



**MASTER IN BUSINESS ADMINISTRATION**

# InsuPet app

## The best way to improve your pets' wellbeing

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## Executive summary

**Project description:** InsuPet is a platform dedicated to revolutionizing pet health by providing pet owners in Spain with a comprehensive solution for their pets' well-being. Our primary focus is to serve as a pet health insurance comparator, simplifying the process of finding the most suitable insurance coverage for both owners and their pets. In addition to insurance comparison, our platform offers a range of valuable services, including continuous information access, 24/7 veterinary contact, personalized product recommendations, and digital medical reports for each pet. To ensure the viability of our project, we conducted an extensive secondary market study, considering the current environment and trends. This was followed by primary research, including a survey to gain insights of the Spanish population regarding pet health. Based on the findings, we developed a well-defined marketing plan to achieve our objectives.

A comprehensive financial study was also conducted to assess the project's financial feasibility. The study also involved assembling a capable team to effectively execute the project.

**Competitive value:** InsuPet's competitive value stems from its unique and specialized offering as the only platform in Spain that is solely dedicated to pet health. By providing a comprehensive range of services, including insurance comparison and additional pet health services, InsuPet meets the specific needs of pet owners, creating a personalized and tailored experience. One aspect that sets InsuPet apart is its direct communication with veterinary doctors, allowing pet owners to seek expert advice and guidance whenever necessary. Furthermore, InsuPet leverages collaborations and strategic alliances with selected partners to enhance its offerings and provide added value to customers. By continuously adapting its services to meet customer needs and fostering close relationships with clients, InsuPet ensures a customer-centric approach.

**Market:** The market for pet-related products and veterinary services worldwide is continuously growing, particularly after the COVID-19 pandemic. There are more pets than children in Spanish households, yet the country still faces high rates of pet abandonment, often due to financial reasons. Furthermore, less than 5% of the Spanish population has taken out medical insurance for their pets (Lomejorparamican, 2023), despite the increasing pet ownership rates. Our primary research reveals that one of the main reasons behind this low insurance coverage is a lack of awareness about the availability of such policies in Spain. Veterinarians also face limitations in providing care due to owners' financial constraints. In light of these circumstances, there is a significant opportunity and a pressing need for InSupet to increase awareness and availability of pet health insurance, making it easier for owners to keep their pets healthy and provide necessary care.

**Customers:** The target customers for this application are Spanish pet owners who prioritize their pets' health and well-being and wish to simplify the process of managing their pet's healthcare needs.

**Team:** The initial team for this project will be small but led by Sofia Pallares Bongionani, the founder and CEO. Sofia is a veterinarian with clinical experience and possesses business knowledge gained through an MBA from ICADE. As the project progresses, the team will expand to accommodate the growing demands of the business.

**Financing requirements:** As we continue to work on our project, we have developed a comprehensive financing proposal to address our upcoming financial requirements. Our initial equity investment of 25,000 euros sets the foundation, but we recognize the need for additional funding to fuel our growth and expansion. We are seeking an additional 62,500 euros to meet our financial requirements.

## Introduction of the project

The pet industry in Spain has been growing steadily over the past few years, with more than half of Spanish households owning a pet. These households are responsible for not only the pets' everyday costs, but also their expected and unforeseen medical expenses.

Despite the increasing number of pets in Spanish households, Spain is one of the states in the world with the lowest percentage of pets covered for veterinary health insurance.

Not all pet owners can afford these expenses, leading to situations where they are forced to choose cheaper or less effective treatments, or in some cases, avoid treatment altogether. This ultimately leads to worse health outcomes for pets and a lower quality of care from veterinarians.

This lack of acquisition of pet health insurance is a concerning issue that we have identified, especially given the current economic situation due to the COVID-19 pandemic. Many families are struggling financially due to the pandemic, and unexpected veterinary costs for their animals can be a significant burden. This is also because the veterinary clinical sector is largely a private, and therefore expensive industry.

As a veterinary doctor, with years of experience in the clinical sector and specialization in intensive care, I have personally witnessed the impact of this issue on pets and their owners. In many cases, pet owners are left with no choice but to put down their pets due to their inability to afford the necessary medical treatments.

We have identified the need for increased awareness and availability of health insurance for pets and their owners in the veterinary industry.

To address this issue, our business plan aims not only to understand the reason for this lack of insurance acquisition, but to develop an app/platform that searches and offers the best health insurance for pets, making the process easier for pet owners. Pet owners will have access to information and resources, as well as the ability to connect with professionals for help, and other features that will help and facilitate the best care for their pets.

By increasing access to affordable health insurance for pets, we can ease the financial burden on pet owners, and make it more likely that they will seek and afford the best possible diagnostic tests and treatments for their pets, and this could lead to better health outcomes for pets.

Pet owners will not be the only ones to benefit from this platform. Veterinarians will be allowed to provide the highest quality of care without being limited by cost considerations, and also take advantage of the platform's tools and features. As for Pet health insurance providers, they will be able to optimize their operations.

Overall, our business plan aims to address a significant issue in the veterinary industry in Spain and provide a solution that benefits all parties involved. This app/platform has the potential to make a significant impact on the lives of pets and those who care for them.

## Market Research

At the outset of our project, we conducted a comprehensive market analysis to gain insights into the European and Spanish veterinary markets, as well as the pet products and veterinary insurance markets. By analysing these markets, we aimed to gain insights into the opportunities and challenges that our project may encounter, as well as identifying potential areas for growth and development.

### Veterinary market Europe

The veterinary sector in Europe has grown and changed significantly over the past decade, particularly when it comes to domestic pets. This growth can be attributed in part to the increasing number of pets in European households. As more and more people have welcomed pets into their homes, the demand for veterinary services has increased accordingly.

According to the European Pet Food Industry Federation's (FEDIAF) yearly Facts & Figures 2021 report, they estimated that 90 million households in Europe have at least one pet, which stands for 46% of all households (FEDIAF, 2021). This number is increasing year by year, with cats and dogs being the most popular pets in Europe. Since 2020 it has already been declared that in Spain there are more dogs than children under the age of 15 (Aedpac, 2020), according to data from the Spanish Network for the Identification of Companion Animals (Reiac).

The field of veterinary medicine deals with the identification, management, and prevention of illnesses in a wide variety of animal species, including farm animals and wild animals.

One of the most important roles that the veterinary industry plays is in the prevention of zoonotic diseases, these are diseases that can be transmitted from animals to humans. For this reason, this industry became very important following the COVID-19 pandemic (AMVAC, 2020).

In 2020, the World Veterinary Association (WVA) and local veterinary associations across Europe jointly declared veterinary services to be an essential sector, akin to human medical services. This declaration ensured that the veterinary industry could continue to operate and provide critical services during the ongoing COVID-19 pandemic (Mordorintelligence, 2023).

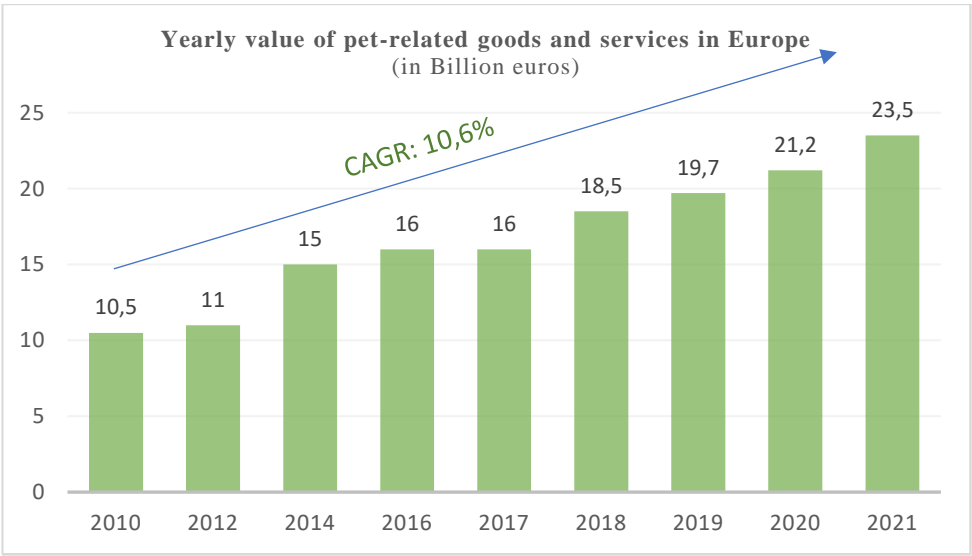
The COVID-19 pandemic has highlighted the crucial function that the veterinary sector plays in public health. Rapid technology breakthroughs were pushed by the pandemic to improve the medical industry's diagnostic capacities, leading to quicker diagnoses and improved sector management. As a



result, this technological advancement was also present in the veterinary industry, which also contributed to the sector's continued growth.

The pandemic has increased public awareness of the importance of animal health and welfare, leading to a greater appreciation for the vital work done by veterinary professionals.

According to a recent analysis by Statista, the veterinary sector has continued to experience sustained growth despite recent global events, economic pressures from high interest rates and high inflation, and the war between Russia and Ukraine. In 2021, the European market for pet-related products and services reached an estimated annual turnover of €23.5 billion, up from €19.7 billion in 2019, with a compound annual growth rate (CAGR) of 10.7%. (Emma Bedford, 2022). This amount includes all goods and services related to pets, such as veterinary services and pet grooming. The increasing emphasis on animal health and welfare has prompted governments to introduce initiatives aimed at raising public awareness of these issues. As a result, the demand for veterinary services is expected to continue growing in the coming years, providing significant opportunities for further expansion and development within the industry.



Pet products and pet services value in Europe, 2021  
Source: Statista

The European veterinary healthcare market is fiercely competitive, with several major players vying for market share. These players are adopting various growth strategies such as partnerships, collaborations, mergers, and acquisitions to strengthen their position in the market. Some of the prominent companies operating in this market include Abaxis Inc., Bayer AG, Benfield Pet Hospital, Boehringer Ingelheim International GmbH, Ceva Animal Health Inc., CVS Group, ECO Animal

Health, Elanco, Greencross Vets, Idexx Laboratories, MSD Animal Health, Vetoquinol UK Limited, Virbac, and Zoetis Animal Healthcare. (Mordorintelligence, 2023)

**The veterinary market Spain**

As our primary focus shifts towards the Spanish veterinary market, it is worth taking note of the latest developments in the 2021 Report on the Socio-Economic and Employment Situation of the Veterinary Sector in Spain, released by the "Confederación Empresarial Veterinaria Española" (CEVE), that highlights the remarkable growth of the veterinary sector's turnover over the last decade (Gutiérrez-Aragón, 2021). According to the National Institute of Statistics' annual data, which predates the Covid-19 pandemic, the turnover of the veterinary sector has surged by 90.07% between 2010 and 2019. The report notes that this sector has experienced exponential growth since 2015, with 2019 being a particularly successful year, evidenced by the improvement of several economic and financial indicators, showcasing a recovered economic strength.

Furthermore, the report highlights an impressive increase in the turnover especially for the pets market, which reached 144.99% in the period between 2010 and 2019.

Another data that is used to evidence the progressive growth of the veterinary sector is the turnover of the animal health and nutrition market in Spain. According to a market analysis conducted by Veterindustria between 2010 and 2019, it has increased by 45.47% from 2010 to 2019 (Gutiérrez-Aragón, 2021).

Within the veterinary sector, an average of 25.15% of the turnover between 2010 and 2019 corresponds to domestic animals. Within this turnover figure, over 98% corresponds to dogs and cats. Based on these parameters, the recovery of turnover in the companion animal market during the period of 2014-2019, with an average annual growth of 10.06% and an accumulated increase of 87.47% between 2010 and 2019, has been significantly larger than that of livestock animals (Gutiérrez-Aragón, 2021).

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pets turnover Facturación animal de compañía	159,57	177,46	186,35	168,69	191,55	213,37	227,48	258,49	280,59	299,35
Yoy percentage of variation		11,21%	5,01%	-9,48%	13,55%	11,39%	6,61%	13,63%	8,55%	6,61%
Cumulative change		11,21%	16,78%	5,72%	20,04%	33,72%	42,56%	61,99%	75,84%	87,47%
Relative weight of pets	22,22%	23,82%	24,81%	22,91%	24,06%	24,62%	25,05%	27,54%	27,86%	28,64%

Turnover of the animal health and nutrition market for pets (million euros)  
Source: veterindustria (2010-2019)

The turnover figures of the veterinary sector according to the annual data provided by the National Institute of Statistics follow a similar behavior to the data provided by Veterindustria, with some differences derived from the different methodologies applied to obtain them.

Another economic indicator that has shown recovery in this sector is the total purchases of goods and services in the veterinary sector. In 2019, it reached an average annual growth rate of 7.31% and an accumulated increase of 81.67% compared to 2010.

The veterinary industry has further expanded despite the COVID-19 pandemic and its effects on all aspects of the business, according to a more recent sectoral study (AMVAC, 2022) produced by the Madrid Association of Companion Animal Veterinarians (AMVAC) in 2022.

The pandemic's biggest impact on the veterinary industry has been on the trend of pet ownership, with many Spanish households deciding to have a pet as a result of the outbreak. The pandemic has led to changes in people's lifestyles, with more time spent at home, and highlighted the benefits of pet ownership as an alternative to social isolation or outdoor activities (AMVAC, 2022), and this has resulted in an increase in the global pet population and higher demand for pet care products and services.

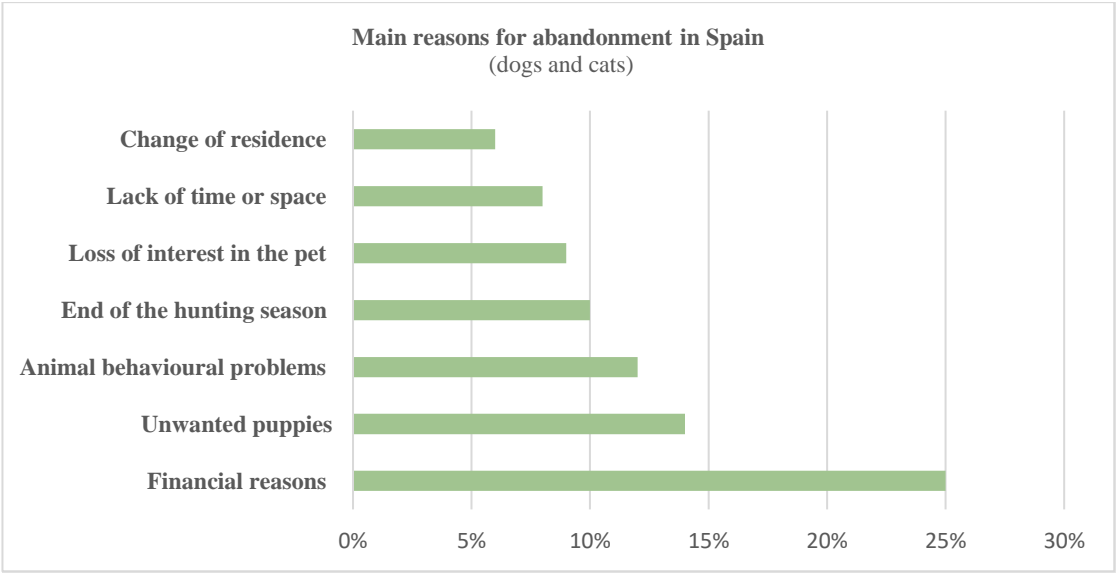
According to this report, it is estimated that in Spain there are more than 21 million pets, which represents 26% of Spanish households (AMVAC, 2022). Qualifying Spain in one of the top 5 European countries with the highest number of households with at least one pet (GlobalPETS, 2022), according to the European Pet Food Industry Federation's (FEDIAF) yearly Facts & Figures 2021.

In addition to the fact that animal health care was considered an essential activity during the state of alarm for the management of the health crisis situation caused by COVID-19, which led to increased animal health care and development of the sector.

Another important fact that this report mentions, is the strong emotional bond that owners have established with their pets, this has generated that owners not only want to spend more time with them but also use more resources for the well-being and health care of their pet. Surely the increase in the number of pets together with a greater commitment on the part of the owners, has resulted in a direct increase in spending towards pet maintenance, thus fostering a steady evolution of veterinary services (AMVAC, 2022).

This shift is also reflected in recent legislation, such as the recognition of animals as sentient beings under Law 17/2021 published in December 2021, which modifies the Civil Code, the Mortgage Law, and the Civil Procedure Law, on the legal status of animals (Juridicas, 2021).

However, despite the strong emotional bond that exists between pet owners and their animals, it is important to note that Spain is still facing a significant issue with animal abandonment. In fact, Spain is currently one of the countries with the highest number of animal abandonment cases in Europe, with over 300,000 animals abandoned during 2019 (Affinity, 2020). While this figure has decreased from 11.5% for dogs in 2021, However, it seems that this decline is mainly due to a lower number of lost pets, due to the mobility restrictions imposed by the pandemic. The number of abandoned animals in Spain continues to be high, and this worrying trend is largely attributed to economic reasons, as reported by the Affinity Foundation (Affinity, 2021).



Survey conducted by the Affinity, 2021

This expansion of the veterinary industry in Spain has boosted new business models to emerge and increased competition, which is what is driving the changes in the industry.

As we have just seen, the number of pets in Spain has been growing steadily, which has created a greater demand for veterinary services. As a result, the sector has become more professionalized, and new business models have emerged, such as veterinary corporations.

However, Spain continues to have a predominant model of veterinary clinics as micro-enterprises (AMVAC, 2022).

Veterinary corporations are currently a growing business model in Spain:

- Vetland (8 veterinary centers)
- Mivet (14 veterinary centers)
- Unavets (22 centers in Spain)
- Zoa Veterinaria (5 veterinary centers)
- The Gorila Vet Company (11 veterinary centers)
- Kitican (35 veterinary centers)
- Alianza Petsalud (15 veterinary centers)
- Anicura (38 veterinary centers)
- Large groups of European clinics such as Vetpartners (3 veterinary centers) and IVC Evidensia (20 veterinary centers).

As the model of an atomized business persists in Spain, professional management becomes increasingly important. Attention to customer service and communication, both online and offline, are essential for positioning our clinics in the market.

Changes in the business environment and the shift in attitudes towards pet ownership offer a unique opportunity for businesses in the veterinary sector to adapt and innovate.

### Pet Products in Spain

As we continue our analysis of the Spanish veterinary market, it's important to note the significant trend of humanisation in pet ownership. With pets increasingly viewed as part of the family, pet owners are seeking out high-quality products and services to provide their pets with the best possible care. This trend is driving growth in a range of pet product categories, including pet treats, mixers, and healthcare.

In fact, according to a 2022 analysis focused exclusively on pet products in Spain, there has been a 6% increase in the retail sales value reaching €521 million. The most interesting thing about this is that the category with the best performance is pet healthcare, with a 6% increase in retail sales value in 2022 in Spain, reaching €138 million (Euromonitor International, 2022a). These figures indicate that pet owners in Spain are becoming increasingly devoted to caring for their pets, even in the face of difficult economic circumstances caused by the COVID-19 pandemic.

