



## 2013 EDSON NEW VENTURE CONCEPT PROPOSAL

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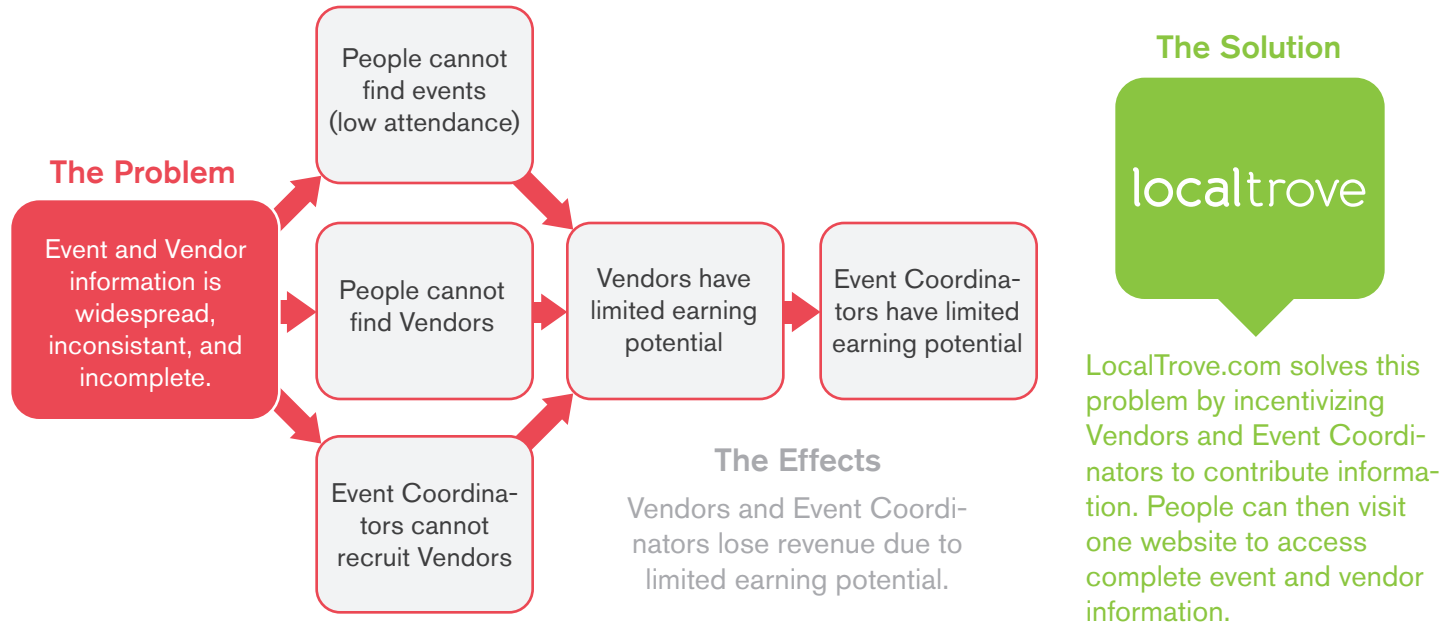
[view it live at LocalTrove.com/Edson](http://LocalTrove.com/Edson)

# business concept

LocalTrove.com provides information about local farmers markets, flea markets, art and craft shows, and fairs and festivals [from here on "events"], as well as information about the vendors who participate in them for people interested in supporting local business, sustainable living and eating healthy.

Unlike current online tools used for finding events, LocalTrove.com combines information about the event as well as the participating vendors. People can discover new vendors while researching events, or, find new events while researching vendors.

## The Problem, the Effects, and the Solution



## People Want LocalTrove.com!

We surveyed 18 Farmers Market attendees and spoke with numerous Vendors. The results below show that attendees are already using the internet for information and that LocalTrove.com would be highly adopted!

Q1: Would you use a website that lists all of the Farmers Markets in Arizona?

**89% yes**

Q2: Would you pay to use a website that lists all of the Farmers Markets in Arizona?

**22% yes**

Q3: How do you currently find information on Farmers Markets in Arizona?

