

L'Evocative. Creation of a Digital Marketing Agency based on Instagram Chatbots

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Disclaimer:

The aim of the work is to create a digital marketing agency based and focused on Instagram Chatbot technology.

To justify the entire paper, one could start comparing tons of data and provide evidence that the project has an empirical foundation. Basically, just throw out data with little contextualization. Although the first impression of this complex method might be satisfactory thanks to its empirical atmosphere, the reader would in fact end with an insufficient general idea and a misinterpretation of this work.

All explanations are nevertheless going to be justified as they should and the approach, very logical and understandable. This approach could lead to a much simpler reading material and, consequently, give a less sophisticated first impression.

This simpler and more organized path, however, generates a solid concept of what the paper is trying to achieve. Every item is covered fully without the risk of going beyond the length limitations.

A solid and general idea is represented in the final outcome of the project, which covers what the company is trying to achieve, mainly focusing on the general picture. Not going too deep into every item avoids a context and structure deficiency.

Following this same line of thought, evident concepts will be taken for granted or “as known”, thus they will not be explained and, in some rare cases, just mentioned once. Some basic concepts and technological terms related to social media and digital marketing, such as the existence and basic working of Instagram for example, are expected to be known, thus won't need further elaboration.

Bringing this disclaimer to an end, let it be clearly stated that references to the annex are frequent so that the paper fits inside the length extension limitation criterion. It won't directly affect the general idea of the work and is going to allow its shape to be simple. Annexes are going to provide: tables of information, more contextualization, terminology extension and even extra material, which yields a better understanding of the project.

1. JUSTIFICATION AND DELIMITATION OF THE PROJECT

1.1 Introduction

1.1.1 Why specialized on Instagram?

It is not seen very often that a company suffers from an acquisition valued in 1 billion dollars during their first two years of life. That is what happened back in 2012 when Facebook absorbed Instagram. (Murshed, 2020, p. 3)

Since then, the app has grown exponentially facing the enormous quantity of 1 billion active users every month. (Murshed, 2020, p. 3) Practically everyone is expected to appear or at least to be enrolled on the platform. Even new careers and business opportunities that just five years ago didn't exist, (for example Influencers) are now seen as common and normal.

But what made Instagram boom so quickly? The Story feature. Launched in mid-2016, and despite emulating the previously released Snapchat version, it now counts 500 million active daily users. (Fonseca, 2019, p. 219). *[See Annex 1. Most Popular Instagram Activities]* (Statista, 2020)

Stories have a particularity: their time constraint. Once posted, a story is only available for 24h. This increases the "FOMO", Fear Of Missing Out, which is already a big concern among Millennials (Fonseca, 2019, p. 220), thus making this sector tremendously engaging and addictive.

Stories promote engagement. According to "Most popular Instagram activities in the United States as of March 2020" *[See Annex 2. Daily Active Instagram Stories]* (Statista, 2020), the percentage of popular actions related to stories was remarkable. Watching other people's Stories leads the graph with 42%, while interacting via Direct Message (from now on, DM) goes up to 28%. Other actions are Swiping Up on a Story or Posting a Story which have similar percentages, around 22%.

Something is clear: Stories provide a bridge between the author that gives the inputs and his audience that receive them, leading to a high engagement index mostly centralized via DM.

This, unfortunately, is not enough for marketers, Influencers or even the entire segment of people that use Instagram for corporate purposes, being so, any type of business which uses the platform as a brand showcase. They have to do more. Nowadays keeping a regular publications and stories supply is taken for granted.

Contents have to be reformulated and rethanked in favor of DMs. It has to be the core value of the Instagram presence strategy since it opens the gates to direct interaction, even more than comments or likes. The story feature fits this purpose perfectly.

1.1.2 Why merge with a chatbot?

Having Instagram DMs as the core value of the marketing strategy allows for the introduction of chatbots as a new business marketing tool. Optimization and automation of the experience is going to do better and go further; establishing a unique real time connection between the company (operated now by a chatbot) and the user.

Talking about real time, the word efficiency could be the perfect fit to describe what a chatbot can do. This technology helps customers get the information they need right away; whenever they want. It introduces the possibility to be operative 24h a day, therefore increasing brand awareness and reputation, without depending on physical personnel. With a real time interaction, engagement is at its maximum peak thus consumer preferences and purchase decisions might be altered. "According to reports, 53% of consumers tend to buy from a business they could message in real-time..." (Bariş, 2020, pp. 33,34)

Is now time to merge trends. On one side there is the "everything is going mobile" trend, where it all can be done on a single device (mobile phone), and on the other side, there's the Instagram Chatbot technology; a new marketing trend that will prove brands better. This technology doesn't only improve companies' brand image, but saves time and adds practicality as well, which can put brands ahead of their competitors.

While the brand is increasing its sales through good marketing strategies, it is also cutting costs at the same time. This cost reduction can be up to 30% on customer service attendance, thanks to speeding up response times and filtering questions approach of the chatbot. (Bariş, 2020, p. 38)

1.1.3 Why L'Evocative?

The final aim of this work is to create a Digital Marketing Agency specialized and focused on Instagram Chatbot technology which seeks to merge the two trends explained before. Not providing the tool per se, but building a service around it.

The purpose is to apply all the knowledge and know-how of this new technology recently emerged on Instagram to provide an exclusive service for companies. Giving them the opportunity to implement a new Instagram marketing strategy, that is, at the same time, fully automated and optimized - the expected results are more engagement with the audience, more sales and cost reductions.

1.2 Introducing the Entrepreneur Team

The entrepreneur team of this project is formed and led by a young, creative and innovative duo: Arnau Farell and Jonathan Ferreras [*See Annex 3. The Entrepreneurial Team*] who bring fresh ideas and passion to the market. Let's introduce them.

On one end there's Jonathan, 27 years old. With multicultural genetics, Ferreras, was born in Switzerland and has a Dominican father with whom he spoke Spanish since childhood. He therefore presents a natural ability for languages and a great sense for public relations. All merits to his Caribbean blood, although his Swiss temperament makes him organized and meticulous with every project he is involved in. This nature of his can turn him to risk avoidance, but an experience like the one proposed could help him lose the fear of the unknown.

He attended engineering faculty for two years and completed the Swiss army officer's academy, where he developed skills and behaviors that fit this project perfectly, although his control issues are going to be challenged in this two-way partnership with Arnau.

Some of his main interests are: technology, innovation and numbers. Jonathan can apply his previous knowledge to improve the more numerical and technical parts of the project.

Then there's Arnau, 21 years old, who shows a great capacity for adaptation and hard work developed in recent years by helping his father in the family business.

Farell is curious and very talkative by nature, which helps the project, but may conflict with the more pragmatic ways of his partner. He's also very fond of languages.

Thanks to the experience gained on an apprenticeship in digital business and e-commerce, Arnau improved his skills in commercial relations, social media strategies and consumer care. He was who first saw the opportunities for this project, enhancing his enthusiasm on interpersonal relations, consumer behavior and patterns. Overexcitement can backfire if the project turns out not to be feasible, that's why he might not be objective at times and is going to need the point of view of his partner as well. This project offers the opportunity to meet his desires and brings him down to earth.

Summing up, the entrepreneurial team can be divided in two branches or specializations that will be led by the member with more experience in that specific field. The two have to reach consensus for important decisions nevertheless and special emphasis has to be put on the partners' agreement as elaborated on the legal agreement below.

This paper wants to accomplish a full research on the possibilities of implementing a new marketing strategy based on the Instagram network and the effectiveness of chatbot technology. The current project is the culmination of the different courses and knowledge acquired through all the university studies, which are being applied in this specific paper.

1.3 Identifying the Business Model and Target Persona

1.3.1 Client Segmentation:

L'Evocative has a wide range of potential clients that range from e-commerce and digital stores to profiles exclusively centered on improving personal brand image. Regardless of their goal, they have to be digital oriented, with Instagram as the core strategy and used as an outbound channel.

The personal brand niche can spread to: marketers, coaches and mentors, influencers and every personal brand profile that has something to sell or promote through their Instagram profile. The latter is used as a bridge between a sent message and a receiving audience.

Potential client's profiles carry a broad audience that, as a consequence of being Instagram centered, tend to respond to the inputs given. That's why the majority of active audiences are from newer generations, as opposed to the older ones that prefer Facebook instead, which made the boom back in the days. Segmenting potential clients requires established initial variables such as: age, company size or followers, that can help filter among the right clients to target.

Preferable age ranges from 18 to 45/50, where there's still room for adaptation to the new marketing and technology trends. As a general criterion both individuals (personal brands) or small e-commerce companies with not more than 5 employees are targeted. The targeted companies can then stand out from their competitors and be a step closer to build a reliable and trustable relationship with L'Evocative. More details will follow at *market estimation and buyer persona*.

The team found a blue ocean here in Europe for digital marketing agencies that fully specialize in Instagram Chatbot technology. Helping this case there is the fact that L'Evocative does not provide the tool, but the whole service that goes along with it. This fact alone removes a huge workload from their clients, as the team takes care of every aspect of automation and provides tangible results.

This geographical opportunity arises thanks to technological prioritization in the States, where new tech is firstly adopted by Americans and then comes to Europe as a trend. L'Evocative is basically taking advantage of a technology already created and developed (in the States) and bringing it to Europe after having had the opportunity to test it.

The first step to take after seeing this huge potential is to become a reference here in Spain and only then start to grow outside to neighboring countries taking advantage of European Union facilitations. Later steps may include going to countries outside the Eurozone like Switzerland, by taking advantage of Jonathan's connections, where entrepreneurship is on an upward interest slope.

1.3.2 Determining and Providing Evidences on the idea

Once the target has been identified the company can start making first contacts, with the aim to validate the idea.

Some outcomes can be forecasted, as this test can be compared with what is already running very successfully on Facebook. According to ManyChat (world's #1 Messenger Marketing Agency, including also SMS):

- *“Over 1.8 million businesses are now using ManyChat in 190 countries.*
- *ManyChat marketers have over 8.5 million active conversations each day through Facebook Messenger.*
- *They also see CTR rates that are 130% higher than the industry average.*
- *The average conversation length with a ManyChat-powered Facebook Messenger chatbot is 10 minutes” (Keenan, 2020)*

The data shows clear evidence of recent results from a very similar technology applied on Facebook, with ManyChat as its official partner. These indicators prove that it could be perfectly implemented on Instagram as well, which was acquired by Facebook.

In order to get evidence of how this chatbot technology is taking off one has to take a look at the last moves taken by ManyChat itself. The company partnered with Whatsapp, another Zuckerberg acquisition, with the aim to help brands create meaningful peer-to-peer relationships with their customers and facilitate Whatsapp with its 2 billion active users to automate its driving sales. It helps the company to answer frequent questions and to escalate quickly through its live chat. (Rosenzweig, 2020)

Evidence that backs up these points can be found at [*Annex 4. Cold Email Mockup*] which portrays a prototype of a cold email to reach potential clients and [*Annex 5. Potential Clients List*] for an initial contact list of potential clients to reach out.

1.3.3 How many people take part in the purchasing process?

The aim is not to commercialize the technology, but to provide a service. L'Evocative is therefore going to establish a peer-to-peer connection between their clients and the final consumer. By avoiding intermediaries, the company can provide better customer care.

It is important to remember that even though L'Evocative has no connection with unrelated third parties, it can count on clients (coaches or mentors with a good client portfolio) that act as distributors for L'Evocative. Their job is to spread the word and suggest the company's services around their communities by upselling their own products with L'Evocative's chatbots.

1.4 Value Proposal

1.4.1 What makes the company value proposal different?

The aim of this project is to become a creative marketing agency that plans, designs and executes personalized growth marketing campaigns on Instagram. The main mission is to maximize clients' conversions through this new Instagram marketing strategy, via service. Where *service* is a key factor as the vision of the project is to become a reference in the sector by offering new ways to launch creative campaigns.

1.4.2 Why the word service is so important. How did L'Evocative get here?

L'Evocative encountered this chatbot technology, which can be explained as a SaaS: Software as a Service (for the client) as a result of previous agreements with a group of developers.

The reason why word *service* is so important is because, unlike the competition, what this company wants to offer is the connection point between the chatbot technology and clients' results, as a service.

The main handicap implementing a chatbot is battling with the technicalities: lines of code, the structure of the messages, typo mistakes and so on. This company already counts on a developed technology and the team just has to be trained to optimize its potential by building the most effective campaigns the client can get. They'll take care of all the setup and the structural aspects of the campaign, leaving the customer with no worries and plenty of time to concentrate on their main activities.

Clients pay for the team's enormous know-how about chatbot functionalities, including the technology; there is no need for the customer to pay first for the tool and then for the personalized advising, everything is included once the service is contracted.

What about barriers to enter the market? Well, there aren't any. That means that if L'Evocative succeeds it could be copied, yes, but up to which extent? The main competitive advantages L'Evocative has are its free access to the technology on a life-time usage basis and its know-how. This unlimited access to technology is a result of previous agreements with the developers, so here lays the key of L'Evocative success: no technology costs despite the initial investment. Thus, the unique barriers of entry that cannot be copied and the know-how have to be built by competitors over time.

To complement this information, see *[Annex 6.3. Value Proposal Diagram]*, *[Annex 6.1. The Chatbot Technology]* and *[Annex 6.2. The L'Evocative Website]* are to provide context.

1.4.3 Real testing examples:

As the team has access to an already developed technological infrastructure, there's no need to worry about building up technicalities. L'Evocative only has to develop relationships with the client, and that's how the company came up with a cold-messaging strategy. In order to contact potential clients through both DM and email special call-to-contact campaigns were constructed. See *[Annex 4. Cold Email Mockup]* for reference.

While reaching clients through cold mailing, the company decided to validate its idea directly on the DM's by receiving direct feedback from first potential clients. Through a trial funnel some functions were explained and shown. A call-to-action campaign was also set on the company's Instagram profile where people could interact, explore and at the same time see with their own eyes the power of the tool L'Evocative was offering as a service. [See Annex 7. Instagram Profile CTA]

As a result, the acceptance among contestants was pretty good through DM's direct interaction. Not all interactions were however successful as some users didn't want to communicate via chatbot, they probably thought it was damaging their image. Despite that, a first clear image of acceptance and feedback inputs were received which helped the company continue with the development of their products' portfolio etc. [Annex 8. Real Testing Examples]

1.4.4 Justifying the Number of Clients and the Market Share

A framework of action can be set as criteria to start with a specific order, which leads to a correct target to tackle.

L'Evocative uses the "Potential Market Estimation" formula to estimate its potential market; by multiplying the number of buyers in the market (number of potential clients), the average price of the product and the average quantity of buyer purchase. The result is the total market potential which is stated in monetary units.

Once the potential market is set, it is necessary to justify the results towards the actual capabilities of the business. Here is where two handicaps appear: First, the number of licenses acquired on the agreement (120), and second, the human resources available, which are limited to the entrepreneur's team infrastructure. This evidently restricts the company's capabilities to cover the full market potential share from the initial formula, thus less of it will be covered. [See Annex 9. Potential Market Estimation Formula & Calculations to see the introduction and the step-by-step resolution of the formula].

Potential Market Estimation equals 1044M euros but acquiring all this market potential is not possible. Then handicaps arise and only 0,011% of the 1.084.390 initial forecasted potential users are taken into account (after filters applied). Keeping in mind the 120-user limitation and the team's human capital (2 people) reductions are applied accordingly. As a result, the new potential market estimation ends up being 115.560 €.

At any point in time L'Evocative's aim will always be to leverage the early adopter status to get more licenses when the actual limit of 120 accounts is reached, to meet an increasing demand.

1.4.5 Identifying the business model. How is income obtained?

Since customers are going to receive a service directly connected to their Instagram account, two different main branches can be constructed:

A) Pre-defined campaigns (Subscriptions): Paid every month, the user gets a flat rate of characteristics which can be used at will for thirty days. As clients might have different characteristics, monthly fees can vary. Thus, different monthly subscription alternatives that result in different prices, clients can then choose which one suits them best.

B) Pay-per-campaign (On demand): Let's suppose the client is not interested in using the service frequently. They want to use it occasionally in order to bring their marketing campaigns onto the next level of virality. In this case a good option would be to arrange a price per campaign, setting the duration for a period of time. The client would then hire the service, use it when needed and then unsubscribe without term fees.

1.5 Competition's Analysis

When it comes down to the competition, the best way to start is with a correct labeling. This first analysis focuses on detecting the main direct/indirect competitors, both national (in L'Evocative's case Spain) and international (mainly the States).

1.5.1 Direct Competition:

Chatbot Chocolate (National): Pioneers in Spain, Chatbot Chocolate: designs, produces and creates chatbots for the different channels of action. Mainly with their own interface and design, the functionalities applied to the messaging platforms are limited, being Whatsapp and Facebook their main targets. Price: 5.000-20.000€ to build initial prototype. Source: <https://chatbotchocolate.com/>

Gus.Chat (International): Both Facebook and Beta Partner for Instagram, this company mainly designs chatbots for Facebook Messenger. Focused specifically on E-commerce, Fintech and Insurance. Price: 50cte. €/interaction. Source: <https://gus.chat/>

Alcméon (International): Provides cloud technology used in Facebook Messenger, Messages for iOS or Whatsapp, mainly as customer service and message marketing.

Again, centered in a big dashboard where all platforms appear there. Price: Undetermined. Source: <https://www.alcmeon.com/>

Direct Heroes (International): Exclusively based on Instagram this company has developed the chatbot technology ready to execute in the social network. Clients only have to log in to the membership site of the developers' page and start creating on the main dashboard. Functionalities and characteristics are set according to the hired plan. L'Evocative contacted these developers to be supplied with their technology. Price: 247€/month for 1 account. Source: <https://www.directheroes.com/>

1.5.2 Indirect Competition:

Almost every indirect competitor is centered in social media management. They mainly plan and schedule actions by taking care of both customer care and communications, acting as a CRM or as an omnichannel platform. Focused more on advising and improving the interaction, rather than offering specific chatbot solutions. Example: Combin. Price: 18€ month/1 acc. Source: <https://www.combin.com/>.

Talking exclusively about this main feature, chatbot technology, here is a list of the main companies offering the service:

ManyChat (International): As mentioned before in this work, it's the main platform for chatbot technology. Specifically built for Facebook Messenger and now introducing Whatsapp, as explained above. ManyChat offers a built-to-go methodology, where they provide the technological infrastructure to the client and then the user sets it up by himself. Price: Starting at 10\$/month for 1 acc. until 500 contacts. After that, the price increases gradually. Source: <https://manychat.com/>

It's Alive (International): This company focuses on Facebook Messenger exclusively, providing a platform to easily build services. In this sense, the bot is also ready to go, designed and built by the same final user without need for coding. Price: 19\$/month/1 acc. up to 5000 messages. As more messages, more price. Source: <https://itsalive.io/>

Chatfuel (International): Following the no-coding strategy, Chatfuel provides chatbot solutions through Facebook Messenger. Price: Starting at 15\$/month/1 acc. Price scales with number of users. Source: <https://chatfuel.com/>

Gobeyond.ai (International): Based also in Messenger communication, Go Beyond goes one step further and adapts the technology for Shopify implementation, taking sales, marketing and customer service to the next level. A “live person” (human communication) might take over if required. Price: Starting at 29.99\$/month/1account. Source: <https://www.gobeyond.ai/>

1.5.3 Differences and similarities between the competition and this project's business proposal

Overviewing the current competition, a clear competitor doing exactly the same as L'Evocative wishes can't be found. The one that gets closest is Direct Heroes since they use the same software, specifically built for Instagram. Their main difference is that Direct Heroes commercializes the software to the final customer who has to set their campaigns up himself. Same as other competitors, that just commercialize the chatbot infrastructure and let whoever buys it figure it out by themselves with no advice on how to optimize campaigns.

L'Evocative commercializes an advising service instead and the know-how that comes with it. The company helps customers create new Instagram marketing campaigns, takes advantage of the chatbot technology and delivers a full-built campaign directly to the customer.

Other companies don't have Instagram as their main focus, that's another point where this project gains its competitive advantage. An advantage strengthened by the merger of the technology offered and the latest Instagram trends. Since campaigns are structured and configured already, customers have time to focus on their content.

The rest, as seen above, are mainly focused on Facebook, leaving L'Evocative quite alone and differentiated on the market.

1.5.4 Competitor's Matrix

According to “Gartner Magic Quadrant” (Gartner, 2020) this project would fit into the visionary's sector, reassembling Snapchat's beginnings. The ability to execute is low as the project is just being presented and its phase has just started. As the project grows in the future, the execution can be incremented and the company might rise to the leader position (Facebook could be an example); good execution for the current vision and well positioned for tomorrow. This technology is becoming more than a trend, is becoming a reality, and trends are moving towards this as well. [See Annex 10. Magic Gartner Competition Matrix.]

1.5.5 Identifying a Blue Ocean:

Going through the analysis, this situation can be identified as a Blue Ocean. The company is taking advantage of an exclusive technology, originally from the States and brought to Europe (Spain) by offering a solution to a need that is not yet clearly defined, as the potential of implementing chatbot technology to Instagram marketing campaign is still unknown.

The mere introduction of a new technology with an advisory and know-how-based service, creates a sense of trust towards L'Evocative. Clients don't know how this new-tech is going to affect their business, thus the company is there to accompany them throughout technological implementation. Language barriers are also broken down during those advisory sessions.

1.6 Justification of the Entrepreneurial Degree

The main difference between L'Evocative and other services on the market is its communication strategy and peer-to-peer guidance, counting the pre-built process.

This process goes as follows. First, there will be a connection meeting which allows customers to connect their Instagram user to the software. Due to privacy reasons clients have no access to the control panel and the connection occurs live. Using screen-sharing and remote-control they can enter their own personal credentials excluding the company from having access to clients' confidential information, a further reason to trust the team.

Once the account is connected, the campaign setup begins. The team talks with the client in order to understand their needs and wants. Campaigns are going to be analyzed together with client's consent and action will be taken accordingly.

Once everything is set the campaign starts. Duration and features are going to be set according to the hired plan and clients notified. Feedback of the campaign might meanwhile be provided periodically to see how the service is performing and whether it needs changes.

At the end of the campaign, a specific report is shown to the client where: final performance of the campaign, analytics of the pure metrics and results that have come out of it - are analyzed.

The same process applies for every new client. If a current client wants to renew their subscription, then the process would be rechecked and would start with a new setup. The first connection step won't be needed.

Regarding operations, L'Evocative has a clear advantage speeding up and reducing unnecessary communication times as all its communication is peer-to-peer. To speed up processes, the company counts on a pre-established funnel, which is going to work as a help desk on L'Evocatives IG channel. It filters frequent client issues with pre-made FAQs. In case the issue couldn't be solved, the customer is invited to fill in a ticket and arrange a meeting with one of the team members.

1.6.2 Analysis of the new upcoming trends

The "everything is going mobile" is a present and future trend already. Mobiles are the focus of all attention, becoming every day more capable, portable and simple. Society is already connected and it is going to be even more immersed with these habits in the future. That's why this project is based on introducing a new technology as a service mainly used on mobile phones, it aligns perfectly with new mobile trends. All Instagram potential is here: Stories, Swipe Up, Reels etc.

1.7 Chronogram on the actions to take

Task	N o v	D e c	Jan			Feb			Mar			Apr			May			June		
			1	15	30	1	15	30	1	15	30	1	15	30	1	15	30	1	15	30
			0. Intro and Justification B. Model																	
0.1 Receive Feedback from M1																				
1. Develop the MKT Plan																				
1.1 Product Portfolio																				
1.2 Pricing Policy																				
1.3 Communication & Distribution																				
1.4 4C's Analysis																				
2. Develop the Operations Plan																				
2.1 Production Porcess of Service																				
2.2 Key Activities of Service																				
2.3 Resources Needed																				
2.4 Production Budget																				
Intermediate Memory Delivery																				
3. Organizatio and HR Plan																				
3.1 Organigram																				
3.2 Tasks for the Team																				
3.3 Payment Policy																				
4. Developing Fiscal-Juridical Plan																				
4.1 Juridical Form																				
5. Financial - Economical Plan																				
5.1 Investment Forecast																				
5.2 Income Forecast																				
5.3 First Yeras' Treasury Forecast																				
5.4 Viability Analysis																				
6. Conclusions																				
6.1 General Conclusions																				
6.2 Limitations and Future Exp.																				
Final Memory Delivery																				

Figure 1: Chronogram on the actions to take. Based on a Gantt Chart Model (Own Elaboration)

2. MARKETING MIX

2.1 Defining the Services' Portfolio (Products' Actions)

L'Evocative's portfolio consists of four different products, divided in two main lines of action: Pre-established and Opened.

2.1.1 Pre-Established Line

With pre-established campaigns the idea is to help clients monetize and convert their Instagram account into a business in less than 30 minutes, giving them templates and funnel ideas that already work. Thus, clients don't even have to spend time building an engagement or conversion strategy, they just apply the template. Another characteristic is to bring these chatbot solutions closer to users with low digital marketing knowledge, the aim is to make this technology more accessible to them.

The two pre-established campaign products are:

- "Pack Básico" (Basic Pack) – 67€/Month
- "Pack Completo" (Full Pack) – 97€/Month.

2.1.1.1 Basic Pack

Basic Pack offers three different funnels (to be used simultaneously, if required) which are: Evergreen, Live Event and Lead Qualifier. As for the technical characteristics, both packs are equipped with a final report delivery. Technical support is also available and offered in case modifications or changes arise. Depending on the pack chosen, the number of possible modifications in terms of content are going to differ. A broadcast campaign is also included for targeting the audience and leads from any of the campaigns used.

2.1.1.2 Full Pack

On the other hand, Full Pack offers all six campaigns: Giveaway, Brand Ambassador, Post Sale and the three mentioned above. With the Full Pack an additional broadcast campaign is available for a total of two, along with the possibility to receive leads data in a CSV format.

It is recommended to check *Annex 11* and *12* below for a better understanding and contextualization. Content differences between Basic and Full are basically the number of funnels simultaneously available.

2.1.2 Opened Line

Then with the Opened line of action there's plenty of room for imagination as the two different personalized products are adaptable to client's needs. Here the pre-established template's suggestions disappear and the team combines customer's desires with what's feasible in terms of technology, while delivering the best experience to the client's audience.

Open line products are:

- "Campaña Individual" (Individual Campaign) – 120€
- "Pack Estratégico" (Strategic Pack) – Price to be agreed

2.1.2.1 Individual Campaign

Individual Campaigns are built live with the client, points of view and opinions are contemplated and the client's funnel idea can be brought to life. The team will also try to understand the reason why clients didn't fit into the pre-established proposals, or why they wanted otherwise.

Leads collection is the main highlight of this opened line action's technical features, differing from the pre-established line where this function is not available. CSV format exports are included, as well as the broadcast campaign and the final report delivery. Support and modifications are available in case that any issues arise.

2.1.2.2 Strategic Pack

And last, the Strategic Pack. It is possible to design and build an entire Instagram strategy based on chatbot usage with it. Schedule several campaigns with several purposes, work simultaneously or consequently, combine various campaigns with different broadcasts or use leads collection as a key tool for the monetization of the account.

This last pack strategy is built to challenge the way marketing has been done on Instagram ever since. As this option clearly has more variables (final number of campaigns, their duration and human capital spent to develop the campaign) price is to be agreed with the client. This product is expected to be used on clients with digital marketing knowledge.

As for technical features, the full portfolio will be available with no restriction nor extra fee. Every technical feature based on the technology will be offered in order to improve the designed strategy. See [Annex 11. Overall vision of both lines of action and its services] and [Annex 12. Example of pre-established campaign template]

2.1.3 Buyer Persona Identification. Why the products offered will fit

While market segmentation and its potential estimation were identified, there was an untraceable intrinsic variable: knowledge.

Since knowledge can't be traced, L'Evocative designed its products according to different know-how and expertise levels. This ensures that everyone, regardless of their knowledge on digital marketing, can transform their profiles and leverage the service. Levels are structured in three categories:

1. Beginner: With little notions of both digital and Instagram marketing. They have an Instagram channel, but don't take full advantage of it, with a lack of feed planification or content strategy. The objective is to turn upside down their profiles via pre-established funnels, providing fresh inputs to the client's audience and allowing new conversion opportunities.
2. Intermediate: Has more specific marketing notions than the former. Even though they have a clear image of what they want to accomplish, they are not fully aware of the new trends and lack the knowledge to build a proper funnel. With this profile the team has more room for suggestions, offering different structures in favor of their final goals. Both pre-established or individual campaigns fit this level.
3. Professional: This profile is updated with the latest trends and applies a content strategy in a professional way. They see what L'Evocative is offering as a gamechanger for their Instagram marketing strategy and communication. With the service, they forecast a huge increase in conversions through IG. Both the Individual Campaign or the Strategic Pack would fit with this profile. [See Annex 13. The relation buyer personas – products]

2.2 Promotion and Communication (Promotion Actions)

2.2.1 The communication process and its channels

Communication with the client is key during all sale stages, including pre-, during- and post-sales. As seen in *1.6 Justification of the Entrepreneurial Degree*, there's a huge emphasis on accomplishing good communication and transmitting trust to the customers.

From their collection via cold messaging to the final report performance delivery, coming through the connection meeting and setup, there's a permanent communication aiming to transmit the most transparent and peer-to-peer sensation. Formats such as messaging (IG, mail, phone) or video conference will prevail.

