

Pack Travel Ride

Business Case Presentation

Launch or Pivot ?

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Executive Summary

Through my extensive travels and experiences in bike racing across various countries, I experienced firsthand the challenges associated with bike travel. The exorbitant cost of checking in oversized luggage, the poor quality options of bicycle travel bags that quickly wear out, and the potential damages to valuable equipment are pain points that I experienced and shared by all cyclists who travel with their bikes. Motivated to find a better solution, I developed a compact-sized bag option designed with strong protection, lightweight characteristics, and durability in mind. Specifically, the proposed solution presents an innovative internal strong and light aluminum structure coupled with rigid inserts to offer superior protection. The compact design of the bag allows for easy passage through security checkpoints, eliminates oversized fees, and facilitates convenient travel. Furthermore, meticulous attention to details and the use of high-quality materials ensure industry-leading durability.

In the following pages, I present a comprehensive business case for this innovative solution. Market research and customer feedback confirm the pressing need for a reliable and efficient travel solution. By addressing the high cost, poor quality, and potential equipment damages, our product offers a transformative experience for cyclists, enabling them to travel affordably and safely.

From the start of this venture, changes within the airline and cycling industry, such as sports equipment-friendly baggage policies and the introduction of more sophisticated integrated cockpits, pose potential risks to our main product. However, the rising competition in the compact-sized segment indicates that there is still a strong case for our developed product. Our agile approach allows for potential pivots to adapt to evolving market demands and emerging trends.

Join me as I outline the unique benefits and features of our solution, demonstrate market demand, and present a detailed analysis of the business case along with potential strategies for growth and adaptation. Together, we can revolutionize how cyclists travel with their bikes, capturing a significant share of the expanding market and establishing our venture as a leader in the industry.

Jean-Michel Lachance, Founder
www.thebikepack.com

1) Background Information

Problem Statement

The traditional way of travelling with a bicycle presents significant pain points, including the risk of damage, exorbitant fees for oversized baggage, packing difficulties, poor durability of existing options, and storage limitations. These challenges create barriers for cyclists, leading to frustrations and discouraging them from bringing their bikes on their travels.



Business Objectives

"How might we help cyclists travel with their bikes safely and easily in all ways of transportation"

Key Deliverables

1. High-Quality and Innovative Bicycle Travel Bags:

The primary deliverable of The Bike Pack is to offer high-quality, innovative, and durable travel bags specifically designed for cyclists. These bags should provide enhanced protection, easy packing, convenient storage, and portability for bicycles.

2. Market Disruption

By offering an innovative and superior bicycle travel bag solution, The Bike Pack aims to disrupt the existing market dominated by traditional bags and boxes. The goal is to establish The Bike Pack as the go-to choice for cyclists worldwide, capturing a significant market share and redefining industry standards.

3. Customer Satisfaction:

Ensuring customer satisfaction is a crucial deliverable for The Bike Pack. This includes meeting and exceeding customer expectations regarding product quality, functionality, and overall user experience. Positive customer feedback and reviews are essential indicators of successful deliverables.

4. Market Penetration and Expansion:

The Bike Pack aims to penetrate the bicycle travel bag market and establish itself as a recognized and trusted brand among cyclists worldwide. Key deliverables include expanding the venture's market presence, increasing brand awareness, and gaining a significant market share.

5. Revenue Generation:

The Bike Pack's success relies on generating revenue through product sales. A key deliverable is achieving sales targets and generating consistent and sustainable revenue streams to support the growth and profitability of the venture.

Key Opportunities

1. **Market Growth:** The growing global cycling market presents opportunities for The Bike Pack to tap into an expanding customer base of cyclists who travel with their bikes. With increasing interest in cycling as a recreational activity and eco-friendly transportation, the venture can capitalize on these trends.
2. **Product Diversification:** There are opportunities for The Bike Pack to expand its product offerings beyond the flagship travel bag. This may include developing additional accessories and complementary products or exploring customization options to cater to different customer preferences and needs.
3. **Strategic Partnerships:** Collaborating with cycling event organizers, retailers, and influencers can open doors to new distribution channels and expand the venture's reach. Strategic partnerships can help promote The Bike Pack's products and build credibility within the cycling community.
4. **International Expansion:** The Bike Pack can explore opportunities to expand its market presence beyond its initial target region. As cycling gains popularity worldwide, entering new international markets can unlock significant growth potential and diversify the customer base.
5. **Sustainability Focus:** The increasing demand for sustainable and eco-friendly products presents an opportunity for The Bike Pack to position itself as a leader in environmentally conscious travel solutions. By emphasizing sustainable materials and manufacturing practices and promoting eco-friendly initiatives, the venture can attract environmentally conscious customers and gain a competitive advantage.

Organizational Overview

Mission Statement

Product

Enabling cyclists to travel with ease and peace of mind and embark on unforgettable adventures worldwide.

Company

At The Bike Pack, we innovate for cyclists, providing high-quality products that enhance their cycling experience while embracing social responsibility.

Values

The values that guide our actions are; innovation, quality and social responsibility.

Innovation

Embracing innovation fuels competitive advantage, market differentiation, and continuous growth.

Quality

Commitment to quality fosters customer satisfaction, brand loyalty, and long-term success.

Social Responsibility

Embracing social responsibility drives reputation, customer loyalty, employee engagement, risk mitigation, stakeholder expectations, long-term sustainability, and positive social impact."

Current Activities and Services

At our early stage, we have been focused solely on the development and launch of our flagship product, the compact-sized travel bag named The Bike Pack. We have diligently produced and tested numerous prototypes, which have been made available to select beta users for valuable feedback. Our primary activity revolves around refining and improving the product based on user input, ensuring its effectiveness and customer satisfaction.

Our **key stakeholders**, including **manufacturer** partners, **distribution** suppliers, hired-working **professionals**, and collaborating **cyclists**, play vital roles in our success. Manufacturers ensure the quality of our product, distribution partners facilitate efficient delivery, professionals contribute expertise, and collaborating cyclists provide valuable feedback.

Organizational structure

The Bike Pack was founded by Jean-Michel Lachance, a professional athlete and entrepreneur from Quebec City, Canada. With a deep understanding of the cycling industry and a passion for innovative solutions, Jean-Michel embarked on the journey to revolutionize bike travel. Currently structured as sole ownership, The Bike Pack benefits from Jean-Michel's expertise and leadership. As the company continues to grow, we anticipate exploring opportunities for expanding our

organizational structure to include key team members and strategic partnerships, enabling us to further drive innovation and serve cyclists worldwide.

Existing Capacity and Constraints

To date, the required investments have been self-funded by the founder, Jean-Michel Lachance. Additionally, beta testers have made minor contributions in exchange for the product, thus helping to offset some of the research and development costs. The main constraint of this project is the limited budget, therefore requiring a pre-sale strategy.

Business Environment

Background

Traditionally, travelling with a bicycle by plane has been a challenging experience for cyclists. The most common method has been to use oversized cardboard boxes or flimsy soft bags for packing the bicycle.

Internal Drivers

The drivers that have triggered this investment proposal from the founder's perspective are mainly the frustrations regarding the high-cost consequences of the available options on the market, both the low durability of bags and the oversized baggage fees.

Other internal drivers include the company's core values, such as the strong desire to innovate profitability forecasts, operational inefficiencies, user feedback, and technology advancements.

External Drivers

Several changes from outside the organization have impacted our operation and strategy. Among them;

- Changes within the airline industry, such as friendlier oversized baggage policy¹
- Trends within the cycling industry towards more sophisticated bicycles with integrated cockpits.
- Competitive landscape; The bicycle bag industry is a mature industry with a highly competitive climate. Already established brands can rapidly implement innovative ideas such as the ones developed by a small brand and benefit from established distribution networks. Alternative services like bike rentals and shipping can also impact our business model.
- The COVID-19 pandemic has had a significant impact on small business ventures like The Bike Pack. It has resulted in disruptions to operations, high fluctuations in customer demand, supply chain challenges, and financial constraints, only to name a few.

Those factors, although no deal breakers, have had a noticeable impact on our flagship product and associated go-to-market strategy and business model.

¹ See [Appendix 1](#) - Resume of our Market Research Airlines Industries

PESTEL Analysis

See [Appendix 3](#) for PESTEL Analysis Table

Primary and Secondary Market Research

"The research finds that there is a strong case for a compact and light bicycle travel case, with many airlines now waiving the oversize fee for sports equipment. The average extra cost to check in a bicycle for domestic and international travel is \$86 and \$114 USD, respectively, with a wide range of charges depending on the airline. However, weight limits remain a concern, with bicycles and bags still needing to fit within the international standard of 23kg."²

Based on our comprehensive market research, it is evident that there is a significant demand for a compact and lightweight bicycle travel case. However, it is important to acknowledge the challenges posed by weight limits and evolving technologies in the airline and bicycle industries. In light of these factors, there is also a compelling opportunity to pivot into a larger, yet still lightweight, bicycle travel case to target a different market segment.

Adapting to industry trends will be vital for sustained growth and success. By proactively staying ahead of emerging technologies and continuously innovating, The Bike Pack can effectively meet customer needs and capitalize on market opportunities.

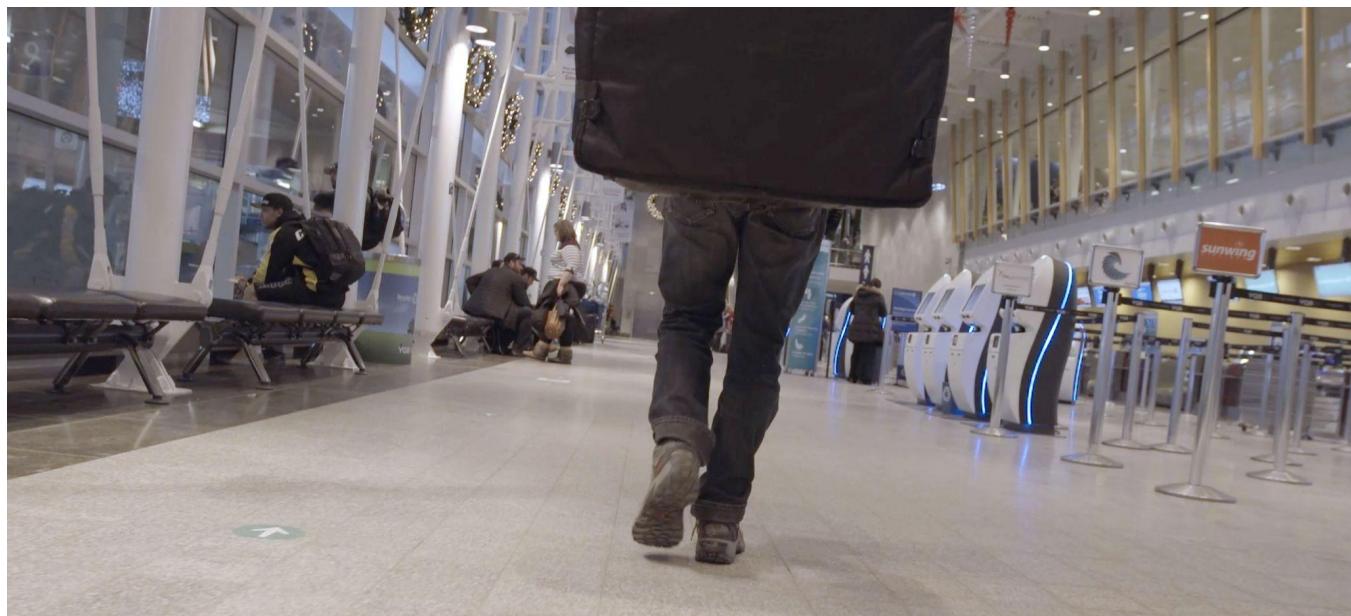


Photo: YQB Airport 2018 testing prototype

² Extract from 2023-04-28-final-research-report submitted as part of 808 MMIE 2023

2) Analysis and Recommendation

Competitive Environment

The bicycle travel bag/box industry is a mature industry. A thorough competition analysis has been performed from secondary research as well as primary research.

