



CRAFTED WITH LOVE AND RESPECT

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CRAFTED WITH LOVE AND RESPECT



The background of the slide is a close-up photograph of several large, green, textured leaves, likely from a basil plant, which are slightly out of focus. The leaves are dark green with prominent veins. The text is overlaid on this background.

Core concept

Zeyco is an eco-responsible concept that collects used furniture to redesign it and resell it.

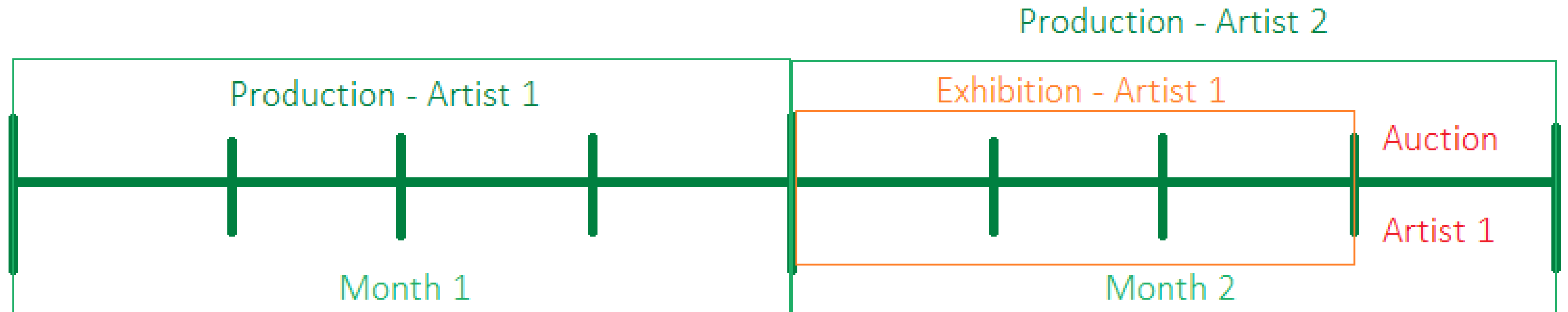
The concept is to reproduce a viable eco-system in the world of design and interior decoration.



THE CONCEPT

When a person wants to get rid of a piece of furniture, they can go to the website and signal it. Once a week, a Zeyco employee picks up the furnitures and takes them to a warehouse to be stored. Each season, a handful of artists / designers are selected to rework their furniture into modern and unique works of art intended for affluent customers. The furniture is then placed in our showroom in Berlin, where it is staged with other products (tableware, linens, etc.) from our partners to allow customers to see the final result. Inside the showroom, only our partners' product are available for sale. Our designed furnitures are only available online. An initial price is fixed then the sale is made via an online auction sale, directly on our website.

PRODUCT JOURNEY



Each artist works for a month, then it's collection is exposed for three weeks before the auction.

ZEYCO's ECO-SYSTEM

**WE WANT TO INCLUDE ALL OUR STAKEHOLDERS
IN A VIRTUOUS CYCLE**



**Emma is getting rid
of her old table**

After having estimated the value of his table, we send her a voucher of XX% of this value to be used on our products.



**Bob is a young designer
looking for opportunities**

We provide him with everything he need for his work, we develop his name and brand & we give him a fair comission on sales.



**Lamazuna
a partner brand**

We choose partners with shared values, we put forward their products and take a fair comission on sales .

OUR GOALS

#1 becoming a leader in the second hand shop segment.

#2 We want to work with the best designers in their universe

#3 We want to create a strong community



OUR VISUAL IDENTITY

Our name

Our name Zeyco was built by mixing 2 names:

Zey for Zeynep, a Turkish name, it is linked with the location of our first shop as it has a strong Turkish culture. It is also the name of one of our founders. **Co** stands for company and community as we are trying to involve the whole community and creating an ecosystem on our own.

Our logo

The logo is the graphic representation of Zeyco. It reinforces the brand image by showing its modernism, design and eco-responsibility. Moreover, it is easy to remember and identify.



Our slogan

Our slogan "Crafted with Love and Respect" emphasizes our values such as our respect for the environment as well as the customers and employees. It also shows our passion for art and design.

Our colours

The darker green colour was chosen to represent the environment, the harmony with nature while the lighter represents the creativity and inspiration. The black was chosen to show our positioning which is premium. Black is a colour that combines with simplicity, high quality and sobriety.

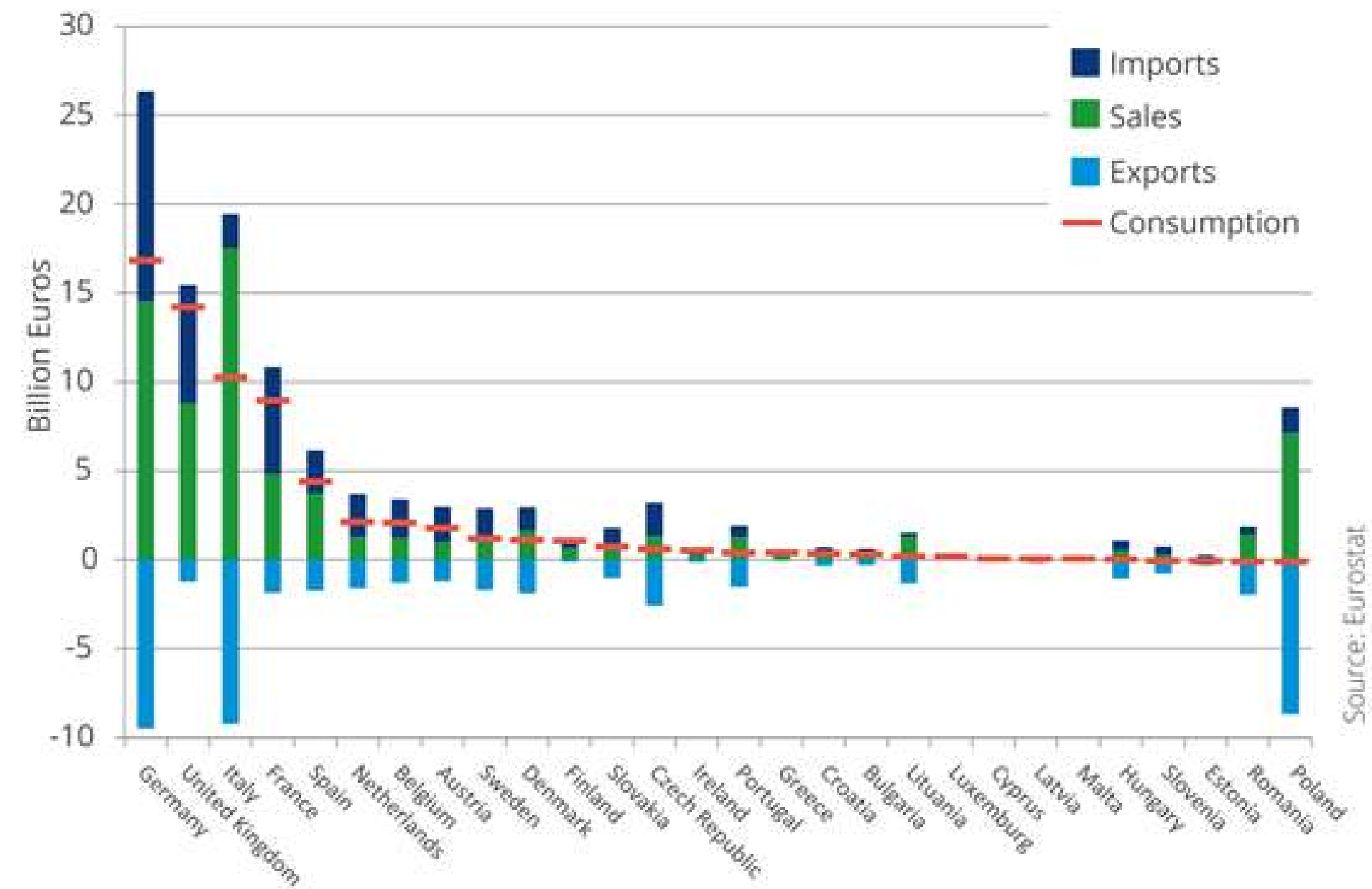
THE MARKET ANALYSIS

Consumption:

- European Member States are major consumers of furniture, estimated at **€68 billion** per year.
- Largest consumers:
 - Germany (€16.8 billion),
 - UK (€14.2 billion),
 - Italy (€10.2 billion),
 - France (€9.0 billion) and
 - Spain (€4.4 billion).

A significant proportion of consumption includes wooden furniture, kitchen units and mattresses.