They attribute this remarkable growth in the pet health care category to several factors that we have mentioned above. Firstly, the emotional attachment between pet owners and their pets has strengthened significantly over the past few years. And as we have observed, pet owners are more

willing to invest in their pets' well-being. Additionally, the pandemic has forced people to spend more time at home, creating an opportunity for pet owners to observe their pets closely and increasing awareness of their pets' health needs.

This increased attention to pet health is also reflected in reports by Veterindustria on the Spanish National Veterinary Industry, which highlights that pharmaceutical items have experienced the highest increase in sales value in recent years (Veterindustria, 2021b).

In addition to the rise in health-related products, there has also been an increase in numerous other categories. This increase in demand for pet products has led many beauty and personal care brands to expand their portfolio by launching products dedicated to pets, such as shampoos and conditioners. The pet humanisation trend has also resulted in an increase in pet clothing and furniture, with brands such as IKEA launching their LURVIG range of furniture and accessories for pets (Euromonitor international 2023, n.d.).

Another interesting fact is, is that according to the National Industry value data by species for 2020-2021 reveals that dogs and cats have risen to first place with €376.16 million in value (Veterindustria, 2021a), highlighting the growing value of pet animals.

As mentioned at the beginning over the years consumers will look for value-added products that improve their pets' quality of life and facilitate their care. Sustainability will also play an increasingly important role in purchasing decisions, as products made with natural fibres and organic ingredients are expected to grow in popularity (Euromonitor international 2023, n.d.).

Overall, the prospects and opportunities for the pet products industry in Spain are positive, with robust growth expected in retail constant value sales.

The pet humanisation and health and wellness trends, as well as the expanding pet population, are expected to drive furthermore this growth, being pet healthcare the top performer.

### Pet insurance in Spain

The pet insurance market in Spain has witnessed remarkable growth in recent years, with the market expanding between 2017 and 2022 (kenresearch, 2023). The growth is attributed to the increasing population of pets and the rise of pet tech. It is important to note that the pet insurance market includes different types of insurance, including pet liability insurance, pet health insurance, and others.

Part of the growth of the Spanish pet insurance market can be attributed to a recent law that requires all dog owners to take out civil liability insurance for damages caused by their pets to third parties. While this type of insurance covers damages to people, property, objects, or other animals, it's not the same as medical insurance that covers the pet's medical expenses.

In Spain, pet health insurance is still a relatively new concept, and awareness of it is gradually increasing among pet owners and is gaining traction, but the overall percentage of pets with health insurance remains low.

A study by French company Santévet, revealed that despite the high pet population, only 2% of people in Spain with dogs or cats have health insurance for their pets in 2017 (Veteriaria, 2017). This makes Spain one of the countries with the lowest proportion of pets insured for health issues, compared to other countries such as Sweden (80%), the United Kingdom (40%), the United States (10%), and France (5%). Despite the fact that in the survey they conducted, just 50% of the population indicated that they were familiar with the product, and that the majority (80% of those) thought it was “very interesting”(Veteriaria, 2017).

In 2022, the CEO of SantéVet stated that while the pet health insurance market in Spain is experiencing growth since 2017, the percentage of pet owners who have adopted health insurance for their pets remains below 5% (Lomejorparamican, 2023). Despite the recent increase in awareness about the importance of pet health and protection, it seems that many pet owners in Spain have yet to embrace pet health insurance.

Pet insurance typically covers veterinary expenses, including routine check-ups, vaccinations, and treatment for illnesses and injuries. Usually, the types of insurance are adjusted according to the different types of breeds and age, since some breeds are more prone than others to specific diseases. The pet insurance market in Spain is highly competitive, and here are a few aspects of the most well-known insurers companies:

	Barkibu	Santévet	Mapfre	Pet Plan	Kalibo	Agrupació	Asisa
Annual veterinary coverage	3000 €	1500 €	2000 €	2500 €	2000 €	2500 €	not specified
Refund	80-100%	70%	80-100% (in partner centres)	100%	85%	80%	40%
Contracting ages	2 m-10 y	2m - 5y	3m- 9y	2m-7y	3m-7y	3m-8y	not specified
Length of coverage	For life	For life	1000€ for illness	12 months from the onset of each illness	For life	For life	For life
Chronically ill, under treatment or recently operated pets	✓	✓	✗	✓	✗	✗	✓
Free choice of vet	✓	✓	✓	✓	✓	✓	✗
Refunds for routine veterinary checkups (vaccinations, anti-parasites...)	✓	✓	✗	✗	✗	✗	✓
Liability coverage	✓	✓	✓	✗	✓	✓	✗
Abroad coverage	✓ Spain, UK, and other EU countries	✓	✗	✓ (UK and EU)	✓	✓	✗
Complete online processing capability	✓	✓	✗	✓	✗	✓	✓
Mobile app	✓	✓	✓	✗	✓	✓	✓
Additional services	✗	✗	✗	✗	✗	✗	✗
24/7 Veterinary Answering Service	✓	✗	✗	✗	✗	✗	✓

Comparison table of health insurance for pets in Spain  
Source: Own elaboration

We exclusively compared insurance companies that operate solely as insurers, rather than insurance comparison platforms. The reason for this is that the insurance comparison platforms are more similar to the service we provide, and therefore, we will evaluate them as competitors in an upcoming section.

As pet health awareness continues to grow, more and more pet owners are recognizing the importance of safeguarding their pets. We have just seen just a few of the many insurance companies that are available. With this trend on the rise, Insurance companies are starting to offer a wider range of policies to meet the diverse needs of pet owners. From standard medical coverage to more comprehensive plans that include preventive care and wellness services.



## Analysis of the current environment

In order to gain a comprehensive understanding of the current business environment, we will be using a range of analytical tools. These will include the PESTEL, SWOT, and CAME analysis. By using these analytical frameworks, we will be able to develop a nuanced understanding of the current environment and identify potential areas for growth and improvement.

### PESTEL Analysis

To assess the potential impact of external factors on the success of our project, we conducted a PESTEL analysis of the current business environment. By examining the political, economic, social, technological, environmental, and legal landscape, we can identify potential opportunities and risks, develop strategies, and make more informed decisions.

#### **Political:**

Political factors in Spain, such as the upcoming municipal and regional elections and potential coalition formation following those elections, could impact our project. Additionally, there is a risk of political instability that could affect the economic interests of businesses, due to legislative differences across the 17 provinces in the country.

These political factors could lead to changes in government regulations or fiscal policies that may impact our business. Therefore, it's crucial for our project to stay informed about potential challenges and closely monitor any shifts in the political or regulatory environment that could impact the pet insurance industry in Spain.

While Spain currently has a favourable legal framework for the pet insurance industry, it is important to remain vigilant and responsive to any potential changes that could affect our business. By doing so, we can position ourselves for success in the Spanish market despite any political or regulatory challenges that may arise.

#### **Economic:**

The recent global events, such as the post-pandemic COVID-19 supply crisis and the energy crisis resulting from the Russia-Ukraine conflict, had a significant impact on Spain's economy.

The country experienced a structural unemployment rate that was unacceptably high, coupled with high levels of inflation and ongoing fiscal deficits. Although unemployment had already been a major concern for Spanish workers, the pandemic exacerbated the issue (VIVUS, 2022).

Additionally, the increase in inflation negatively affected the country's economy, leading to problems for consumers and businesses. However, there has been some relief in recent times, with inflation easing slightly to a rate of 6.8% in Spain (Consumo, 2021).

The national GDP suffered a severe decline of 10.24% in 2020 due to the pandemic, but the country has since made a notable recovery by growing 16.8% (Administración General del Estado, 2022). This indicates a growth in the economy, with increased production and consumption of goods and services.

In conclusion, the recent global events have had a considerable impact on the Spanish economy. Although the country is entering a phase of recovery, it is important to recognize that there are still challenges that need to be considered. However, despite the economic shocks, we have seen growth in certain sectors, such as the pet market, which has not been negatively affected. For our project, this phase of recovery could present an opportunity.

### **Social:**

As we just mentioned in the initial market analysis, there are many social trends that have contributed to the veterinarian industry's expansion, and which can benefit the pet health insurance industry as well.

After the COVID-19 pandemic, which caused changes in people's lifestyle and more time spent at home, there are more pets in Spain than ever. And as a result, there is a higher demand for pet care services and goods.

The pandemic has significantly increased awareness about the importance of health, not only for humans but also for animals. One of the key concerns that emerged during the pandemic was the potential transmission of zoonotic diseases from animals to humans. As a result, pet owners are now paying more attention to the well-being of their pets and taking necessary precautions to protect their health.

Premiumisation is another growing trend in the pet industry, where pet owners are increasingly interested in purchasing high-end, premium products for their pets. Owners are becoming more and

more focused on providing the best possible care for their beloved pets and are willing to spend more money on premium products to ensure their well-being.

Humanisation is a noteworthy trend that has emerged, as pet owners now view their pets as valued members of their family. As a result, they are increasingly interested in purchasing similar products and services for their pets that they would for themselves. This consumer behaviour is expected to have a positive impact on the pet insurance market, as pet owners recognize the importance of safeguarding their pets' health and well-being, just as they would for any other family member.

However, all these trends are expected to continue in the future, as pet owners increasingly prioritize the health and happiness of their pets. And we believe that they will have a positive impact on the demand for pet insurance, and potential services that help and facilitate the care of their pets.

### **Technological:**

The increasing automation of processes is a significant technological factor for the insurance industry in Spain as it can bring multiple benefits, including improved efficiency, cost savings, better customer experience, more accurate data analysis and it can also drive innovation.

Moreover, the pandemic has also driven significant changes in consumer behaviour, with pet owners embracing online shopping for pet care products and services. In 2021, e-commerce accounted for 23% of global pet care retail sales (Euromonitor International, 2022b). This has led to increased competition in the veterinary market, with businesses needing to adapt and innovate to meet the evolving needs of pet owners in the digital age (Winvet, 2022).

This trend and adaptation to technology is expected to continue, as online stores and subscription services provide personalization and home delivery options, further driving growth in the industry.

The use of technology for insurance purchases is already well established in Spain, and pet owners are comfortable with using it. This presents an opportunity for the pet insurance app to integrate with other pet-related technologies and provide a seamless user experience. By leveraging technology, the app can differentiate itself from competitors and offer a unique and convenient user experience.

Overall, the use of technology provides opportunities for growth and innovation in this industry.

## **Environmental:**

The environmental aspect of the PESTEL analysis is an important consideration for the pet market and veterinary industry, and it's essential to implement sustainable practices to reduce the environmental impact of these activities. It's becoming increasingly common for companies in the pet market and veterinary industry to prioritize the environmental impact of their products and services. As a result, many businesses are taking proactive steps to analyse their carbon footprint and reduce their ecological impact (anicura, 2021).

A recent survey of pet owners has shown that they are increasingly interested in environmentally responsible veterinary services and are willing to pay more for sustainable products and services (Onehealth, 2023).

Incorporating sustainable practices into our pet insurance comparison app's operations and offering eco-friendly pet insurance policies, as well as services and products, will enable us to contribute to reducing the environmental impact of the industry while also distinguishing ourselves as a leader in the effort to create a more sustainable future.

We can get a competitive advantage if we take this into account and modify our offerings to cover sustainable pet goods or services.

## **Legal:**

The legal aspects that could significantly affect our project must be taken into consideration. In order to assure compliance and reduce legal risks, it is critical to stay up to date on laws and regulations. In this section we'll mention two recent regulations that could have an impact on the insurance and veterinary healthcare industries.

The new Animal Welfare Law 2023, approved by the Congress of Deputies in February 2023, has not yet come into effect because it must still go through the Senate's approval process before it can be fully implemented. It establishes many changes to pet ownership in Spain, some of which are still not clearly defined. The requirement for all owners to get and maintain civil liability insurance for harm to third parties for the duration of the dog's life is one of the new provisions.

Another recent legislative change of interest to us is Law 17/2021 of 15 December (hereinafter Law 17/2021), amending the Civil Code, the Mortgage Law and the Civil Procedure Law, on the legal regime of animals. in which the civil code was updated to declare that animals are no longer considered objects but rather sentient beings.

And to conclude, the Law 50/1980 of 8 October 1980 on insurance contracts is an important legal consideration for our project in Spain. Under this law, insurance companies are required to provide clear and concise information about insurance policies, including their terms and conditions, coverage, and premiums. As a pet insurance provider, it's crucial for our project to adhere to the provisions of this law and ensure that our policies are transparent and fair for our customers. By doing so, we can build trust with our policyholders and establish ourselves as a reputable and reliable insurance provider in the Spanish market.

It is also important to consider two additional laws, the first one towards dealing with personal data of our customers on our digital platform, and the other regulating the legal regime of e-commerce and companies operating within it. These laws are the Organic Law 3/2018 on the Protection of Personal Data and Guarantee of Digital Rights, and the Law 34/2002 on Information Society Services and Electronic Commerce, respectively. We must ensure that our platform is in compliance with these laws to protect our users' personal data and provide a transparent user experience.

The PESTEL analysis we just discussed is shown graphically in the following table:

	CONDITIONS	VERY NEGATIVE	NEGATIVE	INDIFERENT	POSITIVE	VERY POSITIVE
<b>POLITICAL-LEGAL FACTORS</b>	Regulation insurance contracts				X	
	Pets healthcare Regulations					X
	Data protection Law			X		
	Political instability		X			
<b>ECONOMIC FACTORS</b>	Economic crisis		X			
	Unemployment rates	X				
	Inflation	X				
	Economic growth (GDP recovery)					X
<b>SOCIAL FACTORS</b>	Health awareness					X
	Premiumisation trend					X
	Humanisation trend					X
<b>TECHNOLOGICAL FACTORS</b>	E-commerce, online platforms					X
	Automation of processes					X
<b>ENVIRONMENTAL</b>	Changes in consumer mentality		X			
	Sustainable practice				X	

Graphic representation of PESTEL analysis

Source: Own elaboration

## SWOT analysis

The SWOT analysis is a valuable tool for businesses looking to assess their current position and develop strategic plans for growth. In our business project, we will be using the SWOT analysis to evaluate our internal strengths and weaknesses, as well as external opportunities and threats. This analysis will allow us to gain a deeper understanding of our organization and help us to make informed decisions and take targeted action to drive success.

### **Strengths**

Our business concept is a strength in itself, since we are the only platform in Spain exclusively dedicated to pet insurance comparison, with additional services to maintain the health of our pets. By addressing a critical need in the veterinary industry, we are offering a unique solution that provides access to the best health insurance options for pets. This sets us apart from other generic insurance comparison sites, which may not cater specifically to pet owners.

As part of our value proposition, we will provide a unique feature in our platform that sets us apart from other pet insurance sites. Our platform/app will offer a direct line of communication with a licensed veterinarian, who will be available to assist pet owners with any doubts or concerns related to their pets' health. This feature will not interfere with the work of the pet's primary veterinarian, but rather serve as an additional resource to ensure that pets receive the best possible care.

Our exclusive dedication to pet health gives us a competitive advantage in the market. By providing only the healthiest options for pets, we establish ourselves as a trusted resource for pet owners who prioritize their pets' well-being. This can lead to a strong customer base and increased revenue opportunities through repeat business and word-of-mouth recommendations.

Another strength has to do with the increasing use of apps and technologies by the Spanish population. This means that there will be no need for pet owners to undergo a learning curve or adapt to new and unfamiliar processes, making it easier for them to navigate and use our services. This can help to attract a wider audience of pet owners who may not have previously considered pet insurance or who have been discouraged by the complexities of traditional insurance processes.

Additionally, our dedication to pet health can also establish us as a trusted partner for insurance companies and veterinary clinics, who will appreciate our efforts to promote responsible pet ownership and provide valuable resources to pet owners.

## **Weaknesses**

In terms of weaknesses, we may face initial challenges such as a potential lack of brand awareness and market penetration. This is particularly relevant as it is a new platform/app in a competitive market where there are already a lot of insurance platforms, including those that compare general insurance, although they are not specialized, or pet focused.

Furthermore, there may be a potential limitation in terms of resources available for marketing and promoting our platform, which could impact our ability to reach and acquire new customers. This may require us to be creative and strategic in our approach to marketing and leveraging other channels to increase brand awareness and reach our target audience.

Another potential weakness is the platform's dependence on third-party insurance providers. This could have an impact on the pricing and availability of policies, as the platform may not have control over the policies offered or their pricing.

## **Opportunities**

This project has several exciting opportunities for growth and expansion. One major opportunity is the growing market demand for pet health insurance, as an increasing number of pet owners that seek comprehensive care for their pets. This trend presents an excellent opportunity for the platform to offer affordable and comprehensive pet insurance options, which can benefit not only pet owners but also insurance companies and veterinarians. This can lead to potential partnerships and collaborations with insurance companies and veterinarians can create additional revenue streams, enhance brand awareness and provide opportunities for the platform to expand its reach.

By contributing to the growth of the pet insurance market in Spain, the platform can become a leading player in the industry and provide a valuable service to pet owners.

As evidenced by our market research, many players are implementing a variety of growth strategies to boost their positions in the market due to the sector's expansion. These strategies include partnerships, collaborations, mergers, and acquisitions. This presents an opportunity for us to consider for our own growth strategies and partnerships. By collaborating with players of the pet market, that share our wellness philosophy, we can leverage our pet insurance comparison app to reach a wider audience and offer more comprehensive solutions and services to pet owners.



For example, the platform can explore expansion opportunities into related areas such as pet care and wellness products, further diversifying its revenue streams.

Moreover, the platform can use data analytics and machine learning to improve the accuracy and relevance of its insurance policy recommendations, providing pet owners with more personalized options. This technology can also help the platform gain a competitive advantage, attracting more customers to its services.

The low percentage of people in Spain who have purchased pet insurance indicates a large customer base that can be tapped into with proper marketing efforts. Educating potential customers on the importance of pet health insurance can lead to increased brand awareness and a more extensive customer base for the platform.

The platform/app can also consider offering additional services such as telemedicine consultations or home delivery of pet medications to enhance its value proposition and appeal to pet owners.

## **Threats**

This project also faces several potential threats that can affect its growth and sustainability. One major threat is the strong competition from established insurance providers and emerging startups in the pet insurance industry.

Another significant threat is the potential economic downturns or shifts in consumer spending habits that may affect demand for pet insurance.

Additionally, security and privacy concerns related to the handling of sensitive customer information can damage the platform's reputation and erode customers' trust. As the platform relies on handling personal data, any data breaches or security lapses can result in significant consequences for both the platform and its customers.

Finally, the lack of awareness or acceptance by Spanish pet owners to purchase pet health insurance can hinder the platform's growth potential. The platform may need to invest more in marketing efforts to educate potential customers on the importance of pet health insurance and the value of the platform's services.



Graphic representation of SWOT analysis  
Source: own elaboration

## CAME Analysis

Building on the insights gained from the SWOT analysis, we have developed a CAME analysis to guide our business plan. CAME stands for Correct, Adapt, Maintain, and Explore, and it provides a framework for addressing the weaknesses and threats identified in the SWOT analysis, while capitalizing on the strengths and opportunities. By implementing the CAME analysis, we can ensure that we are taking targeted action to address specific challenges and opportunities in a proactive and strategic way.

