity of subscription boxes across sectors, including education.

Kutamba's marketing strategy aims to establish brand awareness, engage the community, and achieve a significant subscriber base within the first year. The digital strategy focuses on creating brand visibility and driving customer acquisition through a carefully crafted 6-week content strategy that leverages social media and other digital platforms.

The operations plan details Kutamba's lean organisational structure, efficient order process, production process, and risk analysis, ensuring the company's readiness to navigate potential challenges. Financial projections over three years show promising growth in revenue, effective cost management, and profitability, indicating a solid foundation for success.

Kutamba seeks venture capital investments to enhance its offerings further and expand its reach. The capital will be used to acquire a laser cutting machine for in-house production and to launch a new subscription box service tailored for the digital navigator persona. With a solid business model, innovative product offerings, and a clear strategic direction, Kutamba is positioned to impact early childhood education in South Africa significantly.

7.4. Potential Next steps

Implementing Kutamba's business plan effectively requires a strategic, phased approach that meets the venture's goals while remaining adaptable to market feedback and operational realities. Below is a detailed implementation strategy broken down into critical phases:

Phase 1: Launch Preparation (0-6 Months)

- Months 0-2:
    - Finalise product design and initiate prototype testing with target user groups.
    - Secure agreements with critical suppliers and establish a preliminary inventory.
- Months 2-4:
    - Develop and test the Kutamba website and initiate mobile app development.
    - Create and execute a pre-launch social media marketing strategy to build brand awareness.
- Month 4-6:
    - Complete the mobile app development with core functionalities for a soft launch.
    - Finalise the 6-week content strategy and begin execution to ramp up to the official launch.
    - Prepare and execute the virtual launch event.

Phase 2: Market Entry and Growth (6-12 Months)

- Month 6:
    - Officially launch Kutamba with a comprehensive marketing campaign and virtual launch event.
- Months 7-9:
    - Aggressively pursue customer acquisition through digital marketing, partnerships, and influencer collaborations.
    - Implement operations and customer service protocols, focusing on efficiency and satisfaction.
- Months 10-12:
    - Analyse initial market response and customer feedback to refine product offerings.
    - Begin initial discussions and pilot partnerships with schools and educational institutions.

Phase 3: Expansion and Diversification (Year 2)

- Months 13-18:
    - Based on customer feedback, introduce new subscription box themes.
    - Start preliminary research into potential expansion in other age groups.
    - Implement eco-friendly initiatives, including packaging and materials.
- Months 19-24:
    - Launch special edition boxes and begin targeted development for the digital navigator persona service.
    - Deepen school and institutional partnerships and explore opportunities for corporate sponsorships.

Phase 4: Consolidation and Scaling (Year 3 onwards)

- Months 25-30:
    - Establish strategic partnerships with content creators and educational platforms.
    - Finalise and launch the Kutamba mobile app with enhanced features.
- Months 31-36:
    - Based on successful pilot programs, begin the process for new product range.
    - Scale up marketing and operational capabilities to support product range expansion.

Year 3 onwards:

- Continuously evaluate and adapt product offerings based on customer feedback and market trends.
- Expand into new markets based on strategic analysis and successful initial launches.

It is important to note that this timeline is a guideline and may need adjustments based on real-world feedback, market conditions, and operational efficiencies discovered during the implementation process. Regular review points will be established to assess progress against these timelines and make necessary adjustments to stay aligned with Kutamba's strategic objectives.

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Appendix A: Interview Guide

Introductory questions

1. What name would you prefer me to use? For this research, pseudonyms will be used.
2. Can you provide some information about yourself, such as your place of residence and occupation?
3. How many children do you have? Please tell me about them.

Questions about the value of learning through play

1. What types of toys or play activities does your child enjoy the most?
2. Could you describe a recent situation in which you played with your child?

Prompt Question: If the participant mentioned toys, ask them to provide a description of the toys they were playing with?

3. How would you describe your experience of using those toys?
4. In your opinion, how did your child benefit from that play situation?
5. How do you believe the toy supported your child's learning process?
6. Among your children's toys, which one do you consider the best?
7. What influenced your decision to choose that particular toy?
8. What specific features make that toy stand out as the best?
9. What factors do you take into consideration when purchasing toys for your child or children?
10. How would you personally define an educational toy?
11. From your children's toys, which ones do you consider the most educational? Why?

