



INSTITUTO
UNIVERSITÁRIO
DE LISBOA

Innovative Business Plan – Keep it Safe 24/7®

Vasco Henrique Martínez Pereira Pestana

Master in International Management

Supervisors:

PhD, Pedro Joaquim Amaro Sebastião, Assistant Professor, Iscte-Iul

PhD, Renato Branco Ferreira, Invited Assistant Professor, Iscte-Iul

September , 2024

Innovative Business Plan – Keep it Safe 24/7®

Vasco Henrique Martínez Pereira Pestana

Master in International Management

Department of Marketing, Strategy and Operations

Supervisors:

PhD, Pedro Joaquim Amaro Sebastião, Assistant Professor, Iscte-Iul

PhD, Renato Branco Ferreira, Invited Assistant Professor, Iscte-Iul

September, 2024

Dedication:

I dedicate this thesis to my mother, who taught me the real meaning of being a true fighter. I am certain you guide my steps every day from above and I promise never to forget the beautiful legacy you left here.

Love you

Acknowledgements:

I want to thank, first and foremost, my family for always believing in me, especially my mother and father for providing me the best opportunities and my brother and sister for supporting me during the most difficult times in this Master.

I also want to thank my long-time friends who became my family in Lisbon and stayed with me through trials and triumphs.

Thank you, Marcos, for embarking on this journey of founding a business with me and showing me that dreams are meant to come true.

A special word to Inês for the unconditional love and support during the hard times of this thesis and always pushing me in every chapter of my life.

Thank you, João and Renato, for the patience in helping two passionate kids fulfilling their dream and (Renato) co-supervising this thesis.

Finally, thank you, Professor Pedro Sebastião, for providing me guidance, not only in this thesis, but also, and above all, in my short adventure as an entrepreneur. You helped me change my life more than you could imagine.

Abstract:

This thesis consists of the development of the business plan of Keep it Safe 24/7®. Currently, this self-service luggage storage is in operation in Madeira Island, with a plan to expand to one more area in Funchal.

The study delves into the main features of this innovative, IoT based system, and the results attained in the first 4 months of activity, according to real data. Furthermore, it is addressed, not only the contribution to tourism in the island, but also the focus on the sustainability of this project.

It was also key to deeply analyse the competition in the market and how these businesses set up their business model, so that the differentiation and uniqueness of this service could be clarified.

Finally, there is also a strong focus on the future of the business, with special attention to the financial plan and marketing plan, both regarding the next 5 years and the actions intended to reach long-term financial feasibility.

Key Words: Luggage Storage, Expansion, Funchal, IoT, Tourism, Sustainability.

JEL Classification: L83 (Tourism); O33 (Technological Change: Choices and Consequences).

Resumo:

Esta tese consiste no desenvolvimento do plano de negócios da Keep it Safe 24/7®. Atualmente, este depósito de bagagem self-service está em funcionamento na Ilha da Madeira, com um plano de expansão para mais uma área no Funchal.

O estudo aborda as principais características deste sistema inovador, baseado na IoT, e os resultados alcançados nos primeiros 4 meses de atividade, de acordo com dados reais. Além disso, é abordada não só a contribuição para o turismo na ilha, mas também o foco na sustentabilidade deste projeto.

Foi fundamental analisar detalhadamente a concorrência no mercado e a forma como estas empresas estabeleceram o seu modelo de negócio, para que a diferenciação e a singularidade deste serviço pudessem ser clarificadas.

Por fim, é também dado um forte enfoque ao futuro do negócio, com especial atenção ao plano financeiro e ao plano de marketing, ambos relativos aos próximos 5 anos, bem como às ações destinadas a alcançar a viabilidade financeira a longo prazo.

Palavras-Chave: Depósito de Bagagem, Expansão, Funchal, IoT, Turismo, Sustentabilidade.

Classificação JEL: L83 (Turismo); O33 (Mudança Tecnológica: Escolhas e Consequências).

Glossary:

1. BDA: Big Data Analytics
2. BMC: Business Model Canvas
3. DCF: Discounted Cash Flow
4. IAS: Indexante dos Apoios Sociais
5. IBM: International Business Machines Corporation
6. IRR: Internal Rate of Return
7. IoT: Internet of Things
8. KPIs: Key Performance Indicators
9. NPV: Net Present Value
10. ROA: Return on Assets
11. ROI: Return on Investment
12. SDG: Sustainable Development Goals
13. SOAR: Strengths, Opportunities, Aspirations, Results
14. SWOT: Strengths, Weaknesses, Opportunities, Threats
15. UN: United Nations
16. VRIO: Value, Rarity, Imitability, Organisation
17. WACC: Weighted Average Cost of Capital

Executive Summary:

In this thesis it is addressed the business plan of Keep it Safe 24/7®, as well as the innovation behind this project, which is yet to, hopefully, reinvent a small niche in the industry of luggage lockers. In this plan, the focus goes to the first 4 months of activity, starting on February 2024. The main goal is to assess how all elements of the business are permanently connected and the manner in which they were set up in order to create a business that is currently in operation in Funchal, Madeira Island.

To do so, data resulting from customer behaviour during this period is fundamental and present throughout the thesis. The luggage deposit market, mainly in the region where the business is in place, is thoroughly assessed. Furthermore, the key elements of the business, such as the marketing plan, human organisation, and the technology that made this idea come to life and above all, allow it to function as a self-service are described. Finally, since the main goal of a new business is to generate wealth and contribute to local economy, there is a strong analysis of the financial feasibility of this project, which includes a potential entry in other geographic areas.

Additionally, a sustainability assessment will be included in the thesis, discussing how the business incorporates eco-friendly practices into its operations to comply with consumer preferences for sustainable services, which is part of the mission of both founders. This strategy will guarantee that Keep it Safe 24/7® not only prospers in the local market but also builds a solid base for further growth.

General Index:

Acknowledgements	i
Abstract	iii
Resumo.....	v
Glossary.....	vii
Executive Summary	ix
1. Introduction	1
1.1 Description of the Problem and Business Opportunity	2
1.2 Description of the Company and the Service	3
1.3 Secondary Income Sources	4
1.4. Mission	4
1.5 Vision	4
1.6 Values.....	4
1.7 Goals.....	5
2. Literature Review	7
2.1 Hands-Free Tourism.....	8
2.2 The Market	8
2.3 Innovation.....	9
2.4 Hands-Free Process	11
3. Methodology	13
3.1 Internal Analysis.....	14
3.2 Resources Analysis - VRIO Framework	17
3.4 Data Analysis.....	19
3.5 Human Resources.....	24
3.6 Sustainability	25
3.7 External Analysis.....	26
3.8 Market Analysis – Analysis to the existing players (Benchmark).....	27
4. Marketing Plan	31
4.1 Objective 1 - Establish Brand Awareness	32
4.2 Objective 2 – Communicate Market Entry	32
4.3 Objective 3 – Communicate International Market Entry	33
4.4 Current Campaigns.....	33

5. Technological Implementation.....	35
5.1 Web-App	36
5.2 Technological Architecture	38
6. Go to Market Plan	41
6.1 Objectives.....	42
6.2 Target Market.....	43
6.3 Marketing Mix.....	44
6.4 SWOT Analysis	45
7. Financial Plan.....	47
7.1 Sales Revenue	48
7.2 Expenses.....	48
7.3 Financial Viability Analysis	50
8. Conclusion.....	53
Bibliographical References:	55
Appendix A: Other Financial Information	57

Appendix of Figures:

Figure 2.1. Process of disruptive innovation (Source: Simon Weinreich et al., Procedia CIRP 100 (2021), pages 403-408.)	10
Figure 3.1. Customer Feedback (Source: Google).....	18
Figure 3.2. Number of Payments and Sales Revenue per Month (Source: Self Elaboration)	19
Figure 3.3. Customer Nationality (Source: Self Elaboration).....	21
Figure 3.4. Payments and Sales Revenue per day of the Week (Source: Self Elaboration)	22
Figure 3.5. Payments and Sales Revenue per Booking Option (Source: Self Elaboration)	23
Figure 3.6. Sustainable Development Goals (Source: United Nations Website)	25
Figure 4.1. Relevant Posts Collage (Source: Keep it Safe 24/7® Social Media)	34
Figure 5.1 Web-App aesthetics (Source: Keep it Safe 24/7® Website)	36
Figure 5.2. Technological Architecture (Source: Self Elaboration)	38
Figure 6.1. Airbnb Density in Funchal (Source: Airbnb)	43

Appendix of Tables:

Table 3.1. Business Model Canvas (Source: Self Elaboration)	14
Table 3.2. SOAR Analysis (Source: Self Elaboration)	16
Table 3.3. VRIO Framework (Source: Self Elaboration)	17
Table 3.4. Growth Rates (Source: Self Elaboration)	20
Table 3.6 Benchmark and Self Analysis (Source: Self Elaboration)	29
Table 6.1. SWOT Analysis Store 2 (Source: Self Elaboration)	45
Table 7.1. Total Sales Revenue (Source: Self Elaboration)	48
Table 7.2 Expenses (Source: Self Elaboration)	48
Table 7.3 Financial Viability Analysis (Source: Self Elaboration)	50
Table 7.4 Discount Cash Flow (Source: Self Elaboration)	53

Appendix of Formulas:

3.1 Growth Rate	20
3.2. ROA	23
7.1. Discount Cash Flow	51

1. Introduction

With the goal of introducing this thesis, this chapter explores the starting point of the operation carried by Keep it Safe 24/7®.

Bearing that in mind, this is mainly a descriptive chapter, assessing the problem and business opportunity, but also the characteristics of the service that allow it to be in practice. Moreover, 4 fundamental information about the company are given: the mission, vision, values and goals.

From this point onwards, it is possible to have a better understanding of what Keep it Safe 24/7® is and represents.

1.1 Description of the Problem and Business Opportunity

Keep it Safe 24/7®, as an idea, was born in February 2023, after a realisation that a specific need of tourists in Madeira was not being met. In fact, those who wanted to store their luggage while not able to check in any hotel or Airbnb (our main target group) or after checking out, must resort to small businesses like minimarkets associated with online platforms that provide a space inside the store where luggage can be stored. Current partners, which used to advice their customers to use those services did not have the most positive feedback about them. Complaints about damage to the bags and lack of sense of security were frequent.

The foundation of the company came one year later with the realisation that there was a gap in the market, since tourists needed a safer and more personalised option for their luggage, often containing valuable items, thus there was an opportunity to set up a space with lockers so that we the needs of everyone could be met. This is an option that was already available in several locations, but not in Madeira. The closest lockers, in geographical terms are located in Lisbon and Porto. Despite this fact, the main source of information to the foundation and further development of the company lies in Spain, since the locker for luggage culture is way more ingrained. This being said, much of the information and inspiration for the project comes from similar spaces where *in loco* research was conducted.

