

# Furnit'AR'



MGMT - 301

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# Problem Statement



Visiting each and every shop is **time-consuming and tiring**

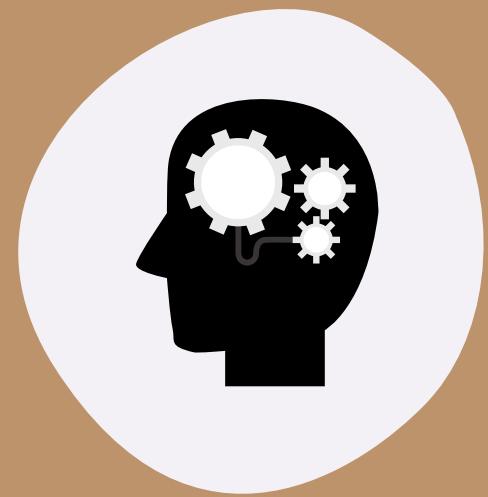
Local shops do not have **variety**

**Bad experiences** with online furniture shopping

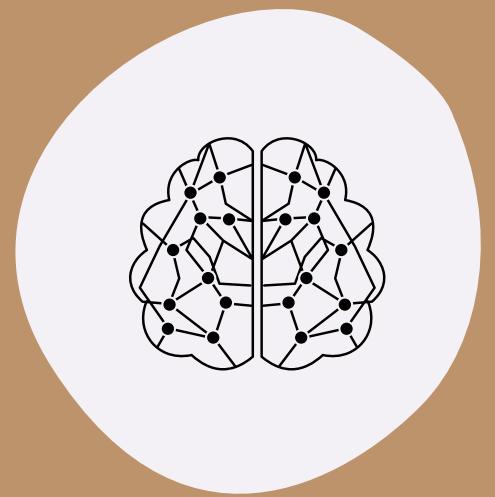
**Inability to visualize** furniture in home/office settings



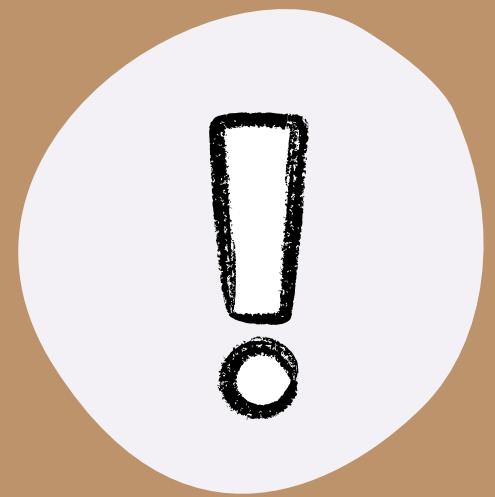
# Process



Observations &  
Interviews



Saturate &  
Cluster



POV



Ideate



Prototype



Business  
Model

# Observation & Interviews



Target Audience  
**internet users**



Observation Location  
**Habitt**  
Interviewees  
**Couples & Students**

## Key Insights

# Saturate & Cluster

local shops  
don't have  
variety

a lot of thinking  
involved in  
making furniture  
decisions

shopping in  
stores is time-  
consuming &  
tiring

dimensions  
important

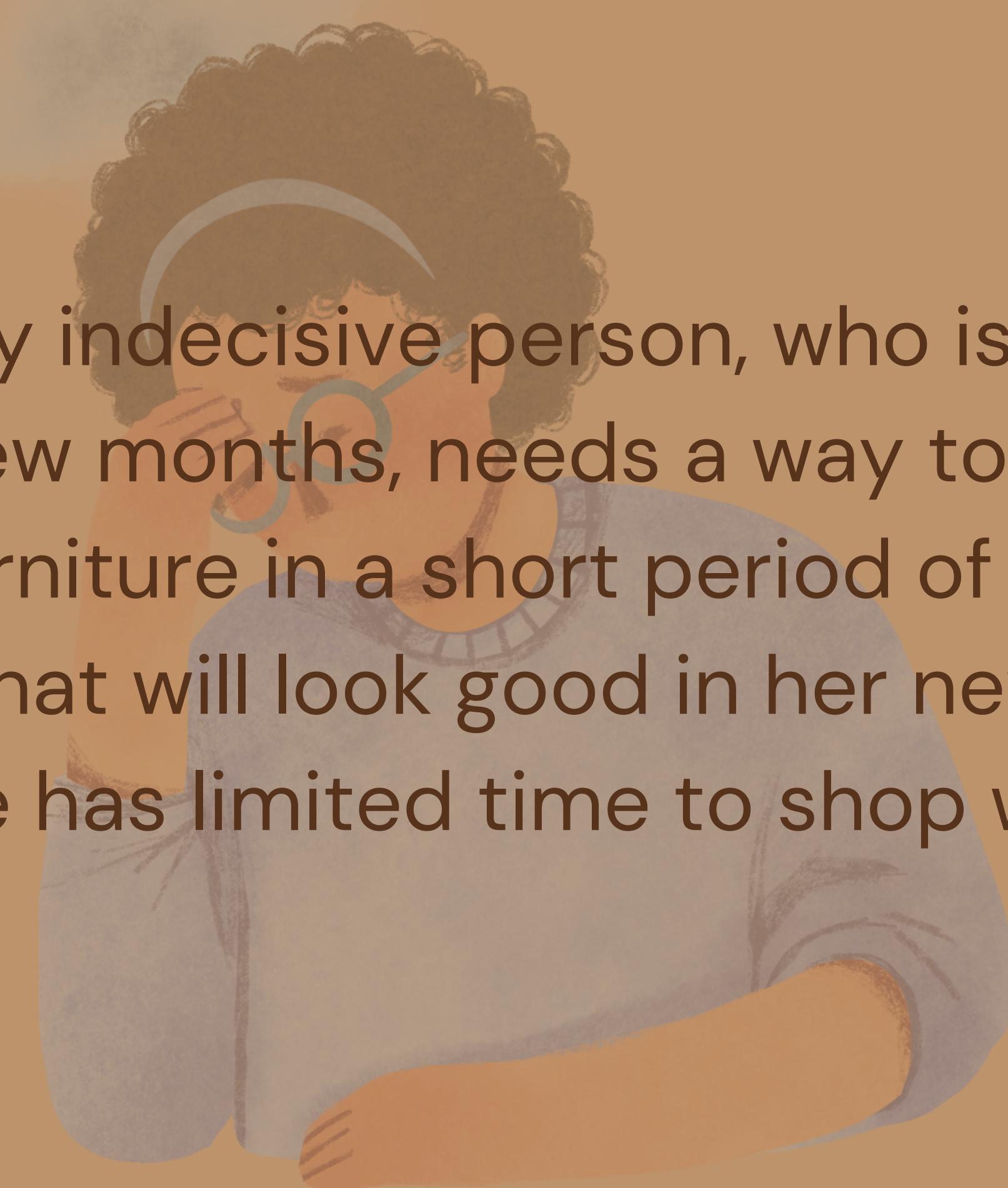
unsure about  
the quality of  
products online