Figure 1: Furniture Production, Import and Export Values by Member State ¹⁴



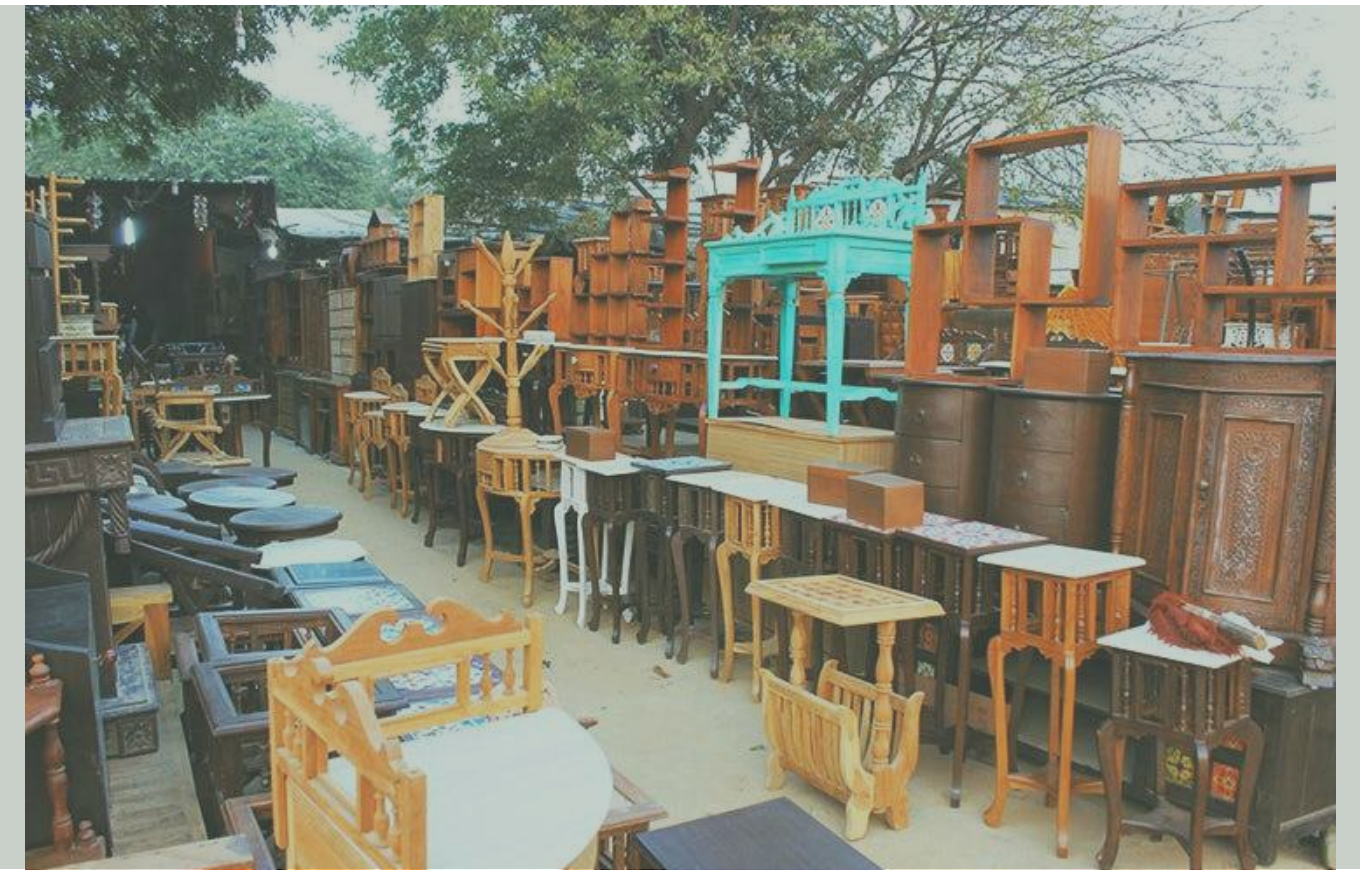
THE MARKET ANALYSIS

- The European furniture industry is currently facing a variety of economic, regulatory and environmental challenges.
- In the domestic market, increased demand for low-cost items makes it difficult for companies focusing on long lasting and quality products to compete.
- Moreover, increased raw material, labor and energy costs within the EU also challenge business as usual practices.
- In order to face these existing threats, new practices and out of the box thinking are needed to renew the sector and make it more sustainable.



THE MARKET ANALYSIS

- The off-the-shelf second hand furniture market is growing with the increased availability of second hand furniture products across both online and offline channels.
- Consumers can find various second-hand furniture options that are fulfilling their needs.
- Additionally, the adoption of second hand furniture is getting influenced by the availability of products at the low price range.
- On average, second hand furniture is 50% cheaper which allows the consumers an access to the products at comparatively less cost.



SWOT ANALYSIS

Strengths:

- Reduced cost & low price
- Product customization & uniqueness
- Growing demand for second hand furniture (consequently the market is expected to be positively impacted)
- Sustainable and green (good for environment)

Weaknesses:

- Distribution channels (reverse logistics infrastructure)
- Lower quality materials and poor design???
- Poor consumer information and availability of spares (replacements/substitutes)

Opportunities:

- Increasing awareness for sustainability and eco-friendly products
- Increased demand for low-cost items
- Rising penetration of the second hand furniture across the online channels

Threads:

- Competitive landscape (Ikea's "Second Chance" project)
- The uncertainty with the lifespan of second hand furniture

THE COMPETITORS



Atelier Recycl'et Bois: Based in Normandie, their concept is to recover raw materials considered as "waste", such as pallet wood and others to offer furniture in small series or "custom-made", and eco-designed.

Target : Sensitive to the environment, even if it's a company, customers, organisation. They offer personalised deco, an event or others.

EKO'ART: Based in Spain and France, the artist, Laura Cardozo has created a company to bring old furniture back to life by using recyclable materials and furniture and re-designing them. Her concept is very personal, design and modern. She sales her products in trade fair, organise events as handicraft market.



Target : Sensitive people to environment and artists.



Espace créatic: The industrial process resides in the development of products following an eco-friendly cycle and purpose: using recycled materials to make furniture and fittings that are 100% recyclable.

MYCS: Based in Berlin, this shop sells furniture but also lets you design your own furniture, making it your own.



Target: People looking for a unique furniture that matches their personality.

THE COMPETITORS



schöenhauser Design: Based in Berlin this shop does not transform refurbished furniture into designed ones but offers new and vintage furniture of all kind designed by well-known artist. It uses German and Danish labels + small German manufacturers.

Target: People looking for a unique/rare piece made by either a famous designer.

Cato Limås (Eskilstuna): Based in Sweden this Swedish mall is focused on sustainable shopping. Their goal is to improve the shopping experience of second hand products. It gathers many niche stores in one mall, excluding the classic thrift stores.



Target: People sensitive for the environment and looking for a convenient place to shop and find everything they want.



Trouvé - Berlin: Based in Berlin this shop and website sells second-hand furniture, untouched (so not designed) from the 20th century.

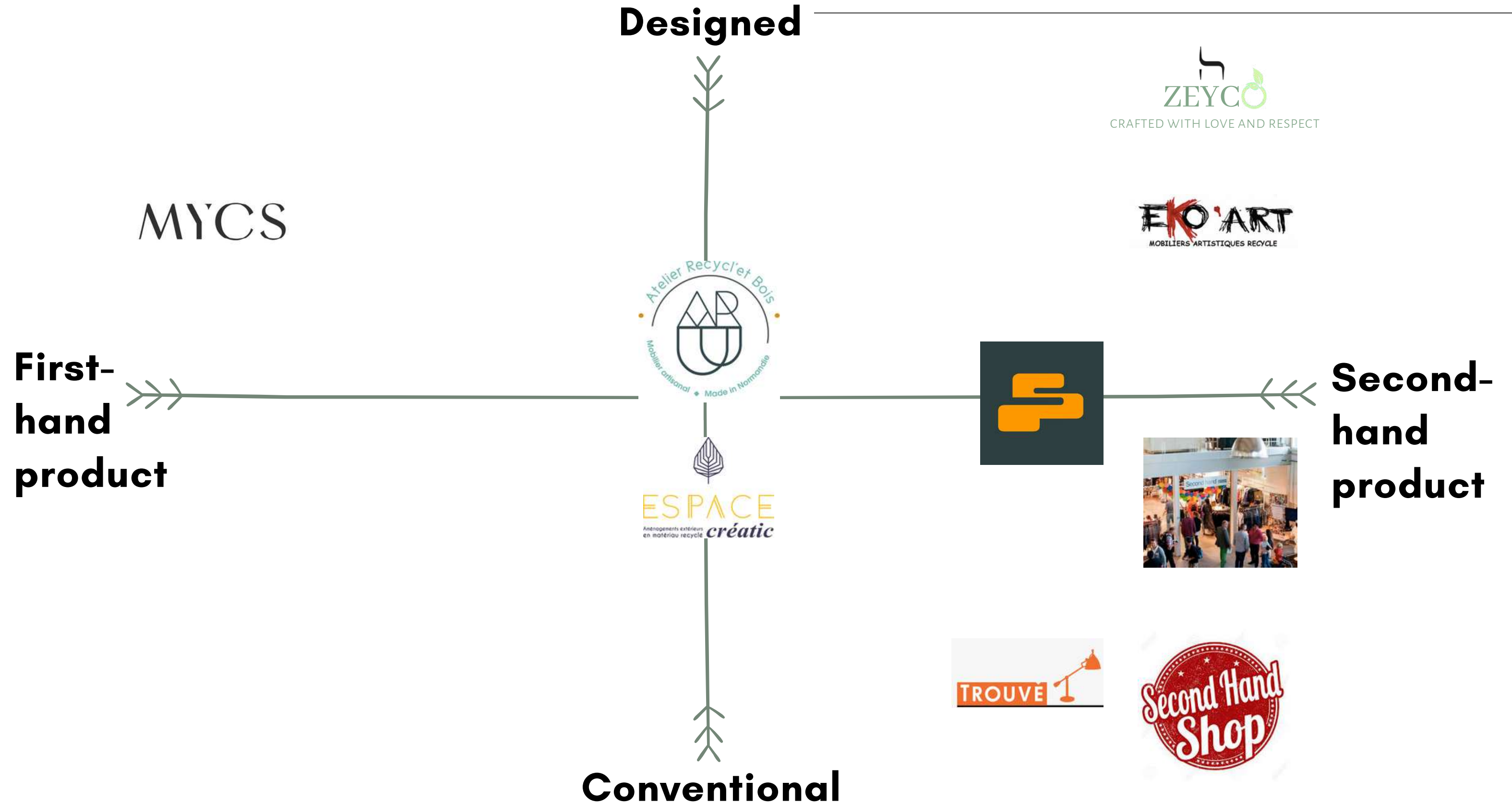
Target: People sensitive to the environment but also the history behind these pieces.

Any second hand shop in the city: Even though these shops do not sell any designers' furniture, they still count as our competition as people may prefer to give their old furniture to these shops.





COMPETITORS POSITIONING



INDIRECT COMPETITORS



Ikea: International brand present in Germany selling furniture and home accessories with simple design at an affordable price.

Target: Very broad target market, targeting people of all genders, ages, and locations looking for a good quality at a low price.



Poco: German retailer selling cheap furniture, carpets, home textiles.

Target: Very broad target market like Ikea, targeting people of all genders, ages, and locations with a small budget.



Wayfair: American brand present in Germany selling all kind of furnitures and home accessories with different design at an affordable price.

Target: Very broad target market, targeting people of all genders, ages, and locations looking for a good quality at a low price.