### Correct

- To address the weaknesses highlighted in the SWOT analysis, we will invest in targeted marketing efforts to increase brand awareness and market penetration.
- The platform will build strong relationships with multiple third-party insurance providers to negotiate favourable pricing and policy terms. By having multiple insurance providers on board, the platform/app can offer a wider range of policy options that are suited to the unique needs and preferences of each customer. This strategy will give clients more flexibility and options.

- To address any potential security and privacy concerns, the platform can implement robust data security protocols and compliance measures. By taking these measures, the platform can ensure that customer data is protected and secure.

### **Adapt**

- The platform can use data analytics and machine learning to respond to changes in the pet insurance industry. By analyzing user information and behaviour, the platform may be able to provide more individualized and appropriate policy recommendations.
- To adapt to changes in consumer spending habits and preferences, the platform can diversify its revenue streams. This can include exploring opportunities in related areas such as pet care and wellness products. By expanding its offerings, the platform can attract a wider range of customers and generate additional revenue.

### **Maintain**

- To maintain a strong focus on pet health and wellness, the platform can continue to offer resources and information related to pet health and wellness. This can include articles, videos, and other educational materials. By providing these resources, the platform can retain existing customers and build brand loyalty.
- To maintain strong relationships with insurance providers and veterinary clinics, the platform can regularly communicate with them and offer support and resources. By doing so, the platform can ensure that its customers have access to a steady supply of policy options and resources.

### **Explore**

- Explore opportunities for growth by capitalizing on the growing market demand for pet health insurance and expanding the platform's reach through strategic partnerships and collaborations.
- Investigate the possibility of developing new products or services that are related to animal well-being, in order to explore new opportunities and potential areas for growth.

**Primary Market Research**

To gain insights into the concerns and reasons of pet owners who do not purchase insurance, we conducted market research that involved surveys and interviews with them. This primary research complements our existing secondary research. Specifically, we conducted a random survey targeting people residing in Spain.

The survey was conducted using Google Forms. It began with a title, "Seguro Médico para Mascotas," followed by an introduction that outlined the survey's objectives, target audience, and emphasized the importance of clarifying the differences between pet liability insurance and medical insurance (Annex 1). We acknowledge that these terms can be confusing, and it is crucial to provide clarity to ensure the survey generates useful and accurate results. And finally, we express our gratitude in advance for the participation.

The following is the technical sheet of the survey:

<b>Universe</b>	Population over 18 years old 38.922.008 (source: INE)
<b>Geographic area analysed</b>	Spain
<b>Sample size</b>	53 answers
<b>Sample type</b>	Simple randomised
<b>Type of survey</b>	Personal, shared through different social networks
<b>Confidence interval</b>	95%, for p=q=0.5
<b>Sampling error</b>	10.77
<b>Measurement tool</b>	Online Questionnaire with Google Forms
<b>Fieldwork</b>	5 February - 5 April
<b>Presentation of the results</b>	July 2023

Survey Technical sheet  
Source: own elaboration

**Structure of our survey:**

- Demographic Questions: The survey begins by gathering demographic information to understand the participant's profile, including sex and age. (Annex 2)
- Filter Question: Participants are then asked to specify whether they have a pet or not. This step allows us to focus on gathering information specifically from pet owners. Participants who do

not own a pet proceed to the end of the survey, where they are thanked for their time. (Annex 3)

- Phase 1 - Pet Ownership and Veterinary Costs: Participants who own a pet proceed to this phase. They will be asked to specify the types of pets they own. Additionally, participants will be requested to provide their opinion on the cost of veterinary services, by rating it on a scale of 1 to 5. This rating will enable us to gain insights into their perspective on the affordability of veterinary care for their pets (Annex 4).
- Filter Question 2: In this step, participants are asked whether they have medical insurance for their pets (excluding civil liability insurance). This filter question helps segment participants based on their insurance status (Annex 5).
- Phase 2 - Insured Pet Owners: Participants who respond positively to having medical insurance for their pets proceed to the next section. They are asked about their satisfaction level with the insurance and the average annual price they pay for the coverage (Annex 6).
- Phase 3 - Uninsured Pet Owners: Participants who do not currently have pet medical insurance proceed to a separate section. They will be asked to provide their reasons for not obtaining medical insurance for their pets, selecting from a predefined list of options. Furthermore, participants will be asked if they would be interested in acquiring insurance that caters to their specific need, while prioritizing affordability. The survey also includes a comprehensive list of factors that are relevant when selecting an insurance policy, offering multiple answer options to choose from (Annex 7).
- Gratitude: Finally, all participants are thanked for their participation in the survey (Annex 8).

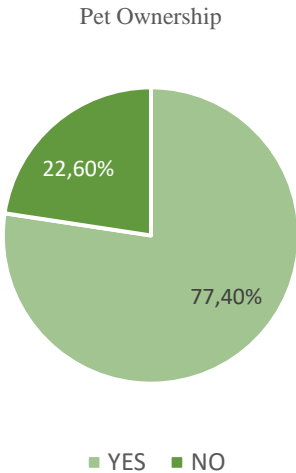
### **Survey results:**

We received a total of 53 responses, which we acknowledge is a relatively small sample size. However, this number still provides us with an initial idea and assessment of the market.

Among the participants interviewed, the majority were female, accounting for 58.5% of the respondents. In terms of age distribution, we observed a diverse range of age groups, with the largest segment falling between 26 and 33 years old. The remaining age groups were fairly evenly represented (Annex 9). This means that the survey replies will likely include a wide variety of viewpoints from

people of all ages and genders, according to these results, which are especially interesting. This variety of replies will give us a wide and complete range of points of view to examine and interpret from.

A significant majority of respondents declared owning pets, confirming our initial market study's findings that a substantial number of Spanish households have pets. In this survey, pet owners accounted for 77% of the participants, with the most common pets being dogs and cats. (Annex 10)



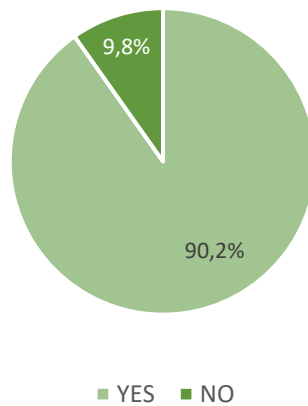
Pet Ownership graphic representation  
Source: own elaboration

The perception of veterinary service prices is another significant point of the survey. This finding is particularly significant, especially when taking into account our prior market analysis, which indicated that less than 5% of people had health insurance for their pets. Later in the survey, we include a specific question to verify and validate this information.

Among the participants, 70% expressed the view that veterinary services are expensive, with 17% considering them to be very expensive. Only 12% indicated that they found these services to be affordable. Notably, no responses indicated that the services were considered cheap or very cheap (Annex 11).

In the following we have also seen that, unsurprisingly, a significant majority of the respondents, 90% in total, stated that they do not have health insurance for their pets. This finding aligns with our previous market analysis, providing further confirmation of the low adoption rate of pet insurance (Annex 12).

Percentage of Insured and Uninsured Pet Owners

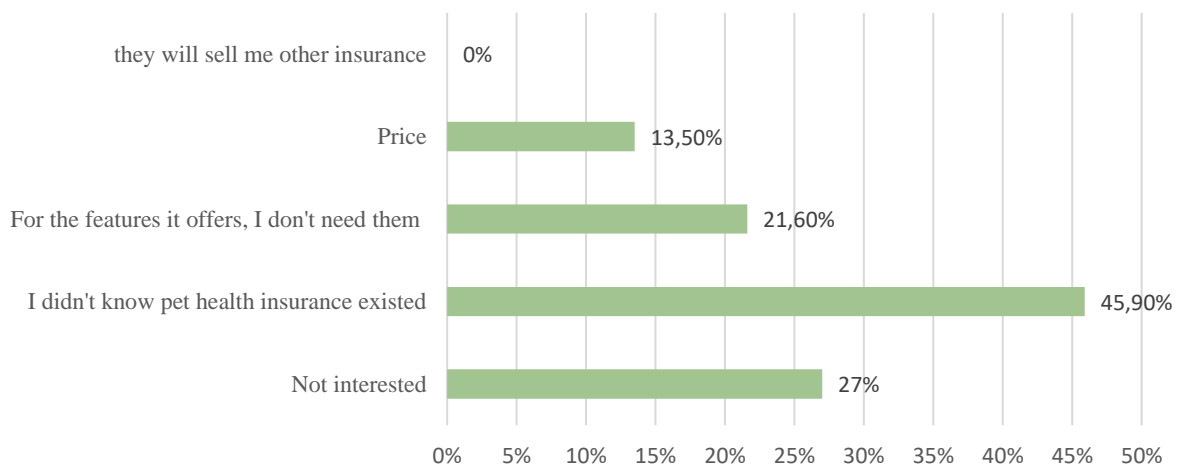


Percentage of Insured and Uninsured Pet Owners graphic representation  
Source: own elaboration

Among the 10% of respondents who do have insurance, we asked them to rate their level of satisfaction on a scale of 1 to 10. All responses fell within the range of 5 to 10, indicating a generally positive sentiment towards their insurance coverage. Additionally, when considering the annual cost of the insurance, the responses were fairly evenly distributed between the 200-300 euros per year range and the over 300 euros per year range (Annex 13). It is worth noting that respondents were instructed to include the total cost for all their pets if they owned more than one.

We then turned our attention to those who did not purchase insurance (Annex 14), trying to understand the reasons behind their decision. The survey results showed their absence of insurance was mostly caused by a lack of knowledge about the existence of pet health insurance.

Reasons for non-insurance



Reasons for non-insurance graphic representation  
Source: own elaboration

When asked if they would be interested in acquiring insurance that suits their needs at the best possible price, an encouraging 81% of respondents expressed their interest.

The survey concluded by exploring the key factors that influence respondents' choice of a medical insurance policy. The majority of respondents were equally divided between the following factors: the quality of service, the inclusion of preferred clinics and professionals, the coverage offered, and the price.

Based on the survey findings, our market research is representative and confirms several key points. The findings confirm that a significant proportion of the surveyed population owns pets but lacks medical insurance coverage for them. Furthermore, a common belief among pet owners is that veterinary treatments are expensive.

These findings highlight the need for increased education and awareness campaigns regarding the benefits of pet health insurance. By addressing the lack of knowledge about insurance options, we can help pet owners make informed decisions and bridge the gap in coverage. Additionally, it shows the opportunity to create an app that provides complete insurance options that are both appropriate and suited to pet owners' particular needs and preferences.



## Market analysis

In this analysis, we will be focusing on four key areas - competitors, positioning, target audience, and unique selling proposition (USP). By studying our competitors and understanding their strengths and weaknesses, we can identify opportunities to differentiate ourselves and stand out in the market. We will also look at how we are positioned in relation to the competition and define our target audience and buyer persona. Finally, we will define our USP, which will help us communicate our unique value proposition to potential customers.

## Competitors

As part of our competitor analysis, we focused on analysing platforms that serve as insurance comparators in Spain, as they offer a service that is similar to what we aim to provide. In order to highlight the differences between our platform/app and the main insurance comparator platforms in Spain, we have prepared a table which compares key features and benefits. This will allow us to better understand the competitive landscape and identify areas where our service can excel and differentiate itself.

	Terranea	Poliza Medica	Rastreator	Seguros Veterinarios	InsuPet
species	Dogs	Dogs and Cats	Dogs and Cats	Dogs	Dogs and Cats
Number of insurance companies involved in the comparison	8	4	3	6	between 8-10
Exclusively dedicated to pet insurance and animal-related matters	✗	✗	✗	✓	✓
24/7 Veterinary Answering Service	✗	✗	✗	✗	✓
Additional services (Pet news update)	✓	✗	✗	✗	✓
Mobile app	✓	✗	✗	✗	✓

Comparison table of Insurance Comparator Platforms in Spain  
Source: Own elaboration

Upon reviewing the comparison table, it is apparent that the majority of existing insurance comparator platforms in Spain offer comparisons for a broad range of insurance products, including pet insurance. However, it is important to note that these platforms are not exclusively dedicated to comparing pet insurance and therefore do not specialize in this area. While these platforms do have the advantage of

being well-known and widely used by the Spanish population, their broad coverage means that pet insurance is not always featured prominently in their comparisons. In fact, in most cases, clients would need to specifically search for the pet insurance comparison section.

While the platform that exclusively compares pet insurance policies, such as Seguros Veterinarios, may have certain limitations compared to other platforms that offer a broader range of insurance comparisons like Terranea. Not only does this platform have a smaller pool of insurance policies to compare, therefore less capable of satisfying the different requirements of each pet owner, but it also lacks additional benefits that our platform/app would provide.

### Positioning

Our platform/app stands out in the Spanish pet insurance comparison market by offering a unique value proposition.

While existing platforms provide comparisons for a wide range of insurance products, including pet insurance, they do not specialize in this area and fail to prioritize it.

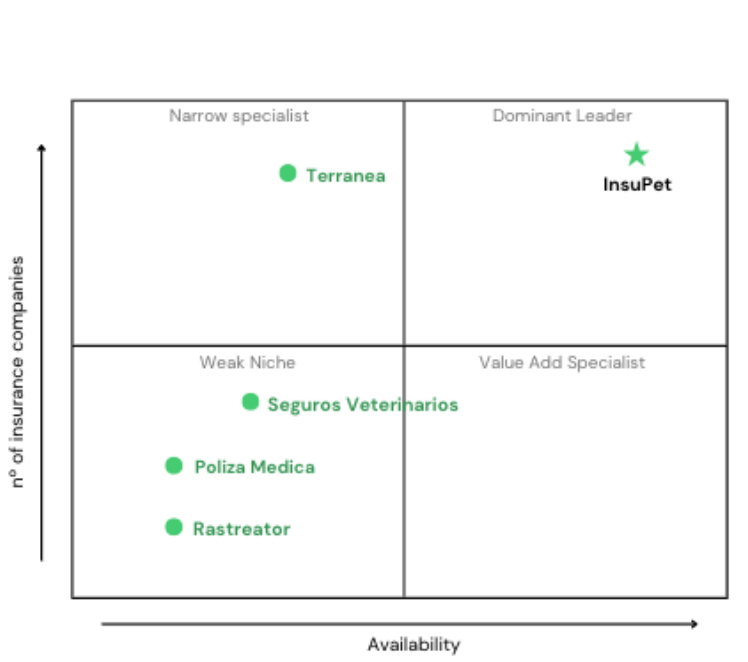
On the other hand, platforms that exclusively compare pet insurance policies have limitations, such as a smaller pool of insurance policies and no additional services.

Our platform bridges this gap by providing a specialized and dedicated service for pet insurance comparison. We offer a larger number of insurers to compare and additional benefits and features that our competitors do not, such as 24/7 contact with veterinary professionals to address concerns and doubts about their pet's health, and constant resources and information to help pet owners provide the best care for their pets.

In addition, our platform will provide the convenience of uploading all of your pet's medical information, making it easily accessible for you and any veterinarian who may require it. This feature ensures that all essential medical records are always at hand, making it easier for pet owners to manage their pet's health and wellbeing.

Our platform/app will be designed to offer an intuitive and seamless user experience, empowering pet owners to make informed decisions about their pets' health and well-being. With our platform's easy-to-use tools and resources, pet owners can not only find the best insurance options for their pets but also take proactive steps towards ensuring their pets receive the best possible care.

Taking this information into account, a matrix was created based on two variables: the number of insurance companies compared, and the availability of services (including 24/7 support and other types of services):



Source: Own elaboration

The matrix helps us see where our app (InsuPet) stands compared to its competitors based on two key variables we identified.

We have identified four distinct groups in the market:

The Dominant Leader, this quadrant represents the market leader with the most advantageous position, likely due to a combination of high availability and a large pool of insurance companies to compare. Being the quadrant in which it is positioned InsuPet.

The Narrow Specialist and Value Add Specialist quadrants represent competitors with particular strengths in one area but weaknesses in the other. Narrow Specialists have more insurance companies to compare, while Value Add Specialists have greater availability services.

The Weak Niche quadrant, on the other hand, represents competitors with a weak position in the market as they do not offer either a larger pool of insurance companies to compare or high availability (24/7).

Overall, these groups provide a useful framework for understanding the competitive landscape of the pet insurance market.

### Definition of the target and Buyer Persona

Our platform/app targets pet owners in Spain who prioritize their pets' health and wellbeing, and are seeking comprehensive insurance coverage, as well as additional services and resources to help them provide optimal care. Our target audience is made up of individuals who value their pets as part of their family and are willing to invest in their care. In addition to not having enough time to spend on insurance research and keeping up to date with their pets' needs. They may also be concerned about the costs associated with veterinary care or want peace of mind knowing they have coverage in the event of an unexpected illness or injury.

We will now describe two types of buyer personas for our product:

- Buyer persona number 1:

#### **Name: Marta Pérez**

**General profile:** Marta is a 40-year-old female, marketing manager who lives in Madrid with her husband and their two-year-old French Bulldog, named Bruno. Marta is a responsible and caring pet owner who loves her dog like family. She's tech-savvy and uses her smartphone and laptop to research and purchase products and services for Bruno.

**Demographic Information:** Marta's annual salary is €45,000, and she lives in an apartment in a central neighbourhood of Madrid. She's married and has no children. She's fluent in Spanish and English.

**Identifiers:** Marta is an optimistic and enthusiastic person who prefers to communicate via email and WhatsApp rather than phone calls. She enjoys reading pet-related articles and watching videos on social media platforms like Instagram and Facebook for entertainment.

**Motivations:** Marta wants to keep Bruno healthy and happy. As she has no children and focuses a lot on her work, Bruno is very important to her, and she sees him as one of the family. She's always looking for ways to provide the best care for him and ensure that he has access to the best veterinary services, since she is also aware that Bruno's breed is more susceptible to a variety of health issues.

Challenges: Marta finds it difficult to navigate the complex world of pet insurance and veterinary services, she also doesn't have much spare time to dedicate to it. Balancing her busy work schedule with taking care of her pet and staying on top of appointments and medications is another challenge she has.

How InsuPet can help: The pet insurance comparator app can help Marta compare different pet insurances in Spain and find the one that best suits Bruno's needs, without wasting too much time on it. The app also provides contact to a vet and a platform to buy pet products, which can help Marta to provide the best care for Bruno, as efficiently and quickly as possible.

- Buyer persona number 2:

**Name: David Rodriguez**

General profile: David is a 35-year-old male professional who works as a software engineer in Madrid. He is married and has two children. David is passionate about animals, and he has always had a dog as a pet. He enjoys spending time outdoors with his family and his Labrador Retriever, named Max. His favourite moment of the day is going for walks in the park and playing with his children.

Demographics: David annual salary is €40,000, and he lives in a middle-class neighbourhood apartment of Barcelona. He is married and have to children.

Identifiers: David is friendly, outgoing, and tech-savvy. He prefers to communicate via email, WhatsApp or other free text message applications, as he finds it more convenient than talking on the phone. David enjoys using technology to make his life easier and is always looking for new apps and tools that can help him save time and money.