Some payable industry reports were consulted:

- Global Bike Travel Case Market Growth 2022-2028³ provides some interesting general insights from the overall market and helped guide our own research.

Covid-19 has been an important disruptor to the manufacturing and travel industry, but we now can see clearly uptrends following that disruption. Growth from specific countries with censured values in \$ millions indicates a strong market.

Who's succeeding

The Major Players

EVOC Sports, Dakine, ToPeak, BIKND, Thule, B&W International, SCICON, Rhinowalk, Cube and Brompton

Direct Competitors

Orucase

Post

Liro

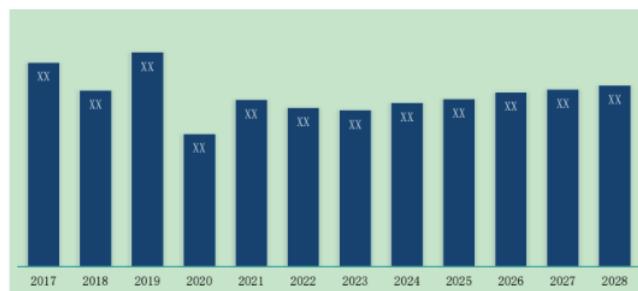
Gavilan Bff

Perceptual Map

See [Appendix 6](#) for a Perceptual Map of our competitor's.

7.7 Italy

Figure 60: Italy Bike Travel Case Revenue Growth 2017-2022 (\$ millions)



Source: Secondary Information and LP Information Research Team; 2022

³ 7.7 Italy Figure 60 - Italy Bike Travel Case Revenue Growth - Global Bike Travel Case Market Growth 2022-2028 - <https://www.ipinformationdata.com/>

Porter's Five Forces

Porter's Five Forces is essential for The Bike Pack. It analyzes industry competitiveness by examining five key forces: new entrants, suppliers, customers, substitutes, and competitive rivalry.

Potential New Entrants:

The industry is dominated by major brands with established distribution networks, which can make it challenging for new entrants to penetrate the market.

However, a new and innovative product like The Bike Pack could quickly attract attention and gain market share, offering a competitive advantage.

Power of Suppliers:

Suppliers in the industry hold significant power due to high minimum order quantity (MOQ) requirements to obtain competitive cost prices.

This can pose a barrier for small ventures like The Bike Pack, as meeting these requirements may be challenging and impact cost efficiency.

Power of Customers:

Customers hold significant power as they have the ability to quickly switch brands and choose the best option for their needs.

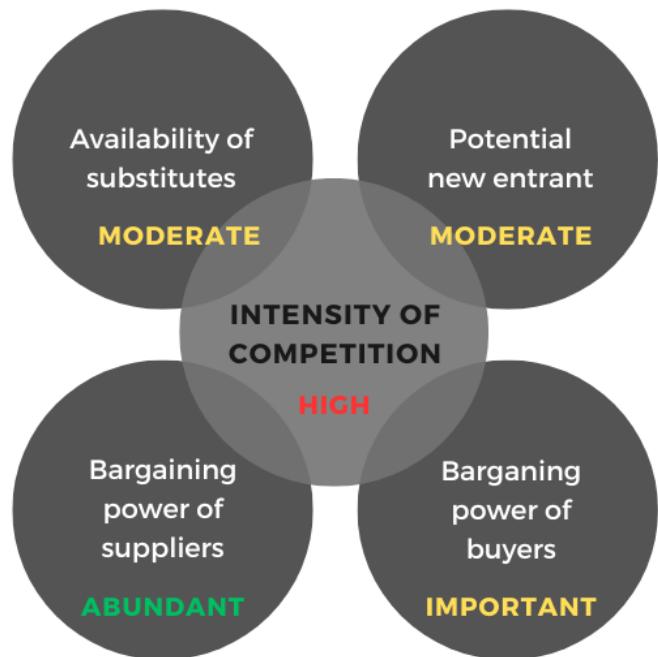
Threat of Substitutes:

The industry is relatively stable, and alternatives such as bike rentals, shipment services, and cardboard boxes are not direct competitors of general bike travel bags. Furthermore, The Bike Pack's innovative product differentiates itself even more from the other offers.

Competition in the Industry:

The industry is characterized by intense competition due to the dominance of major brands and the potential for new entrants with innovative products to disrupt the market. This competitive environment can lead to price pressure, product differentiation, and a focus on customer satisfaction.

Overall, The Bike Pack faces a moderate level of threat from new entrants and substitutes. The bargaining power of suppliers presents challenges, particularly in meeting MOQ requirements. The bargaining power of customers is significant, emphasizing the need to meet their expectations. The industry's high competitive rivalry requires a focus on product differentiation and satisfying customer needs.



Internal Environment

The Team

The Bike Pack is currently structured as sole ownership, led by the founder Jean-Michel Lachance who plays several roles leading into the launch phase. The Bike Pack's long-term success depends mostly on a successful product launch. However, to enable a quicker execution and enable the company to take off and grow, it would be imperative to add key team members and or delegate part of the business operations such as; research and development, marketing, and customer service. For now, manufacturing ourself the products is not conceivable, given the high production cost in Canada.

Founder Profile

Jean-Michel Lachance is an accomplished professional athlete, entrepreneur, and innovator. With a Master's degree in Innovation, Management, and Entrepreneurship, he combines his extensive international cycling experience and passion for problem-solving to drive The Bike Pack forward. Jean-Michel's expertise in developing innovative cycling products, organizing cycling events, and his track record of success make him a visionary leader within the industry.



See [Appendix 10](#) for complete founder's resume

Launch phase vs Scale-Up

Role	Launch	Scale-Up
Founder	The visionary leader who conceptualized The Bike Pack and drives the overall strategy and direction of the venture.	
Product Designer/Engineer	Responsible for refining and optimizing the flagship product design, ensuring it meets market requirements, functionality, and durability.	Research and Development Team (R&D)
Product Manager	Founder	Oversees the product development process, market research, competitive analysis, and product roadmap to ensure successful launches and market penetration.
Research and Development (R&D)	Founder / Manufacturer Partner	Committed to continuously innovating and developing new product offerings, enhancing existing products, and staying ahead of market trends.

Manufacturing/Product Specialist	Founder, Consultants, Mentors	Knowledgeable in production processes, sourcing materials, and managing manufacturing partners to ensure efficient and high-quality production of the products
Marketing and Sales Team:	Founder, Consultants	Comprised of professionals experienced in marketing, branding, and sales, they are responsible for creating brand awareness, developing marketing strategies, and driving sales.
Supply Chain and Logistics Expert:	Founder, Consultants, Mentors	Manages the supply chain, ensuring timely procurement of materials, inventory management, and efficient logistics to deliver products to customers.
Operations and Logistics Manager:	Founder, Consultants, Mentors	Oversees and optimizes the operational processes, logistics, and supply chain to meet increasing customer demands efficiently.
Customer Support		A team dedicated to providing excellent customer service, handling inquiries, resolving issues, and ensuring customer satisfaction.
IT and E-commerce Specialists:	Founder, Use of Third Party Software and Freelancers	IT and E-commerce Specialists: Manages the company's website, online sales platforms, and IT infrastructure to support the growth of online sales channels and digital marketing initiatives.
Financial and Accounting Expertise:	Responsible for managing the financial aspects of the business, including budgeting, financial forecasting, and financial analysis, Consultants	
HR and Talent Acquisition:		HR and Talent Acquisition: Supports the growth by attracting and retaining top talent, ensuring the right people are in place to drive the company's success.

Manufacturer partners

At The Bike Pack, we value strong partnerships and recognize the importance of our past and current manufacturer partners in bringing our innovative products to life. Our journey thus far has been marked by collaborations with trusted manufacturers who have played a crucial role in the development and production of our flagship product. We are grateful for their expertise, support, and commitment to quality.

Past⁴

(2017-2018)

Sabucan, Ocotlan, Jalisco, Mexico
Calle Reforma 183a, Colonia Centro
CP: 47800. Ocotlán, Jalisco



Present

(2018-present)

SUNRISE (XIAMEN) SPORTS CO., LTD.
101, NO.1,Zhongwan Road, Xinglin,
Jimei District, Xiamen Fujian China 361022

Future

As we continue to evolve and grow, we remain open to exploring new partnerships and embracing change in order to drive further innovation and meet the evolving needs of our customers. We understand the dynamic nature of the industry and are dedicated to forging new alliances that align with our vision and values, ensuring we consistently deliver high-quality products to cycling enthusiasts worldwide.



⁴ Photo 1 and 2 : Workers team at Sabucan and Worker in Sunrise, Xiamen, China.

Marketing Strategy

Our marketing strategy for The Bike Pack centers around a **pre-sale** approach, primarily through crowdfunding campaigns on platforms like Kickstarter and preselling on our Shopify platform. This strategy allows us to generate early customer interest, validate market demand, and secure the necessary sales to cover costs without risking a large inventory upfront. In order to achieve a successful pre-sale, we focus on content creation, social media, influencer marketing and online paid advertising in sync with lead generation and email marketing.

Content Creation

With a limited budget, we recognize the importance of a polished and effective marketing plan. To maximize our impact, we have invested in in-house content creation, including high-quality photos and videos showcasing the features and benefits of our flagship product. These materials will be utilized on our Kickstarter page and social medias, which will go live before and during the campaign.



To generate attention and reach a wider audience, we have made some efforts towards producing **viral marketing⁵** videos to exaggerate the high portability of our product compared to traditional options for bike travel. Indeed, instead of trying to compete with our direct competitors who have similar products, we believe a good size of our potential customers are people unaware that our solution exists. While the success of viral marketing is not guaranteed, it offers a cost-effective means of increasing brand awareness and driving sales.



⁵ See [Appendix 9](#) for Viral Marketing previews

Social Medias

Thanks to the value generated by content creation, we also have a social medias strategy in place on the most popular platforms such as [Instagram](#), [Facebook](#), [Tiktok](#), [Youtube](#) and [Strava](#). As a small business venture, it would be near impossible to have the resources to produce and manage everything when it comes to social media presence, so we are planning to collaborate with supported athletes and influencers to participate in both the content creation and management of our social media presence.⁶

Ambassadors & Partners

To support the pre-selling phase and create buzz, we will leverage the support of beta testers from our past prototypes, recruit influential athletes as brand ambassadors, and engage our initial backers through an ambassador program⁶. These early evangelists will help spread the word about our product and build excitement within the cycling community. In the cycling industry, it is common for athletes, even at the professional level, to pay for their equipment, so these partnerships could be a very cost-efficient way to achieve both our minimum order quantity requirement and help our marketing efforts.

