

UNIVERSITÀ DI PISA



SportMate: Find your motivation!

Report

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13/05/2022

Laboratory for ICT Startup Building

Academic Year 2021/2022

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Steps

The course required to start our journey by providing a business idea for a startup without any prior knowledge about market research, validation or business. This kind of situation allowed us to look towards our idea in a more critical way already from the first weeks of lessons. Our process has been characterized by continuous changes but, in order to better define the pivoting steps, in the following sections we will define only the two main iterations that we discarded.

1.1 Initial idea - SportAdvisor

Our initial idea was to build an Advisor, a service to discover and review different types of sport venues (e.g. gyms, tennis/basketball/football courts, swimming pools, etc.), just like TripAdvisor.

The app would have been useful to people that moved to other cities and to people that are starting to do new sports. However, there were some issues: the market was not big enough, the users could have uninstalled the app once used and there weren't enough reasons for sport venues to add and update their profiles on our app.

1.2 First pivot - TheFork for sports

The first pivoting that we did was focused on enhancing our first idea, trying to enlarge the market and maintain users on our app.

Therefore, our solution was to implement in-app bookings for gym subscriptions, courses or courts. To achieve this feature in an elegant way, we would have also needed to implement a management software for the sport venues.

This solution, despite being an improvement of the first idea, had more problems than before:

- the app had too many features, meaning that our Minimum Viable Product was too large and the initial investment was unfeasible;
- our business plan was a mess, being B2B+B2C and with too many input and output streams;
- there were a lot of competitors in the management software field and, in particular, Sport-Clubby was already a solution of this whole problem.

For this reasons, we made our latest pivoting to transition to SportMate, as explained below.

SportMate

The idea behind this pivoting was to create an app that follows the users in their whole progress in sports. In this app we focused on creating a service that people would (like to) use to keep them motivated. Thus, we decided to create an app that tracks users' progress through custom-made weekly goals that are easy to achieve and that keep users on the right track.

In order to reward the users (and to keep them in the app), we added a reward system: users are able to win points upon the completion of a goal and exchange them for some sports-related products, like clothes, water bottles, proteins and so on.

For a more complete overview of this solution we refer to the pitch ([link to the pitch](#)).

Problems People lose motivation, They don't see their progress and achieving goals seems far away in the future.	Solution Make customers more consistent by tracking their goals and offering rewards (especially when they could quit)	Unique value proposition Be consistent by setting goals, tracking them and being rewarded.	Unfair advantage Tracking and reward application for every kind of sport goal.	Customer segments People that want to be more consistent in sports.
Existing alternatives Sweatcoin Streaks Garmin Strava Google/Apple Health	Key metrics Active customers on the platform. Purchase conversion, Premium conversion	High level concept Sweatcoin for every kind of sports	Channels Advertisements. Blog posts. Social feature in the app.	Early adopters People that regularly quit for lack of motivation.
Cost structure Advertisement costs. Infrastructure costs. Marketing and operation supports.			Revenue streams Percentage on reward sales for sport/local companies Ads Premium Subscription	

Figure 2.1: Lean Canvas

2.1 Hypotheses

The main hypotheses that we defined regarding the feasibility of our idea can be distinguished in two different groups: hypotheses on the market and hypotheses on the business model.

2.1.1 Market hypotheses

We made some hypothesis both on the problem and on the solution; thus, we tried to understand if there really was the problem we defined and if our solution was a valid solution to those problems.

For this purpose, we supposed that:

- there really is a substantial percentage of people that stops going to the gym because of a lack of motivation;
- people are interested in tracking their progresses and being rewarded by achieving goals;

In the next *Experiments* section we will illustrate the various methods we used to validate the hypothesis mentioned above.

2.1.2 Business model hypotheses

These business model hypotheses are specific economic hypotheses regarding the economic feasibility of our solution: we supposed that our business model worked and that the cost to acquire new customers was lower then the revenue coming from subscriptions, commissions and ads.

To validate these hypotheses we estimated various kinds of metrics involved in advertisements and operations in an application like ours by researching realistic values online; for example we estimated 7% of subscription churn, 2.75% of premium conversion rate, 1€ for acquiring a user through ads and many more. Then we created a spreadsheet to compute the projected net income to check if our hypotheses were valid. With these estimations for the next three years we suppose,

with user base of 1% of the market (people that do sport in Italy), a revenue of 600k€ and an outcome of 200k€, to create an income of 400k€.

We are aware of the fact that these estimations are not precise but they provide us with a rough idea that allows us to get a better overview of our solution. In the future we plan to better define those metrics by composing a team with complementary skills to fill our knowledge gaps and better define those metrics.