Motivations: David is a loving pet owner who cares deeply for his dog, Max. David wants to ensure that Max receives the best possible care and medical attention, but he's concerned about the rising costs of veterinary care. He also has a family to support and worries that unexpected pet expenses could strain his budget. For these reasons, he's looking for a pet insurance solution that is both reliable and affordable.

Challenges: David's main challenge is finding a pet insurance policy that meets his needs and budget. He understands the benefits of using technology to optimize his time and finances, for that reason he wants to find a tool that can help him, and his family keep their pet healthy and happy while avoiding any potential scares or financial strain.

How InsuPet can help: it provides helpful resources to keep Max healthy and happy, such as tips on nutrition, exercise, and training. It could also offer access to a veterinarian for advice and support, which would give David peace of mind knowing that he has a reliable source of information and guidance. In addition to finding the insurance that is best suited to David and Max's needs.

### Definition of the USP

Our pet insurance comparison platform offers a specialized and dedicated service for pet owners in the Spanish market. We provide a larger number of insurers to compare and exclusive benefits such as 24/7 veterinary contact, constant pet health resources and news, and the convenience of uploading all of your pet's medical information. Our platform offers an intuitive user experience, empowering pet owners to make informed decisions about their pets' health and well-being.

USP: "Healthy pets, happy owners. Find the best insurance options and resources for your pet's well-being".

## Marketing Plan

After a thorough study of our competitors and analysing our differences and strengths, we now have a clear understanding of where we stand in the market. We have also defined our target audience and buyer persona.

With this information in hand, we are ready to move forward with developing a marketing plan that will effectively communicate our unique value proposition and differentiate us from our competitors. Crafting a comprehensive marketing plan is crucial for our project, particularly in the initial stages, as it involves launching a new service in an already developing and competitive market. A well-crafted marketing plan can help us effectively communicate our unique value proposition and differentiate ourselves from our competitors, thereby increasing our brand awareness and market share. The marketing plan will be an important component of our success, and we will allocate the necessary resources and efforts to ensure its effectiveness.

We recognize that in today's digital age, a significant portion of our target audience can be reached through online channels. As such, we will focus on developing a digital marketing plan that includes also the app design, ASO (App store optimization) and influencer marketing.

### Digital marketing plan

While we acknowledge the value that traditional marketing actions can bring, we have chosen to focus on digital marketing in the initial phase due to its cost-effectiveness, measurability, and ability to adapt in real-time. However, we do not rule out the possibility of incorporating ATL marketing (above the line = traditional marketing strategies) in the future.

As we just mention, a digital marketing strategy offers a cheap and effective approach to connect with our target market, who are likely tech aware and are regularly spending time online. Digital marketing allows us to leverage various digital channels, such as social media, search engines and email marketing to create targeted campaigns that can be tracked and optimized in real-time.

With this strategy, we can assess the success of our marketing initiatives and take data-driven decisions to raise the effectiveness of our campaigns.

A digital marketing strategy also offers us scalability, which enables us to reach more people at a lower cost than we could with more conventional marketing techniques. For businesses looking to stay

competitive and succeed in today's market, a strong digital marketing strategy is important given that the majority of consumers use the Internet to research and make purchasing decisions.

### Pricing:

We offer three subscription options:

1. **Standard Subscription** (Freemium): is a free plan that provides users with essential features. It includes an insurance comparator, allowing users to compare different insurance policies. Additionally, users can save data for the insurance policies they purchase. We charge a commission to the provider, but never to the user, ensuring impartiality and transparency in the process. Furthermore, users gain access to information and news related to pet insurance and health, as well as receive general product recommendations for pets (not tailored to specific needs). To support the free offering, this subscription includes advertising.
2. **Silver Subscription**: priced at 4,99€/month, the Silver Subscription offers an enhanced set of features beyond the Basic Subscription. Along with all the benefits provided in the Basic Subscription, users can save and manage their pet's medical reports, which are accessible to any veterinarian who requires access to the pet's medical information. Users also receive reminders for vaccinations and deworming to ensure their pet's health is up to date. In addition, owners will receive personalized product recommendations tailored to the pet's needs, based on the personal information and medical report of the pet. We collect and analyse data about the pet to offer the most suitable and ideal products. In this subscription, there will be an improved user experience with a significant reduction in advertising.
3. **Golden Subscription**: priced at 9,99€/month, the Golden Subscription includes all the features of the Basic and Silver Subscriptions. On top of that, owners will have 24/7 access to a veterinarian through phone or chatbot within the application. Our veterinarians are available round-the-clock to address any concerns or questions they may have about their pet's health. They are there to help determine if a situation requires immediate attention or provide guidance to ease any doubts owners may have. Our veterinarians' role is to offer advice and support, complementing the care provided by the pet's primary veterinarian. They will also upload all the details and advice provided to the pet's medical report within the app. In case of an emergency, our veterinarians will guide owners on how to act promptly, including locating the nearest 24-hour veterinary clinic. They will even reach out to the clinic on your behalf to inform them of your imminent arrival, providing any available information to facilitate the



best possible care. As part of the Golden Subscription, advertising is completely eliminated to provide an uninterrupted user experience.

### SMART Goals:

We have developed precise, SMART goals that are clear and explicit in order to create an efficient marketing strategy. Short-term, medium-term and long-term will be our three categories into which we will divide them:

#### **Short-term goals (1-3 months):**

- a. Obtain 4,000 app downloads within the first three months.
- b. Achieve an average app rating of 4.5 stars or higher in the Apple App Store and Google Play Store within the first three months.
- c. Activate two services related to pet's wellbeing within the first three months.

#### **Medium-term goals (3-6 months):**

- a. Increase initial brand awareness by 40% within the first six months.
- c. Increase social media followers by 40% on Instagram and 50% on TikTok, within the first six months.
- d. Increase the number of users who upgrade to the Silver to 30% among the total of users within the first six months.

#### **Long-term goals (6-12 months):**

- a. Achieve a total revenue of \$1.5 million by the end of the first year through a combination of paid subscriptions and partnerships.
- b. Increase 20% Golden subscriptions among the total of users within the first year.
- c. Achieve 100.000 people interested in the service in the first year.

We will now proceed to develop a digital strategy plan to achieve these goals by defining the different strategies and tactics that we will follow:

## 1. Short-term goals (1-3 months):

- a. Obtain 4.000 app download within the first three months.

**Strategy:** We will use a combination of paid and organic media channels, SEO, SEM, inbound marketing (brand content), and influencer marketing to drive downloads and build brand awareness. Our initial focus will be on our own platform content and social media channels like Instagram, TikTok, and Facebook.

### Tactics:

1. Influencer Marketing:
  - Collaborate with four influencers, two dog influencers, and two influencers with pets who regularly showcase them on their networks.
  - Launch a targeted social media advertising campaign to attract pet owners interested in pet insurance and well-being.
2. SEO Optimization:
  - Focus on on-page and off-page optimization.
  - Create SEO-friendly content.
  - Implement tactics such as optimizing H1 and H2 tags, Alt Image Tags, Semantic URLs, and regularly updating Meta Tags.
3. Inbound marketing - Branded Content:
  - Produce educational posts on our platform and news publications.
  - Create social media content on Instagram, TikTok and Facebook.
4. Search Engine Marketing (SEM):
  - Utilize the Google Display Network for SEM.
  - Create PPC and display ads to target pet owners.
  - Display ads on relevant websites and social media platforms.
  - Aim to appear on the top of the search engine results page (SERP) for relevant keywords.

**KPIs:** App downloads; click through rate (CTR); social media engagement (likes, comments, followers...); cost per acquisition (CPA); website traffic; cost-per-click (CPC)

Obtain 4.000 app download within the first three months			
<b>Strategy</b>	SEO- Search engine optimization (organic positioning)	on- page off page SEO content	<b>Tactics</b>
	SEM- Search engine Marketing		
	Content Marketing on Social Media (Insgram, Facebook and TikTok)		
	Influencer Marketing		
<b>KPIs</b>	App downloads; Click trough rate (CTR); Social media engagement (likes, comments, followers...), Cost per Acquisition (CPA); Website traffic; Cost-per-Click (CPC)		

Source: Own elaboration

- b. Achieve an average app rating of 4.5 stars or higher in the Apple App Store and Google Play Store within the first three months.

**Strategy:** enhance the user experience through excellent customer support, engage with users to understand their needs, incentivize positive reviews, and leverage App Store Optimization (ASO) techniques for increased visibility.

**Actions:**

1. Enhancing User Experience:
  - Provide excellent customer support via email, app-chat, and phone channels.
  - Regularly engage with users to understand their needs and gather feedback.
  - Continuously improve the app based on user feedback.
2. Incentivizing Positive Reviews:
  - Implement in-app surveys, email feedback requests, and social media monitoring to gather feedback.
  - Encourage users to leave positive reviews through incentives or rewards.
  - Respond promptly to user feedback and address any reported issues.
3. App Store Optimization (ASO):
  - Optimize the app's title, description, and use relevant keywords to improve visibility.
  - Utilize trending keywords and incorporate them into the app's metadata.
  - Create appealing screenshots that showcase the app's features and benefits.

**KPIs:** app store ratings; number of positive reviews, user engagement; app visibility; user satisfaction rating; time to respond to user feedback; user retention rate.

Achieve an average app rating of 4.5 stars or higher in the Apple App Store and Google Play Store within the first three months			
<b>Strategy</b>	Enhancing User Experience	<b>Tactics</b>	Customer support: email, app-chat, phone Regularly engage with users Gather feedback
	Incentivize Positive Reviews		In-app surveys Email feedback requests social media monitoring Incentives or rewards
	App Store Optimization (ASO)		Optimize: App's title Description Relevant and trending keywords
<b>KPIs</b>	App store ratings; number of positive reviews, user engagement; App visibility; User satisfaction rating; Time to respond to user feedback; User retention rate		

Source: Own elaboration

- c. Activate two services related to pet's wellbeing within the first three months.

**Strategy:** our advertising strategy focuses on organic social media platforms (Facebook, TikTok, Instagram), to raise awareness of our newly activated services. We will leverage user-generated content to enhance brand credibility. Push notifications and email marketing will be used to promote service availability, while a targeted promotional remarketing strategy will engage app users who haven't signed up.

**Tactics:**

1. Organic Social Media Advertising:
  - Use our platform and social media channels (Facebook, TikTok, Instagram) to actively advertise the services and generate interest with eye-catching and high-quality posts.
2. User-generated Content:
  - Encourage satisfied users to share positive experiences on app store listings and social media platforms to enhance brand credibility. This can be done by prompting or asking users to share their feedback.
3. Push Notifications and Email Marketing:
  - Use push notifications and email campaigns to inform users about the activation of new services, emphasizing the benefits.
4. Promotional Remarketing:
  - Create a compelling offer lasting 2 weeks.
  - Identify and segment users who have downloaded the app but haven't signed up.

- Use targeted advertisements on social media platforms (Facebook, TikTok, Instagram) to highlight the promotional offer and its benefits.

**KPIs:** number of users who use the new service; number of subscriptions; daily active users (DAUs); app open rate; engagement rate on social media; open and click-through rates of email marketing.

Activate two service related to pet's wellbeing within the first three months		
<b>Strategy</b>	Organic Social Media Advertising (Facebook, TikTok, Instagram)	High quality Photos Video Eye-catching
	User-generated Content	Positive experiences on app store listings Prompting feedback
	APP	Ask for Feedback
	Email Marketing	Push notifications
	Promotional Remarketing	Email campaigns New service and benefits 2 weeks offer Identify and segment users Social media targeted adv
<b>KPIs</b>	Number of users who use the new service; number of Subscriptions; Daily Active Users (DAUs); App Open Rate, Engagement rate on social media; Open and click-through rates of email marketing.	

Source: Own elaboration

## 2. Medium-term goals (3-6 months):

- Increase initial brand awareness by 40% within the first six months.

**Strategy:** a multi-faceted approach will be taken to boost brand awareness, which will include social media marketing, active participation in pet industry-related events, and the establishment of partnerships with pet organizations, businesses, and veterinarians.

### Tactics:

- Social Media Marketing:
  - Develop a visually appealing social media campaign (Instagram and TikTok), to promote the app's features and services.
  - Using high quality photos, videos, tips and updated news to capture the attention of the target audience.
- Participation in pet industry events:
  - Actively participate in pet industry-related events such as pet shows, conferences, and workshops.
  - Showcase the app's features and services to the pet community and generate interest among potential users.

3. Partnerships:

- Establish partnerships with pet-related organizations, businesses, and veterinarians.
- Increase the app's visibility and credibility among the target audience.
- Collaborate on joint marketing efforts, offer special promotions or discounts, and engage in cross-promotions with other pet-related services or products.

**KPIs:** social media engagement; event attendance; app downloads/subscriptions;

surveys can be used to measure the level of brand recognition and recall among our target audience.

Increase initial brand awareness by 40% within the first six months		
<b>Strategy</b>	Social media marketing (Instagram and Tiktok)	<b>Tactics</b>
	Events (Pet Industry)	
	Partnerships (pet-related organizations, businesses and veterinarians)	
<b>KPIs</b>	Social media engagement, event attendance, app downloads/subscription; Surveys can be used to measure the level of brand recognition and recall among our target audience.	

Source: Own elaboration

b. Increase social media followers by 40% on Instagram and 50% on TikTok, within the first six months.

**Strategy:** build a strong online community by creating engaging content, leveraging influencer marketing, and utilizing paid social media advertising. Prioritize owned media channels, specifically Instagram and TikTok, to foster organic growth and a sense of community among users.

**Tactics:**

1. Instagram (Valuable Content Creation):

- Continuously develop and distribute valuable content on Instagram.
- Enhance the quality of content and closely monitor comments and feedback to deliver tailored tips and educational posts that meet their specific needs.
- Visually Appealing and Shareable Content, including pet-related memes, short-form videos, and engaging posts that resonate with the target audience.

3. TikTok (user-Generated Content and Challenges):

- Feature user-generated content on TikTok, showcasing app users sharing how the app has benefited their pets and fun content about pets living their best lives.

- Create fun and engaging challenges related to pets and pet care to encourage participation and sharing among users.
4. Influencer Marketing:
- Increase the budget for influencer marketing.
  - Expand the team of pet influencers, by collaborating with 2 additional pet influencers on Instagram and TikTok to help promote the app and engage with the target audience.

**KPIs:** followers growth rate on Instagram and TikTok; social media engagement (likes, comments); sentiment analysis; followers retention.

Increase social media followers by 40% on Instagram and 50% on TikTok, within the first six months		
<b>Strategy</b>	Instagram (Content Creation)	<ul style="list-style-type: none"> <li>Monitor feedback and comments</li> <li>Tailored tips</li> <li>Pet-related memes</li> <li>Short videos</li> <li>Engaging posts</li> </ul>
	TikTok (user-Generated Content and Challenges)	<ul style="list-style-type: none"> <li>Fun content</li> <li>Share users experience</li> <li>Create fun challenges</li> </ul>
	Influencer Marketing	<ul style="list-style-type: none"> <li>Increase budget</li> <li>2 additional pet influencers</li> </ul>
<b>KPIs</b>	Followers growth rate on Instagram and TikTok; Social media Engagement (likes; comments); sentiment analysis ; followers retention	

Source: Own elaboration

- c. Increase upgrade to the Silver to 30% among the total of users within the first six months.

**Strategy:** we will offer a limited-time discount with family plan to incentivize families with multiple pets to upgrade to the Silver subscription. We will also offer a free trial of the Silver subscription. For users who have already subscribed, we will leverage user-generated content.

**Tactics:**

1. Limited-Time Discount with Family Plan:
  - Offer a limited-time discount (2 weeks) on the family plan to incentivize families with multiple pets to upgrade to the Silver subscription.
  - Emphasize the cost savings and convenience of the family plan in targeted advertising to encourage more upgrades.
2. Free Trial of the Silver Subscription:
  - Provide a free trial of the Silver subscription for a specific time period, such as one months.
  - Promote the free trial on the app and social media channels to attract potential customers.

- Collect user feedback during the trial period to improve app features and address any issues.
3. User-Generated Content:
- Leverage user-generated content to showcase positive experiences of Silver subscribers using the app.
  - Run a social media contest that encourages Silver subscribers to share their experiences and promote the app.

KPIs: click-through rate (CTR) of the target advertising; free trial conversion rate; user feedback; contest participation.

Increase upgrade to the Silver to 30% among the total of users within the first six months			
Strategy	Family Plan	Tactics	Limited-time discount (2 weeks). Targeted advertising
	Free Trial		1 month trial social media adv Collect user feedback during the trial
	User-Generated Content		Showcase positive experiences social media contest
KPIs	Click-through rate (CTR) of the target advertising; Free trial conversion rate; User feedback; Contest participation		

Source: Own elaboration

**d. Long-term goals ( 6-12 months):**

- a. Achieve a total revenue of €200 thousand by the end of the first year.

**Strategy:** increase the user base and generate more revenue by offering premium subscriptions and forming partnerships with relevant businesses, while implementing robust data tracking and analysis systems.

**Tactics:**

1. Premium subscriptions:
  - Offer premium subscription options with personalized pet care recommendations and priority customer support.
  - Emphasize the added value of these subscriptions in targeted marketing campaigns on social media platforms (Instagram, TikTok and Facebook), pet care forums, and relevant platforms.



3. Partnerships with pet-related businesses:
  - Form partnerships with pet-related businesses such as pet stores and grooming services.
4. Data tracking and analysis:
  - Track and analyze user engagement and revenue data to optimize marketing campaigns.
  - Analyse data to identify trends, user behaviour patterns, and areas for improvement in the subscription offering and marketing strategies.

**KPIs:** Total revenue generated; number of new paid subscribers; customer retention rate; conversion rate of free trial users to paid subscribers; number of partnership-generated leads.

Achieve a total revenue of €200 thousand by the end of the first year			
<b>Strategy</b>	Premium Subscriptions	<b>Tactics</b>	Diiferent offers Targeted marketing campaigns Social media (Instagram, TikTok and Facebook) Pet care forums
	Partnerships (pet stores and grooming services)		Discounts Sale of products through our app Advertising
	Data Tracking and Analysis		Behavior patterns Identify trends
<b>KPIs</b>	Total revenue generated; Number of new paid subscribers; Customer retention rate; Conversion rate of free trial users to paid subscribers; Number of partnership-generated leads		

Source: Own elaboration

- Increase 20% Golden subscriptions among the total of users within the first year.

**Strategy:** the increase of subscriptions will be achieved through targeted advertising, email marketing, and content marketing with a focus on Conversion Rate Optimization (CRO) to drive higher conversion rates.

**Tactics:**

1. Conversion Rate Optimization (CRO):
  - Simplify the subscription process and improve the user journey to increase conversions.
  - Minimize the number of steps required to sign up for a subscription and enhance the app design based on user feedback.
2. Targeted advertising:
  - Utilize targeted advertising to reach potential customers who are more likely to upgrade to the Golden subscription.
  - Tailor ad copy and visuals to appeal specifically to their needs and preferences.
  - Social media ads and Google AdWords.

3. Content Marketing:

- Educate customers about the benefits of upgrading to the Golden subscription through content marketing on our own social media platforms, such as Instagram and TikTok.
- Create engaging posts, videos, infographics, and other content that highlights the advantages of the subscription.