**55% internet** (search engines, social media, etc.)

**17% word of mouth**

**17% show up** (and hope for the best!)

**11% newspaper/magazines**

## Satisfying Customers

The accuracy of the information is paramount to the users. If a user visits an event to see a specific Vendor and that Vendor is not there, credibility is lost. To ensure accurate information, Vendors are contacted prior to their listings being published. Although it is not "turned on", LocalTrove.com was programmed to require Vendors to log in and re-publish their listing monthly; encouraging Vendors to review their listing periodically. Vendors and Event Coordinators want a service that is easy to use. We will continue to follow up with them to gain insight on any problems they encountered while using LocalTrove.com

# marketing: customers



## Anonymous Users = Free

**Benefits:** Anonymous Users visit the website for free information about events (including location, date, time and participating vendors) and vendors (including types of products sold, payments accepted and contact information).

**Contact Method:** Marketing to the Anonymous Users will be through Search Engine Marketing (Google AdWords) and social media (Facebook, Twitter). People already using the internet are much more likely to visit a website compared to others (i.e. people listening to radio in car). Also, due to the “low competition” for relative keywords (“arizona farmers markets”, etc.), this form of marketing is cost-effective.



## Authenticated Users = Free

**Benefits:** Authenticated Users visit the website for the same reasons as Anonymous Users but are also able to rate and review events as well as access vendor coupons.

**Contact Method:** Website messages such as “Log in or register to post comments” and “You must be logged in to access LocalTrove.com coupons” will inform Anonymous Users of the benefits they receive by becoming Authenticated Users.

During the registration process, Authenticated Users select the event(s) they would like to receive more information about. This will allow us to send out targeted e-mails and/or newsletters promoting our services.



## Vendors = Free, monthly fee for add-ons

**Benefits:** Vendors can provide information about their business for free after they register, but can pay a monthly fee to be a “Featured Listing” (providing more visibility). Vendors, especially those without dedicated websites, benefit from the increased exposure to people searching for their types of products. By providing their weekly schedule, Vendors also make it easier for people to locate them.

**Contact Method:** Vendors will be contacted through face-to-face marketing at events and followed up with e-mails. Vendor referral programs are in place to encourage word-of-mouth marketing that is highly effective in this community.



## Event Coordinators = \$50/month per event

**Benefits:** Event Coordinators pay to add their events to LocalTrove.com. Event Coordinators benefit from the exposure LocalTrove.com provides their events. They also gain access to hidden Vendor information such as which Vendors are available for events and their budget as well as access to a highly focused email list of Authenticated Users.

**Contact Method:** Event Coordinators will be contact directly by phone or email. They may also be contacted by Vendors who are encouraged to “tell the event coordinator to add the event to LocalTrove.com” if it is not available when filling out their schedule.

# marketing: market size and competition

## Arizona Community of Farmers Market (AZCFM)

14 weekly markets \*

240+ vendors = 17 vendors per market \*

\$500 median vendor sales per market \*

400–1,000 weekly attendees per market \*

## All Phoenix Farmers Markets (extrapolated from AZCFM data)



**40+** weekly markets



**680+** total vendors



**\$340,000** weekly sales (\$17.7 million/year)



**16,000–40,000** weekly attendees

## Competitor Analysis

Competitors	Event Information	Participating Vendors	Event Products For Sale	Event Ratings and Reviews	Vendor Information
LocalTrove.com					
LocalHarvest.com					
FarmersMarket.com					
Festivals.com					
FairsAndFestivals.net					
CraftMasterNews.com					



website has feature/functionality



website has minimal feature/functionality



LocalTrove.com “Secret Sauce”

### The “Secret Sauce”

LocalTrove.com has automatic referencing between Vendors and events. While creating listings, Vendors can select the events they participate in (assuming the event has been created).

As Vendors select events, the events are updated automatically. This provides users with updated information about the event, the participating Vendors, and the Vendors' information.

## Potential Competitors

With enough interest and a dedicated budget, any qualified web development company could potentially develop a website similar to LocalTrove.com. However, none currently exist.