As *co-founder*, despite recognizing the usefulness of already existing lockers to store luggage, I saw an opportunity to make them even more user-friendly. In fact, locker rooms in the Iberian Peninsula work with an integration of a website and, once inside the space, a terminal where the locker is chosen and then opened. Keep it Safe 24/7® came to reinvent this concept, and as mentioned before, improve the experience of the customer. The goal, in this sense, is to provide a service that functions solely through the website, without any physical terminal in the store.

As a 21st century business, Keep it Safe 24/7® lies its activity within the Internet of Things (IoT). In fact, not only is the Website permanently online, which is the gateway to having access to the store and the lockers, but also the front door (allowing to retrieve important data about consumer behaviour), and also lockers themselves are permanently connected to the internet. This harmonious relationship between multiple elements of the business allows to retrieve crucial data about the way our consumers behave, as well as their preferences when it comes to their favourite lockers. The value of this information is unmeasurable since it sheds light on consumer trends, which will ultimately be the basis to expand the business.

In order to develop this thesis, it is fundamental to provide a detailed description of the service offered by Keep it Safe 24/7®.

1.2 Description of the Company and the Service

The company has rented a space in the heart of Funchal, in one of the most central streets in the city, located just meters away from bus stops that bring and take passengers from/to Cristiano Ronaldo airport. Here, 30 lockers in 3 different sizes were placed to meet all customers' needs.

As the name suggests, the space is open 24 hours a day, 365 days a year, so that there is full freedom for the user to take advantage from the service. Customers may also book any of the 3 available sizes, as well as for the number of hours they wish for. At the moment, the offer includes packages of 3, 5 and 24 hours. Any special time requests are handled through customer support.

Despite having the freedom to use the facilities at any given hour, the door remains closed at all times, in order to ensure the safety of both the users and their belongings. At the door, a QR Code can be found, which once scanned, directs to the website. Here, the customer makes the desired booking and pays for the service. Once this step is complete, the user is able to open the door with a digital button generated by the website. As soon as this is done, the website will automatically assign an available locker. After this step, the user opens the locker's door through a digital button on his phone, also generated by the website. Here lies the innovation of the service, since there is no other company in the Iberian Peninsula, as far as the research is concerned, doing the full process in a digital format. All other companies rely on a physical terminal inside the store that assigns a given locker.

It is also important to note that once the locker is closed, the customers may open it as many times as they desire, since it is often that things are forgotten, and it is crucial that the user can have the possibility to retrieve them at any time.

One of the main concerns of the company is to meet its responsible role in the contemporary society. This indicates that sustainability is of great importance and a major factor in setting up the business model. In fact, through IoT tools, the company is able to deliver a service with absolutely no paper or plastic consumption, which is something rare in this day and age, but an invaluable characteristic in order to provide a "green" service. All receipts,

complaints, reviews, and other necessary documents can be either made or found online, allowing the company to have all data gathered in one place.

1.3 Secondary Income Sources

The company also provides a premium service (currently on trial) for those who seek a premium experience. That is to say that customers can ask for the company to collect their luggage and store inside the lockers when they do not wish to bring the belongings themselves. After that, they can also choose to have their luggage delivered at the airport. Obviously, this is a premium service, but it assures the customer even more liberty to visit Madeira, which is the primary goal.

At the moment, Keep it Safe 24/7® has established one partnership with a Belgian tour operator which brings one group per month to the island. We have been providing pick-up and delivery for this group, on trial for this service, bringing 14 items of luggage each time. The goal is to expand this service to multiple other partners, especially tour operators.

1.4. Mission

All things considered, Keep it Safe 24/7®'s mission is to improve the experience of every tourist in Madeira, by taking away the weight, both physical and figurative, of carrying along their belongings, while guaranteeing the safety of every object, for as long as they wish for.

1.5 Vision

The vision is to make Keep it Safe 24/7® a benchmark in the international luggage storage market. Through periodic expansion at regional, national and international level, the company has the potential to establish itself in these markets due to the high scalability associated with the process used to set up the business.

1.6 Values

- Security - the main concern is to keep not only customers safe, but also their belongings. To do so, security cameras and alarms were installed. In addition, the system

only allows the door of the establishment to be opened after payment of the booking, so that only customers can enter the premises;

- Innovation - by presenting a totally hands-free process, it was chosen to follow an innovative path that is not yet practised anywhere in the Iberian Peninsula and possibly in the world. This is a guiding value, which will not be abandoned when opening new establishments;
- Focus on user experience - online reviews reveal that this is a constant concern for the team. The response time to customer enquiries is always less than 1 minute;
- Sustainability - the service is completely green, with no unnecessary consumption. All information and invoicing are digital, in order to avoid waste.

1.7 Goals

Company goals were set according to the SMART framework: specific, measurable, attainable, relevant and time bound.

As for the end of 2025 the main goal is to reach break-even in the first store, retrieving all funds invested. As for the period between 2025-2026 the goal is to start expansion in Madeira, with a second location, guaranteeing a well-established *monopoly* in the island.

As for other goals identified:

- Winning market share from existing players;
- Developing partnerships to increase turnover;
- Investing in innovative marketing campaigns;
- Expanding the range of services on offer, with a focus on luggage delivery and collection;
- Investing in the Web-app to offer more functionalities to the consumer.

2. Literature Review

In this chapter, they are provided sources to back beliefs regarding the usefulness of providing such service, and the reasoning behind the strategy with previously written documents. Here, topics such as the importance of hands-free tourism, thus eliminating the struggle of carrying luggage; the value of having a hands-free process, a general overview of the luggage storage market, including its growth, and finally the process of innovation, with particular focus on the IoT are addressed.

First and foremost, it is vital to point out that people are undoubtedly travelling more than ever, as described by the International Air Transport Association (IATA), the trade association for the world's airlines, which in their report for the future of the aviation industry, state that in 2035 people will “move fast, limiting exposure to unknown people or places” (IATA, 2020), which is completely aligned with the service provided by Keep it Safe 24/7®.

2.1 Hands-Free Tourism

The growth in the luggage storage market is much explained by the willingness of spending time without the hassle of carrying bags along, whether they be travelling for work or leisure. Specially if not staying in a hotel, with a luggage storage room, the ability of spending the last hours in Madeira bags-free is hindered. “Travellers staying in Airbnbs generally have relatively strict checkout times and no place to stash their luggage upon checkout if they are not heading straight to the airport.” (The Economist, 2018) In research conducted by Vertoe, a major player in the luggage storage market, it is suggested that “30% of travellers face conundrums about where to store their bags” (The Economist, 2018). Also, when presented with the possibility of resorting to luggage related services, “people really enjoyed the concept of not having to carry their bags around” (Cerejeiro, Manuel 2021).

Studies from every corner of the globe prove that the “hands-free explorer” is a phenomenon common to all cultures and is becoming increasingly popular, since travellers are getting more used to travelling freely, leaving their luggage behind (Gowda & Veena, 2024). This comes to show that it was inevitable for Madeira Island to have a specific luggage storage facility to help travellers tackle this issue. Keep it Safe 24/7® was able to be a “first mover” and present the first luggage storage facility with personal lockers for each client, providing a unique service for those who value hands-free tourism.

Japan National Tourism Organization (2019) also highlights the importance of luggage related services, mentioning that tourist-heavy areas have a lot to benefit from them, especially in cities where foot traffic is intense. This is the case with Funchal. Being the central hub for the entire island, where everything is concentrated in a short geographical area, tourists go over all main attractions by foot, making it clear that, in situations where luggage cannot be left inside the accommodation, luggage services are the only solution.

2.2 The Market

According to the regional statistic portal of Madeira, almost 10 million nights were slept in Madeira by tourists, totalling close to 2 million individuals visiting the island, (Direção Regional de Estatística da Madeira, 2022). As far as 2023 is concerned, the number of nights slept were of almost 11 million, an increase of 13.6% (Marketeer, Sapo). Data from the Direção Regional de Estatística da Madeira for the first trimester of 2024 show that the tendency remains the same, with increase of both tourists and nights slept, comparing with the same period of the

previous year. This goes to show that the potential that the industry of luggage storage has in Madeira is immense. By not having any facilities with lockers, there was a huge gap to be filled for those who sought to have their belongings stored in single compartments.

Internationally, researchers have proven that, despite the impact Covid-19 had, the number of international tourists in 2030 is expected to reach 1.8 billion, a considerable growth comparing with the 1.5 billion in 2019 (León-Gómez et al., 2021).

On a different point of view, growth in tourism must be accompanied by new infrastructures, preferably innovative, that can contribute to the overall experience of the traveller. Studies show that investment in tourism related infrastructures is inevitable. These include luggage storage facilities, accommodation and transportation, all of which directly impact and enhance tourist's experience and contribute to regional economic development (Nguyen, 2021; Matias et al., 2020).

2.3 Innovation

Innovation is certainly a key characteristic for a start-up that wishes to enter a market where there are already some consolidated players. With Keep it Safe 24/7®, part of the vision is to innovate both in the service, but also in the process associated. However, it does not come without risk. In fact, presenting an innovative product means “low comparability with existing products and uncertain customer reactions” (Simon et al. 2021). Also, “disruptive innovation addresses new or previously unserved customers and their needs with typically more user-friendly products”.

This means that the acceptance of the product might take longer that it would had it already been present in other locations experienced by customers, but in the end, it all comes down to having a simpler approach to the process, more Gen Z oriented, where everything can be done through a smartphone and more value can be generated with the customer in mind. Essentially, the perspective is that if the organisation is providing a service that is not present at all in the island, it might as well be as innovative as possible, and at the moment, that means focusing on technology as much as possible. Also, by innovating in the elimination of the terminal, the company was able to save a lot in the investment in such structure, giving it the possibility to allocate these funds in other areas of the business. Figure 2.1. sheds light on each step of the process until disruptive innovation is reached.

