



# ODS MARKET

## EXECUTIVE RESUME

MASTER FINAL PROJECT 19-20



START UP 3  
ODS MARKET

### AUTHORS

Claudia Blanco Tobalina

Irene Fernandez López

Lucía González Fernández

Jesús Romero Luque

Mayra Alejandra Oros Vargas

## 1. WHAT IS ODS MARKET?

After researching on responsible consumption patterns towards vegetarian and vegan consumers it was evident that, even when there is a trend to have a more sustainable lifestyle, people does not have enough knowledge of the best way of achieving it. Based on this matter, a market research with local restaurants and shops that promote a sustainable consumption was done. As a main conclusion, it was understood that the responsible citizens of Madrid are demanding transparency in terms of consumption and at the same time, businesses and local initiatives are working hard on making their sustainable projects visible among the large number of emerging competitors coming up every day in Madrid.

While action at the global level advances by developing plans to guarantee greater leadership, more resources and smarter solutions, at the local level there is greater ignorance, and for this, action is essential to reach the Agenda 2030, but generally the SDGs are perceived as concepts somewhat abstract and far from the daily life of citizens in general and many vendors in particular.

ODS Market is a collaborative project developed in a web platform, which claims to be a useful tool which links initiatives that promote responsible consumption with citizens who want to consume in a more sustainable way, having the platform as a top of mind tool when making decisions. This is why the mission of ODS Market is to allow citizens and vendors to approach and understand the SDGs (Sustainable Development Goals) and, thus, to cooperate with the Agenda 2030 because they are the key to take action at the local level.

## 2. BUSINESS MODEL

ODS Market's business model was developed under the EcoCanvas methodology, which is based on the block-by-block construction of a business model prototype. The result is available in the Annex I.

ODS Market will obtain their revenues mainly for the publicity offered to responsible Vendors<sup>1</sup> located in Madrid, by showing their projects and businesses in the platform along with the SDGs they are meeting by their performance in the different fields of consumption. In addition, ODS Market has developed a criteria to select and follow up the progresses done by the different vendors, while also helping them to identify in which SDGs they can put their efforts on.

At the same time, the information will be updated to the web to allow the youngest generations of Madrid to have access to a browser with quantity and quality of useful information that will facilitate them to consume better in Madrid. These Users<sup>2</sup> will be able to follow up the new initiatives developed close to them, also which habits they are changing and which SDGs they are achieving by the subscription to ODS Market platform. They will be also able to collaborate with new ideas and projects to improve the information of this network.

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<sup>1</sup> Vendor: initiatives, entrepreneurs, startups and small to medium-scale businesses, which strive to be sustainable and innovate in their business models and got publicized in the platform.

<sup>2</sup> Users: People who are interested in sustainability and/or who want to consume more responsibly and use ODS Market platform to achieve it.

### 3. CONTEXT ANALYSIS

The European countries, in general, and the local governments, like the mayoralty of Madrid, are pushing in the same direction to reach the Agenda 2030, which implies that, the environment, as well as the sector, is demanding useful tools to implement the SDGs on a national but also on a local level. Regarding the market, it is important to stand out that there are no real competitors sharing the mission of ODS Market.

It is remarkable that the business model of ODS Market has been validated by conducting different interviews, and after prototyping the web page with potential users from the X and Millennial Generation.

### 4. STRATEGIC PLANIFICATION

After doing an internal and external analysis, it has been developed a plan of 5 years, where 3 strategic lines have been defined with different objectives accompanied by their corresponding actions to carry out those marked objectives.

**Strategic line 1. Be a referent in responsible consumption.** This strategy is focused on being a referent in the market in order to continue being a leading and dominant platform, in the case our competition increases in a future. For that, it has been proposed the following objectives:

- Increase 20% the web traffic of the platform per year.
- Appear on x websites, forums, conferences and sustainability magazines recognized each year.
- Achieve x numbers of vendors adhered to the platform that meet at least 1 SDG annually.
- Achieve x numbers of users in the platform each year.

**Strategic line 2. Achieve financial sufficiency.** It will be essential for the growth of the company to ensure a sufficient financial capacity, through an internal and external financing. For that, it has been proposed the following objective:

- Achieve a level of income that allows to cover annual expenses.

**Strategic line 3. Loyalty to vendors and users.** The loyalty strategy, in addition, to try to keep the best clients of the business, allows the platform to grow and can be a great help to maintain fixed income from loyal customers that helps us to keep the business. For that, it has been proposed the following objective:

- Achieve 5% of clicks from the users on each vendor subscribed per year.
- Maintain the bounce rate between 30-20% per year.
- Maintain the churn rate below 10% per year.

- Achieve an average visit time of more than one and a half minutes each year.

## 5. MARKETING

In the marketing strategy the product is the webpage (<https://eneri1722.wixsite.com/odsmarketplace>), which means to be user-friendly, useful and intuitive.

On the one hand, this platform is intended to help people who are aware of responsible consumption and sustainable development and is also intended to be a collaborative platform, so one of the most effective promotion channels are the users. On the other hand, as the business is based on a marketplace, it is very important to maintain trustworthy relationship with the vendors, giving them security and ensuring a good promotion.

