***The Innovation Hub – Business Plan and Report***

*Pfarrkirchen, Germany | Non-profit Coworking & Community Space  
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**1. Executive Summary**

**The Innovation Hub** is a non-profit (e.V.) coworking and community space in Pfarrkirchen, Germany, designed to address two major gaps:

* The absence of an affordable, accessible 24/7 workspace for the international university population.
* The lack of integration opportunities between international students and local entrepreneurs.

**What & Why:**  
The project leverages a patented real-time occupancy system and a circular-economy refurbishment model to differentiate itself. Financial projections show Year-1 revenues of €269,200 and a net surplus of €197,320, with a 73% margin reinvested into community programs. Break-even is achieved with only 108 paying members. The model is designed for scalable replication in other Bavarian towns after Year 2.

**Funding:**  
€30,000 in seed funding is sought from municipal grants, CSR budgets, and sponsorships to cover refurbishment, sensor hardware, and patent filing.

**Investor Relevance:**  
The plan targets sustainable growth, measurable social impact, and franchise potential, addressing both economic and community integration needs in small-town Germany.

**2. Product & Service**

**2.1 Customer Problem**

**Who is the customer?**

* International students at ECRI (European Campus Rottal-Inn)
* Local founders and entrepreneurs
* Professors and academic staff

**What is the customer’s problem?**

* No central, affordable study or work spot after 8pm
* Isolation among international students
* Local founders lack informal access to student talent
* Professors miss out on informal innovation encounters

**Why does this matter?**

* Demand for flexible, inclusive workspaces is rising
* Integration gaps hinder local innovation and talent retention

**2.2 Solution**

We lease the former Irish Pub at €1 500 per month (utilities not included) and refurbish it using 85 % up-cycled furniture and LED lighting. The ground floor is zoned into a co-working space with about 40 desks, a social corner and a private meeting room. A drinks and snacks bar are part of the main room. The beer garden becomes a solar-lit event area for up to 5 tables.

The digital layer is what truly differentiates the offer. Two Arduino sensors above the entrance count every entry and exit. A lightweight algorithm determines directionality and updates the web application in real time. Members log in on their verified accounts as student/professor/guest to see live occupancy or book the private room.

**2.3. Concrete offer**

* **Physical space**: main room with 40 desks, social corner, beer garden, private meeting room, and a front garden.
* **Digital layer** (member-only): live occupancy, seat booking, event calendar, community board.
* **Experience design**: Day = productivity; Evening = networking & events; Night = quiet study.

**Why is this effective?**

* 24/7 access uniquely meets the core need for flexible study and workspace
* Digital transparency increases trust and usability

Community programming fosters integration and networking

| **Persona** | **Problem** | **Core Need** | **Offer** |
| --- | --- | --- | --- |
| ECRI Student | No study spot after 8pm | 24/7 study spot at €15/mo | Desk, Wi-Fi, quiet zones |
| Professor | No network with students/locals | Safe, social workspace | Meeting room, events |
| Local Founder | No informal student contact | Serendipitous talent pipeline | Networking, workshops |

**Application Scenarios:**

* Day: Productivity and study
* Evening: Networking and events
* Night: Quiet study

**USP in the eyes of the customer:**

* Affordable 24/7 access
* Real-time occupancy transparency
* Strong community and integration focus

**State of development:**

* Pilot-ready: Premises secured, prototype digital system operational, community partnerships initiated

**Protection from imitators:**

* Patent filing for occupancy system
* Community-driven brand and local partnerships
* e.V. structure ensuring mission alignment

**3. Entrepreneurial Team**

**Team Composition:**

* **Yllka Ninaj** – Project & Business Lead (strategy, user interviews, fundraising)
* **Sena Dokuyucu** – Front End Developer (UI/UX, 3D/2D design)
* **Khadija Mahmoud** – Back End Developer (Arduino sensors, back-end operations, marketing)

Strengths: Multidisciplinary skills (business, tech, design), local and international networks, user-centric development  
Competence Gaps: Financial modelling and bookkeeping (to be filled by a part-time treasurer/tax advisor)

However, wewillcommit to feedback, coaching, and iterative improvement.