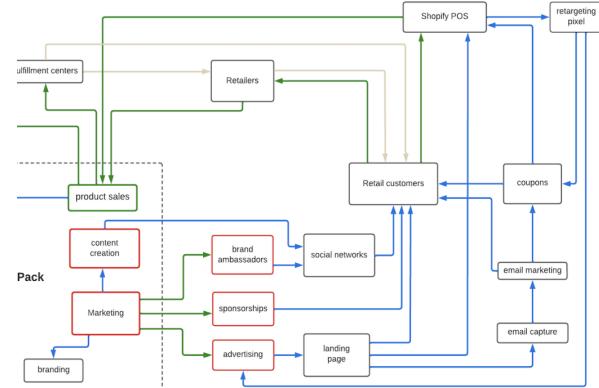
Sales Funnel: Advertising, Lead Generation and Email Marketing

At The Bike Pack, we have developed a comprehensive digital marketing approach that encompasses advertising, lead generation, and email marketing to effectively reach our target audience and drive conversions. Our advertising strategy revolves around a carefully crafted sales funnel, where we continuously conduct A/B testing to optimize our Customer Acquisition Cost (CAC) and conversion metrics.⁷

Using our most engaging and highly relevant content, we leverage paid advertising channels to target our most successful content. By directing traffic to dedicated landing pages, we capture leads through effective lead-generation techniques. These landing pages are designed to entice visitors to provide their contact information, allowing us to build a valuable email marketing list.

Our email marketing sequences are strategically designed to nurture leads, validate customer interest, and build anticipation for our product. Through a series of automated emails, we deliver valuable content, highlight product benefits, and communicate updates about our venture. This process helps us validate customer demand, generate a "waiting list" of interested customers, and maintain ongoing engagement with our target audience.

Automation plays a significant role in our marketing efforts, allowing us to streamline processes and reduce labour costs. By utilizing marketing automation tools, we can efficiently manage and track leads, schedule email campaigns, and personalize content based on customer preferences.



⁶ See [Appendix 7](#) for The Bike Pack Ambassador program

⁷ See [Appendix 2](#) for The Bike Pack System Map

This automation enables us to deliver targeted messages at the right time, enhancing the customer experience and optimizing our marketing efforts.

One key indicator of our advertising success is achieving low Cost Per Click (CPC) rates, indicating that our content is capturing the interest of our targeted users effectively. Through continuous testing, optimization, and automation, we aim to maximize our advertising, lead generation, and email marketing strategies to drive conversions, build brand loyalty, and fuel the growth of our venture.

Customer Segmentation

The target market for The Bike Pack can be segmented based on various criteria and characteristics. The venture identifies the following customer segments as key focus areas:

Avid Cyclists: This segment comprises passionate cyclists who frequently travel with their bikes for recreational purposes, races, or cycling events. They value convenience, protection, and durability in a travel bag, seeking a solution that enhances their overall travel experience.

Adventure Travelers: This segment includes travellers who engage in adventure tourism and seek to explore new destinations on their bicycles. They require a reliable and compact travel bag that won't take up too much space aboard while ensuring their equipment's safety.

Eco-Conscious Cyclists: This segment consists of environmentally conscious individuals prioritizing sustainable and eco-friendly products. They seek travel bags made from eco-friendly materials and support brands that align with their sustainability values.

Selected insights on our Target audience: Cyclists in Canada⁸

- Many cyclists have a high annual household income
- Learning new things has more importance to cyclists than to the average consumer
- 16% of cyclists are innovators or early adopters of new products
- A relatively high share of cyclists think that the environment is an issue that needs to be addressed
- Cyclists remember seeing ads on websites and apps of brands and products more often than the average consumer

⁸ Target audience: Cyclists in Canada -

<https://www-statista-com.proxy.queensu.ca/study/118362/target-audience-cyclists-in-canada/>

TAM, SAM, SOM

Our Total Addressable Market (TAM) include **all cyclists who travel with their bikes** globally. Our market research couldn't find an exact number, but according to Statista⁹, the overall cycling industry is estimated to reach over US\$60.67bn in 2023 with an annual growth rate of 5.64% and over 265M bicycle units sales for the year with an average price of US\$228.3

Our Serviceable Available Market (SAM) comprises the subset of the TAM that aligns with our target market.

Our Serviceable Obtainable Market (SOM) represents the specific portion of the SAM that we aim to capture within a given timeframe, considering factors such as competition and market dynamics.

The complexity establishing the precise numbers behind the TAM, SAM and SOM are factors contributing to a pre sale approach to minimize risk. However, Unofficial data from our most direct competitors, indicates sales in the seven figures US Dollar amount.

Product Placement & Price

Given the higher quality of our flagship product, we will position The Bike Pack as a premium option in the market. This positioning emphasizes the quality, durability, and innovative features of our product. To facilitate a successful launch, we will offer a compelling value proposition and competitive pricing during the pre-order phase to minimize customer risk and incentivize early adoption while allowing us to meet the minimum order requirements for mass production.

Alternative

In addition to this product placement and pricing strategy, The Bike Pack remains open to alternative scenarios such as an acquisition or securing a **financial partner**. These options could potentially provide the venture with the opportunity to front the costs of mass production, leading to better margins and increased pricing flexibility. With additional financial backing, The Bike Pack could position itself as a premium offering from the initial launch, showcasing the superior features, durability, and innovation of the product. This alternative scenario allows for greater pricing flexibility, enabling the venture to capture additional value and potentially enhance profit margins. The key focus would be on attracting the right financial partner or acquirer who aligns with The Bike Pack's vision and can provide the necessary resources to scale up production and expand market reach.

⁹ Bicycles Worldwide - <https://www.statista.com/outlook/mmo/bicycles/worldwide#unit-sales>

Market Positioning

VRINE

The following VRINE matrix analysis for The Bike Pack venture highlights its valuable, rare, and non-substitutable attributes such as the compact-size design, internal aluminum structure, ease of use, attention to details, brand reputation, and customer trust. These unique features create a competitive advantage and present opportunities for exploitation and success in the market.

Ressources and features	V VALUABLE	R RARE	I INIMITABLE	N NON-SUBSTITUTABLE	E EXPLOITABLE
Compact-size design	YES	YES	NO	YES	YES
Internal aluminum structure	YES	YES	NO	NO	YES
Ease of Use	YES	YES	NO	YES	YES
Attention to details	YES	YES	NO	NO	YES
Brand Reputation and Customer Trust	YES	YES	YES	YES	YES
Unique Combination of features	YES	YES	YES	YES	YES

Business Model Canvas

See [Appendix 4](#) Business Model Canvas

3) Financial Analysis

Forecasts

During the launch phase, the forecast for The Bike Pack shows promising results. With a sales target of 250 units at a discounted price of \$400 USD, the projected profit is approximately \$20,000 USD. This forecast takes into account the initial investment in research and development, prototyping, and marketing costs. The strong profit margin indicates the potential for a successful launch, covering the expenses incurred and positioning the venture for further growth. It is essential to closely monitor sales performance and customer feedback during this phase to make necessary adjustments and capitalize on market opportunities.

Depending on the actual success of the launch, The Bike Pack holds even greater potential for profitability as sales milestones are achieved. Upon reaching the sales target of 500 units, the projected profit increases to \$60,000 USD, with a healthy margin of 30% and at the sales milestone of 1,000 units, the projected profit reaches an impressive **\$160,000 USD**, with a robust margin of 40%.

MSRP Margins

The impressive profit margins projected for The Bike Pack at different sales milestones reflect the robustness of its business model. At the MSRP price point, the venture anticipates a 60% margin for the sale of 250 units, demonstrating a strong foundation for profitability. As sales continue to climb, the venture's business model proves its resilience, with projected margins of 66% for 500 units and 71% for 1000 units.

These margins take into account manufacturing costs and import expenses, showcasing the venture's ability to efficiently manage its supply chain. While shipping costs to customers are not included in these numbers, the consistently high profit margins present an exciting opportunity for The Bike Pack to thrive and generate sustainable revenue as it moves beyond the launch phase. By optimizing its cost structure and scaling operations effectively (distribution partners), the venture can continue to leverage its business model and drive long-term profitability.

Cost of goods

(including freight and accessories)

See [Appendix 12](#) for detailed cost of goods financial numbers

250 units

281 USD

60% gross margin (MSRP)

500 units

241 USD

66% gross margin (MSRP)

1000 units

203 USD

71% gross margin (MSRP)

Scenarios		250 MOQ		500 MOQ		1000 MOQ	
		all included USD	bag only USD	all included USD	bag only USD	all included USD	bag only USD
Inclusions	main bag	1	\$111.34	\$111.34	\$95.25	\$95.25	\$80.28
	foldable honeycomb boards	2	\$15.59		\$11.92		\$9.17
	dropout protector	1	\$2.36	\$2.36	\$1.81	\$1.81	\$1.39
	hard honeycomb (side)	2	\$5.62	\$5.62	\$4.30	\$4.30	\$3.30
	4 wheels	1	\$10.18	\$10.18	\$7.79	\$7.79	\$5.99
	aluminum structure	1	\$46.05	\$46.05	\$38.73	\$38.73	\$31.41
Accessories	headset foam protector	1	\$3.08	\$3.08	\$2.49	\$2.49	\$1.76
	crankset protector	1	\$3.72		\$3.02		\$2.25
	seat post / frame protector	3	\$8.46		\$6.87		\$5.22
	seat post / frame protector	1	\$2.82		\$2.29		\$1.74
	fork bag	1	\$4.87	\$4.87	\$3.96	\$3.96	\$2.89
	lassot bag	2	\$4.78	\$4.78	\$3.84	\$3.84	\$2.80
	wheel bag	1	\$14.91		\$12.12		\$9.32
	frame kit gross cost		\$29.91				
	frame kit msrp		\$74.78				
Freight	gross total	\$	\$59,045	\$47,670	\$97,795	\$79,685	\$157,520
	unit cost subtotal	\$	\$236.2	\$190.7	\$195.6	\$159.4	\$157.5
	freight / unit	\$	\$45.4	\$45.4	\$45.4	\$45.4	\$45.4
	Subtotal	\$	\$281.6	\$236.1	\$241.0	\$204.6	\$202.9
MSRP	total (including freight)		\$70,390	\$59,015	\$120,486	\$102,376	\$202,901
	ratio	2.5	2.5	2.5	2.5	2.5	2.5
	Price		\$704	\$590	\$704	\$590	\$704
gross margin	%	60%	60%	66%	65%	71%	69%

Human resources

Expanding The Bike Pack's operations and scaling up the business past the launch phase can be achieved by leveraging external expertise through the use of consultants and third-party services. This approach allows for flexibility, cost-effectiveness, and access to specialized knowledge in key sectors.