2.2.2 Promotion channels and strategy

Initial promotion strategy and client's acquisition is going to be a door-to-door approach via cold-messaging and mailing as seen above. With these first contacts the company is able to obtain information regarding users targeted and forecast buyer persona's models. The team can analyze and search for different pain points or opportunities for these clients, so that more effective and isolated advertising campaigns can be created and promoted.

Promotion strategy is meant to be low-key, adding the cold-mailing, L'Evocative is going to take advantage of some chosen clients' who will act as distributors to their respective clients' portfolio. Later on, if considered, the company can merge the cold approach with inbound callings, getting new clients by using advertisements (pain point focused).

Resources are needed to lead with either organic promotion or paid promotion. In that case, the outcome relies on the three performing scenarios that the company can face; optimistic, realistic or pessimistic.

2.2.2.1 Organic promotion action plan

Cold messaging/ mailing are mainly used in this plan, taking care of the attention and support during the pre-purchasing process, which will likely end in conversion. At least one hour a day has to be dedicated to this task. The cost of the action is going to fall under the entrepreneur team in both the pessimistic and realistic scenario, where nobody is hired. In the optimistic one those costs fall on onto the hired assistants, details will follow below.

2.2.2.2 Advertising promotion action plan in case of doing a new client calling

Using specific types of advertisements, the team can expose the receiver to different pain points where L'Evocative appears as the solver, aiming to create a need to hire its services. [Annex 14. Paint point example in order to use with specific ad]. Prices are allocated in *Marketing and Advertising* (see economic plan), where the need for tools such as mail marketing or CRM usage are also contemplated. Budget is equal for all scenarios at 150€/month during the first year. From there monthly strategies can vary.

2.3 Distribution and Placement (Placement Actions)

2.3.1 Distribution Channels

In order to build brand awareness and recognition, L'Evocative has chosen two methods to bring the service closer to clients.

First, there is a Direct way, through the website www.levocative.com (available in Spanish, English and Italian) and the official Instagram profile, where users can reach the company directly. Either using DM or through a meeting booked via web, a bidirectional communication can be established by any potential client.

The second strategy is referred to as Indirect way since it requires an intermediaries' figure. Many of these third parties have substantial client portfolio's (i.e., coaches, mentors, etc.) and will be chosen accordingly, to arrange cross distribution and promotion deals for L'Evocative. The result is an attractive win-win situation for both parties since intermediaries benefit from L'Evocative services while publicizing services toward their client portfolio. More details will follow in the pricing policy section.

2.3.2 Intermediaries' Role

Intermediaries simply offer L'Evocative services, as add-ons, to their client portfolio. This spreads the word for the company while improving the intermediaries' perceived offer and increasing their competitive advantage. As an incentive, commission fees are paid for every new client.

Potential intermediaries' profiles are: Coaches/Mentors with expertise on the field and good client portfolio (@nanolamberti) or digital agencies such advertisement ones, which want to focus and cover more the Instagram side (@bluehackerscom).

2.3.3 Distribution Budget

Considering the two distribution lines, costs are strictly related with each chosen scenario. For the Direct method, as it runs on online communication, resources are: web infrastructure (hosting + domain) and the human capital dedicated to it, CRM and Mail Marketing could be included in marketing and advertising costs. Web and marketing and advertising costs apply to all three scenarios. While human capital costs only affect the optimistic scenario as personnel costs.

For the Indirect method, intermediaries' commission fees account for around the 15% of the price's plan chosen for the client.

Let's consider a small outline budget for the optimistic scenario on Y1, where all variables are included:

- Web Costs (Hosting + Domain) = 60€/yearly – 5€/month
- Marketing and Advertising = 1.800€/yearly – 150€/month
- Personnel Costs* = 1.785€/month
- Intermediaries Commission Fee = 15% of the price's plan chosen

*Even though personnel costs compute on Y2 of the optimistic scenario, they have been included in the outline budget above to provide more context and a clearer idea.

2.4 Pricing Policy (Price Actions)

2.4.1 Setting the appropriate pricing policy strategy

There was not just one clear valid approach for pricing, but rather a mix of different strategies which helped setting the different products with its price valuation. The strategy adopted is competition-oriented as L'Evocative's technology is supplied by its own direct competition (Direct Heroes) which is also on market. The company therefore draws its pricing policy based on their suppliers.

Different strategies are then applied on top of the competition-oriented one, in order to describe and tariff the different products' portfolio, it goes as it follows:

- Penetration Strategy: As the company is entering a new market, setting relatively low prices is going to help get the attention of potential new clients and easily acquire them. It might not be sustainable for the long term.
- Geographical Strategy: The technology is imported from the States into the Peninsula, where different factors apply and may force price adjustments.

- Differential Strategy: It reaches different types of consumers as the company presents various packs and product variants that are based on the same Instagram licenses. Clients can compare the different prices and choose accordingly.
- Pack Strategy: It adds value to the company's offer and shows a bigger portfolio of products, which leads clients to compare between products that better suit them.

2.4.2 Defining the price fixing system

Based on previous strategies the factor that stands out, determining which price to fix, is direct competition with the supplier, who tariffs its services. Following this information, the company gets first guidance to establish the final pricing policy. On top of that, L'Evocative is going to take into consideration its value proposition, tariffing the service offered beside the technology. [See Annex 15. Direct Heroes Pricing Policy in order to guide L'Evocative's policy]

2.4.3 Setting the different pricing policy according to the different products offered

While tariffing L'Evocative's added value, acquisition cost has to be taken into consideration, which comprises: human capital, time and money invested to offer every product. Prices range from:

1. Pre-established line of action:

- Product A – Basic Pack: 67€/month
- Product B – Full Pack: 97€/month

Focused on time optimization, funnel templates require low levels of both human capital and time, as campaigns are already designed and ready to be implemented with the client. Moreover, as products A and B are thought to be recurrent through monthly subscription, its prices are relatively low, matching the initial price offered by the suppliers (97\$).

2. Opened line of action:

- Product C – Individual Campaign: 120€
- Product D – Strategic Pack: Price to be agreed

Focused on delivering a more customized experience, more of both human capital and time are demanded. For this reason, both the Individual Campaign and Strategic Pack have a higher price. A higher selling price is also expected from the individual and fully committed support these clients receive.

3. Intermediaries' line of action:

- Product E – Intermediaries' Agreement (Internal use, not shown to the public):
 - All features with a 60% discount: 47€
 - 15% commission fee applied on each client's plan chosen

This strictly internal policy is just being offered to selected professionals. On one hand, the aim is to offer the service with all the features available, at a reduced price, 60% discount based on the higher priced pack (120€). On the other hand, there's a compensation plan to prize new clients acquired by these intermediaries, the 15% of any plan paid by the client.

Price and commission fee aim to establish a long-term agreement. Thus, this 47€ will be collected as a monthly subscription, as well as commissions, which will be paid for every month of subscription or number of on-demand products acquired by the client.

Note: Money invested factor and metrics for the acquisition cost formula, were not mentioned in any of the products the company operated with bulk licenses agreement, which fixes the same maintenance price no matter the product hired. Prices are stipulated for Y1 in all scenarios. In Y2 and Y3 prices are expected to increase. See economic plan.

2.4.4 Is there any change of variables that could affect the pricing policy?

Previously acquired licenses give L'Evocative an initial competitive advantage, more margin of action and flexibility while designing pricing policies or product packages. However, some handicaps arise together with this competitive advantage:

- What happens when this bulk of licenses is complete?
- What will happen if the company needs to have more than 120 users connected at the same time?
- Which are the expectancies to grow? And how?

Communication with the supplier is essential in order to arrange new deals and get more licenses. Either through bulking, with packs of 10 licenses, for example, or directly on-demand.

2.4.5 Sales Forecast + Income Statement Forecast (3 years long)

See [Annex 16. Sales and Income Statement Forecast] and [Annex 17. Potential Market Estimations Y1, Y2, Y3 - Compared with Forecasted Revenues from Y1, Y2, Y3] to understand the analysis

2.4.5.1 Establishing scenarios:

In order to continue building the project, L'Evocative had to design three different sales forecasts according to the three different scenarios: the optimistic, realistic and pessimistic.

First scenario: The realistic and optimum-objective driven. After sketching many different situations, the following realistic scenario stood up as the scenario that made more sense, being both pursuable and reachable.

Second scenario: Optimistic – Unexpected Growth. Rather than suggesting sales performance to follow a constant increasing slope, the company opted to draw an extreme case. In this optimistic scenario, an unexpected growth of licenses in Y2 is forecasted, which demands adaptation, fast reaction and problem solving.

Third scenario: Pessimistic – Market expectations not met. The other extreme scenario is a bad one, in which the challenge is to face a shortage of demand where the product initially thought to have a very good market acceptance, actually hasn't. With this scenario, the aim is to see how low sales could go and still be profitable.

2.4.5.2 Realistic Scenario

2.4.5.2.1 Realistic Scenario – Year 1

Company's objective for the first year is to grow up to the license's threshold level (120), but never go above it. Thus, a growth of 10 accounts per month is forecasted for Y1. Except for the first month where an initial basis of 5 accounts will be recruited, two of them being intermediaries. Revenue then goes up to 45.747€, with a PME of 40%.

Bulk licenses cost reaches 14.000€ matching initial investment. Each account then costs 116,67€, which is the price to recover for every license. Once the investment is recovered, these 120 accounts will be free of cost. Gross Income for Y1 is left at 31.747€, products' prices remain at initial valuation and stock is set at 25 at the end of Y1.

Note: When computing COGS (Costs of the licenses), licenses designated to the Strategic Pack were taken into account (933,33€), but not counted as revenue since its price has to be agreed and is still unknown in Y1.

2.4.5.2.2 Realistic Scenario – Year 2

Y1 subscription products didn't experience drop-outs, they kept growing on a steady slope and didn't vary despite their monthly recurrence. This situation would of course be idyllic.

Instead of calculating monthly drop-outs the company went for an average rate of both retention and drop-out applying it at the beginning of the following year. For this reason there's a retention of 55 accounts from Y1 to Y2 over the 95 licenses that were occupied at the end of Y1.

Growth for Y2 is set at 60%, 73 new accounts, recovering the dropped-out licenses (40%) plus some expansion. Total occupied licenses at the end of Y2 are 98, leaving a stock of 22.

Prices rose between 8-13% registering 86.308€ in revenue. As licenses in stock are sufficiently secured with no need to ask for more, thus COGS will be 0 with all licenses paid, leaving gross margin equal to revenue.

2.4.5.2.3 Realistic Scenario - Year 3

Retention rate lowers, causing more dropouts. Growth has the same rate as retention (55%), based on 6 new clients per month. Ending Y3 with 89 occupied accounts and leaving a stock of 31.

Prices rose 5% compared to Y2 with revenue of 89.997€. Again, no new licenses have to be purchased, COGS remain 0€, gross margin equals revenue.

2.4.5.3 Optimistic Scenario – Unexpected Growth

2.4.5.3.1 Optimistic Scenario – Year 1

The first year starts just as the one in the realistic scenario, growth is set at 120 clients, ending Y1 at 95 occupied licenses with 25 in stock. Prices and revenue are the same as Y1's realistic, same for COGS (14.000€) matching initial investment.

2.4.5.3.2 Optimistic Scenario – Year 2

Retention rate is 10% more compared with the realistic scenario. Sales start to grow faster during the first 5 months, with an average rate of 18 new accounts per month. Foreseeing an unexpected growth in demand and shortage of licenses, the company decided to buy 25 more licenses in the sixth month. In months 7 and 8 an evident growth is registered, with 34 and 36 new clients each month, highly focused on on-demand products. This phenomenon progressively slows down reaching the end of Y2, where the company has 118 occupied accounts, registers a growth of 197 and accumulated 27 licenses as stock.

Price ratios remain the same, for a revenue of 124.888€. COGS now include the new acquisition in month 6 of 3.500€. Price per license is expected to be 20% more expensive than the previous purchase, 140€/license. Gross margin is 121.388€.

2.4.5.3.3 Optimistic Scenario – Year 3:

Retention from Y2 to Y3 decreased by 5%, being 74 accounts retained and expecting a 55% growth rate, 80 new accounts, spread on a 6 to 8 monthly ratio.

Prices follow the same criterion as in the Y3 realistic, where they grew 5%. Revenue decreased along with demand at 112.487€. COGS are 0€ since licenses have been purchased and gross margin equals revenue again.

2.4.5.4 Pessimistic Scenario – Market Expectations not met.

2.4.5.4.1 Pessimistic Scenario Y1:

Growth of sales is reduced to 70% of the total 120 available occupations, registering an 82-account growth. Y1 ends with 56 occupied licenses as well, leaving 65 accounts to stock.

Prices are again respected for each scenario in Y1 and so do COGS. In this sense revenue set at the end of Y1 is 30.744€. Gross margin is 16.744€, which raises as a risk indicator for the company that still has to face other costs, investments and taxes.

2.4.5.4.2 Pessimistic Scenario Y2:

Retention rate in this scenario is lower, 55% where only 32 accounts are kept. Growth rate also decreases, with 5 new accounts per month, with 60 account growth overall during Y2. Stock left is 55.

As prices range higher, between 8-13% and revenue rises to 55.546€. With this stock it is evident that there's no need to ask for more licenses thus COGS remain 0€. Gross margin equals revenue.

2.4.5.2.3 Pessimistic Scenario Y3:

Retention rate decreases by 5%, retaining 35 accounts from Y2. Growth rate also decreases forecasting 4 new clients each month. By the end of Y3, total occupied licenses are 63, while stocks are 57 out of 120.

Y3 prices follow the same trend, growing 5% with respect to Y2 and total Y3 revenue is 58.185€. COGS again, as no licenses are purchased due to low demand and huge stocks, are 0€. Gross margin equal revenue.

2.4.6 Conclusions about the Forecasts (valuing the three scenarios)

2.4.6.1 First Conclusion: The Accounts' Property Model

Initial provision of 120 accounts was enough on both the realistic and pessimistic scenarios for all three forecasted years. Always considering a safety cushion in stocks management in order to face unexpected and un-forecasted demand. It was only with the optimistic scenario that an unexpected growth was faced and 25 additional accounts were acquired.

This last point highlights the importance of the accounts' property model under the early bird agreement, which turned into a free profitable asset after being paid off. It also leaves room for imagination for different stocks' management where new scenarios can be drawn using the same 120 licenses.

2.4.6.2 Second Conclusion: Market Share Valuation

According to the forecast, market share entrance valuation is positive in the realistic scenario, as the company is entering a new and an inexistent market. It acquired 58% as an average during the three years of the real market estimation.

This high percentage is caused by the increased revenue in Y2 and Y3, which take advantage of the initial penetration of Y1 setting the business foundations. Let's take a

closer look at the first year of the realistic scenario: acquired shares at 40%, with a potential 0,011% resulting in 115.560€ Real PME.

2.5 The 4C Analysis' on the basis of the 4P's

Across the Marketing Mix explanation one can notice that P's are customer centered. A more direct comparison between the 4P's and the 4C's is clarified below.

Customer – Product: Looking through the buyer personas' models, products can get more attention from clients. Thus, offering different products that fulfill the different clients necessities, the company can provide a more customer focused intention.

Cost – Price: Price is determined by the acquisition cost of the product, which in turn is set by the different types of clients and their respective needs. So, what is the cost of acquisition for the client?

Costs of acquisition can vary depending on both the product and who chooses it. For instance, the cost of acquisition of a 67€ Basic Pack for a beginner, is not going to be the same as an Individual Campaign (120€) with very clear objectives and who expects a clear outcome from the action. Prices regarding cost of acquisition are also planned in order to be affordable and realistic, depending on the company requesting them.

Convenience – Distribution: Client relation and convenience are key for the company. Thus, two ways of distribution have been designed to improve convenience. First, using the direct way (Company's Web/IG), the client can contact L'Evocative in order to arrange any kind of meeting, communicate any issue or get more information about the service. Second, the indirect way that counts on distributors. Professionals offer to their client portfolio L'Evocative's services, providing maximum convenience as distributors' clients arrive at the company as an upsell of their own service (professional consulting, IG brand management etc.) Convenience is also brought to the professionals' portfolio, who counts on L'Evocative as a strategic partner.

Communication – Promotion: All communications are led by the company, who also manages all sale stages. Once the potential clients are reached through either organic or inorganic promotion, bidirectional communication starts and is maintained during all the purchasing phases. L'Evocative gains thereby trustworthiness with: live advising, live campaign building and constant client feedback.

3. OPERATIONS PLAN

3.1 Identifying the production process of the service

3.1.1 Steps to follow in order to provide the service

A very useful tool to explain and understand the step-by-step process is the value proposal diagram shown in Annex 6. Figure 8 that echoes the mantra: Technology (Software), Know-How (L'Evocative), Solutions for the clients (Clients). Laying the basis where service is built upon.

Here is the macro-analysis: L'Evocative provides a service based on an external technology. To provide the service, it needs to acquire the chatbots first. Once licenses are purchased, the service can carry on by transmitting the know-how to its clients. This information transmission requires a specific communication process, specified in section [1.6 Justification of the Entrepreneurial Degree] whose main steps are: Connection Meeting, Setup Campaign and Performance Report Delivery. [Annex 18. Schematic chart about the production process of the service]

3.1.2 Specify the technology and its budget

L'Evocative's foundations lay upon the discovery of a US based tech-company, whose main business was creating Instagram Chatbot automations. A window of opportunity opened up for the team who immediately established a business relation with the creators of that technology, Direct Heroes. After the necessary testing and talking, an agreement to acquire a certain number of licenses is reached with the creators. Number of licenses is set at 120, meaning that one hundred and twenty Instagram accounts (clients) could potentially be connected at the same time. The cost of that agreement was 14.000€.

3.1.3 Determine the stocks management

Stocks and licenses coverage, as mentioned before, is one of the core competitive advantages of L'Evocative. As a result, good management has to be implemented so that the company never runs out of stock, by having a safety license cushion in case demand outlines from the forecast.

3.1.3.1 Realistic Scenario (Y1, Y2, Y3)

Even with an initial growth of 120 accounts within Y1, total licenses are never out of stock. This phenomenon is caused by both the on-demand products or the drop-out rate. At the end of each year, when occupation is at its highest, all three years register a safety

stock cushion of: 25, 22 and 31 free licenses respectively. For this reason, the forecasted growth in both Y2 and Y3 don't need any more licenses.

3.1.3.2 Optimistic Scenario (Y1, Y2, Y3)

Since Y1 matches the one on Realistics' Scenario, things get more interesting in Y2. Retention rate at its highest (70%), thus less available accounts. Demand starts to increase on a stiff tendency during the first months, with only 9 licenses left in February. With this situation at hand, the company decided to purchase 25 more accounts that same month from the developers. March and April can therefore be covered despite their steep increase in demand. The cost of operation is expected to be 20% more expensive than the initial price purchased, 140€/license. For a total of 3.500€. Y2 is left with 27 licenses in stock, no need to buy more for Y3. In this last year, demand flattened leaving 30 available accounts out of 145 in stock.

3.1.3.3 Pessimistic Scenario (Y1, Y2, Y3)

Market acceptance isn't as expected; thus, sales are less than forecasted and more accounts are available. Evidently in this scenario no licenses are going to be purchased. Out of the initial 120 licenses stocks left in Y1 are 64, with 56 licenses occupied, stocks left for Y2 are 55, with an occupation of 65 and stocks for Y3 are 57, leaving an ending occupation of 63 licenses.

3.1.4 Determine the objectives and time-goals for the production process

Stock management's objectives clearly meet the conclusions presented on the Sales Forecast, where:

1. The Importance of owning the licenses: After reaching the agreement for the initial 120 accounts, on time payment and the accounts amortized, the chatbots are free of cost. L'Evocative is exempt from paying any monthly contribution to use them.
2. Accumulated Licenses: Acquiring more accounts in Optimistic Scenario Y2 allows the company to own more free-of-cost licenses to use at will.
3. Accounts surplus: Remaining stocks from the end of each respective year can be used to face Y2 and Y3 free of costs, as licenses are already paid and amortized.

3.2 Explain the key activities for the business. Are they done by the company or is an external agent who provide those key activities?

Once general view and schematic chart are reviewed, key activities can be detected and divided in three different groups:

1. Setting the Account Connection with Direct Heroes (External Provider): The main key activity in order to grant the service is to connect users' accounts to the external company software. Once the account is connected, chatbot features are available and the service can proceed. That's the only external activity but it is vital, it allows the whole Instagram chatbots concept to exist. Without it, there's no chatbot service.
2. Communication (Own Provider – L'Evocative): Communication is also a key activity to provide a successful service. L'Evocative, as its own communication facilitator, cares and looks after their clients as much as possible; using meetings, providing feedback or showing performance reports. *[Annex 19. Client Acquisition + Communication Activity – Micro-Process]*
3. Control Points (Own Provider – L'Evocative): To keep track of performance, some indicators such as number of sales or licenses management are used. They're also called control points. With this information the company is able to analyze real metrics and compare them with previous forecasts to see if they're on track. The company may also analyze consumer behavior tendencies in order to predict, adapt or modify the products' portfolio according to the clients' characteristics.

Monitoring these indicators helps to foresee monthly demand fluctuations, for example. It helps the company manage stocked licenses in a more efficient way and plan strategic moves for increased demands. All control points and monitorization are going to be held internally by L'Evocative. *[See Annex 20. Key Activities Diagram Process]*

3.2.1 Contingency Plan for the key activities

- 1) Relying on an external company in order to provide your service (having access to the specific technology) is a risk. The team must face and be aware that if any issue arises, L'Evocative will be up in the air as it depends 100% on this technology, thus alternatives should be found.

A first option could be to find another supplier. However, as market research has proved, there's no software like DH. While a second option would be to develop the technology internally, counting on some software engineers. The company could then merge its knowledge on funnel applications and the experience of having interacted with Direct Heroes' software by creating a new software from scratch. It could be tailored to L'Evocatives' desires. Third option would be to pivot. Relocate the business as purely a marketing agency by providing personalized advising and keep offering monetization strategies for Instagram without a chatbot, just by using different manual funnels and techniques instead.

- 2) Contingency for communication processes appears when human resources can't cover it. To hire new personnel would be a solution, although the attention and care previously devoted by the entrepreneurs' team would now be lost, as the new personnel might not be as prepared. In order to prevent it, training plans for the optimistic scenario and remuneration strategy should be applied.
- 3) Lastly, control points for both sales and costs are expected to be done manually for all three years. As the number of accounts and clients grow, a specialized software could be established to analyze all metrics for the company.

3.2.2 Identifying key resources

Key resources appear to be the same as the handicaps for this project, software and human labor. Technology is vital for the service, but so is human labor. Depending on the scenario it can cost way more than just time and dedication. Even though, in both realistic and pessimistic scenarios, the entrepreneur's team time dedication is also accounted for as personnel costs, real cost, with working hours and salary.

3.2.3 Association with Direct Heroes. Acquiring the software

The association with suppliers comes from the first meetings L'Evocative had with Direct Heroes. After testing, talking and discussing about the technology, L'Evocative reached an agreement to be supplied with licenses in exchange for a fixed amount. This agreement was closed in Early Bird Conditions, which somehow devoted confidence to

the project. Direct Heroes was developing the front-end, not ready to go into the market yet, and access to the software was only available for a few, including this team.

As soon as Direct Heroes launched, it became a direct competitor. Even then, suppliers rewarded L'Evocative with two special badges of Verified Builder and Agency Partner, which accredits the previous commitment towards their beta-state project.

With this relationship background the company does not expect any setback or issue to acquire more accounts. Arrangements to the licenses' amount and payment conditions are to be set. [Annex 21. Verified Builder and Agency Partner Badges]

3.3 Operations Budget

As the service is completely operated online all costs of production, apart from labor workforce, come from the purchased licenses. Investment in proper equipment is also needed in order to operate online. Following, a little budget description based on the realistic scenario:

Material Fix Costs:

- Personal Computers	(700€ x 2u)	1.400€
- Material Office	(300€ / p.p)	1.200€

Immaterial Fix Costs:

- Internet and Phone Service + Supplies		750€
- Hosting and Web Domain		60€
- Rent (of the coworking space)	(350€/month)	4.200€

Material Variable Costs

- Licenses Purchase - (Y1)		14.000€
- Personnel Costs	(40h/week)	32.111€ (annually)

TOTAL OPERATIONS BUDGET FOR THE FIRST YEAR:	53.721€
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Figure 2: Operations Budget Outline for the first year, based on the realistic scenario. (Own Elaboration)

In further years and scenarios variable costs, like personnel costs, could be incremented due to the expected demand increase and different situations arising from the various scenarios.

4. HUMAN RESOURCES PLAN

4.1 Organization chart

L'Evocative being an online based company, its organization chart is rather simple. It relies exclusively on the know-how of the project's entrepreneur team.

The top of this organization chart (see below) is led by the entrepreneur's team, both on the same hierarchical level corresponding to their co-founder's status. Each member has different tasks, according to each one's characteristics, as it has been described in the "Entrepreneur Team" part of this project.

Being the project in its early phase, external positions such as CM or Account Manager services are however taken into account. These tasks are going to help the company deal with the growth, according to the different sales forecast's scenarios.

The team designed the chart with a long-term vision that adapts gradually to the different scenarios through to a color scale.

Tasks and divisions, as said, have been organized according to the co-founders' characteristics, that in this early phase are taken on by Jonathan and Arnau. One set of divisions is more numerical with the operations, accountancy and finances, and external marketing. The other is more social based with client's relation, human resources and internal marketing. There's also a common division with funnels and accounts management, this division constructs the core business and it's the one that makes it grow.

In order to face the unexpected growth scenario, the company decided to hire two assistants within the first half of the second year, where expansion and license growth reached their peak. Entrepreneur team expects to cover the need for assistance and customer care with these forecasted outlines.

If all the accumulated licenses were occupied at the 145 clients peak of Year 2, each member would have to deal with 36 clients. Workload is expected to decrease, then the entrepreneur team would shift their attention from the account's management into other divisions.

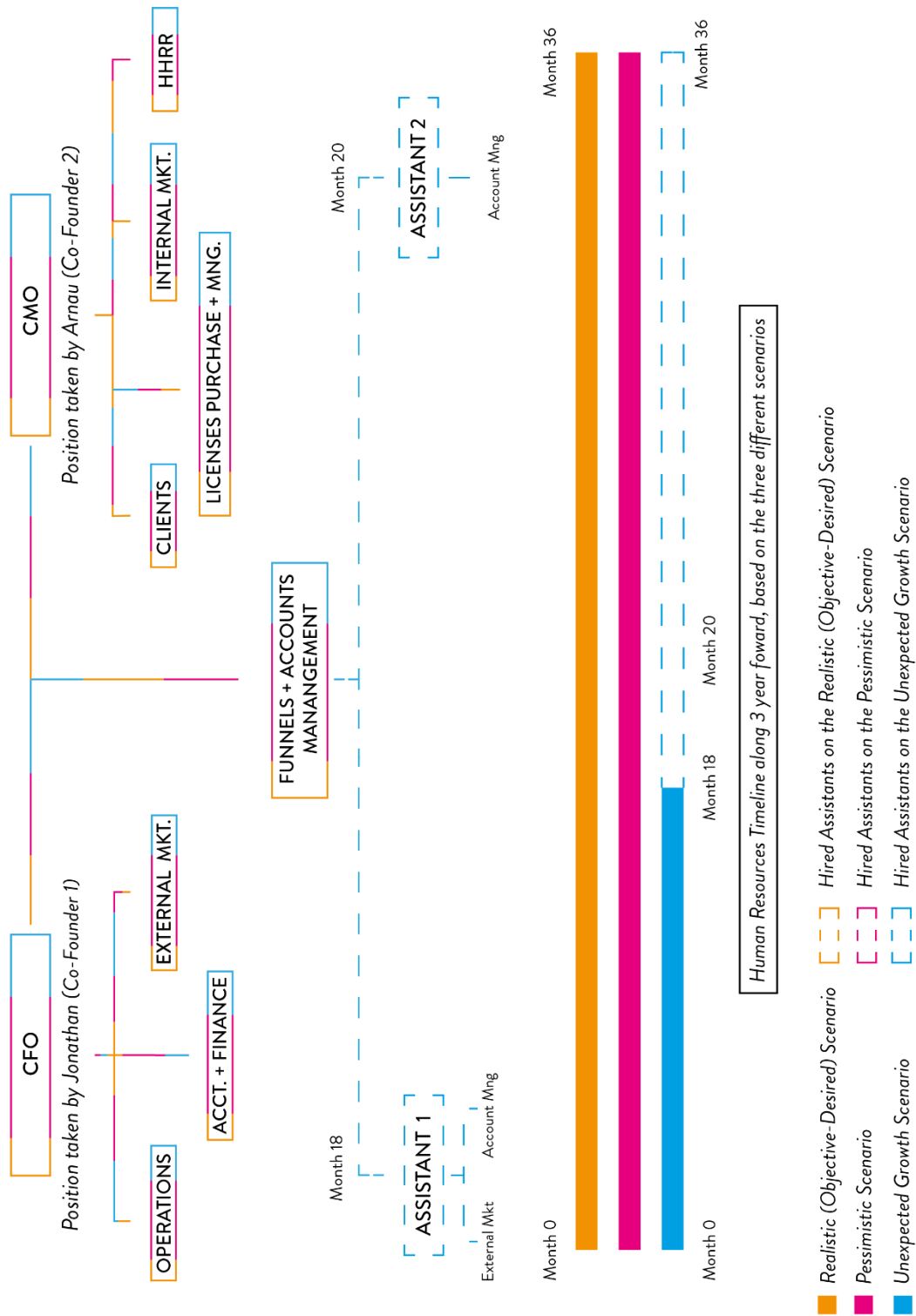


Figure 3: Human Resources Timeline along 3 years forward, based on the three different scenarios. (Own Elaboration)

4.2 Tasks and Functions

To cover each division successfully *key tasks to develop, key technical and personal competences* have been identified.

