

BUSINESS MODEL DESCRIPTION

EasyDrill V12 PumpUp add-on

Table of content:

- Key objectives
- Market Volume (before the new product release effect)
- Revenue Streams (after the new product release effect)
- Target customers
- Customer challenges
- Key partners
- Growth opportunity



Key objectives

- 1- User experience improvement, reduction in customer effort and time taken to inflate tires, mattresses, etc by over 50%.
- 2- Generate product awareness and trial among 50% of target drill user base.
- 3- Reach 75% brand awareness for "faster, easier inflation" positioning within key demographics by end of year 1



Market volume (before the new product release effect)

A typical well-reviewed Amazon product in a high-engagement category like electronics or kitchenware might expect to see review rates in the 15-25% range. The EasyDrill has 857 ratings on Amazon. Having said that, we estimate total purchases on Amazon to be roughly 4285 (assuming the fact that the review rate is 20%). While the exact percentage is not

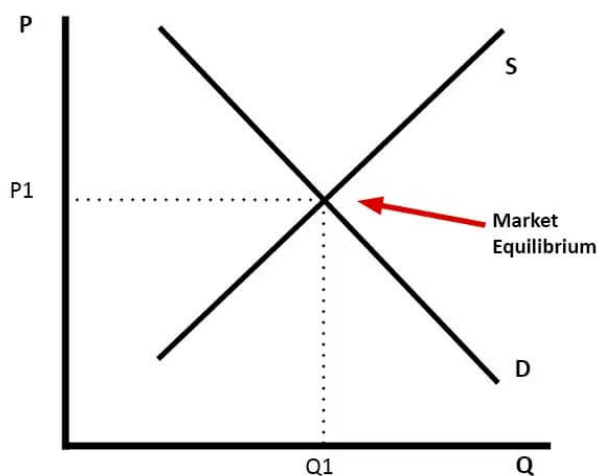
publicly known, *Amazon* is likely a crucial channel driving a sizable portion of total sales for Bosch's consumer and home improvement products. But Bosch still likely maintains a diversified omnichannel sales strategy overall. For broad consumer brands like Bosch, industry analysts estimate Amazon likely represents 15-30% of total unit sales on average per product. Hence,

Total potential customers: $4285 * (100 * 2 / (15+30)) = 19044$ customers



Revenue Streams (after the new product release effect)

Primary source: Bulk sales to drill manufacturers. It could be included as a value-added accessory with new drill kits.



Without the PumpUp extension, the Market Equilibrium of EasyDrill is estimated to be $M1(Q1, P1)$ such that $P1 = 107.89$ EUR (according to [Amazon price](#)) and $Q1 = 19044$

Adding the PumpUp extension, it will increase the overall product price.

This price increase will shift the supply curve to the left, as suppliers are willing to supply fewer units at each price point due to higher production costs.

The price increase decreases demand, shifting the demand curve to the left, as consumers buy fewer units at each price point.

Code #LikeABosch

A new equilibrium price and quantity is established where the new supply and demand curves intersect.

Assumption based on the customer behavior : each customer usually buys one item

We roughly estimate the profit margin on our product to be 15% as analysis shows that big companies like Bosch usually have this rate on electronic products. .

Retail price = original retail price + BOM *1,15 = 107.89 + 25*1.15 = 136.64 EUR

The price Increase is equal to 26.6% . We take into consideration that Bosch has brand power , thus its demand curve will be flexible with price changes relatively to other competitor's products. We estimate the demanded quantity to drop by 15% to equal to 16190 items

Taking solely the market share of EasyDrill, we aim to generate product awareness and trial among 50% of the target drill user base during the **first year of release**. Thus, we can secure $16190/2 = 8095$ sales for the first year and our current projected maximum sales is 16190 sales.

First year release

Max_Revenue = $16190 * 136.64 = 2\,212\,201$ EUR

Max_Profit= 331 830 EUR



Target customers

Type 1 : DIY homeowners : Have drills for home projects and repairs. Will appreciate easier inflation for tires, air mattresses, pool toys, etc.

Type 2 : Outdoor enthusiasts : Cyclists, campers, hikers who frequently need to inflate/deflate tires and gear. Faster than pumps.

Type 3 :Contractors/tradespeople: se drills daily on job sites. Attachment allows quick tire inflation from their existing drill. Saves having a separate compressor.



Customer challenges

Challenge 1 : Manual inflation of tires, mattresses, sports equipment is slow, tedious and requires physical effort.

Challenge 2 : Outdoor enthusiasts need faster on-the-go inflation for things like bicycle and camping gear.

Challenge 3 : Inflating pool floats, toys by lung power alone is difficult, especially for kids. Compressors are expensive, bulky, loud, and not always readily accessible.



Key partners

Partner level 1 : Bosch would likely be the lead partner :)

Partner level 2 : Retailers/distributors - Amazon, home improvement stores for broader distribution.

Partner level 3 : Inflation accessory suppliers - partnerships to market attachment to existing customer bases (e.g: small shops) .



Growth opportunity

Next Evolution - Cordless Paint Sprayer. The rapid inflator attachment demonstrates the potential of harnessing drill power for purposes beyond drilling and driving. The paint sprayer attachment converts the Bosch EasyDrill into a lightweight, handheld paint sprayer. It utilizes the same vane pump concept that makes the inflator possible, adapting it to generate pressurized paint flow instead of air.

The drill provides the spinning power to operate the pump and spraying mechanism, eliminating the need for bulky, noisy, gas-powered spray systems.