In certain areas such as legal, accounting, and IT, engaging consultants or outsourcing these functions can provide professional expertise without the need for full-time, in-house staff. This approach offers scalability and allows the company to focus on its core competencies while relying on external support for specialized tasks.

Additionally, partnering with third-party providers for manufacturing, distribution, and fulfillment can streamline operations and reduce the need for significant capital investments in infrastructure and personnel. This approach enables The Bike Pack to leverage the existing capabilities and resources of established partners, benefiting from their expertise and infrastructure while maintaining control over product quality and brand reputation.

By strategically utilizing consultants and third-party services, The Bike Pack can optimize resource allocation, reduce fixed costs, and access specialized skills and resources as needed. This approach allows for efficient scaling of the business while maintaining flexibility and adaptability in a dynamic market environment.

Marketing

The marketing strategy for The Bike Pack will leverage various tactics to drive brand awareness, customer acquisition, and organic growth. Key elements of the strategy include:

Leveraging Ambassadors:

Engaging ambassadors, including past customers, professional athletes, and cycling enthusiasts, to create user-generated content, share their experiences, and promote the brand. This approach not only generates authentic content but also expands the brand's reach through their networks.

Organic Growth:

Focusing on organic channels, such as social media, content marketing, and search engine optimization, to drive brand awareness and attract potential customers. Creating valuable and informative content related to bicycle travel, product features, and industry insights will establish The Bike Pack as a trusted resource within the cycling community.

In-House Video Production:

Investing in in-house video production capabilities to create compelling and visually appealing content that showcases the features, durability, and convenience of The Bike Pack. These videos will be used across various platforms, including the website, social media, and advertising campaigns, to engage and educate the target audience.

Paid Advertising

Utilizing paid advertising channels, such as Google Ads and social media advertising, to target specific demographics and amplify brand visibility. Optimizing campaigns to achieve a low Cost Per Click The Bike Pack places a strong emphasis on maintaining a healthy profit margin by ensuring that the Customer Acquisition Cost (CAC) remains **under 10%** of the product price. CAC represents the expenses incurred in acquiring a new customer, including marketing and sales costs. By optimizing marketing channels, leveraging organic growth strategies, and maximizing the effectiveness of referral programs, the goal is to minimize the cost of acquiring each customer. Additionally, The Bike Pack aims to maximize customer lifetime value (LTV) by fostering strong customer relationships, encouraging repeat purchases, and offering exceptional customer experiences. The combination of a low CAC and a high LTV ensures a sustainable business model and supports long-term profitability and growth for The Bike Pack.

Asset requirements

Manufacturing:

In terms of manufacturing, The Bike Pack has decided not to establish in-house manufacturing capabilities. Instead, the venture plans to leverage external manufacturers, providing flexibility and reducing the need for significant asset investments. By partnering with experienced manufacturers, The Bike Pack can tap into their expertise, utilize their existing production facilities and equipment, and benefit from their economies of scale. This approach allows for greater pricing power and cost efficiency, as the venture can negotiate favorable manufacturing agreements and focus on product design and quality control. By maintaining a low asset requirement and collaborating with trusted manufacturing partners, The Bike Pack can allocate resources strategically and effectively meet customer demand while maximizing profitability.

Marketing Assets:

The venture invests in various marketing assets such as high-quality content, social media presence, advertising campaigns, and branding materials. These assets help build brand awareness, engage with the target audience, and drive customer acquisition.

Customer Service Infrastructure:

The Bike Pack values exceptional customer service and aims to provide prompt and helpful support to its customers. This requires the development of a customer service infrastructure, including dedicated personnel, communication channels, and systems to efficiently address customer inquiries, resolve issues, and ensure customer satisfaction.

Digital Platforms:

An effective online presence is essential for The Bike Pack's success. This includes a user-friendly and informative website, e-commerce capabilities, and potentially a mobile application. These digital platforms serve as important touchpoints for customers to learn about the product, make purchases, and interact with the brand.

Inventory Management:

Efficient inventory management systems and processes are crucial to ensure optimal stock levels, minimize storage costs, and meet customer demand promptly. This includes tracking inventory, forecasting demand, and establishing relationships with suppliers to maintain a smooth supply chain.

By strategically managing and investing in these assets, The Bike Pack aims to create a strong foundation for its operations, enhance customer satisfaction, and drive sustainable growth in the market.

Physical infrastructure

The Bike Pack leverages the advantages of a **remote team** structure, which provides flexibility, cost-efficiency, and access to a broader talent pool. With remote team members working from different locations, the venture can tap into diverse skill sets and expertise while reducing the need for extensive physical infrastructure. Communication and collaboration are facilitated through various digital tools and platforms, ensuring effective teamwork and coordination.

Recommendation

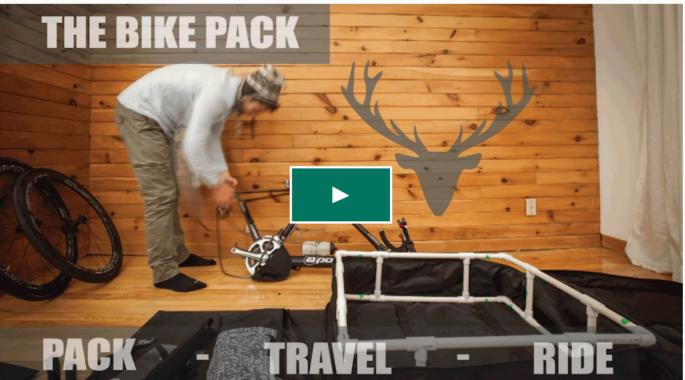
Based on the analysis, it is recommended that The Bike Pack proceeds with the planned launch phase, utilizing a **pre-sale model** through Kickstarter to generate initial sales and validate market demand. The company should leverage its existing marketing materials and ambassador network to create a compelling offer and drive customer engagement. Furthermore, exploring potential partnerships with **financial backers** or manufacturing partners who can help front the production costs would enhance the scalability and success of the launch. Indeed, through our own market research, it was established that a sizeable amount of people are reluctant to preorder vs buying straight away.

A financial backer would allow The Bike Pack to offer the product at an attractive price point, reduce production delays and secure a larger customer base and increase profitability.

Additionally, The Bike Pack should consider the potential **pivot** into larger-sized bicycle travel bags, leveraging the expertise and technology developed for the compact-sized segment. This expansion would tap into a new market segment and further capitalize on the company's innovative product offerings. By combining a pre-sale model, strategic partnerships, and potential product diversification, The Bike Pack can effectively mitigate risks and maximize its growth potential in the bicycle travel industry.

KICKSTARTER [Manage sharing](#) for this project preview. Exit preview

THE BIKE PACK



PACK - TRAVEL - RIDE

CA\$ 0
pledged of CA\$ 50,000 goal

0
backers

30
days to go

[Back this project](#)

[Remind me](#) Facebook Twitter Email Share

Product Design Quebec, Canada

Kickstarter page [preview](#)

Risks Mitigation

To ensure the success of The Bike Pack venture, several risk mitigation strategies should be implemented. Firstly, validate the demand during the pre-sale phase will help mitigate the risk of launching a product with limited demand. By obtaining customer feedback and gauging interest through the pre-sale campaign, the company can make informed decisions about production volumes and avoid excessive inventory.

Additionally, maintaining strong relationships with key manufacturing partners will mitigate supply chain risks, ensuring consistent product quality and timely deliveries. Implementing robust quality control processes and rigorous testing procedures will minimize the risk of product defects and customer dissatisfaction.

Furthermore, diversifying sales channels, such as exploring e-commerce platforms and partnerships with retailers, will reduce reliance on a single distribution channel and expand market reach.

Lastly, monitoring industry trends and staying ahead of technological advancements will enable The Bike Pack to adapt to changing customer preferences and mitigate the risk of becoming obsolete in a highly competitive market.

During the **launch phase** of The Bike Pack, there are several potential risks that need to be considered. These include:

- **Lower demand** than the Minimum Order Quantity (MOQ):
There is a possibility that the pre-order demand may not meet the expected MOQ, which could impact production and result in higher costs.
- Customer **hesitation to pre-order**:
Some customers may be reluctant to pre-order and wait for an extended period before receiving the product. This could lead to potential loss of sales if they turn to competitors who have similar products readily available.
- **Competition** with stocked inventory:
Direct competitors who have stocked inventory of similar products may attract customers who prefer immediate availability over pre-ordering and waiting for delivery.
- **Higher-than-anticipated Customer Acquisition Cost (CAC)**:
The cost of acquiring customers through marketing and advertising efforts may be higher than initially estimated, impacting profitability during the launch phase.

To mitigate these risks, The Bike Pack should focus on effective marketing and communication strategies to generate interest and build anticipation among potential customers. Clear and transparent communication about delivery timelines and the value proposition of the product can help alleviate customer concerns. Additionally, implementing referral programs, ambassador

initiatives, and special incentives for early adopters may help drive pre-orders and create a sense of exclusivity. Continuous monitoring of key performance indicators, such as, customer feedback, and marketing ROI, can provide insights to make adjustments and mitigate risks throughout the launch phase. By staying agile and responsive to market dynamics, The Bike Pack can navigate these risks and maximize the success of its pre-sale campaign.

SWOT Analysis

S STRENGTHS	W WEAKNESSES	O OPPORTUNITIES	T THREATS
<p>Innovative Product: The Bike Pack offers a unique and innovative solution that addresses the pain points of traveling with a bicycle. Its compact size, strong protection, lightweight design, and durability set it apart from traditional bags and boxes.</p> <p>Founder's Expertise: The founder, Jean-Michel Lachance, brings extensive experience as a professional athlete and entrepreneur, providing valuable insights into the cycling industry and customer needs.</p> <p>Quality and Craftsmanship: The Bike Pack emphasizes quality materials and attention to detail, ensuring a high-quality product that meets customer expectations and fosters brand loyalty.</p> <p>Strong Value Proposition: The Bike Pack's product features and benefits, including ease of use, enhanced protection, and cost savings on oversized baggage fees, create a compelling value proposition for cyclists.</p>	<p>Limited Resources: The venture currently operates with limited financial and human resources, which may constrain marketing efforts, production capacity, and scalability.</p> <p>Single Product Focus: The Bike Pack's reliance on a single flagship product exposes the venture to market risks and challenges associated with product lifecycle and competition.</p> <p>Limited Distribution Network: The venture may face challenges in establishing widespread distribution channels, particularly when competing against established brands with extensive networks.</p>	<p>Growing Cycling Market: The global cycling market is expanding, with increasing numbers of individuals taking up cycling as a recreational activity and means of transportation.</p> <p>Increasing Demand for Travel Solutions: As more cyclists seek to travel with their bikes, the demand for innovative, compact-sized travel solutions like The Bike Pack is on the rise.</p> <p>Partnerships and Collaborations: The Bike Pack has opportunities to collaborate with cycling industry influencers, retailers, and travel companies to expand its reach and gain access to new customer segments.</p>	<p>Established Competitors: The bicycle travel bag market is competitive, with established brands dominating the industry. Competing against these brands may pose challenges in terms of market penetration and brand recognition.</p> <p>Rapid Technological Advancements: Technological advancements in the cycling industry, such as integrated cockpits and alternative travel solutions, may pose threats to the market position of The Bike Pack if not effectively addressed.</p> <p>Economic Factors: Economic downturns, fluctuating exchange rates, and changes in consumer spending patterns can impact the purchasing decisions of cyclists and their willingness to invest in travel accessories like The Bike Pack.</p>

