



# Mobile - Application Business Plan

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# Introduction

## Mobile Application (App)

- Software designed to run on mobile devices
- Provide services
- Small individual software units



# Why?

- Mobile and wireless devices manage information faster and more effectively
- Support e-marketing with customers and suppliers
- Rapid proliferation of mobile devices
- Pet owners are a big and active community, they like to share and look for information



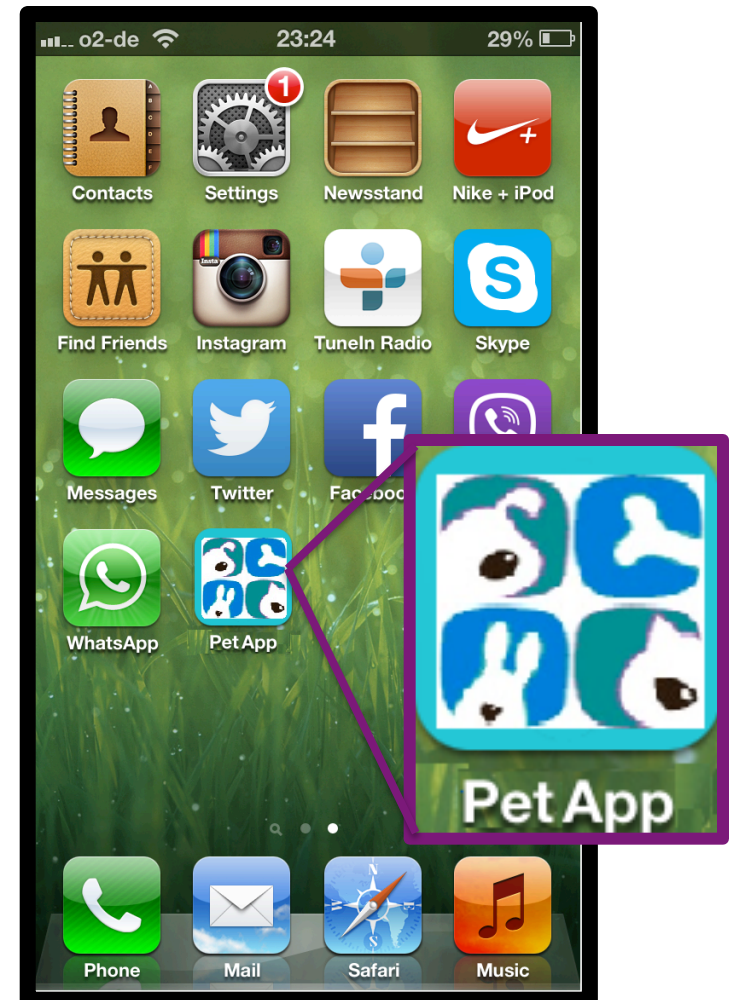
# Project Description

- The business idea is an App for Pet owners
- It is a social network to meet other surrounding Pet owners.
- The application is a location-based App that uses GPS to identify the users location
- A wall posting function allows the user to share photos and make comments
- The user can also keep and store the pet information like medical and vaccines history



