

ATMÓSFERA

CONSULTANTS

Executive Summary



June 2020

The Business

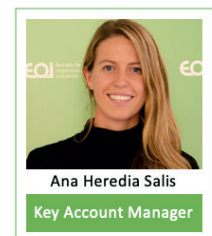
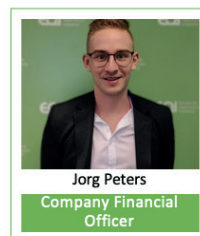
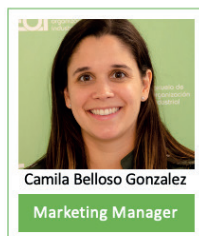
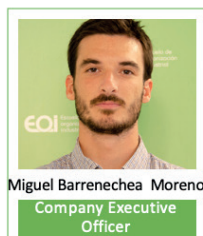
Atmósfera Consultants is a Spain based consultancy firm that will provide professionals from the agricultural sector with tools to become more resilient to climate change, by designing adaptation strategies with easily accessible information that has direct application on the field, focused on the best client-experience for our customers.

The origins of Atmósfera Consultants

The founder team of Atmósfera is made up by five students from the International master's degree in Sustainable Development and Corporate Responsibility at Escuela de Organización Industrial in Madrid. The team, with a multi-disciplinary background (two business administration professionals, a specialist in marketing and public relations, a food science expert and a veterinarian), joined together to create a project that would help both to promote sustainable development, while protecting the environment and the local communities. When the project began the aim was being able to develop a service towards the agricultural sector, achieving a sustainable way of developing while protecting the population and the environment.

Concerned about the devastating effects that climate change will have on the agricultural sector, this team carried out an in-depth study to find out the situation of this sector in the face of this threat in Spain. This is the origin of Atmósfera, when the team realized the great gap of information that this sector had regarding climate change and how to adapt to it.

Thus, the company arises with the perfect conditions: a reality, climate change, a need, to protect the agricultural sector against it, a lack of services, those applied directly at the farm level and a large market, the entire agricultural sector in Spain.



What is the problem Atmósfera Consultants detected?

For centuries, the agricultural sector has played a key role in the Spanish economy. In 2017 it represented **2,7% of Spanish GDP** and provided more than **749.000 direct jobs**, generating **17.430 M€ in product exports** (PWC, 2019). At the same time, Spain was ranked by the Economist Intelligence Unit to be the **4th country in the world with the highest exposure to climate change**. Spain received an score of 77,8, being 0 no adverse effect and 100 countries with great exposure to climate change (PWC, 2019).

In this context, agriculture is one of the most exposed sectors to climate variability, and it already suffers and will continue to suffer if the necessary measures are not taken into place. Currently there are no tools or products to help bring this scientific knowledge down to the field, and make it useful for farmers to gain resilience to climate change and optimize their yields at the same time. And that is where Atmósfera Consultants comes in. What makes this company different is that it will be able to bring scientific knowledge into customer-friendly tools and services, giving them the necessary tools to adapt to climate change.

Service offered

Atmósfera Consultants offers two different services *Plan Agua* and *Plan Sol*, from which it will arise its revenues:

PLAN AGUA: free service with relevant climate information to improve crop management solutions and reduce risks related to climate variability based on climatic events and yield production, presented on an easy to use design. The product is based on the development of an easy-to-use toolkit, **Atmósfera Smart Decision-Making Toolkit**, aimed to help farmers to manage climate-related risks and opportunities, and to help them building resilience to extreme climate events. Farmers will have access to a suite of past, current and projected maps directly related to agricultural aspects, with tips helping them on the decision management process.

Plan Agua is free service for the customers, the objective is to promote the company, by providing relevant information and creating a desire of knowing more and obtaining more advantages by hiring *Plan Sol*. However, the App and Website will also be used as a revenue stream by including advertisement, related companies could use this space for their own products and Atmósfera could also create partnerships.

PLAN SOL is a personalized risk assessment and adaptation strategy for farmers, developed by a team of Climate Change Adaptation experts. By providing the knowledge of specialized consultants in this area, *Plan Sol*. will be able to generate a service that unifies the latest scientific advances in this area and applies them in a personalized way to each of the clients that contract the service. This service is based on a three-steps process:

1. Climate impact and vulnerability assessment will be carried out
2. Identify an adaptation action plan for implementation at a farm level
3. Follow up, clients will have a follow-up and re-evaluation service of their Action Plan, in order to optimize and adapt to each situation.

Our innovative product, based on excellence and synchronization with our client's wishes, will be unique in the market, as no private initiatives are offering anything similar have been developed so far. The revenue that arises from *Plan Sol* is the money clients will pay for the consulting services.



	Year 1	Year 2
ROE	28,1%	74,5%
ROI	27,4%	68,7%
Pay-Back period	1,12	

How will Atmósfera Consultants be financed?

To launch Atmósfera an initial investment of 58.000€ is required, an initial amount of 15.000€ will be contributed by the founders in the form of 3.000€ each. **For the remaining 43.000€ external investment is needed.**

What atmósfera offers to its investors are the following numbers, ensuring a recoup of the investment in February, year 2.

Who is Atmósfera Consultants aimed at?

The agricultural sector in Spain represents a large part of Spanish GDP, generating approximately a total of 25.3 billion € per year, and being one of the main branches of the Spanish economy (PWC, 2019).

