



Bloom Youth Development: Soft-Skill Development for Youth

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INTRODUCTION

On January 2, 2023, founder of Bloom Youth Development (Bloom) Dev Parekh was riding the GoTrain to Brampton to attend a Secret Santa gift exchange with his close friends. The previous month, Parekh had the chance to reflect on the first two years of his educational startup business that he launched in 2021 after graduating from the Honours Business Administration Program (HBA) at Western University's Ivey Business School. While the journey had been promising, Parekh recognized that the business had begun to plateau, reaching its limits for growth. He and his team were unsure about the next steps, but they knew they wanted to carefully review their financial performance and position before making major decisions.

BEGINNINGS

Like many people, Parekh found the COVID-19 lockdowns personally challenging, and he relied on the importance of mindfulness to remain balanced during a difficult time.¹ During this time, he became enthusiastic about education and the power of mindfulness practices. In July 2020, Parekh began a passion project that involved daily meditation sessions, which brought individuals together every day at 9 pm over Zoom. He called these sessions "Mindful Minutes." They were a way for participants to remain consistent with their meditation and self-care routines by holding one other accountable. Slowly, Parekh's project evolved into a supportive learning community.

[1] Mindfulness is a self-regulation technique that reminds practitioners to stay grounded in the present moment. It helps keep them focused on what matters to them, through an understanding that self-awareness counterbalances anxiety and stress about endless future possibilities.

Parekh's sessions became increasingly popular, motivating him to start offering workshops with revenue potential. His workshops presented hands-on tools and activities that exposed university and college students to self-development opportunities to equip them with soft skills that are traditionally not taught within the classroom, as seen in Exhibit 1.

When Parekh's mother encouraged his 9-year-old cousin to attend one of Parekh's workshops, he realized that he could teach these skills to younger demographics, providing them an opportunity to learn these core skills during early developmental phases. This idea led to the launch of Bloom Youth Development in January 2021.

BLOOM YOUTH DEVELOPMENT

Parekh described Bloom as a self-development program for youth aged 6-16 that taught 35-40 soft-skills in an interactive and engaging way over an 18-month term. Bloom incorporated active learning strategies into its teaching methods, ensuring that students were given an opportunity to practice the skills they were learning in class. These skills were grouped into three broad categories:

- ▶ Knowledge-based skills: introduction to self-development, social health, mental health, financial well-being, emotional health, and goal setting
- ▶ Transferable skills: communication, problem-solving, critical thinking, teamwork, and leadership
- ▶ Personal skills: self-awareness, self-confidence, passion, risk-management, professionalism, and charisma

Bloom classes ran for one hour a week over Zoom.² Students could choose a preferred time slot on weekday evenings and weekend afternoons based on their class schedules. This flexibility was necessary for retaining students and keeping parents happy while balancing other responsibilities. Each class consisted of 7 – 10 students, along with two instructors. Exhibit 2 provides a breakdown of the hour session.

Classes were divided into two age groups: 6-9 and 10-16 years old. The older demographic had more direct goal setting activities, such as drinking more water, exercising for 30 minutes every day, reducing screen time, and eating healthier. Throughout the week, students worked on these goals and their instructor asked for their progress at the beginning of the next class to hold them accountable. The younger demographic had a different activity in the program, which involved students acting as agents who were on a mission to save a fictional character in an imaginary Bloom Forest. This game provided an engaging way for younger students to learn the skills of the program.

To facilitate these lessons, students were sent a Bloom Box upon registration, which included hands-on activity materials to accompany the curriculum. A Bloom Discord³ community was launched for students to stay connected to the program, and by July 2021, the company also offered students volunteer opportunities with community partners, in-person networking meetings, certifications for skills achieved in Bloom, and an industry specific mentorship program. Bloom generated revenue through students' monthly payments of \$100 on a 4-week basis. In students' first month, Bloom also charged a one-time enrolment fee of \$225, which included their Bloom Box shipment, along with the other benefits.

[2] Zoom is a communications platform that allows users to connect virtually through video, audio, phone, and chat options.

[3] Discord is a voice, video, and text chat app that is used by tens of millions of people ages 13+ to talk and hang out with their communities and friends.

