

Gyrfalcon Agricultural Analytics Platform

Go-To-Market Plan

Group 1

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Agenda

1 - Country/Market Selection Criteria

2 - Go-To-Market Strategy

- Location - Australia
- Time to Market (Immediate Release of Product)
- Advertising - Online and Offline
- ROI on Product
- Financial Risk Factors (Leveraging Tax Treaty)
- Manufacturing in China
- Hardware + Software (Partnering with a Drone Manufacturer)

3 - Final Recommendations



Country/Market Selection Criteria

- In Asia
 - First : China (Coronavirus Scare)
 - Final Choice: Australia

COUNTRY	PERF	LAND	AGLAND	AGLAND-PC	CORRX	EASE-RK
Australia	14.54	7,682	3,966	52	8.0	10
China	14.91	9,388	5,146	55	3.6	93

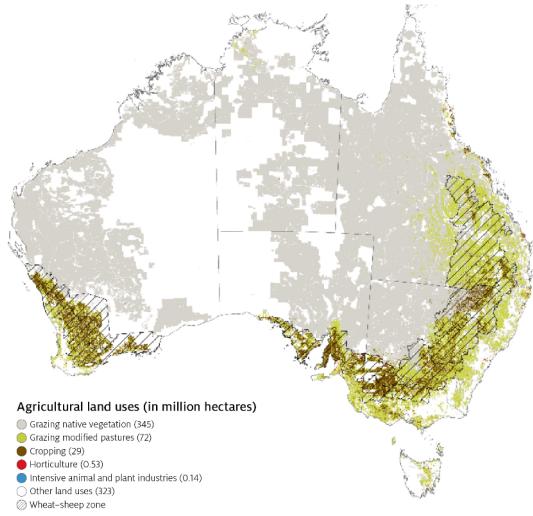
Table: data given by the board

Table 1. Country indices of “potential” for precision agriculture

Rank	Country	Spatial index
		Ha of cropland/ worker
1	Canada	154.2
2	Australia	142.5
3	United States	77.1
4	Denmark	29.5
5	France	25.4
6	Sweden	25.4
7	New Zealand	23.3

Source: McBratney, A., Whelan, B., Ancev, T. et al. Future Directions of Precision Agriculture. Precision Agric 6, 7–23 (2005).

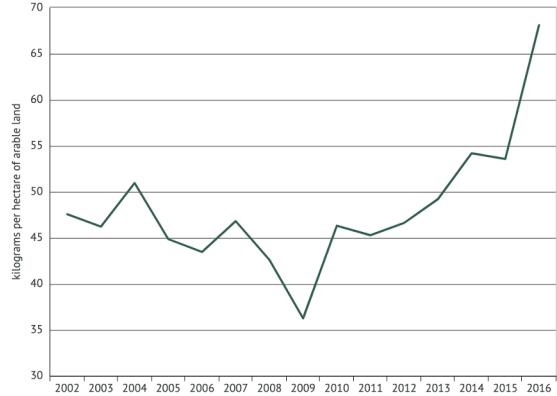
Market Strategy: big corporate farms in Australia



Large field sizes, major in agricultural producer & exporter - \$155 billion/year, 12% share of GDP

Autonomous drone technology has been developed since 2017

What is Australia fertilizer consumption?



Fertiliser consumption increase annually - negative environmental impact.

Go-To-Market Strategy: Immediate Release of Product



- Techniques might be surpassed by competitors in next few years
- Making it public sooner can lead to future changes in direction