# Project Description

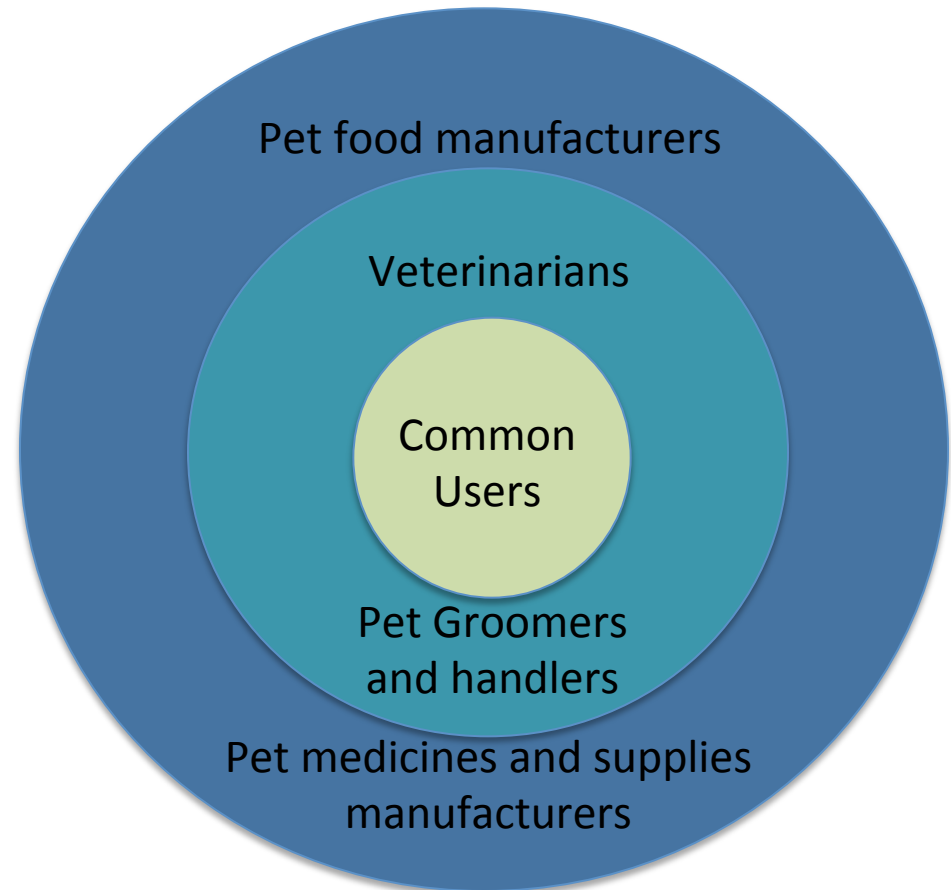
- Pet App allows the user to be adviced from pet handlers, pet groomers, as well from veterinarians
- Shows the location of the closest or the best ranked veterinarian services
- The pet owner get in contact with the new products for pets



# Services

## Pet App is divided in three modules

- Users:
  - Social network
  - Share information
  - Contact with other owners
  - Rank services
- Service providers:
  - Give advice
  - Expand their market
  - Advertise
  - Get ranked by the users
- Advertisers:
  - Expand their market
  - Promote their new products
  - Obtain market information





# Market Analysis

## Germany

- Population- around 80 million
- Access of Internet – 77% of population
- Access of mobile internet – 40% of population
- Pet population – 31 million (incl. Dogs, cats and small animals)
- 1 of 3 households has a pet.





# Market Analysis

## Pet Business overview in Germany (2012)

Total sale of pets- 3,867 Million Euro



Total sale of pet food- 2,939 Million Euro



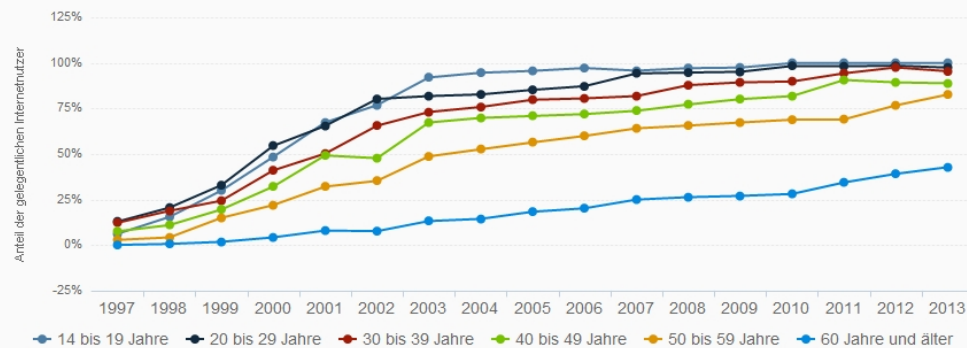
Total sale of pet accessories- 928 Million Euro