**4. Market & Competition**

**4.1 Market Size**

**Industry Context:**The Innovation Hub operates within the third-space services sector — encompassing coworking, community hubs, and flexible workspaces. This industry is experiencing robust growth in Germany. The sector’s expansion is driven by the shift toward flexible work models, rising demand from startups and remote workers, and a growing emphasis on community and collaboration.

**Local Market Sizing:**

* **Total Addressable Market (TAM**): Estimated at €2.4 billion annual spend by 2 million residents in German small towns (<20,000 inhabitants).
* **Serviceable Available Market (SAM):**Within a 25km radius of Pfarrkirchen, the SAM is €24 million (12,000 residents × €2,000 discretionary spend).
* **Serviceable Obtainable Market (SOM):**Targeting €269,000 in Year-1 revenue, representing 1.1% of the local SAM.

**Market Trends:**

* Remote and hybrid work: Accelerating demand for flexible, accessible workspaces.
* Internationalization: Growing international student populations in small towns.
* Community focus: Municipal and corporate actors increasingly value hubs that foster integration and talent retention.
* Profitability and resilience: By early 2025, over half of German coworking operators rated their business situation as good, with a notable rise in cost coverage and profitability compared to previous years.

**4.2 Segmentation**

**Key Customer Segments:**

* **Students**: High demand for affordable, flexible study/workspace, especially after hours.
* **Local Entrepreneurs**: Seek informal networking and a talent pipeline.
* **Professors/Faculty:**Desire informal engagement with students and the local ecosystem.

**First Customers:**

* **ECRI students (pilot group)**
* **Local startups**
* **University faculty**

**Adoption Barriers:**

* Low: The price point (€15/month for students) and 24/7 access are designed to minimize friction and lower the threshold for membership.

**4.3 Competition**

| **Competitor** | **Weaknesses vs. Innovation Hub** |
| --- | --- |
| **GREG** | **Formal, it closes at 17:00, higher price** |
| **Lazy Cat** | **Closes at 19:00, small space** |
| **Local Bars** | **No quiet zones, no Wi-Fi, not study-friendly** |

**Unique Selling Proposition (USP):**The Innovation Hub is the only local provider offering 24/7 access, real-time digital occupancy tracking, and a strong community integration focus: all of it at less than €20/month.

**Competitive Technologies:**

* Existing coworking management apps exist but are not locally deployed with real-time occupancy tracking.
* Future risk: Larger chains may adopt similar smart occupancy tech, but local partnerships, brands, and the non-profit model provide defensibility.

**Industry Challenges:**Smaller operators often face occupancy and profitability issues; average occupancy in small towns is below 64%, and only 29% of spaces are profitable. The Innovation Hub’s model addresses these risks by targeting a validated, underserved segment and leveraging a non-profit structure to reinvest surpluses.

**5. Marketing & Distribution**

**Market Actors:**

* **Users:**Students, founders, professors
* **Partners:**University, local businesses, sponsors
* **Authorities:**Municipality, e.V. oversight

**Market Entry Strategy:**

* Zero/low-cost channels leveraging existing trust networks.
* **Orientation week booth at ECRI:**Highly cost-effective (€0.30/lead), with an estimated 40% sign-up intent.
* **Student-club Instagram:**Over 1,000 local followers for organic reach.
* **Sponsor wall:**Provides brand visibility for partners at no marginal cost.