THE FOUNDING TEAM

Bloom's founding team also included Aashna Shah and Adisha Shankar, whom Parekh met during his time at the Ivey Business School. All three of them lived in Brampton, Ontario. Shah joined Bloom as a full-time salaried employee in 2021 after graduating with Parekh, and Shankar would join full-time after graduating in May 2023. Although Parekh was excited about having Shankar on his team, he also felt pressure to ensure that Bloom generated enough revenue for all three founders, since he also began to take a salary in the second year of operations.

DEV PAREKH

Parekh was born in India and moved to Canada with his parents when he was one year old. His parents struggled as new immigrants but worked hard to establish themselves and create opportunities for their child. Parekh's parents were proud of his decision to go to business school, and they eagerly supported him with the belief that his education would lead to a stable and promising career. Parekh knew his parents trusted him, though he felt tension from his family about starting a business that had higher risks and lower stability than pursuing full-time work within an established business.

Parekh was passionate about education and was confident that Bloom was the best plan for his future. He cared deeply about his company, and he worked full-time over 10 hours a day since starting Bloom, alongside Shah and Shankar. Having invested \$1,000 from his personal savings into Bloom when it started, Parekh was happy with its momentum but could not afford slower growth. He believed that 2023 would be instrumental in demonstrating the company's potential to his family, as they remained uncertain that Bloom was a sustainable decision for Parekh's future. Having their approval was of great cultural importance to Parekh, and if he did not receive it, he worried his family would strongly encourage him to sell the business and pursue full-time work elsewhere.

THE AFTER-SCHOOL ACTIVITY INDUSTRY

In North America, parents were increasingly trying to diversify the range of activities that their children could participate in and learn from after school. Research indicated that participating in extra-curricular and after school activities benefited children and youth development, particularly in prosocial behaviour.⁴ Parents were willing to pay for these services, because it was generally agreed that students who participated in extracurricular activities tended to have higher grades, more positive attitudes toward school, and higher academic aspirations.⁵ While this varied with income levels, young children from urban areas living with two parents were more likely to participate in extracurricular activities.⁶

In the United States, the market for after-school programs was projected to be \$24.2 billion in 2023.⁷ While dance and music lessons, art classes, and sports had been popular activities for decades, the COVID-19 pandemic further increased parents' recognition of the value of mental and emotional well-being among children.

[4] Ann Guèvremont, Dafna Kohen, and Leanne Findlay, "Do high levels of extracurricular activities help or hinder child development?" *Canadian Council on Learning*, http://en.copian.ca/library/research/ccl/do_high_levels_extracurricular/do_high_levels_extracurricular.pdf.

[5] "Top 10 Benefits of Extracurricular Activities for High School Students," *Crimson Education*, January 31, 2023, <https://www.crimsoneducation.org/ca/blog/extracurriculars/benefits-of-extracurricular-activities/>.

[6] See note 5 above.

[7] After-School Program Providers in the US - Market Size 2004 – 2029, *IBISWorld*, April 28, 2023, <https://www.ibisworld.com/industry-statistics/market-size/after-school-program-providers-united-states/>.

THE CONSUMER

Bloom's target market was parents with kids aged 6-16, who were looking for extra-curricular or after-school programs. Parekh ensured that he educated parents about the importance of children learning soft skills during their early life stages, and how these skills could help with future career prospects. This appealed to parents who had transitioned from university into the workforce and appreciated how Bloom's skill-based curriculum could be helpful to children.

Since Bloom offered most of its modules online, students could join from across North America, however most customers were from the Greater Toronto Area (GTA). A significant percentage came from South Asian immigrant families within Parekh's hometown familial networks. Bloom relied on word-of-mouth marketing, but Parekh was hopeful that the customer base would diversify if Bloom could expand its reach.⁸

COMPETITION

Bloom did not identify direct competitors in the after-school, soft-skill development space. They did, however, compete with renowned after-school programs that offer technical skills in mathematics, coding, and sciences.

Large companies, like Kumon, prided themselves in developing students' academic abilities and independence through unique materials and teaching aids. The Kumon program incorporated methods for self-guided learning to introduce new content at an advanced level. Kumon's program charged \$180 for monthly tuition, as well as one-time fees such as \$80 for enrolment and \$30 for materials, exclusive to reading students.⁹ It mostly focussed on academic extracurricular programs, similar to traditional, in-person tutoring.