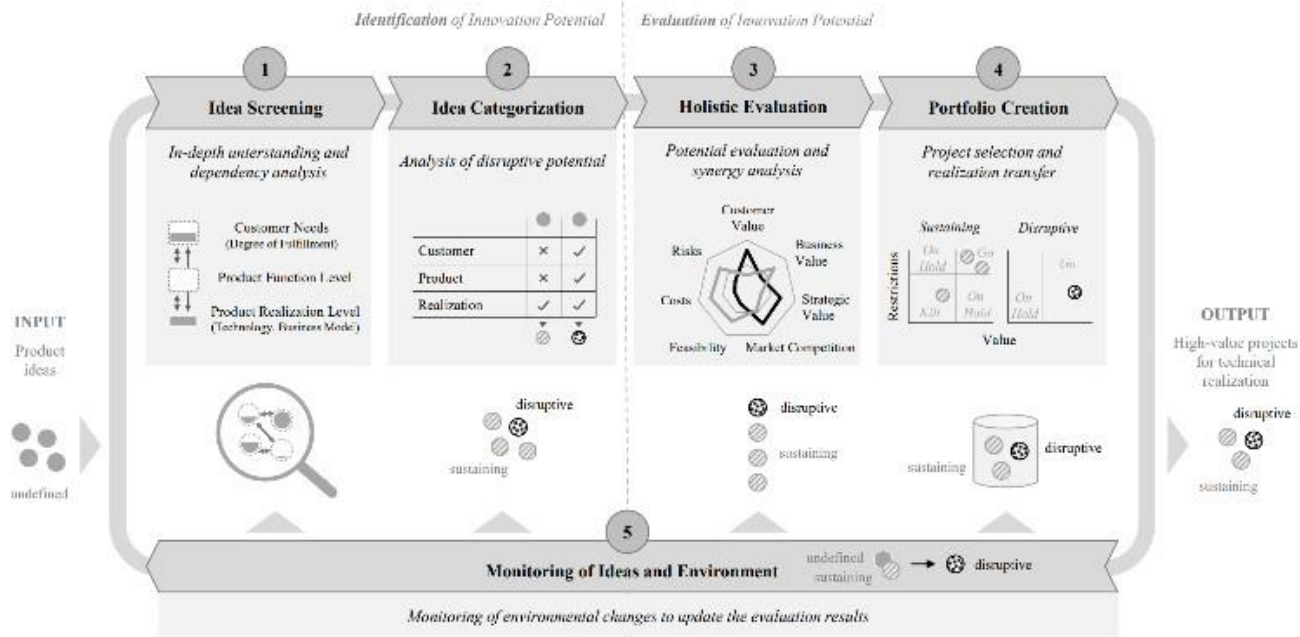


Figure 2.1. Process of disruptive innovation (Source: Simon Weinreich et al., Procedia CIRP 100 (2021), pages 403-408.)

Figure 2.1 outlines the innovation evaluation process, dividing it in five stages: Idea Screening, Idea Categorization, Holistic Evaluation, Portfolio Creation, and Monitoring. Firstly, in Idea Screening, customer needs and product functionality are assessed. Then, Idea Categorization evaluates the disruptive potential, followed by Holistic Evaluation, which analyses risks, costs, and market feasibility. Portfolio Creation prioritizes projects, distinguishing between sustaining and disruptive innovations. Lastly, the Monitoring stage tracks environmental changes, which is focused on evaluations previously conducted.

Keep it Safe 24/7® fits exactly in the concept of *disruptive innovation*, since “(“Disruption”) describes a process whereby a smaller company with fewer resources is able to successfully challenge established incumbent businesses” (Christensen et.al, 2015). In fact, “Entrants that prove disruptive begin by successfully targeting those overlooked segments, gaining a foothold by delivering more-suitable functionality—frequently at a lower price” (Christensen, et.al 2015). By targeting those customers who feel that their belongings are safer on an individual compartment, Keep it Safe 24/7® reaches that overlooked niche of customers.

“The Internet of Things designates how devices that are interconnected to each other and to the Internet can all be integrated at all times (...) These interconnected objects collect data through sensors, process the gathered data, and make them available for further use”

(Kulakli, et.al 2023). Creating a business in the contemporary era means that technology is a crucial factor for development and innovation and taking advantage of IoT is a major step to attain competitive advantage. “The Internet of Things reshapes and redefines the business environment so that all the involved actors generate new ways of creating value, delivering value, and offering value co-dependently” (Iivari, et.al 2016). As far as *I* know, there is not a single company in the luggage storage market in the Iberian Peninsula taking as much advantage of the IoT as Keep it Safe 24/7® is, given the entire continuous relationship with permanently online elements. There could be no other way to be as innovative as possible since technological advancement is one of the main criteria in determining business model innovations in this era.

Keep it Safe 24/7® gathers all the conditions to thrive through the IoT, combining characteristics that no other competitor, nor future competitor (companies operating in other geographic regions) has. In fact, “a truly effective business model that exploits the Internet of Things must be based on a company’s unique resources” (Kulakli, et al 2023).

Expandable businesses such as this one have a lot to gain from big data, since data analysis becomes easier and trends are identifiable, mainly regarding consumer behaviour: “IoT has the ability to provide several data analytics opportunities for Big Data Analytics (BDA)” (Côte-Real, et.al 2019). In the same text, the authors argue that “BDA technologies are considered the mother lode of disruptive change in the business environment for all types of industries, as they have the ability to capture big data and extract its value by analysing the data with powerful analytical techniques (...) This process is key to digital transformation and the creation of sustainable societies and big data ecosystems”. Moreover, “an International Business Machines Corporation (IBM) study stated that companies using BDA are five times more likely to make faster decisions than their competitors”. In a situation where Keep it Safe 24/7® is a first mover in the luggage storage lockers industry in Madeira, but not in the luggage storage itself, moving fast is key to establishing a solid position in the market. To do so, having access to the latest technology is essential in order to be prepared for future direct competitors and also designing a business model that is able to compete with the already existing solutions for luggage storage

2.4 Hands-Free Process

Eliminating the terminal, which is a common feature of the lockers all around the Iberian Peninsula, is the main technological innovation present in the activity of Keep it Safe 24/7®.

Not having the ability to open a locker through a main terminal, which would be accessible to any person inside the store (shared access) is a crucial point for the safety of all belongings. This modality, where one can only access a locker through a personal device has been widely explored by means of different technologies, usually through a pin code. Our goal is to maximise the safety in the process given that “implementing information technology in vaults will raise the level of security of commodities while also reducing errors caused by human error” (Pramono, Andi, et.al, 2022). Additional information on the system used by the company to ensure the functionality of the service will later be provided.

Hands-free process cannot be dissociated from the IoT-based system. As mentioned above, the usual physical terminal was eliminated in favour of the seamless access through digital devices connected to the internet. On top of being more user-friendly, because the user does not need to wait for his turn to use a terminal, it is also considerably more secure, because access is reserved for users carrying their personal device with unique credentials, created when signing up on the website. Also, considering that the system is always connected to a database, all traffic is tracked, improving the degree of security. All in all, this (IoT based) is a system that surpasses the traditional use of lockers, created to make it almost impossible for someone to get inside the establishment and try to tamper any lockers and eventually reach clients’ belongings (Subash, Danny, & Vijayalakshmi, 2022).

All in all, hands-free process, more than a convenience for the customers, is a source of safety for all involved, users and management, which keeps Keep it Safe 24/7® ahead of its competitors.

3. Methodology

In order to do a strong evaluation of this business, it will be conducted a detailed analysis to the state of the art of the luggage storage business in general and a great deal of focus in Madeira. Furthermore, attention goes to differentiation points, which allow to attain competitive advantage. To do so, the company will be deconstructed using the business model canvas. However, the main methodology to assess the business is through data analysis of the first 4 months in activity of Keep it Safe 24/7®.

This means that focus is on aspects such as growth, in revenue and in number of customers and key strategic decisions made in order to reach the intended growth. The period in assessment will be the months of February, March, April and May. Important data such as the number of lockers booked, as well as their time periods and sizes are also investigated. This will ultimately lead to decisions regarding the first expansion of the business.

Frameworks to analyse the business and the industry, including a SOAR analysis, in order to have both an internal and external appreciation of points to improve and grow are used. Furthermore, to assess the industry itself, the Porter's Five Forces was chosen. Regarding the company resources, the assessment will be done through the VRIO framework.

This will be the starting point to draw a strategy designed to make Keep it Safe 24/7® the main player in Madeira.

3.1 Internal Analysis

3.1.1 Business Model Canvas

The Business Model Canvas (BMC) (table 3.1.) is a strategic tool to visualize key components of a business model, providing an updated framework for a business' internal analysis, through value propositions analysis, customer segments, revenue streams, cost structure, and other valuable segments. This approach is widely used by businesses to streamline operations and align their strategies with market demands (Osterwalder & Pigneur, 2010).

Table 3.1. Business Model Canvas (Source: Self Elaboration)

Key Partnerships	Key Activities	Value Propositions	Customer Relationships	Customer Segments
- An Island Apart - Heart of Funchal - CBA Suites - We Host Madeira - Atlântico Azul - CS Marítimo - Queijaria da Avó - Secretariate of Tourism	Locker Rental, mainly for luggage storage.	- The client is given the safest option when it comes to luggage storage – lockers. - Hands-free process. - Full liberty to the client to use multiple times during the reservation. - Available 24/7.	Customer support available 24/7.	- Tourists visiting Madeira Island. - Airbnb (and similar platforms) guests. - Age 18-50 - Camping Tourism - Nature-oriented tourism - Low-Cost travellers
	Key Resources		Channels	
	- Technological lockers. - Web-App - Keep it Safe 24/7® Brand - Software		- Web-app (information/locker rental). - Social Media - Customer Support via Whatsapp and phone call. - Google (my business, maps and ads)	
Cost Structure			Revenue Streams	
- Fixed Costs – Rent – Accounting – Marketing – Electricity – Internet – Social Security - Variable Costs – Marketing Campaigns			Locker Rentals	

Table 3.1 provides relevant information on different segments of the company through a Business Model Canvas. Although most of it is self-explanatory, it is important to further detail segment “Partnerships”. By partnerships there are two different realities: when it comes to Local Accommodation Management companies like “An Island Apart”, the company is recommended by them. That is to say that the business gets more customers and they have their properties luggage free for other customers. On all other cases, partners are businesses that advertise Keep it Safe 24/7® through posters on their locations.

3.1.2 SOAR Analysis

As this business plan is about an innovative service, the framework used was a new approach to the SWOT analysis, the SOAR analysis (Table 3.2). Here, it is addressed the strengths and opportunities of the company, but instead of complementing them with weaknesses and threats, this framework focuses on aspirations and results, making it more “action-oriented” and not focusing as much on “the negative aspects” (Zarestky, Jill et. Al).

