

GET HOOKED

EiT16 - The Incubator Team 6 - Business Report



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Abstract

Through the theme; "The incubator", the group has developed a business model for a software platform, based on fishing, and connecting fishers via. the internet. This started with the problem definition; "How to obtain knowledge, in a foreign location?". Thereafter the development of the software platform began through different techniques, which made the functions for the product clear.

This resulted in a smartphone application, where users could rent out their fishing equipment, and also rent equipment from others. The income would be part of the renting fee. The application would also display businesses that wanted to advertise through the application. When the preliminary idea was done, a market analyse was carried out, to better understand the needs of the users.

Here it was discovered that the renting function, was not the biggest opportunity for earning money, in change it would be better to offer the businesses a platform for making marketing and for selling. This opportunity came from speaking with physical and online shops, to hear about their way of advertising themselves. After the market analysis, the product's final requirements, was clarified to be an application, with multiple opportunities for fishers. Primarily the objectives of the application is to give easy access to go fishing, anywhere, anytime.

After this, a budget was estimated. In the operation budget, it can be seen, that the project has a negative bank balance in the first year, but it will be positive after the second year. To cover the negative bank balance in the start, a possibility could either be a bank loan or an investor.



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The undersigned acknowledge, and agree with the level of the contents and the effort put in by self, and team members, to produce this report.



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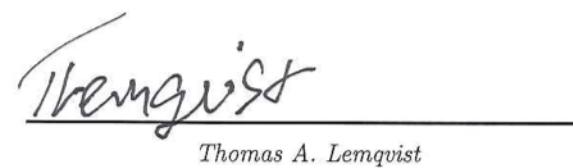
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1 Introduction

This report documents the development of a business from ideation to business model.

In the subject Expert in teams, the purpose is to teach people with different study lines to work together and solve a task. The report is devised by students from three different study lines; Integrated Design, Structural Engineering and Software Engineering.

In experts in teams, there are different themes. This group is working with the theme, called The Incubator, which is an innovator startup, where people with ideas get help to start their own business. The aim is to work with one of the students ideas.

2 Problem Definition

The Problem was raised by team member Britt M. Wamberg, who had experienced, as a freediver, travelling to foreign destinations, but staying out of the water, due to the lack of knowledge about the local water conditions, such as the current and tides.

The following problem definition was produced, based on her problem:

“How to obtain local knowledge, in a foreign location?”

The team worked on the idea of creating a software platform, for foreign people to connect with local people, to get answers to their questions. The users of the platform should be able to arrange a meetup with a local, to learn a skill, exchange equipment, or get shown around a desired area.

3 Ideation

This section describes the creative methods, which has been used to develop the idea.

3.1 Association Technique

The associations technique has been used to solve the problem definition. The technique consists of the associations chain, focus, ideation and elaboration . After the association technique.

3.1.1 Association Chain

The associations chain initiates with one group member saying a random word, then the next member says the first word, they think of, when they hear the word. Thereafter the third member of the group says the first word they think of. This continues until there is about 20 words in the chain. After the chain is finished, the next part is the Focus part.

3.1.2 Focus

The focus question, is the same as the problem formulation namely; “How to obtain local knowledge, when in a foreign location”. The focus is important because it has a big influence in which direction the ideation is going.

3.1.3 Ideation

Ideation is where the group discuss every word, one by one and try to find a solution to the focus part, by using the words from the association chain. Here it is important to not set limitations to the answers, because it can limit the ideas, that will come out of this part.



Table 1: Idea Assessment Table

Idea Assessment Table. Point given 1-5, 5 is highest score		<i>Idea number</i>			
Requirements:	<i>Weights:</i>	T:1	E:3	B:4	C:6
Can we earn money?	40 %	13	9	7	5
Does it give local knowledge to foreign people in new places.	15 %	10	12	19	4
Will people use it?	15 %	14	9	14	10
is it possible to create?	30 %	20	11	19	20
Is it sustainable?	20 %	15	8	16	8
<i>Total, with weights:</i>		17.7	8.05	16.65	11.7

3.1.4 Elaboration

At the elaboration we need to clarify our ideas from ideation. The best way to do that is to use sentences like: how can it be done, is it possible and how can we make it happen.

Ideas chosen with the Idea Sieve:

1. List over places to rent fishing-equipment.
2. Eco friendly coloring to put in the ocean, to show the current, should disappear fast.
3. A platform, that shows summer fitness possibilities, near you.
4. A platform where people write down their sports and when they can meet.
5. Platform to show where to buy/borrow a new EPI-pen.
6. Platform for sharing leftover cake/food

Out of the six ideas, there have been chosen four ideas to work with in the circle technique.

3.2 Circle Technique

The circle technique has three steps, the first is a short description of the ideas. When that is done the description is send to the next group member. In step two the group member is trying to make improvements to the idea . When every member has been looking for improvements, you move on to the final step. In the third

and final step, all the improvements will be evaluated. The improvements, that the group find best are combined with the original idea (Appendix with the four ideas). After the ideas has been through the circle technique, the idea assessment phase is initiated.

See the ideas created in the circle technique in appendix A.

3.3 Idea Assesment

As seen in Table 1, the ideas was rated in a rating system to assess our idea. First of all it was decided to choose five requirements. These requirements have to be something that describes a good idea to work further with. The requirements are not equally weighted, therefore each requirement was given a percentage to see how important they are. Idea T:1 got the highest score, that is why it was decided to change direction a bit from the initial thoughts about this project.

3.3.1 Description of idea T:1

T:1: List over places to rent fishing-equipment.

- A platform where local people, and fishing enthusiasts can post the equipment, which they don't currently use, it could be a fishing rod, but also knives and stuff like that, this could help other fishing enthusiasts to go fishing when on



holiday, without the need to carry their equipment with them (as in they don't need to carry their knives with them on the airplane.).

- This could also cover other equipment based/heavy hobbies, like hunting, mountain climbing, camping, diving etc.
- The rentee (the one with the equipment) could ask for payment for renting, to cover wear and tear on the equipment.
- It should be possible to set a time period for how long time you are willing to rent-out your equipment.
- Tutorial section to show how to make fishing equipment e.g. Spinning bait.
- Competitive: competes with local tourist based renting firms, but could be good (like uber).
- There have to be some rules/penalty about losing equipment, maybe a deposit.
- *Earn money: take a percentage of the rent fee.*

4 Market Analysis

This section will analyse the market of the preliminary idea. It will go into detail with potential competitors, the customer segment, the positioning of the product and the pricing of the product.