4. Email Marketing:

- Encourage users to subscribe through email marketing campaigns. Include a direct link in the email that takes customers directly to the subscription upgrade page, making it easy for them to upgrade with a single click.

**KPIs:** number of golden subscribers; email click-through rate (CTR); cost per acquisition (CPA); churn rate; social media engagement rate; conversation rate.

Increase 20% Golden subscriptions among the total of users within the first year		
<b>Strategy</b>	Conversion Rate Optimization (CRO)	Improve user journey Simplify process Minimize number of steps to sign up
	Targeted Advertising (reach potential customers)	Tailor add and Appealing visuals Social media ads Google AdWords
	Content Marketing (Instagram and TikTok)	Engaging post Videos Infographics
	Email Marketing	Marketing campaigns link to subscription
<b>KPIs</b>	Number of Golden subscribers; email Click-through Rate (CTR); Cost per Acquisition (CPA); Churn Rate, Social media Engagement Rate, Conversation rate	

Source: Own elaboration

b. Achieve 100.000 people interested in the service in the first year.

**Strategy:** increase visibility and generate interest among the Spanish population through a multi-faceted approach, including participation in pet-related events, engagement in online communities, hosting webinars, and utilizing magazine and podcast advertising.

**Tactics:**

1. Pet-Related Events:

- Identify relevant pet-related events such as adoption fairs, pet expos, and charity events.
- Participate in these events, offering giveaways and hosting demonstrations or workshops to engage with potential customers.

2. Engage in Online Communities:
  - Join pet forums, social media groups, and online marketplaces.
  - Actively participate in discussions, answer questions, and provide helpful advice to establish credibility and build relationships with potential customers.
3. Webinars:
  - Host online events, such as Q&A webinar sessions on social media, featuring a veterinarian or pet expert.
  - Provide valuable information to pet owners and promote our services.
4. Magazine Advertising:
  - Identify magazines with a large readership and pitch an article showcasing the benefits of our app.
  - Include a call to action to encourage readers to download and use the app.
5. Podcast Advertising
  - Collaborate with 2 relevant podcasters to promote our app and reach a wider audience.

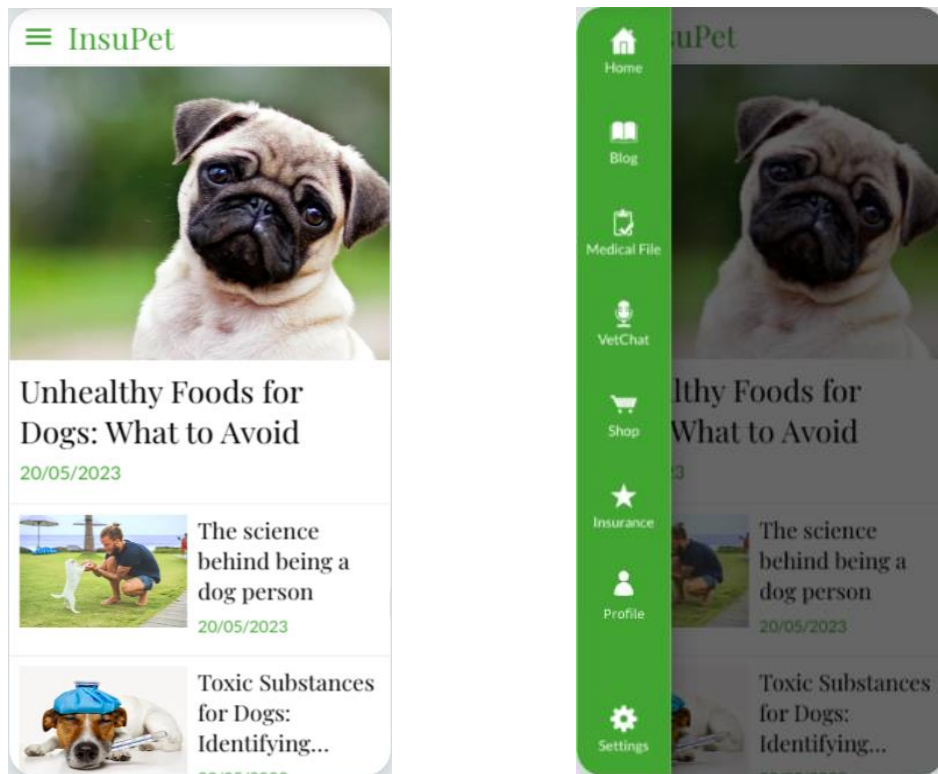
**KPIs:** number of attendees and engagement level in webinar; customer interest survey; number of downloads and sign-ups; app usage and customer satisfaction ratings.

Achieve 100.000 people interested in the service in the first year			
<b>Strategy</b>	Pet-Related Events	<b>Tactics</b>	Adoption fairs
			Pet expos
			Charity events
			Offering giveaways
			Hosting demonstrations
	Online Communities		Join pet forums
			Social media groups
			Online marketplaces
			Answer questions and provide advice
	Webinars		Q&A sessions
			veterinarian or pet expert
	Magazine Advertising		Pitch an article
	Podcast Advertising		Collab with 2 relevant podcasters
<b>KPIs</b>	Number of attendees and engagement level in webina; customer interest survey; Number of downloads and sign-ups; app usage and customer satisfaction ratings		

Source: Own elaboration

## App design

In this section, we present a simple preliminary design concept for the application, in order to provide a comprehensive overview of its features and functionality. The purpose of this concept is to provide a basic understanding of how the application will operate and the key features it will offer to users.



Source: Own elaboration

In this presentation image, the application is placed within the "News and Tips" tab, granting users seamless access to a wealth of valuable information. By simply clicking on the menu tab located on the upper left side, users can explore a comprehensive range of features available. These include convenient shopping options, access to insurance services, a comprehensive medical report for pets, and a user-friendly chatbot interface with a qualified veterinarian. Furthermore, users have the added convenience of being able to initiate a direct call with the veterinarian when needed.

To enhance user experience, the app will include a dedicated profile section, where each registered user can login. Within this profile section, users can view and manage their personal information, make changes as needed, and access relevant account details.

## Financial aspects

In this section, we will conduct a financial study to assess the project's viability. It is important to highlight that we have determined the study to encompass a forecast period of 5 years. We believe that this timeframe provides a comprehensive analysis of the project's feasibility and enables us to make informed decisions for the future direction of the venture.

To provide a comprehensive understanding of the project's financial aspects, we have divided this section into several subsections: Revenue proposal, Expenses proposal, profit and loss statement, Profitability analysis, Break-even analysis, and Financing proposal.

In conducting our financial study, we have meticulously examined three potential scenarios, which we will elaborate on shortly. To provide a broad overview of the impact of each scenario, we will solely present them in the profit and loss statement, and in the Break-even analysis. However, in the subsequent analysis, we will focus primarily on the scenario we consider to be the base case scenario. This approach allows us to gain a comprehensive understanding of the potential outcomes while emphasizing the scenario that aligns closest with our expectations.

It is important to note that, for simplicity, the implications of VAT (Value Added Tax) have not been considered in our business plan.

### Revenue proposal

In this first subsection we will focus on the revenue proposal, examining the projected sources of income and their estimated amounts. This will provide insight on the potential revenue streams the project can generate. Our main sources of income would be the following:

- Subscriptions: As mentioned in our pricing section, we will be offering three subscription options. The first is a free subscription, designed to attract users to download and use our application. With this option, we do not generate any revenue. The second subscription is the silver plan, priced at 4,99€/month. This subscription will contribute to our revenue stream, offering additional features and benefits to subscribers. The third and highest tier is the golden plan, priced at 9,99€/month, generating significant revenue for our business. By providing these diverse subscription options, we aim to cater to different user preferences while also ensuring a sustainable revenue model for our application.

- Commissions from the sales of insurance facilitated through our application: To determine the commission structure, we conducted a comprehensive analysis of commissions from comparator platforms and insurance brokers in Spain. Based on our research, we have established a commission range of 8% to 15% of the total policy price for insurance providers. However, during the initial phase, we will establish a commission rate of only 5% to foster collaborations with a larger number of insurance companies in the beginning. We have estimated the average annual cost of insurance to be 250€. Furthermore, we have conducted an estimation of the percentage of users who are likely to enrol in insurance coverage with us, taking into consideration their level of interest, particularly based on the type of subscription they choose.
- Commissions from the sales of pet products facilitated through our application: Our commission policy for products will range between 5% and 10% of the sale price. To calculate the product commissions, we have estimated the average user expenditure based on their subscription level, which reflects their interest in the application and spending intentions.
- Advertising and sponsored content in our app: Another source of revenue will be advertising from partners or other interested companies who wish to advertise on our platform. These advertisements will mostly be directed at customers of the free subscription tier and, to a lesser extent, the silver category. Advertisements will not be included in the golden users. We will use a cost-per-click method, meaning we will bill based on the number of clicks on the ads. We estimate the cost per click to be between 20 and 30 cents, with an average of 0.25 clicks per user per month.

We have conducted a thorough estimation of our projected user base, with a particular focus on the critical first year of operation. Being aware of the importance of this initial period, we have put in place a monthly evaluation method to estimate the progress the first two years.

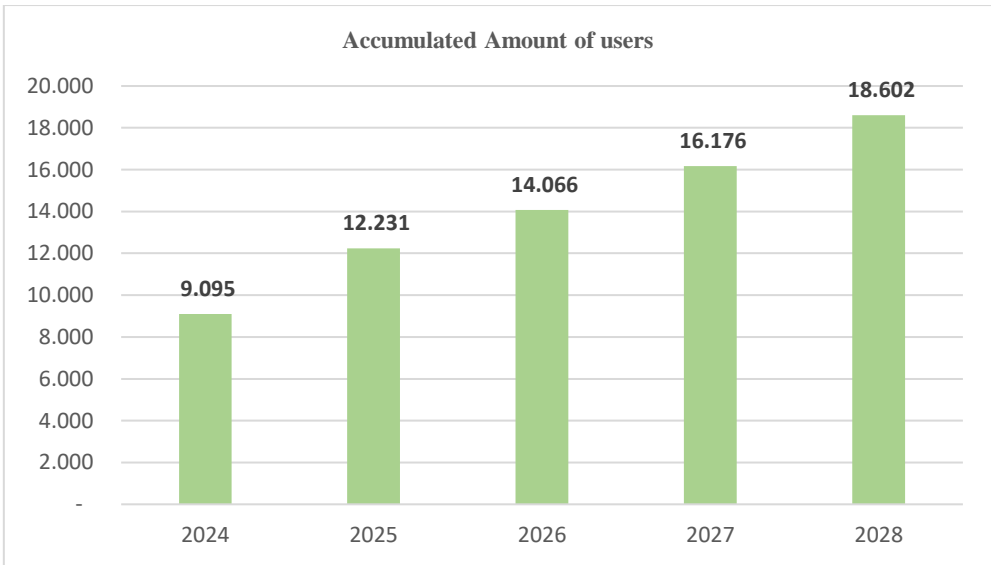
In the initial months, we anticipate a slow growth rate as the app enters a phase of becoming known. However, we expect this rate to gradually increase and become more exponential in the subsequent years. Based on our research and analysis, we project an estimated user count around of 9,000 in the first year. Of the total of user, we expect that approximately 50% of our users, are projected to choose the free subscription tier, while 30% are expected to opt for the silver subscription, and the remaining 20% golden subscription.

Projected Annual User Numbers:

Accumulated Amount of users	2024	2025	2026	2027	2028
Standard	4.547	6.116	6.330	7.279	8.371
Silver	2.728	3.669	4.220	4.853	5.581
Golden	1.819	2.446	3.517	4.044	4.651
<b>Total Users</b>	<b>9.095</b>	<b>12.231</b>	<b>14.066</b>	<b>16.176</b>	<b>18.602</b>

Source: Own elaboration

The graphical representation below illustrates the growth in the number of users accumulated over the years:



Source: Own elaboration

Considering the previously mentioned proposals and deductions, we have formulated a revenue estimate for the initial five years of operation. It is important to note that the projections for the first two years are presented on a monthly basis and will be provided in Annex 15 for reference.

Revenue					
Subscription revenue	2024	2025	2026	2027	2028
Silver	66.630 €	192.905 €	253.189 €	291.168 €	334.843 €
Golden	87.818 €	257.206 €	421.982 €	485.280 €	558.071 €
Total	154.448 €	450.111 €	675.172 €	776.447 €	892.914 €
Commissions insurance					
Standard	8.526 €	2.941 €	401 €	1.780 €	2.047 €
Silver	10.232 €	3.529 €	2.064 €	2.374 €	2.730 €
Golden	11.368 €	3.921 €	6.689 €	3.297 €	3.791 €
Total insurance commission	30.126 €	10.390 €	9.154 €	7.451 €	8.568 €
Product commission					
Standard	9.095 €	12.231 €	12.659 €	14.558 €	16.742 €
Silver	12.278 €	16.512 €	18.989 €	21.838 €	25.113 €
Golden	10.914 €	14.678 €	21.099 €	24.264 €	27.904 €
Total commission on Product	32.286 €	43.421 €	52.748 €	60.660 €	69.759 €
Click revenue standard users					
Total click revenue	2 €	1 €	-	-	1 €
Total revenue	216.862 €	503.923 €	737.074 €	844.558 €	971.242 €

Source: Own elaboration

## Expenses proposal

Our expenses proposal is divided into four main sections: initial development investment, personnel costs, other expenses, and marketing costs. This segmentation allows for a comprehensive analysis and understanding of the different cost components involved in our operations.

- Initial development investment: in this section we include the expenses for application and web development and design. We plan to hire a freelance company, and based on market estimates, we have budgeted an average cost of around 20,000€. In addition to that, we have estimated the company registration costs to be 500€, which includes expenses related to notary services and registration fees.
- Personnel costs: which includes salaries and social security expenses. We have carefully evaluated the cost structure and determined that the CEO's annual compensation will amount to 48,000€. Additionally, the average annual total cost per employee, taking into account salaries and associated expenses, will be 35,000€. In the initial phase, we will have one additional employee hired full-time in the marketing department. The number of employees will increase as the company grows. Estimated staffing hypothesis:
  - a) Year 2024: 1 employee
  - b) Year 2025: 2 employees
  - c) Year 2026: 4 employees



- d) Year 2027: 6 employees
- e) Year 2028: 6 employees

- Other expenses:

- a) **Rent:** Initially, our plan is to rent a hub office that covers various utility costs. Based on our estimation, we anticipate that these expenses will amount to approximately 200€ per month. This arrangement will provide us with a suitable space to start our business operations. As our business grows steadily, we project that by the third year, we will be in a position to afford a private office space with estimated monthly expenses of around 1500€. Looking ahead, as our team expands further, we anticipate the need for a larger office space. We estimate that a suitable office in Madrid, accommodating our growing staff, would cost around 2000€/month.
- b) **Management expenses:** this cost will include accounting and tax management, which we estimate to be around 400€ per month.
- c) **Legal expenses:** During the initial months of the start-up, we anticipate legal expenses of 1800€ for professional assistance.
- d) **Insurance:** We estimate annual insurance expenses for our company to be around 1000€. These insurance policies provide coverage and protection against various risks and liabilities that may arise in the course of our business operations.
- e) **Utilities:** Initially, our utilities expenses will only include monthly costs for mobile services, which are estimated to be around 140€ per month. This covers the communication and connectivity needs required for our business operations.
- f) **Equipment:** At first, we intend to buy three computers for our company, each of which is expected to cost 1,100€.
- g) **Technology and software expenses:** We have made estimations for the following expenses, which we consider essential as our project is based on a digital platform.
  - 1. Cloud hosting services: 5,000 €/year
  - 2. Software licenses: 2,000 €/year
  - 3. Cybersecurity: 2,500 €/year
  - 4. Maintenance: 1,200 €/month

Starting from the third year onwards, as our company continues to expand and our user base grows, we anticipate the need to increase our technology and software expenses, particularly in the areas of data security and cloud services. To ensure the reliability and protection of our digital platform, we have determined that an update will be necessary, resulting in a 50% increase in these expenses.

- Marketing expenses: In the first year, we have allocated a budget of approximately 60,000€ for marketing investments. As we progress into the second year, our commitment to strategic marketing remains strong, with a continued investment of around 50,000€. Subsequently, we anticipate allocating an estimated amount of 45,000€ for marketing activities in the following years. It is essential to acknowledge that these figures are subject to adjustment based on the achievement of our objectives and the availability of resources. We will continually assess and optimize our marketing investments to ensure the most effective utilization of funds and maximize the impact of our promotional efforts.

Taking into account the previously mentioned proposals and deductions, we have developed an expense projection for the first five years. It is important to note that the projections for the first two years are presented on a monthly basis and will be provided in Annex 16 for reference.

<b>Costs</b>					
<b>Personal</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>CEO</b>	48.000 €	48.000 €	48.000 €	48.000 €	48.000 €
<b>Employee 1</b>	35.000 €	35.000 €	35.000 €	35.000 €	35.000 €
<b>Employee 2</b>	- €	- €	- €	35.000 €	35.000 €
<b>Employee 3</b>	- €	- €	35.000 €	35.000 €	35.000 €
<b>Employee 4</b>	- €	- €	35.000 €	35.000 €	35.000 €
Total personal cost:	83.000 €	83.000 €	153.000 €	188.000 €	188.000 €
<b>Number of people in team</b>	2	2	4	5	5
<b>Freelance assistance Vet cost - Golden</b>					
Total free lance cost:	34.676 €	113.171 €	154.727 €	177.936 €	204.626 €
<b>Office &amp; Management</b>					
<b>Rent HUB</b>	3.000 €	3.000 €	- €	- €	- €
<b>Rent Office</b>	- €	- €	18.000 €	- €	- €
<b>Office n2</b>	- €	- €	- €	30.000 €	30.000 €
<b>Management expenses</b>	4.800 €	4.800 €	4.800 €	4.800 €	4.800 €
<b>Techonology updat</b>	- €	- €	35.850 €	35.850 €	35.850 €
<b>Legal expenses</b>	1.800 €	- €	- €	- €	- €
<b>Utilities</b>	1.680 €	1.680 €	1.680 €	1.680 €	1.680 €
<b>Technology &amp; software</b>	23.900 €	23.900 €	23.900 €	23.900 €	23.900 €
<b>Insurance</b>	1.000 €	1.000 €	1.000 €	1.000 €	1.000 €
Total Office & management costs:	36.180 €	34.380 €	85.230 €	97.230 €	97.230 €
<b>Marketing</b>					
<b>Campaigns 2024</b>	60.000 €	- €	- €	- €	- €
<b>Campaigns 2025</b>	- €	50.000 €	- €	- €	- €
<b>Campaigns 2026</b>	- €	- €	45.000 €	- €	- €
<b>Campaigns 2027</b>	- €	- €	- €	45.000 €	- €
<b>Campaigns 2028</b>	- €	- €	- €	- €	45.000 €
Total Marketing:	60.000 €	50.000 €	45.000 €	45.000 €	45.000 €
<b>Total Costs</b>					
	<b>213.856 €</b>	<b>280.551 €</b>	<b>437.957 €</b>	<b>508.166 €</b>	<b>534.856 €</b>

Source: Own elaboration

Amortization and Forecasts: These costs include initial development expenses, encompassing platform design and registration costs, as well as the acquisition of equipment, namely the company's computers. By strategically allocating these costs, we aim to optimize our financial planning and ensure efficient resource utilization in the long run.