4.2.1 Analyzing the tasks for each division

Job position	Division	Tasks to develop
CFO	Operations	<ul style="list-style-type: none"> • Determine and control the stock management of the licenses as well as keeping record of them. • Control the accumulated amortized accounts + it's surplus. • Make sure communications with developers are in order to report feedback.
	Accounting & Finance	<ul style="list-style-type: none"> • To do the accountant and finance operations required such as for example, keeping track of the license's amortization. • Income management according to the product hired. • Commission fees management according to the established partners (mentors, coach, agencies... belonging to product E). • Invoice management. • Arrange benefits distribution • Current payables management i.e (immaterial fix cost)
	External Marketing	<ul style="list-style-type: none"> • Cold-mailing/messaging to reach new clients. • Target new clients depending on established characteristics. • Establish the first communications with the client on the beginning of the purchasing process • Plan/ideate budget for further paid campaigns
	Funnel/Accounts Management	<ul style="list-style-type: none"> • Establish all the communication with the client in all phases. • Meetings with the client in case needed • Ideate, build and set-up the campaigns in order to be ready to use for the client. • Provide feedback during the campaign. • Provide the report performance once the campaign is finished. • Ensure that all the control points are being reported to the accounting and finance plans for follow-up. • Provide all the best know-how possible to make the client happy.
	Training	<ul style="list-style-type: none"> • Although not being a division per se, this task has to be implemented in order to transfer internally the knowledge to the Assistants, through the training.

Figure 4: Table of Tasks for each division of the Organizational Chart. (Own Elaboration)

Job position	Division	Tasks to develop
CMO	Funnel/Accounts Management	<ul style="list-style-type: none"> ● Establish all the communication with the client in all phases. ● Meetings with the client in case needed ● Ideate, build and set-up the campaigns in order to be ready to use for the client. ● Provide feedback during the campaign. ● Provide the report performance once the campaign is finished. ● Ensure that all the control points are being reported to the accounting and finance plans for follow-up. ● Provide all the best know-how possible to make the client happy.
	Clients	<ul style="list-style-type: none"> ● Assure that all communication phases are completed and reported to the control divisions thanks to the control points. Here the lead of external marketing would be picked and would continue through the communication phases. ● Keep track of all the clients, providing them with support and service whenever they need it. ● Help them with the product selection and customization of it if needed. ● Attend the client's issues, further a helpdesk will be implemented + assistants' workforce. ● Work on the strategic relation with clients/partners subscribed on product E, in order to provide the service to their clients' portfolio.
	Licenses Purchase and Management	<ul style="list-style-type: none"> ● Close licenses purchase deals with the suppliers, together with keeping track of them and providing the report to the financial division. ● Ask for different types of deals/negotiations in case exceeding the already acquired stock of licenses. ● Overall license management.
	Direction + Human Resources	<ul style="list-style-type: none"> ● Meeting planification. ● Distribution of the tasks. ● Motivate employees (in case of having them in the near future). ● Hiring the correspondent assistant. ● Elaboration of agreements, either with partners (Product E) or with the hired assistants.
	Internal Marketing	<ul style="list-style-type: none"> ● Control over the communication channels – IG/Web. ● Maintenance of the web. ● Maintenance of the Instagram profile.
	Training	<ul style="list-style-type: none"> ● Although not being a division per se, this task has to be implemented in order to transfer internally the knowledge to the Assistants, through the training.

Figure 5: Table of Tasks for each division of the Organizational Chart II. (Own Elaboration)

Job position	Division	Tasks to develop
Assistant 1	Funnel/Accounts Management	<ul style="list-style-type: none"> ● Provide help with the management of the upward increase of licenses. ● Provide feedback during the campaign. ● Provide the report performance once the campaign is finished. ● Ensure that all the control points are being reported to the accounting and finance plans for follow-up. ● Keep track of all the clients, providing them with support and service whenever they need it. ● Ensure a constant communication with Co-founders in order to talk about how things are going.
	External Marketing	<ul style="list-style-type: none"> ● Help with the cold-mailing/messaging to reach new clients. ● Establish the first communications with the client at the beginning of the purchasing process. ● Target new clients depending on established characteristics. ● Plan/ideate budget for further paid campaigns ● Monitor the paid campaigns. ● Suggest new communication ideas for cold mailing/messaging.
	Training	<ul style="list-style-type: none"> ● Although not being a division per se, once received the training, Assistant 1 is in charge to transmit the training and knowledge to the other Assistants that would join the company, so the CMO and CFO can dedicate their time to other tasks.

Figure 6: Table of Tasks for each division of the Organizational Chart III (Own Elaboration)

Job position	Division	Tasks to develop
Assistant 2	Funnel/Accounts Management	<ul style="list-style-type: none"> ● Provide help with the management of the upward increase of licenses. ● Provide feedback during the campaign. ● Provide the report performance once the campaign is finished. ● Ensure that all the control points are being reported to the accounting and finance plans for follow-up. ● Keep track of all the clients, providing them with support and service whenever they need it. ● Ensure a constant communication with Co-founders in order to talk about how things are going.

Figure 7: Table of Tasks for each division of the Organizational Chart IV. (Own Elaboration)

4.2.2 Technical and Personal Competences for each Task/Division

Job position	Division	Technical Competences	Personal Competences
CFO	Operations	<ul style="list-style-type: none"> • Time management • Resolutive and decision taking capacity • Communication techniques 	<ul style="list-style-type: none"> • Digital competences. • Communication capacity • Methodic
	Accounting & Finance	<ul style="list-style-type: none"> • Quantitative Analysis • Analysis Capacity • Accounting Mng. 	<ul style="list-style-type: none"> • Precise and punctual • Organized • Pragmatic & rigorous
	External Marketing	<ul style="list-style-type: none"> • Basic MKT knowledge • Social Networks • Communication technique. 	<ul style="list-style-type: none"> • Creative • Original • Digital Competences
	Funnel/Accounts Management	<ul style="list-style-type: none"> • Software knowledge • MKT Funnels skills • Client & communic. skills 	<ul style="list-style-type: none"> • Original • Proactive • Engagement Provider

Figure 8: Technical and Personal Competences for each Task/Division I. (Own Elaboration)

Job position	Division	Technical Competences	Personal Competences
CMO	Funnel/Accounts Management	<ul style="list-style-type: none"> • Software knowledge • MKT Funnels skills • Client & communic. skills 	<ul style="list-style-type: none"> • Original • Proactive • Engagement Provider
	Clients	<ul style="list-style-type: none"> • Client & communic. Skills • Task prioritization • Communication technique. 	<ul style="list-style-type: none"> • Empathic • Efficient • Observer
	Purchases & Management	<ul style="list-style-type: none"> • Time management • Resolutive and decision taking capacity • Bargaining Power 	<ul style="list-style-type: none"> • Methodic • Autonomous • Initiative
	Direction + HHRR	<ul style="list-style-type: none"> • Strategic capacity • Leadership • Bargaining capacity 	<ul style="list-style-type: none"> • Empathic • Organized • Leadership
	Internal Marketing	<ul style="list-style-type: none"> • Digital Skills • Social Networks Skills • Copywriting skills 	<ul style="list-style-type: none"> • Creative • Quick-witted • Resolute

Figure 9: Technical and Personal Competences for each Task/Division II. (Own Elaboration)

Job position	Division	Technical Competences	Personal Competences
Assistants 1-2	Funnel/Accounts Management	<ul style="list-style-type: none"> ● Software knowledge ● MKT Funnels skills ● Client & communic. skills 	<ul style="list-style-type: none"> ● Engagement provider ● Proactive ● Original
	External Marketing	<ul style="list-style-type: none"> ● Copywriting skills ● Basic MKT knowledge ● Digital Skills and SN 	<ul style="list-style-type: none"> ● Quick-witted ● Original ● Creative

Figure 10: Technical and Personal Competences for each Task/Division III. (Own Elaboration)

4.2.3 Temporization of the tasks

Work dedication will be full time for the entrepreneur team, with 40 hours dedicated per week. As the service is online the team also should be prepared for flexibility, weekends could also be work days if the situation requires it. Time dedication percentage will be applied on a 40h/week time-frame for the entrepreneur team.

Assistants, incorporated in the optimistic scenario, also start at 40h/week. In this case the working hours will be respected, as flexibility is not expected from them. Time dedication on the actions and/or divisions is applied equally, by establishing percentage rates.

To clarify, this temporization of tasks goes according to an initial planification, considering time dedication for both the co-founders. When assistants are added, the workload for CFO and CMO on funnels and accounts management diminishes along with their relative percentages.

The task of training will represent a 5% of over-work and dedication, punctual and momentary. It's going to work as a chain, since both the CFO and CMO devote time training the first assistant. Then this same assistant transmits that knowledge to the other assistant entering in Y2. Same would apply for upcoming assistants in Y3.

Job position	Division	Time dedication (% , h)
CFO	Operations	10%
	Accounting & Finance	20%
	External Marketing	10%
	Funnel/Accounts Management	60%

Figure 11: Temporization of the tasks I. (Own Elaboration)

Job position	Division	Time dedication (% , h)
CMO	Funnel/Accounts Management	45%
	Clients	30%
	Purchases & Management	5%
	Direction + HHRR	10%
	Internal Marketing	10%

Figure 12: Temporization of the tasks II. (Own Elaboration)

Job position	Division	Time dedication (% , h)
Assistant 1	Funnel/Accounts Management	60%
	External Marketing	40%
	Training	5%

Figure 13: Temporization of the tasks III. (Own Elaboration)

Job position	Division	Time dedication (% , h)
Assistant 2	Funnel/Accounts Management	100%

Figure 14: Temporization of the tasks IV. (Own Elaboration)

4.2.4 Training Plan

As previously explained, in order to train the new assistants on the know-how of the software, such as how to treat clients or how to create funnels, a training plan is created and presented below. This training plan encompasses all functions the assistant could

perform so it can be generally applied to the upcoming ones, no matter their role or division. Assistants can rely on the co-founders' and assistant-head's support for any issue arising.

Job position	Division	Training Characteristics
Assistants	Funnel/Accounts Management	<ul style="list-style-type: none"> ● Receive the know-how of the software ● Learn how to build a funnel ● Learn how to communicate with clients ● How the feedback is given ● How control points are reported
	External Marketing	<ul style="list-style-type: none"> ● Know the company copywrite style ● Know how the target selection is done, applying which parameters ● Learn how to establish the first communications with the client ● Learn how to establish paid ad campaigns regarding the previous ones

Figure 15: Training Plan (Own Elaboration)

The cost of this assistants' formation won't be monetary, because all the knowledge is going to be transferred internally, (from co-founders to assistants) so it won't cost money. Instead, it is going to require time spending (over-workload of 5%) for the CMO, CFO and even Assistant 1, who have to dedicate time to train the company assistants. This training line won't finally show in the *Human Resources Budget* because it doesn't have a specific tangible money amount but some dedication hours instead.

4.3 Payment Policy

Remuneration structure is based on fixed and variable salary, this last one in terms of bonuses, divided in general criteria.

The first criteria is hierarchy where co-founders earn more than the assistants. This criteria applies depending on the scenario. Within the assistants, hierarchical structure is also applied to the figure of Assistant Leader, which corresponds to the first incorporated assistant. It's going to perceive a higher salary for training the other assistants.

Second criterion affecting salaries is a variable one, bonuses, that follow performances of each assistant. The ability to upsell the customer is for example an indicator that shows motivation towards work as well as trying to sell the most valuable product, like a Strategic Pack instead of a Basic Pack. Bonuses are proportional to their effort, keeping them motivated and productive.

Following, the unexpected scenario *outline budget*, with all the different salaries. As other scenarios have no hirings, remuneration is only applied to the CFO and CMO.

Position	Hierarchy Level	Fixed €/hour	Fixed €/month
CFO	1st	7.5€	1.200€
CMO	1st	7.5€	1.200€
Lead Assistant	2nd	6.7€	1.071€
Assistants	3rd	6.5€	1.033€
Total			4504€/month

Figure 16: Fix Salary Remuneration Table Outline. (Own Elaboration)

Note: This salary expenditure doesn't start on day one, it grows gradually, following different personnel incorporations' timelines of different scenarios. This outline takes a picture of the overall fixed salaries (net) that the company member would receive.

As for the variables, bonuses applied for the assistants will be set according to three conditions based on the monthly objective growth.

- If objectives are not achieved = No bonus.
- If objectives are achieved roughly = Bonus (1-2%) according to that month income.
- If objectives are overachieved by a 5% = Bonus increases in a 5% also.

5. LEGISLATION PLAN

5.1 Company's Legal Form

The company has chosen the New Business Limited Company legal form. The main reasons for this decision are convenience, in terms of its constitution, and requirements for its creation, which fits best for the company's founding team. It can be carried out in less than 48 hours along with fiscal facilitations. It basically has been chosen as the best and quickest to establish.

Being a subtype of Limited Liability Company, small modifications can be made, such as changing the company name from the initial name and surname to a fictitious one. This might better represent the company, as a brand or trademark.

Last reason is that none of the two co-founders have to answer with their own personal assets if the business incurs into any type of insolvency.

5.1.1 Steps to constitute this New Business Limited Company

In order to constitute the project as a New Business Limited Company several steps need to be followed, according to the Spanish regulations. Steps are described here below (Gobierno de España. Ministerio de Industria, Comercio y Turismo, 2021):

1. Request for a corporate name at Dirección General de Industria y de la PYME.
2. Request the provisional Tax Identification Number at Agencia Tributaria (Spain Tax Agency).
3. Signing of the company with a Notary.
4. Payment of the Property Transfer and Certified Legal Documents Tax at the Autonomous Community Tax counseling.
5. Register the company at Provincial Trade Register.
6. Request the final Tax Identification Number at Agencia Tributaria (Spain Tax Agency)

5.1.2 Certificate of incorporation prototype of a New Business Limited Company

The prototype of incorporation certificate shown below needs to be presented on the Trade Register, at the business constituting process previously outlined.

I. General Dispositions		
Article 1.	Denomination	Farell Danés, Arnau, S.L.N.E (Later on, L'Evocative SL.)
Article 2.	Social Objective	Advising on Instagram Marketing Campaigns through Instagram Chatbots
Article 3.	# Founder Members	2
Article 4.	Duration	Indefinite
Article 5.	Registered Office	Cardedeu
II. Share Capital. Participations		
Article 6.	Share Capital	10.000€
III. Corporate Bodies		
Article 7.	General Board	Limits the Direction of the Company to one year.
Article 8.	Board of Directors	Joint Administrators. Direction will turn.
Article 9.	Power of Attorney	Joint Administrators. (2 co-founders)

Figure 17: Prototype of incorporation certificate to present at the Trade Register when constituting the business.
(Own Elaboration)

5.2 Third Party Legal Assessment

In order to obtain help and orientation in both juridical and fiscal terms, three options have been established as potential suppliers. The company has therefore taken into consideration some criteria, such as: localization, specialization and recommendation-treatment.

1. Cardedeu Legal Advocats

Location: Ctra. Dosrius, 191, Local B. Cardedeu (08440)

Specialization: Any issue related with Labour Law, from commercial registration issues, partner agreements...

Recommendation and Treatment: +20 years of experience in the sector which justify to be very professional people offering a nice and close treatment.

2. **Assesoria Lancina Carcellé**

Location: Carrer Pau Picasso. Cardedeu (08440)

Specialization: Focused on SMEs, its services stand out on tax and accounting related issues.

Recommendation and Treatment: Professional treatment with more than 15 years of experience.

3. **Assesoria Coll Gestoria SL.**

Location: Carrer d'Enric Prat de la Riba, 25. Granollers (08401)

Specialization: Focused assessment for companies in the labor, tax and accounting fields.

Recommendation and Treatment: Their slogan states: "We believe that the profitability of any administrative, labor, tax or accounting management is not only what is gained, but also what is not lost" proving great sense of professionalism.

In general, all three options gave the company a very good feeling. They all guarantee expertise and help in these specific issues. Company's needs will be perfectly covered in both labor law or accounting and fiscal tax issues.

5.3 Partners Agreement

In order to avoid any possible misunderstandings, to empower interests of both members and to state clear protocols of functioning a Partners Agreement has been written. This document collects the consensus between partners with respect to the company legalities in several articles and points presented below. [See Annex 22. Partners Agreement]

0. Introduction of the partners and time placement of the agreement

I. **Article 1. Purpose**

1. Purpose
2. Nature
3. Shares

II. **Article 2. Management**

4. Board of Directors
5. Authority of Directors
6. Limitations

III. Article 3. Distribution Profit and Losses

- 7. Profit and Losses
- 8. Distributions

IV. Article 4. Transfers

- 9. Restriction on Transfer
- 10. Involuntary Transfer
- 11. Right of First Refusal
- 12. Drag Along Right
- 13. Tag Along Right
- 14. Mortis Causa Transfer

IV. Article 5. General Clauses

- 15. Adhesion
- 16. Permanence Clause
- 17. Confidentiality
- 18. Applicable Law and Jurisdiction
- 19. Modifications
- 20. Validity

5.4 Regulations

The nature of the business consists in building marketing funnels through Instagram, whose regulatory impact arises towards a European level. The most important regulation to be followed in order to carry out L'Evocative's activity is the General Data Protection Regulation (GDPR).

Down to the official name "***REGULATION (EU) 2016/679 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 April 2016. On the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)***" (Official Journal of the European Union , 2016) this regulation compels all companies regardless of their country of origin or activity to comply. Whether they collect, store, process or use any type of personal data of any EU citizen.

What is “personal data” referring to? The term corresponds to any information related to a physical person that can be used to directly or indirectly identify them, for example: name, email, phone number, address... (Herranz, 2018)

How does L'Evocative collect this data? An example would be while using a funnel in which it is asked for the email of the lead in exchange for an info-product.

For any company to collect this kind of data, it is necessary that the client or user has given their explicit consent and agreed to their personal data collection. The reason why and the storage location, either in an excel database at the beginning or in a CRM later, of this data has to be explained and clearly stated as well.

It also regulates the activity conducted with that information, both use of the platform and data management. On one hand, at an external level, GDPR has to be applied to cover any data managed outside the company's reach. Even third parties' data that have no relation with the company but are interacting through its service has to be managed. From these externalities arise rights for the subject explained below. At an internal level then a Non-Disclosure Agreement (NDA) has to be provided together with the GDPR since the client is connected to the company's main dashboard to which the team members have access.

While arranging the correspondent campaigns and providing its service L'Evocative could act spitefully under the client's name, harming their image since the members have access to the Instagram profile that is hosting the service. That's why an NDA has to be supplied. [See Annex 23. Non-Disclosure Agreement (NDA)]

5.4.1 Rights of the subject

The subject has rights within this legislation, the two most important ones are shown below: (Official Journal of the European Union , 2016); (Herranz, 2018)

A) **Right to erasure ('right to be forgotten')**: The subject can request and achieve that their personal data is deleted when, among other cases, these are no longer necessary for the purpose they were collected or when consent has been withdrawn.

B) **Right to data portability**: The right to portability allows the subject to recover their data in a readable format and to transfer it to another person in charge. This data must be in a structured, commonly used and machine-readable format (for example an excel format) so that it can be easily transmitted to another person in charge thus facilitating a change of supplier.

5.4.2 Possible future regulation changes

Although this regulation came into effect in 2018, there could be a legislative change in the near future. In this case, the company would have to change the way in which it manages and facilitates their clients' private data. Even then, tangible changes in the regulations at a European level would be followed by guidelines and a consequent period of adaptation for companies such as L'Evocative, in order to effect the due changes in an effective way.

6. ECONOMIC PLAN

Company's two handicaps were mentioned all across the work. First being at a license level, where the company bought 120 accounts to use at will. Problems here arise when this 120-client limitation can't be surpassed. In order to supply more clients, new licenses have to be forecasted first and then ordered in bulk, as licenses won't be handed out on demand. This condition affects the flexibility of the company, which has to correctly forecast sales tendencies in order to satisfy its demand. The price of new accounts is also going to be higher than the early-bird one negotiated early on. Second handicap is man-power, where human resources are expensive and the know-how of the company relies heavily on the co-founders. By completing this economic plan and considering the three scenarios, the team has arrived at the conclusion that an optimal solution would be not to hire anyone since the workload can be mainly handled by the co-founders. In extreme cases, as the two scenarios show, some hirings would be needed in order to keep up with the demand.

6.1 Realistic and Optimum scenario

Every project has a goal, a clear objective to pursue, which most of the time is either too optimistic to be real or too ambitious to be reached. L'Evocative has therefore tried to set the bar on a fair distance to the ground, not too high, not too low, to keep the team motivated and realistic about what could happen in the following years.

Here's how the realistic scenario has been drawn. Sketching on a piece of paper many different situations, both good and bad ones, the team decided to settle for a scenario that made the most sense, one that was pursuable and reachable by the co-founder's team. It assumes a growth of 120 accounts during the first year, selling all licences at the end of Y1, and is objective-desired about market acceptance.

The goal is to fill all accounts with no restrictions about which kind of product (high or low-ticket) has to be sold, even if the majority are Product A (low price). That's the reason why it is a realistic goal as it can be seen here below.

6.1.1 Investment and finance

Both co-founders decide to participate equally in the initial investment and financing of the company. They invest 2.600€ on furniture and technological equipment, and 10.000€ as Social Capital to establish the company. Partners decide to exceed the minimum 3.000€ in order to have a better cushion in case something goes wrong. This fear is well founded since the company is going to face negative numbers in the first-year of the forecast, caused by initial costs of the accounts.

PARTNER	AMOUNT	DATE	CONCEPT	%	COMMENTS
Arnau Farell	5.000	01/09/2021	Capital	50,00%	Social Capital for the New Business Limited Company + Initial Investment
Jonathan Ferreras	5.000	01/09/2021	Capital	50,00%	Social Capital for the New Business Limited Company + Initial Investment

Figure 18: Economic Plan - Realistic Scenario. Partners' Investment on the Realistic Scenario. (Own Elaboration)

YEAR 1	Total	sep-21
Intangible assets	0	0
Research and development	0	0
Administrative concessions	0	
Patents, licenses and tradema	0	
Transfer rights	0	
Computer Applications	0	
Other intangible assets	0	
Tangible	2.600	2.600
Land	0	
Constructions	0	
Technical facilities	0	
Machinery	0	
Tooling	0	
Other Facilities	0	
Furniture	1.200	1.200
Equipment processes informal	1.400	1.400
Vehicles	0	
Other fixed assets	0	
Deposits and guarantees l / t	0	0
Long-term guarantees	0	
Long-term deposits	0	
TOTAL	2.600	2.600

Figure 19: Economic Plan - Realistic Scenario. Partners' Contribution for Year 1. (Own Elaboration)

After the investments in Y1, the following two years are zero since, in this scenario, the co-founders are the only ones working for the company, with no additional worker nor associate. Investments are therefore the same for the next year and the following.

6.1.2 Operations and Costs

L'Evocative's initial headquarters won't cost more than 350€/month, increasing slightly each year, considering the rental prices in the Barcelona Metropolitan area. Offices are meant to host the co-founders in their daily operations. In the same space, for this same price, future expansion is also going to be taken into account, being able to accommodate more people if needed. Supplies are also calculated separately with margins of maneuver.

Marketing and Advertising include all means of promotion, advertising and management (Mailchimp, CRM, Google Ads, ...). Other Services include Web Domain and Hosting services annually computed.

Human Resources include only the two co-founders, at least for the first 3 years of the forecast, the amount is therefore 1.412€ brut and 1.200€ net salary for each.

Looking at Operations, it is important to notice that the accounts are all the same product (Licenses) and have the same costs. They are marketed as a service in different packs, each with their own price. The Operations table has been accordingly modified to show that particular difference.

PRODUCTS / SERVICES	TYPE	INITIAL PURCHASES	PP	SP	MARGIN	PC	PV	MARGIN	PC	PV	MARGEN	VAT Purchases	VAT Sales	PAYMENT	EARNING
LICENSES	Product	120	116,67		0,00%			0,00%			0,00%	0,00%		Cash	
Product A - Basic Pack	Product	0		67,00	100,00%		75,00	100,00%		79,00	100,00%		21,00%		Cash
Product B - Full Pack	Product	0		97,00	100,00%		110,00	100,00%		116,00	100,00%		21,00%		Cash
Product E - Intermediaries Agr.	Product	0		47,00	100,00%		47,00	100,00%		47,00	100,00%		21,00%		Cash
Product C - Individual Campaign	Product	0		120,00	100,00%		129,00	100,00%		135,00	100,00%		21,00%		Cash
Product D - Strategic Pack	Product	0			0,00%		360,00	100,00%		375,00	100,00%		21,00%		Cash

Figure 20: Economic Plan - Realistic Scenario. Product Portfolio. (Own Elaboration).

L'Evocative's core business is undoubtedly its stocks, and the only product that can be stocked are its 120 licenses. As fully explained in the Sales Forecast, this scenario optimizes the occupation of all its licenses without trespassing this threshold. Note the nature of the products (licenses as a service) displayed, the first 3 product (A, B, E) are considered to be retained for the whole year since their subscription is long-term, while the other 2 (C and D) are una-tantum hence been freed instantly after usage, ready to be reused the next month.

As fully explained in Sales Forecast, instead of a monthly drop-out rate, it is assumed that no account is dropped during the year, while redemption and drop-out rates are calculated at the end of Y1. The stock is then 25 accounts (95 are being used) and

redemption rate for Y2 is 60%, 38 accounts are therefore freed and Year 2 begins with 63 free accounts (25 from Stock + 38 drop-out). Same happens from Y2 to Y3, where stock is 22 with a redemption rate of 55%, the company starts Year 3 with 61 accounts and ends it with 31 in stock.

Let's look at what happens with that drop-out rate during the year. Is it possible that the company is able to recover with a drop-out rate of 40 or 45% respectively. If we compare the numbers of accounts dropped from Y1 (38 accounts) with the growth rate (new accounts sold during the Y2) which is 73 accounts, we see how our growth ratio is still above x1.92 times, even with a drop-out rate of 40%. It shows how the company recovered fast from that drop and almost doubled it with the sales forecasted during the year.

SUPPLIES	TYPE	INITIALS	sep-21	oct-21	nov-21	dic-21	ene-22	feb-22	mar-22	abr-22	may-22	jun-22	jul-22	ago-22
LICENSES	Product	120	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL		120	0	0	0	0	0	0	0	0	0	0	0	0
SALES	TYPE		sep-21	oct-21	nov-21	dic-21	ene-22	feb-22	mar-22	abr-22	may-22	jun-22	jul-22	ago-22
Product A - Basic Pack	Product		2	8	12	19	24	30	36	38	42	45	55	59
Product B - Full Pack	Product		1	4	8	10	11	11	13	17	19	23	25	26
Product E - Intermediaries Agr.	Product		2	2	2	2	4	4	4	4	4	5	5	5
Product C - Individual Campaign	Product		0	1	0	1	2	2	2	4	1	2	2	5
Product D - Strategic Pack	Product		0	0	2	0	0	2	0	0	3	0	1	0
TOTAL			5	15	24	32	41	49	55	63	69	75	88	95
STOCK	TYPE	INITIALS	sep-21	oct-21	nov-21	dic-21	ene-22	feb-22	mar-22	abr-22	may-22	jun-22	jul-22	ago-22
LICENSES	Product	120	115	105	96	88	79	71	65	57	51	45	32	25
Product A - Basic Pack	Product													
Product B - Full Pack	Product													
Product E - Intermediaries Agr.	Product													
Product C - Individual Campaign	Product													
Product D - Strategic Pack	Product													
TOTAL		120	115	105	96	88	79	71	65	57	51	45	32	25

Figure 21: Economic Plan - Realistic Scenario. Licenses, Sales and Stocks for Y1. (Own Elaboration)

sep-22	oct-22	nov-22	dic-22	ene-23	feb-23	mar-23	abr-23	may-23	jun-23	jul-23	ago-23
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
sep-22	oct-22	nov-22	dic-22	ene-23	feb-23	mar-23	abr-23	may-23	jun-23	jul-23	ago-23
38	40	41	42	45	47	48	48	50	50	52	53
18	20	21	23	23	25	28	29	32	33	35	39
5	5	5	5	5	5	5	5	5	5	5	5
1	2	1	3	2	2	2	3	2	1	2	1
1	0	3	0	1	0	0	2	0	2	0	0
63	67	71	73	76	79	83	87	88	92	94	98
sep-22	oct-22	nov-22	dic-22	ene-23	feb-23	mar-23	abr-23	may-23	jun-23	jul-23	ago-23
57	53	49	47	44	41	37	33	32	28	26	22

Figure 22: Economic Plan - Realistic Scenario. Licenses, Sales and Stocks for Y2. (Own Elaboration)

sep-23	oct-23	nov-23	dic-23	ene-24	feb-24	mar-24	abr-24	may-24	jun-24	jul-24	ago-24
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
sep-23	oct-23	nov-23	dic-23	ene-24	feb-24	mar-24	abr-24	may-24	jun-24	jul-24	ago-24
32	33	35	37	40	40	42	42	45	46	47	48
23	24	27	28	28	30	32	30	31	32	32	32
5	5	5	5	5	5	5	5	5	5	5	5
1	3	0	1	2	1	1	4	1	2	2	4
0	1	0	2	1	2	1	3	0	2	2	0
61	66	67	73	76	78	81	84	82	87	88	89
sep-23	oct-23	nov-23	dic-23	ene-24	feb-24	mar-24	abr-24	may-24	jun-24	jul-24	ago-24
59	54	53	47	44	42	39	36	38	33	32	31

Figure 23: Economic Plan - Realistic Scenario. Licenses, Sales and Stocks for Y3. (Own Elaboration)

6.1.3 Profit and Loss

The company in the first year is forecasted to have some losses, as expected. This is caused by the initial costs of the licenses. The 14.000€ summed with the other costs and without having time to build a cushion of sales profit to balance it, weighs on the final profit results. The far-sighted co-founders have luckily invested more than the bare minimum into the company, which is going to help soothe this first year's losses.