4.1 Competitors

Competitors in the market needs to be identified, in order to position the application in the market.

Within the region where the application is planned to be implemented, there are few competitors that rent out fishing equipment.

Fiskekurser.dk is based in Svendborg, in the south of Funen. Their primary business focuses on fishing courses, but it is also a possibility to rent equipment and go fishing by yourself. The prices are difficult to find on their website, and it seems you have to call them to find out. When contacting Fiskekurser.dk, they said that they try to rent out equipment to private fishers, but they had bigger success, with just focusing on fishing courses and excursions. This might be due to the fact,

that it is difficult to find any products or rental pricing on their page. Several other businesses and one put-and-take, were called and approximately half of them had equipment, which they either lent or rented to customers.

4.2 Customer Segment

The overall customer segment which the product is intended for, is outdoor enthusiasts. Out of that category, there are three sub categories, Fishers, Hikers and Hunters. From these sub categories the Fisher-category has been selected, as it has a great potential in gaining a lot of users. The Fisher-category can further be divided into three groups, as seen in the mind map. The prioritised customer segment, was chosen to be: The fishers that need equipment, when away from home.

Another segment, which has been discussed, is the businesses, which could gain value from use of the platform. Examples of such businesses, range from outdoor shops to Businesses, who take people on fishing trips, and private people who rents their own spare equipment out for a price.

4.3 Positioning

The application should be different from other similar products. The application delivers several different niches, for the fishing universe, in one product. That's why the product is different from others, because it is intended to give the users easy access, to everything they need for fishing, in just one application. The advantage is, that the application is the first, which is offering this kind of service. This means that the application doesn't have any direct competitor. Those who are offering similar services for fishing right now, aren't competitors, actually they are a part of the idea, since the application can also be beneficial for them.

4.4 Pricing

The team has decided upon using the freemium business model, see section 6 for further information.

The business application will require a business subscription. The fee of a business subscription will be 550 DKK/month or 6600 DKK/year.

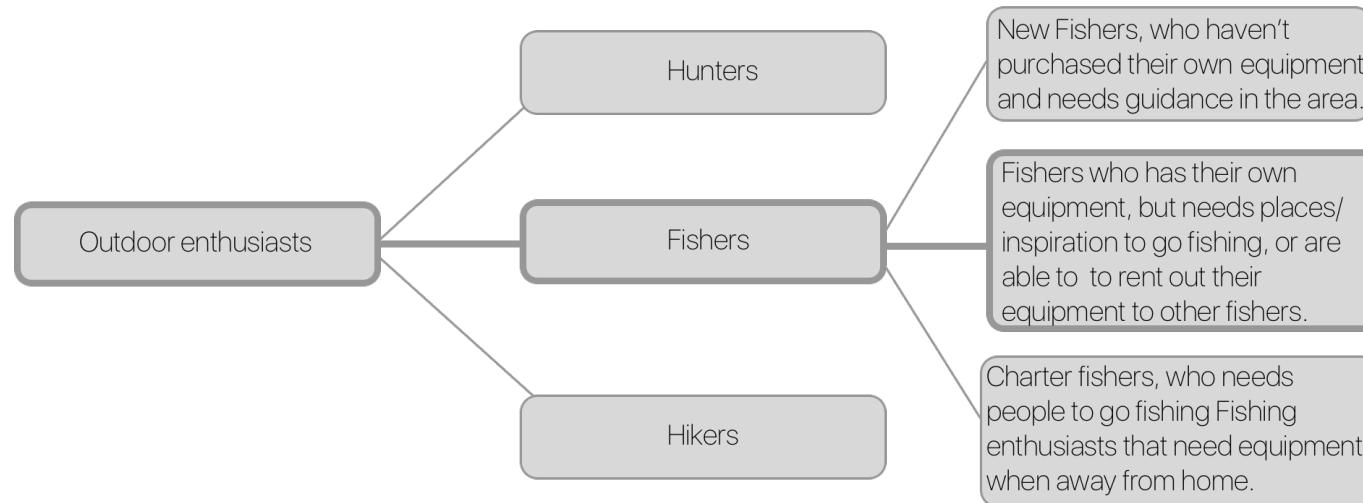


Figure 1: Customer Segment Tree

The business application is meant for commercial users, and will contain a range of features, which can help the businesses grow.

4.5 Market Survey

To investigate the market and customer segment further, an electronic Google forms survey was distributed via Facebook to fishing enthusiast pages, and through our own networks on facebook. 97 individuals responded to the survey. The following section will discuss the data obtained from the survey.

94.6% of our respondents are male respondents. This is in line with a report published in march 2010 by the Danish Ministry of Food, Agriculture and Fishing. The information could be used for marketing, to add more masculine values into the campaign.

77.2% of the respondents answered that they have equipment for more than one

person. This is a lot of people, but this might be because a lot of the respondents came from sport fishing groups on Facebook.

22.8% were interested in renting out their equipment and 26% were interested in renting equipment from others. Even though this number seems small, it is actually huge (if this is to be interpreted as representative, which it probably isn't), as the number of fishers world-wide is an enormous number, and 22.8% of them is a significant share.

60.8% of the respondents fished outside their own region and in other countries.

Only 10.6% of our respondents have had bad experiences, when renting equipment.

57.9% of the respondents has had difficulties in establishing contact with locals, to rent/loan a boat to fish from. The platform could be a possible solution for this, as it allows boat owners to rent out their boats for fishing purposes.

The survey might have been biased, as we have distributed it via. sport fishing



groups on facebook, and the respondents from these groups aren't exactly in the target customer segment, so this was a bad decision, for this kind of survey. This might have caused some numbers to become different than the numbers the group anticipated.

When asked why the respondents hadn't rented equipment, it became clear that the respondents were from a more enthusiastic group of fishers. 59.7% said that they always have had their own equipment, 23.6% said they hadn't tried to rent. From this it can be concluded, that there should have been made a more general survey, which was directed more at the wanted customer segment.