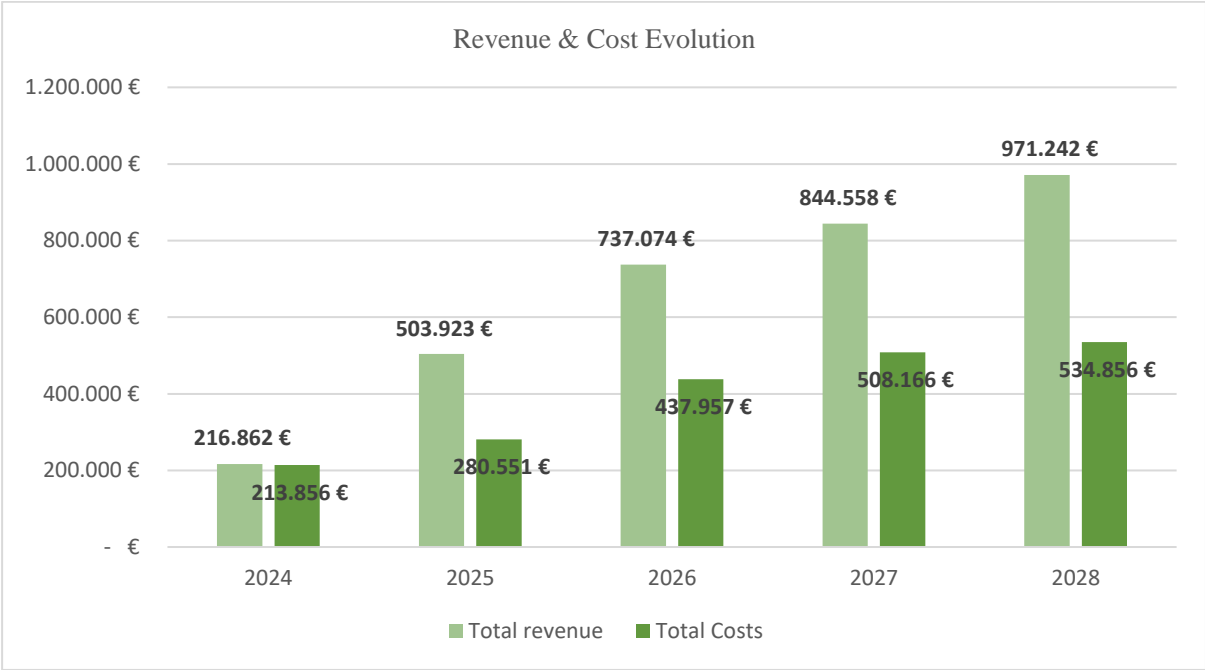
<b>Amortization (PPE)</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Opening value	3.800 €	3.040 €	2.280 €	1.520 €	760 €
Amortization	760 €	760 €	760 €	760 €	760 €
Closing value	3.040 €	2.280 €	1.520 €	760 €	- €

<b>Amortization intangible assests</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Opening value	20.000 €	16.000 €	12.000 €	8.000 €	4.000 €
Amortization	4.000 €	4.000 €	4.000 €	4.000 €	4.000 €
Closing value	16.000 €	12.000 €	8.000 €	4.000 €	- €

Source: Own elaboration

Find below a comprehensive graph summarizing the evolution of revenues and costs over the five projected years:



Revenues & Cost Evolution graphic  
Source: Own elaboration

Profit and loss statement

In this section we formulated a comprehensive forecast of InsuPet Profit and Loss statement, considering three distinct scenarios for analysis. These scenarios vary by 2.5% in the number of users, allowing us to assess the potential financial outcomes under different circumstances. These scenarios are as follows:

1. Basic Scenario (Case 1): Based on the expected Business Plan, this scenario represents the most probable outcome for Inspet operations, considering various market factors and industry trends.
2. Optimistic Scenario (Case 2): This scenario portrays a more favorable projection, considering optimistic assumptions and potential positive developments that could significantly impact Inspet's results.
3. Pessimistic Scenario (Case 3): Conversely, the pessimistic scenario takes into account adverse circumstances or challenges that could arise, resulting in a less favorable outcome for Inspet's cost results.

## Case 1: Basic Scenario

<b>Base case</b>					
<b>PROFIT &amp; LOSS (in €)</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Subscription revenue	154.448	450.111	675.172	776.447	892.914
Commissions from innsurance	30.126	10.390	9.154	7.451	8.568
Commissions from product sold	32.286	43.421	52.748	60.660	69.759
Click revenue	2	1	0	0	1
Staff Costs	(83.000)	(83.000)	(153.000)	(188.000)	(188.000)
Free lance cost	(34.676)	(113.171)	(154.727)	(177.936)	(204.626)
Office cost	(36.180)	(34.380)	(85.230)	(97.230)	(97.230)
Marketing cost	(60.000)	(50.000)	(45.000)	(45.000)	(45.000)
<b>EBITDA</b>	<b>3.006</b>	<b>223.373</b>	<b>299.117</b>	<b>336.392</b>	<b>436.386</b>
<i>EBITDA Margin</i>	<i>1,9%</i>	<i>49,6%</i>	<i>44,3%</i>	<i>43,3%</i>	<i>48,9%</i>
Depreciation	(4.760)	(4.760)	(4.760)	(4.760)	(4.760)
<b>EBIT</b>	<b>(1.754)</b>	<b>218.613</b>	<b>294.357</b>	<b>331.632</b>	<b>431.626</b>
Interest	(3.258)	-			
<b>EBT</b>	<b>(5.012)</b>	<b>218.613</b>	<b>294.357</b>	<b>331.632</b>	<b>431.626</b>
Tax Payable		(53.933)	(73.589)	(82.908)	(107.906)
<b>Net Income</b>	<b>(5.012)</b>	<b>164.679</b>	<b>220.768</b>	<b>248.724</b>	<b>323.719</b>
<i>Net Margin</i>	<i>(3,25%)</i>	<i>36,59%</i>	<i>32,70%</i>	<i>32,03%</i>	<i>36,25%</i>

Source: Own elaboration

## Case 2: Optimistic Scenario

<b>Upside</b>					
<b>PROFIT &amp; LOSS (in €)</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Subscription revenue	196.601	714.955	1.222.986	1.437.009	1.688.485
Commissions from innsurance	39.846	31.712	17.618	15.606	18.337
Commissions from product sold	42.640	76.576	94.636	111.197	130.657
Click revenue	3	2	0	1	1
Staff Costs	(83.000)	(83.000)	(153.000)	(188.000)	(188.000)
Free lance cost	(45.296)	(182.659)	(281.869)	(331.196)	(389.156)
Office cost	(36.180)	(34.380)	(85.230)	(97.230)	(97.230)
Marketing cost	(60.000)	(50.000)	(45.000)	(45.000)	(45.000)
<b>EBITDA</b>	<b>54.614</b>	<b>473.205</b>	<b>770.141</b>	<b>902.386</b>	<b>1.118.094</b>
<i>EBITDA Margin</i>	<i>27,8%</i>	<i>66,2%</i>	<i>63,0%</i>	<i>62,8%</i>	<i>66,2%</i>
Depreciation	(4.760)	(4.760)	(4.760)	(4.760)	(4.760)
<b>EBIT</b>	<b>49.854</b>	<b>468.445</b>	<b>765.381</b>	<b>897.626</b>	<b>1.113.334</b>
Interest	(2.762)	-			
<b>EBT</b>	<b>47.092</b>	<b>468.445</b>	<b>765.381</b>	<b>897.626</b>	<b>1.113.334</b>
Tax Payable	(11.773)	(116.391)	(191.345)	(224.407)	(278.334)
<b>Net Income</b>	<b>35.319</b>	<b>352.054</b>	<b>574.036</b>	<b>673.220</b>	<b>835.001</b>
<i>Net Margin</i>	<i>17,96%</i>	<i>49,24%</i>	<i>46,94%</i>	<i>46,85%</i>	<i>49,45%</i>

Source: Own elaboration

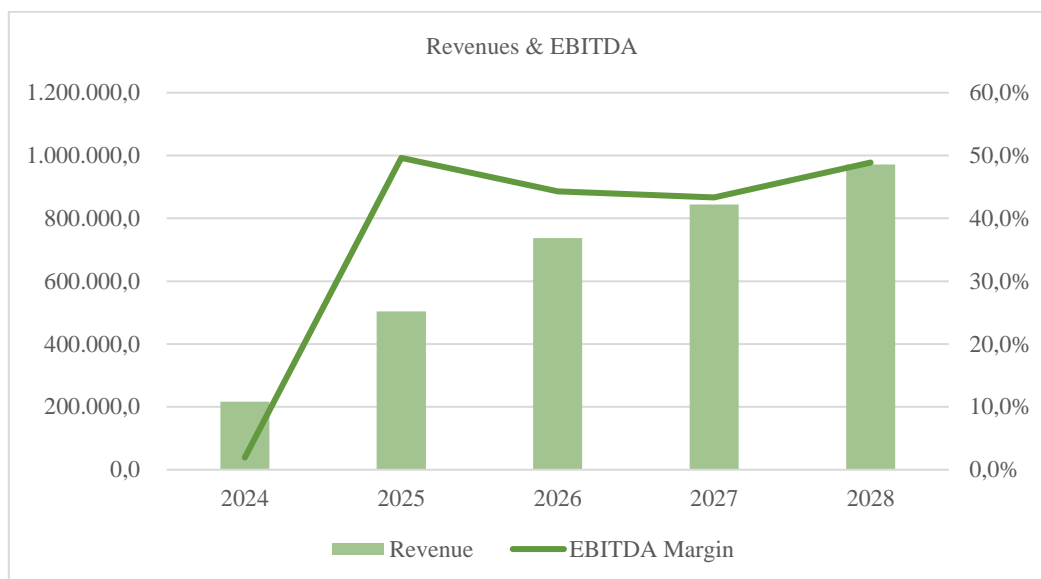
### Case 3: Pessimistic Scenario

<b>Downside PROFIT &amp; LOSS (in €)</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Subscription revenue	119.682	279.770	365.100	410.737	462.080
Commissions from insurance	22.498	-	4.648	3.393	3.817
Commissions from product sold	24.153	24.153	28.851	32.458	36.515
Click revenue	2	-	0	0	0
Staff Costs	(83.000)	(83.000)	(153.000)	(188.000)	(188.000)
Free lance cost	(26.058)	(68.935)	(83.092)	(93.478)	(105.163)
Office cost	(36.180)	(34.380)	(85.230)	(97.230)	(97.230)
Marketing cost	(60.000)	(50.000)	(45.000)	(45.000)	(45.000)
<b>EBITDA</b>	<b>(38.902)</b>	<b>67.608</b>	<b>32.278</b>	<b>22.880</b>	<b>67.019</b>
<i>EBITDA Margin</i>	<i>(32,5%)</i>	<i>24,2%</i>	<i>8,8%</i>	<i>5,6%</i>	<i>14,5%</i>
Depreciation	(4.760)	(4.760)	(4.760)	(4.760)	(4.760)
<b>EBIT</b>	<b>(43.662)</b>	<b>62.848</b>	<b>27.518</b>	<b>18.120</b>	<b>62.259</b>
Interest	(3.910)	-			
<b>EBT</b>	<b>(47.572)</b>	<b>62.848</b>	<b>27.518</b>	<b>18.120</b>	<b>62.259</b>
Tax Payable		(14.992)	(6.879)	(4.530)	(15.565)
<b>Net Income</b>	<b>(47.572)</b>	<b>47.856</b>	<b>20.638</b>	<b>13.590</b>	<b>46.694</b>
<i>Net Margin</i>	<i>(39,75%)</i>	<i>17,11%</i>	<i>5,65%</i>	<i>3,31%</i>	<i>10,11%</i>

Source: Own elaboration

After careful evaluation, we have determined that even under the pessimistic scenario, the project remains financially viable. For this reason, our primary focus has been directed towards the BASE case, which we consider the most reliable projection.

As evident from the graphical representation of revenue and EBITDA, there is a notable upward trend in revenue, showcasing the company's increasing sales and business expansion. Simultaneously, the EBITDA margin exhibits fluctuations, highlighting the varying profitability levels throughout the given period.



**Revenues & EBITDA graphic**

Source: Own elaboration

While there may be some initial losses during the ramp-up phase, it is noteworthy that the EBITDA of the project remains relatively stable throughout the future projections, averaging around 40%.

Reflecting the project's ability to generate consistent operating earnings. Consequently, this EBITDA showcases a level of attractiveness that is highly appealing for these types of investments.

Furthermore, the project exhibits robust cash flow generation, enabling the timely repayment of debt obligations as early as the second year. A more comprehensive explanation of the debt structure will be provided later in our analysis.

The driving force behind profitability predominantly stems from subscription revenues, constituting a significant contributor to the project's overall financial performance. By placing greater emphasis on the BASE case and considering the consistent EBITDA figures, the project showcases its capacity to generate sustainable earnings and maintain a favourable financial outlook.

### Profitability analysis

For the profitability analysis of the project, we have decided to use the Cash Flow Calculation (CFC) method.

It is important to clarify at first, that due to the company's favourable performance, enough to allocated adequate funds towards the legal reserve. As part of our strategic planning, we are contemplating the

future distribution of dividends and subsequent closure of the credit line, beginning from the second year. However, we remain committed to maintaining a robust cash position to effectively navigate unforeseen circumstances and capitalize on new opportunities.

It is worth noting, that a result of this consideration, we have reached a decision to ensure our cost structure remains debt-free starting from the second year.

Equity and dividend payout calculations:

Equity Calculation	2024	2025	2026	2027	2028
Initial	25.000 €	19.988 €	84.668 €	155.435 €	204.160 €
Net Income	- 5.012 €	164.679 €	220.768 €	248.724 €	323.719 €
Dividends	- €	100.000 €	150.000 €	200.000 €	250.000 €
End	19.988 €	84.668 €	155.435 €	204.160 €	277.879 €

Source: Own elaboration

Projected cash flow for the first five years, considering the aforementioned considerations:

Cash flow	2024	2025	2026	2027	2028
<b>EBIT (1-t)</b>	- 1.754 €	164.679 €	220.768 €	248.724 €	323.719 €
Depreciation	4.760 €	4.760 €	4.760 €	4.760 €	4.760 €
- Delta WCR	- 8.142 €	12.585 €	- 2.814 €	- 2.022 €	- 2.325 €
- CAPEX	- 23.800 €				
<b>FCF</b>	- 28.936 €	182.024 €	222.714 €	251.462 €	326.154 €
Net Borrowing		- 62.500 €			
<b>Cfe</b>	- 57.871 €	119.524 €	222.714 €	251.462 €	326.154 €
Dividends		100.000 €	150.000 €	200.000 €	250.000 €
<b>Change in cash</b>	- 57.871 €	19.524 €	72.714 €	51.462 €	76.154 €

Source: Own elaboration

Additional essential information, such as calculations for Working Capital (WC) and Balance Sheet (BS), will be provided in Annex 17.

For the investment analysis of our project, we have decided to use a WACC of 18% due to the early-stage nature and higher perceived risk associated with our company. This higher WACC is an appropriate reflection of the unique challenges and uncertainties often faced by start-ups. It also reflects the higher-risk environment in which we operate and allows for a comprehensive evaluation of the investment's viability and potential returns.



Investment analysis	2024	2025	2026	2027	2028
PCF Accumulated	- 57.871 €	- 38.347 €	34.366 €	85.829 €	161.983 €
Discounted CF	- 57.871 €	16.546 €	52.222 €	31.322 €	39.279 €
WACC	18,0%				
<b>NPV</b>	81.497 €				
<b>IRR</b>	42,3%				
<b>Payback years</b>	1				
<b>ROI</b>	7,438381142				

Source: Own elaboration

Despite considering the high risks involved, we have achieved a positive Net Present Value (NPV). This result indicates that the anticipated cash inflows from the project, when discounted at the chosen WACC of 18%, exceed the initial investment and future cash outflows. The positive NPV suggests that the project has the potential to generate favourable returns and is deemed financially viable, even considering the inherent risks associated with a startup.

Furthermore, the financial study reveals an impressive Internal Rate of Return (IRR) of 64%, highlighting the project's attractiveness and its potential for substantial returns on investment.

In addition, our Return on Investment (ROI) stands at 7,4%, This indicates that the project has the potential to deliver a positive return on the initial investment and is performing favourably in terms of generating profits.

Taken together, these findings indicate that our project presents a compelling investment opportunity with the potential for substantial returns and a strong likelihood of financial success.

### Break-even analysis

For the break-even analysis, we have found it relevant to include an analysis of the breakeven point of all three evaluated scenarios. As it is a crucial metric that helps determine the level of sales or revenue needed to cover all costs and achieve a neutral financial position.

### Case 1: Basic Scenario

Base BEP analysis	2024	2025	2026	2027	2028
	Total revenue	216.862 €	503.923 €	737.074 €	844.558 €
fixed cost	179.180 €	167.380 €	283.230 €	330.230 €	330.230 €
variable cost	34.676 €	113.171 €	154.727 €	177.936 €	204.626 €
CM%	84,0%	77,5%	79,0%	78,9%	78,9%
<b>Break-even point</b>	213.284 €	215.857 €	358.483 €	418.375 €	418.375 €

Source: Own elaboration

### Case 2: Optimistic Scenario

Upside BEP analysis	2024	2025	2026	2027	2028
	Total revenue	279.091 €	823.245 €	1.335.241 €	1.563.813 €
fixed cost	179.180 €	167.380 €	283.230 €	330.230 €	330.230 €
variable cost	45.296 €	182.659 €	281.869 €	331.196 €	389.156 €
CM%	83,8%	77,8%	78,9%	78,8%	78,8%
<b>Break-even point</b>	213.895 €	215.107 €	359.019 €	418.961 €	418.961 €

Source: Own elaboration

### Case 3: Pessimistic Scenario

Downside BEP analysis	2024	2025	2026	2027	2028
	Total revenue	166.336 €	303.923 €	398.599 €	446.589 €
fixed cost	179.180 €	167.380 €	283.230 €	330.230 €	330.230 €
variable cost	26.058 €	68.935 €	83.092 €	93.478 €	105.163 €
CM%	84,3%	77,3%	79,2%	79,1%	79,1%
<b>Break-even point</b>	212.464 €	216.482 €	357.821 €	417.651 €	417.651 €

Source: Own elaboration

Upon examining the data, we have determined that in all three scenarios, the breakeven point is reached in the second, year even in the worst-case scenario.

Reaching the breakeven point within the second year indicates a healthy financial performance and a fast path to profitability. It implies that the project has solid revenue generation potential and demonstrates a favourable cost structure that aligns with market demand and pricing strategies.

## Financing proposal

As we look ahead to the future of the project, we have developed a comprehensive financing proposal to address our upcoming financial needs.

In addition to an initial equity investment of 25,000 euros, we anticipate the requirement for additional funding to fuel the project's growth and expansion.