\* (Retrieved 3/21/13 from <http://www.arizonafarmersmarkets.com>)

# management



**Chris Hoffman, Team Leader**  
**Web Development and Online Marketing**

Bachelors of Interdisciplinary Studies in Business and Design  
Pursuing Masters of Science in Graphic Information Technology  
4 years of professional experience developing websites and using web technologies  
3 years of professional experience in restaurant and bar management  
Entrepreneurship 101 course by the Venture Catalyst Program  
Hummus and pico de gallo connoisseur



**Abby Chicoine**  
**Graphic Design and Social Media**

Bachelors of Science in Visual Communication  
8 years of professional experience in Graphic Design  
Social media junkie  
Talented writer  
Loves Bob Ross and his happy trees



**Travis "TJ" Lambros**  
**Networking and Inside Sales**

Bachelors of Interdisciplinary Studies in Business and Mass Communications  
4 years of professional experience as Head of Operations for Pickled Perfection  
3 years of professional experience as sales manager for ASU Alumni Association  
Currently a vendor at twelve farmers markets  
Has a collection of over 30 hats

## The Story

Chris and Abby started a freelance design company together where they have worked on numerous web, branding, and print projects. They are both health nuts, second-hand shoppers, and spend their free time at local events. Through their experience searching for events, they became frustrated with the inaccurate, outdated, and wide-spread information... and LocalTrove.com was born.

After Chris and Abby recognized the need for a solution like LocalTrove.com, Chris contacted his college friend TJ for his professional opinion. As Head of Operations for his family owned business Pickled Perfection, TJ manages their multiple Farmers Market booths. When TJ heard about LocalTrove.com, he liked the idea so much that he offered to help bring LocalTrove.com to the masses.

## Mentors

We are currently relying on our individual professional experience. Chris has reached out to various entrepreneurs in similar industries or with similar technologies for advice such as Chow Locally, KWALL, Ivy Consulting, and DrinkTown.com; at this time the team has no dedicated mentors.

We recognize our need for mentors familiar with the many challenges Internet startups encounter. If mentorship is not gained through the Edson Competition, we will continue reaching out to various entrepreneurs at networking events (meet-ups, conventions, etc.) for advice and mentorship.

# budget & milestones

## Estimated Expenses During Edson Award Year = \$9,835



### Transfer website to robust hosting environment = \$1,200

- Transfer cost = \$0 (work to be completed by founders - WCF)
- Cost of new hosting plan = \$100/month (getpantheon.com)
- Pricing varies depending on website traffic



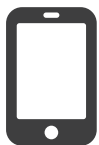
### Legal = \$700

- LLC Registration = \$200 (\$99 + fees) (legalzoom.com)
- Trademark Registration = \$250 (\$169 + fees) (legalzoom.com)
- Copyright Registration = \$250 (\$114 + fees) (legalzoom.com)



### Implement location specific subdomains = \$2,500 (i.e. phoenix.localtrove.com)

- Consulting and programming by a Drupal multi-site specialist = \$2,500



### Launch mobile website = \$995

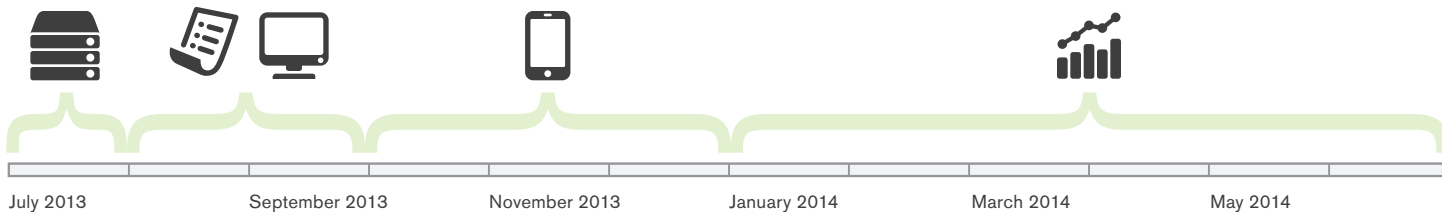
- Design mobile website = \$0 (WCF)
- Program mobile website = \$0 (WCF)
- User testing (3 rounds of 5 testers) = \$495 (usertesting.com)
- Unforeseen programming assistance = \$500



### Six month marketing campaign = \$4,440

- Creation/monitoring of Google AdWords Campaign = \$0 (WCF)
- Google AdWords Campaign Budget = \$1,500 (6 · \$250/month)
- Creation/monitoring of Facebook Ad Campaign = \$0 (WCF)
- Facebook PPC Campaign Budget = \$1,500 (6 · \$250/month)
- Design marketing collateral (fliers, t-shirts, business cards) = \$0 (WCF)
- Print marketing collateral (fliers, t-shirts, business cards) = \$1,000
- Mobile tablet (sign up vendors) = \$440 (\$200 + [6 · \$40/month]) (t-mobile.com)

## Timeline



## Investments

The founders have invested approximately \$500 to pay for domain registration, hosting and e-mail, e-commerce software, programming assistance, and services as well as over 200 hours of design and development to get LocalTrove.com to its current state.