In the survey, the respondents were asked if they have had any problems with bringing their own equipment to a fishing trip in a foreign country. The group anticipated that the answers would indicate, that it was a problem to bring their own equipment. But it was in fact the opposite. When the answers was investigated further, it showed that there was a tendency that the people who had no problem with bringing their own equipment, were fishing only in scandinavia and northern europe. And the few respondents who agreed that it could be problematic, were fishing overseas. From this, the group interpreted that it is not a problem to bring your own equipment for destinations, not that far from home. It becomes a problem, the further away you have to travel.

The user survey has helped the group to identify new features, which can add value for the users. It also increased the team's knowledge of the users.

4.6 Interview with Possible Advertisers

Seven phone calls were made, of which three were to physical shops, three were to online shops and one for a put and take lake. The physical shops were found on Krak.dk and the online shops on Google. All of them were using various kinds of advertisement. Among those were Google AdWords, Facebook, E-banners, Radio advertising, newspapers and magazines.

Half of them were willing to share information, about how much they were spending on advertisement.

The put and take lake was the only one who used radio advertising, which costs

roughly 11.000 DKK for a 20 sec. spot, that airs 10 times per day, during a week (Kilde: Radio Skala - Fyn). The online shop "fiskegrej.dk" was using about 40.000 DKK on different types of advertisement pr. month, which is properly why they were found at the top of the list on Google. This is a bias, since we did not get to talk with the average online shop. It is now known that the big shops are willing to spend 10.000 DKK pr week on advertising. The owner of fiskegrej.dk, said that he would spend about 1000-3000 DKK to advertise on an application.

Upon this it can be conclude, that the estimated average price of 550 DKK. pr. month to advertise through the application, is realistic. This is concluded since fiskegrej.dk is one of the companies that allready spend a lot on advertisings, and other smaller companies probely don't and won't spent that much. The price to advertise on the application depends on how much you want to be seen, just like Google AdWords, and the price will therefore be individual.¹

¹Link to interview (Danish): https://docs.google.com/document/d/1ncEAEWFtBWFb4BxMuvz63bWnEAdJT_po1jBjIvsIWco/edit?usp=sharing



5 Product Definition

As a result of the survey, the product has changed into a multi functional application, where the main focus is to get knowledge about fishing and acquiring access to fishing areas in foreign places. The customers of this application is divided into two groups: users and businesses.

5.1 The Users

The application provides knowledge for the users, by providing a platform, where it is possible to see a map with fishings areas, near the user.

It provides a way to rent equipment, in case the user does not have any or didn't bring their equipment.

The platform makes it easy to update or buy a fishing card and harder to forget, by saving it in the application. If the user is a first time fisher or simply out of shape, there is a guide in the application, with tips and tricks, e.g.; How to tie a knot for the hook or information about which kind of fish is in season for catching.

In case the user has equipment, which he/she no longer uses, the platform provides a place for renting out the equipment.

The platform also provides a social aspect, where users can upload photos of their catches.

5.2 The Businesses

The businesses are the ones who use the application for business purposes. They are paying to subscribe to the platform. On the platform they get an opportunity to post their offers on the app, and rent out their equipment.

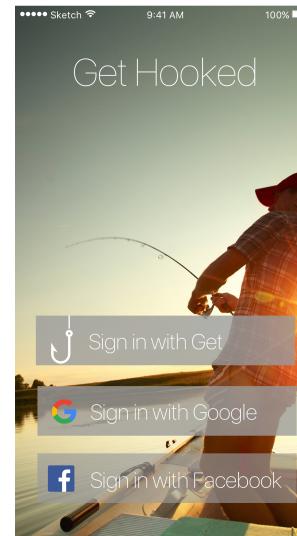


Figure 2: Single sign on screen

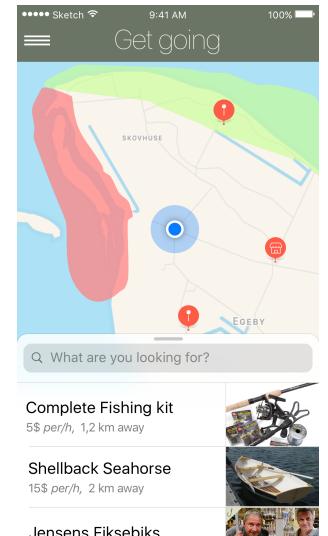


Figure 3: Get going screen

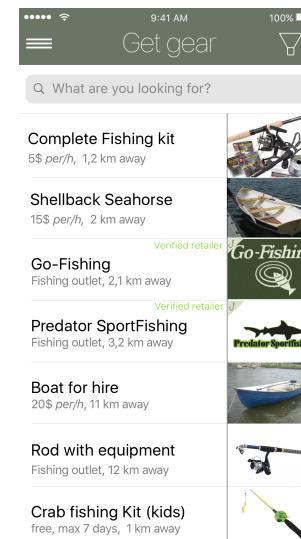


Figure 4: Get gear screen
See appendix B, for larger versions



Figure 5: Get Together



5.3 Software Requirements Specification for Application

- R1 The user should be able to login via. single sign on (such as Facebook and Google [1]).
- R2 The application should contain a map, showing the current location of the user.
- R3 The application should display legal and nonlegal fishing areas on the map described in R02.
- R4 The application should show, what the required fishing licence(s) is/are for the given area.
- R5 The application should display owners of fishing equipment, who rents-out their equipment on the map described in R02.
- R6 The application should display fishing outlets, who rents out or sell equipment, on the map described in R02.
- R7 The application should contain a section, which gives the user information about fishing possibilities, in the area near them.
- R8 The user should be able to rent equipment, from businesses and owners.
- R9 The application should contain a section introducing newcomers to the basics of fishing, either using a text or video format.
- R10 The user should be able to acquire several valid fishing licences.
- R11 The user should be able to renew expired or soon to be expired licenses
 - R11.1 Optional: Automatic renewal
- R12 The user should be able to see what kind of fish is the most likely to catch, in a certain area.
- R13 The user should be able to see seasonal regulations, for catching certain species and size regulations.
- R14 The user should be able to measure the length of a caught fish, using the camera of phone and a known-sized object as a reference of length.
- R15 The user should be able to create events (e.g. a Fishing Tournament) for other users to attend.
- R16 The user should be able to share what they caught, or their fishing experiences.
- R17 The application should be developed for web and mobile platforms (IOS and Android)

6 Business Model

6.1 The Freemium Business Model

The group has agreed upon using a Freemium business model, where the product is given away for free for non-commercial uses. [2, 3].