**Distribution Channels:**

* **Memberships & day passes**
* **Events and workshops**
* **Food & beverage sales at the hub**

**Promotion:**

* **Social media, campus events, and local press coverage.**

**Pricing:**

* **Benchmark: €15/month for students (competitive with local and national alternatives).**

**6. Business Model** (see Appendix 1 for the Business Model Canva)

**Industry & Market:**

* **B2C:**Students, freelancers, remote workers
* **B2B:**Local startups, sponsors

**Value Proposition:**

* Affordable, flexible, and integrated coworking and community space
* Real-time digital access and community-building features

**Value-Generating Activities:**

* Space management
* Digital platform operation and maintenance
* Community event programming
* Partnership development

**Revenue Model:**

* Membership subscriptions: 55%
* Food & beverage sales: 34%
* Ticketed events & workshops: 8%
* Municipal/corporate sponsorship: 3%

**Cost Structure:**

* Fixed costs: Lease (€1,500/month), utilities, digital infrastructure, marketing
* Variable costs: Staff/volunteers, event programming, food & beverage supplies
* Refurbishment: Circular economy focus (upcycled furniture)

**Margin:**

* Net margin after operating costs: 73% (all surplus reinvested into community programs)

**Supply Chain:**

* **Inputs:**Upcycled furniture, sensor hardware, local suppliers
* **In-house:**Space operation, digital platform, community management
* **Outsourced:**Bookkeeping (local tax advisor), some event programming

**Scalability:**

* Designed for franchise-lite replication within Pfarrkirchen after Year 2, and subsequently to other Bavarian towns.

**7. Implementation Schedule**

| **Phase** | **Activities** | **Timeline** |
| --- | --- | --- |
| **Pre-launch** | **Lease signing, refurbishment, digital setup** | **Months 1-3** |
| **Pilot** | **Soft opening, member onboarding, feedback loop** | **Month 4** |
| **Launch** | **Grand opening, marketing push, events** | **Month 5** |
| **Scale-up** | **Evaluation, optimization, replication planning** | **Year 2** |

**8. Financial Requirements & Planning**

* **Fundraising target**: €30,000 (municipal grants, CSR, sponsors)
* **Use of funds:**Refurbishment, sensor hardware, patent filing, initial operations
* **Year-1 revenue projection: €269,200**
* **Net surplus: €197,320 (73% margin)**
* **Break-even: 108 paying members**
* **Reinvestment: 100% of surplus reinvested into community programs and expansion**

**Appendix 1. Business Model Canva**

| **Key Partners** | **Key Activities** | **Key Resources** |
| --- | --- | --- |
| - Local businesses & sponsors | - Space management & operations | - Former Irish Pub venue |
| - University & student groups | - Community events & workshops | - Digital occupancy system (patented) |
| - City administration & municipality | - Bar/café operation | - Upcycled furniture & equipment |
| - Tech providers (sensors, cloud, app) | - Membership management | - Volunteer network |
| - Volunteers | - App maintenance & updates | - Staff (manager, barista) |
|  | - Marketing & partnership development | - Brand & community reputation |
| **Value Proposition** | **Customer Relationships** | **Channels** |
| - Affordable, flexible 24/7 coworking & community space | - Personal onboarding (on-site, events) | - On-site membership sales |
| - Real-time digital occupancy tracking | - Responsive digital support (app, email) | - Online sign-up (web/app) |
| - Strong integration of international students and locals | - Community-building events & feedback loops | - University events (orientation week) |
| - Circular economic refurbishment (sustainability) | - Volunteer engagement & credits | - Social media (Instagram, local groups) |
| - Inclusive, safe, and welcoming environment |  | - Local press & sponsor wall |

| **Customer Segments** | **Cost Structure** | **Revenue Streams** |
| --- | --- | --- |
| - International students (ECRI) | - Lease (€1,500/month) | - Membership subscriptions (55%) |
| - Local founders & entrepreneurs | - Utilities, cleaning, maintenance | - Food & beverage sales (34%) |
| - Professors & academic staff | - Refurbishment (upcycled focus) | - Ticketed events & workshops (8%) |
| - Remote workers/freelancers in the region | - Staff & volunteer credits | - Municipal/corporate sponsorship (3%) |
|  | - Digital infrastructure (sensors, app) |  |
|  | - Marketing & outreach |  |
|  | - Patent & legal fees |  |
|  | - All surplus reinvested (non-profit e.V.) |  |