Transition to the product website

Share the following site www.kiwico.com with participants and ask them the following questions:

- Can you walk me through this site and let me know what you think of them?

Follow-up questions about subscription boxes

1. What are your children's favorite toys or play activities?
2. Can you provide a description of a recent playtime experience you had with

your child?

3. If they mentioned toys, could you describe the specific toys you were playing with?
4. How would you describe your overall experience with those toys?
5. From your perspective, how did your child benefit from engaging in that playtime situation?
6. In what ways do you believe the toys supported your child's learning process?
7. Which toy would you consider to be the top choice among your children's collection?
8. What factors influenced your decision to select that particular toy?
9. What standout features make that toy the preferred choice?
10. When purchasing toys for your child or children, what criteria do you consider?
11. How would you personally define a toy as being educational?
12. Among your children's toys, which ones do you believe have the highest educational value? Why?

Appendix B: Example of Python Script

```python
import requests
from bs4 import BeautifulSoup

def scrape_reviews():
    url = "https://www.kiwico.com/shop/reviews"
    response = requests.get(url)

    if response.status_code == 200:
        soup = BeautifulSoup(response.content, "html.parser")

        # Find the container for reviews
        reviews_container = soup.find("div", class_="ReviewsContainer__Wrapper-sc-1g0b9pz-0 cZRhFG")

        if reviews_container:
            # Find all individual reviews
            reviews = reviews_container.find_all("div", class_="ReviewCard__Wrapper-sc-13v50cw-0 iLtLjH")

            for review in reviews:
                # Extract review text
                review_text = review.find("div", class_="ReviewCard__Text-sc-13v50cw-3 hAOqEa").text.strip()
                # Extract review rating
                review_rating = review.find("div", class_="ReviewCard__Stars-sc-13v50cw-2 duwgbm").text.strip()

                print("Rating:", review_rating)
                print("Review:", review_text)
                print("-" * 50)
        else:
            print("Reviews container not found.")
    else:
        print("Failed to retrieve webpage.")

if __name__ == "__main__":
    scrape_reviews()
```

Appendix C: Participant Information Sheet



Dear Sir / Madam

My name is Kutlwano Ngwarati. I am a Masters student in Business Administration at the University of the Witwatersrand, Johannesburg. My supervisor is Prof. Mjumo Mzyece. I am conducting a research study about parental perspectives on educational subscription boxes The study title is: Business Venture Proposal for an Educational Subscription Box Service in South Africa: Insights from Parental Perspectives.

I am inviting you to take part in an interview. If you decide to take part, your participation in this research study will last about 60 minutes The interview will take place at online at a time that is convenient for you.

With your permission, I would like to audio record the interview. This data will be stored in a password protected computer for 3 years and deleted thereafter. Only the researcher will have access to the data.

The interview will be confidential. When I share the results of the research study, I will not include your name or anything else that could identify you.

If you decide to take part in the research study, it should be because you want to volunteer. You do not have to take part. You can stop being in the study at any time. You do not have to answer any questions if you do not want to. You will not get any direct benefits if you choose to join the research study. You will not lose any services, benefits or rights you would normally have if you decide not to join. Taking part in the research study will not cost you anything. You will not be paid for being in this research study.

The risks for this research study are no more than what happens in everyday life some of the questions asked may make you feel sad or upset. If this happens, I will stop the interview and continue another time.

This research study will be written up as a business venture proposal. The report will be available on the university library website. If you would like to receive a summary of this report, I will be happy to send it to you.

If you have any questions during or afterwards about this research study, feel free to contact me or my supervisor on the details listed below. If you have any concerns or complaints about the ethical procedures of this research study, you are welcome to contact the University Human Research Ethics Committee (Non-Medical), telephone +27(0) 11 717 1408, email hrecnon-medical@wits.ac.za.

Yours sincerely,
Kutlwano Ngwarati

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Prof. Mjumo Mzyece, mjumo.mzyece@wits.ac.za, 011 717 3649

Appendix D: Participant Consent Form

Title of project:

Business Venture Proposal for an Educational Subscription Box Service in South Africa: Insights from Parental Perspectives

Name of researcher: Kutlwano Ngwarati

I, …….... agree to participate in this research project.