struggle to  
visualize furniture  
in their home  
settings

unable to  
explore all  
possible  
option in  
stores

shops too  
small,  
stuffiness in  
shops

# | POV



Anaya, a very indecisive person, who is getting married in few months, needs a way to explore variety of furniture in a short period of time, something that will look good in her new room because she has limited time to shop with her full-time job.

# Ideate

## HMW Statements

HMW ensure customers can view variety of furniture?

HMW make it easier to visualize furniture items?

HMW ensure smaller businesses get recognition?

HMW make it easier to bring niche furniture more popularity?

HMW conduct quality assurance of furniture items in an online setting?

HMW get customers trust in online shopping?



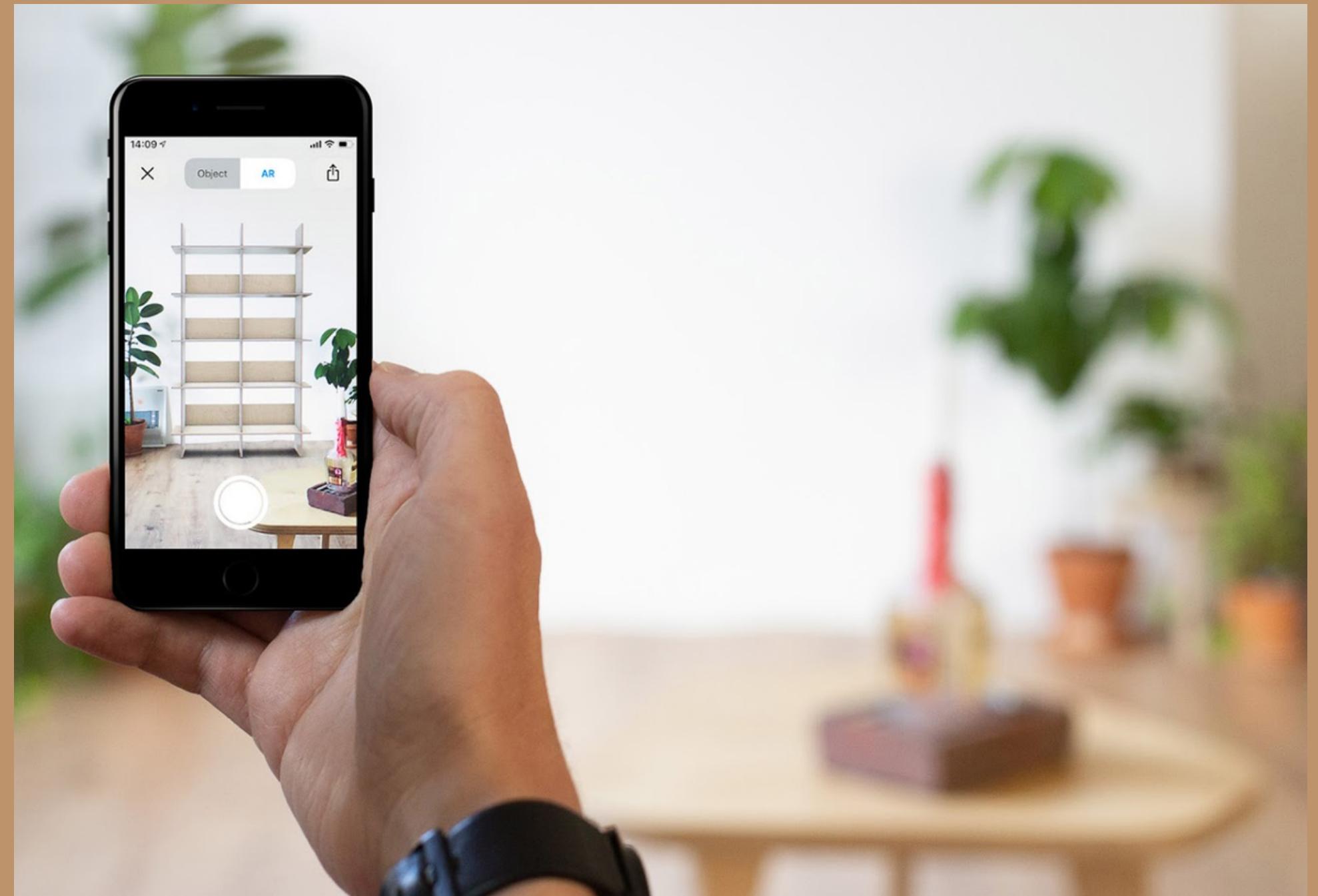
How can we  
solve this?