Table 3.2. SOAR Analysis (Source: Self Elaboration)

Strengths	Aspirations
• No employees needed (self-service) • On time customer support • Central location • Does not require managers presence • No direct competition • Unique service regarding the technology • Completely self-service	• Open a second location • Strengthen partnerships • Internationalisation • Complement with other luggage-related services (explore more the collection and drop-off) • Easiest and most customer-friendly possible. • Get public funding
Opportunities	Results
• Easy to reproduce • Strong AL culture in the whole island • Increasing touristic presence in Madeira Island. • Lack of storage options in many locations in the mainland. • Overall scalability of the business • Increasing governmental aid for technological companies	• Reaching the monopoly for luggage storage in Madeira Island. • Broad presence of the Keep it Safe 24/7® brand in different countries. • Multiple income sources. • Customer satisfaction. • Strong online presence

3.2 Resources Analysis - VRIO Framework

The VRIO framework is used to analyse a company's internal resources and assess if it is able to achieve sustainable competitive advantage. With the aid of this tool, one is able to examine resources based on their Value, Rarity, Imitability, and Organization (Barney, 1991).

Table 3.3 represents four essential values that allow the company to guarantee a sustainable competitive advantage, which is essential for the viability of any business. The company's internal resources are then assessed according to their value, rarity, imitability and organisation.

The resources analysed here are the set of lockers + the integration of software and hardware. In order to address these values, 4 questions are asked.

Table 3.3. VRIO Framework (Source: Self Elaboration)

Criteria	Lockers	Hardware/Software
Value	Yes	Yes
Rarity	Yes	Yes
Imitability (difficult to imitate)	No	Yes
Organization	Yes	Yes

According to table 3.3, what provides the greatest competitive advantage is the way that the hardware and software are integrated, that allows this luggage storage facility to function uniquely. This is the resource that brings **sustainable competitive advantage** and will allow to reach new markets and still stand out from the competition.

As for the lockers, although they are the basis of the entire business and therefore bring enormous value to the company, they do not have any factors that make them particularly difficult to reproduce. They are a rare resource in the sense that they have an unusual level of security, withstanding heavy weights and capable of being knocked about without causing major damage.

This being said, the main focus will be on continuing to innovate and protect the integrated hardware + software while maintaining the high standards of the locker systems.

3.3 Customer Feedback

To analyse customer feedback is to delve into subjectivity. Customer opinion is personal, but it does not make it less important to take into consideration. Updated data (September 2024) include 45 Google Reviews. From these 45, it is to be highlighted that 44 of them are 5 star reviews. However, the content on this thesis focuses on data resulting from the first 4 months of operations. Figure 3.1. represents some of the feedback for this period.

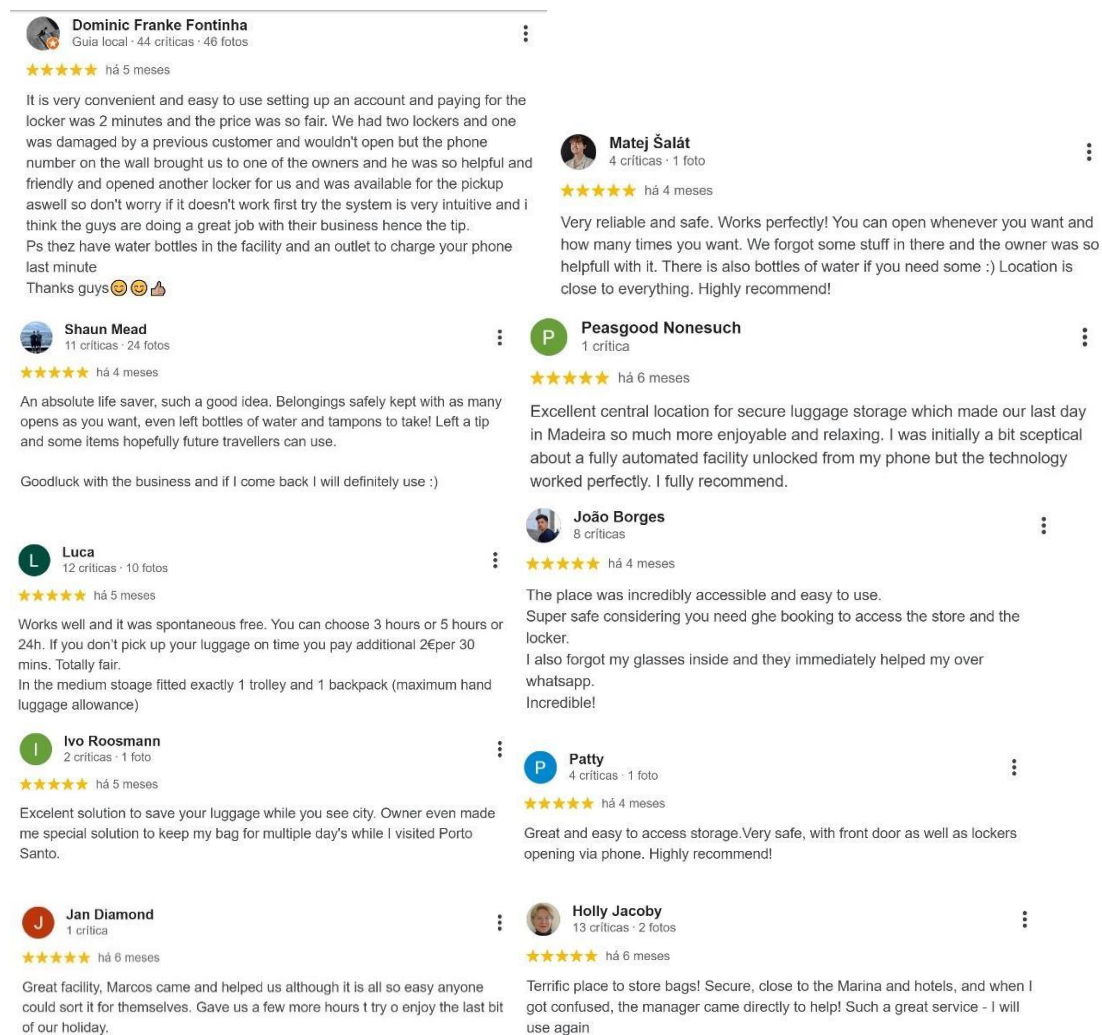


Figure 3.1. Customer Feedback (Source: Google)

On figure 3.1, it is highlighted the quality of the service in 10 different feedbacks. Clients mostly enjoy the easiness of doing all the process on their smartphone, being able to enjoy some more hours weigh and hassle-free and, above all, mention the rapid and efficient response of the customer support.

3.4 Data Analysis

Analysing data is the most viable way to understand a company's performance. Keep it Safe 24/7® is no exception so, in this section it is described and analysed key data and Key Performance Indicators (KPIs). They are the result of the first 4 months of the business operation (February to May). To retrieve this data it was used the payment app (Stripe) and data were treated using Excel tools.

3.4.1 Revenue in Sales

Firstly, it is assessed the most important data: Total revenue in Sales (Amount Sum) and number of payments made (ID Count), per month, represented by Figure 3.2.

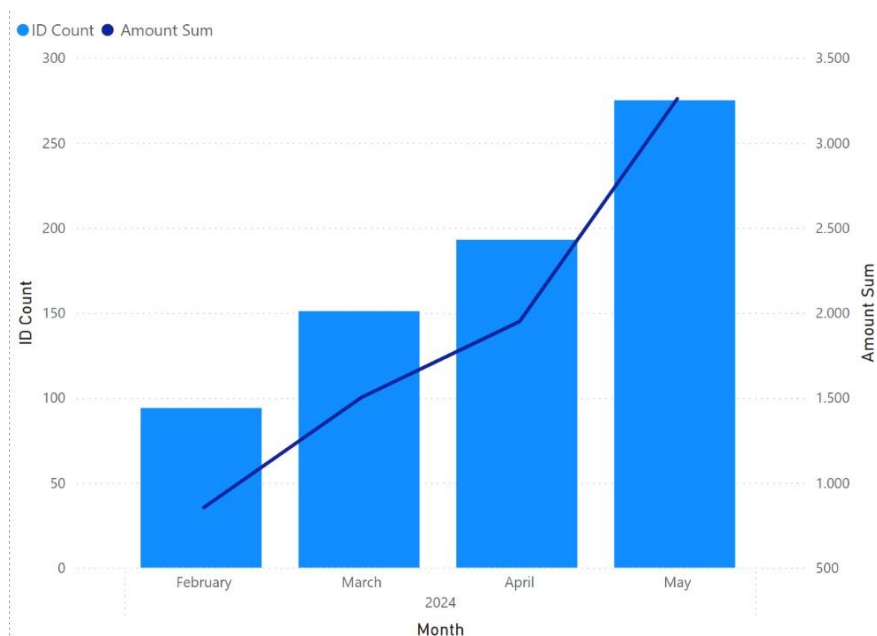


Figure 3.2. Number of Payments and Sales Revenue per Month (Source: Self Elaboration)

Figure 3.2. contains a graphic that provides two different, but equally important informations: the number of payments made (represented by the dark blue line) and amount of money in euros, total sales revenue, generated by the payments (light blue bar chart).

The following values are highlighted:

- February generated 854.10€ in total sales (94 payments);
- March generated 1502.60€ in total sales (151 payments);
- April generated 1948€ in total sales (193 payments);
- May generated 3259.70€ in total sales (275 payments).

Although absolute values are already enlightening of the company's situation, growth rates for this period are also provided.

$$\text{Growth Rate} = \frac{\text{Final Value} - \text{Initial Value}}{\text{Initial Value}} \times 100 \quad (3.1)$$

Table 3.4. Growth Rates (Source: Self Elaboration)

February – March: 76%
March – April: 30%
April – May: 67%

On table 3.4, it is shown a clear positive performance over the four months. There was repetitive and constant growth in both aspects assessed. These are very important KPIs that we keep track of, since they are the main indicators of our profitability: sales. Also, keeping a very positive growth rate hides an indicator that is crucial for the future: there is a solid market for luggage storage and there is market share to be gained.

3.4.2 Nationality

It is important to know the customers' origin for one simple reason: Marketing. By having access to their country of origin one knows what language is mostly spoken by them, making it possible to announce in these languages using Google ads. On figure 3.3 it is represented the map of Europe (main continent of origin of our customers) where one can see that countries like the UK, Poland, Germany, France and Portugal provide the main sources of clients. Bearing that in mind, we have adopted these native languages in our Google Ads, thus facilitating search.