Human resources costs in this case were much higher than expected. Here below can be seen that, even though the staff is limited to the two co-founders, their costs are over 30 thousand euros. Looking closely at this cost, it can be hinted that the main reason they're so high is not only the salary per se, but also the Income Tax and SST related to it.

The second and third year are positive, as the company expected them to be, since the most significant costs of licenses have already been paid compensation for the negative numbers of the first year, which allows the company to have a good profit at the end of both years, in this scenario. Options for a loan to avoid those first-year losses have been discussed but since that same loss could be compensated with the company's equity, the team prefers not to incur into high bank interest rates.

Profit and Loss	31/08/2022	31/08/2023	31/08/2024
Sales	45.747	86.308	89.997
Change in inventories	2.917	(350)	1.050
Work performed by the company for its assets (R+D)	0	0	0
Supplies	(14.000)	0	0
Staff costs	(32.111)	(33.882)	(33.882)
Other operating expenses	(10.560)	(9.240)	(9.424)
Depreciation and amortization	(477)	(520)	(520)
Allocation of grants and other non-financial assets	0	0	0
A) OPERATING INCOME	(8.485)	42.316	47.221
Financial expenses	0	0	0
B) FINANCIAL RESULTS	0	0	0
C) PROFIT BEFORE TAX (A + B)	(8.485)	42.316	47.221
Income Tax	1.273	(6.347)	(14.166)
D) PROFIT FOR THE YEAR	(7.212)	35.968	33.055

Figure 24: Economic Plan - Realistic Scenario. Profit & Loss. (Own Elaboration)

6.1.4 Analysis

Some indicators are worth mentioning to give a better sense of how the company's forecast for the first 3 years is expected to behave in this scenario (the realistic one). For the sake of the comparison the team has selected Working Capital, IRR and NPV, Breakeven, EBITDA and Payback.

The first year has losses, the WC along with EBITDA are therefore negative as well. A breakeven of 56.945€ is not reached which makes the payback in Year 1 impossible. A drastic recovery can be observed from Year 2, with positive numbers in those same indicators. This recovery is obviously due to the positive profits of the latter two years, observing the break-even we can therefore state that the threshold of 43.820€ and 43.321€ respectively is widely surpassed. Now the payback can finally be accepted in Year 2.

IRR (TIR) is over 100%, 157% to be precise, which shows that the company is profitable over the three years. Also, NPV (VAN) had a sustained growth over the same period.

WORKING CAPITAL			
	YEAR 1	YEAR 2	YEAR 3
Current assets	16.865	75.891	140.559
Current liabilities	17.473	42.705	72.242
WORKING CAPITAL	-608	33.186	68.317

ROI			
	YEAR 1	YEAR 2	YEAR 3
Investment	18.100	0	0
BAI	-8.485	42.316	47.221
ROI	-47%	0%	0%

FUND PERFORMANCE			
	YEAR 1	YEAR 2	YEAR 3
Sales	45.747	86.308	89.997
BAI	-8.485	42.316	47.221
Rendiment dels fons	-16%	96%	110%

EBITDA			
	YEAR 1	YEAR 2	YEAR 3
EBT	-8.485	42.316	47.221
Interests	0	0	0
EBIT	-8.485	42.316	47.221
Depreciation	477	520	520
EBITDA	-8.008	42.836	47.741

PROFITABILITY INCOME			
	YEAR 1	YEAR 2	YEAR 3
Investment	45.747	86.308	89.997
BAI	-8.485	42.316	47.221
PROFITABILITY INCOME	-18,55%	49,03%	52,47%

VAN			
	YEAR 1	YEAR 2	YEAR 3
Year	1	2	3
Cash flow	13.948	59.376	63.618
Actualization Rate	2,00%	2,00%	2,00%
Present Value	13.675	57.071	59.949
VAN	13.407	55.952	58.773

Figure 25: Economic Plan - Realistic Scenario. Left: Working Capital, ROI and Fund Performance. Right: EBITDA, Profitability Income and NPV. (Own Elaboration)

TIR			
	YEAR 1	YEAR 2	YEAR 3
Investment	18.100	0	0
Cash flow	13.948	59.376	63.618
	-18.100	13.948	59.376
TIR	157%		

BREAKEVEN			
	YEAR 1	YEAR 2	YEAR 3
Sales	45.747	86.308	89.997
Fixed costs	43.148	43.642	43.826
Gross Margin	34.663	85.958	91.047
% GM	75,77%	99,59%	101,17%
BREAKEVEN	56.945	43.820	43.321
MONTHLY BREAKEVEN	4.745	3.652	3.610

BURN-RATE			
	YEAR 1	YEAR 2	YEAR 3
Annual	61.405	45.056	45.278
BURN-RATE	5.117	3.755	3.773

DEBT RATIO			
	YEAR 1	YEAR 2	YEAR 3
Liabilities	17.473	42.705	72.242
Equity	2.788	38.756	71.811
DEBT RATIO	626,73%	110,19%	100,60%

INVENTORY TURNS			
	YEAR 1	YEAR 2	YEAR 3
Supplies	-14.000	0	0
Change in inventories	2.917	-350	1.050
Consumption	-11.084	-350	1.050
Stocks	2.917	2.567	3.617
INVENTORY TURNS	380,00%	13,64%	-29,03%

PAYBACK			
	YEAR 1	YEAR 2	YEAR 3
		✓	

Figure 26: Economic Plan - Realistic Scenario. Left: IRR, Break-Even, Burn-rate. Right: Debt Ratio, Inventory Turn, Payback. (Own Elaboration).

6.2 Different Scenarios

As widely explained across the work, the team worked on all kinds of scenarios to draw a realistic picture of how the business is going to perform. While the two new scenarios are not the common “more or less sales” based, they are extreme realistic cases in which the company could incur instead.

6.2.1 Pessimistic scenario

As seen in Sales Forecast “Pessimistic” may not give enough credit to this scenario, since it retains the minimum possible sales in which the company can incur if their products don’t reach the desired market acceptance. The picture here is therefore working within the limits of conquering the difficulties and still getting away with a viable project.

Investments in this scenario are exactly the same as the realistic one, since co-founders are still the only workers in the company for the 3 years period and the conditions on social capital are also the same. What changes in the financial part is a loan that has to be taken since there are too many losses. Even equity couldn’t compensate for it so the co-founders, not being fans of interests’ rates, decided to give a part of their monthly salary to cover that loss as a free interest loan.

LOANS	AMOUNT	INTEREST	FREQUENCY	NUM QUOTES	NUM QUOTES GRACE	FEE	START	END	COMMISSION (%)	EXPENSES	TYPE
Loan A	12.552	0%	Monthly	12		1.046	01/09/2021	01/09/2022	0,00%	0	Normal
Loan B										0	
Loan C										0	

Figure 27: Economic Plan - Pessimistic Scenario. Loan to defer Co-founders' wages. (Own Elaboration)

Costs and the operation’s mechanism remain the same, but stocks change. The actual licenses occupied in Y1 are only 56, finishing the year with a stock of 64. The retention rate for Y2 is 55% leaving plenty of free accounts, 83. During this second year the sales are still low with 65 total accounts occupied and a stock of 55. Retention rate for Y3 is 50% with a total of 81 accounts at L’Evocative disposal, at the end of that same year the stock reached 57 accounts.

Even with this pessimistic scenario the growth over drop-out ratio is still x2.38 times, which means that those 25 accounts that dropped from Y1 to Y2 are more than recovered during the year, the same happens from Y2 to Y3.

SUPPLIES	TYPE	INITIALS	sep-21	oct-21	nov-21	dic-21	ene-22	feb-22	mar-22	abr-22	may-22	jun-22	jul-22	ago-22
LICENSES	Product	120	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL		120	0	0	0	0	0	0	0	0	0	0	0	0
SALES	TYPE	INITIALS	sep-21	oct-21	nov-21	dic-21	ene-22	feb-22	mar-22	abr-22	may-22	jun-22	jul-22	ago-22
Product A - Basic Pack	Product		2	4	6	8	11	13	14	16	20	23	24	25
Product B - Full Pack	Product		1	4	7	9	9	10	14	18	18	19	20	24
Product E - Intermediaries Agr.	Product		2	2	2	2	4	4	4	4	4	5	5	5
Product C - Individual Campaign	Product		0	2	1	3	2	3	2	1	1	2	4	2
Product D - Strategic Pack	Product		0	0	1	0	0	1	0	0	2	0	1	0
TOTAL			5	12	17	22	26	31	34	39	45	49	54	56
STOCK	TYPE	INITIALS	sep-21	oct-21	nov-21	dic-21	ene-22	feb-22	mar-22	abr-22	may-22	jun-22	jul-22	ago-22
LICENSES	Product	120	115	108	103	98	94	89	86	81	75	71	66	64
Product A - Basic Pack	Product													
Product B - Full Pack	Product													
Product E - Intermediaries Agr.	Product													
Product C - Individual Campaign	Product													
Product D - Strategic Pack	Product													
TOTAL		120	115	108	103	98	94	89	86	81	75	71	66	64

Figure 28: Economic Plan - Pessimistic Scenario. Licenses, Sales and Stocks for Y1. (Own Elaboration)

sep-22	oct-22	nov-22	dic-22	ene-23	feb-23	mar-23	abr-23	may-23	jun-23	jul-23	ago-23
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
sep-22	oct-22	nov-22	dic-22	ene-23	feb-23	mar-23	abr-23	may-23	jun-23	jul-23	ago-23
15	16	16	18	20	20	21	23	25	27	29	29
14	15	16	16	19	21	21	22	25	26	26	30
5	5	5	5	5	5	5	5	5	5	5	5
3	2	3	2	0	1	2	1	0	1	3	1
0	1	1	1	0	2	2	1	0	1	0	0
37	39	41	42	44	49	51	52	55	60	63	65
sep-22	oct-22	nov-22	dic-22	ene-23	feb-23	mar-23	abr-23	may-23	jun-23	jul-23	ago-23
83	81	79	78	76	71	69	68	65	60	57	55

Figure 29: Economic Plan - Pessimistic Scenario. Licenses, Sales and Stocks for Y2. (Own Elaboration)

sep-23	oct-23	nov-23	dic-23	ene-24	feb-24	mar-24	abr-24	may-24	jun-24	jul-24	ago-24
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
sep-23	oct-23	nov-23	dic-23	ene-24	feb-24	mar-24	abr-24	may-24	jun-24	jul-24	ago-24
16	18	19	20	21	23	25	26	27	28	30	30
16	17	18	19	21	21	21	22	23	23	24	28
5	5	5	5	5	5	5	5	5	5	5	5
2	1	1	2	1	1	2	2	1	2	1	0
0	0	1	0	0	1	0	0	1	1	0	0
39	41	44	46	48	51	53	55	57	59	60	63
sep-23	oct-23	nov-23	dic-23	ene-24	feb-24	mar-24	abr-24	may-24	jun-24	jul-24	ago-24
81	79	76	74	72	69	67	65	63	61	60	57

Figure 30: Economic Plan - Pessimistic Scenario. Licenses, Sales and Stocks for Y3. (Own Elaboration)

Profit and Loss problems of high staff and licenses costs for Y1 are the same as the previous scenario, in this case even worsened by the lack of sales. The lost amount being over 18 thousand euros, which exceeds even the co-founders Social Capital. The team has therefore opted for a loan financed by the salary of both co-founders equally, as mentioned above. In Y2 and Y3 this loss is recovered and the loan repaid as shown in the table below, where even the profits before taxes are more than 10.000€

Profit and Loss	31/08/2022	31/08/2023	31/08/2024
Sales	30.744	55.546	58.185
Change in inventories	7.467	(1.050)	233
Work performed by the company for its assets (R+D)	0	0	0
Supplies	(14.000)	0	0
Staff costs	(32.111)	(33.882)	(33.882)
Other operating expenses	(10.560)	(9.240)	(9.424)
Depreciation and amortization	(477)	(520)	(520)
Allocation of grants and other non-financial assets	0	0	0
A) OPERATING INCOME	(18.938)	10.854	14.592
Financial expenses	0	0	0
B) FINANCIAL RESULTS	0	0	0
C) PROFIT BEFORE TAX (A + B)	(18.938)	10.854	14.592
Income Tax	2.841	(1.628)	(4.378)
D) PROFIT FOR THE YEAR	(16.097)	9.226	10.215

Figure 31: Economic Plan - Pessimistic Scenario. Profit and Loss. (Own Elaboration).

After analyzing the indicators, it can be seen that this is in fact the worst shown scenario with an IRR of 38% and negative NPV in the first year. The company is not profitable in the first 3 years oscillating around the breakeven. EBITDA is negative in Y1 and pretty low in Y2 and Y3 as well, which results in a payback in the third year only.

WORKING CAPITAL			
	YEAR 1	YEAR 2	YEAR 3
Current assets	3.262	24.366	49.725
Current liabilities	14.323	25.706	40.764
WORKING CAPITAL	-11.061	-1.340	8.961

ROI			
	YEAR 1	YEAR 2	YEAR 3
Investment	18.100	0	0
BAI	-18.938	10.854	14.592
ROI	-105%	0%	0%

FUND PERFORMANCE			
	YEAR 1	YEAR 2	YEAR 3
Sales	30.744	55.546	58.185
BAI	-18.938	10.854	14.592
Rendiment dels fons	-38%	24%	33%

EBITDA			
	YEAR 1	YEAR 2	YEAR 3
EBT	-18.938	10.854	14.592
Interests	0	0	0
EBIT	-18.938	10.854	14.592
Depreciation	477	520	520
EBITDA	-18.461	11.374	15.112

PROFITABILITY INCOME			
	YEAR 1	YEAR 2	YEAR 3
Investment	30.744	55.546	58.185
BAI	-18.938	10.854	14.592
PROFITABILITY INCOME	-61,60%	19,54%	25,08%

VAN			
	YEAR 1	YEAR 2	YEAR 3
Year	1	2	3
Cash flow	-4.205	22.154	25.125
Actualization Rate	2,00%	2,00%	2,00%
Present Value	-4.123	21.294	23.676
VAN	-4.042	20.876	23.212

Figure 32: Economic Plan - Pessimistic Scenario. Analysis.

Left: Working Capital, ROI and Fund Performance. Right: EBITDA, Profitability Income and VNP. (Own Elaboration)

TIR			
	YEAR 1	YEAR 2	YEAR 3
Investment	18.100	0	0
Cash flow	-4.205	22.154	25.125
TIR	38%		

BREAKEVEN			
	YEAR 1	YEAR 2	YEAR 3
Sales	30.744	55.546	58.185
Fixed costs	43.148	43.642	43.826
Gross Margin	24.210	54.496	58.418
% GM	78,75%	98,11%	100,40%
BREAKEVEN	54.792	44.483	43.651
MONTHLY BREAKEVEN	4.566	3.707	3.638

BURN-RATE			
	YEAR 1	YEAR 2	YEAR 3
Annual	73.957	45.056	45.278
BURN-RATE	6.163	3.755	3.773

DEBT RATIO			
	YEAR 1	YEAR 2	YEAR 3
Liabilities	14.323	25.706	40.764
Equity	-6.097	3.129	13.343
DEBT RATIO	-234,92%	821,64%	305,50%

INVENTORY TURNS			
	YEAR 1	YEAR 2	YEAR 3
Supplies	-14.000	0	0
Change in inventories	7.467	-1.050	233
Consumption	-6.534	-1.050	233
Stocks	7.467	6.417	6.650
INVENTORY TURNS	87,50%	16,36%	-3,51%

PAYBACK			
	YEAR 1	YEAR 2	YEAR 3

Figure 33: Economic Plan - Pessimistic Scenario.

Analysis. Left: IRR, Break-Even and Burn-Rate. Right: Debt Ratio, Inventory Turns and Payback. (Own Elaboration)

6.2.2 Unexpected Growth scenario

The last scenario presented in this paper is the “Unexpected Growth” scenario that, as mentioned in Sales Forecast, shows the eventuality in which there is an over acceptance of the market, which boosts the sales and required accounts.

Investments vary this time, since the company has to hire two assistants, as shown later on, and provide them with the necessary equipment. Nothing changes from the realistic scenario in the financial part.

The most obvious costs to the company in this scenario are the two assistants hired to meet the demand in Y2, the first being hired in February with a gross salary of 1.400€ and the latter two month later with a 1.350€ salary instead.

EMPLOYEES	PAY	REGIME	TYPE	BRUT SALARY	NET SALARY	%	COMETA	BASE SS	%	SSE	%	SST	COST	START	END
Lead Assistant	14	General	Temporary	1.400	1.071	18%	252	1.633	23,60%	385	4,70%	77	1.785	01/02/2023	01/09/2024
Assistant 2	14	General	Temporary	1.350	1.033	18%	243	1.575	23,60%	372	4,70%	74	1.722	01/04/2023	01/09/2024

Figure 34: Economic Plan - Optimistic Scenario. Break down of the Hiring Costs. (Own Elaboration)

Here stocks are favorable and sales explode only starting from Y2. The company therefore closes Y1 as in the realistic scenario with 25 accounts in stocks, but has a higher retention rate, with 70% of the subscription accounts retained.

Within February Y2 the company decided to hire its first assistant and then, two months later, hired the second. This choice is not taken blindly because, as shown in the Y2 table here below, the 5th and 6th month are critically close to the 120 accounts limit.

The team decides then to purchase another 25 accounts in a bulk operation and with a higher cost per license, assuming a 20% increase as seen in Sales Forecast, going from 116,67€/license to 140€/license. As a result of the operation, the limit increases to 145. This reaction allows the demand to peak at 133 accounts and then settle again without any loss of customers.

The retention rate at the end of Y2 is going to be 65% which now totals with the 120 old accounts plus the 25 newly acquired ones, for a total of 145.

SUPPLIES	TYPE	INITIALS	sep-21	oct-21	nov-21	dic-21	ene-22	feb-22	mar-22	abr-22	may-22	jun-22	jul-22	ago-22
LICENSES	Product	120	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL		120	0	0	0	0	0	0	0	0	0	0	0	0
SALES	TYPE		sep-21	oct-21	nov-21	dic-21	ene-22	feb-22	mar-22	abr-22	may-22	jun-22	jul-22	ago-22
Product A - Basic Pack	Product		2	8	12	19	24	30	36	38	42	45	55	59
Product B - Full Pack	Product		1	4	8	10	11	11	13	17	19	23	25	26
Product E - Intermediaries Agr.	Product		2	2	2	2	4	4	4	4	4	5	5	5
Product C - Individual Campaign	Product		0	1	0	1	2	2	2	4	1	2	2	5
Product D - Strategic Pack	Product		0	0	2	0	0	2	0	0	3	0	1	0
TOTAL			5	15	24	32	41	49	55	63	69	75	88	95
STOCK	TYPE	INITIALS	sep-21	oct-21	nov-21	dic-21	ene-22	feb-22	mar-22	abr-22	may-22	jun-22	jul-22	ago-22
LICENSES	Product	120	115	105	96	88	79	71	65	57	51	45	32	25
Product A - Basic Pack	Product													
Product B - Full Pack	Product													
Product E - Intermediaries Agr.	Product													
Product C - Individual Campaign	Product													
Product D - Strategic Pack	Product													
TOTAL		120	115	105	96	88	79	71	65	57	51	45	32	25

Figure 35: Economic Plan - Optimistic Scenario. Licenses, Stocks and Sales for Y1. (Own Elaboration)

sep-22	oct-22	nov-22	dic-22	ene-23	feb-23	mar-23	abr-23	may-23	jun-23	jul-23	ago-23
0	0	0	0	0	25	0	0	0	0	0	0
0	0	0	0	0	25	0	0	0	0	0	0
sep-22	oct-22	nov-22	dic-22	ene-23	feb-23	mar-23	abr-23	may-23	jun-23	jul-23	ago-23
41	45	45	46	50	50	53	55	55	56	58	60
18	24	30	33	35	36	39	41	42	44	44	46
5	5	5	5	5	5	5	5	5	5	5	5
0	2	10	11	11	15	20	22	8	6	2	2
0	2	4	2	2	5	8	10	2	0	0	5
64	78	94	97	103	111	125	133	112	111	109	118
sep-22	oct-22	nov-22	dic-22	ene-23	feb-23	mar-23	abr-23	may-23	jun-23	jul-23	ago-23
56	42	26	23	17	9	20	12	33	34	36	27

Figure 36: Economic Plan - Optimistic Scenario. Licenses, Stocks and Sales for Y2. (Own Elaboration)

sep-23	oct-23	nov-23	dic-23	ene-24	feb-24	mar-24	abr-24	may-24	jun-24	jul-24	ago-24
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
sep-23	oct-23	nov-23	dic-23	ene-24	feb-24	mar-24	abr-24	may-24	jun-24	jul-24	ago-24
39	42	44	44	46	47	48	50	53	53	54	56
32	34	35	36	36	39	40	42	45	45	46	48
5	5	5	5	5	5	5	5	5	5	5	5
2	0	3	4	4	2	1	4	0	4	4	6
0	1	2	1	2	0	3	0	0	2	0	0
78	82	89	90	93	93	97	101	103	109	109	115
sep-23	oct-23	nov-23	dic-23	ene-24	feb-24	mar-24	abr-24	may-24	jun-24	jul-24	ago-24
67	63	56	55	52	52	48	44	42	36	36	30

Figure 37: Economic Plan - Optimistic Scenario. Licenses, Stocks and Sales for Y3. (Own Elaboration)

Year 1 has unavoidably red figures if we look at the profit and losses of this scenario, since nothing changes from the same period in the realistic one. The company has new provision costs in Year 2 caused by the two new members of the team and the licences purchased, but gets a much higher profit thanks to the boost in demand during that same period. Y3 suffers a slight loss from the previous scenario because of the higher staff costs.

Profit and Loss	31/08/2022	31/08/2023	31/08/2024
Sales	45.747	124.851	112.487
Change in inventories	2.917	233	350
Work performed by the company for its assets (R+D)	0	0	0
Supplies	(14.000)	(3.500)	0
Staff costs	(32.111)	(54.491)	(75.968)
Other operating expenses	(10.560)	(9.240)	(9.424)
Depreciation and amortization	(477)	(687)	(920)
Allocation of grants and other non-financial assets	0	0	0
A) OPERATING INCOME	(8.485)	57.167	26.525
Financial expenses	0	0	0
B) FINANCIAL RESULTS	0	0	0
C) PROFIT BEFORE TAX (A + B)	(8.485)	57.167	26.525
Income Tax	1.273	(8.575)	(7.958)
D) PROFIT FOR THE YEAR	(7.212)	48.592	18.568

Figure 38: Economic Plan - Optimistic Scenario. Profit and Loss. (Own Elaboration)

While indicators are more favorable than the realistic scenario, undoubtedly thanks to higher profit and better retention rate, not much has changed in Y1 with regards to the other two. Analysis would be therefore very similar to the first presented scenario pushing this time also the payback to the second year.

WORKING CAPITAL			
	YEAR 1	YEAR 2	YEAR 3
Current assets	16.865	100.083	149.178
Current liabilities	17.473	58.247	91.120
WORKING CAPITAL	-608	41.836	58.058

ROI			
	YEAR 1	YEAR 2	YEAR 3
Investment	18.100	5.500	0
BAI	-8.485	57.167	26.525
ROI	-47%	1039%	0%

FUND PERFORMANCE			
	YEAR 1	YEAR 2	YEAR 3
Sales	45.747	124.851	112.487
BAI	-8.485	57.167	26.525
Rendiment dels fons	-16%	84%	31%

EBITDA			
	YEAR 1	YEAR 2	YEAR 3
EBT	-8.485	57.167	26.525
Interests	0	0	0
EBIT	-8.485	57.167	26.525
Depreciation	477	687	920
EBITDA	-8.008	57.853	27.445

PROFITABILITY INCOME			
	YEAR 1	YEAR 2	YEAR 3
Investment	45.747	124.851	112.487
BAI	-8.485	57.167	26.525
PROFITABILITY INCOME	-18,55%	45,79%	23,58%

VAN			
	YEAR 1	YEAR 2	YEAR 3
Year	1	2	3
Cash flow	13.948	82.984	48.745
Actualization Rate	2,00%	2,00%	2,00%
Present Value	13.675	79.762	45.933
VAN	13.407	78.198	45.033

Figure 39: Economic Plan - Optimistic Scenario. Analysis. Left: Working Capital, ROI and Fund Performance. Right: EBITDA, Profitability Income and VNP. (Own Elaboration)

TIR			
	YEAR 1	YEAR 2	YEAR 3
Investment	18.100	5.500	0
Cash flow	13.948	82.984	48.745
	-23.600	13.948	82.984
TIR	141%		

BREAKEVEN			
	YEAR 1	YEAR 2	YEAR 3
Sales	45.747	124.851	112.487
Fixed costs	43.148	64.418	86.312
Gross Margin	34.663	121.584	112.837
% GM	75,77%	97,38%	100,31%
BREAKEVEN	56.945	66.149	86.044
MONTHLY BREAKEVEN	4.745	5.512	7.170

BURN-RATE			
	YEAR 1	YEAR 2	YEAR 3
Annual	61.405	68.085	87.364
BURN-RATE	5.117	5.674	7.280

DEBT RATIO			
	YEAR 1	YEAR 2	YEAR 3
Liabilities	17.473	58.247	91.120
Equity	2.788	51.380	69.947
DEBT RATIO	626,73%	113,37%	130,27%

INVENTORY TURNS			
	YEAR 1	YEAR 2	YEAR 3
Supplies	-14.000	-3.500	0
Change in inventories	2.917	233	350
Consumption	-11.084	-3.267	350
Stocks	2.917	3.150	3.500
INVENTORY TURNS	380,00%	103,70%	-10,00%

PAYBACK			
	YEAR 1	YEAR 2	YEAR 3

Figure 40: Economic Plan - Optimistic Scenario. Analysis.

Left: IRR, Break-Even and Burn Rate. Right: Debt Ratio, Inventory Turns and Payback. (Own Elaboration)

6.3 Conclusion

As seen on the payback indicator, both favorable scenarios indicate that in the second year there's a payback while in the least favorable one, the payback happens in the third year.

The company concludes that, having drawn multiple scenarios, the range of success within them is quite likely. With this scenario's schema the two extremes have been analyzed: one suffering from over-demand and having to grow according to the unexpected phenomena, the other from low-demand and slow market adaptation.

The company showed that it is prepared to adapt and has no fear facing unfavorable scenarios; either asking for new licenses in bulk, asking for a bank loan, or even delaying the co-founders' own salary on behalf of the company.

7. GENERAL CONCLUSIONS

7.1 Project expectations vs reality

The objective of this business plan is to check the viability for the creation of a digital marketing agency specialized in Instagram Chatbots. This idea was developed from the opportunity of interacting with a new, innovative and promising technology that could change the way digital marketers construct their campaigns.

The technology was born in the US and unknown in Spain, which opened up the opportunity to create a business. Thus, the market was analyzed to find clients with an existing relation to this specific market, to see how L'Evocative could target them and stand out from the competition with its new chatbot-as-service concept for Instagram.

A product portfolio was created following the market analysis. The aim was to accommodate the customer's necessities, different plans were fitting perfectly the newly discovered needs of the customer.

The economic analysis was then built on three different scenarios to commercialize this products' portfolio. Highlight sales wasn't as crucial here as to forecast extreme scenarios by foreseeing problems with unstable online businesses like the one at hand. This method allowed project's weaknesses to be weighed and two main handicaps revealed, license's limitation and workforce.

Despite an apparently very good business idea and opportunity, the probabilities to actually convert this idea into a highly feasible and scalable one are low. Even though the project may seem innovative, new and exciting, when it comes to transcribing all forecasts to reality the outcome might not be as expected.

The team concluded that the business might immediately be feasible, but not scalable in the long run. Because of its initial handicaps the project ends up with a revenue deficit. The only solution would be to raise prices risking market unacceptance, without any customers' loyalty to compensate.

7.2 Two persons project extensions

The legal part of the project has been widely extended to set clear bases for the team. It includes fundamentals of the agreement, that have been written down on the Partners Agreement, along with all the conditions of cooperation and how to proceed when entering or exiting the team.

An NDA has been also drawn up for clients, so that L'Evocative can be exempted from any issue regarding privacy regulations while acting under the client's name.

7.3 Differences between theoretical study and practical experience

The main takeaway from this project are the overlooked costs that, if not duly calculated, can effectively destroy an idea and send the newly built startup right into bankruptcy. How to manage these costs, based on other companies, is taught in most university courses, but if these costs are mismanaged here, it would hit right into the team's pockets.