Similarly, Code Ninja was a camp that helped students learn coding in a fun, safe, and inspiring learning environment. They offered an immersive experience for students to explore and develop new hard skills and gain confidence through engaging activities that diverged from traditional classroom lessons. Code Ninja specialized in coding, game building, robotics, and STEM. They charged an average of \$249 for each Monday – Friday camp.¹⁰

Kumon and Code Ninja often appealed to parents because they helped children learn challenging and employable skills at an early age, and in enjoyable ways. Although they were limited by their in-person program offerings.

Bloom also faced competition from large, national activity-based programs, such as Thrive Kids Canada and Power of Words Academy. Thrive Kids Canada provided safe and exciting after-school care year-round. Children learned through relational mentoring, interacting with nature, and creative opportunities for personal growth of body, soul, and spirit. On average, Thrive Kids' programs charged \$425 weekly.¹¹ Power of Words Academy offered holistic writing and public speaking programs for students aged 7-14 in both virtual and in-person formats. These programs ranged from \$450 weekly for summer camps to \$750 for 14 sessions throughout a given period.¹²

[8] Maninder Sodhi, "Parenting Challenges and Adaptive Strategies: A Qualitative Analysis of Asian Indian Immigrant Families in Canada" (master's thesis, Brock University, 2018), https://dr.library.brocku.ca/bitstream/handle/10464/13906/Brock_Sodhi_Maninder_2019.pdf?sequence=1&isAllowed=y.

[9] "About the Centre," *Kumon*, accessed June 29, 2023, <https://www.kumon.com/toronto-the-danforth/aboutcenter>.

[10] "Members," *Code Ninjas*, accessed June 29, 2023, <https://members.codeninjas.com/e/?uuid=c503e52f-6f73-45d9-ab3b-3d98382235a9>.

[11] "Jr. Leader Program: Leadership development for kids ages 9 – 12," *Thrive Kids Canada*, accessed June 29, 2023, <https://www.thrivekidsCanada.ca/pages/jr-leader-program>.

[12] "Summer Camp/Course Registration," Power of Words Academy, accessed June 29, 2023, <https://www.powerofwordssacademy.ca/summer-camps-registration>.

PREVIOUS BUSINESS AND FUTURE PROJECTIONS

In its first two years, Bloom capitalized on South Asian families in the Brampton region through community-oriented word-of-mouth marketing, as seen by the financial statements in Exhibits 3 through 5.¹³ Yet Parekh was worried that the company would not be able to sustain their growth by only relying on this strategy.

STATUS QUO

Parekh and his team wanted to determine how Bloom was likely to continue to perform without implementing major changes to its operational or business models. He projected an average total number of paying students to be 142 in 2023, each paying \$100 per month for the entire year. This growth would result in 65 new registrants. Each Bloom Box for newly registered students would cost Bloom \$135, including shipping.¹⁴ Salaries would increase when Shankar joined the team full-time on May 1, 2023, at an annualized salary of \$35,000. Shankar joining full-time would also bring down the part-time teachers' salaries to only 40% of what was paid in 2022. Parekh did not want to spend money on advertisements for next year, because he was nervous about controlling operating expenses with the increase to salaries. Other operating expenses were expected to remain the same dollar as the previous year.

INCREASING ADVERTISING EXPENSES

Parekh maintained a conservative budget for advertisements through word-of-mouth fuelled growth, although he was worried it would have diminishing returns within the same social circles, and he wanted to try other strategies for gaining new customers. Shah suggested a combined approach with Google and Meta advertisements, since she believed parents were more likely to use these platforms. The team considered spending \$15,000 on advertisements, divided equally between Google and Meta. Google would cost Bloom approximately \$2.25 per click and Meta would cost \$1.12 per click. Parekh was unsure of the click-to-sales conversion ratio, however, Shankar knew that the average lifetime revenue per customer for Bloom was \$2,025, of which the only variable cost was the initial Bloom Box.