Persona 1 : Emma



Diploma in art and design



Works in freelance for different company



2000\$ /month



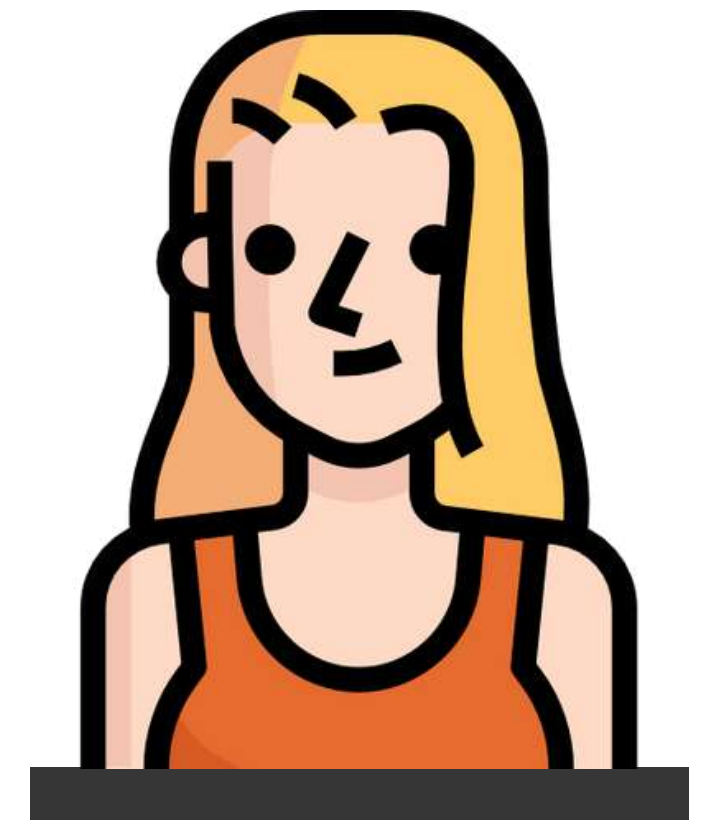
28 years old



Passionates by recycled materials



Berlin, GERMANY



Artist

Persona 2 : James



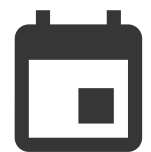
Diploma in marketing and communication



Works for Green Peace



2400\$ /month



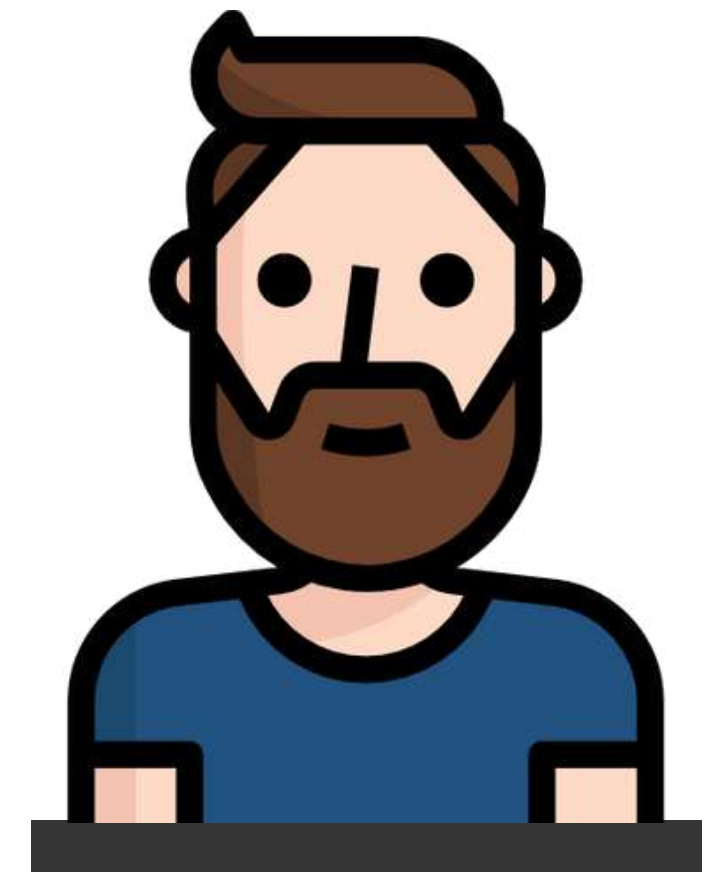
32 years old



Passionates by Street Art & do-it-yourself activity



Berlin, GERMANY



**Sells his old
furnitures**

Persona 2 : Max



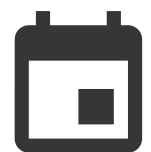
Diploma in web development



Works for Tesla



3200\$ /month



30 years old



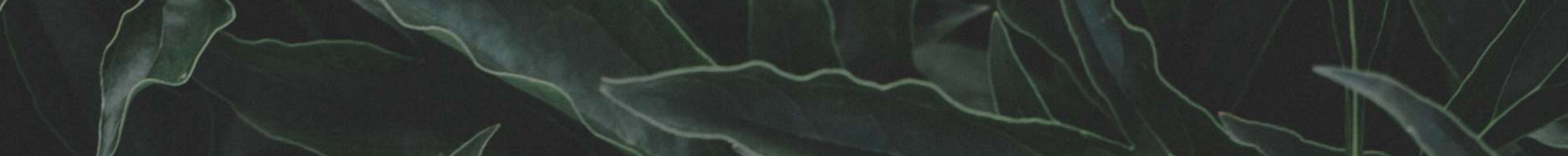
Passionates by coding development



Berlin, GERMANY



Buyer



POSITIONING

- In between a mass-market furniture and decorations store and a second-hand shop
- Medium-High range price segment
- Focusing on selling eco friendly products either thanks to partnerships or second hand products

Our core values:





The store

THE LOCATION

The country

- According to studies, German consumers are one of the most **picky consumer** in the world. Some even prefer to pay more if it can allow them too access higher quality goods and local products.
- **Environmental awareness** is really common among German consumers. It is visible in their consumption with the development of
 - Organic products
 - Vegan products
 - Decreasing their energy spending
- The opportunity market is very widespread in Germany, especially in large cities, due to **economic, ecological and social concerns**.
- They purchase in fripperies, second-hand stores and online exchanges
- Almost 7% of the household consumption budget is spent in furniture, equipment, house maintenance

Germany has
1.6 times the
EU purchasing
power

6.8% of the
household
budget spent
in furniture,
equipment

The average
age of the
population is
47.4 years old



THE LOCATION

The city:

First shop in Berlin:

- **Rich cultural background** which links tradition and modernity, memory and avant-garde.
- Cosmopolitan city with a melting pot of culture
- Offers many different kind of art.
- Elected **City of the Design** by Unesco in 2006
- Biggest and most populated city in Germany
- 1.3 times the number of population of Paris

The perfect fit for us as our concept mixes also history (refurbished furnitures) with modernity (our designers). We can find in this city many artists and designers from all around the globe, as well as new contemporain art such as the gallery S.W.W.S.W where we can see some designed objects that are eco friendly by being based on recycled materials.

The city of
Berlin has
3.562 millions
d'habitants

Berlin's
agglomeration
has 4.469
million

55% of the
population is
younger than
45 years old

Cost per
square meter
38% less in
general than
in France

The district:

The main area that we would want to open our first shop in **Kreuzberg**, a multicultural neighbourhood, famous concerning art where hipster's coffee shop and urban grit mix and offers offers a variety of activities. Kreuzberg is a well representation of the city of Berlin, a microcosm, but it also have a strong Turkish influence, with Turkish markets.

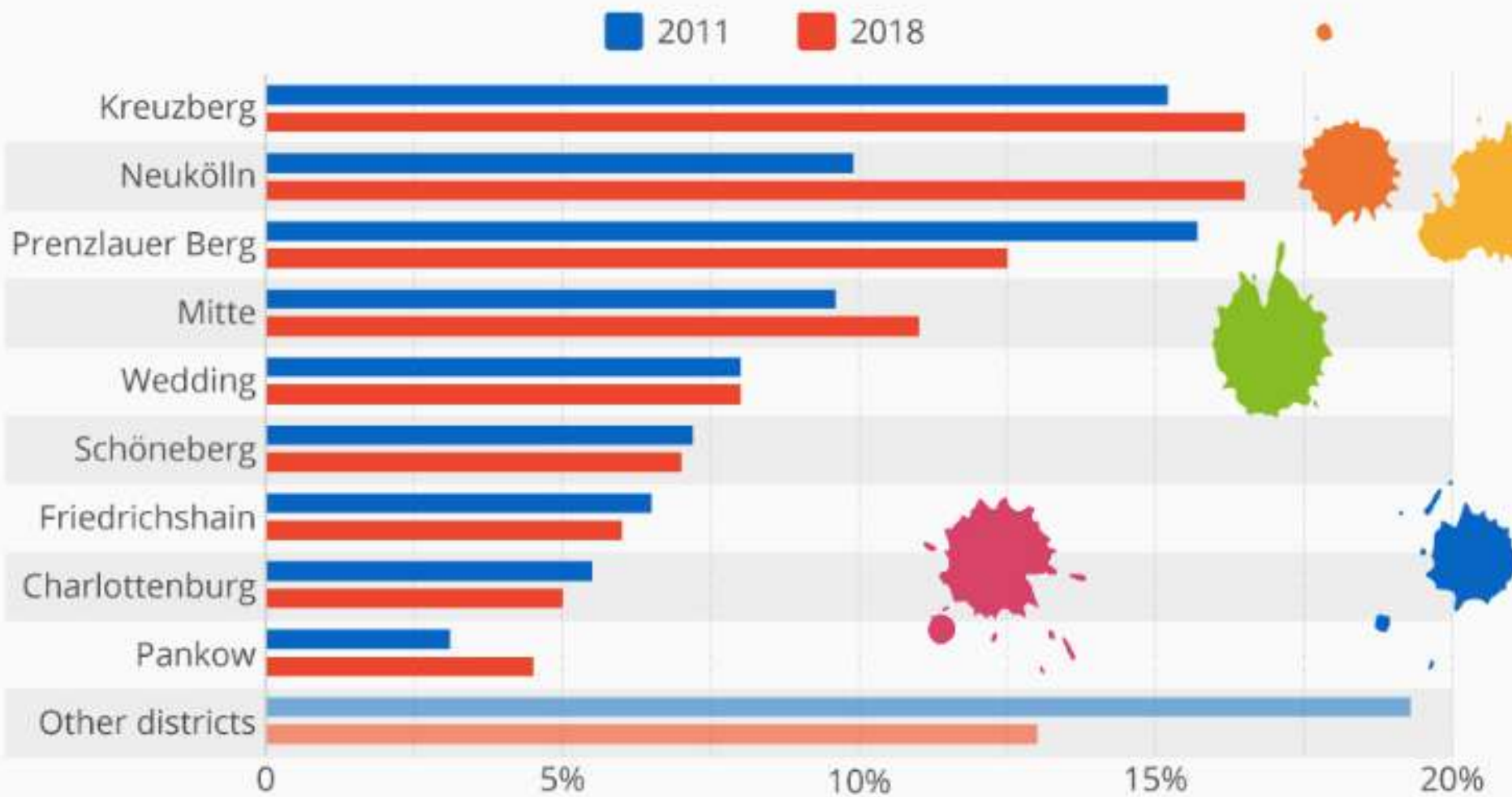
KREUZBERG

Artistic neighbourhood

- Berlin has around 2.16 artists per 1,000 of its inhabitants and many of them decided to live in Kreuzberg.
- Many art school around this neighbourhood

Where Berlin's artists live

Share of the population that are artists by district



Purchasing price in the area

- Existing Buildings: 5 820€/m²
(In comparison: Paris = 8 158€/m²)
- New Buildings: 7 800€/m²



The city of Berlin
Google image: Kreuzberg

THE STORE CONCEPT

A green store

Our store will only propose products that have a low carbon impact. It will propose to sale only green and second hand products.

The decorative elements of our boutique will be made with ecological materials.

Use of eco-light in order to respect our green initiative in energy saving.

A concept store

Our store will be composed of two spaces/floors:

- The first floor is going to be our atelier of designer
- The second floor is our boutique

The boutique will be surrounded by glass walls so they can see the atelier and the designers at work.

It will look like a loft, a house with a theme for each room of the house. The theme for each room will change according to the piece of art we are putting up for auction. That means that the decoration will change also.

An artistic and informative store

Artistic

Thanks to our atelier and designer, our boutique will present authentic and unique pieces of art easily suitable for our customers house.

Informative

Our customer will be able to discover and learn about new form of art. They will encounter and discover new artists, new designers. In addition, they will have access to some DIY workshop to keep learning about how to be greener.