The Freemium business model also help users and businesses into the platform, which is vital for this product to properly work, since some of the contents on the platform will be user submitted (Crowd Sourced).

To persuade more users to join, there will be an incentive programme, which allows users to invite their friends to the platform, in exchange for offers from the businesses.

There have also been some discussion about a premium subscription for businesses, which provides a set of premium features, targeted at the businesses who can use the platform to increase their own value. The business premium subscription would contain features, which promotes the business subscribers through the platform, and makes them more visible for the users. To persuade businesses to subscribe, there could be a trial period, where they can use the business features of the system for free, and afterwards decide whether they will continue their subscription, or not. During the trial the businesses could make their existing customers aware of the platform, and get more users onto the platform that way.

To summarize, the application will be free to use. Free users can invite friends to the platform, for an exchange of good offers. Businesses can sign up for a monthly subscription for a Business premium membership, which makes them more visible for users on the platform.

6.2 Osterwalder Business Canvas

The Osterwalder Business Canvas (shown in Figure 6) can be used to analyze a business, to see where its core values lie, and where they earn their money [4].

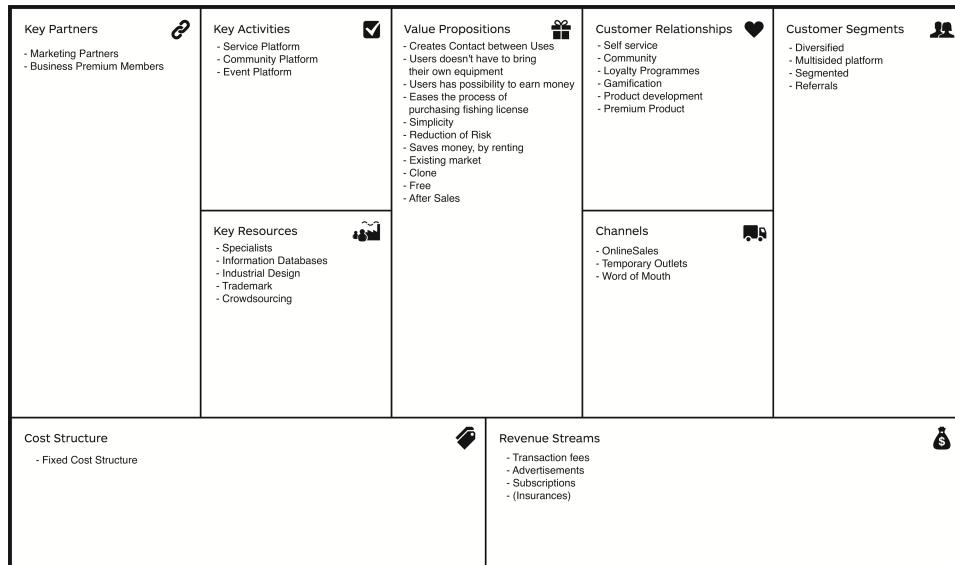


Figure 6: The Osterwalder Business Canvas
A larger version can be found in appendix C

6.2.1 Customer Segments

The customers are diversified, as they are served with different products. The users of the platform are served with a free access to the platform, but the businesses on the platform are served, if subscribed, with a advertisement suite, which can be used to approach the users on the platform.

The platform is segmented, and can potentially be expanded into other segments, where it would have other features to suit other outdoor activities and needs.

6.2.2 Value Proposition Canvas

The value proposition canvas (shown in Figure 7) can be used to analyse, what values the product brings to the users. It is based on two elements of the business model: Customer segments and value propositions [5].

It maps the customers (users) with the product, and shows if there is a fit between them.

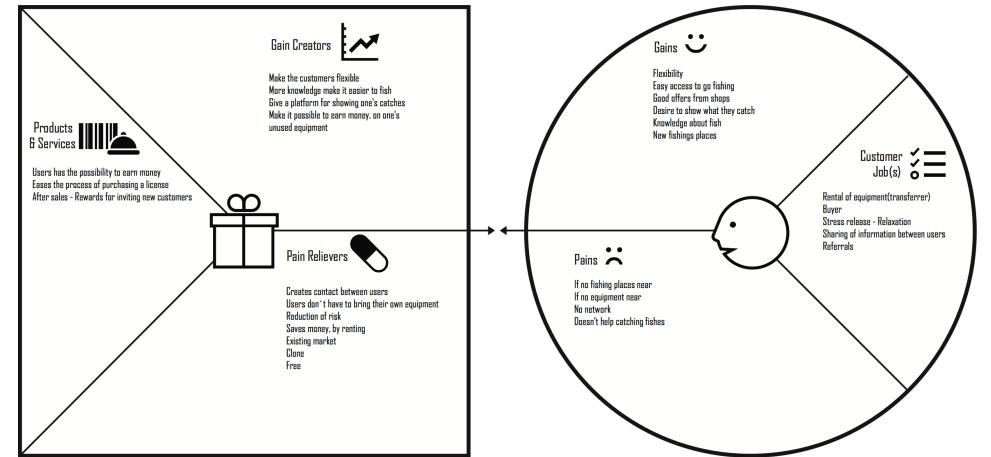


Figure 7: The Osterwalder Value Proposition Canvas
A larger version can be found in appendix D

Customer Gains

Customer gains describes the desire, social gain and positive emotions. Some gains are more relevant than others. Tease gains are the ones that are possible to observe in the marked.

Customer Pains

Customer pains describes anything which annoys before, during or after a job is done. This could be undesired cost, negative emotions or risks. Again, some may be more relevant than others.

Customer Jobs

Customer jobs are the jobs, that the customers are trying to get done, in their job or life. It could be a task or a problem they are trying to solve, or a need they are trying to satisfy. The jobs can have a functional, social or emotional intent.

Gain Creators

Gain creators tells explicitly, how the product and services creates gains for the customer.



Pain Relievers

Pain relievers tells explicitly, how the product solves the pains of the customers, before, while or after they are trying to get a job done. It shows which of the customer's pains that the product is solving.