All legalities and complications helped the team realize that constructing a business from scratch is not as easy as partnering with a colleague and going for it. After having drawn this first project outline it is evident that many things have to be taken into consideration first.

7.4 Tips for the next generations of entrepreneurs

To end this project, the team wants to alert whoever is reading this project that an initial project can vary from one's expectations. Only focusing on how good and innovative the idea was, is not enough to make it a successful one. Even with a great opportunity like the one this project portrays where the market is ready, the timing is right and the ocean is blue, there can be some unconsidered factors that diminish the company's expected profitability.

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9. ANNEXES:

Annex 1. Most Popular Instagram Activities

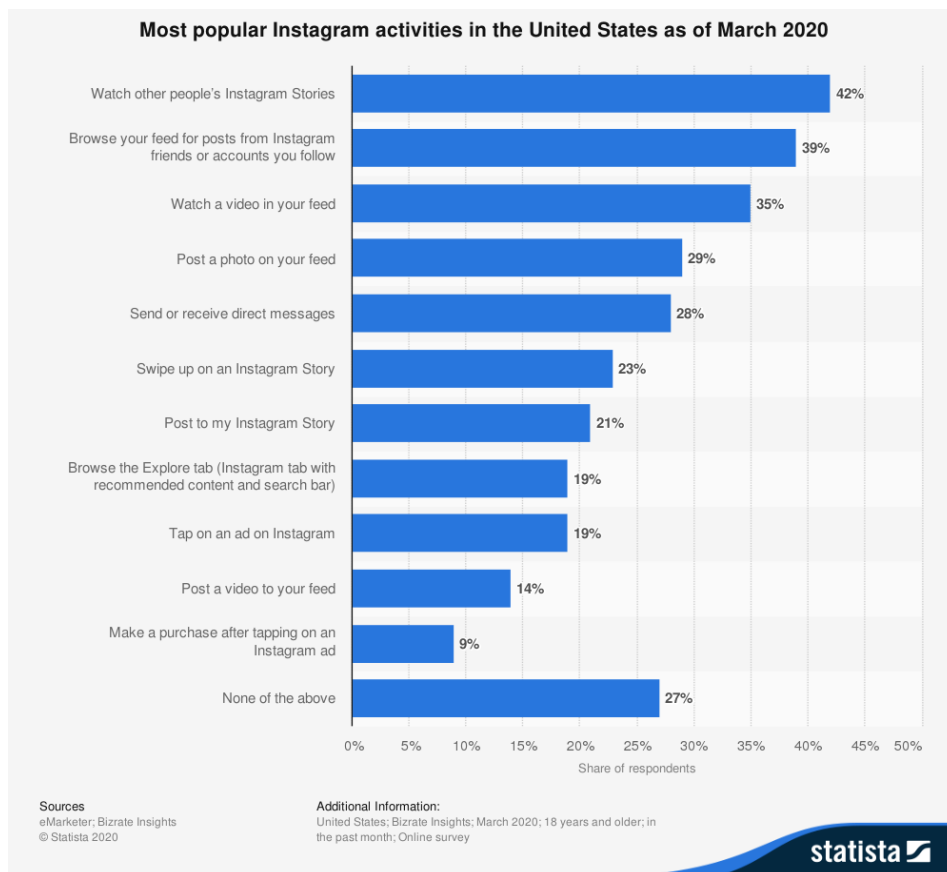


Figure 41: Most popular Instagram activities in the United States as of March 2020. Retrieved from: Statista

Annex 2. Daily Active Instagram Stories

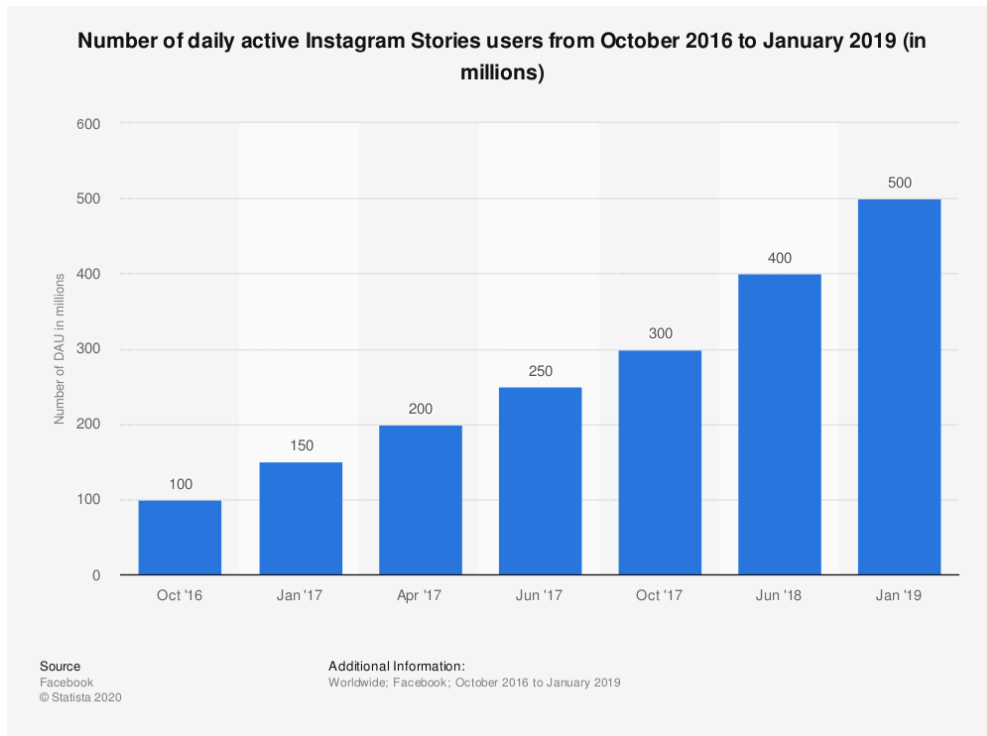


Figure 42: Number of daily active Instagram Stories users from October 2016 to January 2019 Retrieved from: Statista

Annex 3. The Entrepreneurial Team

OUR TEAM

Young, creative and innovative talent.



Arnau Farell

CMO & Founder



Jonathan Ferreras

CDO & Founder

Figure 43: The Entrepreneur Team as shown on the project's website. (Own Elaboration)

Annex 4. Cold Email Mockup

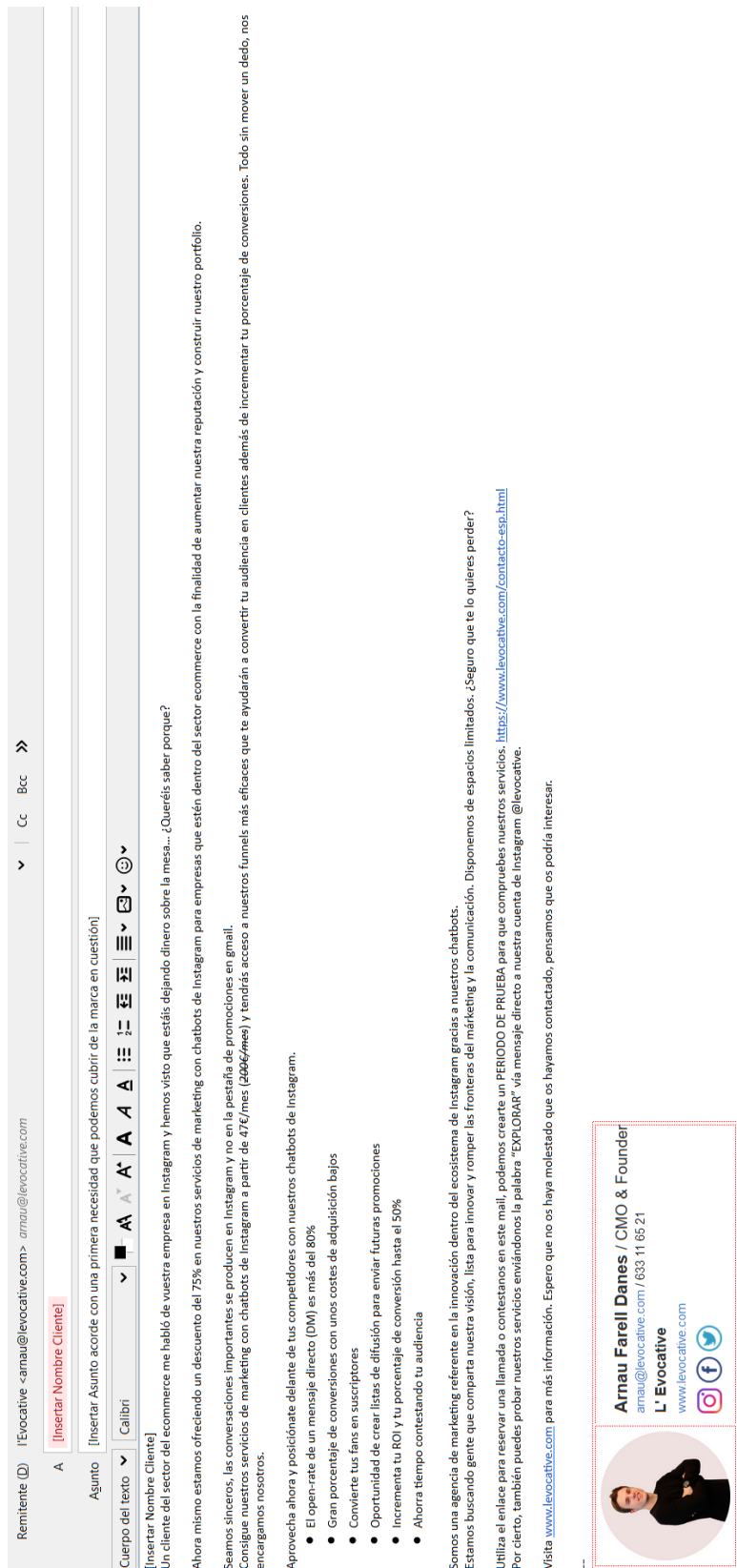


Figure 44: Cold-Email Mockup. (Own Elaboration)

Annex 5. Potential Clients List

USUARIO	QUE HACEN	EMAIL	EMAIL
mim_shoes	brand	X	hola@mimshoes.com
diplomaticbrand	brand	X	teescuchamos@diplomaticbrand.com
luxmetique	brand	X	info@luxmetique.com
bluebananabrand	brand	X	marketing@bluebananabrand.com
shp.momoss	brand	X	hola@shopmomoss.com
thecodeplace	brand	X	info@thecode.es
lavani.jewels	brand	X	info@lavanijewels.com
ladypipa	brand	X	info@ladypipa.es
foogaplan	brand	X	info@fooga.es
popa_es	brand	X	info@popabrand.com
thepowermba	ecommerce	X	hola@thepowermba.com
singularu	brand	X	hola@singularu.com
thecoolcactus_es	brand	X	hello@thecoolcactus.com
ulanka_official	brand	X	social@ulanka.com
scatha__	brand	X	scathashop@gmail.com
vermon.co	brand	X	hola@vermon.com
emeoriginal	brand	X	hola@emebrand.com
aqueapparel	brand	X	hello@aqueapparel.com
morrisonshoes	brand	X	info@morrisonshoes.com
tipitent	brand	X	info@thetipitent.com
caosbrandoficial	brand	X	caosbrand@hotmail.com
pink_pomelo_	brand	X	info@pinkpomelo.es
archipelbrand	brand	X	archipelbrand@gmail.com
humpier44	brand	X	comunicacion@humpier.es
pompeibrand	brand	X	happiness@pompeibrand.com
besthotels	brand	X	info@besthotels.es
eatclean.barcelona	brand	X	eatclean.barcelona@gmail.com
noonspain	brand	X	info@noonspaim.com
nicolishop	brand	X	comunicacion@nicoli.es
drestip	brand	X	info@destrip.com

Figure 45: Potential clients list to contact with. (Own Elaboration)

Annex 6.1. The Chatbot Technology

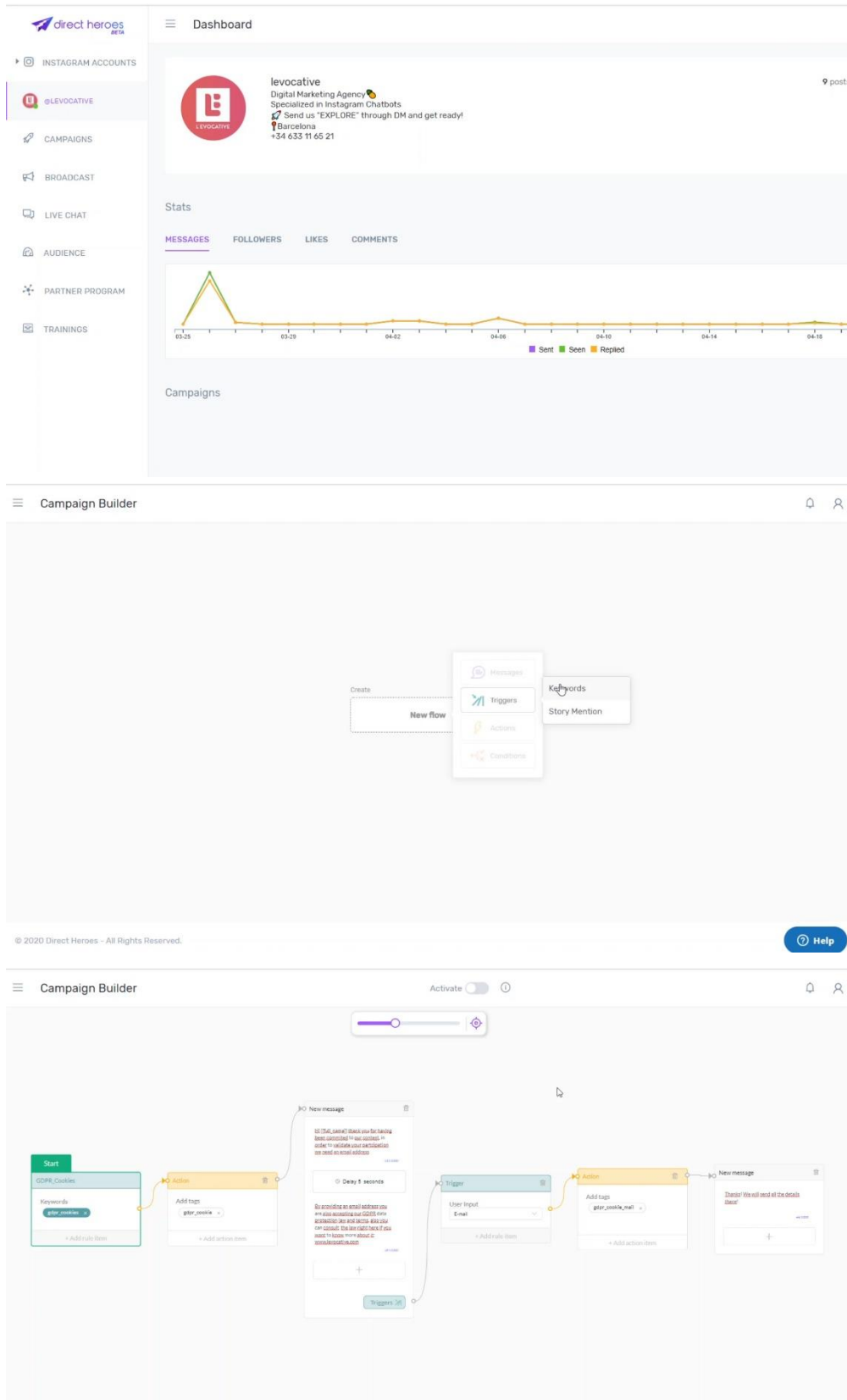
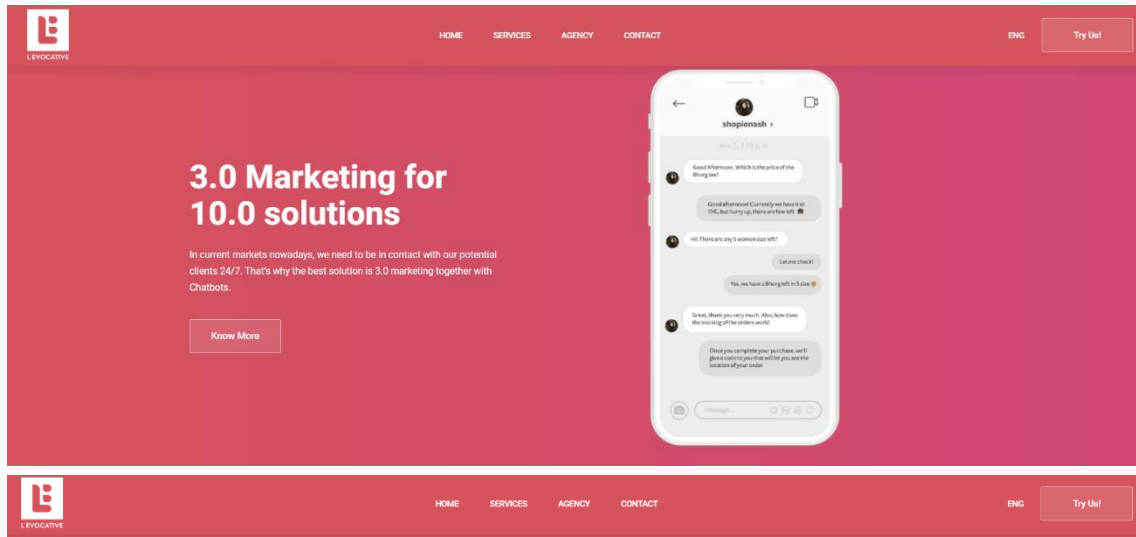


Figure 46: Screenshots of the Chatbot Technology. Retrieved from: Direct Heroes

Annex 6.2. The L'Evocative Website



WE ARE SPECIALIZED IN:

Commitment, creativity and efficacy.



Campaign Creation

Give a 180° twist to your current campaigns

Using our software you can speed up all life long campaigns giving them a more automated and dynamic twist. Promote with influencers, suggest a direct marketing to your clients as well as a bigger interaction with your profile- There are different functionalities that you can introduce with automatic responses.

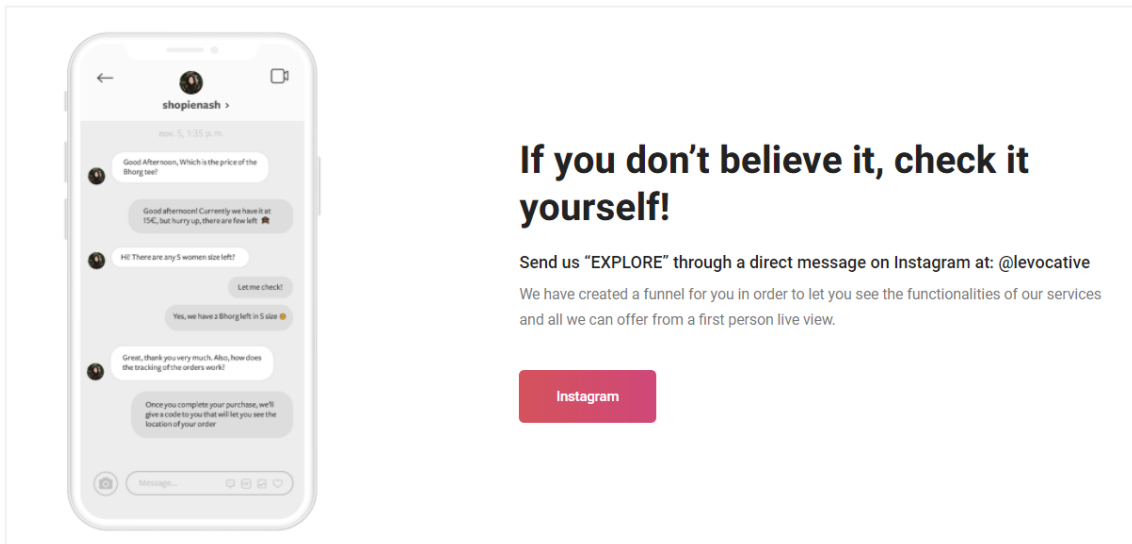
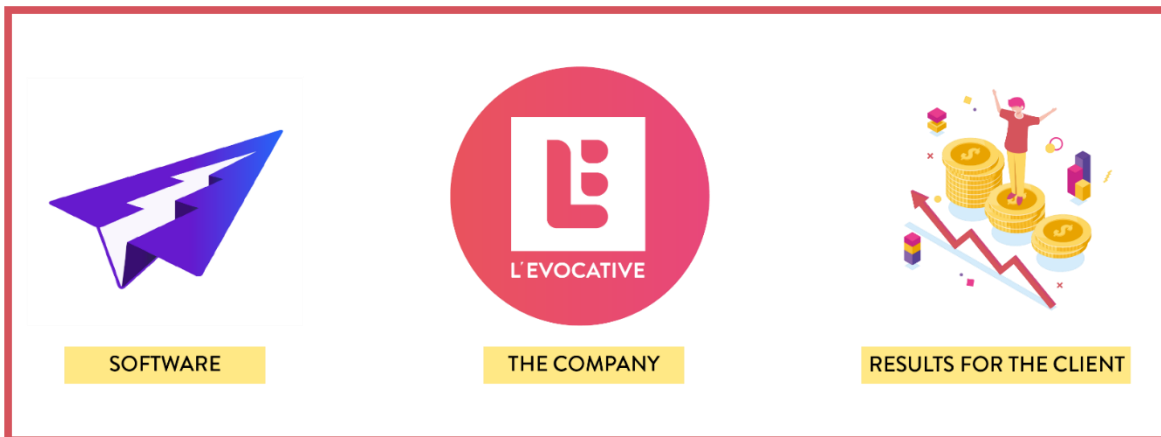


Figure 47: Screenshots of the L'Evocative Website. Retrieved from: levocative.com

Annex 6.3. Value Proposal Diagram



SERVICE = WHAT YOU PAY FOR

Figure 48: Value Proposal Diagram. (Own Elaboration)

Answering the Value Proposal through the “Golden Circle” (Sinek, 2010)

Why: L'Evocative proposes a new way of doing marketing through Instagram which will put the client ahead of their competitors.

How: Materialize campaigns with an attractive interaction through DM with the client's audience.

What: L'Evocative will guide you thanks to their experience with this new strategy, introducing to the client the campaigns that work and fit every situation and will help and show they how to get the most out of their audience.

Annex 7. Instagram Profile CTA

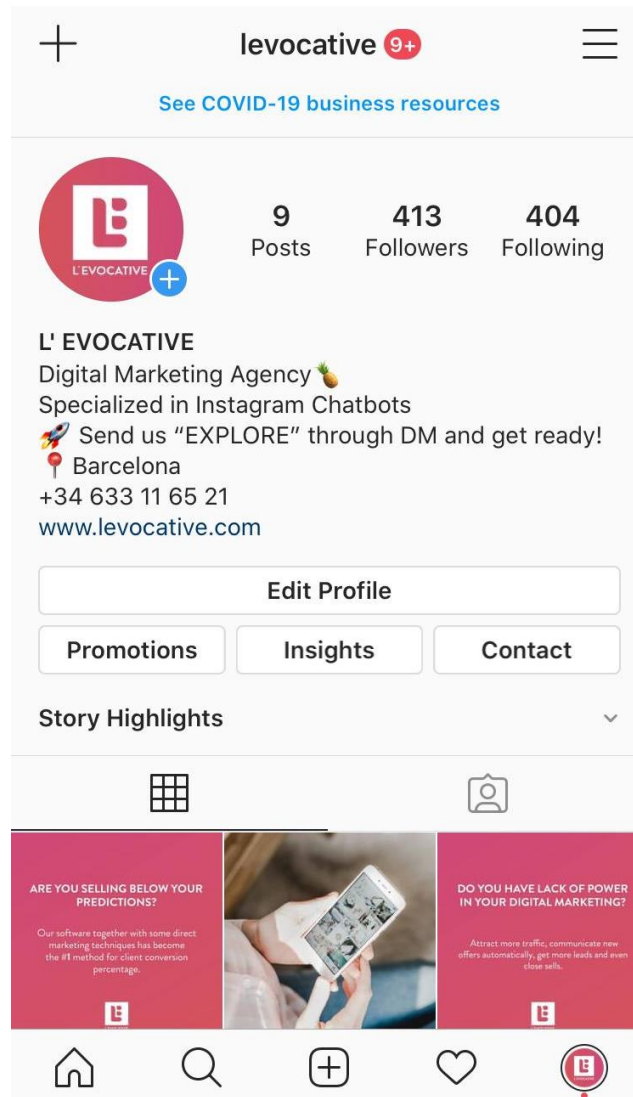


Figure 49: L'Evocative Profile Screenshot + CTA "Explore". (Own Elaboration)

Annex 8. Real Testing Examples

User 1:

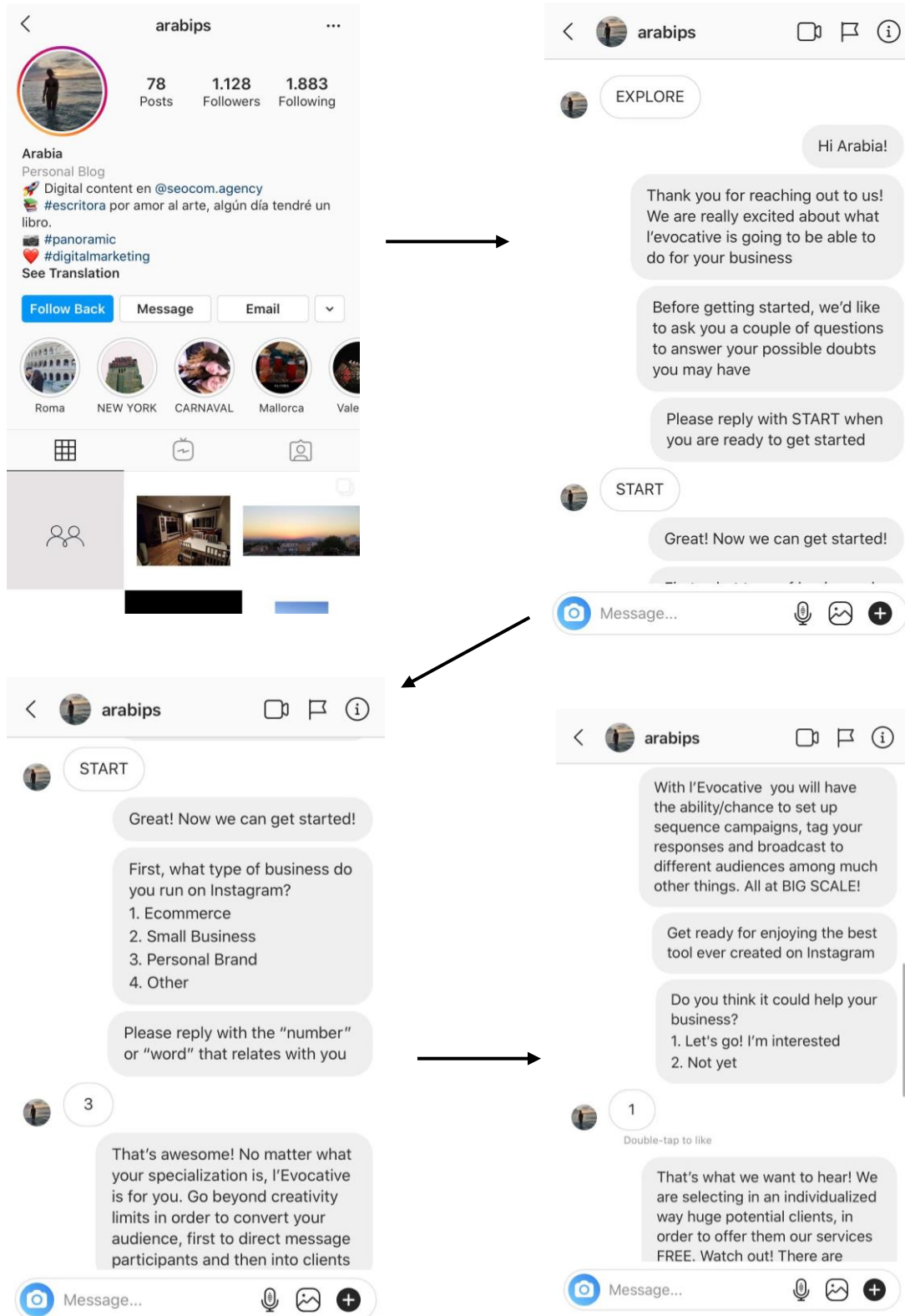


Figure 50: Screenshots of the CTA "Explore" Campaign. (Own Elaboration)

User 2:

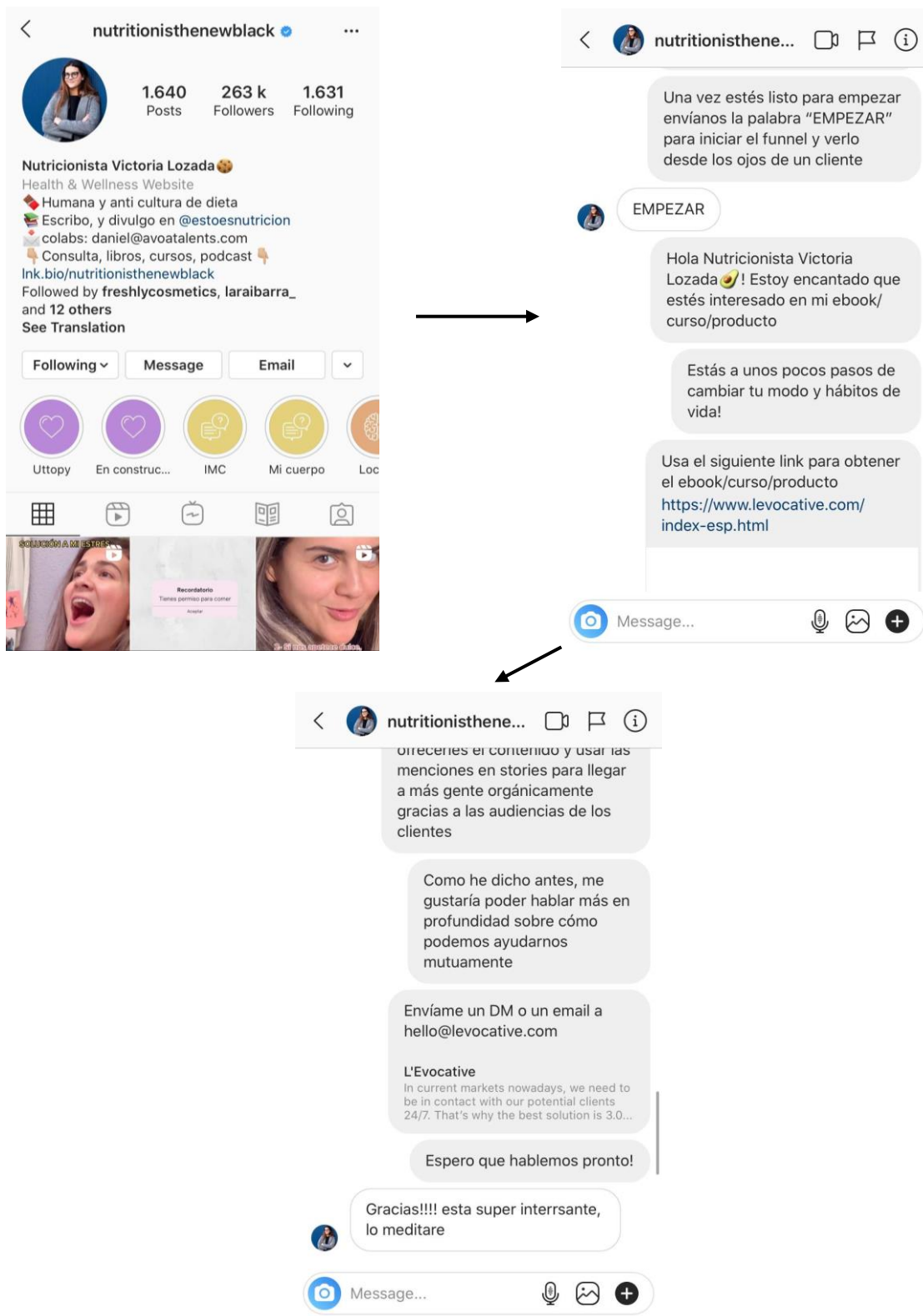


Figure 51: Screenshots of Cold Messaging Campaign I. (Own Elaboration)

User 3:

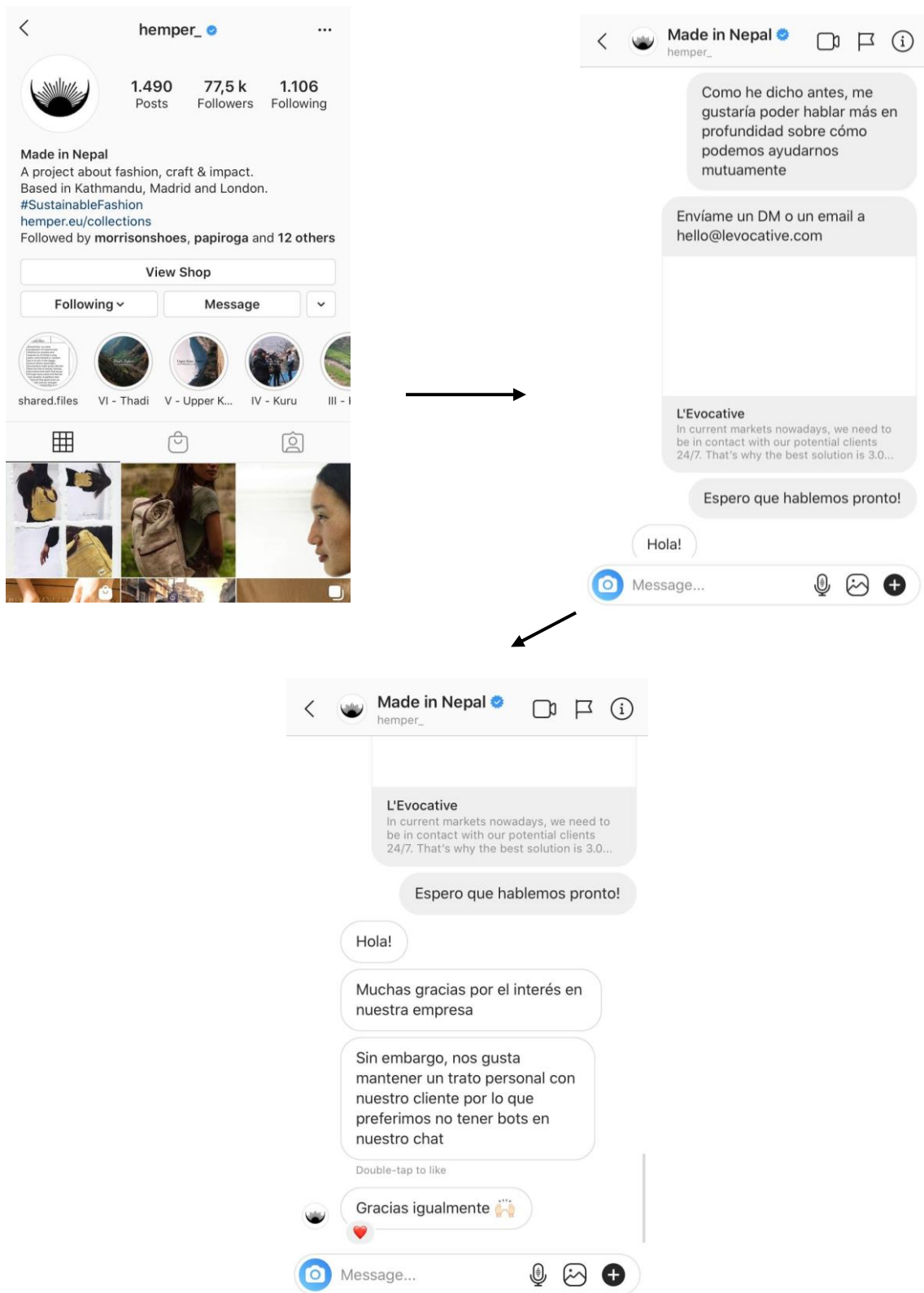


Figure 52: Screenshots of Cold Messaging Campaign II. (Own Elaboration)

User 4:

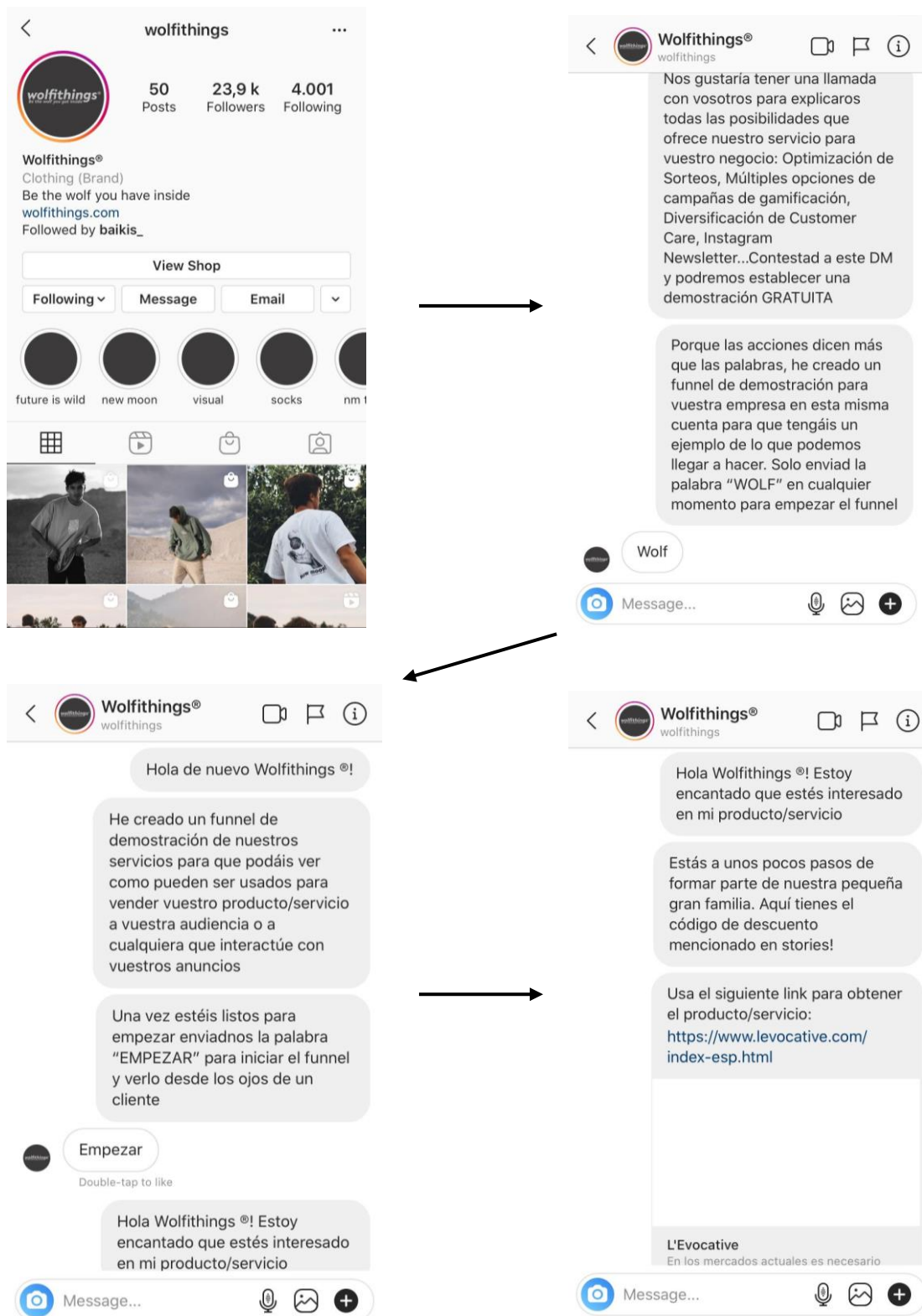


Figure 53: Screenshots of Cold Messaging Campaign III. (Own Elaboration)

Annex 9. Potential Market Estimation Formula & Calculations

T = Total Market

$$\text{Potential Market Estimation} = M * P * N$$

Figure 54: Potential Market Estimation Formula. (Own Elaboration)

Where:

- *T (Total Market)*: Is a reference variable that will affect indirectly the formula when applying M. In this application, T refers to all Instagram users in Spain which according to (Statista, 2021), are 15.600.000.
- *M (Total Market filtered by criteria)*: Here the company will pick the reference variable T and add filters on it, in order to narrow the outcome. These filters have to be applied with criteria and might be: age, geography, purchasing power etc.
 - In this case M will be mainly filtered by age, on where the Millennial generation will take the major scope of the age range (18-44-year-old) which is being equal to an 61,7% of the total users above, that at the end are 9.66M users. (We Are Social; Hootsuite, 2020, p. 128)

Geographically speaking there's no need to apply filters, since this 15.6M users' variable is already taken from Spain

- After, this Millennial generation will be filtered by the number of followers, analyzing the percentage of people who has an audience between 1k-10k. Resulting on a 37.4% of that 9.66M. (Hubspot; Mention, 2020)
- Last but not least, a third filter is applied, which marks an assumption regarding the people who would like to monetize their Instagram account, which in among the two previous filters. This monetization percentage is assumed at a 30%.

Summing up, after having all three filters applied to T (Total Market), the end result which is the one applied on the formula is 1.08M.

- *P (Average Product Price)*: This variable will set the average product price of the product offered. As the company plan to offer a variety of options, it has to be applied the weighted arithmetic mean including in this sense an approximation of the volume percentages that L'Evocative forecasts for each of the products, in this sense the monthly subscription and the campaign plan.
 - a) The monthly subscription product could be initially priced at 67€ and has to represent the 75% in relation to the customers option's acquisition.
 - b) The campaign plan product could be initially priced at 120€ and has to represent the remaining 25% of the customer option's acquisition.
- *N (Purchasing Frequency)*: This number will set the frequency of purchase of the product. In this case as the major product will be the monthly subscription and the life time value of the client is expected to be one year, we will assume a purchasing frequency of 12 months.

Thus:

$$\text{Potential Market Estimation} = 1084390,95 \cdot \left(\frac{(67 \cdot 0,75) + (120 \cdot 0,25)}{0,75 + 0,25} \right) \cdot 12$$

$$\text{Potential Market Estimation} = 1.044.268.485,43 \text{ €}$$

Due to the supplier agreement, for the moment the company can only provide service to 120 users (120 Instagram accounts) which reduces considerably the potential market.

$$\frac{120 \text{ users}}{1084390,95 \text{ potential users}} = 0,011\%$$

We can actually satisfy the 0,011% of the initial potential clients' estimation based on our limitations, which leads with 115.560,00 € as an acquirable and real potential market estimation:

$$1.044.268.485,43\text{€} \cdot 0,011\% = 115.560\text{€}$$

Annex 10. Magic Gartner Competition Matrix.

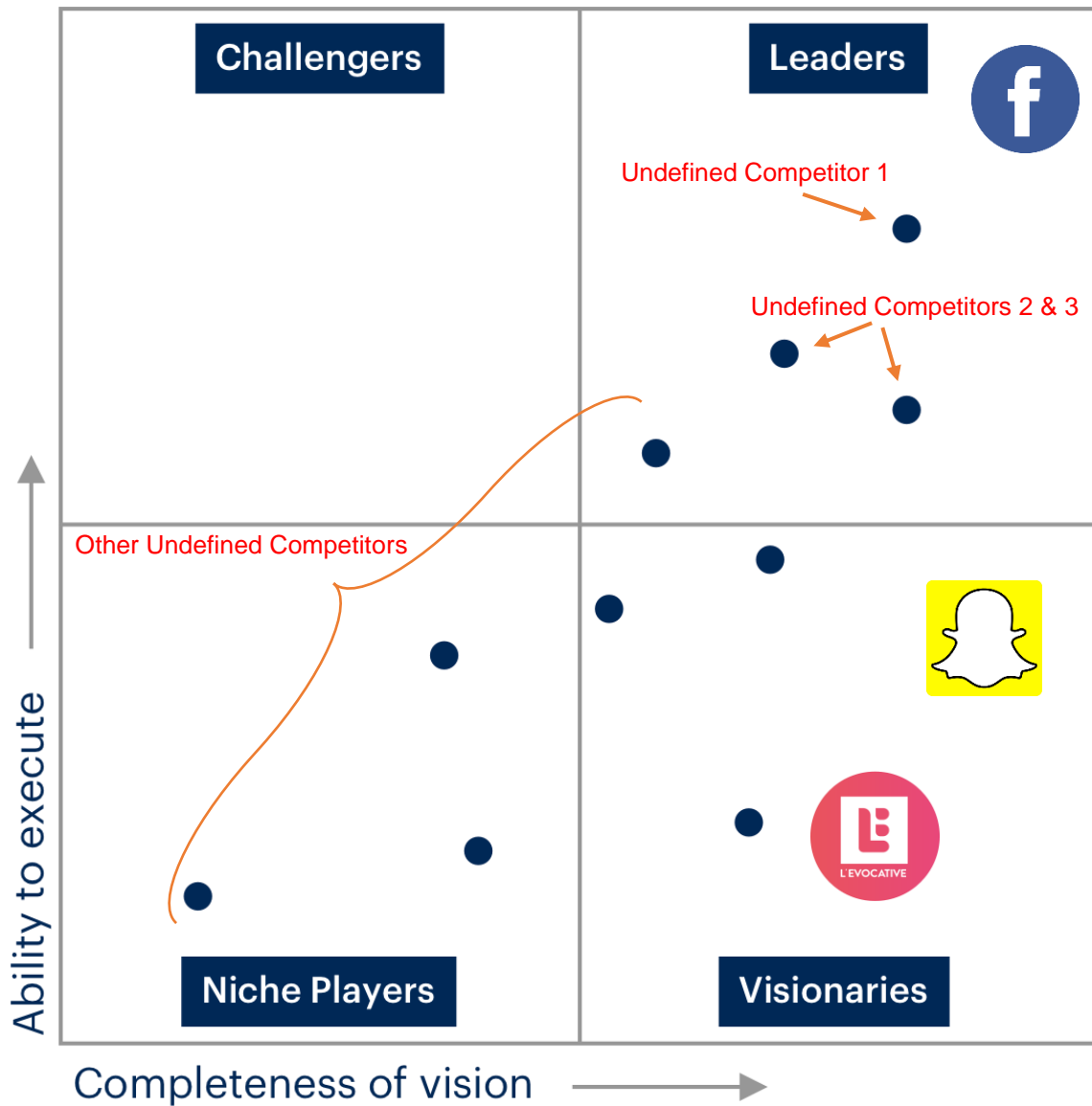


Figure 55: Magic Gartner Competition Matrix (Retrieved from: Gartner. Own Modification included)

Annex 11. Overall vision of both lines of action and it's services

Opened line of action	Pre-established line of action
<p>PACK ESTRATÉGICO <i>(strategic pack)</i></p>	<p>PACK COMPLETO <i>(full pack)</i></p>
<p>Customized Strategy Planification</p>	<p>6 Pre-Established Campaigns Included</p>
<ul style="list-style-type: none"> - Custom build of an "acquisition and sale campaign together with the client - Lead Collection (Tlf, Mail) - Audience Segmentation - Followers Segmentation Condition - Verified Account Segmentation 	<ul style="list-style-type: none"> - Evergreen Campaign (Ebook, Webinar) - Near Event Campaign (Live Webinar) - Potential Leads Qualifier Campaign - Giveaway Campaign - Brand Ambassador Campaign (E-com) - Post-Sale Campaign (Loyalty Prize)
<p>Technical Features</p>	<p>Technical Features</p>
<ul style="list-style-type: none"> - Campaign Performance Report - Lead Exportation in CSV format - Broadcast Campaign (2) - Content Modifications (5/month) - 24/7 Support 	<ul style="list-style-type: none"> - Campaign Performance Report - Lead Exportation in CSV format - Broadcast Campaign (2) - Content Modifications (5/month) - 24/7 Support
<p>Price to be agreed</p>	<p>97€/Month</p>
<p>CAMPAÑA INDIVIDUAL <i>(individual campaign)</i></p>	<p>PACK BÁSICO <i>(basic pack)</i></p>
<p>Customized Campaign</p>	<p>3 Pre-Established Campaigns Included</p>
<ul style="list-style-type: none"> - Custom build of an "acquisition and sale campaign together with the client - Lead Collection (Tlf, Mail) 	<ul style="list-style-type: none"> - Evergreen Campaign (Ebook, Webinar) - Near Event Campaign (Live Webinar) - Potential Leads Qualifier Campaign
<p>Technical Features</p>	<p>Technical Features</p>
<ul style="list-style-type: none"> - Campaign Performance Report - Lead Exportation in CSV format - Broadcast Campaign (2) - Content Modifications (5/month) - 24/7 Support 	<ul style="list-style-type: none"> - Campaign Performance Report - Broadcast Campaign (1) - Content Modifications (2/month) - 24/7 Support
<p>120€/p.C</p>	<p>67€/Month</p>

*All prices are shown without VAT

Figure 56: Overall vision of both lines of action and breakdown of their respective products' characteristics. (Own Elaboration)

Annex 12. Example of pre-established campaign template

L'EVOCATIVE
Formulario Funnel Freebie (Evergreen)

Fase de Captación

Palabra de Inicio del Funnel

Mensaje 1: Hola, (nombre del usuario que nos contacte) gracias por estar tan interesado en lo que he contado en mi story!

Mensaje 2: Con ello te presento mi completamente GRATUITO con las
Lo que has ofrecido anteriormente En qué consiste?

Mensaje 3: Aquí tienes el enlace a mi :
Enlace

Al cabo de 24 horas se aplica la función Time-Out* y se inicia el recordatorio

Fase de Venta

Mensaje 4: Hola de nuevo! Solo quería preguntarte si viste y pudiste
(Responde con el "número" o la "palabra" por favor)
1. Sí
2. No
La acción que haya hecho el usuario con tu Evergreen

La Respuesta por parte del Usuario al recordatorio es: Sí

Mensaje 5: Genial! Que te pareció? Si te interesó , seguro que también te interesará
Lo que has ofrecido Producto para hacer el upsell

Mensaje 6: Además, como muestra de agradecimiento por haber
aquí te dejo este código exclusivo de descuento
 a un precio irresistible
Oferta del producto que hace el upsell

Mensaje 7: Código:
Código de descuento o enlace con el descuento aplicado

Para más información o cualquier duda, escríbenos un mail a info@levocative.com

Figure 57: Pre-Established Campaign Template Example. Evergreen Funnel pg.1 (Own Elaboration)

L'EVOCATIVE

Formulario Funnel Freebie (Evergreen)

Vuelta al punto inicial. Fase de Re-Captación

La Respuesta por parte del Usuario al recordatorio es: No

Mensaje 8: No te preocupes! Seguro que ibas atareado y no tuviste tiempo, aquí te lo vuelvo a dejar por si le quieres echar un ojo!

Mensaje 9: Aquí tienes el enlace: Enlace al producto ofrecido inicialmente

Si el usuario **NO RESPONDE** al recordatorio

Se aplicará un segundo Time-Out* de 24 horas y nos despediremos

Mensaje 10: Seguro que estás muy atareado, lo entiendo. Si tienes cualquier duda estaré encantado de atenderte, te dejo por aquí mi web Enlace a tu web o sitio de interés

Mensaje 11: Muchas gracias por tu tiempo. Un abrazo!

*La función Time-Out actúa como una cuenta atrás, lo que permite cerrar el círculo y convertir un funnel de captación en un funnel de venta.

Una vez terminada la fase de captación (habiendo ofrecido el valor inicial), se activará el primer Time-Out, la primera cuenta atrás. Si el usuario no responde dentro de un margen de 24 horas, se activará un recordatorio (mensaje 4) haciendo referencia al valor ofrecido inicialmente.

Este recordatorio, tiene tres respuestas diferentes:

- 1) El cliente responde: Sí.**
El cliente participó activamente en el producto ofrecido inicialmente y a continuación se le envía un upsell. (El cliente entra en fase de venta).
- 2) El cliente responde: No.**
El cliente por alguna razón no llegó a participar activamente en el producto ofrecido inicialmente, por ese motivo se le reconduce otra vez a la oferta inicial. (El cliente pasa a la fase de re-captación.)
- 3) El cliente no responde al recordatorio.**
En este caso, se activará el segundo Time-Out, una segunda cuenta atrás. Si el cliente no responde dentro de una ventana de 24 horas a nuestro recordatorio, se entiende que este no está interesado en lo ofrecido, y nos despediremos de él, adjuntado un enlace a nuestra web o sitio de interés.

Para más información o cualquier duda, escríbenos un mail a info@levocative.com

Figure 58: Pre-Established Campaign Template Example. Evergreen Funnel pg.2 (Own Elaboration)

Annex 13. The relation buyer personas – products

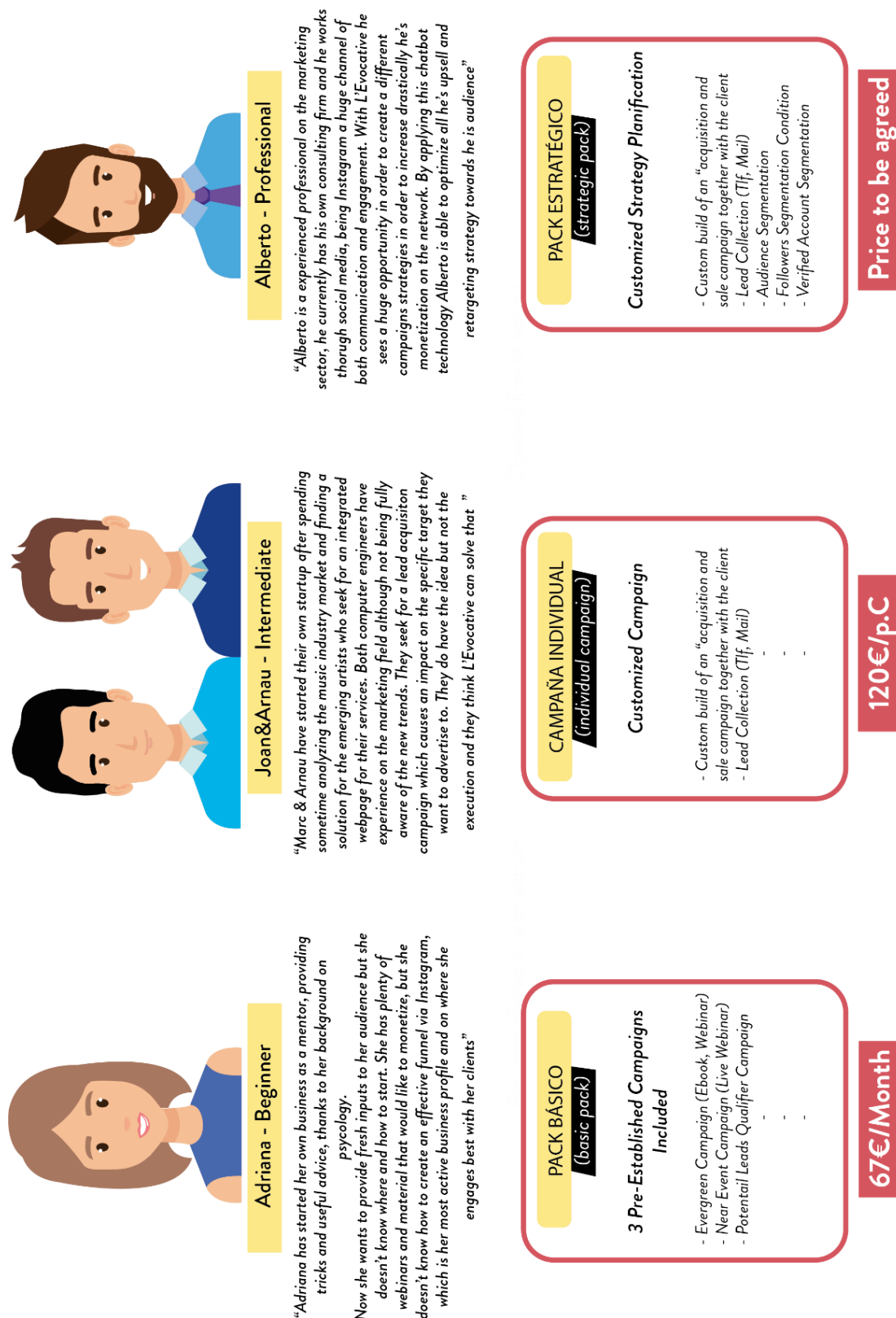


Figure 59: Example of relation between buyer personas – products (Own Elaboration)

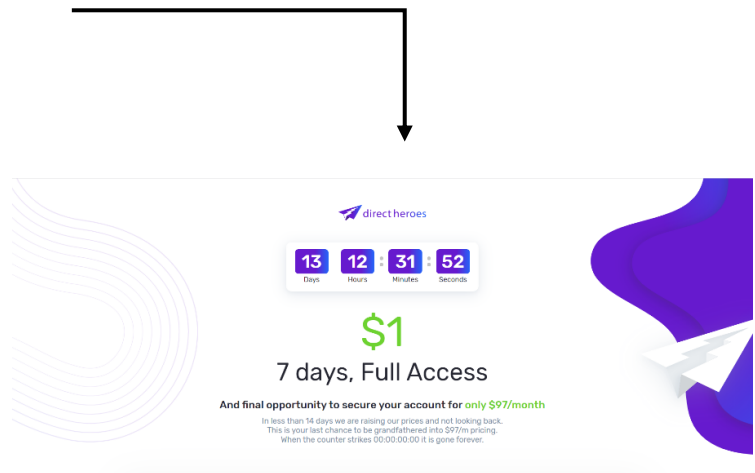
Annex 14. Paint point example in order to use with specific ad



Figure 60: Paint point example detection to use in favor for a specific ad, promoting L'Evocative's services. (Retrieved from Instagram)

Annex 15. Direct Heroes Pricing Policy in order to guide L'Evocative's policy

Plans	Basic \$97/m
Instagram Accounts	1
Contacts	25,000
Campaign Flows	5
Campaign Analytics	✓
Audience Profiles	✓
Tags & Segments	
Zapier	
API (Coming Soon)	
Broadcast reach limit*	1,000
Broadcast per month**	1/month**
Live Chat	
Post Scheduler (Coming Soon)	
Hashtag Research (Coming Soon)	
Account Manager	
Users	1
Support	Basic



Plans

Individual

Connect, communicate and grow your Instagram business today.

\$247 / month

SELECT PLAN

Hero

Save 50% on our Individual plan when you purchase a year up front.