To meet these financial demands, which include the requirement for an additional 62,500 €, it is important to note that utilizing a credit line will incur interest expenses at a rate of 7% on the capital utilized. We will be exploring different avenues for financing, which will include seeking potential investments from venture capital firms, engaging with angel investors who share our vision, or exploring strategic partnerships with industry leaders.

It is worth mentioning that utilizing the credit line will incur interest expenses on the capital utilized. While we understand the cost implications, we believe that obtaining this credit is crucial to bridge the initial cash flow gap and ensure the project's continuity and progress.

By accessing the credit line, we can effectively manage the financial needs of the project during this crucial phase. We remain committed to diligently repaying the borrowed capital and fulfilling the interest obligations as part of our financial responsibility. That based on our comprehensive financial study, we anticipate being able to initiate the repayment process and meet the interest obligations from the second year.

## Financial Conclusions

The financial study conducted for the project indicates a promising and financially viable opportunity. The analysis reveals multiple revenue streams, including subscriptions, commissions, and advertising, which contribute to a steady and projected growth in income over the first five years.

The expense breakdown provides a comprehensive understanding of the project's financial obligations and resource allocation.

The profit and loss statement, along with cash flow analysis, demonstrates the project's ability to generate consistent operating earnings and ensure timely debt repayment. The profitability analysis, using various metrics such as NPV, IRR, and ROI, further solidifies the project's financial attractiveness and potential for favorable returns.

Additionally, through the breakeven analysis, we have determined that the project has the capability to reach the breakeven point, even in the worst-case scenario. This signifies the project's resilience in the face of challenging market conditions and its ability to generate sufficient revenue to cover costs.

Overall, the financial study strongly supports the viability of the project and indicates a positive outlook for its success.

## Team

In this section, we will introduce the team that will be responsible for carrying out the project. It is important to clarify that the team, during the initial stages, will consist of a limited number of members, predominantly freelancers or part-time employees. This strategic decision allows us to remain agile while effectively managing resources. Consequently, some departments, such as human resources, may not be present initially. However, our CEO will assume direct responsibility for managing HR-related tasks.

Looking towards the future, we have a clear vision of how our team will evolve to support the growth and development of our company. As we expand and encounter increasing demands, we are committed to scaling our team strategically and adapting its composition to meet the evolving needs of the business.

Our goal is to attract and retain top talent in the industry, ensuring that our team continues to consist of highly skilled and motivated professionals. We will actively seek out individuals who possess expertise in various areas, including veterinary medicine, technology, marketing, customer service, and more.

CEO and Founder: Sofia Pallarés Bonagioanni:

As the founder and CEO, Sofia Pallarés Bonagioanni, a veterinarian doctor who graduated from the University of Alonso X el Sabio in 2018, oversees the overall direction and strategy of the application. With her veterinary background and subsequent MBA from ICADE, Sofia ensures that the application meets the needs of pet owners by offering essential features and services. Her expertise in veterinary medicine provides valuable insights for the development of the application's functionalities and partnerships with insurance companies and other relevant stakeholders. Sofia's unique combination of medical and business knowledge drives the application's success and supports its mission to serve pet owners effectively.

Sofia will be in charge of the general management, Customer Support and financials in the initial phase of the project.

Product Development team:

In the initial phase of the project, our Product Development Team will not consist of any full-time employees or permanent hires. Instead, we will outsource the app design and development to a specialized company or freelancers. This approach allows us to leverage

external expertise without the need for a dedicated in-house team. Our focus in the initial phase is to ensure the successful development and launch of the app while optimizing resource allocation. As the project evolves and our company expands, we can explore the possibility of establishing a permanent Product Development Team.

#### IT Department :

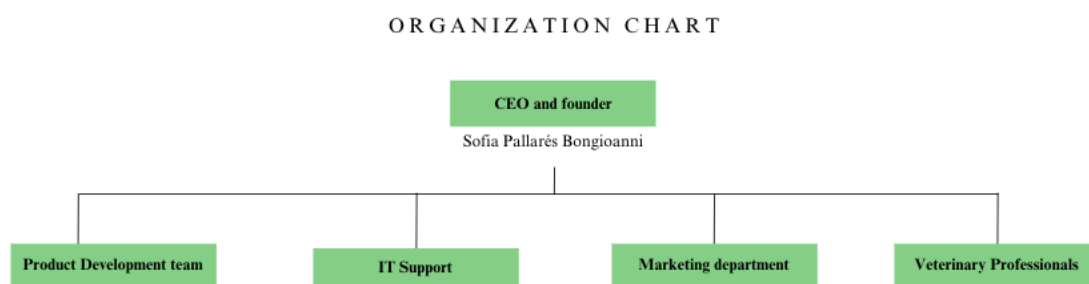
We will hire a part-time IT support specialist who will work closely with the CEO, to ensure the smooth operation and maintenance of the platforms. As the project continues to grow, we will closely consider expanding our team by hiring full-time and additional members to support the growing needs of the project.

#### Marketing department:

In the initial phases, we will hire a full-time marketing professional dedicated to promoting the app. As the company experiences growth and the app gains traction, we will strategically expand our marketing department to ensure effective promotion and outreach. This expansion may involve hiring additional full-time marketing professionals. Additionally, we could explore the option of partnering with a marketing agency to assist us in our marketing efforts.

#### Veterinary Professionals:

As our user base expands and the veterinary contact service becomes active, we will gradually build our team of veterinary professionals. In the initial phase, we will collaborate with freelancers who possess the necessary veterinary expertise to fulfil our service requirements. As our company continues to thrive and the demand for veterinary services increases, we will transition to hiring part-time veterinarians.



Source: Own elaboration

## **Environmental, social, and corporate governance (ESG)**

As a responsible and sustainable business, we recognize the importance of integrating ESG considerations into our operations. We are committed to addressing key environmental, social, and governance factors to ensure the long-term success and positive impact of our business.

### **- Environmental:**

At our company, we are deeply committed to minimizing our environmental impact and promoting sustainability. We recognize the importance of preserving the well-being of the environment and actively work towards reducing our carbon footprint. As part of our environmental initiatives, we are dedicated to obtaining the ISO 14001 certification, which signifies our adherence to rigorous environmental management standards.

As an application and an exclusive online service, we prioritize paperless operations, minimizing the use of paper and promoting digital processes.

Furthermore, we aim to raise environmental awareness among our users. Through our platform, we provide information and resources on responsible pet ownership, eco-friendly pet products, and sustainable pet care practices. By educating and engaging our users, we encourage them to make environmentally conscious choices for the well-being of their pets and the planet.

Energy efficiency is another critical aspect of our environmental focus. We strive to incorporate energy-saving features into the design of our application, such as automatic power management settings and optimized resource usage. We contribute to a cleaner, more sustainable digital environment by consuming less energy.

Through these environmental initiatives, we aim to create a positive impact on the environment while delivering valuable services to our users.

### **- Social:**

We are dedicated to making a positive social impact and fostering inclusivity, fairness, and social well-being.

One of our core focuses is the well-being and health of pets. We offer a comprehensive medical insurance comparison service that allows pet owners to find the best coverage for their pets. Our

objective is to reduce their financial worries while ensuring that pets get the proper medical care they require. By offering a range of insurance options, we empower pet owners to make informed decisions and provide the best possible care for their pets' well-being.

To promote the overall well-being of pets, we recognize the importance of providing pet owners with regular information through our app. Our platform offers valuable resources on pet care, health tips, and important updates to keep users informed and empower them to maintain the optimal health of their pets. By equipping owners with relevant knowledge, they can make informed decisions and ensure the well-being and vitality of their pets.

We also strongly believe in fostering diversity and inclusion within our organization. We are dedicated to creating a work environment that embraces diversity, provides equal opportunities for all employees, and values varied perspectives. Furthermore, we advocate for human rights and strongly oppose any form of child labour.

To learn about our stakeholders' requirements, expectations, and worries, as well as those of our staff members and consumers, we actively engage with them. By hearing what they have to say, we can better coordinate our operations and services to have a good effect on our community and society as a whole.

By integrating these social initiatives, we strive to create a meaningful and responsible application that not only helps pet owners but also contributes to a more inclusive, fair, and socially aware society.

- **Governance:**

Additionally, we place a strong emphasis on excellent governance practices and follow strict standards for accountability, compliance, and transparency.

We will establish a comprehensive code of ethics that guides the conduct of our organization and employees, promoting integrity, honesty, and ethical decision-making in every aspect of our business operations. Our governance practices will prioritize transparency, ensuring that our financial reporting, stakeholder engagement, and decision-making processes are conducted with openness.

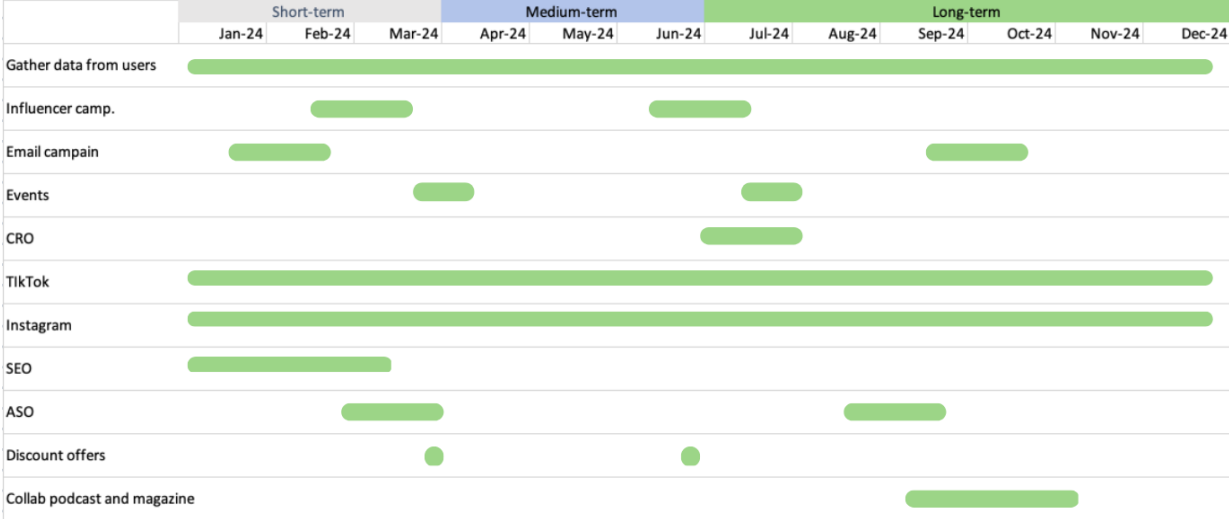
We are deeply dedicated to establishing effective accountability systems that ensure our actions are held responsible. We place great significance on strict adherence to legal and regulatory standards as we recognize its critical importance.



These governance practices ensure that our business operates with the highest standards of moral behaviour, legal compliance, and risk mitigation. With these actions, we hope to win the confidence and trust of our stakeholders.

### Timetable for implementation of actions

We present a concise one-year product management schedule outlining the implementation of marketing actions:



Source: Own elaboration

## Contingency plan

### Short-term goals (1-3 months):

1. Obtain 4,000 app downloads within the first three months.

We establish a threshold of -10% for the goal of achieving 4,000 app downloads. If the achieved goal deviates by more than 10% (a decrease of more than 10%) from the target, the marketing team will need to take additional actions. These actions would involve increasing influencer collaborations and implementing targeted social media advertising. The progress of this goal will be checked 2 months after the app launch.

2. Achieve an average app rating of 4.5 stars or higher in the Apple App Store and Google Play Store within the first three months.

We set a threshold of -0.2 stars for the goal of achieving a rating of 4.5 stars. If the achieved goal deviates by more than 0.2 stars (a rating lower than 4.3 stars), the customer support will need to take additional actions to address the deviation. These actions would involve enhancing customer support response time and actively gathering feedback for continuous improvements. The progress of this goal will be checked 2 months after the launch.

3. Activate two services related to pet's well-being within the first three months.

We have established a threshold of -1 service for the goal of activating two services related to pet's well-being within the first three months. If the achieved goal deviates by more than 1 service (less than 1 service activated), the product development and marketing teams will need to implement additional actions to address the deviation. The recommended actions in such a scenario would be to identify gaps in the market and opportunities for new services that align with customer needs. The progress of this goal will be checked 2 months after the launch.

### Medium-term goals (3-6 months):

1. Increase initial brand awareness by 40% within the first six months.

A threshold of -10% will be set for the goal of achieving a 40% increase in brand awareness. If the achieved goal deviates by more than 10% (a decrease of more than 10%), the marketing team will implement additional actions to address the deviation. These actions will involve increasing the social

media advertising budget and collaborating with influencers. The progress towards this goal will be checked 4 months after the launch.

2. Increase social media followers by 40% on Instagram and 50% on TikTok within the first six months.

A threshold of -10% will be set for the goal of increasing social media followers by 40% on Instagram and 50% on TikTok. If the achieved goal deviates by more than 10% (a decrease of more than 10%), the marketing team will implement measures to address the deviation. These measures will involve enhancing the content strategy. The progress towards this goal will be checked 4 months after the launch.

3. Increase the number of users who upgrade to the Silver subscription by 30% among the total users within the first six months.

A threshold of -10% is established for the goal of increasing the number of users who upgrade to the Silver subscription by 30%. If the achieved goal deviates by more than 10% (a decrease of more than 10%), the marketing teams will implement additional actions to address the deviation. These actions will include extending the free trial period and collecting user feedback to improve the Silver subscription. The progress towards this goal will be checked 4 months after the launch.

### **Long-term goals (6-12 months):**

1. Achieve a total revenue of €195,000 by the end of the first year.

We will establish a threshold of -10% for the goal of reaching €195,000. If the achieved goal deviates by more than 10% (a decrease of more than 10%), the marketing team will implement additional actions to address the deviation. These actions will involve improving upselling and cross-selling strategies, as well as analyzing customer preferences for targeted promotions. The progress towards this goal will be checked 6 months after launch.

- Increase 20% Golden subscriptions among the total of users within the first year.

We will establish a threshold of -5% for the goal of achieving a 20% increase in Golden subscriptions among the total users. If the achieved goal deviates by more than 5% (a decrease of more than 5%) from the ideal goal, the sales and marketing teams would need to implement additional actions to address the deviation. One effective action to consider would be implementing a referral program

where existing users are incentivized to refer their friends, family, or acquaintances to the service. This can help generate organic growth and increase the number of Golden subscriptions. By offering rewards or incentives for successful referrals, the program can encourage users to actively promote the service and attract new subscribers. The progress towards this goal will be checked 6 months after launch.

- a. Achieve 100.000 people interested in the service in the first year.

We will establish a threshold of -10% for the goal of achieving 100,000 people interested in the service within the first year. If the achieved goal deviates by more than 10% (a decrease of more than 10%), the marketing team will implement additional actions to address the deviation. These actions will involve expanding online advertising campaigns, targeting specific demographics, and leveraging social media platforms to generate interest and attract potential customers. The progress towards this goal will be assessed periodically throughout the first year.

An overview table of the contingency plan for each goal will be presented in Annex 18 (short-term goals), Annex 19 (medium-term goals), and Annex 20 (long-term goals).

## Conclusions

After conducting a detailed market study, action plan analysis, and assessing the feasibility of our project, we can conclude that InsuPet has a significant opportunity in the Spanish market.

The Veterinary and Pet market is experiencing constant growth, with a substantial increase in the number of pets in Spain and a rising demand for resources to keep them healthy. Moreover, the global trend of humanization of pets further enhances the favourable conditions for our venture.

The growing number of pets in Spain reflects the deepening bond between humans and animals, where pets are increasingly considered as cherished members of the family. As a result, pet owners are willing to invest in their pets' health and happiness.

One significant finding from our study is that despite the awareness of high veterinary costs, a considerable number of pet owners in Spain do not have medical insurance for their pets. Our primary research confirms this insight and provides additional evidence that the lack of insurance coverage is primarily due to a lack of awareness regarding the availability and benefits of such policies.

InsuPet aims to revolutionize pet owners' approach to healthcare by addressing limited awareness and providing a convenient solution.

In addition to fulfilling a market need, our financial analysis has demonstrated the viability of the project. We have thoroughly evaluated different scenarios. These analyses have confirmed the financial feasibility of InsuPet and its potential for profitability in the long run.

Overall, our research highlights the immense potential for InsuPet in the Spanish market. By addressing the lack of awareness and providing a user-friendly platform for pet owners, we are confident in our ability to tap into this underserved market segment. With the right strategies in place, InsuPet has the opportunity to not only generate significant revenue but also contribute to the overall well-being and healthcare access of pets across the country.

## Annexes

### Structure of our survey:

#### Annex 1- Survey title and introduction

## Seguro Médico para Mascotas



Esta encuesta tiene como objetivo recoger información sobre las actitudes y experiencias de los propietarios de animales de compañía en relación con el seguro medico para sus mascotas en España, así como su posible disponibilidad para contratar uno.

Importante señalar la diferencia entre:

- Seguro médico: cubre gastos veterinarios (visitas, tratamientos y cuidados médicos)
- Seguro de responsabilidad civil: cubre los daños o lesiones causados por la mascota asegurada a un tercero

Agradecemos enormemente su participación en esta encuesta.

#### Annex 2- Demographic Questions:

Sexo \*

Femenino

Masculino

Edad \*

18-25

26-33

34-41

42-48

>48

### Annex 3- Filter Question 1

¿Tienes mascota ? \*

- SI
- NO
- NS/NC

### Annex 4- Phase 1/Pet Ownership and Veterinary Costs

Si tengo mascota

Descripción (opcional)

¿Que mascota tienes? \*

- Perro
- Gato
- Animal exótico (Cobayas, conejos, Reptiles...)

¿Qué opinas sobre el coste de los servicios veterinarios? \*

- 1- Son muy baratos
- 2- Son baratos
- 3- Son asequibles
- 4- Son caros
- 5- Son muy caros



## Annex 5- Filter Question 2

Actualmente, ¿estás pagando un seguro médico para tu mascota? (no es el seguro de responsabilidad civil) \*

- SI
- NO

## Annex 6- Phase 2 / Insured Pet Owners

Si tengo seguro médico x

Descripción (opcional)

¿Cómo de satisfecho estás con el seguro que tienes contratado? \*

- 0    1    2    3    4    5    6    7    8    9    10
- 

¿Cuánto pagas anualmente por el seguro? (si tienes más de una mascota, incluye el importe total del seguro) \*

- 1-100€/ año
- 101-200€/ año
- 201-300€/ año
- >300€/ año

## Annex 7- Phase 3/Uninsured Pet Owners:

no tengo seguro médico

Descripción (opcional)

⋮

¿Por qué no has contratado ningún seguro médico para tu mascota? \*

- No estoy interesado
- No sabía que existía un seguro médico para mascotas
- Por las prestaciones que ofrece, no lo necesito
- Por el precio
- Me van a vender otros seguros

¿Te interesaría un seguro médico para mascotas en el que te diésemos las mejores opciones para tu mascota al mejor precio? \*

- Sí
- No

¿Qué haría que contratases el seguro médico para mascotas? (elige la opción que mas importancia tenga para ti) \*

- El precio
- Servicios Adicionales
- Acuerdos con otras empresas (albergues, hoteles, fabricantes de comida para mascotas, etc.)
- Las coberturas
- Calidad del servicio
- Clínicas y profesionales que aparecen en el seguro

## Annex 8- Gratitude

NO TENGO MASCOTA

Agradecemos enormemente su participación en esta encuesta.