TOWS Analysis

TOWS	Opportunities <ul style="list-style-type: none"> - Growing demand for cycling-related products and accessories - Increasing popularity of bike tourism and adventure travel - Potential partnerships with cycling teams, influencers, and retailers - Expansion into larger-sized bicycle travel bags to cater to a broader market 	Threats <ul style="list-style-type: none"> - Intense competition from established brands and alternative solutions - Shifting consumer preferences and economic downturns - Regulatory and compliance challenges in the airline industry - Potential supply chain disruptions and manufacturing issues
Strengths <ul style="list-style-type: none"> - Innovative and compact design - High-quality materials and construction - Founder's expertise and experience in the cycling industry - Strong brand reputation and customer trust - Cost-effective manufacturing options 	<ul style="list-style-type: none"> - Leverage the innovative design and high-quality materials to differentiate from competitors. - Exploit the growing demand for cycling products and form strategic partnerships to expand market reach. 	<ul style="list-style-type: none"> - Build brand reputation and customer trust to compete effectively against established brands. - Maintain cost-effective manufacturing options to mitigate potential supply chain disruptions.
Weaknesses <ul style="list-style-type: none"> - Limited financial resources for scaling up production and marketing efforts - Relatively unknown in the market compared to established competitors - Challenges in educating the market about the benefits of compact travel bags 	<ul style="list-style-type: none"> - Seek funding or financial partnerships to scale up production and marketing efforts. - Focus on educating the market about the benefits and advantages of compact travel bags. 	<ul style="list-style-type: none"> - Continuously improve financial planning and resource allocation to overcome limited financial resources. - Stay updated on regulatory requirements and compliance standards in the airline industry.

Governance

Effective governance is essential for the success of any venture, particularly when navigating through the challenges and complexities of a product launch in a competitive market. While this venture may not have the resources of a large corporation or a dedicated product manager, it is driven by the determination and expertise of a resilient entrepreneur.

By establishing a robust governance framework, we can mitigate risks, optimize decision-making, and propel the venture towards its desired outcomes. Through diligent execution and strategic oversight, we are poised to achieve our goals and deliver a remarkable product to our customers.

Simple Go-No-Go Success Thresholds:

Pre-Sale Campaign:

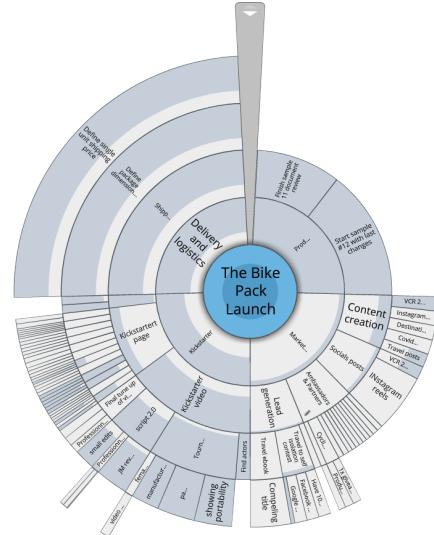
If pre-order sales reach or exceed the MOQ within the specified timeline, proceed to production. If not met, evaluate alternative strategies such as adjusting marketing efforts or reassessing the product offering.

Production and Shipment:

If production can be completed within the budgeted cost and pre-orders can be shipped on time, proceed as planned. If significant delays or cost overruns occur, reevaluate the feasibility and financial impact before proceeding and keep the communication channel open at all time with the backers.

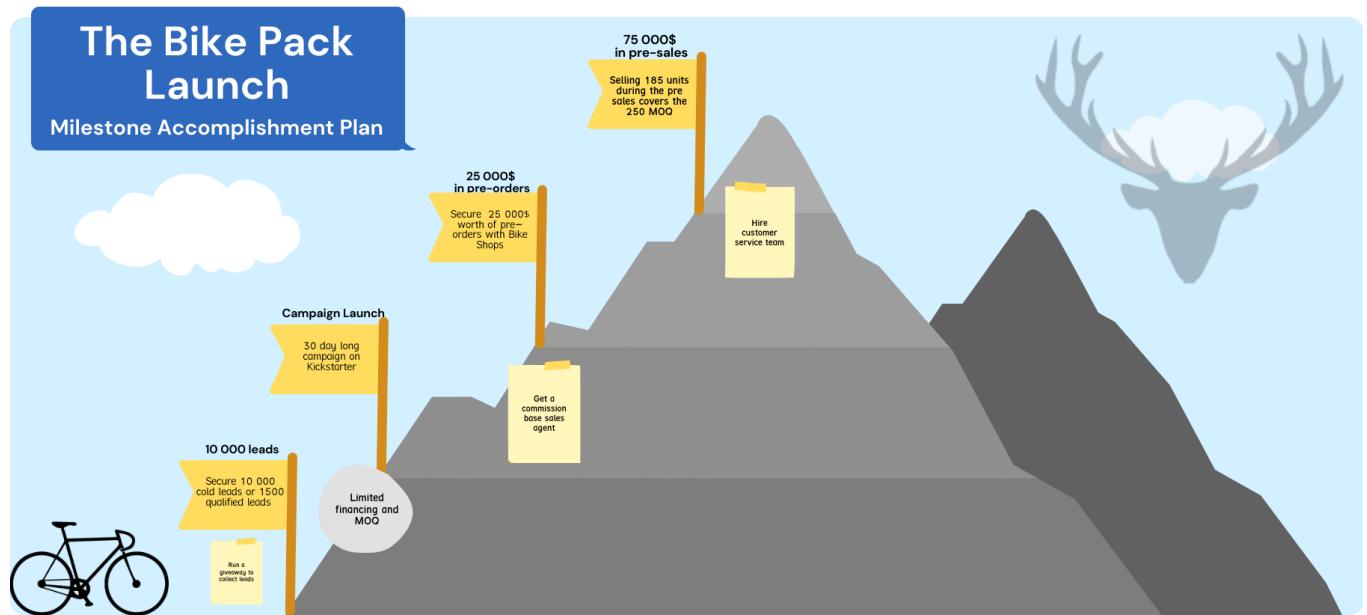
Customer Feedback and Satisfaction:

If customer feedback is positive and satisfaction levels are high, continue to focus on scaling the business and expanding the product offering. If there are significant concerns or negative feedback, address the issues promptly and consider necessary improvements or modifications.



General Milestone Accomplishment Plan

The milestone accomplishment plan for The Bike Pack venture is designed to ensure a strategic and successful journey towards our goals. The key milestones include:

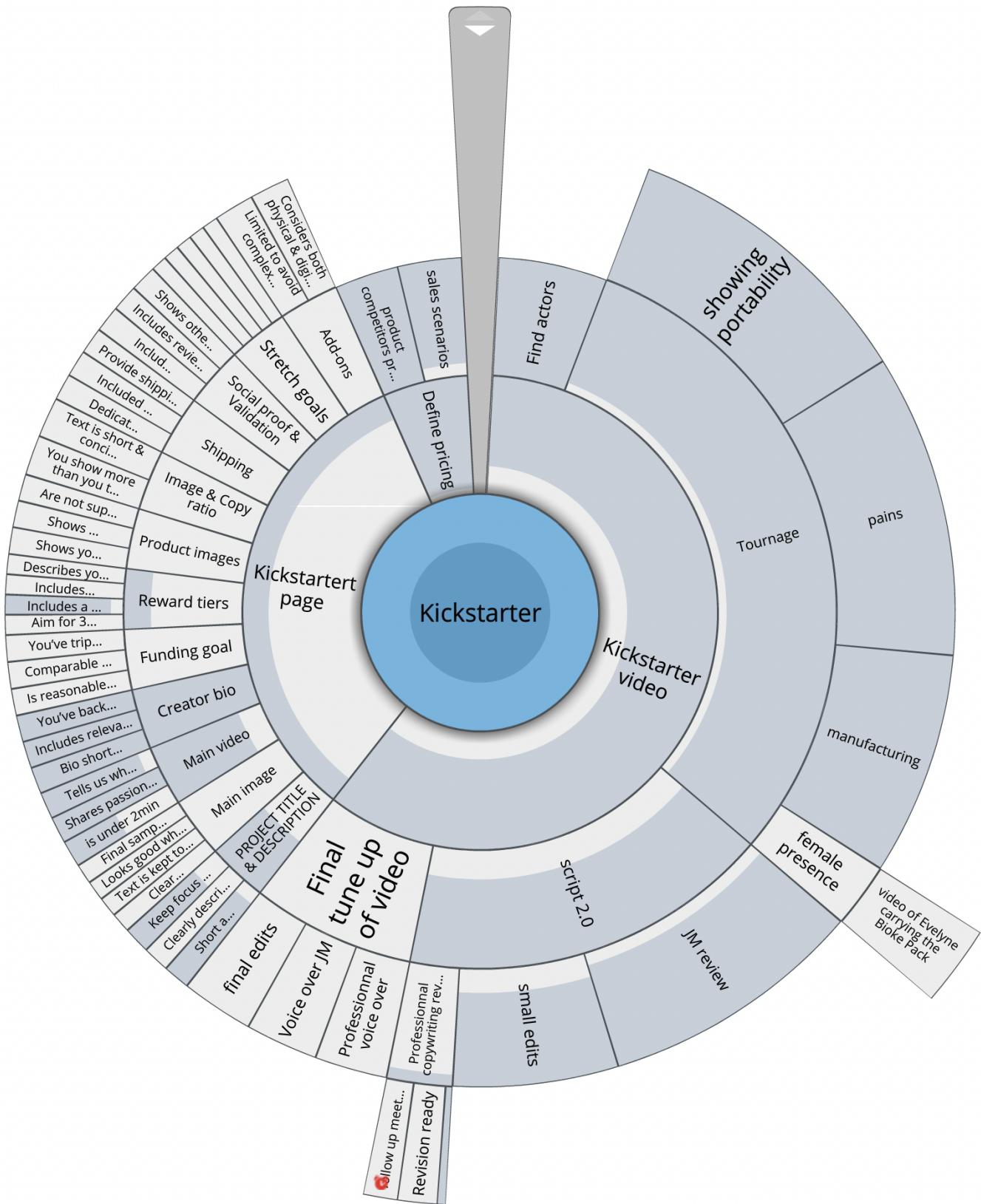


- 1) Building a strong foundation by reaching 10,000 leads through effective lead generation strategies.
- 2) Initiating the campaign promptly once a financial backer is secured, ensuring the necessary resources for a successful launch and an attractive margin.
- 3) Leveraging partnerships with bike shops to generate \$25,000 in pre-orders, demonstrating market demand and building strong relationships within the cycling community.
- 4) Launching a compelling Kickstarter campaign to generate \$75,000 in pre-sales, tapping into a wider audience and creating a buzz around our innovative product.
- 5) Progressing to the mass production phase, ensuring efficient and high-quality manufacturing to meet the growing demand.
- 6) Fulfilling orders to the best of our capacity, providing exceptional customer service and delivering a superior product experience to our valued customers. Through careful execution of these milestones, we aim to drive the success and growth of The Bike Pack venture.