IN-STORE EXPERIENCE

The store format

Around 300 square meter (based on the size of the showroom of Maison du monde in Paris). 300m2 is small enough to give a homey impression to the shoppers and allows us to be near down time.

Large and bright space visually, to not feel crowded.

2 floors:

- The atelier downstairs
- The boutique upstairs
 - Hallway
 - Bedroom
 - Bathroom
 - Living Room
 - Dining Room

Digitalisation: A wall of screen

- 1 week: showing the evolution of the auction to increase ***impulse buying decision***.
- 3 weeks: showing the artists at work, the making process, the art

Walk into a house

Our store experience has to feel like walking into a house, your own house, each space would represent a specific room of the house (living room, dining room, bedroom, bathroom, hallway) with the right designed furniture and all that you need that goes with the artistic pieces.

It is a concept store, people are going to visit our shop like they were visiting a new house to live in. They need to be able to visualise the product in its proper environment.

Also, they will walk through the atelier in order to get into the shop to see the artist at work and will be able to keep watching them thanks to a glass wall in the boutique, giving a direct view to the atelier

IN-STORE LOGISTICS

Opening hour:

From Tuesday to Saturday from 10am until 7pm

Based on a benchmark of shops in the city.

Sales people:

how many and qualification?

- One cashier in charge of the cash machine, if needed one sales assistant can be added during rush hours or rush days and during its lunch break
- Five sales assistant: One per thematic room (bedroom, bathroom, hallway, living room, dining room). Their role will be to advice the client on the product they need but also and mainly to explain the piece of design present in its room. These sales assistants must be passionate by art in order to convey their enthusiasm and lead the customer to enter the auction.
- The designers, from time to time will be able to come and explain their art, their process and their state of mind while making the piece. This is a real value added for art lovers who wants to be apart the history of the piece.
- 12 designers in one year

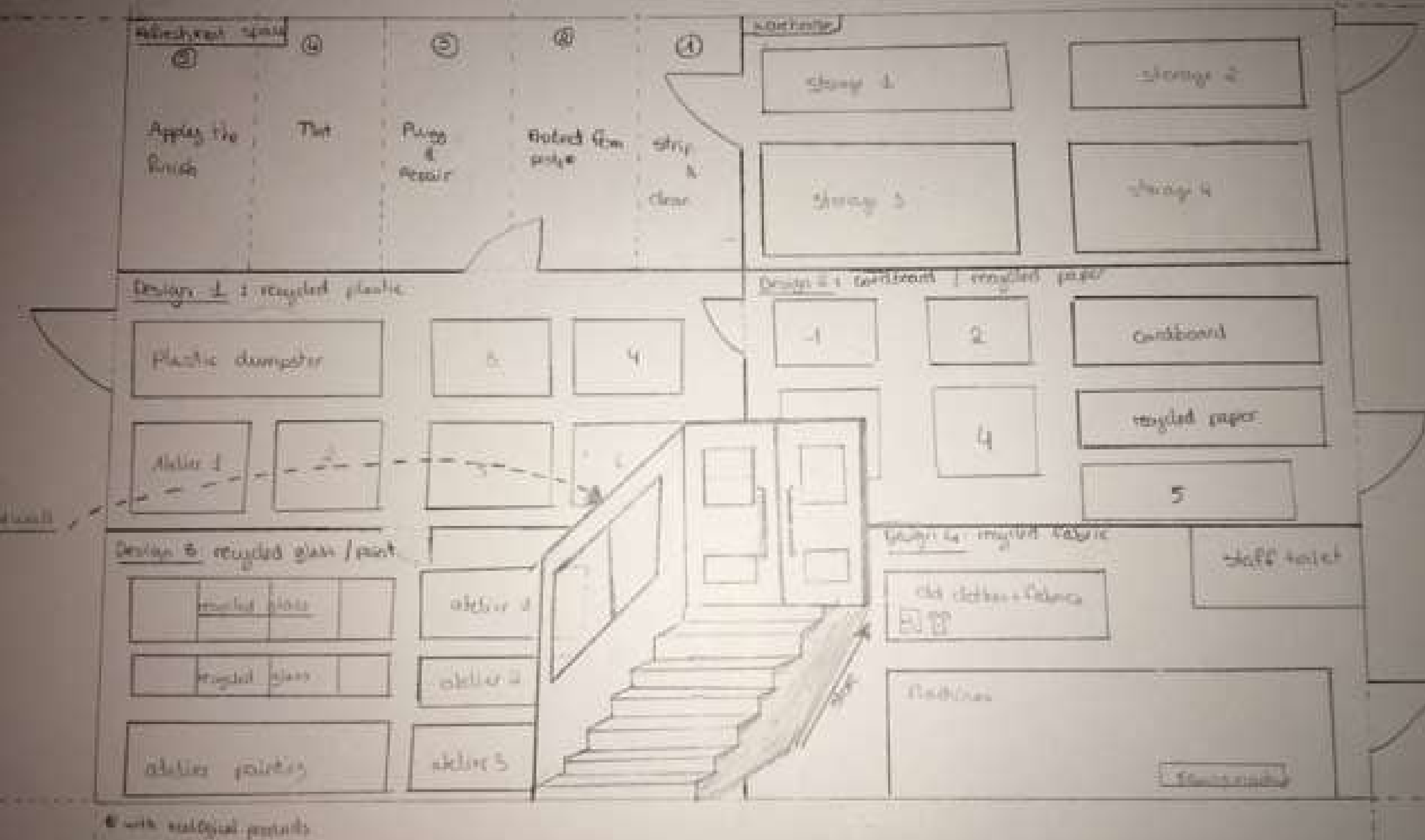
Stock:

No stock for the designed furniture as each piece is unique, but their will be stock for the accessories going around the furniture (cutlery, napkins, sheets).



