



EcoEval

# Business Plan

*"Simplifying the complex"*

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## **Company Description**

### **Strategy/Vision/Main goal**

EcoEval is a SaaS business focused B2B but with subscriptions options for B2C consumers. The primary focus of the company is to make the process of finding information on companies' environmental initiatives. This information is often used for branding but actual ESG ratings and documentation for these are harder to come by.

The aim of EcoEval is to establish itself as a leading online platform in the field of sustainability evaluation and ESG analysis, facilitating faster and more informed decision-making.

### **Origin / story behind product**

The idea behind EcoEval was based on growing trends towards companies and consumers being more environmentally aware. Publicly traded companies are even rewarded with ratings based on their sustainable initiatives as well as through tax benefits in certain countries. Currently no easy-to-use central website exists where businesses and consumers can look up partners based on ESG ratings and sustainable certificates and other efforts. EcoEval seeks to create such a sharing platform which will be catering to the specific needs of ESG-conscious corporations and consumers.

### **Concept explained**

EcoEval is a subscription-based platform for companies and users seeking visibility in the sustainability sector. Subscribers can create a profile to showcase ESG ratings, sustainable certificates, and related practices. Users looking for potential partner etc. can search, rate, and leave comments about environmentally conscious companies, fostering discussions focused on verifying claims. Additionally, EcoEval provides a dictionary page for users and companies to understand ESG terms and common certifications.



## Target Audience segmentation

The website will appeal to 2 strategic audience segments equally important for it to be successful.

1. First segment is the paying customers – The business sector:

**Primary Contributors** will be businesses of varying sizes. These will all be businesses interested in showcasing their own sustainable initiatives. They form the backbone of EcoEvals revenue source. The group consists of both SMB's and larger corporations, representing a wide range of industries. The product appeals to but is not limited to environmentally friendly businesses and is not constrained by geographical segments.

2. Second segment is the content consumers – Eco-conscious audience:

**The second segment** consists of free users with a shared interest in sustainability. These are private consumers but also business employees doing research on new partners and the segment is thus a mix an B2C and B2B. These users will interact with the paying customers by viewing, reading, rating, commenting thus promoting the brand of our paying customers. This segment is vital for EcoEval to establish itself as a medium for sustainable branding, create brand awareness and attract paying customers.

## Market Analysis

EcoEval focuses escalating the demand information on sustainable business practices in Denmark at first. This is based on an understanding of customer needs through field research, ensuring that there is a demand for the company's product on the market. The company will launch its products on the Danish market but also shows the opportunity to expand to the rest of Scandinavia in 1 year.

Choosing Scandinavia as possible market is based on the market being known as progressive when it comes to sustainably. The team behind EcoEval also has the best-founded knowledge about these markets as pilot markets.

EcoEvals mission to promote sustainability aligns well with the fact that this is a growing trend. As it spreads through the Scandinavian business environment, EcoEvals target market increases parallely. This trend emphasises EcoEvals justification in the market and as a first mover EcoEval can establish itself as a key player in these markets before further expansion.



## **Competitive Landscape**

EcoEval distinguishes itself in the competitive landscape by conducting feature comparisons with direct competitors like EcoVadis, CSRHub, Sustainalytic and indirect competitors Glassdoor, and Google Business Profile. The strategic differentiation lies in EcoEval's emphasis on B2B collaboration, possibility of reviewing and rating and sustainability insights, promoting transparency and preventing "greenwashing".

The SWOT analysis recognizes internal strengths, such as a niche focus and a comprehensive platform, alongside acknowledged weaknesses related to a limited track record and marketing budget constraints. This strategic approach underscores EcoEval's commitment to standing out in the dynamic field of sustainability evaluation and reporting.

## **Marketing Strategies**

As a SaaS company EcoEval has a marketing strategy focused heavily on digital marketing. It is utilizing social media platforms as well as other online content to reach its target audiences. As per the target audience segmentation the marketing efforts will be 2-fold and split between B2B and B2C efforts. For the B2B segment the focus will be on forming partnerships with large corporations and directly reaching out to various businesses to showcase the platform and directly educate the market. On the other hand, the B2C strategy will focus on leveraging social media and digital channels to engage free user traffic.



## Financial Forecasts

EcoEval is estimated to go through a 6-month development process prior to launch. This is referred to as stage 1. Stage 1 is necessary and important as part of the investment as it sets the stage for a robust product at launch. A solid solution early on will help early customer retention and strength the initial branding.

**Stage 1** has the following budget.

### Monthly costs

Salaries:		138,000.00 kr.
Marketing:		10,000.00 kr.
Operational costs		13,100.00 kr.
<b>Total costs:</b>		<b>161.100,00 kr.</b>

### Initial investment

It Equipment		75,000.00 kr.
Lawyer		8,000.00 kr.
<b>Total:</b>		<b>83.000,00 kr.</b>

### Stage 1 - Cost of getting to Launch

Average Monthly Burn	161,100.00 kr.
Expected time to launch (month)	6
Monthly Burn sum	1.014.600,00 kr.
Initial Investement	83.000,00 kr.
Contingency	107%
<b>Total</b>	<b>1.097.600,00 kr.</b>

The following financial plan show the predictions for EcoEvals future operations. Implementation of the described business plan is estimated to yield the following results. After 3 years



EcoEvals marketing and sales efforts will acquire around 740 paying customers yielding a monthly Quartey revenue of 1.9 million DKK. This leaves plenty headroom for increasing costs on further expansion.

Quarters	Y1 sum	Y2 sum	Y3 sum
New customers (purchased subscription)	144	262	356
New customers Foreign countries	0.00	90.12	122.61
Lost customers (churn)	3	11	15
New large Client customers	12.00	12.00	12.00
Total normal subscriptions	104	358	703
Total reduced price customers	30	102	126
Total active customers cumulative	139	391	733
Marginal Cost MC	-676.400,00	-676.400,00	-676.400,00
Avg. cost per customer	-5811.40	-1771.58	-915.17
Revenue Normal customers	250,541 kr.	858,735 kr.	1,687,433 kr.
Revenue Large customers	69,120 kr.	138,240 kr.	207,360 kr.
Total Quarterly Revenue	260.640kr.	1.076.151 kr.	1.967.347 kr.