# sustainability and impact

During the Edson award year, the initial marketing campaign will target Phoenix where there are approximately 40 farmers markets. After Phoenix, we would like to refine and continue our targeted marketing approach to nearby cities like LA, San Francisco, Austin, etc. where the population and climate support a greater amount of events. LocalTrove.com's investment value comes with its low-cost, continued expansion.

## Phoenix, AZ

**40+ markets = \$24,000/year**

## Austin, TX

**60+ markets = \$36,000/year**

(<http://www.edibleaustin.com/content/farmers-markets-resources-109>)

## San Francisco, CA

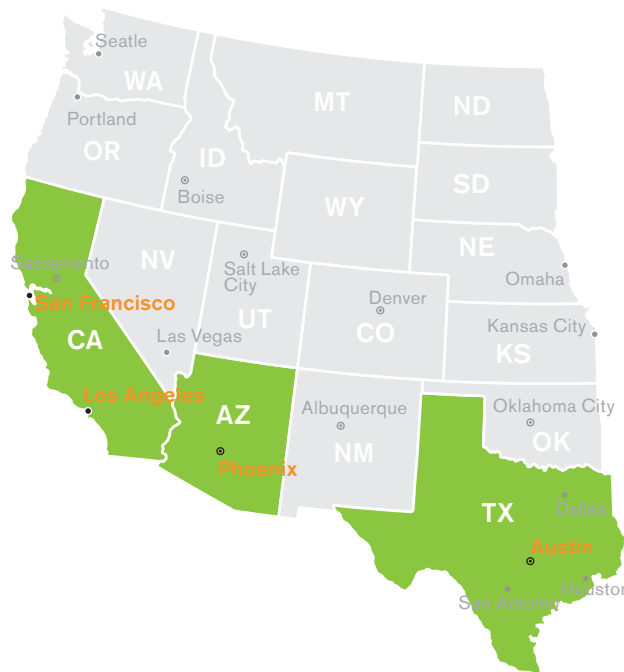
**60+ markets = \$36,000/year**

(<http://www.pcfma.com/markets.php>)

## Los Angeles, CA

**100+ markets = \$60,000/year**

(<http://www.experiencela.com/destinations/farmersmarket>)



## Value

Event Coordinators charge vendors varying degrees of rental fees and revenue splits. For example, the Old Town Scottsdale Market has a \$50 annual fee and 10% revenue split. We have been told by vendors at the Old Town Scottsdale Market that the large vendors sell as much as \$5000 per market, earning the Event Coordinator \$500 from a single vendor! Based on that information, we believe Event Coordinators would be willing to pay a \$50 monthly fee to advertise their event.

We believe that a small portion of Vendors will pay extra for "Featured Listings" dependent upon their particular marketing budget. Further research is needed to determine appropriate costs and payment schedules.

## Social and Economic Impact

LocalTrove.com will generate value for all stakeholders (investors and public alike) by generating revenue, encouraging healthy and sustainable life choices, and supporting local economies. LocalFirstAz.com estimates that for every \$100 spent at a locally owned business, \$73 stays in Arizona compared to \$43 when shopping non-local. Keeping money within the state supports infrastructure and public programs as well as creates jobs.

It goes without saying that there is a direct relationship between a person's diet and their health. Hit TV shows like "Dr. Oz" and "The Biggest Loser" along with controversial documentaries like "Super Size Me" and "Hungry For Change" have helped instill this knowledge. The positive effects of eating fresh foods like fruits and vegetables, staples of most farmers markets, range from weight loss to increased energy and reduced risk for diseases like diabetes and heart disease. Avoiding Genetically Modified Organisms (GMO) and pesticides by eating organic foods is also gaining popularity as more research is uncovered. The organic food and beverage market has grown from \$1 billion in 1990 to \$26.7 billion in 2010\*.

The ever-increasing awareness of healthy eating in America means that LocalTrove.com's market is growing. Among the numerous societal benefits, developing an application that this growing market adopts will surely be lucrative for investors.

\* ("Industry Statistics and Projected Growth". Retrieved 3/27/13 from <http://www.ota.com/organic/mt/business.html>)