According to a study done by the OCU 73% of the Spaniards are concerned and try to consume responsibly, if we apply this data to the number of millennial and X generation citizens of Madrid, it is estimated 528.966 potential users. To attract these “early adopters” and to turn them into users of the platform, a publicity campaign will be done via:

- Social Networks: The bulk of the "early-adopters" use actively social media
- SEO
- Magazine and blog appearance

Furthermore, it has been carried out a market study through Google in the Madrid metropolitan area to find out what could be the annual number of potential vendors that could be adhered to the platform. In this way, it has been estimated that there are at least a total of 1.126 potential vendors that could be interested in joining the platform. To attract them, an advertising strategy will be carried out via:

- SEO
- Through the actual users
- Promotion through magazine and blog appearances

To maintain the users’ interest and under a subscription in the platform, a monthly newsletter will be sent with the new updates: new vendors, new functionalities, blog entries, etc. To maintain the vendors a list of actions will be done:

- Monthly report of activity: Every month a review of the activities in the platform is sent to every vendor.
- Each vendor will have one exclusive week of promotion in social networks.
- Consultancy service to promote their actions through the SDGs.

## 6. HUMAN RESOURCES

Even though the company is founded by five partners, only two of them hold positions within it: Irene Fernández López will be the CEO + CIO and Alejandra Oros Vargas will be the CFO + CMO.

The CEO+CIO is the chief executive officer, top manager and is also in charge of IT systems and, the CFO+CMO is the chief financial officer and in charge of the marketing strategies.

## 7. LEGAL & CODE OF BUSINESS CONDUCT

The company formula that best suits the needs of this project is the Limited Company. One of the main advantages of this way of association is that the responsibility is limited to the capital contributed, which is also divided into shares.

On the other hand, the regulations that apply to the development of our activity are the Organic Law 3/2018 on the Protection of Personal Data and the Royal Decree 1/2010 on Capital Companies.

To ensure the integrity and honesty of the workers, to provide them with fair treatment and decent work and, above all, to work under the protection of current regulations are the basis of the ODS Market Code of Conduct.

## 8. FINANCIAL PLAN

About the financial viability, and up to the market analysis, the ODS Market is a project that guarantees a return of 45% on the investment to the five (5) shareholders in a period of five years. This project requires an initial investment of 60.000 euros, where the shareholders will assume in equal parts the 25% of the start-up capital and will ask for a loan to the bank for the remaining 75%, with a 5% annual interest and due to be paid at the end of the fifth period..

The project is planned to be sold in five (5) years with a Net Present Value of 96.519 euros, which guarantees that the shareholders get their investment back on year three (3) with a profitability of the 45%. Additionally, for the year of sale, the ODS Market will have an Equity Value of 402,471 euros.

## Annex I.

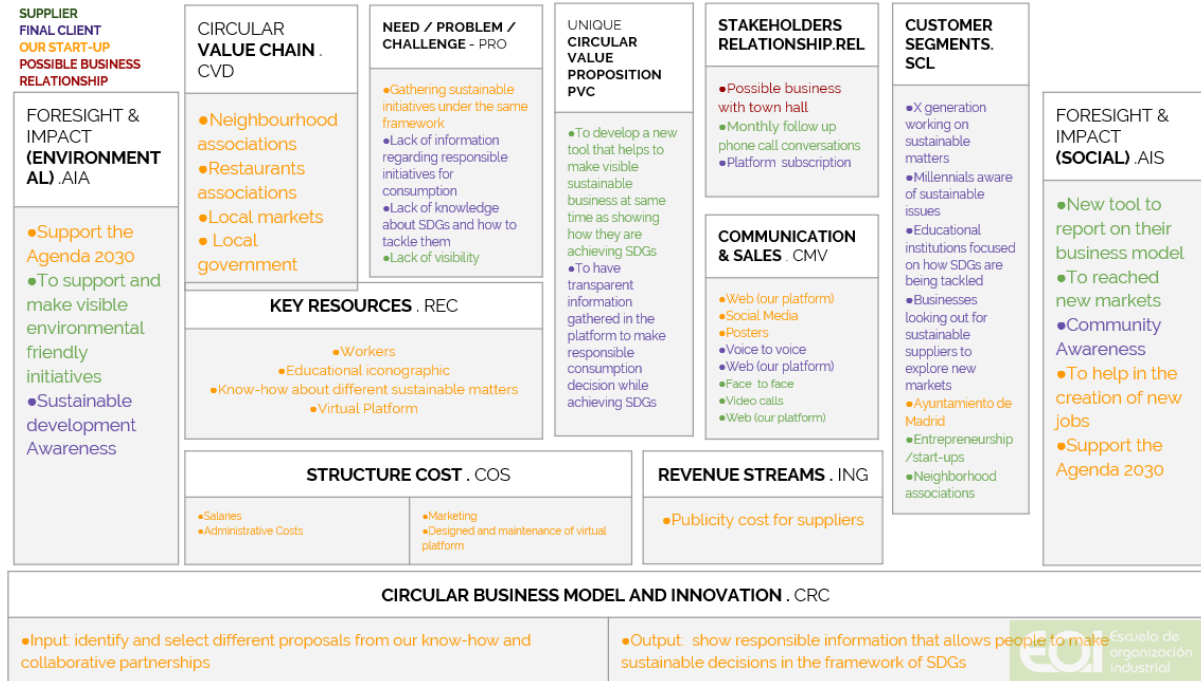


Figure 1. Eco-canvas. Own elaboration.