# Solution

01 Online Shopping

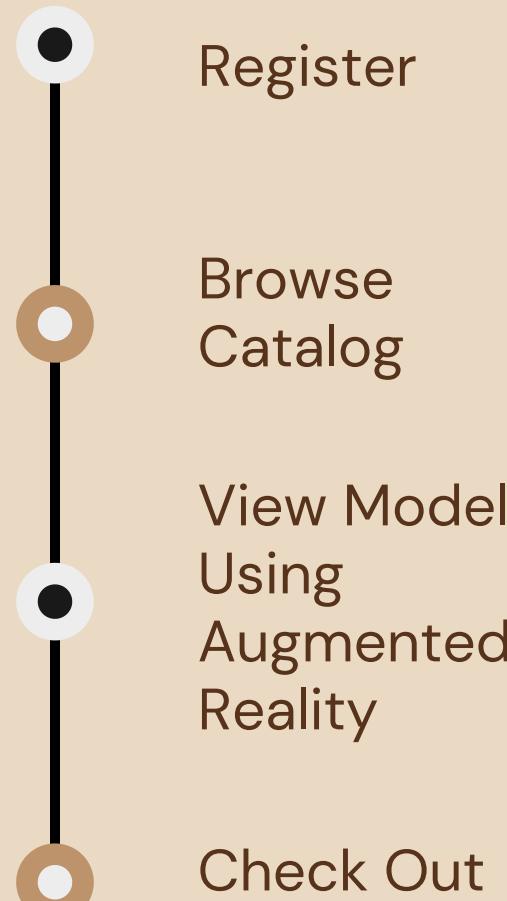
02 Furniture Catalog

03 Augmented Reality



# Product Overview

Buyer



Seller



## Furniture Warehousing

Option for retailers to warehouse their furniture

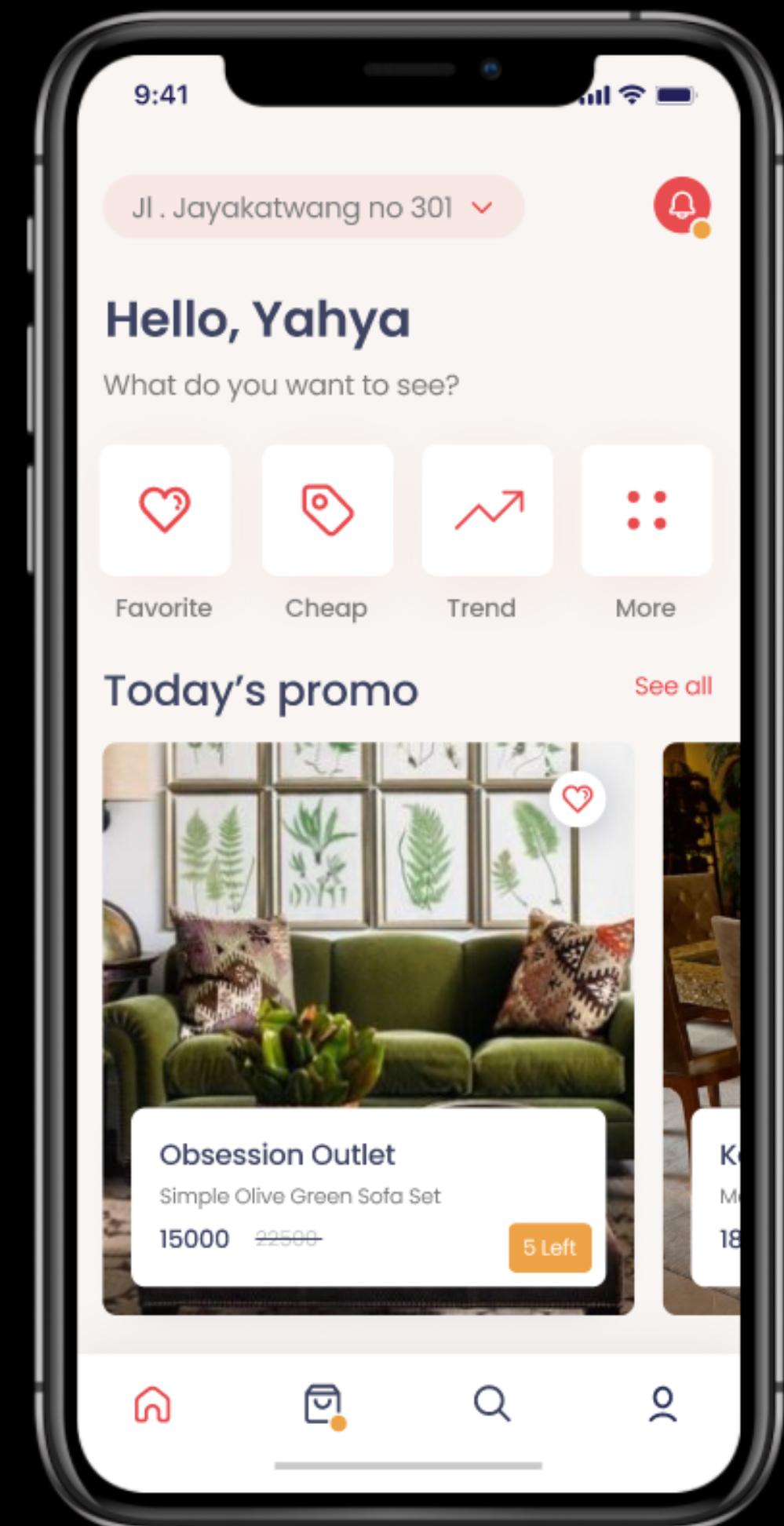
## Augmented Reality

Augmented Reality will allow the user to visualize furniture items in real time.