# Market Analysis

Anteil der Internetnutzer in Deutschland von 1997 bis 2013 nach Altersgruppen

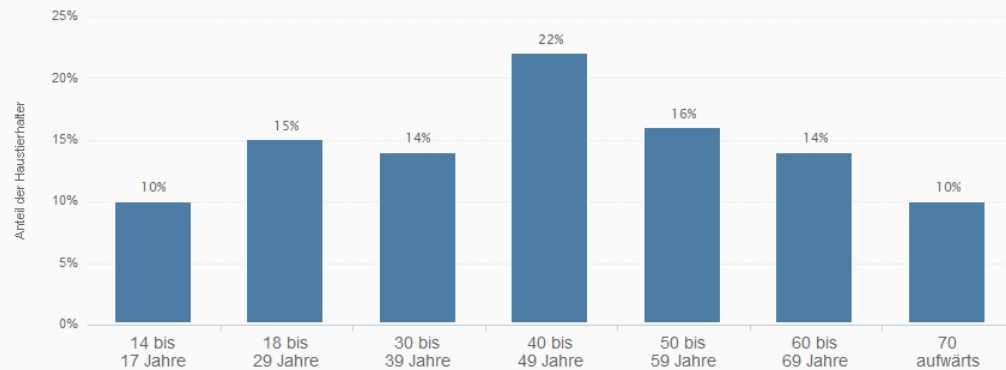


Deutschland; ab 14 Jahre; 1.800 Befragte; Enigma GfK; 1997 bis 2013

Internet users

Pet owners

Verteilung der Haustierhalter in Deutschland nach Altersklassen im Jahr 2012



Deutschland; ZZF; 2012

# Market Analysis

The first target area to monetize – Cologne and 3 big cities in NRW

City	Veterinarian	Pet Shops	Pet food and accessories shops	Pet friendly hotels
Cologne	100	25	19	6
Dusseldorf	48	11	22	6
Dortmund	49	12	12	1
Essen	62	17	15	3





# Market Analysis

## Market Competition


Apps	Function			System	Cost - €	Remark
	Social network	Medical record	Services			
My Pet Record		✗		Andriod	1.4	
PetAround	✗			Mac	Free	
PetFetch			✗	Mac	3.99	Services-Veterinarians
Pet Community	✗			Andriod	Free	
Pet Pal	✗		✗	Andriod	1.99	Services-Veterinarians, pet stores, pet trainers, pet parks, pet grooming, etc.
Pet Rest	✗			Andriod	Free	
Tractive Pet Manager	✗			Andriod	3.99	
U Pet- Pet Manager	✗	✗		Andriod	Free	

# Marketing

The Apps in the market are-

- Free version – only social network for pets
- Paid version – social network and other services



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- Pet App - free version (users)  
Function - for social network and services

- 0.2% of paid apps are downloaded more than 10,000 times
- 20% of free apps are downloaded more than 10,000 times  
(Research from Cambridge University)



# Marketing

## How to reach Users?



- Flyers (in veterinarian clinics, public spots, pet shops, etc.)
- Online advertising (play stores, facebook, etc.)

# Marketing

## Possible Market Extension



- European Union – EU  
Population – 424.82 million (excl. Germany)  
Internet users – 75 % of the population  
Pet Population – around 180 million (excl. Germany)  
70 % of families has pet





# Investment

Investment	Quantity	Cost per unit	Total Cost	Depreciation in years	Depreciation cost
Computers	4	€500	€2,000	4	€500
Furniture		€3,000	€3,000	10	€300
Test Mac	1	€99	€99	0	0
Programming	200	€90	€18,000	0	0
Flyers	1	€30	€30	0	0
Legal expenses	1	€3,000	€3,000	0	0
Publicity first time	1	€1,000	€1,000	0	0
Unexpected	1	€2,000	€2,000	0	0





# Financing

60%	€17,477	Bank
40%	€11,652	Private

Interest paid on debt	Debt	Interest	Interest costs paid	Repayment
1 Year	€17,477	7%	€1,223	€3,495
2 Year	€13,982	7%	€979	€3,495
3 Year	€10,486	7%	€734	€3,495
4 Year	€6,991	7%	€489	€3,495
5 Year	€3,495	7%	€245	€3,495