Notes:

- These are very high-level checklist items.

Kickstarter Milestone (overview)



Appendix 1 - Airline Industry Findings

In the past couple of years, a few airlines have made headlines for waiving sports equipment oversized fees. It would be very tedious and enormous work to extract an exhaustive list of all airlines as it is estimated to be over 5000 airlines operating worldwide. In order to dress an actual portrait of the situation in 2023, the following protocol has been followed.

- 1) Find who are the major airlines by Market Capitalization¹⁰
- 2) Extract the baggage fees and sports equipment policy from the top 21st airlines on the list and calculate averages and extract insights

Note: By using the top 21st airlines by Market Cap, we can get pretty accurate insights as those represent 255B\$ out of 336B\$ combined market cap or 75% of the world's most important airlines. See the Appendix for the research list.

- Out of 21 airlines, 11 have adopted a full waiver policy on oversized fees for sports equipment such as bicycles. However, the weight limit is still a concern for many as the overweight limit is not waived, and therefore bicycles and bags still need to fit within the international standard of 23kg.
- The average extra cost to check in a bicycle (excluding zeros) is 86\$ and 114\$ USD, respectively, for domestic and international travel, with a wide range going from 11 to 334 USD of extra charges. It is important to note that those extra charges are always in addition to regular checked baggage fees.
- The average cost for the first and second checked pieces of baggage for the airlines on that list; (including zeros) is 7\$ and 25\$ USD.
(excluding zeros) is 40\$ and 92\$ USD
- US Airlines makes a business of charging \$ on baggage fees going from 2.3B\$ in 2010 to 4.9B\$ in 2018¹¹

Reference: 2023-04-28-final-research-report submitted as part of 808 MMIE 2023.

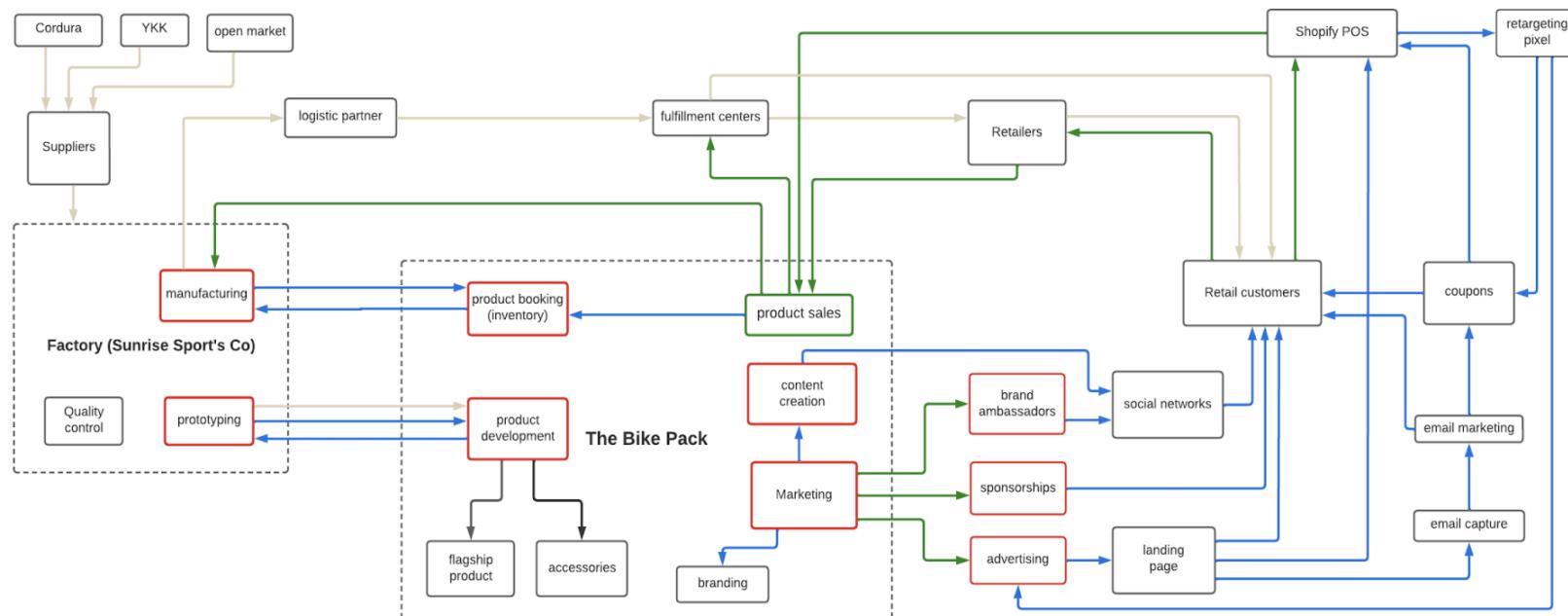
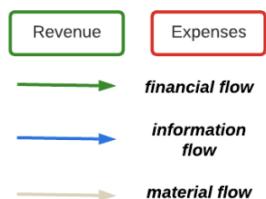
¹⁰ Largest airlines by market cap - <https://companiemarketcap.com/airlines/largest-airlines-by-market-cap/>

¹¹ Appendix - The U.S. Airlines Cashing In The Most On Baggage Fees - Statista

Appendix 2 - System Map

An overview of our product development, marketing, sales, etc.

Legend



Appendix 3 - PESTEL

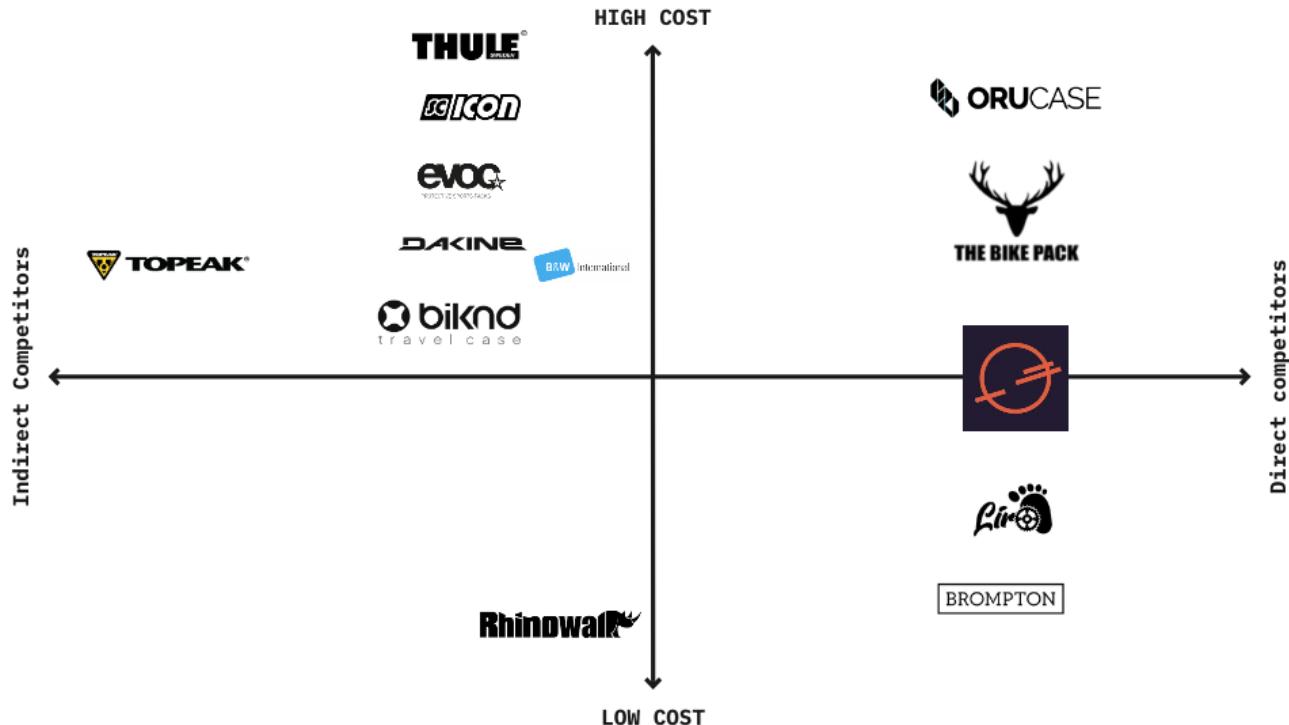
This PESTEL analysis provides an overview of the external factors that can influence the business environment and strategic decision-making for The Bike Pack. By assessing these factors, the venture can identify opportunities and challenges, enabling it to develop effective strategies to navigate the market and achieve long-term success.

P	E	S	T	E	L
POLITICAL	ECONOMIC	SOCIAL	TECHNOLOGICAL	ENVIRONMENTAL	LEGAL
The Bike Pack may be subject to regulations related to product safety standards (materials), import/export restrictions, and transportation regulations that impact its operations and distribution. Compliance with these regulations is essential for market entry and ongoing business operations.	Consumer Spending: Economic conditions and fluctuations in disposable income can influence consumer purchasing decisions, including the willingness to invest in travel accessories like The Bike Pack. The overall economic stability and growth of target markets directly impact the venture's sales potential. Currency Exchange Rates: The Bike Pack's pricing and profitability may be affected by fluctuations in currency exchange rates, particularly if it operates in international markets or relies on imported materials.	Cycling Culture and Trends: The prevalence of cycling as a recreational activity and means of transportation varies across different regions and cultures. Understanding local cycling culture and trends is crucial for tailoring marketing strategies and product positioning to target customers effectively.	Advancements in Materials and Manufacturing: Technological advancements in materials and manufacturing processes can impact the design, functionality, and production efficiency of The Bike Pack. Staying abreast of new technologies in the industry can help the venture maintain a competitive edge and anticipate product lifecycle and obsolescence.	Sustainability and Eco-Friendliness: The Bike Pack can leverage the growing consumer demand for sustainable and eco-friendly products. Emphasizing the use of eco-friendly materials, sustainable packaging, and promoting environmentally friendly practices can differentiate the venture and attract environmentally conscious customers.	Intellectual Property Protection: Safeguarding intellectual property rights through patents, trademarks, and copyrights is crucial for The Bike Pack to protect its innovative designs and brand identity. Product Liability and Safety: Compliance with product safety regulations and standards is vital to avoid legal issues and ensure customer safety. The Bike Pack must prioritize the safety and quality of its travel bags to maintain customer trust.