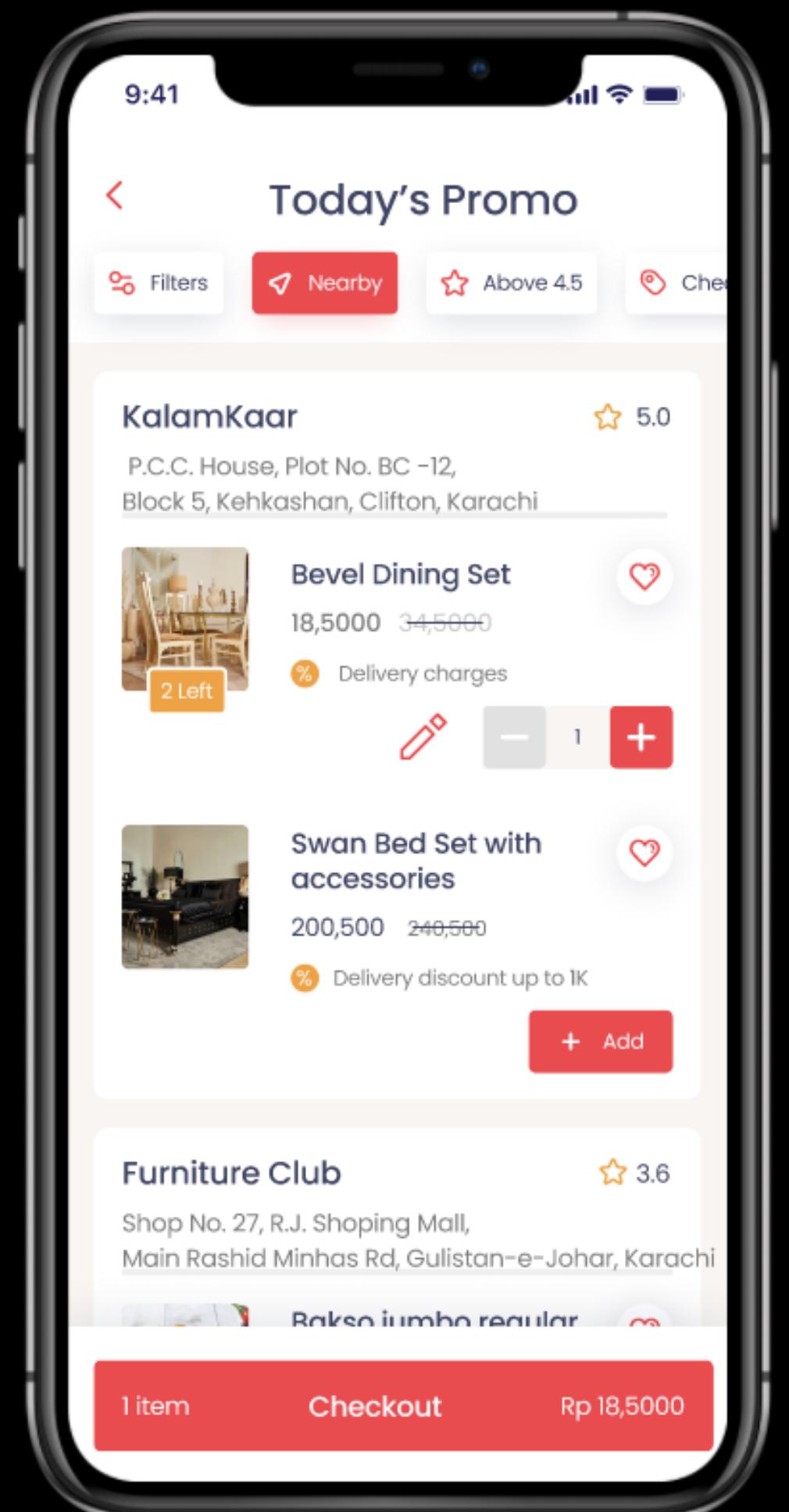
## Catalog of 3D Models

Our catalog will comprise of a database of furniture models that users can browse.