RENTING A CLASSROOM

Shankar received a significant amount of feedback from parents and students about hoping to transition to an in-person model. Parekh had previously considered this idea but refrained from it, since Bloom was growing rapidly online and many people were still uncomfortable with in-person sessions, despite that the Ontario Government began lifting its pandemic restrictions. Since Bloom's largest customer base was in the Brampton-Mississauga region, Parekh researched classroom options in nearby neighbourhoods. He found that classroom rentals would cost \$2,200 per month, plus \$100 per month in cleaning and maintenance. This would also require one-time purchases of \$12,000 for classroom equipment, and \$400 for a portable trunk to store and transport it. Bloom would need a team to set up the classroom equipment and install software the first time it was used. Installation costs were estimated to be \$1,000. To simplify operations, Parekh would transition his online cohort of students from the area to the in-person setting. After initial conversations with the team regarding expectations,

[13] Bloom Boxes represent 100% of Bloom's cost of goods sold.

[14] Government of Ontario, Office of the Premier, *Ontario Outlines Steps to Cautiously and Gradually Ease Public Health Measures*, January 20, 2022, <https://news.ontario.ca/en/release/1001451/ontario-outlines-steps-to-cautiously-and-gradually-ease-public-health-measures>.

Shankar was confident that an in-person environment would result in 70 new registrants total for Bloom from the Brampton-Mississauga area. Each new registrant was expected to pay a \$100 monthly fee, and the one-time upfront registration fees.

VISITING SCHOOLS

Parekh discovered that many schools in the GTA offered \$275 stipends to guest speakers for running various workshops. He believed that promoting Bloom to these schools was an important way for gaining exposure, even though it would require him to invest in classroom equipment, storage, and installation from the renting a classroom renting alternative. It would also cost \$350 in Bloom merchandise to give away to students each visit and he expected about \$50 in printing and information brochure costs per visit. Parekh estimated he would be able to do three school visits per month.

SELLING THE BUSINESS

Parekh was also being scouted for a full-time sales job in an education-technology company that would pay him \$95,000 a year. If he accepted the role, he would have to sell Bloom, though he would only sell it to someone who shared his vision for soft-skills education and early development. He therefore had to determine a selling price for Bloom, and he questioned if this should be lowered if Shah or Shankar decided to buy it.

CONCLUSION

Parekh was grateful to be pursuing his passion in a meaningful way, particularly for the early success Bloom experienced. With growing pressure to sustain more full-time employees, and added pressure from his family, however, he knew he had to decide soon.

EXHIBIT #1

BLOOM YOUTH DEVELOPMENT TOOLS AND FEATURES OFFERED

Bloom Home Program Details Pricing About Us [Join a Free Session](#)

Soft skill development is a must-learn for the youth.

Employers, psychologists, educators and many others have outlined the importance of learning soft skills at an early age for success years into their future.

Recruiters

Soft Skills Are Crucial When Hiring!

92% of recruiters reported that soft skills are equally or more important to hire for than hard skills. And, 89% said that when a new hire doesn't work out, it's because they lack critical soft skills.

Psychologists

Soft Skills Predict Lifelong Success!

Formal education forgets to explicitly teach soft skills. Studies show that these skills predict later success in life, stable relationships, and career success, which require good social and communication skills.

Educators

Soft Skills Increase Value of Students!

Value of a college degree can be increased by spending more time teaching critical soft skills. As disruptive technology grows, the ability to perform non-machines tasks are becoming more valuable.

LinkedIn

Top 10 In-Demand Soft Skills!

The most in-demand soft skills are communication, teamwork, punctuality, critical thinking, social skills, creativity, leadership, adaptability & friendly personality.

Bloom Home Program Details Pricing About Us [Join a Free Session](#)

Bloom Benefits

Providing each student a lot more with the Bloom experience.

4 Certificates

Students will receive a certificate after completing each module and a Bloom graduate certificate at the end of the program!

Bloom Box

Students will receive a Bloom Box with a handful of items for class-based activities & special surprises delivered to their homes!

Points & Rewards

As a motivational tool, students will earn points for attending, engaging & completing activities, which they can use to redeem prizes!

Youth Opportunities

To further enhance their self improvement, students can engage in volunteer work related to organizing events, Bloom outreach and more!

Discord Community

An online Bloom community for mentors, leaders & students for daily communication, important announcements & to make new friends!

Mentorship

On top of classes, students can attend various organized Bloom events. Events can range from friendly socials to speaker events and more!