Products and Services

A simple overview of the products and services, which is provided to the customers, to get a functional, social or emotional job done, and to address their pains and gains.

6.2.3 Channel

The platform will mostly reach the customers via. online sales, as it is a digital platform. Businesses on the platform will also be urged, to refer their current customers to the platform, so that more users will join the platform.

The team will strive to be present at outdoor fairs, to gather feedback from current users, but also recruit more users.

6.2.4 Customer Relationships

The platform will gain customer relationships, through a variety of attributes. First of all the user is rewarded, for inviting other users to the platform. The customers are able to interact on the platform e.g. by sharing daily catches etc. Through gamification, the platform strengthens the relationship with the customer e.g. with a leaderboard for the largest caught fish. By evaluating reviews and constructive criticism, the platform desires to enhance the product, this will strengthen the customer relationship. A premium version of the product will be available for businesses, which gives them several advantages. This could e.g. be a tag, which indicates that the premium user is verified. A premium users post, will be prioritized in favor of non-premium users.

6.2.5 Revenue Streams

The revenue streams of the platform, are the areas which will generate money.

The team will take a cut, off of all transactions made on the platform, a flat percentage of 5-10%.

It is possible to allow advertisements, such as google adsense [6] on the user app, and the website, to gain an extra amount of money. There could also be a possibility for the user to pay, to not have advertisement on their app, other than the businesses already on the platform.

The business premium subscriptions, will also bring in a vast majority of the money earned on the platform.

It could also be lucrative to sell an insurance, for the rented equipment, so that the owner will get the cost of his equipment covered, in case it breaks or gets lost, during a rental.

6.2.6 Key Activities

The key activities of the team, is to provide the platform.

The team provides a platform where:

- Other businesses can connect to their customers, and create events and promote their sales.
- Individual users can connect with like-minded users, to share ideas, tips, equipment and experiences.
- Users have the ability to start events, such as a fishing tournament, to meet each other.

6.2.7 Key Resources

The Key resources to make the app function, are:

- Specialists - The business needs specialists, to get off ground and create the application.



- Information databases - The business depends on having information about the users, their behaviors, and how they navigate and respond on the application.
- Industrial design - The user interface of the application needs to be as convenient as possible, to make it feel natural for the user to use.
- Trademark - It is vital that our brand is not misrepresented/ruined.
- Crowdsourcing - The vast majority of the content on the platform is going to be crowdsourced, by the users (events and rentals/businesses).

6.2.8 Key Partners

The key partners will be other businesses, as marketing partners, they will refer their customers to the platform, and the platform will in exchange make the users aware of the businesses.

6.2.9 Cost Structure

The cost of implementing and maintaining the business, has a fixed costs. The business has relatively fixed costs (wages), and can't adapt our expenses to the minimum income of the product. When the business grows, the cost will grow as well. The biggest cost growth, is the wages for the staff, which grows 30.000 DKK. every year.

7 Budget

In the business plan, there is a need for a budget. Because it helps getting knowledge about cash flow and when the project starts earning money. There are different kinds of budgets, e.g. establishing budget, operating budget, cash flow budget.

7.1 Establishing Budget

The establishing budget shows how much money is needed, before the product is ready to get out to the customers, e.g. rent and wages.

Table 2: The Establishing Budget for Get Hooked

Premises		
Rent	14250	dkk
Deposit (3 months rent)	42750	dkk
Furnishing and renovation	30000	dkk
Application Costs		
Machinery	10000	dkk
Cost for development of app	60000	dkk
PC	20000	dkk
App store		
goolge app store	170	dkk
apple app store	674	dkk/year
Councillors		
Lawyer	15000	dkk
Accountant	15000	dkk
Marketing		
Writing paper, visiting cards	200	dkk
advertisement	2000	dkk/month
Total costs	210.044	dkk

The establishing budget, lists the costs that the project has, before the product is ready for launching. As seen in Table 2 The cost for the development period is estimated to be around 210.044 DKK. This covers necessary resources and used hours for development of the platform. There has been reserved a little amount of money each month to counsellors (lawyers and advisors, etc.), if needed.



7.2 Operating Budget

The operating budget shows the expected increase in users, and earned money over a period. It can also be used to indicate, when the project can be expected to have a surplus and when the establishing budget is earned.

Table 3 displays a five years estimation of the project budget. As seen in the budget, the total deficit is -414.830 DKK. at its peak, 8 months in. The deficit will last 15 months, after which the bank balance will become positive. It is important to note that all of this is built on the assumption, that the customer base continues to grow. An exponential growth is expected, which means that the growth is predicted to start slowly, but pick up in speed, as the geographical reach is increased.

The budget, estimates 40.000 DKK per month, to pay the staff wages throughout the first year. After the first year, every staff member will get a wage of 30.000 DKK each month. There is estimated a growth in staff every year.

After a year, it is estimated that there is a need for an office. The office's monthly rent is 14.250 DKK (based on an ad in Odense). Furthermore there is an additional 1.750 DKK every month, for other fixed costs.

The operating budget estimates a turnover of 7.12 million DKK over five years.

7.3 Cash Flow Budget

Cash flow budget shows the flow of money in and out of the banks.

The cash flow budget shows the constant flow of money. As seen in Table 4 on page 12, the project starts with 625,000 DKK, which is the total amount expected to be needed before the project starts making money. Which is the deficit for 15 month and the establishment budget. In the Cash flow budget every 3rd month there is the payment of VAT. Every month there is also taxes to pay, which is 22%, when the money continues to stay in the company bank account. After 12 months there will be a total of 280,458 DKK in the company bank account. The start up money either origins from a bank loan or an investor. The operating budget, is made with the expectation that it will be a bank loan and therefore, there is a monthly installment on the bank loan, which is estimated to 5,800 DKK.