Atelier

ATELIER LAYOUT

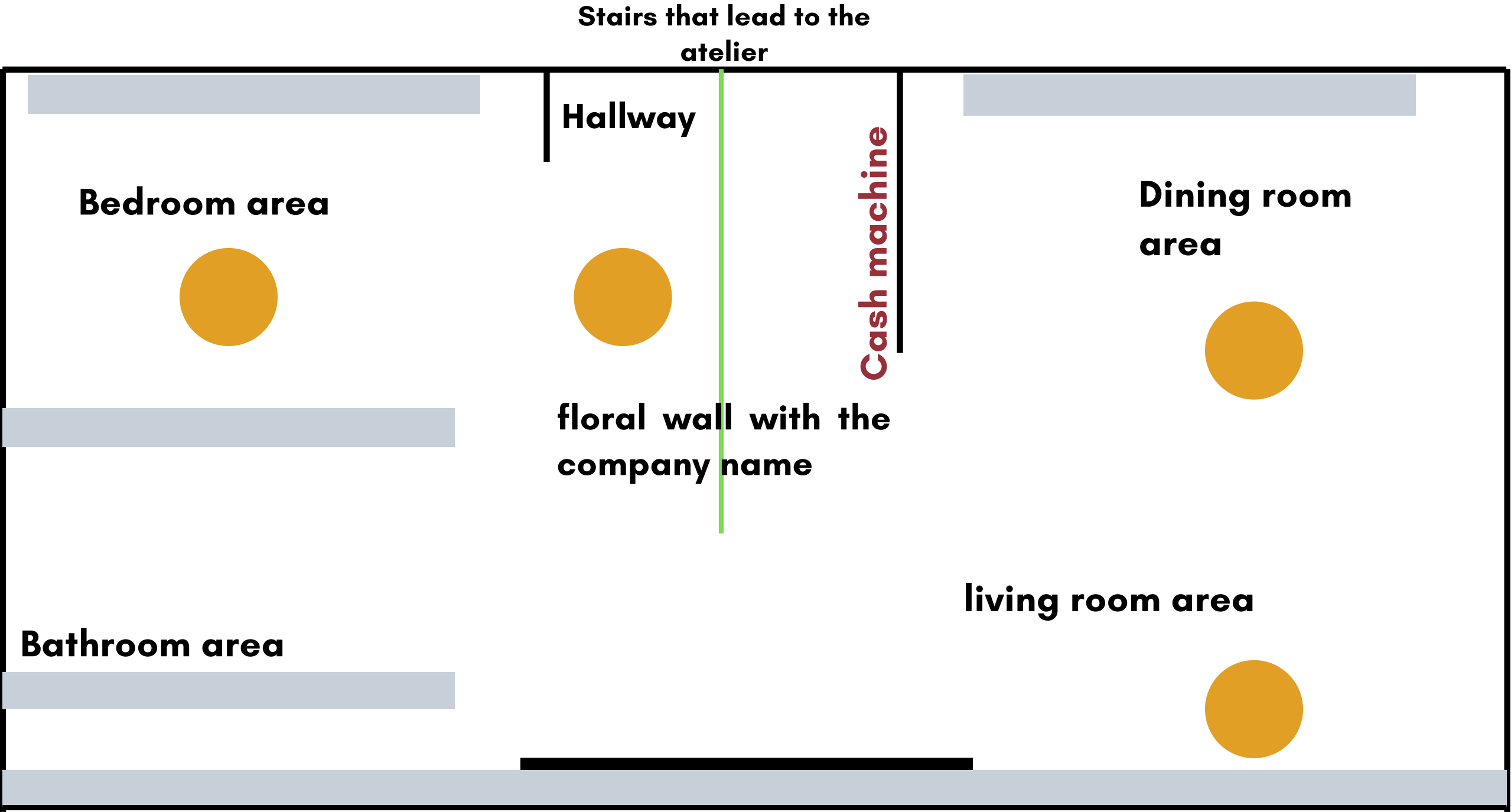




Shelves

Zone of art pieces

STORE LAYOUT



Wall of screen
To show the auction and the art process

 Shelves

- Additional products:**
- Mirrors
 - Frame

STORE DISPLAY

- Additional products:**
- Lamp
 - sheets
 - pillow
 - blanket

- Designed products:**
- Bed
 - Bedside table
 - Closet
 - Deskot
 -

- Additional products:**
- Lamazuna products
 - Towels

- Designed products:**
- Coat rack
 - Cabinet

Stairs that lead to the atelier

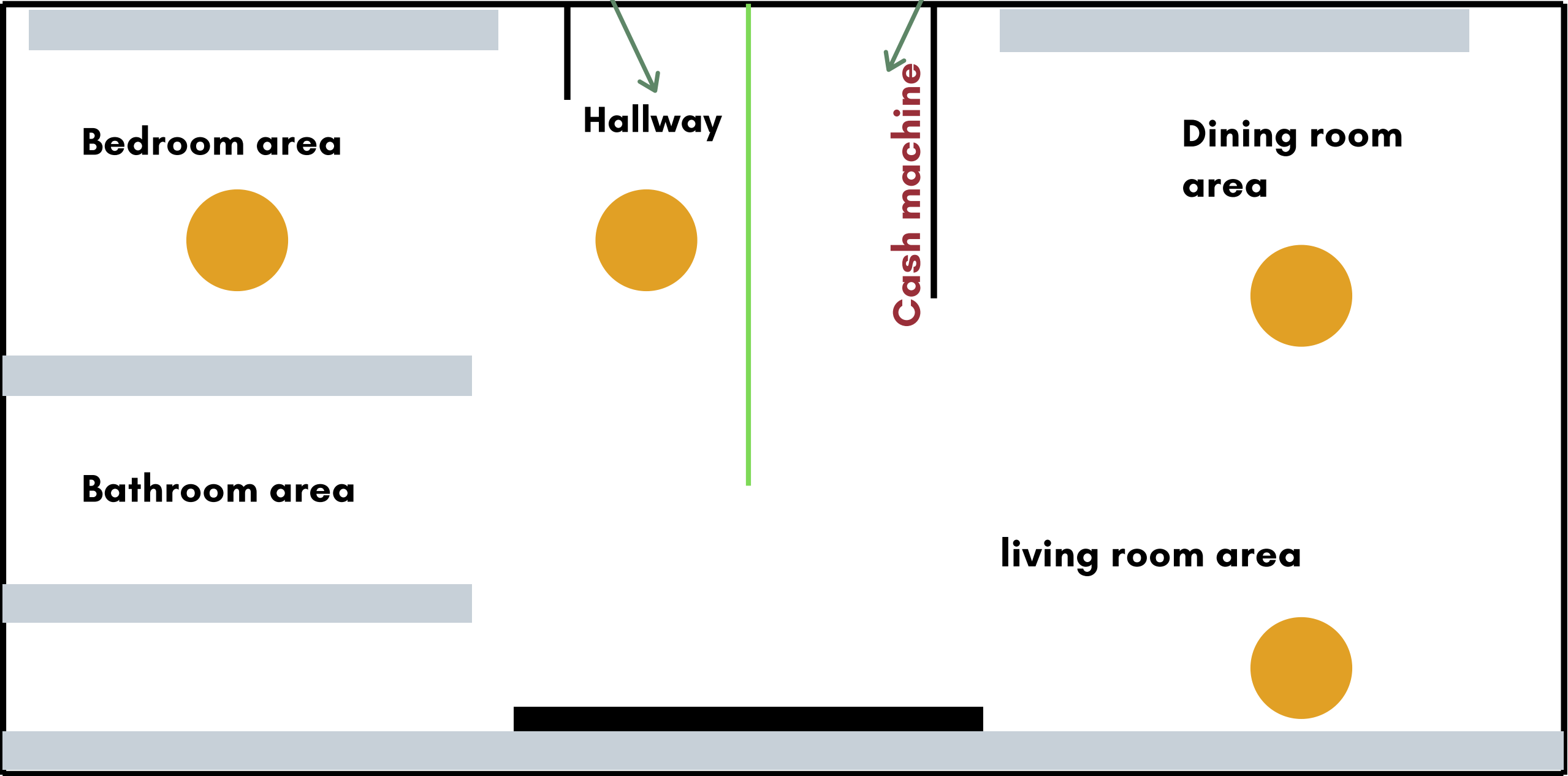
- Additional products:**
- Small objects

- Additional products:**
- Cutlery
 - Glasses
 - Place mat

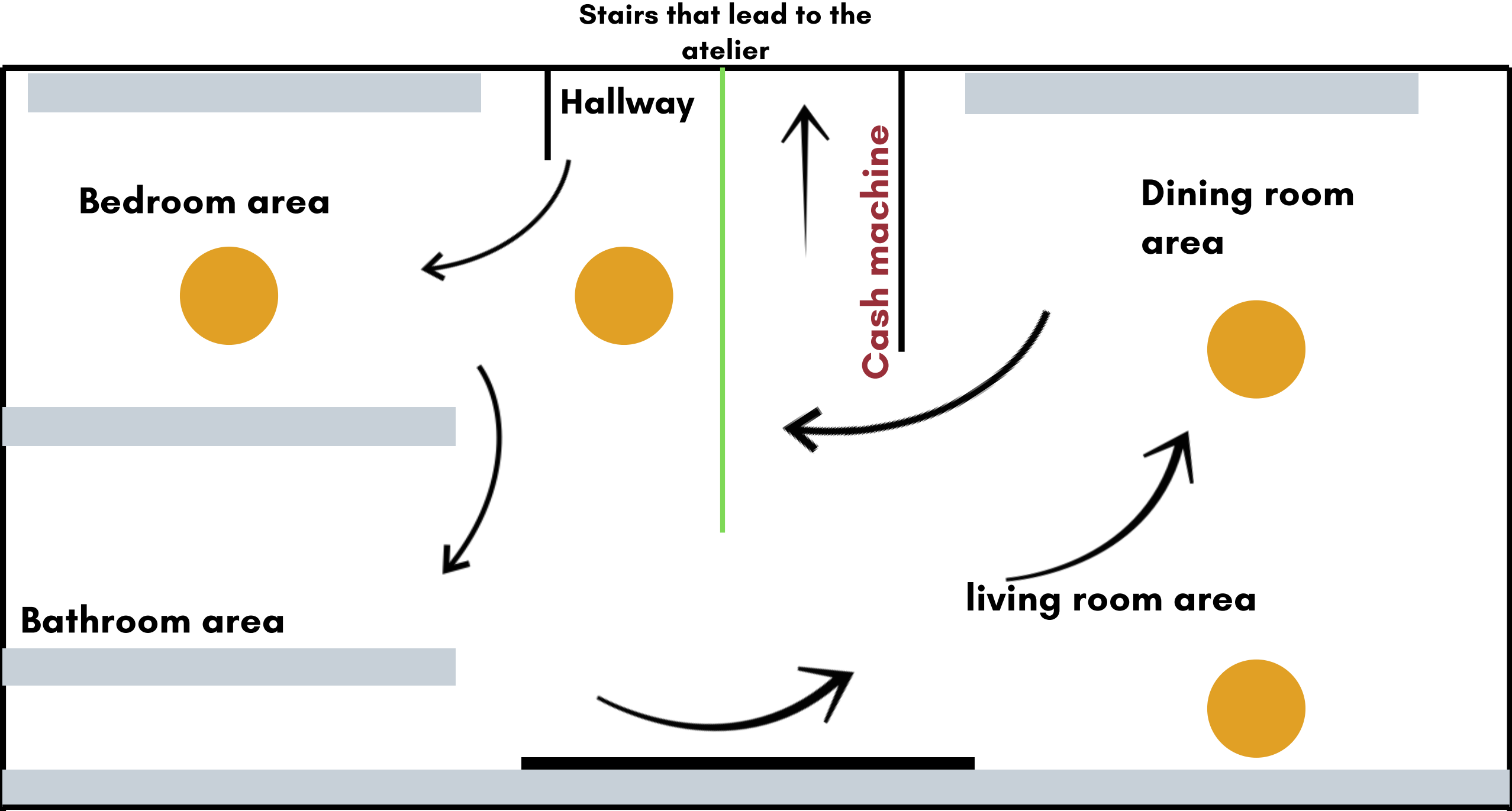

- Designed products:**
- Dining table
 - Chair

- Additional products:**
- Lamp
 - cushion

- Designed products:**
- Sofa
 - Coffee table
 - Cupboard
 - Desk
 - Bookshelf



Wall of screen
To show the auction and the art process



Wall of screen

To show the auction and the art process

SHELVES ORGANISATION

The materials

- Our shelves have to be made with eco-responsible material in order to respect our engagement as a green store, more preferably with recycled wood.
- They will be painted in black using an ecological paint
- They will have a simple yet classic look in order not to clash with the pieces or art that may be more extravagant



The organisation

- The products on the shelves will be organised per room in order to facilitate the findings of the customer
- The high margin shelves will be strategically placed on the way of the shopper during its visit of our store
- Shelves around the cashier with smaller items to increase impulse buying decision

Product categories

As mentioned earlier, we provide our customers everything that goes with the products we sell. For example, if we sell a table we are also selling cutlery, plates and glasses.

Customers get points when they give us products to be refurbished : with these points they can either have a discount for other refurbished products or get products from our partners.

Living room / Kitchen

We want to have local partners for the living room and kitchen; products that will be available to buy with the products we make. Partnership with local craftsmen as well as local potters to sell plates, cutlery, glasses etc.

Bedroom

We are going to do a partnership with Greenweez. In 2008, two friends decided to make organic, eco-friendly products accessible to everyone. They are strong supporters of ecological, ethical and healthy products which is why we are doing a partnership with them for bedroom stuff.

PRODUCTS & SERVICES

Bathroom: Partnership with Lamazuna

- Lamazuna is a brand created by a young woman in Vendée, revolutionizing the world of disposables with innovative organic vegan cosmetics. The first objective of this brand made in France is to remove most of the disposable products of our bathroom by replacing them with more economical and “nature friendly” hygiene, care and beauty products, in a more eco-responsible way!
- Some examples include soaps, shampoos, deodorants, cleansing wipes, toothpastes, toothbrushes, menstrual cups ...
- We would like to do a partnership with them and allow our customers to get inexpensive and eco-responsible products for their bathroom.
- We will offer them for example a facial cleanser, toothpaste or solid shampoo. Our customers can therefore choose to invest in buying our refurbished products and have a discount or have a small Lamazuna gift for free in exchange of furniture.



PRODUCTS & SERVICES

Our Loyalty Program

As mentioned earlier, when you give us a product to refurbished we give you either a discount to buy other refurbished products we made or to buy products from other partners like Lamazuna.

Once you give us your furniture, we are estimated how much your product is worth and the discount depends how much the product you give is worth. You can visit our website and buy whatever you want.



50 euros
gives a
discount of
5%



100 euros
gives a
discount of
10%



300 euros
gives a
discount of
30%

etc.



PRODUCTS & SERVICES

Blog

We will create a blog to post videos of our artists transforming normal furniture into something beautiful. You will be able to follow the whole process. The goal of this blog is to make our artists famous, to launch their career and promote their work of art.

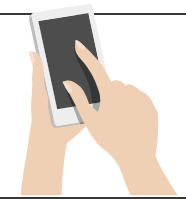


Nowadays, people like watching artists, chefs, tattoo artists in action because it is interactive and fascinating. This is why our blog will show videos, podcasts, interviews of our artists and the new products they make.



ONLINE PLATFORM

Website : an artist platform



The online platform will look like an e-commerce website.

It is the place where people will be able to tell us where and when to pick up their furnitures to refurbished, and the place where people will be able to buy our products.

On this website, the customers will have the possibility to inform themselves about the artists because they will be able to access our blog through it to see the promotion of artists.

Therefore, the artist can become famous or create a little community thanks to the website and our blog. Users will be aware of the new artworks the artist will create. Today, we offer our artists the opportunity to record themselves, conceptualize, share with our users who are considered fans of design and get to know other potential artists from all over the world. We believe that it'll be easier to sell their products if they have a profile on our website.

ONLINE PLATFORM

Auctions



Adding to this profile part, customers will have the possibility to see all the products refurbished that had been designed, and will have the possibility to buy them but in a different way than a normal e-commerce website. People are going to participate in an online auction in order to buy the design refurbished product.