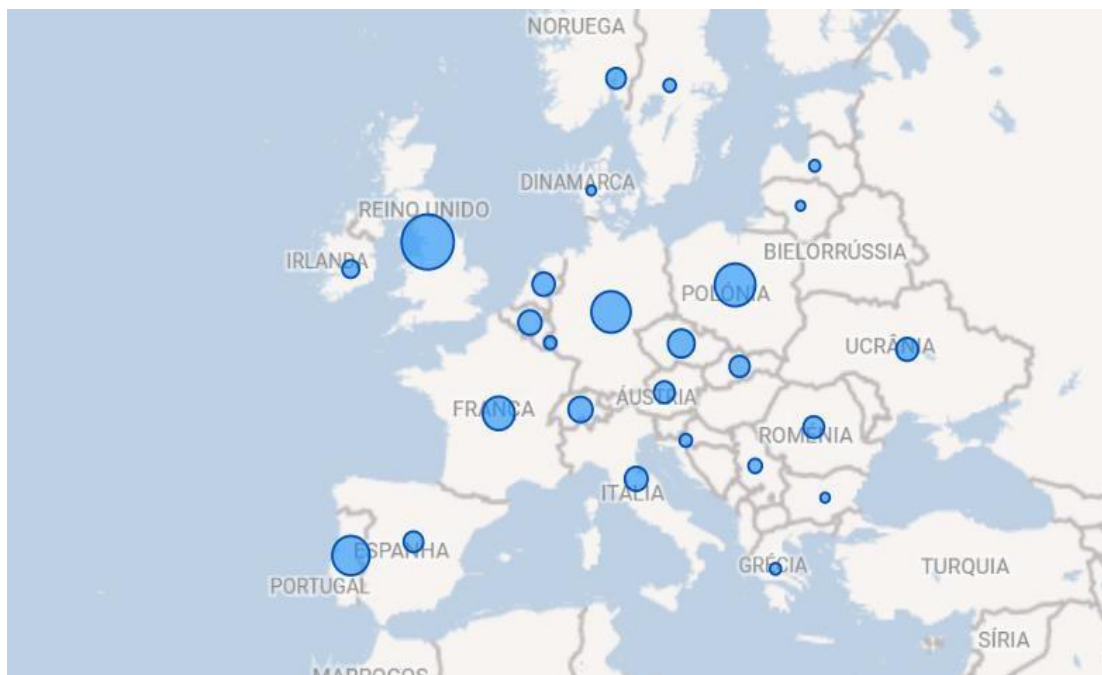


Figure 3.3. Customer Nationality (Source: Self Elaboration)

3.4.3 Weekly Tendencies

Weekly tendencies were also analysed to help understand how much the number of flights affect the business. Figure 3.4 sheds light on the number of payment, as well as sales revenue per day of the week, during the period assessed. Number 1 refers to Sunday, and number 7 refers to Saturday.

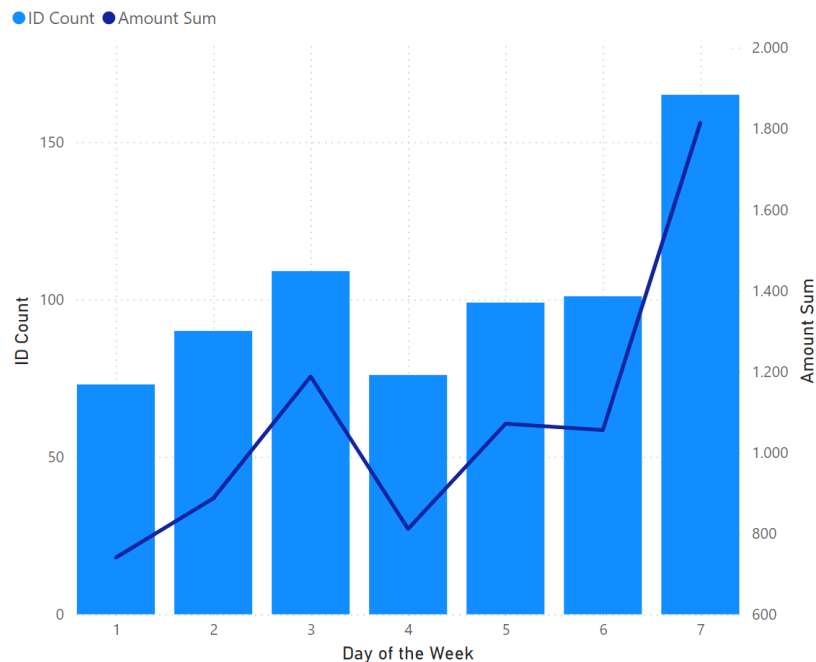


Figure 3.4. Payments and Sales Revenue per day of the Week (Source: Self Elaboration)

According to the statistics portal of the website flightradar24, used to track flights around the world, Cristiano Ronaldo Airport (Madeira) has the highest affluency rate on Saturdays. On the contrary, Sundays and Wednesdays show the lowest affluency rate. This comes to show a direct correlation between the number of clients and the number of flights per day of the week. Saturday (represented on the bar chart with number 7) has a significantly higher importance regarding sales and both Wednesday and Sunday (numbers 4 and 1 respectively), appear has the weakest days, as far as sales are concerned.

This correlation was also helpful to understand that, overtime, flight delays and cancellations have an impact on business performance and, known for difficult landings, Madeira airport has recurrent such situations.

3.4.4 Consumer Preferences

Inside the establishment, there are 30 lockers with the following sizes: 10 Medium (M), 14 Large (L) and 6 Extra-Large (XL). Figure 3.5 sheds light on the consumer references, both on locker size and duration of the reservation.

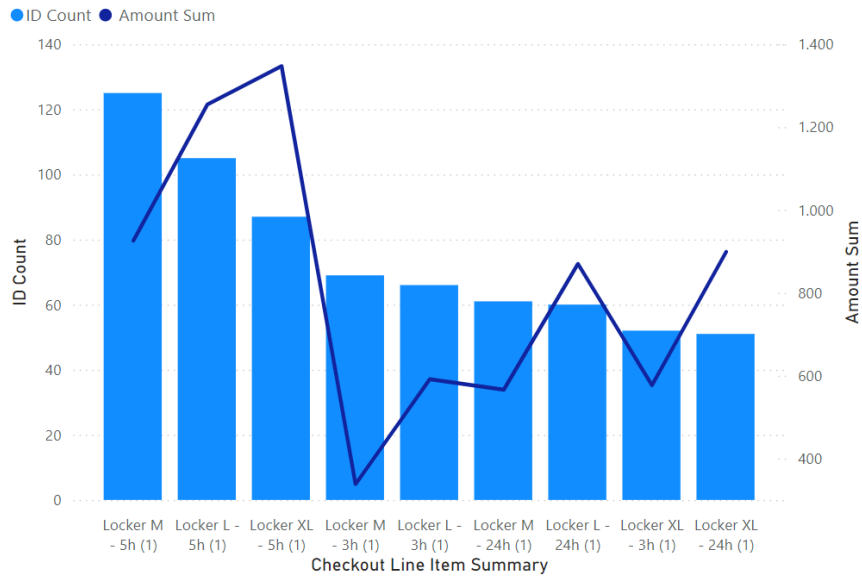


Figure 3.5. Payments and Sales Revenue per Booking Option (Source: Self Elaboration)

Figure 3.5 provides a chart containing key information on several perspectives. Starting off with the low profitability of Locker M in the period of 3H. Although it might seem unefficient at first sight (and it is), this is a Marketing play, named *Loss Leader Strategy*. The price (4.90€) is used to announce all prices in all platforms with the information (“price from 4.90”) with the goal of attracting customers for more expensive options. This is an approach followed in different industries where, although margins become low on one specific product, the business gains leverage by having higher customer traffic and increasing sales in higher margin products (Li et al. 2013).

Other important piece of information is that the locker with the most demand (M for 5H) has almost the same revenue as the least demanded locker (XL 24H). In other words, the most expensive and also least chosen option have almost the same revenue as the most chosen locker.

Finally, the option with the most total revenue is Locker XL 5H. However it is only the third most chosen locker.

$$ROA = \frac{TOTAL\ ASSETS}{NET\ INCOME} \quad (3.2)$$

After analysing the data provided by the chart, the main conclusion is that in order to increase Return on Assets (ROA), given by the equation 3.2, where *total assets* means all company's resources and *net income* means all earnings after tax, the next store will have a different number of each locker. Locker XL (which we only have 6 of) often sells out and is the main source of revenue. This being said, the next location will have less L lockers, which never sold out and more XL. This will be further explained in the "Go To Market" chapter.

3.5 Human Resources

Although Keep it Safe 24/7® only has a board of two people (co-founders), the company relies on many other people for a smooth operation. With this in mind, this section describes how is the human organisation of the business, as well as the tasks associated to each individual.

Both co-founders share specific roles, which include:

- Billing all locker rentals: to keep all financial information in order, co-founders have 5 business days to bill all purchases made on the website;
- Locker Maintenance: continuous use of the lockers, and specially their misuse, result in many break downs and damage. To solve and prevent these problems, both take responsibility for all the maintenance;
- Customer support: presenting a self-service often comes with a catch. Some clients, especially in older generations have difficulty in finding the way on how to complete a reservation. To tackle this, there is a company phone to which all calls and messages are addressed. This phone is shared upon each's availability and both try to solve everyone's issues through it;
- Commercial work: as the faces of the business, co-founders have the task to find new partners and increase exposure of the business, by leaving paper flyers in places where tourists spend time and ask for advice.

According to the business strategy of not employing any full-time workers, it was decided from the beginning to outsource for all other necessities, which include:

- Accounting: as none of the co-founders have enough accounting background, this service is outsourced in order to meet all requirements;
- Legal services: for terms and conditions, privacy policy and all other legal issues, there was the possibility to reach out to family members which provide legal aid;

- Google ads: maintaining updated ads in Google is something that can be very complex, due to continuous innovation and competition for higher places in Google search between competitors;
- Digital Marketing: today, one cannot ignore the power of social media, so Keep it Safe 24/7® relies on a social media manager to keep all relevant information updated on Instagram and Facebook, but also to post engaging content on Tiktok, Gen-Z oriented.

3.6 Sustainability

Keep it Safe 24/7® is committed to be a sustainable service. There has been always a social mission aligned to the service with some Sustainable Development Goals (SDGs). Owning a business means focusing on profitability, but owning a business in 2024 also means having a duty of being ethical and responsible for actions, which affect other people and the planet. Bearing this in mind, the organisation is aligned with the SDGs in Figure 3.6:



Figure 3.6. Sustainable Development Goals (Source: United Nations Website)

- SDG 9 (Industry, Innovation and Infrastructure): According to the United Nations (UN), this goal aims to “Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation”. Keep it Safe 24/7® is aligned with this SDG on two different spheres. On the one hand, the use of IoT related technology in this market is, without a doubt, innovative and enhances the efficiency of the business. On the other hand, on the matter of infrastructure, lockers were built with premium quality, with one of the market leaders in locker manufacturing in Portugal, in order to guarantee

their durability. Ultimately, this will expand the life of the lockers, taking away the necessity of replacing them in the short term, thus eliminating unnecessary waste.

