



Live the World

BUSINESS PLAN

Univenture 2018-2019

Via Alvanella III Trav, 4 - Monteforte Irpino
(AV), 83024
+39 3392929522

Presented by:
Cheung Cindy
Divino Giulia
Fatha Bahi
Figueroa Susan
Ilinskaya Olga



The content of this report is confidential and is the sole property of Hearth Srl Unipersonale. Its use is strictly limited to those readers authorized by the Company. Any reproduction or divulgence of the content of this report without the written consent of the Company is prohibited

Table of contents

EXECUTIVE SUMMARY	3
DESCRIPTION OF BUSINESS IDEA AND COMPETITIVE ADVANTAGE	5
THE PROBLEM	5
MISSION STATEMENT	6
PRODUCT DESCRIPTION AND COMPETITIVE ADVANTAGE	6
MARKET ANALYSIS	11
INDUSTRY DESCRIPTION AND OUTLOOK	11
<i>Tourism and Travel sector worldwide</i>	11
<i>App Industry and Worldwide Tourist Online Travel Trends</i>	12
<i>App Industry and Tourist Online Travel Trends in Italy</i>	12
TARGET MARKET ANALYSIS	13
<i>The window of opportunity</i>	14
<i>Target Market</i>	14
<i>Defining the Market need</i>	17
COMPETITIVE ANALYSIS	18
<i>Competitors</i>	18
<i>Partners</i>	19
BUSINESS MODEL	21
VALUE PROPOSITION	21
VALUE CREATION ARCHITECTURE	22
<i>Key Activities</i>	22
<i>Channels</i>	23
<i>Customer relations</i>	24
<i>Partnerships</i>	24
<i>Cost Structure</i>	26
REVENUE MODEL	26
COMPETENCES AND RESOURCES	28
HUMAN RESOURCES	28
ASSETS	30
<i>Intangible Assets</i>	30
<i>Tangible Assets</i>	30
ACTION PLAN	31
2018 – FIRST HALF 2019	31
SECOND HALF 2019	33
2020	33
MARKETING PLAN AND NETWORKING	34
FINANCIALS	37
ASSUMPTIONS	37
START-UP REQUIREMENTS	38
PREMONEY VALUATION	38
SALES FORECAST	39
PROJECTED PROFIT AND LOSS	41
BREAKEVEN ANALYSIS	45



Executive summary

Our Mission

Our aim is to provide municipalities with a complete digital platform that will support them in promoting and enhancing their territory, showing off their hidden treasures and local strengths both to tourists and citizens. Adopting new instruments is crucial for institutions that need to be keep up the tourism 2.0 revolution: Hearth, an all-in-one tool that cares about it, is the solution.

The Company and Management

Hearth S.r.l. Unipersonal, an independently owned startup, came up as an idea in October, 2017 and was legally incorporated as a Limited Liability Company on 04 January, 2018.

“Hearth” as a trademark is protected by the European Union Intellectual Property Office (EUIPO). Also it is included in the Trademark Clearinghouse (the central repository for validated trademarks for the purpose of protecting brands).

It is operated by CEO&Founder, Massimiliano Imbimbo, who worked on MVP of application, made some contracts with Municipalities (Avellino, Paestum, Acropolis), won several awards on exhibitions devoted to innovation and digitalization and got involved in many incubator projects. Other members involved in the project are Nicola Capolupo (CCO), Carmine Spagnuolo (graphic and branding), Francesco Sacerdoti and Ignazio Finizio (software engineers) and the Apple Developer Academy team.

Our services

Our clients are municipalities, both in Italy and abroad, that are looking for a way of managing the territory so as to increase tourists' arrivals and to meet citizens' requirements. Hearth offers a variety of services, including:

- Interactive map
- Upcoming events' visualization and description
- Local businesses' profile
- Museums and other tourism attractions' profile
- Tickets' booking and selling system for experiences, attractions, tours and more
- Bloggers and travelers' contents
- Emergency alert system
- Other services for the citizen



The Market

Despite economic and political challenges across the globe, the travel and tourism industry remains as a key sector for economic development. In Italy, tourism is the leading industry contributing to 13 % of their economy, making it somehow dependent to the travel sector. For the last couple of years, technology has fostered a change on travel trends reshaping the whole travel industry, where travelers no longer need traditional approaches when they arrive to their destination. This trend has led companies and public entities to focus on adapting to travelers needs in order to stay on the market. In fact, the strategic planning of Italy's tourism department, is already planning to develop different strategies to promote and enhance the exploration of their territory through digital channels by working with the private sector. The current trend from tourist seeking digitalization and the need for municipalities to supply that need, presents an opportunity for Hearth to penetrate the market. Hearth target are those municipalities that are seeking to connect tourist and citizens with their territory through an online platform and those small municipalities that want to increase their visibility.

Our Competitive Advantage

Hearth has the advantage of being a single app that allows municipalities to manage heterogeneous tasks efficiently, both for tourists and for citizens; plus, it lets users to not have to download dozens of apps while living a Region. Besides, unlike other competitors, we offer a high-quality service, a really interactive map for an intuitive navigation and an open innovation approach.

Financial Projections

Based on our analysis, our sales projection for the first year is Euro 46,175. We will then expect a significant increase in Year 2 and Year 3 by 813% and 66%. The significant increase will be mainly due to expansion from regions to regions in the second year and to launching of the application in Barcelona, Spain in the third year. We also noted that we will incur a net loss of Euro 172,640 in the first year due to start-up costs and salary paid to developers of the application. However, in Year 2 we expect to have a net increase by 9% due to expansion to other regions as mentioned previously and also an increase by 16% in Year 3 leading to a continuous improvement in the Company. Regarding the number of employees, in Year 1 we will require 7 in the development team, 1 in Marketing department, 1 in sales department and finally the CEO, in total 10 employees. The sales department will grow from 1 to 5 in relation to the expansion to other regions in Year 2 and from 5 to 8 in Year 3.

Start-up financing requirements

We are seeking for an amount Euro 213K to finance our first-year growth. The founder has already invested Euro 20k in the Company.