EXHIBIT #2

**BLOOM YOUTH DEVELOPMENT
ONE HOUR SESSION BREAKDOWNS**

LEARN (20 minutes): Students engaged in group discussions with the instructor and one other regarding the important aspects of skill they were learning.

PRACTISE (30 minutes): Students participated in hands-on activities that allowed them to practise the skill they were learning in an active way.

GOALS (10 minutes): Students debriefed their learnings about the skill, concluding with setting goals, which allowed students to set 2-3 weekly goals that they worked on until their next class.

EXHIBIT #3

**BLOOM YOUTH DEVELOPMENT
STATEMENTS OF EARNINGS
(for the years ending December 31)**

Revenue	2021		2022	
Classes	\$45,400	80.8%	\$134,600	86.3%
Registration Fees	10,800	19.2%	21,375	13.7%
Total Revenue	\$56,200	100.0%	\$155,975	100.0%
Cost of Goods Sold	6,480	11.5%	12,825	8.2%
Gross Profit	\$49,720	88.5%	\$143,150	91.8%
Operating Expenses¹⁵				
Zoom Licensing	\$170	0.3%	\$3,840	2.5%
<i>Salaries</i>				
Part-time Teachers	500	0.9%	3,840	2.5%
Employees	33,500	59.6%	100,000	64.1%
<i>Marketing</i>				
Ad Spend	557	1.0%	1,800	1.2%
Overhead	2,000	3.6%	5,000	3.2%
<i>Uncategorized</i>				
Website	250	0.4%	250	0.2%
Employee Engagement	1,000	1.8%	2,000	1.3%
Bank Fees	60	0.1%	60	0.0%
Phone and Internet	1,440	2.6%	1,440	0.9%
Miscellaneous	350	0.6%	500	0.3%
Total Operating Expenses	\$39,827	70.9%	\$115,230	73.9%
Earnings Before Interest, Tax, and Depreciation	\$9,893	17.6%	\$27,920	17.9%
Depreciation	\$195	0.3%	\$591	0.4%
Income Tax ¹⁶	1,018	2.2%	2,870	2.1%
Net Earnings	\$8,680	15.4%	\$24,459	15.7%

[15] All expense ratios were calculated as a percentage of total revenue.

[16] The income tax rate was 10.5%.

EXHIBIT #4

**BLOOM YOUTH DEVELOPMENT
STATEMENTS OF FINANCIAL POSITION
(as at December 31)**

	2021	2020
ASSETS		
<i>Current Assets:</i>		
Cash	\$2,455	\$17,173
Accounts Receivable	1,600	16,800
Inventory	1,500	2,700
Total Current Assets	\$9,955	\$32,384
<i>Fixed Assets:¹⁷</i>		
Printer	\$120	\$120
Laptop	1,000	3000
Furnishings and Home Office	400	1,500
Total Fixed Assets	\$1,520	\$4,620
Less: Accumulated Depreciation	195	785
Net Fixed Assets	1,325	3,835
Total Assets	\$11,280	\$36,219
LIABILITIES AND EQUITY		
<i>Liabilities:</i>		
Accounts Payable	\$600	\$1,080
Total Liabilities	\$600	\$1,080
<i>Equity:</i>		
Start-up Capital	\$1,000	\$1,000
Donated Capital from Mindful Minutes	1,000	1,000
Retained Earnings	8,680	33,139
Total Equity	\$10,680	\$35,139
Total Liabilities and Equity	\$11,280	\$36,219

[17] Laptops were expected to last seven years, whereas the Printer and Furnishings and Home Office were expected to last ten years.

EXHIBIT #5

**BLOOM YOUTH DEVELOPMENT
SELECTED COMPANY RATIOS**

	2021	2022
PROFITABILITY		
Return on Equity	81%	70%
LIQUIDITY		
Current Ratio	16.6x	30.0x
Acid Test	14.1x	27.5x
EFFICIENCY		
Age of Receivables	10 days	39 days
Age of Payables	27 days	25 days
Age of Inventory	84 days	77 days
STABILITY		
Net Worth/Total Assets	106%	103%
GROWTH		
<i>Revenue</i>		
Classes	—	296%
Registration Fees	—	198%
Net Income	—	182%
Total Assets	—	221%
Equity	—	229%