- SDG 13 (Climate Action): According to the UN, this goal aims to “Take urgent action to combat climate change and its impacts”. The service provided by Keep it Safe 24/7® is 100% green: all marketing is digital, as well as all invoices, there is no paper waste; there is also 0 water waste in our service, and the energy use is only electrical, making it 0 carbon emissions.
- SDG 17 (Partnerships for the Goals): According to the UN, this goal aims to “Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development”. We have now more than a dozen of partners, which means that joint efforts and resource sharing improve efficiency and support local economy.

3.7 External Analysis

Porter’s 5 Forces – Focused in the market where Keep it Safe 24/7® is operating at the moment (Madeira Island)

Using Porter’s Five Forces framework, the competitive environment in which Keep it Safe 24/7® operates is examined. This model, created in 1979 by Michael E. Porter, offers a methodical way to comprehend the forces that shape industries and aids companies in recognizing opportunities as well as threats (Porter, 1979). The threat of new competitors, suppliers’ and buyers’ bargaining power, the threat of substitute products, and competition among current rivals are the five fundamental forces that can be used to analyse external factors affecting a company’s potential profitability and market position.

Rivalry Among Existing Competitors - Keep it Safe 24/7® does not face direct regional competitors. However, there are companies within the luggage storage market that have substantial investments and impact the business (they will be assessed individually). Despite this, the differentiated and high-quality service has the potential to capture a significant market share from these competitors. Due to the large size of these companies, digital marketing investment is highly inflated (online advertisements on Google), which obliges the company to invest heavily in order to be able to compete for a highly ranked position for every search on Google.

Threat of Substitute Products – At a national level, there is only one company that is considered a substitute product, Luggit. However, their current focus is on internationalization (after some research on social media), so there is no further threat of substitute products at the regional level at this moment.

Bargaining Power of Customers – The limited availability of high-security luggage storage options on Madeira Island significantly reduces the bargaining power of customers. With no comparable alternatives offering 24/7 access and robust security measures, customers are likely to choose us despite potentially higher prices, but with an assumed and justified premium service. Moreover, Keep it Safe 24/7® has differentiated customer service, different prices that meet different needs, and the unique possibility for long term rentals upon contact with customer support. This generally occurs with tourists that wish to visit Porto Santo in the middle of the trip.

Bargaining Power of Suppliers – Due to the uniqueness of the service, the bargaining power of suppliers is high. Changing one of the suppliers would have great impact on the way operations take place. When it comes to Keep it Safe 24/7®'s bargaining power, this is very high. This is shown when, for example, after a price increase there was no change in customer preferences, showing that this market niche has really strong beliefs when it comes to the way they want their luggage stored.

Threat of New Entrants – The lack of secure luggage storage solutions in Madeira Island presents a potential opportunity for new entrants. However, the proposed investment plan aims to establish a stronger presence in Madeira with relatively low investment costs. In fact, the first expansion plan for 2025 is already in action. By solidifying the market position, potential new entrants will have more difficulties in finding an opening, and hopefully attain a monopoly for this market niche.

3.8 Market Analysis – Analysis to the existing players (Benchmark)

In order to assess the feasibility of such business, it is crucial that one has a deep understanding of the market of luggage storage, and how it has been developing.

At the moment, the luggage storage market has much been relying on taking advantage of spaces that are under-utilised, such as hotel rooms, spaces in mini-markets, shops, tourist desks, and so on. “This is a manner to tackle the real-estate crisis that one can witness in this

day and age, where prices are sky-rocketing” (insight parrot, 2020). Many companies have been thriving in this business model, and some of them are, in fact, present in Madeira, such as Nanny Bag or Bounce. This is a model inspired in cost optimisation, but Keep it Safe 24/7® is still able to compete. Despite not having specific employees for the task of storing luggage, these companies work on margins. This meaning that, the revenue must be split between the space owner and the company that provides the service, resulting in a higher price paid by the user. Having this said, Nannybag in Madeira will charge a minimum of 6€ per Item, while Bounce does it for 5€. Keep it Safe 24/7® is able to compete with these prices since the service offered is not charged by item, but by locker, with each locker being able to store more than one item. Not only is the price more competitive, but also the sense of safety is increased, since not one locker is shared with another person, meaning that every user has a locker for himself, and no-one will have access to it.

As mentioned before, there is not one company operating in the same business model as Keep it Safe 24/7®, where the company provides secure lockers for the clients. However, there is this set of companies operating in the same market that can be considered as indirect competitors. The feedback given to them (from partners that used to operate with them, from Google reviews and clients that tried using them and eventually turned to Keep it Safe 24/7®) is, in fact, weak. This gives an even greater opportunity to exploit their weaknesses and conquer market share.

Table 3.6 combines information about all companies operating in the Luggage Storage Market, where the differences between Keep it Safe 24/7® and other companies become clear. It was used a numeric scale from 0-10 to evaluate each one's performance.

Table 3.6 Benchmark and Self Analysis (Source: Self Elaboration)

Criteria	Keep It Safe 24/7®	Bounce	LuggageHero	Nannybag	Radical Storage
Products & Services	Luggage storage	Luggage storage	Luggage storage	Luggage storage	Luggage storage
Overall Score	9	5	5	5	5
Business Model	Rental of individual lockers for travel bags and/or personal items; priced per locker	Use of unused spaces for luggage storage; priced per item	Use of unused spaces for luggage storage; priced per item	Use of unused spaces for luggage storage; priced per item	Use of unused spaces for luggage storage; priced per item
Overall Score	9	5	5	5	5
Target Market	Tourists seeking high-security luggage storage open 24/7	Tourists seeking luggage storage	Tourists seeking luggage storage	Tourists seeking luggage storage	Tourists seeking luggage storage
Overall Score	7	4	4	4	4
Competitive Advantage	Establishment security, 24/7 year-round operation, customer support, location	Number of stores, location, Investment In digital marketing	Number of stores, location	Number of stores, location	Number of stores, location
Overall Score	9	7	6	6	6

After analysing table 3.6 the main conclusions are:

- All other competitors operate under the same business model and cannot differentiate between themselves;
- Keep it Safe 24/7® accomplishes differentiation in a few different aspects. These include:

1. **Prices** – by charging per locker and not by item, clients have the advantage of managing the space themselves, often saving a considerable amount of money if they carry multiple items;
 2. **Security** – in other options, clients leave their bags unattended in a common room. With Keep it Safe 24/7®, there is alarm security and surveillance to the store at all times. Plus, each client can rely on the safety of a personal locker that can withstand strong impacts;
 3. **Freedom** – all companies work with a fixed schedule. Once they operate in partnership with other businesses, they are obliged to follow their schedule, which poses a difficulty to travelers that arrive early in the day or leave late at night. Keep it Safe 24/7® is self-service, so anyone can deposit luggage anytime. Also, one can return as many times as they want during the reservation.
- Safety is the main competitive advantage: According to Maslow's Hierarchy of needs, safety is a fundamental human need, positioned just above physiological necessities like food and shelter in his hierarchy. This need encompasses both physical safety and security of personal belongings. Personal lockers cater directly to this need by offering a controlled, secure environment for travellers' possessions. By addressing this basic psychological requirement, Keep It Safe 24/7® fulfils a crucial element of Maslow's theory, thereby making our services highly appealing to customers who prioritize the safety and security of their valuables while traveling. The provision of secure lockers not only ensures peace of mind but also enhances the overall travel experience, aligning with Maslow's principle that individuals seek safety as a precursor to higher-level pursuits such as exploration and self-fulfilment (Maslow, A. H.).

4. Marketing Plan

This five-year marketing plan is pivotal for business success, ensuring sustained growth and competitive advantage. It provides a strategic framework for achieving long-term objectives, optimizing resource allocation, and adapting to market dynamics. According to Kotler and Keller (2016), “A good marketing plan sets realistic goals and objectives that provide a clear path for the company’s growth and development.” This structured approach helps businesses build brand identity, and effectively measure performance, ultimately driving profitability and market presence.

4.1 Objective 1 - Establish Brand Awareness

- Digital marketing optimisation (Year 1-5): Continue to allocate a portion of the budget to optimise Google Ads campaigns in order to achieve maximum efficiency; Continue to identify keywords related to luggage storage, travel and tourism on the island of Madeira in order to reach a greater number of leads. Monitoring and adjustment of ad performance to improve Return on Investment (ROI);
- Increase presence on social networks (Year 1-5): Create and/or maintain profiles on social media platforms such as TikTok, Instagram and Facebook; Share engaging content related to travel tips, Madeira Island attractions and satisfied customer testimonials; Utilise user-generated content to showcase positive real experiences;
- Multilingual marketing materials (Year 1-5): Translate marketing materials, website content and customer communications into the languages spoken by tourists in the target international markets; Ensure consistent messaging and branding across all points of contact to build trust and credibility;
- Local Partnerships (Year 1): Establish partnerships with hotels, hostels and tourist attractions on Madeira Island. Offer discount codes or incentives; Display leaflets or posters at partner venues to increase visibility;
- Fairs and events (Year 2-5): Participation in fairs and exhibitions in the travel/tourism sector to expose the brand on a broader scale, which is something key to network and essentially establishing contacts with potential partners or travel influencers who can help promote the service.

4.2 Objective 2 – Communicate Market Entry

- Regional Expansion (Year 2): Communicate second opening in Madeira Island through digital marketing and with the aid of partners. Use Physical Outdoors around the area selected to create awareness;
- Pilot Programme (Year 4): Select one key city for a pilot programme to test market demand and the feasibility of expansion; Establish partnerships with local companies or transport hubs to establish presence in the new locations;
- Localised marketing campaigns (Year 3-4): Launch localised campaigns in the selected city to publicise the brand and Keep it Safe 24/7® services. Use a combination of digital advertising, local publications and outdoor signage to reach

potential customers, highlighting the convenience of using this luggage storage in particular.

4.3 Objective 3 – Communicate International Market Entry

If Keep it Safe 24/7® is established strongly in Madeira, international expansion is a possibility, either through a Franchise or a Joint Venture.

- Strategic partnerships (Year 5): Establish partnerships with travel agencies, tour operators, local accommodation management companies and travel platforms to promote Keep it Safe 24/7® to potential customers. Offer exclusive discounts or incentives to travellers who make bookings through partner channels.

4.4 Current Campaigns

Keep it Safe 24/7®, in order to dispute customers, has permanent online marketing campaigns. These are known as Google Ads and are subdivided into two categories: Search and Maps. The strategy used is to permanently advertise on both, in order to appear, at all times, on the first three spots when a user, located in Madeira Island, searches for any key words related to Luggage Storage. These include: “luggage storage”, “luggage lockers”, “luggage services”, “lockers Funchal” and many other relevant variations. It is important to note that these are available in different languages, as mentioned in data analysis, when evaluating the country of origin of customers.