Appendix 4 - Business Model Canva

<p>❸ KEY PARTNERS</p> <ul style="list-style-type: none"> - Manufacturing Partners: Collaborate with manufacturers to produce high-quality and durable bicycle travel bags. - Distribution Partners: Establish partnerships with distributors and retailers to expand the reach of The Bike Pack. - Marketing and Influencer Partners: Collaborate with marketing agencies and influencers to promote the product and increase brand awareness. 	<p>❶ KEY ACTIVITIES ✓</p> <ul style="list-style-type: none"> - Product Development: Continuously improve and innovate the design of the bicycle travel bag. - Manufacturing and Quality Control: Ensure the production of high-quality bags that meet customer expectations. - Marketing and Promotion: Develop marketing campaigns, create engaging content, and build brand awareness. - Sales and Distribution: Establish efficient sales channels and partnerships to reach target customers. 	<p>❷ VALUE PROPOSITION</p> <ul style="list-style-type: none"> - Compact and Lightweight Design: Offer a bicycle travel bag that is compact, lightweight, and easy to transport. - Enhanced Protection: Provide superior protection for bicycles during travel, ensuring their safety and minimizing the risk of damage. - Durability and Quality: Deliver a high-quality product that is built to last, addressing the frustrations of poor-quality options. - Convenient Packing: Facilitate easy and efficient packing of bicycles, allowing users to quickly assemble and disassemble their bikes. - Attractive Launch Price: Offer a special discounted price during the launch phase, providing customers with a significant discount of up to 40% off the Manufacturer's Suggested Retail Price (MSRP). 	<p>❹ CUSTOMERS RELATIONSHIPS</p> <ul style="list-style-type: none"> - Personalized Support: Provide exceptional customer service, offering assistance and guidance to customers throughout their purchasing journey. - User Communities: Foster a sense of community among customers, enabling them to connect, share experiences, and provide feedback. - Continuous Improvement: Actively seek customer feedback to enhance the product and address any issues or concerns. 	<p>❺ CUSTOMERS SEGMENTS</p> <p>Target customer (flagship product): Road/track/gravel cyclist who travels at least once a year with his bike.</p> <p>Scale up (year 2+): Increase product offering to answer a wider range of cyclists (mtb, tandem, etc.)</p>
<p>❻ COST STRUCTURE</p> <ul style="list-style-type: none"> - Manufacturing of the product: 196.67\$ USD (variable according to MOQ) - Logistics and transport: 69.74 USD (varies) - Marketing: (1% for the planet (1%), Backerkit (2%), advertising, ambassadors) (fixed) - Research and development: \$20,000 USD - Breakeven point: 250 units sold in pre-sale 	<p>❼ REVENUE STREAMS \$</p> <ul style="list-style-type: none"> - Product Sales: Generate revenue through direct sales of The Bike Pack, both during the initial launch phase and ongoing sales. - OEM Manufacturing: Explore opportunities for Original Equipment Manufacturer (OEM) partnerships, where The Bike Pack can be manufactured and branded for other cycling brands, providing a new revenue stream. - Expanded Product Offering: Introduce new products and accessories related to bicycle travel, such as specialized packing accessories, protective gear, or storage solutions, to increase product offerings and generate additional sales. - Rentals and Events: Explore the potential for offering bike travel bag rentals to customers who may only need the bag for a limited period of time, providing a flexible and cost-effective option for occasional travelers. Collaborate with event organizers or travel agencies to create organized events and cycling travel packages generating revenue. 			

Appendix 6 - Competitors



Note: Representation based on MSRP Manufacturer Suggested Retail Price

Price comparison

Brand	Website	Price (USD)	Price (CAD)	sales
The Bike Pack	www.thebikepack.com			B2C
Orucase Airport Ninja	Link	\$499,00	\$681,31	B2C
Orucase B2	Link	\$599,00	\$817,84	B2C
Orucase frame protection kit	Link	\$129,00	\$176,13	B2C
Post	Link	\$400,00	\$546,14	B2C
Evoc Bike Travel Bag Pro	Link	\$659,17	\$900,00	B2B
Evoc Bike Travel Bag	Link	\$476,07	\$650,00	B2B
Biknd Jetpack V2	Link	\$365,47	\$499,00	B2B
Biknd Helium V4	Link	\$511,96	\$699,00	B2B
Scicon aero 3.0	Link	\$438,72	\$599,00	B2B
Douche Bag	Link	\$570,55	\$779,00	B2C

Appendix 7 - Ambassador program

The Bike Pack Ambassador Program offers selected individuals the opportunity to represent and promote our brand. As an ambassador, you'll receive exclusive benefits, including discounts on The Bike Pack products, rewards based on the number of bags sold, and the chance to earn cashback. You'll also gain visibility through our social media channels and join a network of like-minded individuals. Your role as an ambassador involves engaging with our content, participating in events, and helping us grow our network. We provide marketing support and encourage collaboration among ambassadors. To get started, complete the application form and join our Ambassador-only Facebook page. Together, we can make a difference in the cycling community.

Ambassador reward program

Bag sold	Reward	Kickstarter coupons*	Commission
0	Congrats, you can buy the Bike Pack at ambassador cost	Yes	NA
1	You get 100\$ of free gear and \$50 cash back for each Bike Pack generated sale using your trackable goo.gl url	Yes	8%
5	You get featured on www.thebikepack.com	Yes	8%
11	You get the full ambassador cycling kit (300\$ value)	Yes	8%
20	You now get CA\$75 cash back for each Bike Pack generated sale using your trackable goo.gl url	Yes	10%
50	We fly you to our next « The Bike Pack experience »	Yes	10%
100	Let's talk equity ?	Yes	

* **Kickstarter coupons:** Share the campaign with your trackable [goo.gl](#) url to your contacts and offer them a CA\$30 free gifts incentive to buy using your ambassador link.



Appendix 8 - Customer Persona's

Compact Adventurer Alex

Alex is a 30-year-old avid cyclist who enjoys exploring new destinations on two wheels. As a competitive athlete, Alex frequently participates in cycling races and wants to take their road bike along for international competitions. Alex works as a software engineer and seeks convenience and efficiency in all aspects of life.

Goals and Motivations:

- Compact and Lightweight Travel: Alex is looking for a travel solution that allows for easy transportation of their road bike during air travel. They prioritize a compact and lightweight design that can be easily maneuvered and stored.
- Bike Protection: Protecting their high-performance road bike is of utmost importance to Alex. They want a travel bag that offers excellent shock absorption and protection against potential damages during transit.

Challenges:

- Limited Space: Alex faces challenges when it comes to storing a compact-sized travel bag when not in use. They need a solution that can be conveniently stored in their apartment without taking up excessive space.
- Finding the Right Fit: Alex has struggled to find a travel bag that combines compactness, weight, and efficient bike disassembly. Many options on the market lack the desired features, making it difficult to find a suitable choice.

How The Bike Pack Meets Alex's Needs:

Compact and Lightweight: The Bike Pack's compact-sized design fulfills Alex's desire for a travel bag that can be easily carried and stored. Its innovative internal structure and lightweight materials ensure convenience during transportation and superior Bike Protection

Spacious Voyager Sarah

Sarah is a 35-year-old enthusiastic cyclist who enjoys embarking on long-distance bike tours and exploring scenic routes. Sarah works as a graphic designer and loves to combine her passion for cycling with her creative pursuits. She seeks a travel solution that allows her to take her touring bike on cycling adventures worldwide.

Goals and Motivations:

- Ample Storage Capacity: Sarah requires a travel bag that can accommodate her touring bike without the need for extensive disassembly. She values a spacious design that can hold her fully assembled bike along with essential gear and supplies.
- Ease of Use: Sarah prefers a travel bag that simplifies the packing and unpacking process. She wants quick and easy access to her bike without the need for significant disassembly, allowing her to spend more time exploring and less time assembling.
- Durability and Protection: Protecting her touring bike during transit is essential to Sarah. She seeks a travel bag that offers reliable protection against impacts, scratches, and weather conditions, ensuring her bike arrives in pristine condition.

Challenges:

- Poor Quality Large Size Options: Sarah has encountered challenges in finding a larger bicycle bag that offers both ample storage capacity and adequate protection for her touring bike. Many options on the market lack the necessary durability and quality, raising concerns about the safety of her bike during transit.

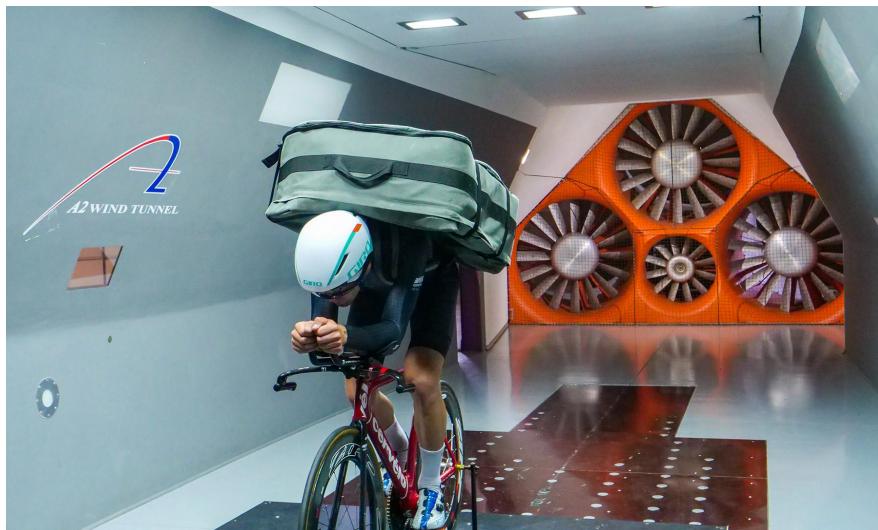
How a Larger Bicycle Bag Meets Sarah's Needs:

- Ample Storage Capacity: A larger bicycle bag perfectly caters to Sarah's requirements for spacious storage. Its design allows her to transport her fully assembled touring bike without the need for extensive disassembly, providing convenience during travel.
- Easy Packing and Accessibility: Unlike the compact-sized options, a larger bicycle bag minimizes the need for disassembly, allowing Sarah to quickly pack and unpack her bike. This feature saves her time and effort, enabling her to embark on her cycling adventures more efficiently.
- Reliable Bike Protection: The larger bicycle bag ensures that Sarah's touring bike is well-protected during transit. It offers durable construction and padding to shield her bike from potential impacts, scratches, and external elements, maintaining its integrity throughout the journey.