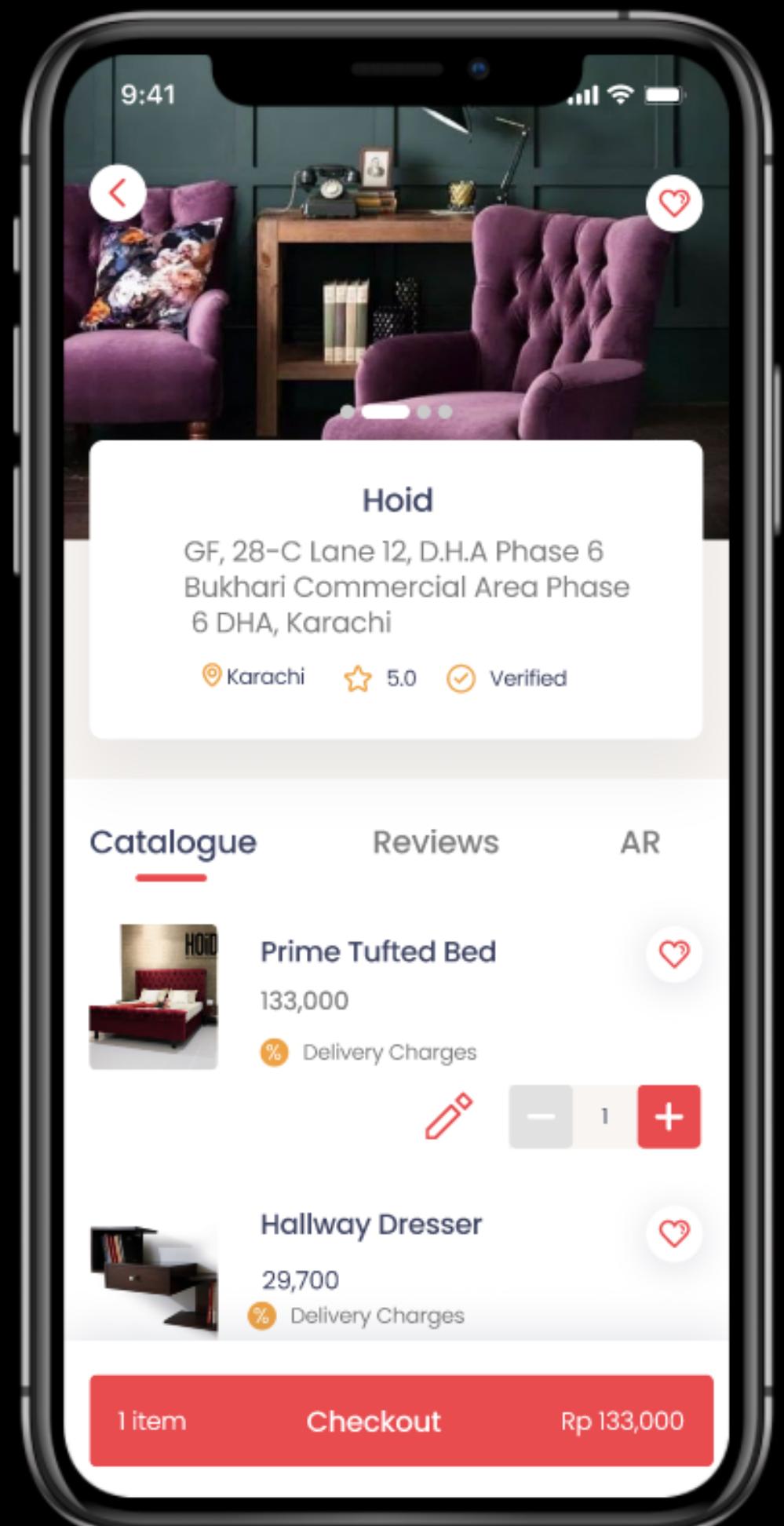
# Prototyping



# Prototyping



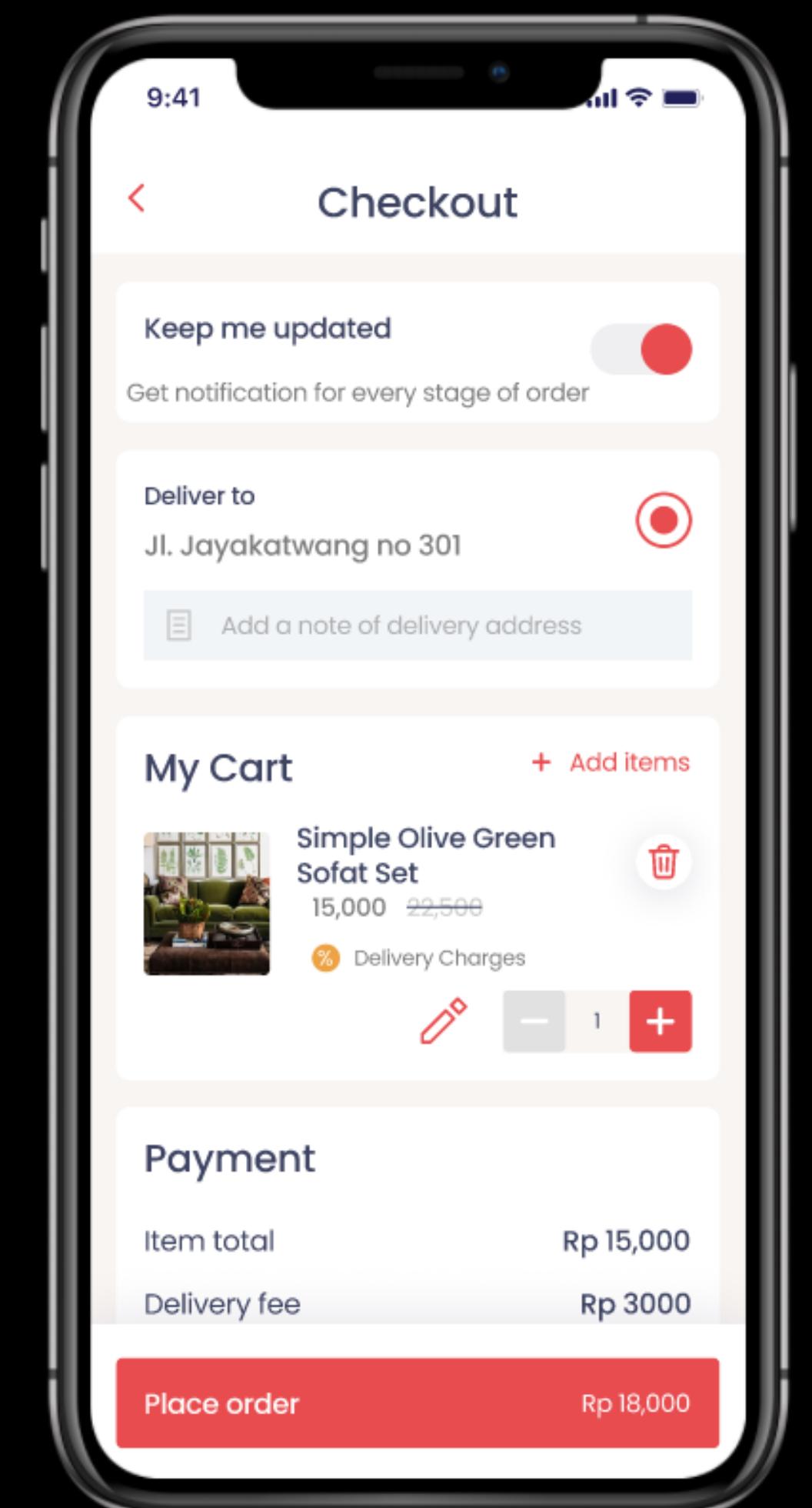
# Prototyping



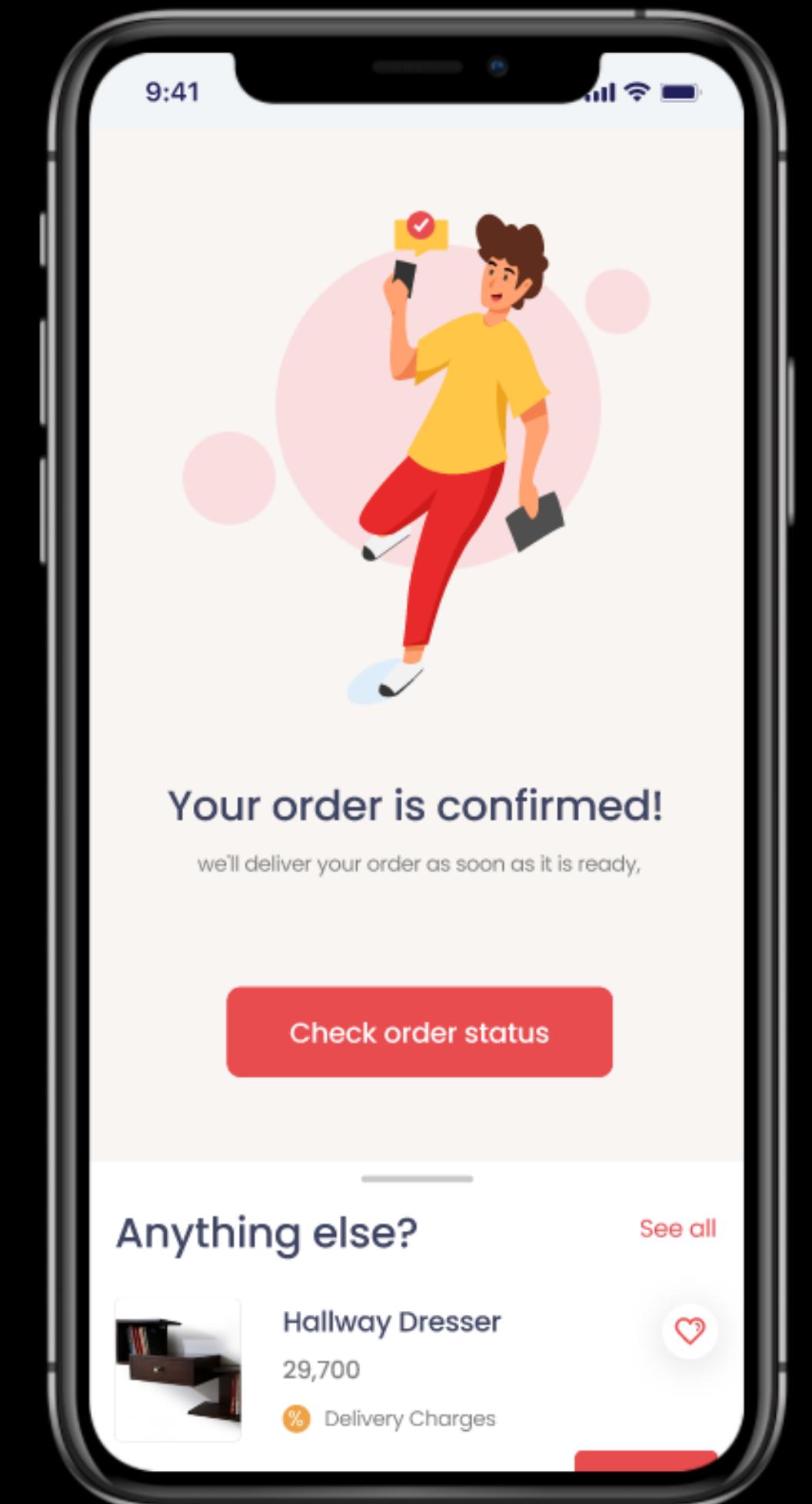
# Prototyping



# Prototyping



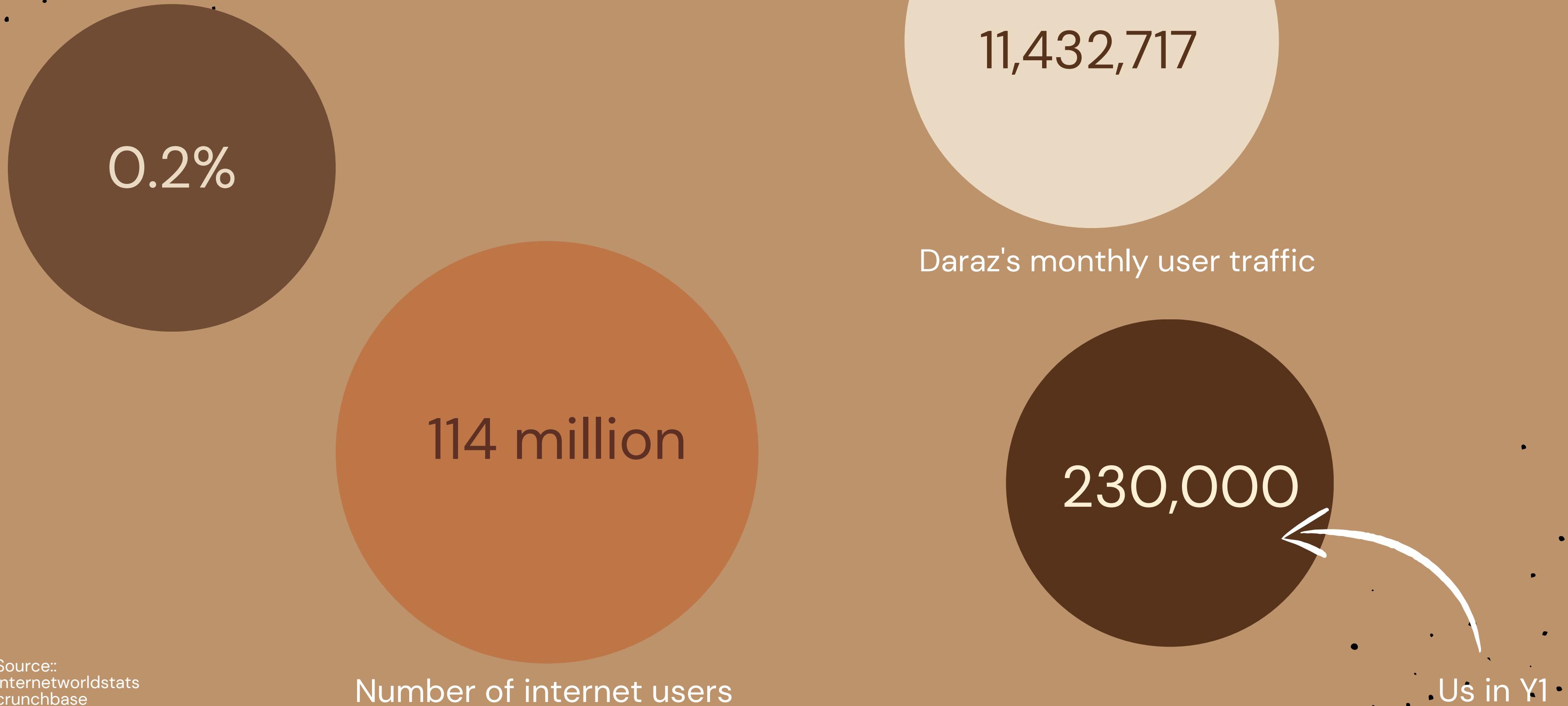
# Prototyping



# Opportunity Sizing



# Market Size



# Direct Competitors



# Indirect Competitors



# Competitive Advantages

## Online Experience

Buying from comfort of one's home

## Variety of Options

One can view huge variety of products from reknown brands and local artisans' workshops

## Saves Time

Can browse online catalogue in no time

## AR Visualisation

AR allows customers to visualize the furniture products in their home settings thus creating trust