\$1497 / year

SELECT PLAN

Enterprise

For those who need additional options and advanced features

Starts from \$2000

CONTACT US

Feature	Individual / Hero	Enterprise
Instagram accounts	1	Custom
Contacts *	50000	Custom
Campaign Flows	10	Custom
Campaign Analytics	✓	✓
Tags system	✓	✓

Figure 61: Direct Heroes pricing policy (Retrieved from directheroes.com)

Annex 16. Sales and Income Statement Forecast

Realistic Scenario Year 1:

		Year 1													
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Occupied	
Number of Sales															
Product A - Basic Pack		2	8	12	19	24	30	36	38	42	45	55	59	59	
Product B - Full Pack		1	4	8	10	11	13	17	17	19	23	25	26	26	
Product E - Intermediaries' Agreement		2	2	2	2	4	4	4	4	4	5	5	5	5	
Individual Number of Users															
Product C - Individual Campaign		0	1	0	1	2	2	2	4	1	2	2	5	5	
Product D - Strategic Pack		-	-	2	-	-	2	-	-	3	-	1	-	-	
New Accounts Monthly Increase		5	10	10	10	10	10	10	10	10	10	15	10	95	Sells at 31/08
														120	Growth
														25	Total Available Accounts (Stock)

Unit Price	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Avg Unit Price
Product A - Basic Pack	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €
Product B - Full Pack	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €
Product C - Individual Campaign	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €
Product D - Strategic Pack	-	-	-	-	-	-	-	-	-	-	-	-	-
Product E - Intermediaries' Agreement	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €

Revenue (Unit Sold * Unit Price)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Revenue
Product A - Basic Pack	134,00 €	536,00 €	804,00 €	1.273,00 €	1.608,00 €	2.010,00 €	2.412,00 €	2.546,00 €	2.814,00 €	3.015,00 €	3.685,00 €	3.953,00 €	24.790,00 €
Product B - Full Pack	97,00 €	388,00 €	776,00 €	970,00 €	1.067,00 €	1.067,00 €	1.261,00 €	1.649,00 €	1.843,00 €	2.231,00 €	2.425,00 €	2.522,00 €	16.296,00 €
Product C - Individual Campaign	0,00 €	120,00 €	0,00 €	120,00 €	240,00 €	240,00 €	240,00 €	480,00 €	120,00 €	240,00 €	240,00 €	600,00 €	2.640,00 €
Product D - Strategic Pack	-	-	-	-	-	-	-	-	-	-	-	-	0,00 €
Product E - Intermediaries' Agreement	94,00 €	94,00 €	94,00 €	94,00 €	188,00 €	188,00 €	188,00 €	188,00 €	188,00 €	235,00 €	235,00 €	235,00 €	2.021,00 €
Monthly Revenue	325,00 €	1.138,00 €	1.674,00 €	2.457,00 €	3.103,00 €	3.505,00 €	4.101,00 €	4.863,00 €	4.965,00 €	5.721,00 €	6.585,00 €	7.310,00 €	45.747,00 €

Unitarity COGS (Bulk Licenses Fix Cost)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total COGS
Product A - Basic Pack	233,33 €	700,00 €	466,67 €	816,67 €	583,33 €	700,00 €	700,00 €	233,33 €	233,33 €	466,67 €	1.166,67 €	466,67 €	6.883,33 €
Product B - Full Pack	116,67 €	350,00 €	466,67 €	233,33 €	116,67 €	0,00 €	233,33 €	466,67 €	233,33 €	466,67 €	233,33 €	116,67 €	3.033,33 €
Product C - Individual Campaign	-	116,67 €	-	116,67 €	233,33 €	233,33 €	233,33 €	466,67 €	116,67 €	233,33 €	233,33 €	583,33 €	2.566,67 €
Product D - Strategic Pack	-	-	233,33 €	-	-	233,33 €	-	-	-	-	116,67 €	-	933,33 €
Product E - Intermediaries' Agreement	233,33 €	-	-	-	233,33 €	-	-	-	-	116,67 €	-	-	583,33 €
Monthly Costs	583,33 €	1.166,67 €	1.166,67 €	1.166,67 €	1.166,67 €	1.166,67 €	1.166,67 €	1.166,67 €	1.166,67 €	1.166,67 €	1.750,00 €	1.166,67 €	14.000 €
Cost per license	116,67 €												

Figure 62: Realistic Y1 Sales and Income Statement Forecasts (Own Elaboration)

Realistic Scenario Year 2:

		Year 2												
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Occupied
Cumulative Number of Users		38	40	41	42	45	47	48	50	52	53	53	53	53
Product A - Basic Pack		16	18	21	23	25	28	29	32	33	35	35	38	38
Product B - Full Pack														
Retention Rate from Y1 to Y2	60%													
Individual Number of Users		1	2	1	3	2	2	3	1	2	2	1	1	1
Product C - Individual Campaign		1	0	3	0	1	0	2	0	2	0	0	0	0
Product D - Strategic Pack		5	5	5	5	5	5	5	5	5	5	5	5	5
Product E - Intermediaries' Agreement		8	6	6	6	6	6	6	6	6	6	6	6	6
Total Month Growth	95													98
No retention rate applied, on demand products														73
														22
														Sells at 3,018 Growth
														Total Available Accounts (Stock)

		Increment € for Y2												% Difference Y1 - Y2	
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total	%
Unit Price	End Position Y1	75€	75€	75€	75€	75€	75€	75€	75€	75€	75€	75€	75€	75€	12%
Product A - Basic Pack	87,00€	110€	110€	110€	110€	110€	110€	110€	110€	110€	110€	110€	110€	110€	13%
Product B - Full Pack	13,00€	129€	129€	129€	129€	129€	129€	129€	129€	129€	129€	129€	129€	129€	8%
Product C - Individual Campaign	120,00€	360,00€	360,00€	360,00€	360,00€	360,00€	360,00€	360,00€	360,00€	360,00€	360,00€	360,00€	360,00€	360,00€	-
Product D - Strategic Pack	9,00€	47,00€	47,00€	47,00€	47,00€	47,00€	47,00€	47,00€	47,00€	47,00€	47,00€	47,00€	47,00€	47,00€	0%
Product E - Intermediaries' Agreement	47,00€														

		Monthly Rev. Y2												Total Cumulative Revenue	
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total	%
Revenue (Unit Sold * Unit Price)	End Position Y1	2,850,00€	3,000,00€	3,075,00€	3,150,00€	3,375,00€	3,525,00€	3,600,00€	3,600,00€	3,750,00€	3,750,00€	3,900,00€	3,975,00€	41,550,00€	
Product A - Basic Pack	24,700,00€	1,980,00€	2,200,00€	2,310,00€	2,530,00€	2,750,00€	3,080,00€	3,190,00€	3,190,00€	3,630,00€	3,630,00€	3,850,00€	4,290,00€	35,860,00€	
Product B - Full Pack	16,296,00€	129,00€	258,00€	129,00€	387,00€	258,00€	258,00€	387,00€	258,00€	129,00€	129,00€	258,00€	129,00€	2,839,00€	
Product C - Individual Campaign	2,640,00€	360,00€	0,00€	1,080,00€	0,00€	360,00€	0,00€	0,00€	720,00€	0,00€	720,00€	0,00€	0,00€	3,240,00€	
Product D - Strategic Pack	-	235,00€	235,00€	235,00€	235,00€	235,00€	235,00€	235,00€	235,00€	235,00€	235,00€	235,00€	235,00€	2,820,00€	
Product E - Intermediaries' Agreement	2,021,00€	5,695,00€	6,829,00€	6,302,00€	6,755,00€	6,755,00€	6,788,00€	7,173,00€	8,132,00€	7,654,00€	8,595,00€	8,243,00€	8,629,00€	86,306,00€	
Total Revenue Y1	45,747,00€														
Retention Y2 customers, will be charged unitary prices for Y2															

		Monthly Costs Y2												Total COGS	
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total	%
Unitary COGS (Bulk Licenses Fix Cost)	Prev Year 1	6,883,33€	3,033,33€	2,566,07€	933,33€	593,33€	14,000,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0€
Product A - Basic Pack		0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	
Product B - Full Pack		0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	
Product C - Individual Campaign		0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	
Product D - Strategic Pack		0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	
Product E - Intermediaries' Agreement		0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	0,00€	
Total Costs Y1	14,000,00€														
Cost per license year 2	0,00€														

It is assumed that the price per licenses on average will grow a 20% respect Y1 according to the projection calculations

Figure 63: Realistic Y2 Sales and Income Statement Forecasts (Own Elaboration)

Realistic Scenario Year 3:

Cumulative Number of Users	End Acc. Position Y2	Retention Y3	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Occupied
Product A - Basic Pack	53	29	32	33	35	37	40	40	42	42	45	46	47	48	48
Product B - Full Pack	39	21	23	24	27	28	30	30	32	30	31	32	32	32	32
Individual Number of Users															
Product C - Individual Campaign	1	-	1	3	0	1	2	1	1	4	1	2	2	4	4
Product D - Strategic Pack	0	-	0	1	0	2	1	2	1	3	0	2	2	0	0
Product E - Intermediaries Agreement	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Total Month Growth	98	55	6	6	5	6	5	6	5	5	6	5	5	5	89
Retention rate applied, on demand products	85%														66
No retention rate applied, on demand products															31
															Sells at 3'000 Growth
															Total Available Accounts (Stock)

Unit Price	End Position Y2	Increment for Y3	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	% Difference Y3 - Y2
Product A - Basic Pack	751	41	791	791	791	791	791	791	791	791	791	791	791	791	5%
Product B - Full Pack	101	61	161	161	161	161	161	161	161	161	161	161	161	161	5%
Product C - Individual Campaign	129	61	135	135	135	135	135	135	135	135	135	135	135	135	5%
Product D - Strategic Pack	360,001	5,001	375,001	375,001	375,001	375,001	375,001	375,001	375,001	375,001	375,001	375,001	375,001	375,001	4%
Product E - Intermediaries Agreement	47,001	-	47,001	47,001	47,001	47,001	47,001	47,001	47,001	47,001	47,001	47,001	47,001	47,001	0%

Revenue (Unit Sold * Unit Price)	End Position Y2	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Cumulative Revenue
Product A - Basic Pack	41'550,001	2'620,001	2'607,001	2'765,001	2'823,001	3'160,001	3'160,001	3'338,001	3'338,001	3'595,001	3'595,001	3'719,001	3'782,001	38'473,001
Product B - Full Pack	35'860,001	2'668,001	2'784,001	3'132,001	3'248,001	3'480,001	3'480,001	3'720,001	3'480,001	3'595,001	3'712,001	3'712,001	3'712,001	40'484,001
Product C - Individual Campaign	2'838,001	135,001	405,001	0,001	135,001	270,001	135,001	135,001	540,001	135,001	270,001	270,001	540,001	2'970,001
Product D - Strategic Pack	3'240,001	0,001	375,001	0,001	750,001	375,001	750,001	375,001	1'125,001	0,001	750,001	750,001	0,001	5'280,001
Product E - Intermediaries Agreement	2'820,001	235,001	235,001	235,001	235,001	235,001	235,001	235,001	235,001	235,001	235,001	235,001	235,001	2'820,001
Total Revenue Y2	86'308,001	5'655,001	6'406,001	6'132,001	7'281,001	7'288,001	7'760,001	7'775,001	8'698,001	7'521,001	8'601,001	8'690,001	8'279,001	89'997,001
Retention Y3 customers. will be charged unitary prices for Y3														

Unitarity COGS (Bulk Licenses Fix Cost)	Prev Year 2	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total COGS
Product A - Basic Pack	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001
Product B - Full Pack	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001
Product C - Individual Campaign	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001
Product D - Strategic Pack	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001
Product E - Intermediaries Agreement	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001
Total Costs Y2	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001
Cost per license year 3	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001

It is assumed that the price per licenses on average will grow a 20% due to Y2 and according to the projection calculations

Figure 64: Realistic Y3 Sales and Income Statement Forecasts (Own Elaboration)

Pessimistic Scenario Year 1:

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Occupied (31/08)
Number of Sales													
Product A - Basic Pack	2	4	6	8	11	13	14	16	20	23	24	25	25
Product B - Full Pack	1	4	7	9	9	10	14	18	18	19	20	24	24
Product E - Intermediaries' Agreement	2	2	2	2	4	4	4	4	4	5	5	5	5
Individual Number of Users													
Product C - Individual Campaign	0	2	1	3	2	3	2	1	1	2	4	2	2
Product D - Strategic Pack	0	0	1	0	0	1	0	0	2	0	1	0	0
New Accounts Monthly Increase	5	7	7	7	7	7	7	7	7	7	7	7	56
													82
													64
													Sells at 31/08
													Growth
													Total Available Accounts (Stock)

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Avg Unit Price
Unit Price													
Product A - Basic Pack	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €	67,00 €
Product B - Full Pack	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €	97,00 €
Product C - Individual Campaign	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €	120,00 €
Product D - Strategic Pack	-	-	-	-	-	-	-	-	-	-	-	-	-
Product E - Intermediaries' Agreement	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €	47,00 €

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Revenue
Revenue (Unit Sold * Unit Price)													
Product A - Basic Pack	134,00 €	268,00 €	402,00 €	536,00 €	737,00 €	871,00 €	938,00 €	1.072,00 €	1.340,00 €	1.541,00 €	1.608,00 €	1.675,00 €	11.122,00 €
Product B - Full Pack	97,00 €	388,00 €	679,00 €	873,00 €	873,00 €	970,00 €	1.358,00 €	1.746,00 €	1.746,00 €	1.843,00 €	1.940,00 €	2.328,00 €	14.841,00 €
Product C - Individual Campaign	0,00 €	240,00 €	120,00 €	360,00 €	240,00 €	360,00 €	240,00 €	120,00 €	120,00 €	240,00 €	480,00 €	240,00 €	2.760,00 €
Product D - Strategic Pack	-	-	-	-	-	-	-	-	-	-	-	-	0,00 €
Product E - Intermediaries' Agreement	94,00 €	94,00 €	94,00 €	94,00 €	188,00 €	188,00 €	188,00 €	188,00 €	188,00 €	235,00 €	235,00 €	235,00 €	2.021,00 €
Monthly Revenue	325,00 €	990,00 €	1.295,00 €	1.863,00 €	2.038,00 €	2.389,00 €	2.724,00 €	3.126,00 €	3.394,00 €	3.859,00 €	4.263,00 €	4.478,00 €	30.744,00 €

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total COGS
Unitarity COGS (Bulk Licenses Fix Cost)													
Product A - Basic Pack	233,33 €	233,33 €	233,33 €	233,33 €	350,00 €	233,33 €	116,67 €	233,33 €	466,67 €	350,00 €	116,67 €	116,67 €	2.916,67 €
Product B - Full Pack	116,67 €	350,00 €	350,00 €	233,33 €	0,00 €	116,67 €	583,33 €	466,67 €	0,00 €	116,67 €	116,67 €	466,67 €	2.916,67 €
Product C - Individual Campaign	-	233,33 €	-	350,00 €	233,33 €	350,00 €	233,33 €	116,67 €	116,67 €	233,33 €	466,67 €	233,33 €	2.566,67 €
Product D - Strategic Pack	-	-	116,67 €	-	-	116,67 €	-	-	233,33 €	-	116,67 €	-	583,33 €
Product E - Intermediaries' Agreement	233,33 €	-	-	-	233,33 €	-	-	-	-	116,67 €	-	-	583,33 €
Monthly Costs	583,33 €	816,67 €	700,00 €	816,67 €	816,67 €	816,67 €	933,33 €	816,67 €	816,67 €	816,67 €	816,67 €	816,67 €	14.000,00 €
Cost per license	116,67 €												

Figure 65: Pessimistic Y1 Sales and Income Statement Forecasts (Own Elaboration)

Pessimistic Scenario Year 2:

Cumulative Number of Users	End Acc. Position Y1	Retention for Y2	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Occupied
Product A - Basic Pack	25	14	15	16	16	18	20	21	23	25	27	29	29	29	29
Product B - Full Pack	24	13	14	15	16	19	21	21	22	25	26	26	26	30	30
Retention Rate from Y1 to Y2		95%													
Individual Number of Users	End Position Y1	Increment 1 for Y2	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	% Difference Y1 - Y2
Product A - Individual Campaign	2	-	3	2	3	2	1	2	1	0	1	3	1	1	12%
Product B - Strategic Pack	0	-	0	1	1	1	0	2	1	0	1	0	0	0	13%
Product C - Intermediaries' Agreement	5	5	5	5	5	5	5	5	5	5	5	5	5	5	8%
Total Month Growth	56	32	5	5	5	5	5	5	5	5	5	5	5	5	0%
No retention rate applied on demand products															
			Sells at 3W08 Growth												
			Total Available Accounts (Stock)												
			60												
			55												

Unit Price	End Position Y1	Increment 1 for Y2	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Cumulative Revenue
Product A - Basic Pack	67,000	8,000	751	751	751	751	751	751	751	751	751	751	751	751	19,425,000
Product B - Full Pack	97,000	13,000	1101	1101	1101	1101	1101	1101	1101	1101	1101	1101	1101	1101	27,610,000
Product C - Individual Campaign	120,000	9,000	1291	1291	1291	1291	1291	1291	1291	1291	1291	1291	1291	1291	2,451,000
Product D - Strategic Pack	-	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	3,240,000
Product E - Intermediaries' Agreement	47,000	-	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	2,820,000
Total Revenue Y1	30,744,000	Monthly Rev. Y2	3,267,000	3,703,000	3,942,000	3,963,000	3,825,000	4,894,000	5,099,000	4,869,000	4,860,000	5,609,000	5,657,000	5,639,000	55,546,000
Retention Y2 customers. will be charged unitary prices for Y2															

Unity COGS (Bulk Licenses Fix Cost)	Prev Year 1	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total COGS	
Product A - Basic Pack	2,916,671	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	
Product B - Full Pack	2,916,671	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	
Product C - Individual Campaign	2,916,671	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	
Product D - Strategic Pack	593,331	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	
Product E - Intermediaries' Agreement	593,331	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	
Total Costs Y1	#(REF)	Monthly Costs Y2	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	
Cost per license year 2															
It is assumed that the price per licenses on average will grow a 20% respect Y1 according to the projection calculations															

Figure 66: Pessimistic Y2 Sales and Income Statement Forecasts (Own Elaboration)

Pessimistic Scenario Year 3:

Cumulative Number of Users	End Acc. Position Y2	Retention Y3	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Occupied
Product A - Basic Pack	28	15	16	18	19	20	21	23	25	27	28	30	30	30	30
Product B - Full Pack	30	15	16	17	18	19	21	21	21	22	23	23	24	28	28
Individual Number of Users															
Product C - Individual Campaign	1	-	2	1	2	1	1	2	1	2	1	0	0	0	0
Product D - Strategic Pack	0	-	0	0	0	0	1	0	0	1	0	0	0	0	0
Product E - Intermediaries' Agreement	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Total Month Growth	65	35	4	4	4	4	4	4	4	4	4	4	4	4	63
Retention from Y2 to Y3	90%														48
No retention rate applied, on demand products															57
															Sells at 3100 Growth
															Total Available Accounts (Stock)

Unit Price	End Position Y2	Increment for Y3	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	% Difference Y3 - Y2
Product A - Basic Pack	75	41	79	79	79	79	79	79	79	79	79	79	79	79	5%
Product B - Full Pack	101	61	116	116	116	116	116	116	116	116	116	116	116	116	5%
Product C - Individual Campaign	129	61	135	135	135	135	135	135	135	135	135	135	135	135	5%
Product D - Strategic Pack	360.00	15.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	4%
Product E - Intermediaries' Agreement	47.00	-	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	0%

Revenue (Unit Sold * Unit Price)	End Position Y2	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Cumulative Revenue
Product A - Basic Pack	19,425.00	1,264.00	1,422.00	1,501.00	1,580.00	1,659.00	1,877.00	1,975.00	2,054.00	2,133.00	2,212.00	2,270.00	2,370.00	22,357.00
Product B - Full Pack	27,610.00	1,856.00	1,972.00	2,088.00	2,204.00	2,436.00	2,436.00	2,436.00	2,552.00	2,668.00	2,668.00	2,784.00	3,248.00	29,348.00
Product C - Individual Campaign	2,451.00	270.00	135.00	135.00	270.00	135.00	135.00	270.00	135.00	135.00	270.00	135.00	0.00	2,160.00
Product D - Strategic Pack	3,240.00	0.00	0.00	375.00	0.00	0.00	375.00	0.00	0.00	375.00	0.00	0.00	0.00	1,500.00
Product E - Intermediaries' Agreement	2,820.00	235.00	235.00	235.00	235.00	235.00	235.00	235.00	235.00	235.00	235.00	235.00	235.00	2,820.00
Total Revenue Y2	55,546.00	3,625.00	3,764.00	4,334.00	4,289.00	4,485.00	4,996.00	4,916.00	5,111.00	5,546.00	5,760.00	5,524.00	5,853.00	58,185.00
Retention Y3 customers, will be charged unitary prices for Y3														

Unitarity COGS (Bulk Licenses Fix Cost)	Prev Year 2	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total COGS
Product A - Basic Pack	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Product B - Full Pack	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Product C - Individual Campaign	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Product D - Strategic Pack	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Product E - Intermediaries' Agreement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Costs Y2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cost per license year 3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

It is assumed that the price per licenses on average will grow a 20% due to Y2, and according to the projection calculations

Figure 67: Pessimistic Y3 Sales and Income Statement Forecasts (Own Elaboration)

Optimistic Scenario Year 1:

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Occupied (3108)
Number of Sales													
Product A - Basic Pack	2	8	12	19	24	30	36	38	42	45	55	59	59
Product B - Full Pack	1	4	8	10	11	13	17	19	23	25	25	26	26
Product E - Intermediaries' Agreement	2	2	2	2	4	4	4	4	4	5	5	5	5
Individual Number of Users													
Product C - Individual Campaign	0	1	0	1	2	2	2	4	1	2	2	5	5
Product D - Strategic Pack	-	-	2	-	-	2	-	-	3	-	1	-	-
New Accounts Monthly Increase	5	10	10	10	10	10	10	10	10	10	15	10	95
													120
													25
													Sells 3108
													Growth
													Total Available Accounts (Stock)

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Avg Unit Price
Unit Price													
Product A - Basic Pack	67,00 I	67,00 I	67,00 I	67,00 I	67,00 I	67,00 I	67,00 I	67,00 I	67,00 I	67,00 I	67,00 I	67,00 I	67,00 I
Product B - Full Pack	97,00 I	97,00 I	97,00 I	97,00 I	97,00 I	97,00 I	97,00 I	97,00 I	97,00 I	97,00 I	97,00 I	97,00 I	97,00 I
Product C - Individual Campaign	120,00 I	120,00 I	120,00 I	120,00 I	120,00 I	120,00 I	120,00 I	120,00 I	120,00 I	120,00 I	120,00 I	120,00 I	120,00 I
Product D - Strategic Pack	-	-	-	-	-	-	-	-	-	-	-	-	-
Product E - Intermediaries' Agreement	47,00 I	47,00 I	47,00 I	47,00 I	47,00 I	47,00 I	47,00 I	47,00 I	47,00 I	47,00 I	47,00 I	47,00 I	47,00 I

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Revenue
Revenue (Unit Sold * Unit Price)													
Product A - Basic Pack	134,00 I	536,00 I	804,00 I	1,273,00 I	1,608,00 I	2,010,00 I	2,412,00 I	2,546,00 I	2,814,00 I	3,015,00 I	3,685,00 I	3,953,00 I	24,790,00 I
Product B - Full Pack	97,00 I	388,00 I	776,00 I	970,00 I	1,067,00 I	1,067,00 I	1,261,00 I	1,649,00 I	1,843,00 I	2,231,00 I	2,425,00 I	2,522,00 I	16,296,00 I
Product C - Individual Campaign	0,00 I	120,00 I	0,00 I	120,00 I	240,00 I	240,00 I	240,00 I	480,00 I	120,00 I	240,00 I	240,00 I	600,00 I	2,640,00 I
Product D - Strategic Pack	-	-	-	-	-	-	-	-	-	-	-	-	0,00 I
Product E - Intermediaries' Agreement	94,00 I	94,00 I	94,00 I	94,00 I	188,00 I	188,00 I	188,00 I	188,00 I	188,00 I	235,00 I	235,00 I	235,00 I	2,021,00 I
Monthly Revenue	325,00 I	1,138,00 I	1,674,00 I	2,457,00 I	3,103,00 I	3,505,00 I	4,101,00 I	4,863,00 I	4,965,00 I	5,721,00 I	6,585,00 I	7,310,00 I	45,747,00 I

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total COGS
Unitarity COGS (Bulk Licenses Fix Cost)													
Product A - Basic Pack	233,33 I	700,00 I	466,67 I	816,67 I	583,33 I	700,00 I	700,00 I	233,33 I	466,67 I	350,00 I	1,166,67 I	466,67 I	6,883,33 I
Product B - Full Pack	116,67 I	350,00 I	466,67 I	233,33 I	116,67 I	0,00 I	233,33 I	466,67 I	233,33 I	466,67 I	233,33 I	116,67 I	3,033,33 I
Product C - Individual Campaign	-	116,67 I	-	116,67 I	233,33 I	233,33 I	233,33 I	466,67 I	116,67 I	233,33 I	233,33 I	583,33 I	2,566,67 I
Product D - Strategic Pack	-	-	233,33 I	-	-	233,33 I	-	-	350,00 I	-	116,67 I	-	933,33 I
Product E - Intermediaries' Agreement	233,33 I	-	-	-	233,33 I	-	-	-	-	116,67 I	-	-	583,33 I
Monthly Costs	583,33 I	1,166,67 I	1,166,67 I	1,166,67 I	1,166,67 I	1,166,67 I	1,166,67 I	1,166,67 I	1,166,67 I	1,166,67 I	1,750,00 I	1,166,67 I	14,000 I
Cost per license	116,67 I												

Figure 68: Optimistic Y1 Sales and Income Statement Forecasts (Own Elaboration)

Unitarity licenses' price is counted as COGS, although being an investment in PPE, thus is contabilizing its amortization. Different from revenue, COGS are only calculated for the new cumulative licenses acquired.