Appendix 9 - Viral Marketing

To generate attention and reach a wider audience, we have made some efforts towards producing viral marketing videos to exaggerate the high portability of our product compared to traditional options for bike travel

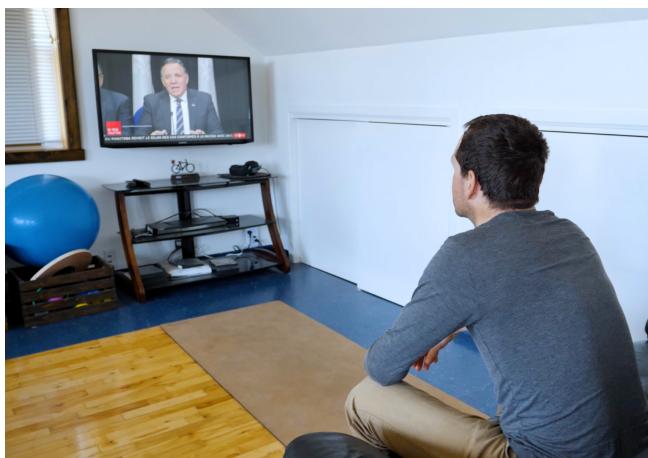
Wind tunnel testing



[youtube](#)

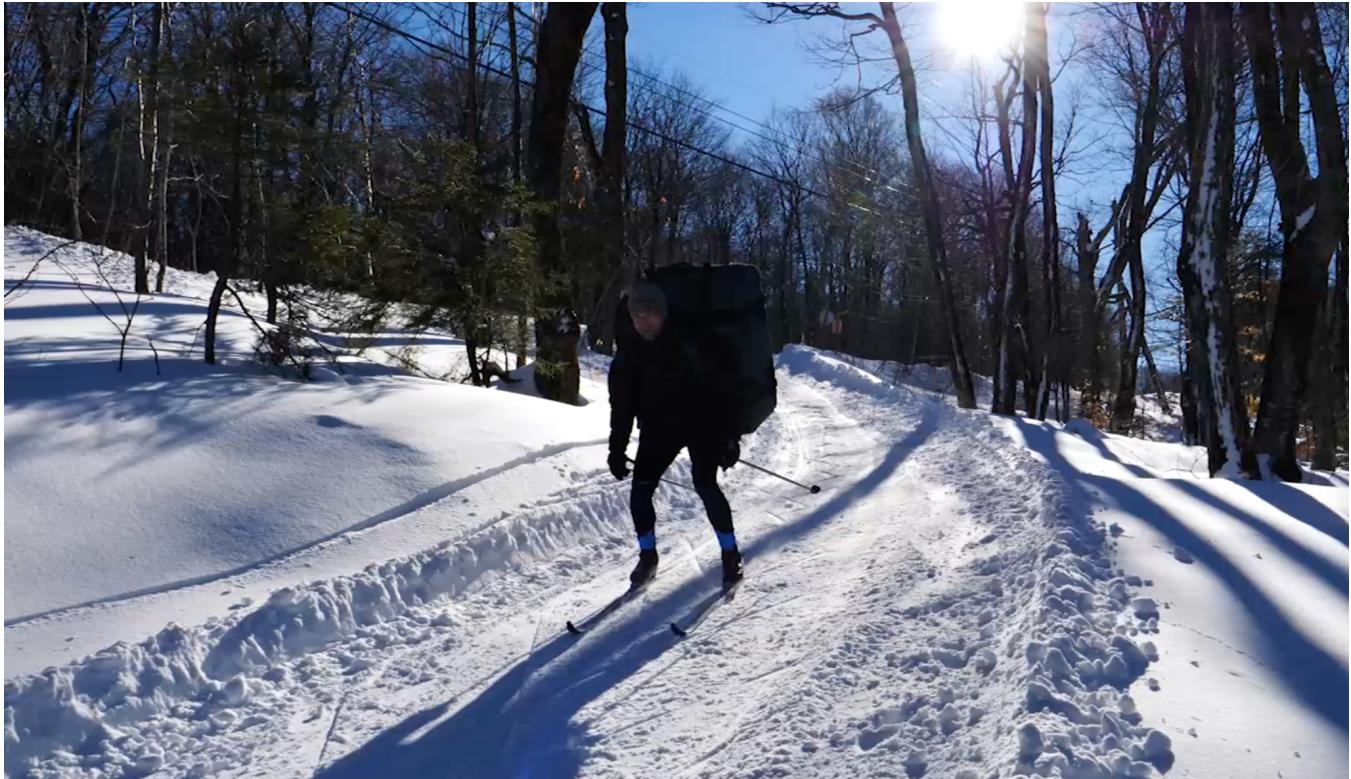
Travel to Self Isolation

Follows the epic journey of our protagonist, who, upon receiving a Covid-19 alarm, swiftly adjusts his plans for self-isolation. Through a series of various modes of transportation, including car, fat bike, slides, cross-country skiing, dog sleigh, helicopter, and racket, he embarks on an epic adventure travelling to a remote location 1350 km North of Quebec City.



[youtube](#) (not published)

Cross Country Skiing



Dogsleigh



Fatbike



Slides



Appendix 10 - Founder's Resume

JEAN-MICHEL LACHANCE

jlachance@queensu.ca | 418-955-0432 | <https://www.linkedin.com/in/jeanmichellachance/>

MANAGEMENT AND INNOVATION SPECIALIST

EDUCATION

Master's degree in Innovation, Management and Entrepreneurship,

Smith School of Business, Queen's University, Kingston, ON

2022 - 2023

The Foundation class of 2015-2016, The Foundation, online

2015 - 2016

- SAAS and digital marketing course

Diploma in Natural science, Cégep Garneau, Québec, Canada

2005 - 2008

Programme d'éducation internationale, De Rochebelle, Québec

2000 - 2004

PROFESSIONAL EXPERIENCE

Professional athlete, Cycling Canada, Silber Pro Cycling, etc., International

2008 - Present

Road, track and tandem pilot

- Competed in over 25 countries in the UCI road calendar with several international road cycling teams achieving 7 international podiums and leading several competitions
- Represented the Canadian national team for over 10 years in road, track and tandem racing, notably at the Rio 2016 games

Founder, The Bike Pack, Québec, Canada

2015 - Present

Innovative cycling products designed to enhance the user's experience

- Developed a solution to cyclist's problems by designing a compact cycling bag for air travel including an industry-first 360 internal structure
- Improved overall quality through collaboration and product development through over 10 prototypes with small and large size manufacturers in Guatemala, Mexico, Canada and Asia

Founder & Consultant, Quebexico, Québec, Canada

2009 - Present

Creative agency specializing in marketing, automation and digital services

- Represented international cycling brands in North America and improved brand awareness and sales with media exposure, influencer marketing and brand activation
- Led small company owners to increase sales and web presence through marketing strategy, problem-solving and creative marketing
- Generated thousands of qualified leads through social media campaigns and content marketing

Founder & Director, Corporation Tour de Québec, Québec, Canada

2008 - 2013

Road cycling stage race on the National calendar

- Founded a new international cycling event and managed a team of over 100 volunteers and staff throughout 7 consecutive editions, attracting over 600 participants from across Canada, the United States and abroad
- Achieved a 25x ROI for the main sponsor with a 250 000\$ media value on a limited 60 000\$ operational budget

EXTRACURRICULAR EXPERIENCE

Founder & Manager, Ride for the planet, Québec, Qc, Canada

2008 - Present

- Founded and managed a road racing development program, raised awareness on environmental issues and provided international racing opportunities to up-and-coming Canadian athletes, many of whom went on to professional careers

Ambassador, 1% for the planet, Burlington, Vermont

2011 - Present

- Introduced companies to organization, whose mission is to "build, support and activate an alliance of businesses financially committed to creating a healthy planet."

ADDITIONAL INFORMATION

- Language: Professional working proficiency in English and French and fluent in Spanish
- 10 years of experience in rental property management, short-term rentals, renovation projects, financial statements
- Member of the Canadian National team 2009-2023
- Certified coach level 3 with the Coaching Association of Canada

Appendix 12 - Detailed Financials Cost of Goods

Scenarios			250 MOQ		500 MOQ		1000 MOQ	
			all included USD	bag only USD	all included USD	bag only USD	all included USD	bag only USD
Inclusions	main bag	1	\$111.34	\$111.34	\$95.25	\$95.25	\$80.28	\$80.28
	foldable honeycomb boards	2	\$15.59		\$11.92		\$9.17	\$9.17
	dropout protector	1	\$2.36	\$2.36	\$1.81	\$1.81	\$1.39	\$1.39
	hard honeycomb (side)	2	\$5.62	\$5.62	\$4.30	\$4.30	\$3.30	\$3.30
	4 wheels	1	\$10.18	\$10.18	\$7.79	\$7.79	\$5.99	\$5.99
	aluminum structure	1	\$46.05	\$46.05	\$38.73	\$38.73	\$31.41	\$31.41
Accessories	wheel bag	1	\$14.91		\$12.12		\$9.32	
	frame kit gross cost		\$29.91					
	frame kit msrp		\$74.78					
	gross total	\$	\$59,045	\$47,670	\$97,795	\$79,685	\$157,520	\$138,990
	unit cost subtotal	\$	\$236.2	\$190.7	\$195.6	\$159.4	\$157.5	\$139.0
Freight	freight / unit	\$	\$45.4	\$45.4	\$45.4	\$45.4	\$45.4	\$45.4
	Subtotal	\$	\$281.6	\$236.1	\$241.0	\$204.8	\$202.9	\$184.4
	total (including freight)		\$70,390	\$59,015	\$120,486	\$102,376	\$202,901	\$184,371
MSRP	ratio	2.5	2.5	2.5	2.5	2.5	2.5	2.5
	Price		\$704	\$590	\$704	\$590	\$704	\$590
	gross margin	%	60%	60%	66%	65%	71%	69%
Pre-sales	ratio	1.41	1.41	1.41	1.41	1.41	1.41	1.41
	Sale price	\$	\$397	\$333	\$397	\$333	\$397	\$333
	Total sales	\$	\$99,250	\$83,212	\$198,501	\$166,423	\$397,002	\$332,847
	Discount	%	44%	44%	44%	44%	44%	44%
Sales fees	Subtotal	\$	\$35.73	\$29.96	\$35.73	\$29.96	\$35.73	\$29.96
Net profit	profit / unit	\$	\$79.71	\$66.83	\$120.30	\$98.14	\$158.37	\$118.52
	net margin	%	20.1%	20.1%	30.3%	29.5%	39.9%	35.6%
	total profit	\$	\$19,928	\$16,707	\$60,150	\$49,069	\$158,370	\$118,519
KS early bird (7j)	ratio	1.41	1.41	1.41	1.41	1.41	1.41	1.41
	Sale price	\$	\$397	\$333	\$397	\$333	\$397	\$333
	Total sales	\$	\$99,250	\$83,212	\$198,501	\$166,423	\$397,002	\$332,847
	Discount	%	44%	44%	44%	44%	44%	44%
Sales fees	Subtotal	\$	\$43.67	\$36.61	\$43.67	\$36.61	\$43.67	\$36.61
Net profit	profit / unit	\$	\$71.77	\$60.17	\$112.36	\$91.48	\$150.43	\$111.86
	net margin	%	18.1%	18.1%	28.3%	27.5%	37.9%	33.6%
	total profit	\$	\$17,943	\$15,043	\$56,180	\$45,741	\$150,430	\$111,862
KS regular	ratio	1.04	1.04	1.04	1.04	1.04	1.04	1.04
	Sale price	\$	\$413	\$346	\$413	\$346	\$413	\$346
	Total sales	\$	\$103,220	\$86,540	\$206,441	\$173,080	\$412,882	\$346,160
	Discount	%	41%	41%	41%	41%	41%	41%
Sales fees	Subtotal	\$	\$40.73	\$34.96	\$40.73	\$34.96	\$40.73	\$34.96
Net profit	profit / unit	\$	\$90.59	\$75.14	\$131.18	\$106.45	\$169.25	\$126.83
	net margin	%	21.9%	21.7%	31.8%	30.8%	41.0%	36.6%
	total profit	\$	\$22,648	\$18,786	\$65,590	\$53,226	\$169,250	\$126,833

Appendix 13 - Latest Prototype of flagship product(MVP)