The other main Marketing campaign, which is under permanent attention, is social media. At the moment, content is generated multiple times a week and posted individually on TikTok and Instagram. These are then reposted on Facebook, since this social network is not our main goal. The objective is mainly to create brand awareness but also reach our customers, if possible. In this day and age, TikTok is being used as a search engine, just like Google, where travelers search for tips in accommodation, food or, of course, luggage storage.

The target on these campaigns is younger people, who are used to TikTok and Instagram as a part of their life. Content is mainly about the store, but we also share tips about Madeira Island. One of the posts on TikTok generated 24 000 views and one on Instagram generated over 25 000 views. Figure 4.1 provides some examples of the posts made.

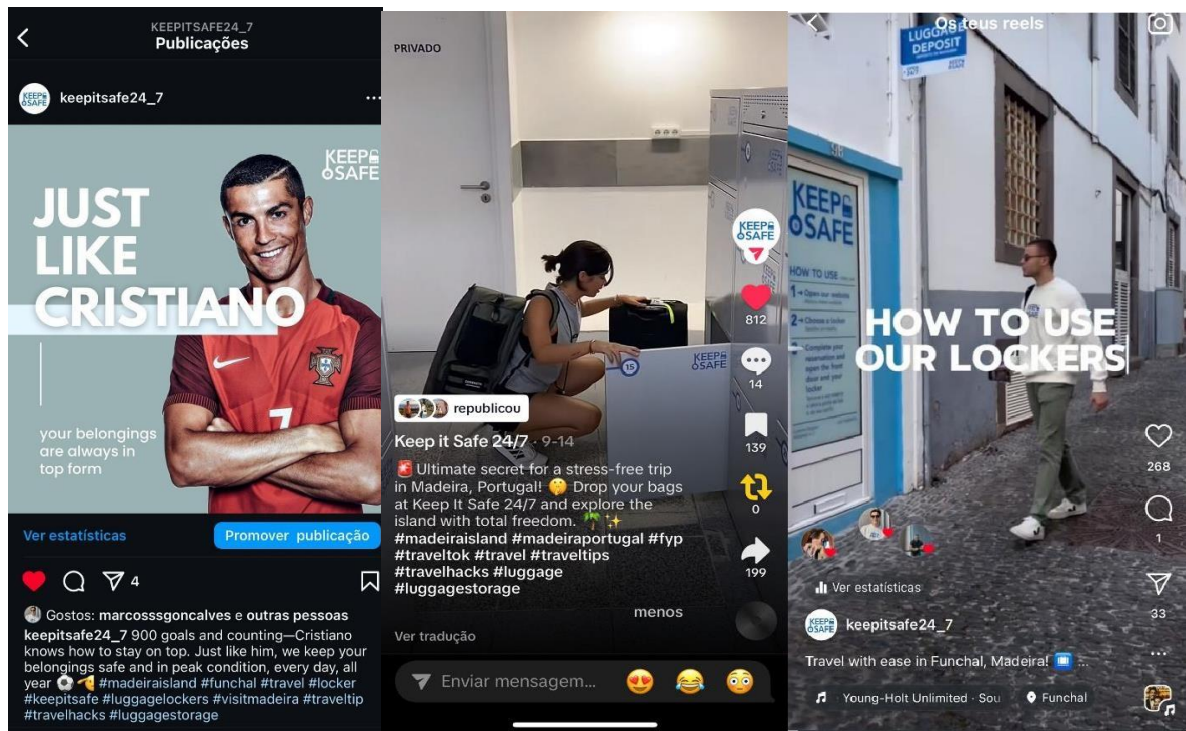


Figure 4.1. Relevant Posts Collage (Source: Keep it Safe 24/7® Social Media)

5. Technological Implementation

The service provided by Keep it Safe 24/7® cannot be disassociated from the technology that was used. During the year of preparation before opening, technology took greater importance as time went by since there was a high degree of certainty that it could be a 100% self-service, based on innovative technology.

As both co-founders lacked technological knowledge, resorting to outsourcing was the right decision and 2 start-ups in Lisbon could deliver what was intended and, more importantly, were willing to work together.

5.1 Web-App

The first big technological decision was coming to terms with the right option between an app and a **web-app**. Eventually, both co-founders agreed that, based on assumed consumer preferences, one would not feel as tempted to buy the service if there were an obligation to download an app. Then, the startup providing the service found a way that would integrate the features of the app on a website, creating our web-app, shown in figure 5.1.

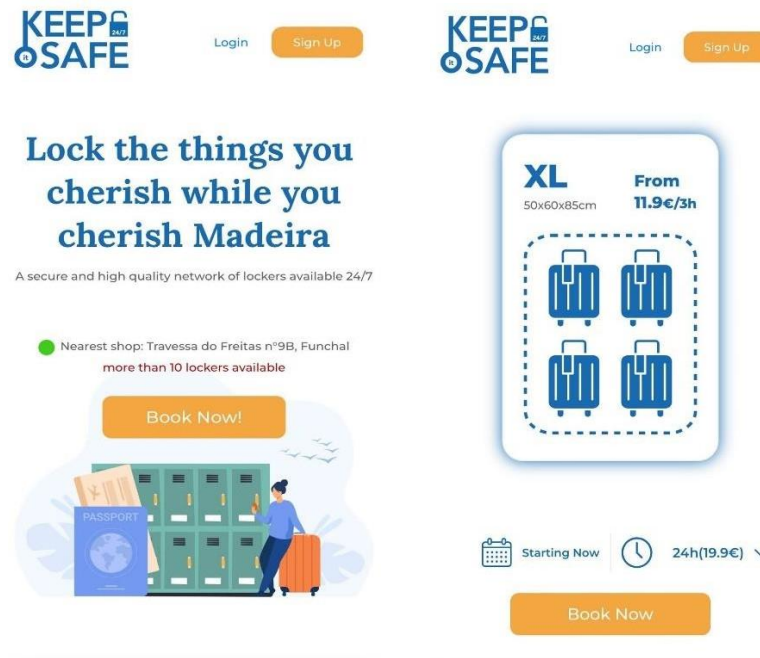


Figure 5.1 Web-App aesthetics (Source: Keep it Safe 24/7® Website)

5.1.1 Features

The web-app allows the customer to do a set of things that are key to reach the final goal: payment.

These include:

- Creating an account;
- Knowing the availability of lockers;
- Accessing to a map with the location of the store;
- Contacting customer support through redirection to WhatsApp;
- Choosing the right locker;
- Choosing the duration of the reservation;

- Paying the reservation;
- Accessing the digital buttons to open the door of the establishment and the locker.

5.1.2 Backoffice

Having a self-service in place means that inconveniences occur. For example: clients book the wrong locker size or close their reservation by mistake and lose access to their locker. In these situations, there is a backoffice created with the goal of having full control over every locker. The outcome after developing this feature was the maximisation of the range of action that allows both co-founders to respond to any possible situation, through digital control.

5.1.3 Payment Method

Given that budget for web development was scarce, there was no possibility to have this feature developed from scratch in the web-app. The solution found was integrating Stripe.

Stripe, in exchange for 5% commission offers a variety of advantages. Used by big players like Amazon or Shopify, it enables businesses to process transactions, with a number of different card types, Apple and Google pay and even crypto currency. Its strong name highlights the sense of security on the moment of paying, which eases some clients while paying in a website they had no knowledge before. On top of this, Stripe itself guarantees maximum safety in each payment, avoiding any data breach, avoiding all types of fraud. The company (according to the website) is even certified as a PCI DSS Level 1 service Provider. This is a certification (the highest available) for businesses operating in the payments industry.

Above all, the major upside when it comes to using Stripe is data collection. By collecting all payments, there is retrieval of important data such as: customer origin (card details include the country of origin) and prices. By having data about the price charged we also understand trends like what the most demanded sizes of lockers are and, also, the average time bought by each client.

5.2 Technological Architecture

The integration between having the Web-App and connecting its capabilities with the lockers in order to make them functional was only possible through outsourcing. Figure 6.2. provides information on the interaction between each component in the system.

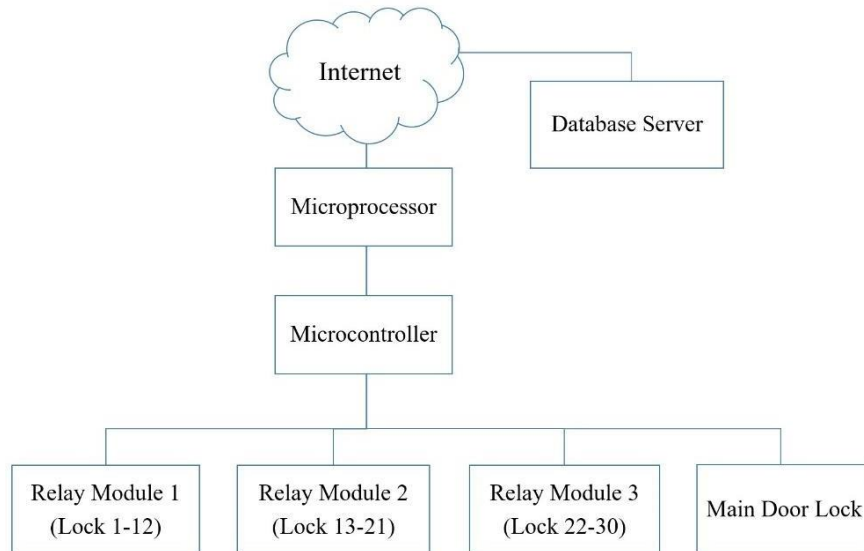


Figure 5.2. Technological Architecture (Source: Self Elaboration)

In Figure 5.2., all major components for the normal activity of the system are represented:

- The Internet is a central hub for this system, allowing it to work through IoT. The Internet connects all digital devices (computers, phones and tablets) to the system.
- The Microcontroller is the core of the system, since it has the ability to connect with all components at the same time. It receives data on the status of the locks, knowing if they are open or closed, thus making it able to control when the client can open the locker.
- One of the key elements of this system is the Microprocessor. It is responsible for processing requests which come from the internet, acting as the brain among all components. It has bidirectional communication with the microcontroller. This meaning that it transfers data to the Microcontroller, which are generated by commands given by clients through the Internet, but also receives data from the Microcontroller, which are originally created by the relay modules, for example, when the door is open or closed.
- The Main Door Lock is set as all other locks, which means it is also connected to the Microcontroller that controls the opening of the front door.
- There are Three Relay Modules: each one controls a set of locks, which after receiving data from the Microcontroller open the lockers.

- The Database Server is connected to a cloud and is what collects important information, such as the amount paid by each customer, what lockers are being used, the amount of time the locker is used, among others related to the bookings made. It is permanently interacting with the Internet.