Table 3: Operating Budget on a five year Schedule

	Year 1	Year 2	Year 3	Year 4	Year 5
month	12	24	36	48	60
Users	8083	8506	12282	45948	346115
Procent used (fiskestænger)	0,05	0,05	0,05	0,05	0,05
Procent used (både)	0	0	0	0	0
Procent used (fiskekort)	0,01	0,01	0,01	0,01	0,01
Procent used (premium)	0,05	0,05	0,05	0,05	0,05
business	685	736	866	1194	2018
business out of trail	325	709	797	1020	1581
Turnover	137.257	295.662	333.564	438.068	781.996
Variable costs			14.250	14.250	14.250
Contribution margin	137.257	295.662	319.314	423.818	767.746
Fixed cost					
Staff	2	6	7	8	9
Pay service	6.702	8.581	12.048	22.771	78.433
marketing	2.000	3.000	4.000	5.000	6.000
salery	40.000	180.000	210.000	240.000	270.000
Total fixed costs	48.704	191.587	226.055	267.779	354.442
Earnings before depreciation and interest	88.553	104.075	93.259	156.039	413.305
Earnings before interest	87.303	102.825	93.259	156.039	413.305
Interest	5.764	5.764	5.764	5.764	5.764
Net profit	81.539	97.061	87.495	150.275	407.541
Total in bank	-326.063	799.436	1.695.835	3.060.434	7.123.002

See a Operating budget for the first year in appendices E



Table 4: The Cash Flow Budget

Pro term / 2017 till 2023	January	February	March	April	May	June	July	August	September	October	November	December	12 month total
Cash in hand or in bank - 1st day in month	850.000	579.314	533.892	488.411	444.534	401.598	359.041	327.284	299.334	260.822	254.651	276.574	
In-going payment incl. VAT, Sales tax ..													
Cash sale	100	439	788	2.419	3.625	8.903	17.957	22.839	32.926	50.761	86.778	158.552	386.087
Total In-going payment	100	439	788	2.419	3.625	8.903	17.957	22.839	32.926	50.761	86.778	158.552	386.087
Out-going payment incl. VAT, Sales tax..													
Creditor	5.764	5.764	5.764	5.764	5.764	5.764	5.764	5.764	5.764	5.764	5.764	5.764	69.168
VAT or Sales Tax to pay	22	97	505	532	798	5.695	3.951	5.025	25.674	11.167	19.091	108.904	181.461
Wages	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	480.000
Total out- going payment	45.786	45.861	46.269	46.296	46.562	51.459	49.715	50.789	71.438	56.931	64.855	154.668	730.629
Change in available cash													
Minus cash the 1st day in the month	625.000	579.314	533.892	488.411	444.534	401.598	359.041	327.284	299.334	260.822	254.651	276.574	
Available cash last day in month	579.314	533.892	488.411	444.534	401.598	359.041	327.284	299.334	260.822	254.651	276.574	280.458	



7.4 Investors Profit

In case that the project gains an investor, who wish to earn a certain amount of money before (s)he will invest in it. Therefore the group expects to sell 15% of the project for 625,000 DKK. This means that the total project is valued to 4,167,000 DKK.



8 Reflection

As this project have been moving forward, response has been given to the idea, therefore the idea has been changed over time, so that the renting equipment has been moved from the main feature to a secondary feature. The choice has been made because of response through the project and also surveys. The new main feature is, focusing on getting users to use the application, to get more business subscribers. A way to increase the earn of the project could be to let users buy from the businesses through the application. That will make it possible to earn money on every transaction.

Another reflection is about premium users, which was an idea in the start of the project, where the users pay to gain extra features. But because of the low gain for it, the group expected that not many will pay a monthly pay for it.

In the presentation of the product, there was good response about the fishing map, because today there are signs, that are no longer maintained, therefore they can be hard to read and understand. This problem will the fishing map in the product solve and also make it cheaper, because there will be no need for the signs anymore.

Also in the presentation, there was talk about starting local or larger, by that it means, if the project should start on Funen or just start in all Danmark. By starting on Funen, there will be a slower start, but it is easier to avoid negative publicity, because there will be fewer users in the critical start up period. When the critical period is over, it will be more safe to expand to the rest of Denmark.

9 Conclusion

As seen in section 8, there has been some ideas in the project, that didn't have as big an effect as expected, when it was confronted with the market. Therefore it can be concluded, that it was a good idea to do research before making the final product definition.

Through the market analysis, it has been discovered that the users isn't the source to the biggest income, but that it is the businesses, with a business subscription, which is the best opportunity for earning money.

As seen in the reflections, the fishing map got good response because it could replace the worn out signs, near the fishing places. A good partner for the fishing map, is the government, because the application could make it cheaper for them, instead of costly maintenance of the signs.

Overall, the fishing guide/map and the sell function for the businesses, will be the best to continue working with and develop. The renting segment showed that is was more a secondary function, than a primary function, therefore the focus was to minimise it.

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Appendix A Circle Technique Ideas

T:1: List over places to rent fishing-equipment.

- A platform where local people, and fishing enthusiasts can post the equipment, which they don't currently use, it could be a fishing rod, but also knives and stuff like that, this could help other fishing enthusiasts to go fishing when on holiday, without the need to carry their equipment with them (as in they don't need to carry their knives with them on the airplane.).
- This could also cover other equipment based/heavy hobbies, like hunting, mountain climbing, camping, diving etc.
- The rentee (the one with the equipment) could ask for payment for renting, to cover wear and tear on the equipment.
- It should be possible to set a time period for how long time you are willing to rent-out your equipment.
- Tutorial section to show how to make fishing equipment e.g. Spinning bait.
- Competetive: competes with local tourist based renting firms, but could be good (like uber).
- There have to be some rules/penalty about losing equipment, maybe a deposit.
- *Earn money: take a percentage of the rent fee.*

E:3: A platform, that shows summer fitness possibilities, near you.

- A platform to every fitness and sport lovers, so they easily can find a new place to workout. The users should rate the different places, so other users can find the best place for exactly their kind of sport/workout. There have to be a description to every fitness place.
- This platform could include fitness centers, as well as public fitness parks, running groups, etc.
- Could also be expanded to finding "fitness buddies", to train with.
- Could be expanded to track fitness stuff such as heart rate, repetitions, (distance)
- Directions to the chosen fitness location.
- *How to earn money: when finding a fitness center, you get a discount price when showing that you have used the app, maybe the payment is done via the app. Part of the payment goes from the fitness center to the app.*

B:4: A platform where people write down their sports and when they can

meet.