Therefore, people are going to subscribe to a list of interested potential customers and will receive a link to participate in the online auction. The competition will be high because everybody can participate as it happens on the website. We decided to do this online because as these products are refurbished by artists, they become works of art, and the product will be one of a kind. Thus, users who come to the site and register for the auction will feel exclusive and will have to "fight" to obtain this unique piece.

PROMOTION AND COMMUNICATION



Search Engine Advertising

A paid search engine optimization technique based on keyword bidding. The more an advertiser pays to be broadcast when a user types the keyword Body baby in his Google search bar, the more likely he is to see his ad displayed to this user.

Example :

The screenshot shows a Google search for "design sofa". The search bar contains "design sofa" and the Google logo is on the left. Below the search bar, there are tabs for "All", "Images", "Shopping", "Maps", "News", "More", "Settings", and "Tools". The results show "About 804,000,000 results (0.73 seconds)". A sponsored section titled "See design sofa" is displayed, with a "Sponsored" label and an information icon. Below this, there are two tabs: "Products" (selected) and "Comparison Sites". Five product listings are shown, each with an image of a sofa, the product name, price, and the seller. A red arrow points to the first product, "Sofa ZEYCO by Lydia", which is priced at €2,029.00 and sold by ZEYCO. The other products are: "Canapé convertible..." by NV Gallery for €1,499.00, "La Redoute Interieurs..." by La Redoute for €299.00, "Canapés 3 Places, Bleu..." by NV Gallery for €1,499.00, and "Canapé 2/3 places en..." by Maisons du Mo. for €1,199.00. A "By shoparou..." link is visible below the first product.

Product	Price	Seller
Sofa ZEYCO by Lydia	€2,029.00	ZEYCO
Canapé convertible...	€1,499.00	NV Gallery
La Redoute Interieurs...	€299.00	La Redoute
Canapés 3 Places, Bleu...	€1,499.00	NV Gallery
Canapé 2/3 places en...	€1,199.00	Maisons du Mo.



Affiliation

Principle by which a merchant site proposes to a network of affiliated partner sites to promote its products or services through banners or text links. These affiliates are remunerated by a commission on the sales generated from their affiliate links.

We will find influencers on Instagram like this one for example : **@selamaalia** & **@Jonabalop**. (Find in appendixes the instagram feed of these two micro influencers)

PROMOTION AND COMMUNICATION



Search Engine Optimisation

It refers to all the techniques aimed at improving the position of a website on the results pages of search engines so that Petit Bateau ads appear before those of its competitors.

Keywords used :

Furniture store - Ecologic store - Artist store - Design store - Auction furnitures - Bid payment furniture - recycling furnitures...

KPI's to keep an eye on :

- Impressions: Display of an advertising element of a campaign on the internet (banner, ad...)
- Clicks: Number of times an Internet user clicks on an adSessions: Number of visits to the site following a click
- CPC: Cost Per Click
- CPM: Cost per 1000
- Bounce Rate: Percentage of visitors who leave immediately after visiting the site
- CTR (Click Through Rate): $\text{Click rate} = \frac{\text{number of clicks}}{\text{number of impressions}}$
- Conversions: Number of times the objective has been achieved (orders, contest entries, etc.).
- CVR (Conversion Rate): $\text{Conversion rate} = \frac{\text{number of conversions}}{\text{number of clicks}}$
- CPA: Cost Per Purchase = $\frac{\text{total cost}}{\text{number of conversions}}$
- ROI (Return On Investment): $\frac{\text{Turnover brought by the campaign}}{\text{cost of the campaign}}$



Emailing

If there's one tool you can't do without to build reader loyalty, it's the newsletter! Every new visitor to the site will have the opportunity to subscribe to Zeyco newsletters. The purpose of our emailing campaigns is to keep the customer informed about the company's news, to remind them of the company's values in order to stay close to them.



Social Media Advertising

Advertising on social networks such as Facebook or Instagram :

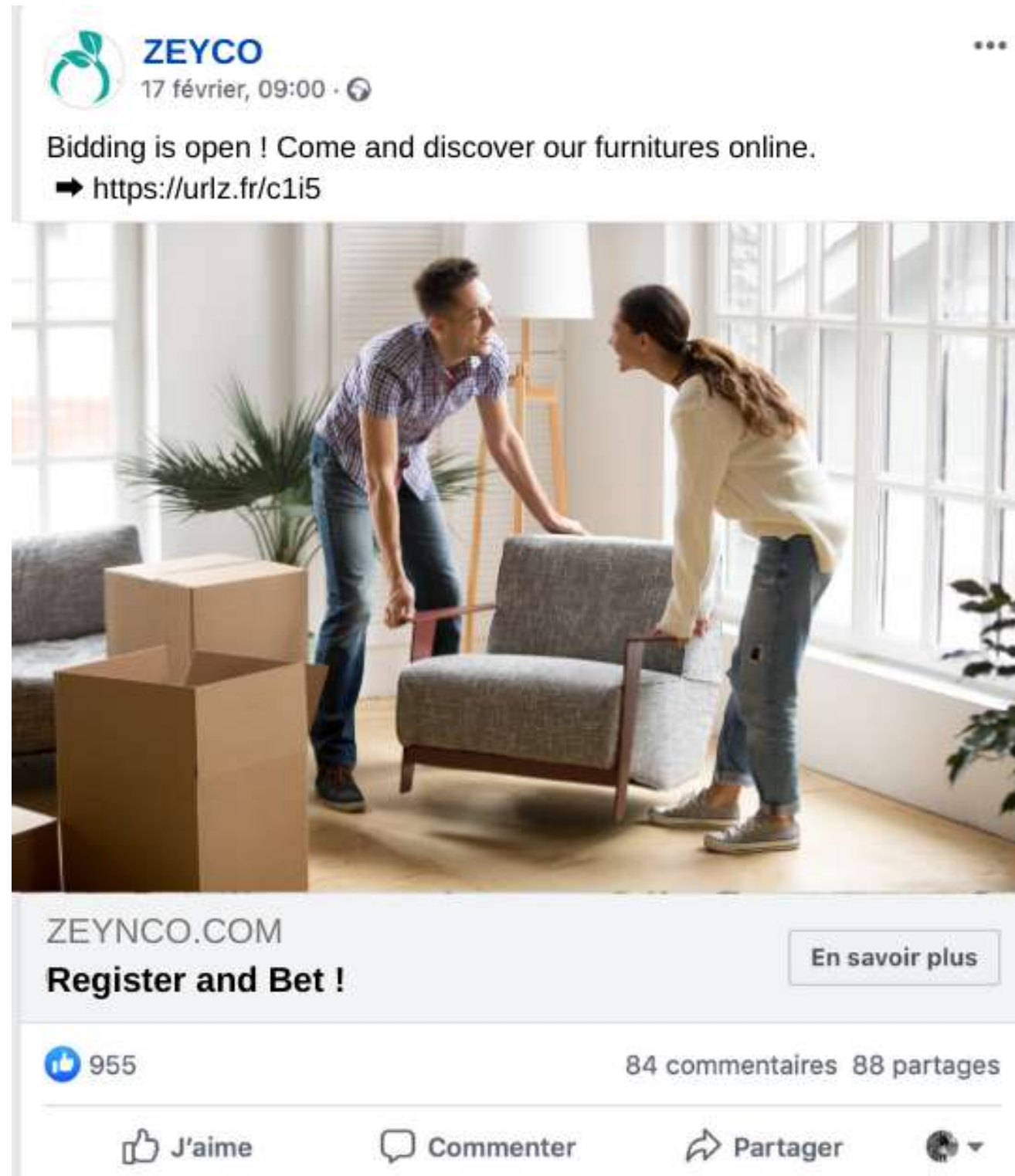
- Publications can appear in the right column, in the desktop or mobile Facebook news feed or in the Instagram news feed or in stories.
 - Unlike SEO or SEA, the Internet user is exposed to advertising without having looked for it.
 - Internet users are targeted according to their age, location, etc.
 - The objective is to generate site visits and conversions.
- Examples will follow on page 10.

SOCIAL MEDIAS



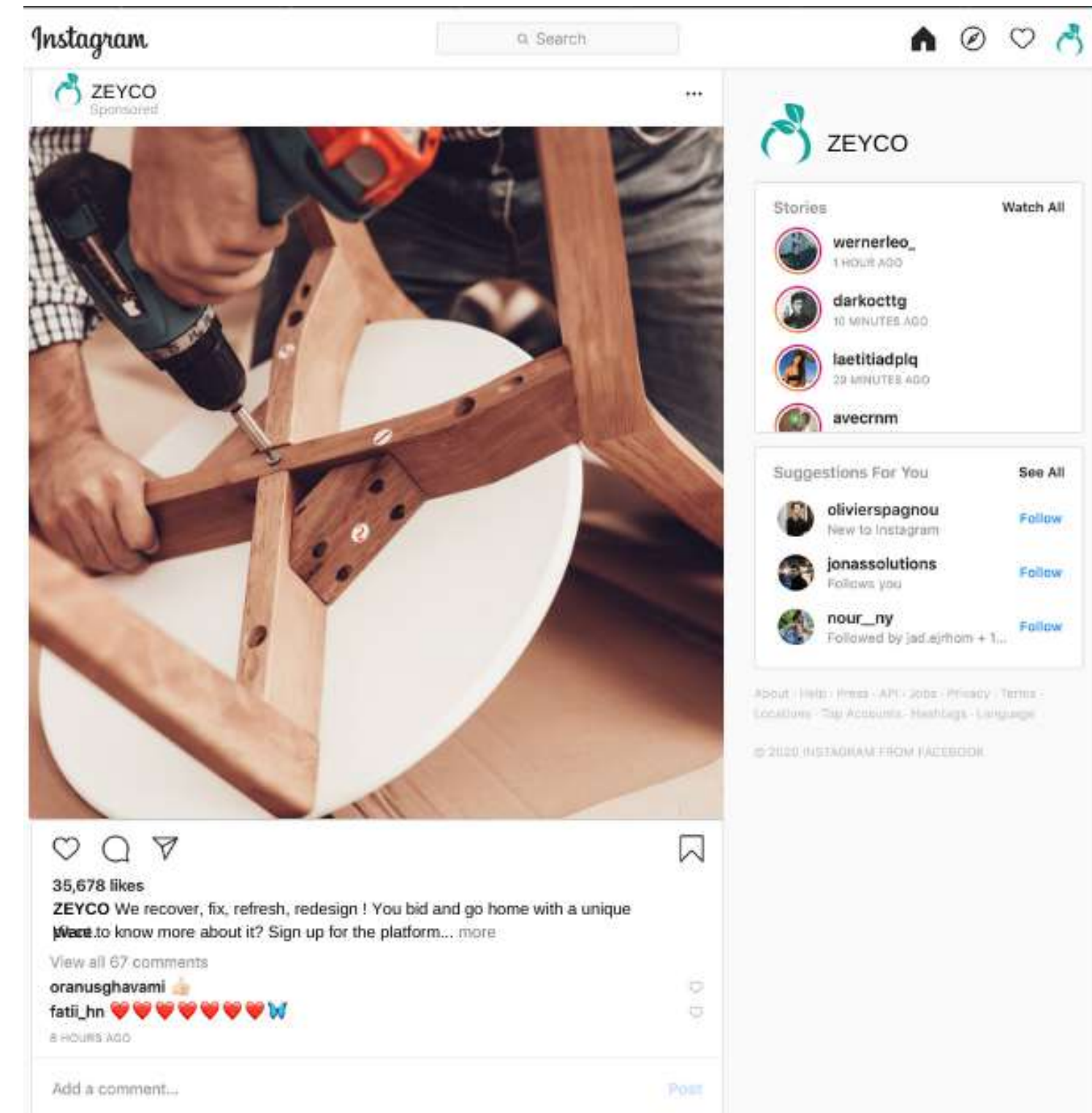
Facebook

Using Facebook Ads will allow Zeyco to target a specific audience (geographic location, age, gender and language), creating brand awareness and image that it does not yet have as it is new to the market.