Optimistic Scenario Year 2:

		Year 2													
		Retention for Y2												Total Decoupled	
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 12	Month 12
Cumulative Number of Users	End Acc. Position Y1	43	45	46	46	50	50	53	55	56	58	60	60	60	60
Product A - Basic Pack	59	41	45	46	46	50	50	53	55	56	58	60	60	60	60
Product B - Full Pack	26	18	24	30	33	35	36	39	41	44	44	46	46	46	46
Retention Rate from Y1 to Y2		70%													
Individual Number of Users															
Product C - Individual Campaign	5	2	2	10	11	9	15	20	22	8	6	2	5	5	5
Product D - Strategic Pack	-	2	4	2	1	5	8	10	2	0	0	2	2	2	2
Product E - Intermediaries' Agreement	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Total Month Growth	95	8	10	20	17	16	21	54	36	11	9	4	11	18	187
No retention rate applied on demand products															
Total Available Accounts (Stock)		27													

Unit Price	End Position Y1	Increment I for Y2	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	% Difference Y1 - Y2
Product A - Basic Pack	67,000	8,000	75	75	75	75	75	75	75	75	75	75	75	75	12%
Product B - Full Pack	97,000	13,000	100	100	100	100	100	100	100	100	100	100	100	100	13%
Product C - Individual Campaign	120,000	9,000	129	129	129	129	129	129	129	129	129	129	129	129	8%
Product D - Strategic Pack	-	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	-
Product E - Intermediaries' Agreement	47,000	-	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	0%

Revenue (Unit Sold * Unit Price)	End Position Y1	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Cumulative Revenue
Product A - Basic Pack	24,790,000	3,225,000	3,375,000	3,375,000	3,450,000	3,750,000	3,750,000	3,975,000	4,125,000	4,125,000	4,200,000	4,350,000	4,500,000	46,200,000
Product B - Full Pack	16,296,000	2,200,000	2,640,000	3,300,000	3,630,000	3,850,000	3,960,000	4,290,000	4,510,000	4,620,000	4,840,000	4,840,000	5,060,000	47,740,000
Product C - Individual Campaign	2,640,000	256,000	296,000	1,290,000	1,419,000	1,161,000	1,935,000	2,590,000	2,838,000	1,032,000	774,000	298,000	645,000	14,448,000
Product D - Strategic Pack	-	720,000	720,000	1,440,000	720,000	360,000	1,800,000	2,880,000	3,600,000	720,000	0,000	0,000	720,000	13,680,000
Product E - Intermediaries' Agreement	2,021,000	235,000	235,000	235,000	235,000	235,000	235,000	235,000	235,000	235,000	235,000	235,000	235,000	2,820,000
Total Revenue Y1	45,747,000	6,638,000	7,228,000	9,640,000	9,654,000	9,956,000	11,680,000	13,960,000	15,306,000	10,732,000	10,049,000	9,683,000	11,660,000	124,888,000
Retention Y2 customers, will be charged unitary prices for Y2														

Unitarity CDGS (Bulk Licenses Fix Cost)	Prex Year 1	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total CDGS
Product A - Basic Pack	6,883,331	0,000	0,000	0,000	0,000	0,000	700,000	0,000	0,000	0,000	0,000	0,000	0,000	700,000
Product B - Full Pack	3,033,331	0,000	0,000	0,000	0,000	0,000	700,000	0,000	0,000	0,000	0,000	0,000	0,000	700,000
Product C - Individual Campaign	2,566,671	0,000	0,000	0,000	0,000	0,000	700,000	0,000	0,000	0,000	0,000	0,000	0,000	700,000
Product D - Strategic Pack	933,331	0,000	0,000	0,000	0,000	0,000	700,000	0,000	0,000	0,000	0,000	0,000	0,000	700,000
Product E - Intermediaries' Agreement	883,331	0,000	0,000	0,000	0,000	0,000	700,000	0,000	0,000	0,000	0,000	0,000	0,000	700,000
Total Costs Y1	14,000,000	0,000	0,000	0,000	0,000	0,000	3,900,000	0,000	0,000	0,000	0,000	0,000	0,000	3,900,000
Cost per license year 2		140,000												

It is assumed that the price per license on average will grow a 20% respect Y1 according to the projection calculations

Figure 69: Optimistic Y2 Sales and Income Statement Forecasts (Own Elaboration)

Optimistic Scenario Year 3:

Cumulative Number of Users	End Acc.	Position Y2	Retention Y3	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Occupied
Product A - Basic Pack	80		38	39	42	44	44	46	47	50	53	54	56			56
Product B - Full Pack	46		30	32	34	35	36	39	40	42	45	46	48			48
Individual Number of Users																
Product C - Individual Campaign	5		-	2	0	3	4	4	2	1	4	4	4	4	6	6
Product D - Strategic Pack	2		-	0	1	2	1	2	0	3	0	0	2	0	0	0
Product E - Intermediaries' Agreement	5		5	5	5	5	5	5	5	5	5	5	5	5	5	5
Total Month Growth	118		74	4	6	8	6	8	6	6	8	6	6	6	10	Sells at 3M08
Retention from Y2 to Y3	68%															Growth
No retention rate applied, on demand products																
Total Available Accounts (Stock)																
																80
																30

Unit Price	End Position Y2	Increment for Y3	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	% Difference Y3 - Y2
Product A - Basic Pack	751	41	791	791	791	791	791	791	791	791	791	791	791	791	5%
Product B - Full Pack	1101	61	1161	1161	1161	1161	1161	1161	1161	1161	1161	1161	1161	1161	5%
Product C - Individual Campaign	1291	61	1351	1351	1351	1351	1351	1351	1351	1351	1351	1351	1351	1351	5%
Product D - Strategic Pack	360001	15001	375001	375001	375001	375001	375001	375001	375001	375001	375001	375001	375001	375001	4%
Product E - Intermediaries' Agreement	47001	-	47001	47001	47001	47001	47001	47001	47001	47001	47001	47001	47001	47001	0%

Revenue (Unit Sold * Unit Price)	End Position Y2	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Cumulative Revenue
Product A - Basic Pack	46,200.001	3,081.001	3,376.001	3,475.001	3,475.001	3,634.001	3,713.001	3,792.001	3,950.001	4,187.001	4,187.001	4,266.001	4,424.001	45,504.001
Product B - Full Pack	47,740.001	3,712.001	3,944.001	4,160.001	4,175.001	4,175.001	4,524.001	4,640.001	4,872.001	5,220.001	5,220.001	5,336.001	5,568.001	55,448.001
Product C - Individual Campaign	14,448.001	270.001	0.001	485.001	540.001	540.001	270.001	185.001	540.001	0.001	540.001	540.001	810.001	4,590.001
Product D - Strategic Pack	13,680.001	0.001	375.001	750.001	375.001	750.001	0.001	1,125.001	0.001	0.001	750.001	0.001	0.001	4,125.001
Product E - Intermediaries' Agreement	2,820.001	235.001	235.001	235.001	235.001	235.001	235.001	235.001	235.001	235.001	235.001	235.001	235.001	2,820.001
Total Revenue Y2	124,888.001	7,298.001	7,872.001	8,825.001	8,892.001	9,335.001	8,742.001	9,927.001	9,897.001	10,932.001	10,932.001	10,377.001	11,037.001	112,487.001
Retention Y3 customers, will be charged unitary prices for Y3														

Unitarity COGS (Bulk Licenses Fix Cost)	Prev Year 2	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total COGS
Product A - Basic Pack	700.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
Product B - Full Pack	700.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
Product C - Individual Campaign	700.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
Product D - Strategic Pack	700.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
Product E - Intermediaries' Agreement	700.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
Total Costs Y2	3,500.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	01
Cost per license year 3														

Figure 70: Optimistic Y3 Sales and Income Statement Forecasts (Own Elaboration)

Annex 17. Potential Market Estimations Y1, Y2, Y3 - Compared with Forecasted Revenues from Y1, Y2, Y3

Average Price			Price 3			Purchasing Freq. (N)			Year			Market Filters		
Percentage	Price 1	Price 2	Price 3	Purchasing Freq. (N)	Year	Licenses	Millennials	1k-10k % followers	% Monetization	Growth				
0,75	67	75	79	12	1	120	0,617	0,3741	0,3	2,50%				
0,25	120	129	135		2	120	0,642	0,3981						
					3	120	0,667	0,4241						
Filters applied to T														
	T	M	M Followers	M Monetization	P (Average Price)	Calculated PME	Potential %	Real PME	Revenue Forecasted	Share				
Year 1	15860000,00	9662220,00	3614636,50	1084390,95	80,25	1.044.268.485,43 €	0,011066120%	115.560,00 €	45.747,00 €	40%				
Year 2	17020000,00	10926840,00	4360901,84	1308270,55	88,5	1.389.383.327,50 €	0,009172415%	127.440,00 €	86.308,00 €	68%				
Year 3	18300000,00	12206100,00	5176607,01	1552982,10	93	1.733.128.026,95 €	0,007727069%	133.920,00 €	89.997,00 €	67%				

Figure 71: Potential Market Estimation from Y1, Y2, Y3 being compared with Forecasted Revenues from Y1, Y2, Y3, according to the Realistic Scenario (Own Elaboration)

Annex 18. Schematic chart about the production process of the service

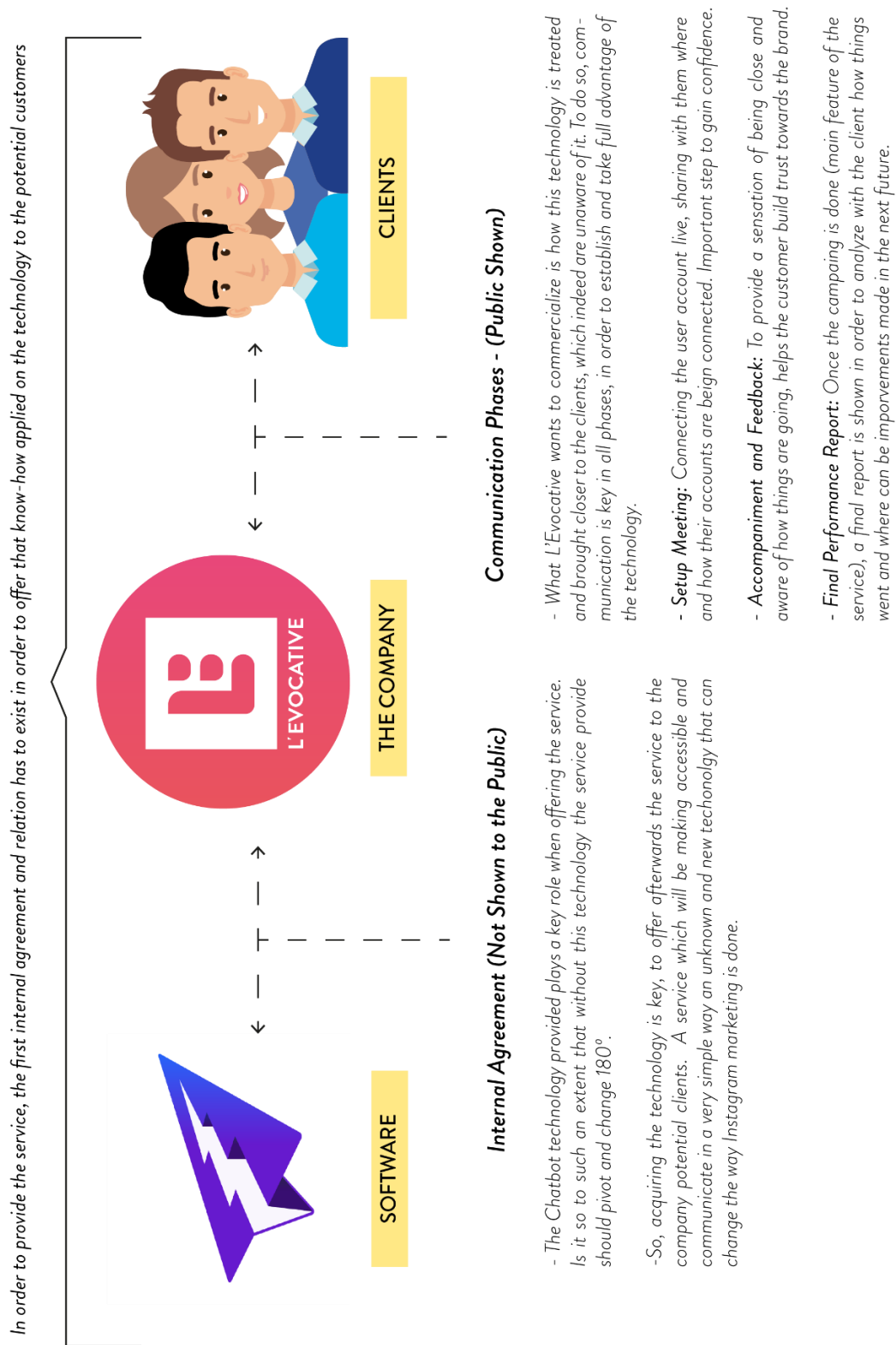


Figure 72: Schematic chart about the production process of the service (Own Elaboration)

Annex 19. Client Acquisition + Communication Activity – Micro-Process

CRITICAL PROCESS: CLIENT ACQUISITION + COMMUNICATION
ACTIVITY DEVELOPEMENT

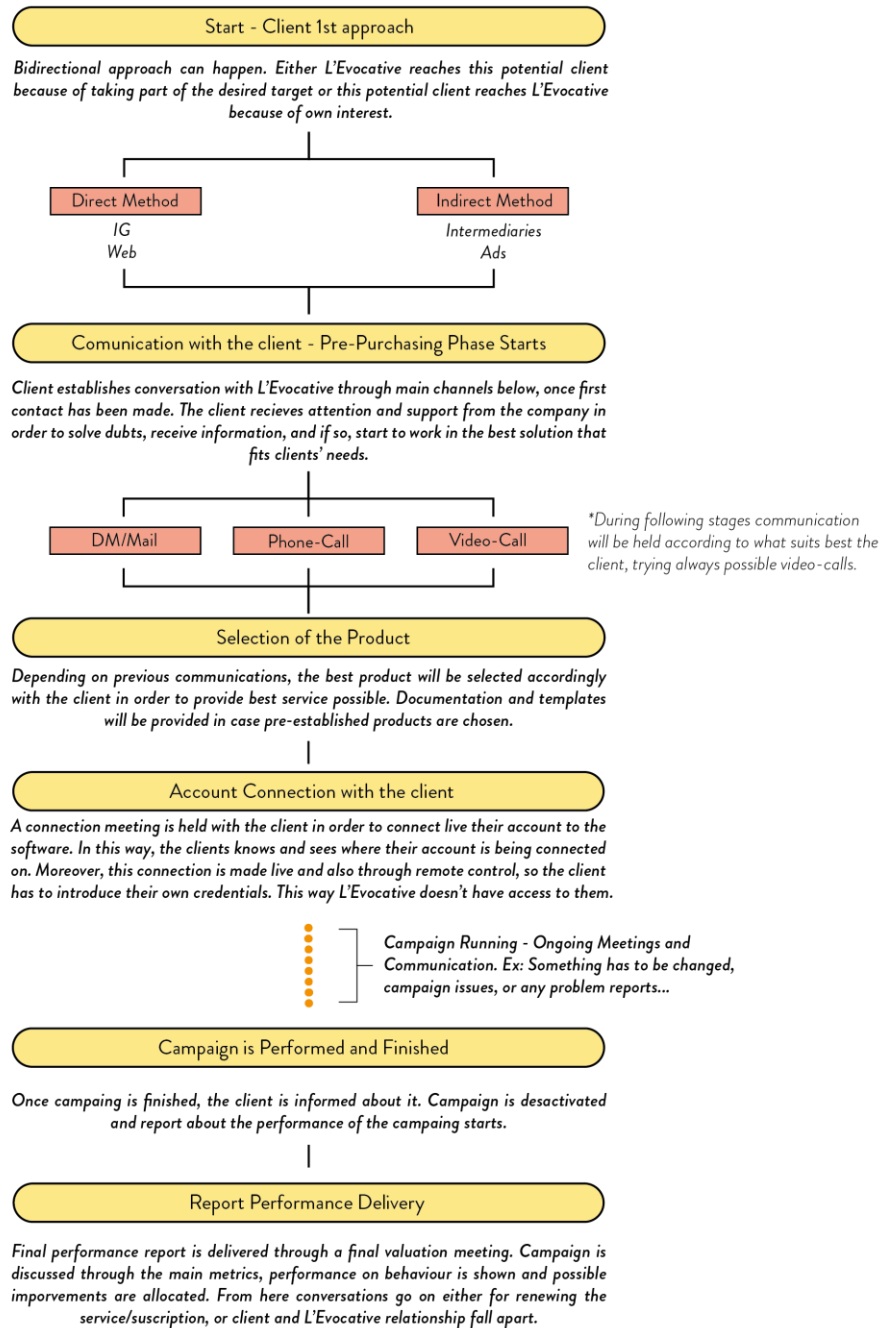


Figure 73: Micro-Process describing the Communication Key Activity + Client Acquisition. (Own Elaboration)

Annex 20. Key Activities Diagram Process

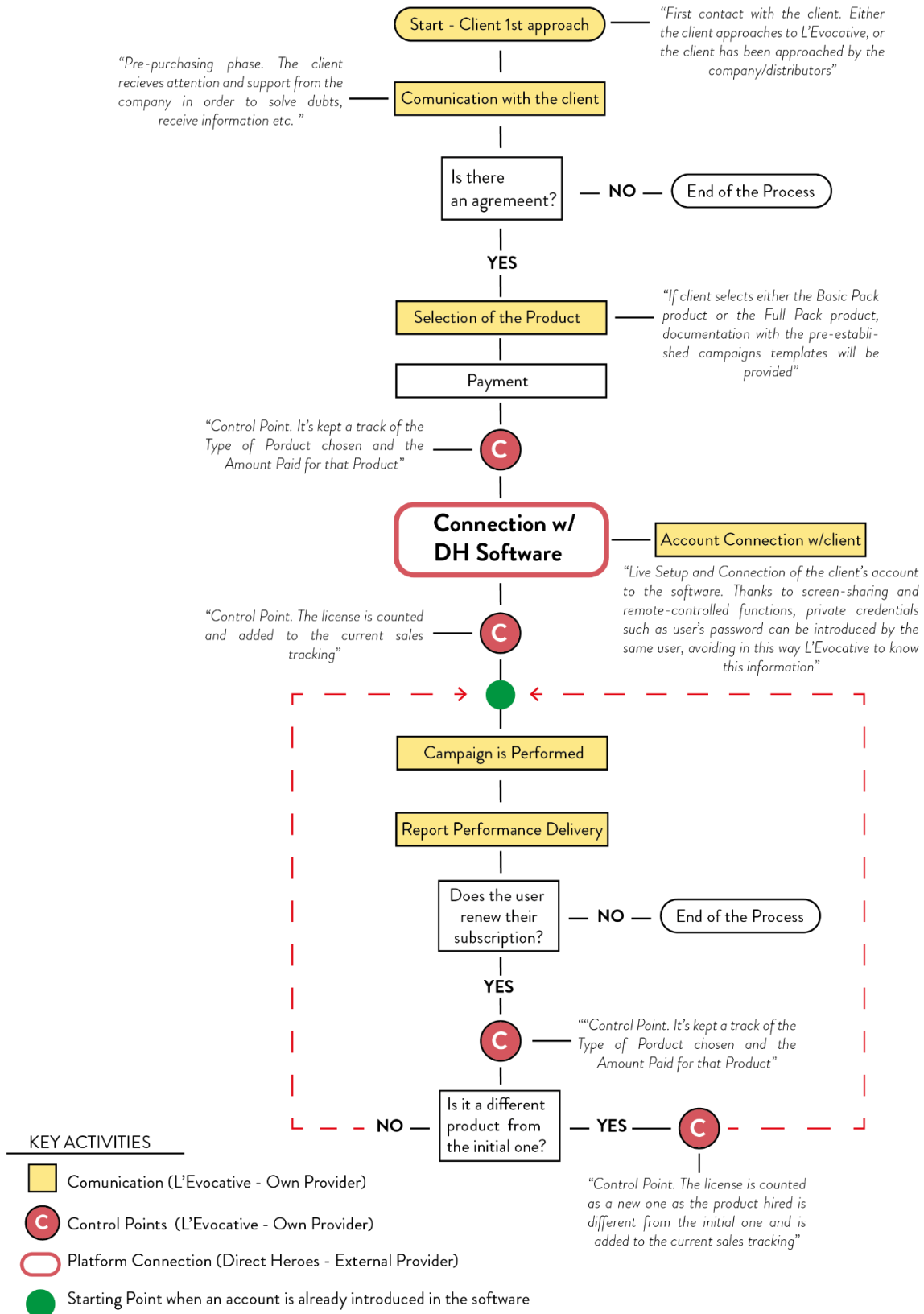


Figure 74: Key Activities Diagram Macro-Process. (Own Elaboration)

Annex 21. Verified Builder and Agency Partner Badges



Figure 75: Verified Builder and Agency Partner Badges

Annex 22. Partners Agreement

PARTNERS AGREEMENT

L'EVOCATIVE

Cardedeu, XXX XX, 2X2X.

Mr. Arnau Farell Danés, ID number 47976147D, living in Cardedeu (Barcelona, Spain) and **Mr. Jonathan Ferreras Ferreras**, ID number Y5436246-A, living in Lugano (Ticino, Switzerland) make the following Partnership Agreement.

As of today, XXX XX, 2X2X, the Partners agree to enter into a Partnership for the purpose of operating a business known as: **Farell Danés, Arnau, S.L.N.E (Later on, L'Evocative SL.)**

And so, fulfill and respect the Articles EXPOSED below:

Article 1 - Purpose

1. Purpose: The Partners have entered this agreement to act together with respect to the management and supervision of the Company.

2. Nature: The Partnership Business consists of the following business activities; providing advisory services on Instagram Marketing Campaigns through Instagram Chatbots

3. Shares: Each Partner has a 50% stake provided that the following criteria are met:

A) Dedication of 40 hours per week.

B) Contribution to the capital needed to fund the company, corresponding to its percentage of shares.

C) Consideration will be kept for the previous initial investment (14.000€), which facilitated the early bird condition.

Partner Name	Cash Contribution	Initial Investment	Total Contribution
Jonathan Ferreras	5.000€	7.000€	12.000€
Arnau Farell	5.000€	7.000€	12.000€

Article 2 - Management

4. Board of Directors: The board of directors equals the number of partners that are signing this agreement (2). The board of directors is going to meet once a year in an ordinary meeting. All other meetings, in any other time, will have the condition of extraordinary. These meetings should be announced 15 days in advance.

5. Authority of Directors: The board on behalf of the company decides that, in order to avoid conflicts of interest due to the two-member board of directors' conditions, the role of direction and legal authority relies on only one partner. In which the other partner cannot make opposition. This measure is adopted in order to avoid future conflicts and ensures the behalf of the company before all other interests.

Although this enclosed authority, relying on only one of the partners, has a limited reach. Actions cannot be taken without the consideration of the other partner and/or with the deliberate intention of harming the company's interests.

6. Limitations: The board may not perform any of the following acts without the unanimous written consent of all partners (2).

- Merge, sell or transfer all, or substantially all, of the assets of the company
- Issue additional shares of any class or any rights related to shares of any class
- Voluntary dissolve the company

Article 3 - Distribution of Profits and Losses

7. Profit/Losses: For accounting and tax purposes, either net profits or net losses should be determined on an annual basis. Those will also be distributed in proportion to the owning percentage of each Partner.

8. Distributions: Dividends will be distributed annually according to the same proportions as their contributions to the business.

Article 4. Transfers

9. Restrictions on Transfer: No shares shall be sold, transferred or pledged other than in accordance with the terms of this Agreement and the other Partner.

10. Involuntary Transfers: Upon the occurrence of one of the following events:

- Death of a partner
- Mental or physical disability of a partner
- Bankruptcy or insolvency of a partner

The company should redeem or purchase for the cancellation of all the owned shares by the withdrawing partner. Within 45 days from the date of the event.

11. Right of First Refusal: If any partner tries to sell or transfer any shares, it should first offer the remaining partners (not necessarily the co-founders) the possibility to purchase the offered shares. The remaining partners will have 30 days to exercise this right of first refusal.

12. Drag Along Right: If a purchase offer is made for a part or the total of the shares, and providing that the majority of shares want to be sold (if a major partner for instance wants to sell them) the rest of the partners have to first authorize that sale. The selling price must always be in accordance with the results and balance sheets of the company.

13. Tag Along Right: If any of the partners receive an offer from a third party, or another Partner, to acquire any shares they hold in the Company, the rest of the partners will have the right to counteroffer at the same price and under the same conditions applied to the first offer, and a number of shares equivalent to the initial offer.

14. Mortis Causa Transfer: The acquisition of shares by hereditary means, in the event of the death of one of the L'Evocative's partners, belongs to the determined heir, having this last one, neither right nor vote in the company unless, during an extraordinary meeting, the right of participation and vote is conceded to the heir.

Article 5. General Clauses

15. Adhesion: In order to acquire the status of Partner within the Company, as a result of a capital increase, merger, purchase of shares or any other contribution, the founding partners have to first decide what percentage of shares should be given to the new Partner. This percentage can vary depending on the capital and the knowledge contributed to the project. The hierarchical relationship is therefore maintained.

16. Permanence Clause: Partners have the obligation to remain a minimum of 18 months into the project with proven dedication, half of the forecasted sales period.

In the event that one (or more) partners wishes to leave, the company agrees to:

- If a partner leaves before the 18th month, the leaving partner only keeps the shares corresponding to the 1/18 ratio, as an amortization through their active period.

Example: If the partner stays only 8 months, it will just receive a ratio of 8/18 out of the capital contributed in the company.

- If the partner leaves after minimum time constituted (at month 19th, for example) it is understood that the shares owned by the partner in that exit moment become his property.

17. Confidentiality: The confidentiality obligations contained in this clause continue for one year after the Agreement's expiration, except and until such confidential information enters the public domain or is required by judicial means.

Meanwhile the clause will protect such information as:

- Personal data of customers.
- Data and information of the captured leads.
- Customer databases.
- Economic and financial data.
- The growth strategy, in terms of future products and prices of the company.
- Data in relation to software licenses.
- Any documentation that could put the company in a compromising situation.

18. Applicable Law and Jurisdiction: The Parties agree that any question, claim, litigation, discrepancy or controversy resulting from the execution or interpretation of this Agreement, or related to it, directly or indirectly, will be definitively resolved by arbitration. Arbitration will be preceded by either *CORTE ESPAÑOLA DE ARBITRAGE* or *TRIBUNAL D'ARBITRATGE DE BARCELONA*, which are entrusted with the administration of the arbitration and the appointment of the arbitrator in agreement. Likewise, the Partners expressly state their commitment to comply with the arbitration award that is issued.

19. Modifications: This Agreement may not be modified, corrected or waived in any of its provisions, unless is made in writing and is consented and signed by all the partners.

20. Validity: This Agreement will enter into force on the day of its signature, XXX XX, 2X2X and will remain in force, producing full legal effects for each of the Partners until any of the following events occur:

- The date of dissolution and liquidation of the Company (including dissolution as a consequence of a merger by absorption); or
- The date on which the Company becomes a sole proprietorship; or
- The date on which all the Parties agree to terminate this Agreement; or
- In the event that the Company is listed on a stock market.

And in proof of conformity, the Parties sign this Agreement in the place and on the date indicated in the heading.

Cardedeu, XXX XX, 2X2X.

Jonathan Ferreras Ferreras

Arnau Farell Danés

Annex 23. Non-Disclosure Agreement (NDA)

Acuerdo de confidencialidad – L'Evocative

De una parte, D/Dña _____ con domicilio en _____ y DNI _____ en nombre y representación de la empresa _____ en los sucesivo denominado **CLIENTE**.

Y, de otra parte, Don Arnau Farell Danés, con domicilio en Cardedeu, ctra. Dosrius, 134 y DNI 47976146D en nombre y representación de la empresa L'Evocative SL. en lo sucesivo denominado **PROVEEDOR**.

Ambas partes acuerdan mutuamente, la capacidad legal necesaria para la suscripción del presente acuerdo, a su vez cumplimiento y dando cumplimiento a las siguientes obligaciones:

- I. Que **CLIENTE** es una organización dedicada a _____ y por tanto es responsable de la información generada y gestionada en su actividad.
- II. Que **PROVEEDOR** es una organización dedicada al asesoramiento en marketing digital y proporciona servicios de Chatbot de Instagram así como orientación en campañas digitales a **CLIENTE**.
- III. Que **PROVEEDOR** durante la prestación de sus servicios a **CLIENTE** puede recibir información confidencial de **CLIENTE** o disponer de acceso o de potencial acceso a la misma. En este sentido se considera por información confidencial, toda la información relativa a: procesos de negocio, planes de marketing, planes estratégicos, clientes, proveedores know-how, métodos, análisis funcionales, código fuente, estudios de mercado, estadísticas, datos financieros, análisis de viabilidad, especificaciones técnicas, formulas, diseños, estudios, aquella afectada por el Reglamento General de Protección de Datos, y toda aquella información que **CLIENTE** no haya autorizado de modo explícito a **PROVEEDOR** su libre uso o difusión.
- IV. **PROVEEDOR** solo hará uso de la información facilitada por **CLIENTE** en el ámbito de los servicios prestados por **PROVEEDOR**, descritos en el apartado II. En este sentido **PROVEEDOR** se compromete a guardar el deber de secreto y mantener la

confidencialidad de la información cedida, trasladando este deber a todas aquellas personas (empleados, personal subcontratado, becarios, etc.) o entidades que dispongan de acceso a esta información en el desarrollo de sus funciones y obligaciones en relación a los servicios prestados a **CLIENTE**.

Las personas o entidades citadas en el párrafo anterior y que tengan acceso a información confidencial de **CLIENTE** en el marco de la prestación del servicio, no disponen de permiso para reproducir, modificar, publicar o difundir o comunicar a terceros dicha información sin previa autorización explícita de **CLIENTE**.

A su vez, **PROVEEDOR** se compromete a aplicar tanto las medidas de seguridad exigibles por la legislación vigente, como las medidas de seguridad que aplicaría **PROVEEDOR** respecto a su propia información confidencial para garantizar la confidencialidad de la misma.

- V. Si se produce cualquier revelación, difusión o utilización de la información facilitada por **CLIENTE** a **PROVEEDOR** en el ámbito de este acuerdo, de modo distinto a lo reflejado en este acuerdo, ya sea de forma fraudulenta o por mera negligencia, **PROVEEDOR** deberá indemnizar a **CLIENTE** por los daños y perjuicios ocasionados, con independencia de las acciones civiles o penales que se puedan derivar.

- VI. **PROVEEDOR** se compromete a devolver la información confidencial cedida por **CLIENTE** en el ámbito de la prestación del servicio, una vez finalizada la relación contractual.

- VII. De acuerdo a lo dispuesto a la regulación 2016/679 de la Unión Europea aprobada a 27 de Abril de 2016, (Reglamento General de Protección de Datos), ambas parte se informan respectivamente que los datos de carácter personal intercambiados en el marco de la relación contractual serán incluidos en los ficheros de los que cada una de ellas es titular, siendo la finalidad de estos tratamientos el soporte en el desarrollo de las tareas en el ámbito de la prestación del servicio. Dichos datos no serán cedidos a terceros.

Adicionalmente, ambas partes se obligan a garantizar, el cumplimiento de la Ley Orgánica 2016/679 de la Unión Europea aprobada a 27 de Abril de 2016, (Reglamento General de Protección de Datos). Asimismo, para ejercer los derechos de acceso, rectificación, cancelación y oposición cualquiera de las partes deberá dirigirse mediante comunicación formal a las direcciones recogidas al inicio de este acuerdo.

- VIII. Este acuerdo tendrá validez a partir del momento en que quede firmado por ambas partes, y se extenderá de forma indefinida, a pesar de que haya finalizado la relación contractual.

Ante cualquier disputa o conflicto que pueda surgir relativa a la interpretación y/o cumplimiento del presente acuerdo, ambas partes se someten a la negociación de buena fe para intentar resolver tal disputa o conflicto dentro del plazo máximo de quince (15) días a contar desde la fecha en que cualquiera de ellas notifique formalmente a la otra que ha surgido la discrepancia.

Para el supuesto que la disputa o conflicto no se resolviera dentro del plazo máximo señalado, ambas partes se someten a los Juzgados y Tribunales de _____ renunciando a su fuero propio.

Y en virtud de lo establecido anteriormente, ambas partes firman por duplicado este acuerdo, en todas sus hojas, en el lugar y las fechas citados.

En nombre y representación de **CLIENTE**

En nombre y representación de **PROVEEDOR**

Don Arnau Farell Danés con DNI 47976146D