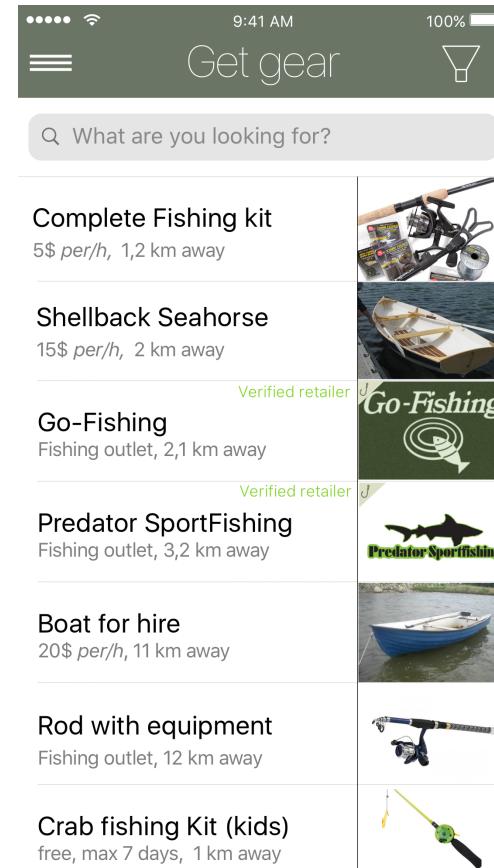
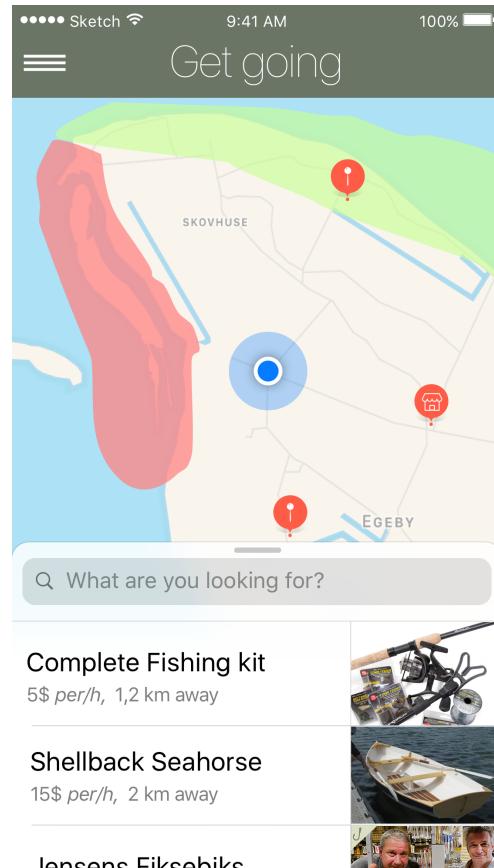
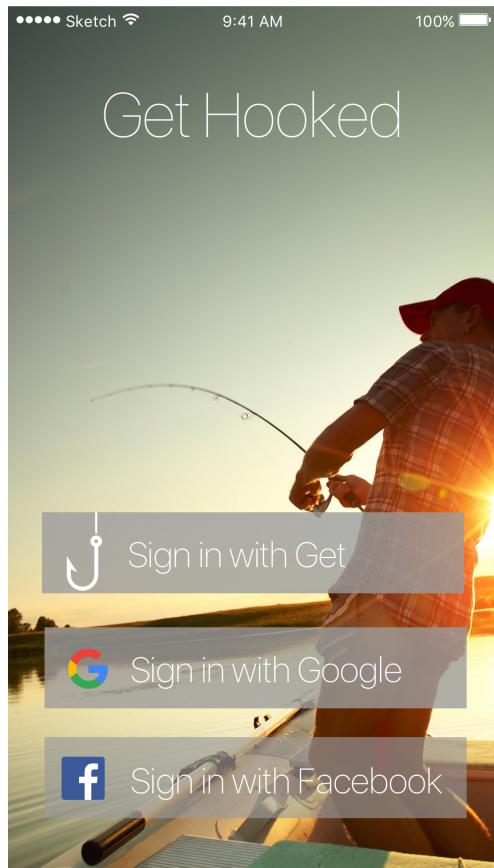
- A platform where people can write down their sport and when they can meet.
- This could be done via an app, with platforms for different sports.
- The idea could also be focused on one area, as the first initial idea.
- People can offer different kinds of sports and describe it, so the user can get interested, and read about the difficulty.
- And maybe the qualities of doing this sport, both physical, and psychical.
- The different activities could be rated (entertaining quality).
- Users could also create events (as 7in, soccer match at 3 p.m in the park), to inform other users that the event is going down, and they are able to join in, if they want to.
- Users could also be able to query for different things, if they want to know about a good jogging route, they can ask for one, and others can reply to the query, if enough people "support" (rate) the route, then the route could be shown on the map, so that other users don't need to query about it in the future.
- *User who provide knowledge of some sports, could charge a fee for sharing their knowledge, part of the fee could go to the app-devs.*

C:6: Platform for sharing leftover cake/food

- A great possibility to minimise food waste, great for students and people with low income, to get cheap or free desserts. Pictures of the dessert can be uploaded to show how much is left of the given dessert/cake. Localisation features to show cakes near you. Reviews of cake bakers, to indicate how skilled they are and to prevent people from poisoning other people.
- Competetive: it might interfere with the baker industry if people start to earn money.
- There is maybe already apps that are too close to this idea.
- You have to know about the ingredients, if you are allergic of something.
- This could branch into other categories as well, Thomas can imagine, tap beer (from parties/events), food, and other stuff which may cause leftovers to occur.
- *How to earn money: donations can be made for really good cakes (part goes to the app-company/part for the cake baker).*