Agradecemos enormemente su participación en esta encuesta.

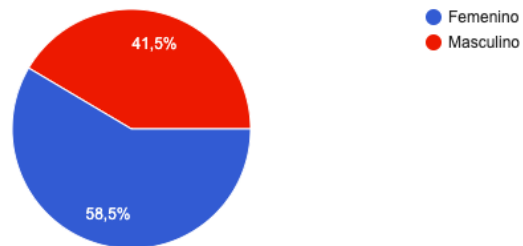
Descripción (opcional)

## Survey results:

### Annex 9- Demographic results of the participants

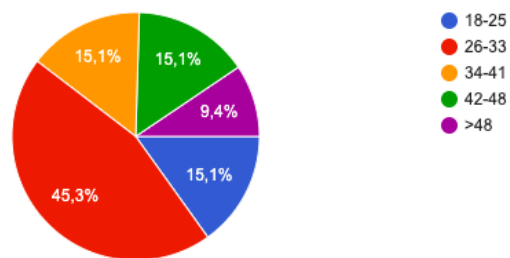
#### Sexo

53 respuestas



#### Edad

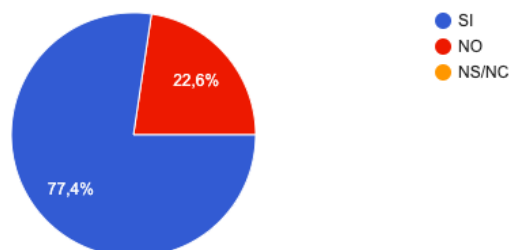
53 respuestas



### Annex 10- Pet Ownership and Distribution by Pet Type

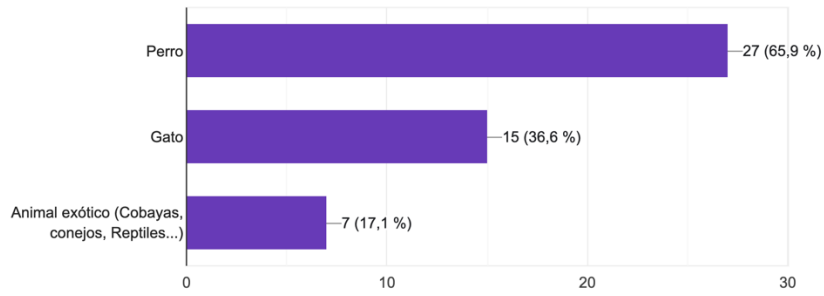
#### ¿Tienes mascota ?

53 respuestas



¿Que mascota tienes?

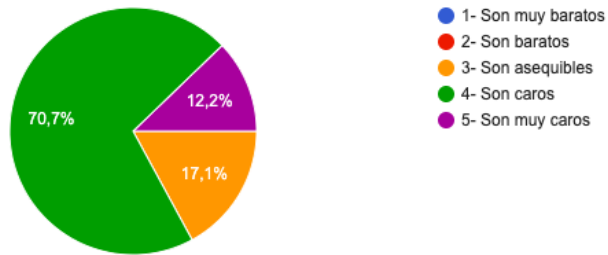
41 respuestas



### Annex 11- Perception of veterinary costs

¿Qué opinas sobre el coste de los servicios veterinarios?

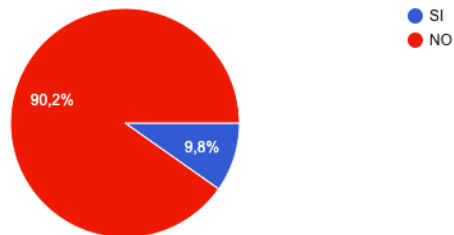
41 respuestas



### Annex 12- Percentage of Insured and Uninsured Pet Owners

Actualmente, ¿estás pagando un seguro médico para tu mascota? (no es el seguro de responsabilidad civil)

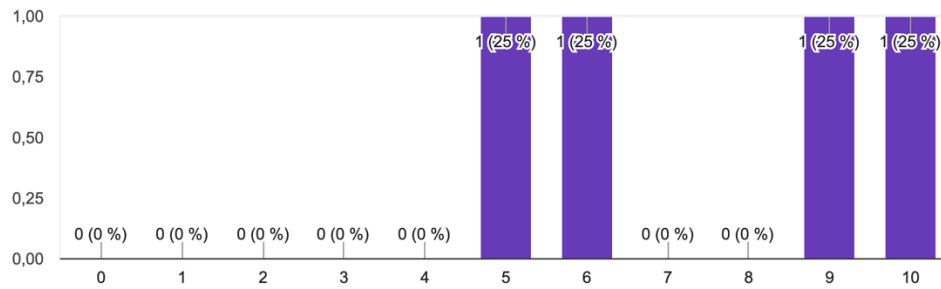
41 respuestas



## Annex 13- Survey Results: Insurance Coverage among Pet Owners

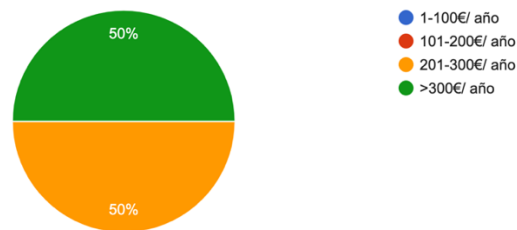
¿Cómo de satisfecho estás con el seguro que tienes contratado?

4 respuestas



¿Cuánto pagas anualmente por el seguro? (si tienes más de una mascota, incluya el importe total del seguro)

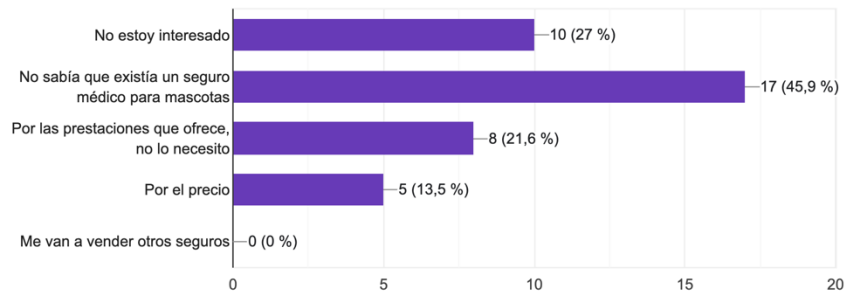
4 respuestas



## Annex 14- Survey Results: Lack of Insurance Coverage among Pet Owners

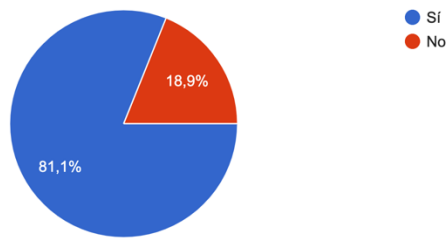
¿Por qué no has contratado ningún seguro médico para tu mascota?

37 respuestas



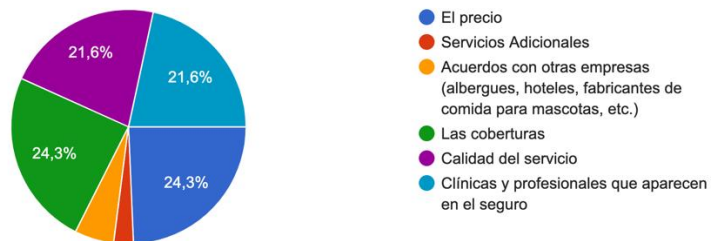
¿Te interesaría un seguro médico para mascotas en el que te diésemos las mejores opciones para tu mascota al mejor precio?

37 respuestas



¿Qué haría que contratases el seguro médico para mascotas? (elige la opción que mas importancia tenga para ti)

37 respuestas



Financial aspects:

Annex 15- Monthly Revenue Proposal for 2024 and 2025

		2024											
Revenue		Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
<b>Subscription revenue</b>													
Silver		- €	- €	1.950 €	2.860 €	3.146 €	3.461 €	5.970 €	6.865 €	7.895 €	9.474 €	11.368 €	13.642 €
Golden		- €	- €	- €	4.290 €	4.719 €	5.191 €	7.959 €	9.153 €	10.526 €	12.632 €	15.158 €	18.189 €
Total		- €	- €	1.950 €	7.150 €	7.865 €	8.652 €	13.929 €	16.018 €	18.421 €	22.105 €	26.526 €	31.831 €
<b>Commissions insurance</b>													
Standard													8.526 €
Silver													10.232 €
Golden													11.368 €
Total insurance commission													30.126 €
<b>Product commission</b>													
Standard													9.095 €
Silver													12.278 €
Golden													10.914 €
Total commission on Product													32.286 €
<b>Click revenue standard users</b>													
Total click revenue		- €	- €	1.1 €	0,2 €	0,1 €	0,1 €	0 €	0,1 €	0,2 €	0,3 €	0,3 €	0,4 €
<b>Total revenue</b>		- €	- €	1.951 €	7.150 €	7.865 €	8.652 €	13.929 €	16.018 €	18.421 €	22.105 €	26.527 €	94.244 €
<b>Revenue</b>													
<b>Subscription revenue</b>													
Silver		13.983 €	14.333 €	14.691 €	15.058 €	15.435 €	15.821 €	16.216 €	16.622 €	17.037 €	17.463 €	17.900 €	18.347 €
Golden		18.644 €	19.110 €	19.588 €	20.078 €	20.580 €	21.094 €	21.621 €	22.162 €	22.716 €	23.284 €	23.866 €	24.463 €
Total		32.627 €	33.443 €	34.279 €	35.136 €	36.014 €	36.915 €	37.838 €	38.784 €	39.753 €	40.747 €	41.766 €	42.810 €
<b>Commissions insurance</b>													
Standard													2.941 €
Silver													3.529 €
Golden													3.921 €
Total insurance commission													10.390 €
<b>Product commission</b>													
Standard													12.231 €
Silver													16.512 €
Golden													14.678 €
Total commission on Product													43.421 €
<b>Click revenue standard users</b>													
Total click revenue		0,1 €	0,1 €	0,1 €	0,1 €	0,1 €	0,1 €	0,1 €	0,1 €	0,1 €	0,1 €	0,1 €	0,1 €
<b>Total revenue</b>		32.627 €	33.443 €	34.279 €	35.136 €	36.014 €	36.915 €	37.838 €	38.784 €	39.753 €	40.747 €	41.766 €	96.621 €

## Annex 16- Annex 15: Monthly Expenses Proposal for 2024 and 2025

Costs	2024											
	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
<b>Personal</b>												
CEO	4.000 €	4.000 €	4.000 €	4.000 €	4.000 €	4.000 €	4.000 €	4.000 €	4.000 €	4.000 €	4.000 €	4.000 €
Employee 1	2.917 €	2.917 €	2.917 €	2.917 €	2.917 €	2.917 €	2.917 €	2.917 €	2.917 €	2.917 €	2.917 €	2.917 €
Employee 2	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Employee 3	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Employee 4	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Total personal cost:	6.917 €	6.917 €	6.917 €	6.917 €	6.917 €	6.917 €	6.917 €	6.917 €	6.917 €	6.917 €	6.917 €	6.917 €
Number of people in team	2	2	2	2	2	2	2	2	2	2	2	2
<b>Freelance assistance Vet cost - Golden</b>												
Total freelance cost:	2.284 €	3.502 €	4.027 €	4.632 €	5.558 €	6.669 €	8.003 €					
<b>Office &amp; Management</b>												
Rent HUB	250 €	250 €	250 €	250 €	250 €	250 €	250 €	250 €	250 €	250 €	250 €	250 €
Rent Office	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Office n2	400 €	400 €	400 €	400 €	400 €	400 €	400 €	400 €	400 €	400 €	400 €	400 €
Management expenses												
Technonology updats	- €	- €	1.800 €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Legal expenses	140 €	140 €	140 €	140 €	140 €	140 €	140 €	140 €	140 €	140 €	140 €	140 €
Utilities	1.992 €	1.992 €	1.992 €	1.992 €	1.992 €	1.992 €	1.992 €	1.992 €	1.992 €	1.992 €	1.992 €	1.992 €
Technology & software	1.000 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Insurance	3.782 €	2.782 €	4.582 €	2.782 €	2.782 €	2.782 €	2.782 €	2.782 €	2.782 €	2.782 €	2.782 €	2.782 €
Total Office & management costs:	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €
<b>Marketing</b>												
Campaigns 2024	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Campaigns 2025	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Campaigns 2026	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Campaigns 2027	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Campaigns 2028	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Total Marketing:	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €	5.000 €
<b>Total Costs</b>	15.698 €	14.698 €	16.498 €	14.698 €	14.698 €	14.698 €	14.698 €	14.698 €	14.698 €	14.698 €	14.698 €	14.698 €



Costs	2025											
	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
<b>Personal</b>												
<b>CEO</b>	4,000 €	4,000 €	4,000 €	4,000 €	4,000 €	4,000 €	4,000 €	4,000 €	4,000 €	4,000 €	4,000 €	4,000 €
<b>Employee 1</b>	2,917 €	2,917 €	2,917 €	2,917 €	2,917 €	2,917 €	2,917 €	2,917 €	2,917 €	2,917 €	2,917 €	2,917 €
<b>Employee 2</b>	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
<b>Employee 3</b>	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
<b>Employee 4</b>	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Total personal cost:	6,917 €	6,917 €	6,917 €	6,917 €	6,917 €	6,917 €	6,917 €	6,917 €	6,917 €	6,917 €	6,917 €	6,917 €
<b>Number of people in team</b>	2	2	2	2	2	2	2	2	2	2	2	2
<b>Freelance assistance Vet cost - Golden</b>												
Total freelance cost:	8,203,4	8,408,5	8,619 €	8,834 €	9,055 €	9,281 €	9,513 €	9,751 €	9,995 €	10,245 €	10,501 €	10,764 €
<b>Office &amp; Management</b>												
<b>Rent HUB</b>	250 €	250 €	250 €	250 €	250 €	250 €	250 €	250 €	250 €	250 €	250 €	250 €
<b>Rent Office</b>	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
<b>Office n2</b>	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
<b>Management expenses</b>	400 €	400 €	400 €	400 €	400 €	400 €	400 €	400 €	400 €	400 €	400 €	400 €
<b>Technonology updats</b>	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
<b>Legal expenses</b>	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
<b>Utilities</b>	140 €	140 €	140 €	140 €	140 €	140 €	140 €	140 €	140 €	140 €	140 €	140 €
<b>Technology &amp; software</b>	1,992 €	1,992 €	1,992 €	1,992 €	1,992 €	1,992 €	1,992 €	1,992 €	1,992 €	1,992 €	1,992 €	1,992 €
<b>Insurance</b>	1,000 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Total Office & management costs:	3,782 €	2,782 €	2,782 €	2,782 €	2,782 €	2,782 €	2,782 €	2,782 €	2,782 €	2,782 €	2,782 €	2,782 €
<b>Marketing</b>												
<b>Campaigns 2024</b>	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
<b>Campaigns 2025</b>	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €
<b>Campaigns 2026</b>	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
<b>Campaigns 2027</b>	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
<b>Campaigns 2028</b>	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Total Marketing:	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €	4,167 €
<b>Total Costs</b>	14,865 €	13,865 €	13,865 €	13,865 €	13,865 €	13,865 €	13,865 €	13,865 €	13,865 €	13,865 €	13,865 €	13,865 €

## Annex 17- Working Capital and Balance Sheet Calculations

Working capital	2024	2025	2026	2027	2028
WC	8.142 €	- 4.443 €	- 1.628 €	394 €	2.719 €
Delta WC	- 8.142 €	12.585 €	- 2.814 €	- 2.022 €	- 2.325 €

Balance Sheet	2024	2025	2026	2027	2028
Cash	55.306 €	74.962 €	147.544 €	199.006 €	275.160 €
Accounts Receivable	16.145 €	21.711 €	26.374 €	30.330 €	34.879 €
<b>Current Assets</b>	<b>71.452 €</b>	<b>96.673 €</b>	<b>173.918 €</b>	<b>229.336 €</b>	<b>310.040 €</b>
PPE (PC)	3.040 €	2.280 €	1.520 €	760 €	
Intangible Assets (software)	16.000 €	12.000 €	8.000 €	4.000 €	
<b>Non current Assets</b>	<b>19.040 €</b>	<b>14.280 €</b>	<b>9.520 €</b>	<b>4.760 €</b>	<b>- €</b>
<b>Total Assets</b>	<b>90.492 €</b>	<b>110.953 €</b>	<b>183.438 €</b>	<b>234.096 €</b>	<b>310.040 €</b>
Accounts Payable	8.003 €	26.153 €	28.002 €	29.936 €	32.161 €
Debt	62.500 €	- €	- €	- €	- €
<b>Liabilities</b>	<b>70.503 €</b>	<b>26.153 €</b>	<b>28.002 €</b>	<b>29.936 €</b>	<b>32.161 €</b>
<b>Equity</b>	<b>19.988 €</b>	<b>84.668 €</b>	<b>155.435 €</b>	<b>204.160 €</b>	<b>277.879 €</b>
<b>Liabilities &amp; Equity</b>	<b>90.492 €</b>	<b>110.821 €</b>	<b>183.438 €</b>	<b>234.096 €</b>	<b>310.040 €</b>

## Contingency plan

### Annex 18- Contingency plan for the short-term goal

EXPECTED GOAL (Short-term )	THRESHOLD	RESPONSIBLE	ACTION	NEXT CHECK
4,000 app downloads	-10%	Marketing team	Increase influencer collaborations and targeted social media advertising	2 months after launch
4.5 stars rating	-0.2 stars	Customer support	Enhance customer support response time and gather feedback for continuous improvements	2 months after launch
2 services Activate	-1 service	Marketing team	Identify gaps in the market and opportunities for new services that align with customer needs.	2 months after launch

### Annex 19- Contingency plan for the medium-term goal

EXPECTED GOAL (Medium-term)	THRESHOLD	RESPONSIBLE	ACTION	NEXT CHECK
Increase brand awareness 40%	-10%	Marketing team	Increase social media advertising budget, collaborate with influencers	4 months after launch
Social media followers 40% Instagram 50% TikTok	-10%	Marketing team	Enhance content strategy, increase budget if possible	4 months after launch
30% Silver subscription	-10%	Marketing team	Extend free trial period, collect user feedback to improve the Silver subscription	4 months after launch

### Annex 20- Contingency plan for the long-term goal

EXPECTED GOAL (Long-term)	THRESHOLD	RESPONSIBLE	ACTION	NEXT CHECK
Total revenue of €195,000	-10%	Marketing team	improving upselling and cross-selling strategies, as well as analyzing customer preferences for targeted promotions.	6 months after launch
20% Golden subscriptions	-5%	Marketing team	Implement a referral program	6 months after launch
100.000 people interested	-10%	Marketing team	Online advertising campaigns, targeting specific demographics, and leveraging social media platforms	Periodically throughout the first year

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