Currently, the agrarian sector in Spain is made up of 114.707, both agricultural and livestock farms, of which more than half 725.323 belong to small farmers (INE, 2016 & 2009). Moreover, in Spain there are 3.699 cooperatives (Cooperativas agro-alimentarias, 2017). The distribution of the different agrarian in Spain farms is very varied, being predominant in areas such as Andalucía with 241.972 farms and the Valencian Community with 118.128 farms (INE, 2013). In turn, the south-eastern region of the peninsula is the most vulnerable to the events produced by climate change, especially desertification. However, the whole península will be exposed to extreme events due to climate change. Through a study carried out on the vulnerability of small farmers and ranchers to the events produced by climate change twenty years from now, it has been determined that approximately 40% of them will be affected by these events, especially desertification. Taking into account the market study carried out, the main customers of Atmósfera Consultants will be small farmers and cooperatives distributed throughout the national territory.

How will Atmosfera Consultants be positioned in the market?

Atmósfera will position themselves as a brand specialized in a customer intimacy aspect, offering their clients a personalized service that adapts to their lifestyle and needs. To follow this strategy a marketing plan has been developed, offering digital marketing with innovative technical solutions but at the same time directing considerable efforts in offline marketing to reach with a personal connection with the customer. 10,8% of the sales will be directed to the marketing strategy.

Online marketing will be based around the website and App, where those interested can follow the company. In addition and in order to build brand awareness there will also be content on various social media platforms (Facebook, Instagram and Twitter). Complementary to this will be Youtube in which various videos will be posted that provide more in-depth information. To develop brand affinity and loyalty blogs and newsletters will be written with educational information and updates of the organization .

The offline marketing will be mainly focused at increasing sales and brand awareness, and will be as follows, newspaper and Specialized Magazines: Relationship will be developed within the media sector for press releases, branded content and events. Most efforts will be allocated to local papers and events.

In addition, Atmósfera will be present at many trade fairs and events in the sector, this will facilitate the contact with the potential customer. In addition, the company will give special attention to attend to events of Cooperatives and associations of farmers, offering services of workshops and trainings on how to use Plan Agua.

The Main channels were interested clients could access atmosfera's services:

- Online: Through the website and app, users will be able to contact the company for further information
- App Store: to download Atmósfera 's application
- Sales Representatives farmers, cooperatives and associations.

Who are the main competitors?

Different types of competitors have been analyzed, being the main one Suez Agriculture. Other companies such as AgriAdapt and Agroclimate differ in the business model or service, although their offer could potentially conflict with Atmósfera’s possible clients. Therefore further analysis has been carried out to analyze these companies’ strengths and weaknesses and can be seen in the following figure.

COMPANY	What They do	Similarities	Differences
Suez Agriculture	<p>Advices agricultural entrepreneurs to face challenges of the sector and improve profitability of their farms through an integrated solution that includes the improvement of farming systems and a more efficient use of their resources.</p> <p>Suez Agriculture is currently the most considerable and direct competitor for Atmósfera, their services directly compete with <i>Plan Sol</i>.</p>	<ul style="list-style-type: none"> • Services start through the whole process • Improving efficiency of the agriculture and farming sector • Technology and digitalization • Increasing resilience to Climate Change 	<ul style="list-style-type: none"> • No free service to assess farmers, but they use other channels (website, youtube) to inform the agricultural sector. • Very big company, based in excellent service. Familiarity with Atmósfera’s clients. Working hand to hand to deliver a high quality service.
AgriAdapt	<p>Eu project that aims to demonstrate that three of the most important farming systems in the EU (livestock, arable and permanent crops) could be more climate-resilient through the implementation of feasible and sustainable adaptation measures which also could have positive cross cutting environmental benefits.</p> <p>AgriAdapt represents a competitor for <i>Plan Agua</i>, offering a free service online with products such as vulnerability tool, map with Yield and climate information, adaptation measures, and other relevant information in the sector.</p>	<ul style="list-style-type: none"> • Free service • Adaptation strategy on Farm Level with short, medium and long term recommendations • Cover the gap between scientific knowledge and adaptation measures on climate change 	<ul style="list-style-type: none"> • Easy to use Website and app, adapted for farmers (effectively) • Is not a business, its an european project and there's no profit
U.S. Climate Resilience Toolkit	<p>The U.S. Climate Resilience Toolkit is a website designed to help users find and use tools, information, and subject matter expertise to build climate resilience. The Toolkit offers information from all across the U.S. federal government in one easy-to-use location.</p> <p>The Climate Resilience Toolkit is not a direct competitor for Atmósfera but it has been analyzed in order to determine what Tools for the sector exists in the market, the practicality of them, and its usages.</p>	<ul style="list-style-type: none"> • Toolkits • Vulnerability assessment information • Adaptation measures 	<ul style="list-style-type: none"> • No follow up • is not personalized

What makes Atmósfera Consultants unique?

Atmósfera aims to become the best in the class. In order to excel in this business the company’s strategy is to not only offer a high quality service but to do it in a specific way. In this line, Atmósfera has two main pillars, one its direct relation with the customer, creating a close relationship based on trust, where their success is Atmósfera’s success; the other one user experience, in a sector in the middle of digital transformation, Atmósfera aims to offer a user friendly technology that does not require a lot of time an energy to use.