Competitor - Ground Breaker Precision Agriculture in Australia



World leaders in precision planting technology, now and into the future

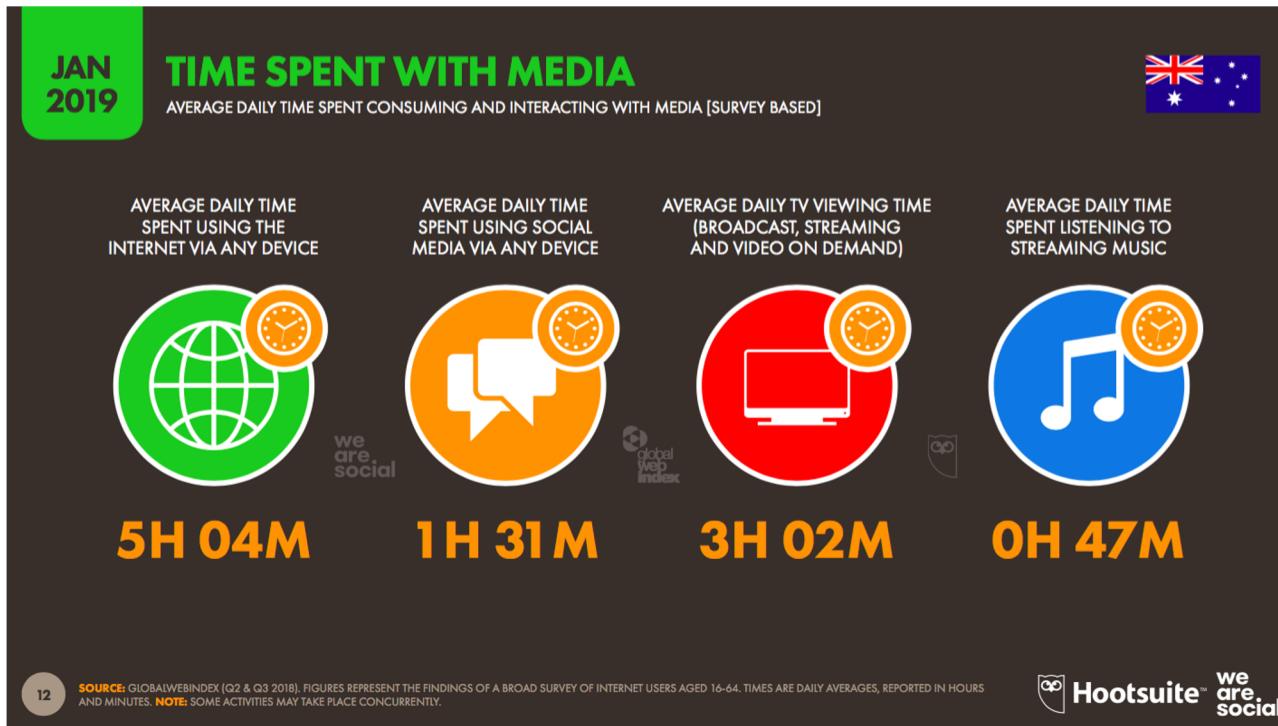
Agriculture is moving quickly into the digital age and as a manufacturer of quality precision planters, we strive to provide quality solutions accordingly.

Farmers are now searching for machinery that will optimise the seeding and planting process, reduce costs and increase yield and crop quality. We rigorously test new technologies for precision, accuracy, durability and quality.



Go-To-Market Strategy: Online Advertising

Australians spend more than 5 hour/day using the internet



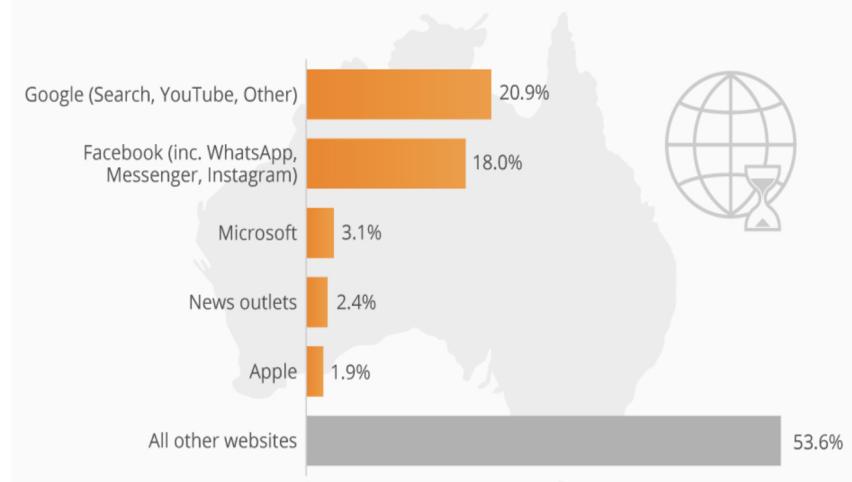
Go-To-Market Strategy: Online Advertising

What are the MOST EFFECTIVE CHANNELS for a digital marketing plan to include?