# Business Model

Year 2022 – Year 2027

We take 25 % on every product sold

11,000  
Furniture products  
projected to be sold  
by 2027

PKR 60,000  
Average Selling Price

**PKR 105M**  
Projected revenue  
in 2027

# Primary Revenue Streams

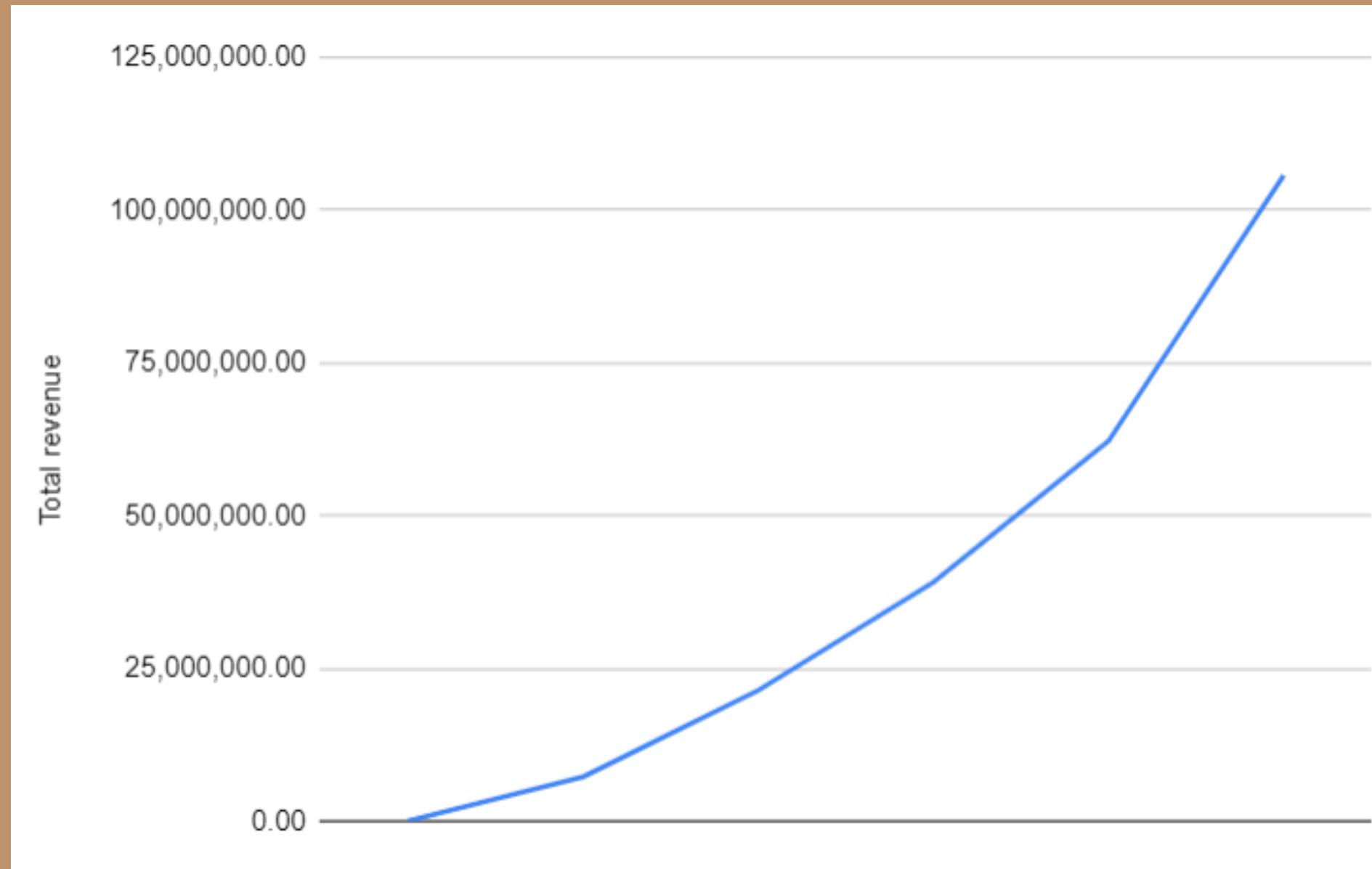


Commission Revenue

Advertisement Revenue

Delivery Charges

# Projected Revenue



Advertisements

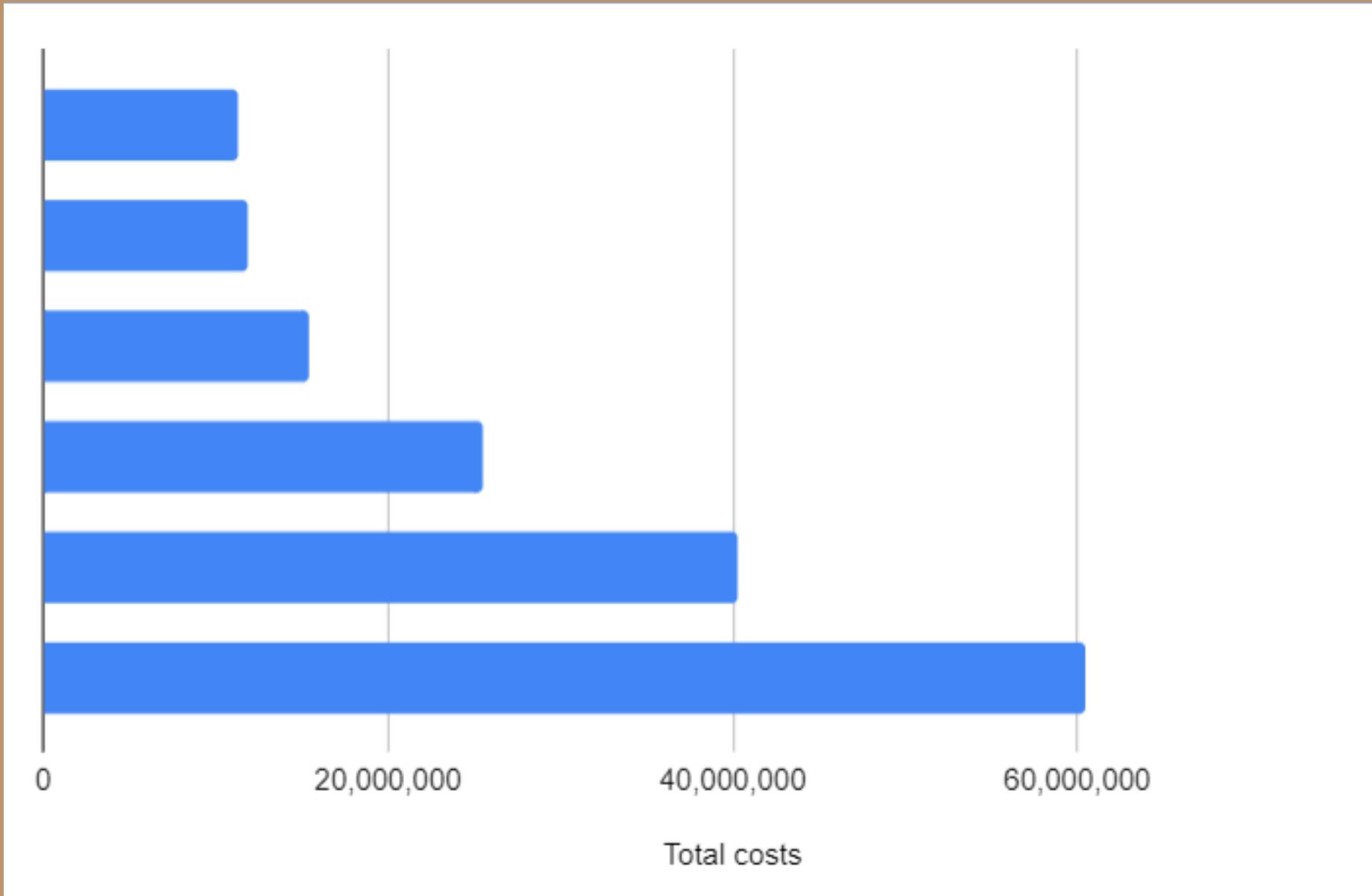
Commissions

Delivery Rate

## Assumptions

- Potential market size 114,000,000
- Market Penetration 0.2 percent
- Growth in broadband users (avg) 6.4 percent
- Furniture establishments 130 \* 3
- Units sold per seller (avg) 60
- Avg. Selling Price/Unit PKR 60,000
- Commission rate 25 percent
- Delivery rate (local) PKR 3,000
- Cost per click PKR 190
- Click-through rate 10 percent
- Advertisement commission 40 percent

# Projected Costs



## Cost Structure

- Insurance premium 0.25 percent
- Background Check/Seller PKR 8,000
- Market Spending as % of Gross Profit 5 percent
- Application development PKR 1,652,200
- Web Hosting PKR 200,000
- Warehouse Rent/month PKR 200,000
- Truck Cost PKR 2,000,000
- Fuel per litre PKR 144.15
- Truck Maintenance PKR 40,000
- Legal Subscription (Per Annum) PKR 500,000
- Application operations team PKR 200,000
- Quality assurance team PKR 100,000
- Operations team PKR 90,000
- Customer Support team PKR 40,000
- Finance team PKR 80,000
- HR PKR 70,000
- Delivery team PKR 60,000
- Security team PKR 50,000

Legal

Salaries

Warehouse

Vehicles

AR & Application

Fuel

Rent & Utility

Insurance & Verification

# Projected PV



# Sensitivity Analysis

			<b>Commission Rate</b>			
	19,943,514.00	15%	20%	25%	30%	35%
	30%	-31799673	-9254272	13291129	35836529	58381931
<b>Ad Commission</b>	35%	-28473479	-5928080	16617322	39162722	61708124
	40%	-25147287	-2601886	19943514	42488916	65034316
	45%	-21821094	724307	23269707	45815109	68360510
	50%	-18494902	4050499	26595901	49141302	71686702