# Costs

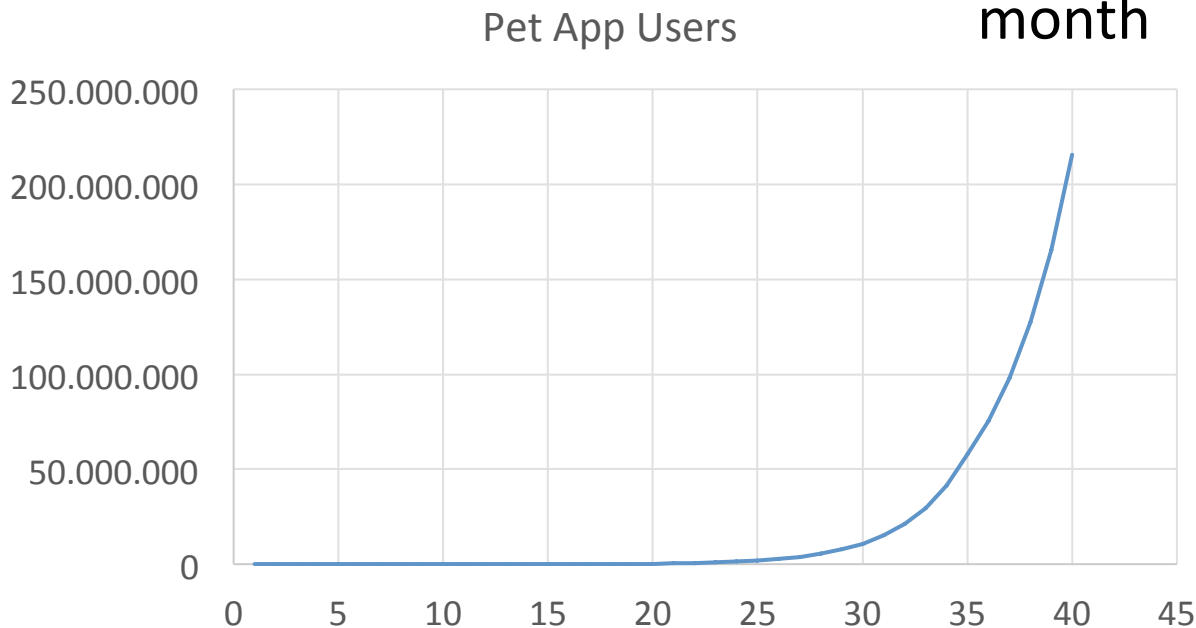
Cost	Year 1	Year 2	Year 3	Year 4	Year 5
Depreciation costs	€800	€800	€800	€800	€800
Financing costs	€1,223	€979	€734	€489	€245
Labor costs	€108,000	€108,000	€108,000	€108,000	€108,000
Utilities costs	€46,360	€46,360	€46,360	€46,360	€46,360
Total Costs	€156,383	€156,139	€155,894	€155,649	€155,405

Utilities costs	Quantity	Cost per unit (Euro)	Frequency	Total Cost Monthly	Total Cost Year
Server	1	700	Year	€58	€700
Office	50m2	700	Monthly	€700	€8,400
Internet	1	30	Monthly	€30	€360
Telephone	1	20	Monthly	€20	€240
License Mac	1	300	Year	€25	€300
Travel Expenses	3	1000	Monthly	€3,000	€36,000
Monthly pub	1	30	Monthly	€30	€360



# Sales

- 5% Users buy electronic stickers
- Services pay € 10 per year
- Advertisers
  - Up 12,000 users € 250 per month
  - Up 500,000 users €500 per month





# Revenue

	Year 1	Year 2	Year 3	Year 4	Year 5
Users	€479	€177,630	€13,671,464	€116,480,428	€129,229,895
Services	€4,450	€10,450	€16,450	€16,950	€16,950
Advertisers	€0	€46,500	€159,000	€192,000	€192,000
	€4,929	€234,580	€13,846,914	€116,689,378	€129,438,845





# Cash Flow

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	€4,929	€234,580	€13,846,914	€116,689,378	€129,438,845
Depreciation costs	€800	€800	€800	€800	€800
Labour cost	€108,000	€108,000	€108,000	€108,000	€108,000
Utilities costs	€46,360	€46,360	€46,360	€46,360	€46,360
Financing costs	€1,223	€979	€734	€489	€245
Loss carried forward		-€151,455	-€73,013		
Profit before tax	-€151,455	-€73,013	€13,618,007	€116,533,729	€129,283,441
Taxes (40%)	€0	€0	€5,447,203	€46,613,491	€51,713,376
Profit after taxes	-€151,455	-€73,013	€8,170,804	€69,920,237	€77,570,064
Cash flow	€5,729	€235,380	€13,847,714	€116,690,178	€129,439,645
Repayment credit	€3,495	€3,495	€3,495	€3,495	€3,495
Dividend	€2,233	€231,885	€13,844,219	€116,686,683	€129,436,150
Total dividend	€2,233	€234,118	€14,078,337	€130,765,019	€260,201,169
Rendement	19.2%	2009.3%	120827.5%	1122292.4%	2233179.7%





# Conclusion

- The mobile App market is very competitive.
- Only businesses that create fresh, useful, and original apps will succeed in it
- The applications developers have to know well the target market.
- Mobile app marketing is a complex procedure that takes a lot of time and effort for the marketer involved.
- However it can also yield great benefits if it is properly planned and executed with a good marketing strategy.