Appendix B Mockups



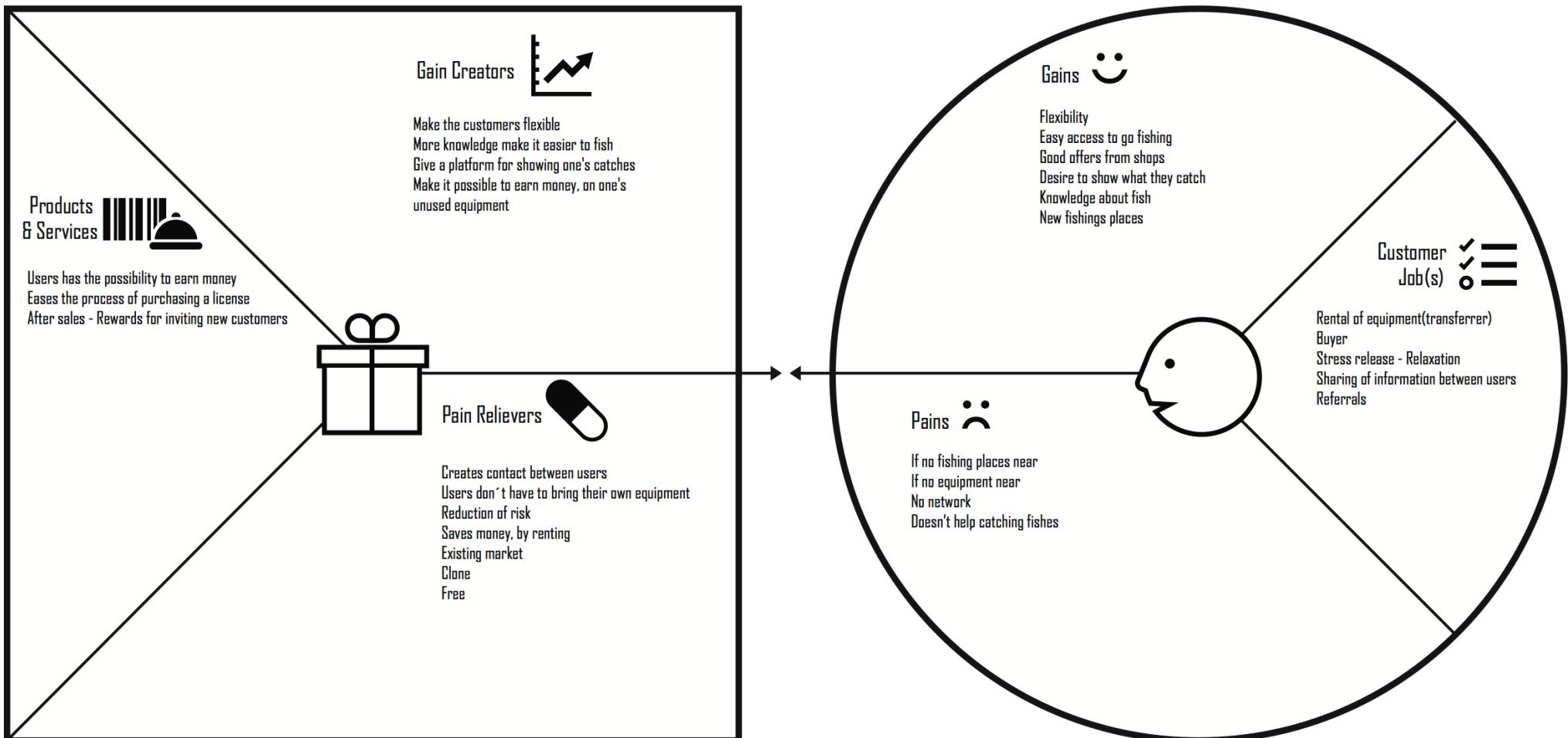


Appendix C Osterwalder Business Canvas

Key Partners  - Marketing Partners - Business Premium Members	Key Activities  - Service Platform - Community Platform - Event Platform	Value Propositions  - Creates Contact between Users - Users doesn't have to bring their own equipment - Users has possibility to earn money - Eases the process of purchasing fishing license - Simplicity - Reduction of Risk - Saves money, by renting - Existing market - Clone - Free - After Sales	Customer Relationships  - Self service - Community - Loyalty Programmes - Gamification - Product development - Premium Product	Customer Segments  - Diversified - Multisided platform - Segmented - Referrals
Key Resources  - Specialists - Information Databases - Industrial Design - Trademark - Crowdsourcing			Channels  - OnlineSales - Temporary Outlets - Word of Mouth	
Cost Structure  - Fixed Cost Structure		Revenue Streams  - Transaction fees - Advertisements - Subscriptions - (Insurances)		



Appendix D Osterwalder Value Proposition Canvas





Appendix E Operating Budget, the first Year

Table E: The Operating Budget for the First Year

	January	February	March	April	May	June	July	August	September	October	November	December
Users	100	325	450	1075	1318	2047	4234	4490	5002	6026	8074	8083
Procent used (fiskestænger)	0,01	0,01	0,05	0,1	0,15	0,2	0,2	0,2	0,2	0,15	0,1	0,05
Procent used (både)	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0	0
Procent used (fiskekort)	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01
Procent used (premium)	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05
business	5	9	18	37	76	157	325	676	678	680	682	685
business out of trail						5	9	18	37	76	157	325
Turnover	0	28	174	820	1.499	5.159	10.251	14.350	22.846	38.195	70.800	137.257
Variable costs												
Contribution margin	0	28	174	820	1.499	5.159	10.251	14.350	22.846	38.195	70.800	137.257
Fixed cost												
Staff	2	2	2	2	2	2	2	2	2	2	2	2
Pay service	54	120	211	448	800	1.562	3.238	6.145	6.230	6.386	6.680	6.702
marketing	2.674	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
salery	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000
Total fixed costs	42.728	42.122	42.213	42.450	42.802	43.564	45.240	48.147	48.232	48.388	48.682	48.704
Earnings before depreciation and interest	-42.728	-42.094	-42.038	-41.631	-41.303	-38.406	-34.989	-33.797	-25.387	-10.193	22.118	88.553
Depreciation	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250
Earnings before interest	-43.978	-43.344	-43.288	-42.881	-42.553	-39.656	-36.239	-35.047	-26.637	-11.443	20.868	87.303
Interest	5.764	5.764	5.764	5.764	5.764	5.764	5.764	5.764	5.764	5.764	5.764	5.764
Net profit	-49.742	-49.108	-49.052	-48.645	-48.317	-45.420	-42.003	-40.811	-32.401	-17.207	15.104	81.539
Total in bank	-49.742	-98.850	-147.903	-196.547	-244.864	-290.284	-332.287	-373.098	-405.498	-422.705	-407.602	-326.063