# Sensitivity Analysis

				Avg. Selling Price		
	19,943,514.00	40,000	50,000	60,000	70,000	80,000
	40	-20404692	-8802023	2800648	14403319	26005987
	50	-18832396	-4330180	10172036	24674254	39176468
Units sold per seller (avg)	60	-14862150	2540682	19943514	37346345	54749178
	70	-11497329	8804957	29107245	49409533	69711820
	80	-10491405	12711778	35914961	59118144	82321327

# Sensitivity Analysis

				<b>Market Penetration</b>		
	19,943,514.00	0.10%	0.15%	0.20%	0.25%	0.30%
	2000	8568060	10498227	12428381	14358537	16288697
	2500	12325627	14255793	16185947	18116103	20046264
<b>Delivery Rate</b>	3000	16083193	18013360	19943514	21873670	23803831
	3500	19840759	21770926	23701080	25631238	27561398
	4000	23598327	25528493	27458649	29388804	31318964

# Sensitivity Analysis

				<b>Cost Per Click</b>		
	19,943,514.00	90	140	190	240	290
	6%	896684	5098190	9299698	13501204	17702710
	8%	3417588	9019597	14621605	20223613	25825624
Click Through Rate	10%	5938492	12941002	19943514	26946026	33948536
	12%	8459396	16862410	25265423	33668437	42071451
	14%	10980299	20783815	30587332	40390847	50194364

# Sensitivity Analysis

			<b>Warehouse Rent</b>			
	19,943,514.00	50,000	100,000	200,000	250,000	300,000
	1,000,000	29245464	28999514	28507614	28261664	28015714
	1,500,000	24717464	24471514	23979614	23733664	23487714
<b>Cost of Truck</b>	2,000,000	20189464	19943514	19451614	19205664	18959714
	2,500,000	15661464	15415514	14923614	14677664	14431714
	3,000,000	11133464	10887514	10395614	10149664	9903714

Worth Of Startup

**PKR 20 Million**



**\$106,000**

# Future Roadmap

**Investment Required  
PKR 107 Million**



**\$600K**

# Abeer Khan

WEB DEVELOPMENT

COMMUNICATION SKILLS

# Akeel Ather Medina

COMPUTER GRAPHICS

# Hafsa Irfan

MARKETING

# Fatima Nasir

ARTIFICAL INTELLIGENCE

# The Team



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# Thank You

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