I agree to the following:

(Please circle the relevant options below)

The research study was explained to me. I understand what this study is about.	YES	NO
I understand that I can volunteer to take part in the study.	YES	NO
I agree that the interview may be audio recorded.	YES	NO
I agree that direct quotations from my interview may be used by the researcher in their business venture proposal.	YES	NO
I agree that my participation will remain anonymous (my name or other identifying data will not be used by the researcher in their business venture proposal.	YES	NO

Participant:

…… (signature)

…… (name of participant)

…… (date)

Researcher:

…… (signature)

…… (name of researcher/person seeking consent)

…… (date)

Appendix E: Kutamba Income Statement

Income Statement				
		Year 1	**Year 2**	**Year 3**
Sales Revenue				
Premium subscription box		R300,000.00	R600,000.00	R1,200,000.00
Standard subscription box		R175,000.00	R350,000.00	R700,000.00
Total Sales Revenue		**R475,000.00**	**R950,000.00**	**R1,900,000.00**
Cost of Sales				
Premium subscription box		R185,750.00	R371,500.00	R743,000.00
Standard subscription box		R110,500.00	R221,000.00	R442,000.00
Total Cost of Sales		**R296,250.00**	**R592,500.00**	**R1,185,000.00**
Gross Profit		R178,750.00	R357,500.00	R715,000.00
TOTAL INCOME		**R178,750.00**	**R357,500.00**	**R715,000.00**
EXPENSES				
Operating Expenses				
Marketing and Advertising				

Online advertising (YouTube/Google Ads)		R150,000.00	R172,500.00	R57,000.00
Social Media Campaigns/Endorsements		R200,000.00	R240,000.00	R100,000.00
Total Marketing and Advertising Expenses		**R350,000.00**	**R412,500.00**	**R157,000.00**
Administrative Expenses				
Salaries		R60,000.00	R66,000.00	R72,600.00
Stationary		R13,400.00	R18,700.00	R52,740.00
Website launch and Web Hosting		R38,000.00	R15,600.00	R17,940.00
Web site maintenance		R28,000.00	R30,700.00	R13,805.00
Web site design		R45,000.00	R0.00	R0.00
Other expenses		R8,000.00	R15,750.00	R16,612.50
Total Administrative Expenses		**R192,400.00**	**R146,750.00**	**R173,697.50**
TOTAL EXPENSES		**R542,400.00**	**R559,250.00**	**R330,697.50**
PROFIT BEFORE TAX		**(R363,650.00)**	**(R201,750.00)**	**R384,302.50**
Company taxes at 27%		R0.00	R0.00	R103,761.70
NET PROFIT		**(R363,650.00)**	**(R201,750.00)**	**R280,540.80**

Appendix F: Kutamba Balance Sheet

BALANCE SHEET			
ASSETS			
	Year 1	**Year 2**	**Year 3**
Current Assets			
Cash	R750,000.00	R0.00	R121,300.77
Inventories	R0.00	R58,768.00	R98,800.00
Total Current Assets	**R750.000.00**	**R58,768.00**	**R258,800.77**
LIABILITIES AND OWNER'S EQUITY			
Current Liabilities			
Loan	R350,000.00	R0.00	R0.00
Total Current Liabilities	R350,000.00	R0.00	R0.00
Owner's Equity			
Owner's investment	R120,000.00	R0.00	R100,000.00
Accumulated retained earnings	R330,000.00	R58,768.00	R178,800.77
Total Owner's Equity	R430,000.00	R58,768.00	R278,800.77
TOTAL LIABILITIES AND OWNER'S EQUITY	**R750,000.00**	**R58,768.00**	**R438,800.77**

Appendix G: Kutamba Cashflow Statement

Cash Flow Statement				
	Cash at the Beginning of the Period	R1,100,000.00	R682,600.00	R694,582.00
	Cash at the End of the Period	R682,600.00	R694,582.00	R1,634,561.60
Operations		**Year 1**	**Year 2**	**Year 3**
Cash receipts from				
	Sales	R475,000.00	R950,000.00	R1,900,000.00
Cash paid for				
	Inventory purchases	R290,000.00	R258,768.00	R398,800.00
	General operating and admin expenses	R482,400.00	R493,250.00	R101,097.00
	Wage and Salary expenses	R120,000.00	R186,000.00	R252,600.00
	Income taxes	R0.00	R0.00	R103,761.70
Net Cash Flow from Operations		(R417,400.00)	R11,982.00	R939,979.60
Net Cash Flow		**(R417,400.00)**	**R11,982.00**	**R939,979.60**