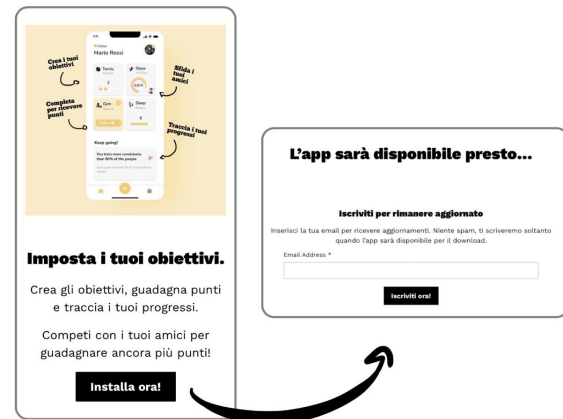
2.2 Experiments

We carried out some experiments aimed at validating our market hypothesis¹:

- **Instagram survey:** we posted an Instagram story on the @SpottedUNIPI page (5880 followers) in which we showed a couple of mock-ups and we asked people if they would install the app directly from the Instagram application.
- **Google Forms:** we shared a Google Form ([click here to view it](#)) on the Telegram channels of the University and on the Instagram page @MemesUNIPI (17400 followers). The survey contained also a question asking the user if it would install the app.
- **Fake door:** we created a fake door (<https://sportmate.mailchimpsites.com/>, optimized only for mobile interfaces) with a no-code tool called MailChimp (<https://mailchimp.com/it/>) and we distributed some flyers with a QR code for the landing page. We put up those flyers in places of interest, e.g. outside sport centers and near high schools. The landing page pretends to advertise the app as ready for use and it is in fact possible to click on a button “install now”. This actually redirects to a page where it is possible to subscribe to updates using the email. Through this funnel we were able to see the traffic in the different pages and, thus, to track the interest from the market.



(a) Flyer



(b) Landing page

Figure 2.2: Fake door experiments

¹See next section to see the results

- **Gym interview:** we contacted San Rossore Sport Village, in order to talk to a gym and validate the idea via the sport venues perspective. They confirmed our hypotheses regarding the market and they told us that they are interested in offering some kind of discounts in less-crowded periods.

2.2.1 Experiments results and insights

Experiment	Sample	Feedback
Instagram survey	300	77% positive
Google Forms	100	80% positive
Fake door	2	1 subscriber

Table 2.1: Experiments results.

From the Instagram survey and Google Forms from the pool of people that gave us feedback we found out that 75% of people would install the application. Between the first two approaches we have a trade-off in terms of feedback numbers and feedback specificity; in fact in the Google Forms approach we got a lower amount of feedback but we were able to obtain more in depth responses that helped us define in a more clear way the interest of our users.

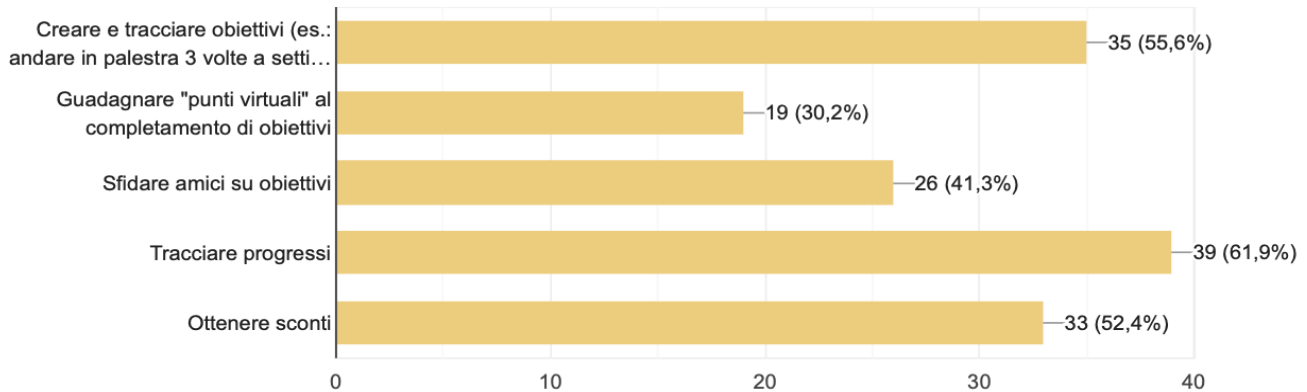


Figure 2.3: Google Form: most wanted features

Those data helped us understand that challenging friends on goals wasn't a priority, so we simplified the Minimum Viable Product, removing that feature. We also saw that we have to put a lot of focus in tracking the progresses of the users, since it is the most requested feature.

Regarding the fake door we were not able to get enough traffic because of the advertisement method we used², so we consider the feedback we received as not valid. However, we think that by bringing more traffic to the landing page using this method we would be able to more accurately estimate the degree of interest that potential customers might have in our application.

²We tried to advertise it via the Instagram pages, but they rejected it and wanted us to make a Google Form or a simple poll