Instagram

Facebook has bought Instagram so it gives us the opportunity to run our ads on the Instagram photo feed, which gives us real opportunities by opening up to new audiences. There are 500 million active Instagrammers every day.



Advertising Budget

Objective : Increase traffic and online conversion.

Total annual budget:

The 1st year: 143 000€ (5% of the sales)

2nd year : 141 000 (5% of the sales)

The 3rd year: 159 000€ (5% of our profit)

Our digital strategy:

- **Paid media** : Social Media Ads (Facebook, Instagram), Google Ads, Affiliation
- **Organic** : SEO, likes, share on social media, word of mouth.

Marketing budget repartition:

Social Media: 40% of our annual budget,


SEA: 40% of our annual budget,

Affiliation : 10% of our annual budget.


PLANNING


MONDAY

8:30 am



Web content - Update

10:00 am

 New content

 New content

02:00 pm


SEA : create content

TUESDAY

9:00 am




Emailing campaign

12:00 pm


SEA : launch


WEDNESDAY


8:30 am





Web content - Update
Optimization


10:00 am

 New content

 New content


02:00 pm


Analyze KPI




THURSDAY


8:30 pm


Google Analytics

9:00 am



Emailing campaign

02:00 am


Web content - Update

FRIDAY

8:30 am


Analyze KPI

BERLIN

FACTS & FIGURES

Purchasing Power 2019	
European average	14 739 €
German (x1.6 the average of Europe)	23 582 €

Household spend:	
% of annual expenditure on furniture, household equipment and current maintenance of the house	6,80%
Annual spend on furniture, household equipment and current maintenance of the house	1 604 €
Share allocated to furnitures	900 €

Total Population Berlin 2019		3 562 000
% of household with 1 person	39,20%	1 396 304
% of household with 2 persons	29,00%	516 490
% of household with 3 to 4 persons	23,60%	240 181
% of household with more than 5 persons	3,00%	17 810
Average number		2 170 785

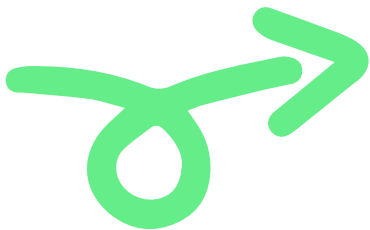
FINANCIAL ANALYSIS - 1

To make a financial analysis of the budget, we started by studying the context of Berlin.

With more than 3,5 millions inhabitants, Berlin is a city with approximately 2millions household.

We found that Germany as on average 1.6x the purchasing power of Europe, and that they spend generally 6.8% of this budget in furniture and equipment.

This helped us understanding our market and making the following assumptions



Costs

ANALYSIS

New Building in Kreuzberg	
Square Meter	1000
Price / m ² (rent)	22 €
Yearly rent	264 000 €

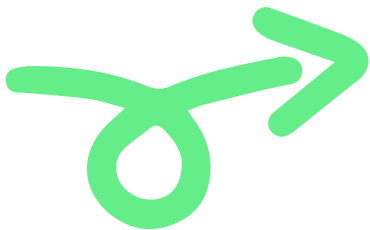
FINANCIAL ANALYSIS - 2

We decided to rent a new building in Kreuzberg, which fixes the yearly rent at 264K euros. We assumed that we will have a 5% raise on our rent the third year.

Salary & Wages	Year 1	Year 2	Year 3
Artists commission - %	15%	15%	15%
Artists commission - €	14 700 €	19 178 €	26 614 €
Number of artist	12	15	19
Per artist on average	1 225 €	1 279 €	1 401 €
Salaries	318 540 €	404 340 €	443 676 €
Number of sales assistant	5	5	7
Annual salary - sale assistant	19 668 €	19 668 €	19 668 €
Number of cashier	1	2	2
Annual salary - cashier	18 600 €	18 600 €	18 600 €
Number of back office employee	6	8	8
Annual average salary - back office	33 600 €	33 600 €	33 600 €
Total	333 240 €	423 518 €	470 290 €

We decided to fix the commission at 15% of the auction's revenue. We will sightly adjust the number of artists according to the growth of the company. We will do the same with operational and back-office teams.

Since we had cost related to our different source of revenue we decided to impact them seperately in the following table



Revenue

ANALYSIS

Assumptions - Furniture	Year 1	Year 2	Year 3
% of potential client furnitures	8%	8%	8%
Number of potential client for the market	173 948	173 948	173 948
Zeyco's shares	0,1%	0,2%	0,2%
Zeyco' s number of client (Furniture)	200	261	348
Average auction	490 €	490 €	510 €
Estimated revenue	98 000 €	127 852 €	177 427 €
Raw marerial	20 000 €	26 092 €	34 790 €
Pick up fees	14 400 €	18 786 €	25 048 €
GROSS MARGIN	63 600 €	82 973 €	117 589 €

Assumptions - Small items	Year 1	Year 2	Year 3
% of potential client small items	30%	30%	30%
Number of potential client for the market	652 304	652 304	652 304
Zeyco's shares	6%	6%	7%
Zeyco' s number of client (small items)	39 138	40 443	43 704
Average annual basket (small items)*	78 €	80 €	83 €
Estimated revenue	3 052 783 €	3 235 428 €	3 627 462 €
Cost of good sold	2 136 948 €	2 264 799 €	2 539 224 €
Stock	90 000 €	110 000 €	140 000 €
GROSS MARGIN	825 835 €	860 628 €	948 239 €

FINANCIAL ANALYSIS - 3

For this analyis, we chose to seperate our both source of revenue (Furniture and Small items). To calculate the potential market, and the average basket/auction we used the figures we had calculated before in Berlin Facts & Figures.

Furniture's revenue is made through auction. We assumed we could take 0.1% share of the market during the first year. Then we calculated the estimated revenue. Then, we decided to remove the costs of pick up and the raw materials used to produce the table (wood, gold, fabric, etc.)

For the small items, we assumed that we could take a 6% share since the first year and we estimated the revenue accordingly to our average annual basket (calculated based on the average of similar competitors).

Then we removed the cost of goods (here we kept only the 30% commission on our partners product), and we had the cost of stock.

PROFITABILITY

ANALYSIS

FINANCIAL ANALYSIS - 4

We have seen the rent and Salary & Wages in the slide Cost Analysis.

Here, we covered the rest of the costs:

- Furniture: we believe that the first year will be a huge investment and that years after years, we will have less furnitures to buy (cashier desk, shelves, etc.)
- Maintenance: cost of maintenance will raise every year
- We decided to dedicate 15% of the revenue during the first year and then a little bit less each year to marketing and promotion. Because we will need to launch the brand.
- We calculated a raised of 5% for charges every year

	Year 1	Year 2	Year 3
TOTAL GROSS MARGIN	889 435 €	943 601 €	1 065 827 €
Rent	264 000 €	264 000 €	277 200 €
Salary & wages	333 240 €	423 518 €	470 290 €
Furniture	150 000 €	90 000 €	30 000 €
Maintenance	10 000 €	13 000 €	16 000 €
Promotion/Marketing	143 415 €	141 540 €	159 874 €
Charges	25 000 €	25 750 €	27 810 €
OPERATING MARGIN	- 36 220 €	- 14 207 €	84 653 €

We expect a profit as of the third year



IN THE FUTURE

If the store in Berlin is working well, we would like to expand in three other cities that are ranked top 10 in the best ecological cities in the world:



- **Reykjavik**

The city lives on renewable energy production



- **Copenhagen**

Citizens are known for their environmental responsibility



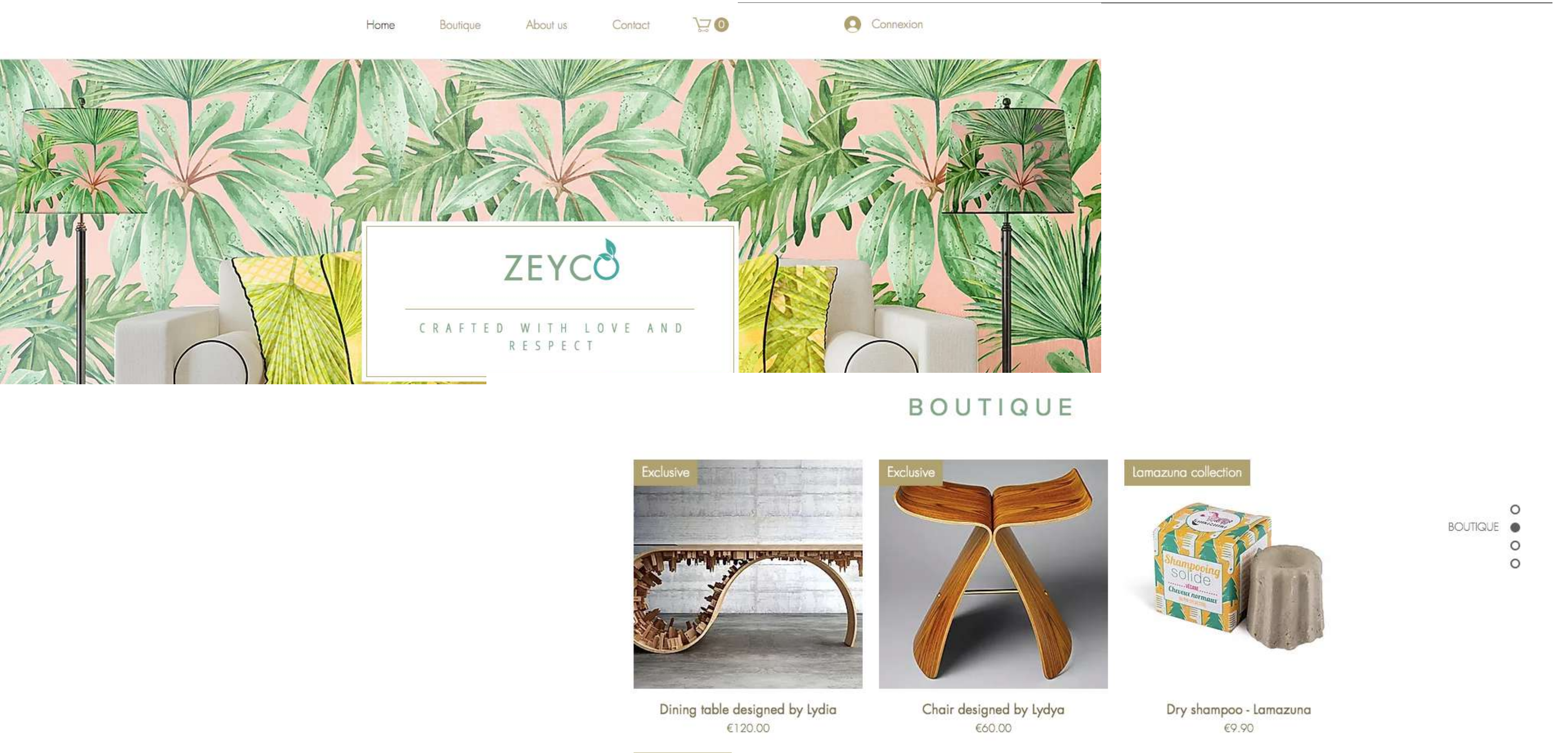
- **Vancouver**

The city has an ecological and environmental plan

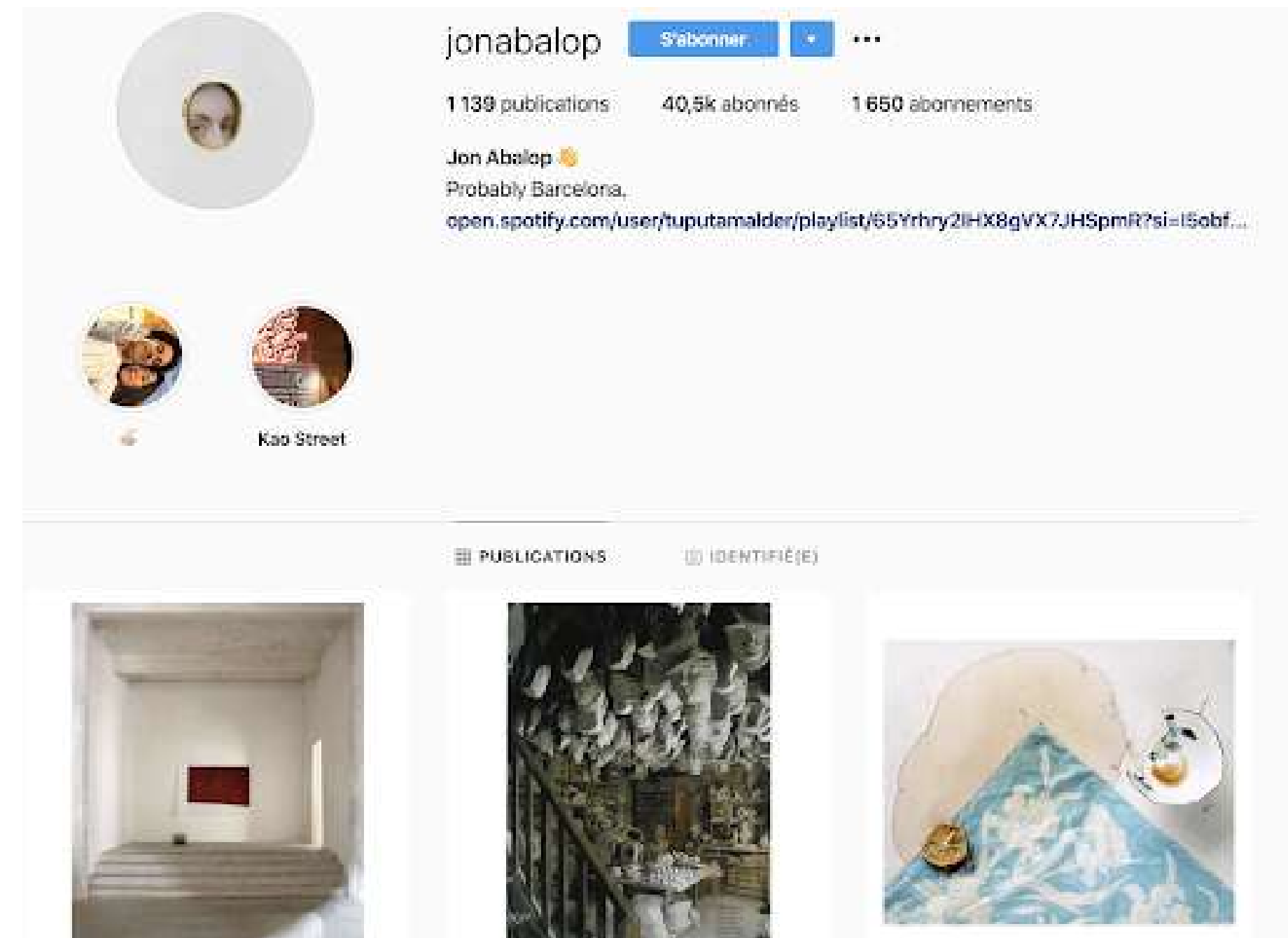
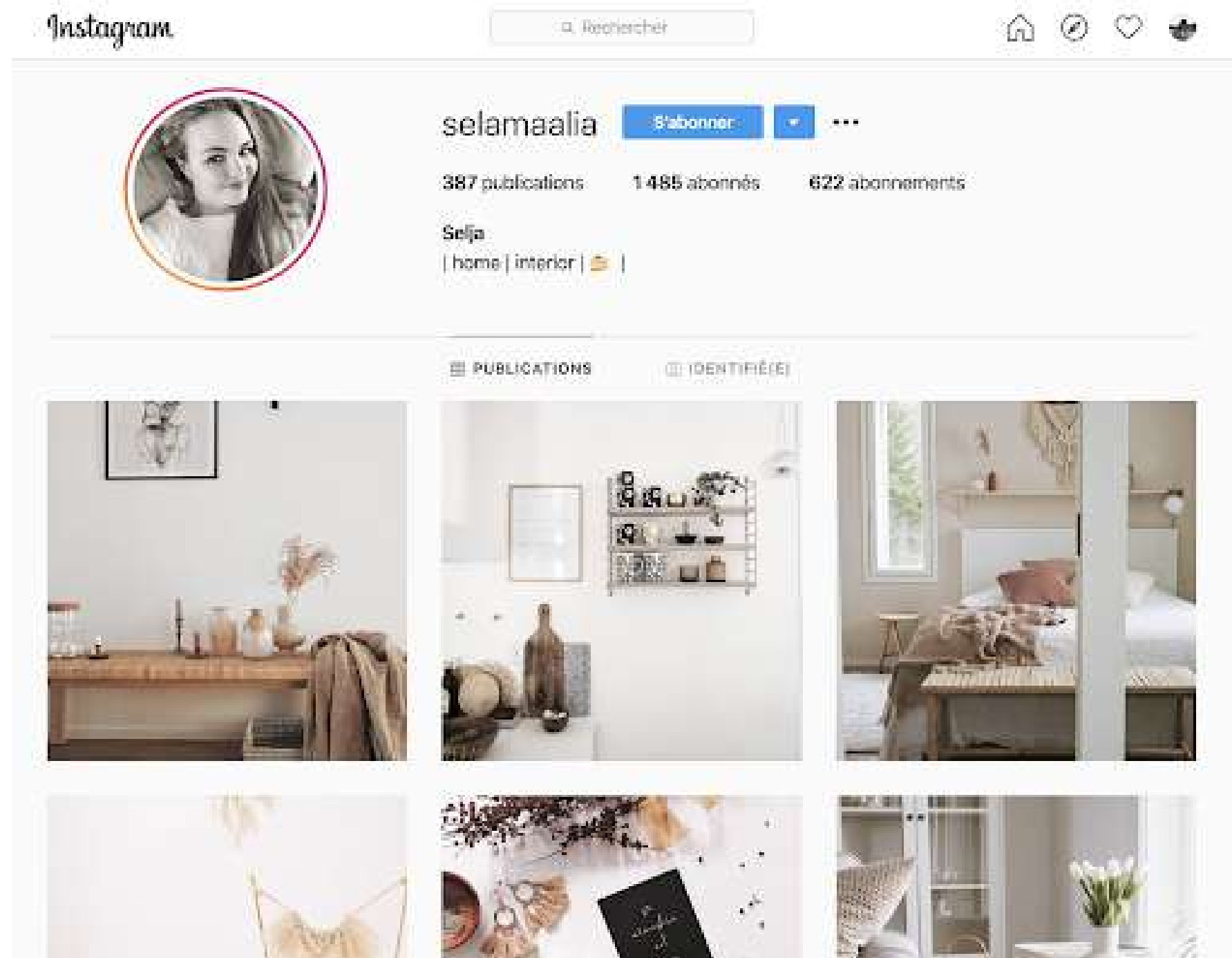
We would also like to :

- Organize workshops at our store location to teach people to create more eco-friendly products such as making your own soap, shampoo, masks etc. It will allow us to show our refurbished products and make people want to buy them, it will also generate revenue.
- Develop our communication and promotion strategy
- Spend more money on advertising

APPENDIXES - Website



APPENDIXES - Influencers





SOURCES

About the competitors

- *Atelier recycl'et bois*: <https://www.recyclletbois.fr/qui-sommes-nous>
- *EKO'art*: <http://ekoart.fr/about/meubles-recycles/>
- *Escpace creatic*: <https://espacecreatic.com/materiau/>
- *Schöenhauser*: <https://www.schoenhauser-design.de/>
- *Trouvé – Berlin*: <http://www.trouve-berlin.de/>
- *MYCS*: <https://de.mycs.com/ueber-uns>
- *ESKILSTUNA, Sweden – Cato Limås*: https://www.huffpost.com/entry/recycled-mall-sweden-retuna_n_5bfd0762e4b0eb6d931346b3
- <http://www.operationrecyclage.com/les-vides-greniers.html>

About the partnerships

- *Lamazuna* : <https://www.lamazuna.com/>
- *Greenweez* : <https://www.greenweez.com/>



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About the market analysis

- <https://circulareconomy.europa.eu/platform/sites/default/files/circular-economy-in-the-furniture-industry.pdf>
- <https://www.norskindustri.no/contentassets/114e577765fb4bf7863c1c8ccd4f1998/ce-in-the-furniture-sector.pdf>
- <http://www.furn360.eu/wp-content/uploads/2018/10/Circular-economy-in-the-furniture-industry-11092018.pdf>
- <https://www.researchnester.com/reports/off-the-shelf-second-hand-furniture-market/1230>
- <https://www.furninfo.com/furniture-world-articles/3761>
- <https://guthmann.estate/en/market-report/berlin/kreuzberg/>
- <https://www.statista.com/chart/18818/share-of-berlins-population-that-are-artists/>

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- <https://www.statista.com/chart/18818/share-of-berlins-population-that-are-artists/>

About the financial analysis

- *Demographic of Berlin:* <https://www.businesslocationcenter.de/en/business-location/berlin-at-a-glance/demographic-data/>