Where Australians spend their time online

Distribution of time spent online by Australians, by platform/website type (August 2018)



- Google generates **3.5** billion searches everyday
- **6 in 10** Australians use Facebook



Go-To-Market Strategy: Offline Marketing

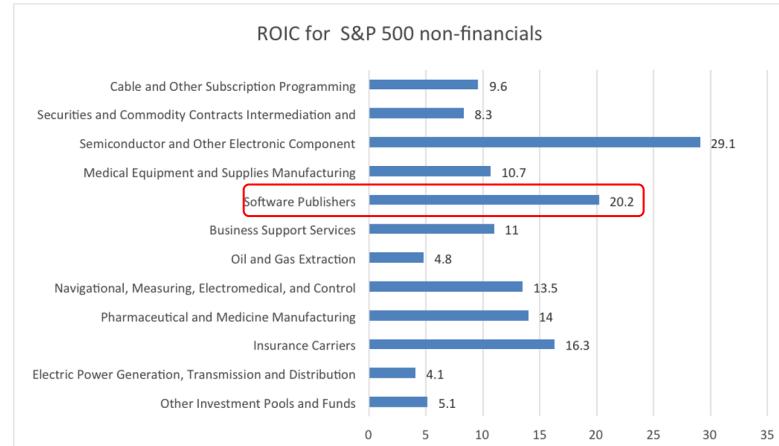
Trade show / Road show / Events in Australia



- Direct connection with customer
- Make our product more approachable
- Drive traffic to our website
- **Increase brand awareness**

Go-To-Market Strategy: Determine Market Profitability - ROI

- Target: Greater than **12.31%** (U.S.),
11.43% (Australia)
 - Calculated based on 8% WACC and 35% U.S. tax rate (30% for Australia)
 - Lower ROI means no profit on capital invested
 - Most healthy public companies have ROIC greater, with higher WACC



Source: <https://valuereports.economatica.com/roic-sp-500-performance/>



Go-To-Market Strategy: Financial Risk Factors

- Exchange rate fluctuation
- Potential economic downturn
- Double taxation

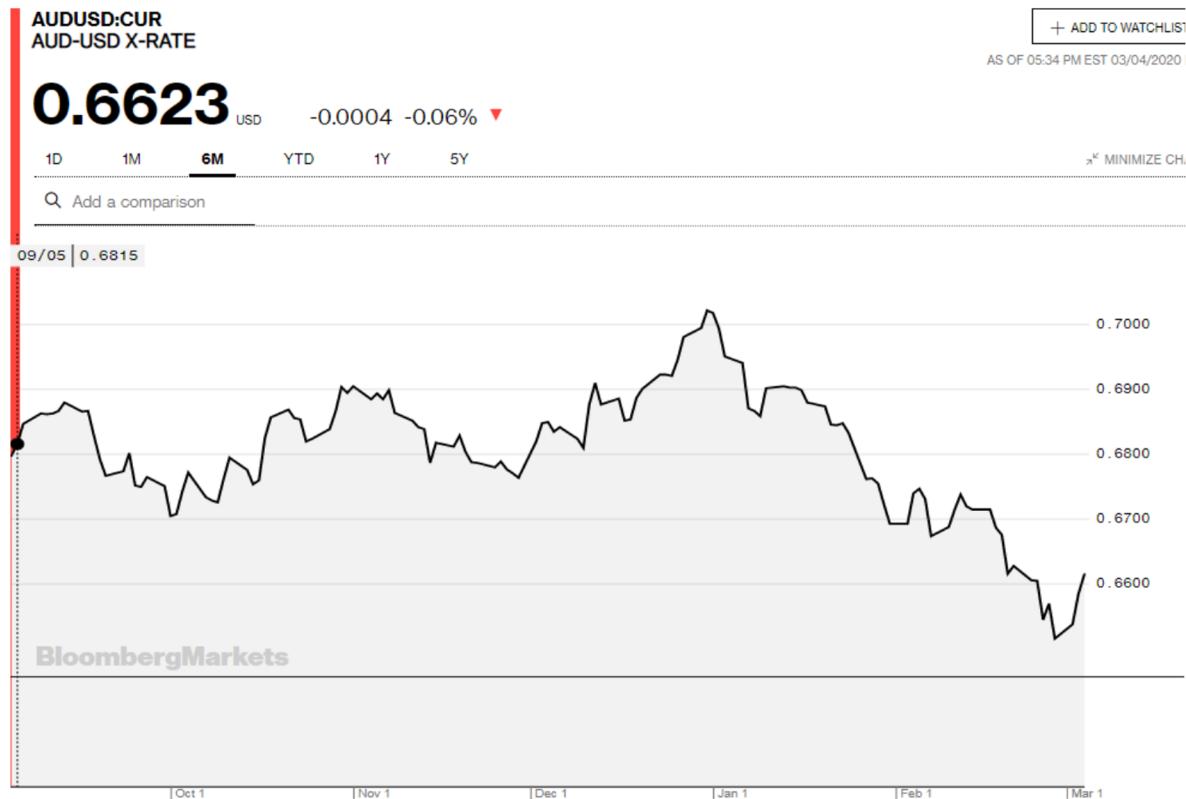




Exchange rate fluctuates over time

Solution:

Purchase hedging instruments

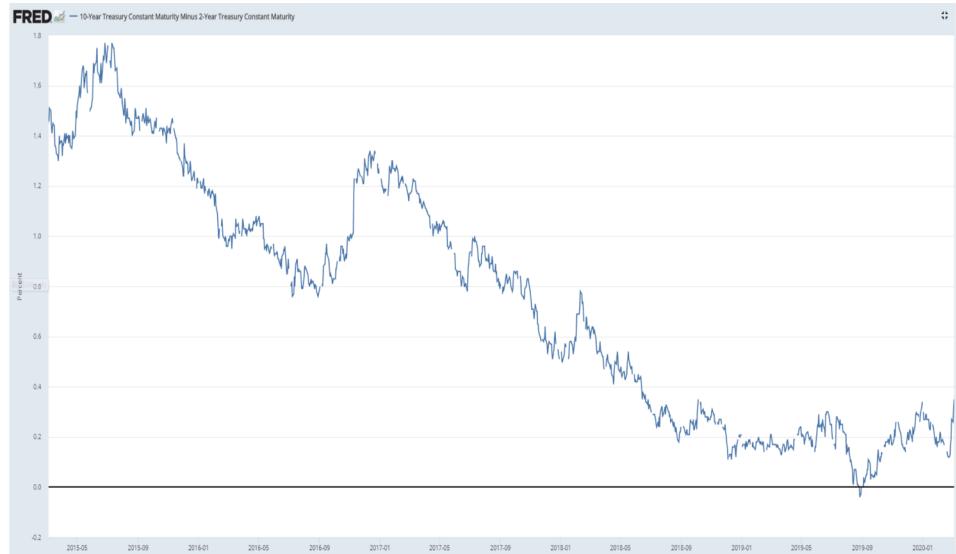




Potential economic downturn

Solution:

Corporate with third party collection agency to recover loss as much as possible from default credit sales.





Go-To-Market Strategy: Financial Risk Factors

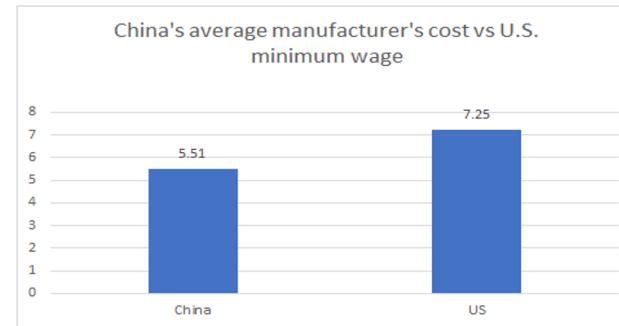
A subsidiary or a branch?

- Build oversea Subsidiaries
- Transfer funds by paying dividends to the parent company to relieve double taxation issues



Go-To-Market Strategy: Manufacturing in China

- One of the top manufacturer in technology: both quantity and quality, with a lower cost.
- One of the largest and the best drone providers in the world: potential partnership opportunity to provide customers with drones as well.



Source: <https://www.droneii.com/drone-manufacturer-market-shares-dji-leads-the-way-in-the-us>

<https://www.statista.com/statistics/744071/manufacturing-labor-costs-per-hour-china-vietnam-mexico/>

Go-To-Market Strategy: Hardware + Software

- Ensure no breach to the government regulation of drones.
- Ensure no technical problem due to drones.
- Lower price of drones can attract more customers.
 - Can be achieved by partnering with a Chinese drone manufacturer.
- Optional package with drone: more flexibility to customers.





Potential Limitations/Obstacles

- Limited or lack of government cooperation/support
- Lack of knowledge/ability to use or apply the product
- High customer acquisition costs
- A knock-off product enters market before 3-5 year time frame
- Cash flow issues - adjusting for in the budget



Source: <https://www.adorama.com/alc/what-are-the-best-drones-with-4k-cameras>
<https://news.wsu.edu/2019/07/22/protecting-vineyards-drones/>



Final Recommendations

- International Market to Infiltrate: big corporate farms in **Australia**
- Minimal Time to Market: **Immediate Release of Product**
- Advertising Through: **Ads on Google / Facebook & Trade Shows in Australia**
- Manufacturing Products in a Cheap-Labor Market: **China**



Questions?



Sources

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