It is important to note that this system operates on two different perspectives: user perspective, considering that one, through Internet interaction, can make commands to the system, opening the front door and the locker door and management perspective. Having three relay modules allows better control of the modules, for example, when locks break down and maintenance is needed, and above all, access to information collected by the database server, stored in the cloud. In this perspective, management has a tool to: open every locker; open the front door; interrupt locker uses for maintenance purposes; check all rented lockers and check if any door were left opened, giving us the opportunity to warn users.

Considering this information, the main conclusion to be made is that through the IoT, there is interconnection between several components, making this a totally effective and self-sufficient service. Users can access and control lockers via a web interface, thus eliminating the typical physical terminals, improving the security and convenience of the service.

6. Go to Market Plan

Considering the positive results accomplished in the first year of activity, the need to prepare a new market entry was identified, mainly due to the fear of new competitors. The new market entry is scheduled for the first semester of 2025. The financial forecast for this will be available on the financial section of the thesis. This Go to Market Plan is essential to prove that Keep it Safe 24/7® is a scalable business.

6.1 Objectives

By increasing the brand's presence in Funchal with the opening of a second store, there are 3 major objectives to be attained:

- Establish Brand Awareness: by having a second location, Keep it Safe 24/7® will become even more renowned and recognised as a strong brand;
- Gain Market Share: one more location means that players that had the advantage of being the only luggage storage options, even though they did not provide secure lockers, will lose it. This will offer the chance to monopolize Funchal;
- Increase Revenue: above all, the main goal is to entry an area with many potential clients and increase considerably the number of sales and, consequently, business profitability.

6.2 Target Market

The target audience will remain the same: tourists visiting Madeira Island, mainly younger generations staying in Airbnbs, travelling low-cost and also nature lovers. The first location taught that this is the audience that appreciates the service the most.

One key aspect of this market entrance is the location. In market research, there is intense focus on the clients' needs. Usually, those who seek the service have just left an Airbnb and are waiting for their flight. So, finding a new location means focusing on an area with high density of Airbnbs. Customers were also listened in first hand: clients that contact for premium service (collection and drop-off of luggage) are often located in the same area, the Lavradores Market. This is one of the main attractions in Funchal and the place where many choose to stay. It is also well connected with transports to the airport. Figure 7.1 testifies the density in Airbnb's around.

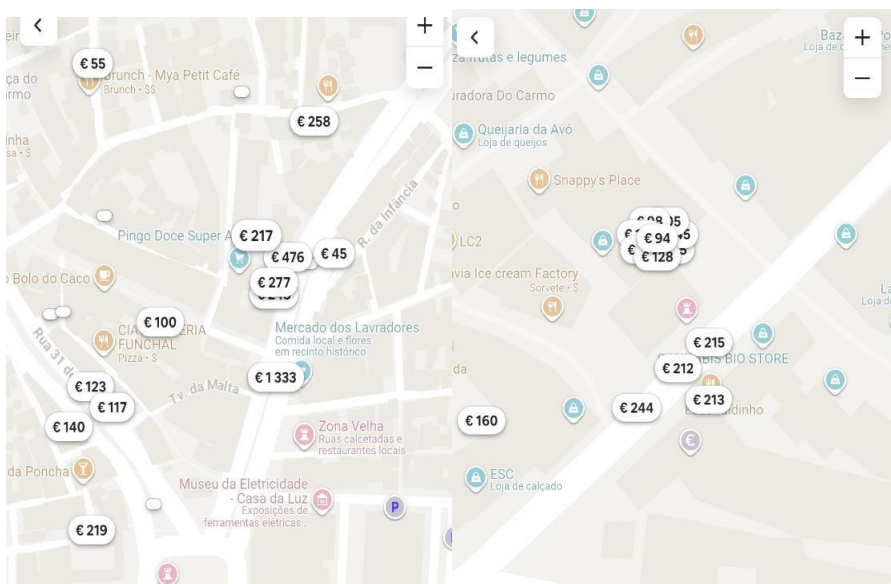


Figure 6.1. Airbnb Density in Funchal (Source: Airbnb)

6.3 Marketing Mix

Product: the product will be the same: a highly secured, IoT based, set of lockers that offers total freedom to the customer. However, this time, and learning from the data previously provided, we will increase the number of XL lockers and diminish L lockers, so that the setup can be of 10 M lockers, 10 L lockers and 10 XL lockers.

Price: It will not change between locations, so it will remain ranging from 4.90€ to 19.90€. Having more lockers means that we can expand the subscription model, practicing special prices for long-term rentals.

Place: As mentioned, the location of the establishment will be strategically placed. Next to the Market, or around Fernão de Ornelas Street, the intense foot traffic and density of airbnb's. It is also a transport hub with strong connections to the airport.

Promotion: Digital Marketing will continue as the strongest promotion method. Google ads and strong social media presence will blend in order to highlight digital presence. partnerships with Airbnbs in the area will also be promoted, as well as with local businesses and touristic attractions. It will be studied the possibility of providing a discount code on these cases.

6.4 SWOT Analysis

The SWOT analysis is a widely used tool that has been helping businesses for decades in assessing their internal and external factors. This framework is divided into four sections: Strengths, Weaknesses, Opportunities and Threats. Table 6.1 represents this analysis regarding one specific store, which is meant to be Keep it Safe 24/7®'s second location.

Table 6.1. SWOT Analysis Store 2 (Source: Self Elaboration)

Strengths: - More intense foot traffic than first location; - Connections to the airport; - Differentiation from existing services.	Weaknesses: - Higher competition from existing services, already established, offering lower quality solutions.
Opportunities: - Monopolize the luggage storage in Funchal; - Increase brand recognition; - Establish new partnerships.	Threats: - New entrants, also using luggage lockers; - Pandemics and/or other global events affecting tourism.

Table 6.1. notes that this location has even better potentialities than the original location, due to its prime location. This translates into great opportunities, that are mainly related to monopolizing the luggage storage market. However, the dependence on tourism and the existence of big players in other countries that can enter the regional market in are factors that must be taken into account.

7. Financial Plan

There is one disturbing fact about start-ups in Portugal, which is that 1 in every 3 fails. When one mentions it like this, this stat does not look as bad as it actually is. In fact, 1 in every 3 fails, within the first year of activity (Meireles, Alexandre. 2023). Bearing this in mind, if the goal is to profit and contribute to the economy, it is fundamental that a detailed financial plan is conducted. For this thesis, it is provided important financial information, mainly related to sales, expenses, and indicators of financial viability. To do so, the financial plan for 5 years was conducted based on the financial tool kindly provided by Start-up Madeira. The indicators provide an accurate picture of the organisation's financial performance.

By analysing these figures, the result is a clear image of the results the business is generating and whether the company is complying with the financial planning previously done. Through this information and conclusions, it is possible to predict future results and estimate the impact of new investments (such as opening a new establishment).

7.1 Sales Revenue

Sales revenue refer to the total revenue in € generated by our main service, locker rental, associated to the premium service of luggage collection and drop-off. Table 8.1 provides data for the next five years, 2024 to 2028.

Table 7.1. Total Sales Revenue (Source: Self Elaboration)

Year	2024	2025	2026	2027	2028
Total Revenue €	25000	54000	71100	87800	105360
VAT (23%)	5750	12420	16353	20194	24232.8
Total + VAT	30750	66420	87453	107994	129592.8

Table 7.1 provides information on the prospected sales for the first 5 years of activity. 2024 prospection is based on true data of the first semester and an estimation for the rest of the year. In 2025, the prospected sales regard the sales of the second location plus a well established first location. The following year (2026) will be a year of working in consolidating the presence of both stores and becoming the reference for luggage storage in Madeira. Year 2027 contemplates the opening of a third store. This is yet to be planned in terms of location. Year 2028 is, as 2026, a year of consolidation. All values are based on the real performance of the company in the first semester, estimating new values for different locations.

7.2 Expenses

In this section it is analysed the expenses of Keep it Safe 24/7®. These expenditures are separated and categorized as: operating costs, financial costs and production/service costs. Table 7.2 organises them accordingly.

Table 7.2 Expenses (Source: Self Elaboration)

Year	2024	2025	2026	2027	2028
Costs of goods sold and materials consumed	-	-	-	-	-
Supplies and external services	16980	41840	38840	51620	50620
Personnel Expenses	15147	15147	15147	15147	15147
Depreciations	1686	3322	3439	5075	5075
Total	33813	60309	57026	71842	70842

Firstly, by analysing Table 7.2, a more general analysis was carried out by looking at the income statement and seeing that total expenses increase essentially in the years 2025 and 2027 due to the opening of new shops.

The costs associated with external supplies and services include expenses such as water, electricity, rent and equipment, communications, among others. The significant growth in 2025 and 2027 is also directly linked to the opening of new shops, where consumption of utilities and services is higher. In 2028, a stability in costs occurs, which demonstrates the maturity of the operation.

When it comes to personnel expenses (15,147€) these include salaries. These figures remain unchanged over all the years, reflecting that the company has managed to maintain the same team, which is aligned with the initial idea of not hiring new staff. Also, the value stands for the payment of Indexante dos Apoios Sociais (IAS) and Social Security. Total expenses are higher in 2025 and 2027 due to the opening of new shops. These increases are justified by the need for more services and investments in assets that result in greater depreciation. These figures are not a cause for concern, as growth in costs is expected to reflect on a considerable profit growth.

A more detailed analysis can be made if one resorts to appendix A where it is present figures for the 'External Supplies and Services' and 'Personnel' categories, respectively. In the External Supplies and Services category, there are two headings that stand out for their higher values. The two main focuses are 'Marketing and Advertising' and 'Rents and Leases', explained by the need to invest heavily in Marketing to stand out from competitors and the high values paid in rent in Portugal.

7.3 Financial Viability Analysis

Considering all financial data, it is important to gather all of them for a financial viability analysis, represented by table 7.3.

Table 7.3 Financial Viability Analysis (Source: Self Elaboration)

	Year 0	2024	2025	2026	2027	2028
Operating Cash Flow	-	-5364	675	17098	22001	38289
Investment Cash Flow	11349	250	9245	350	9245	0
Net Cash Flow	-11349	-5614	-8570	16748	12756	38289
Net Present Value (10%)	-11349	-5104	-7083	12583	8713	23775
Cumulative Net Present Value	21535					
Internal Rate of Return (IRR)	21%					
Payback (Months)	25					

Starting with the operating cash flow, this represents the cash flow from the company's various operations, namely operating income and expenses. It is notable that the figures only become positive from the year 2026 onwards, implying that this is when the business begins to make profit.

The investment cash flow refers to the amount invested in the project, which can be seen to be highest in year 0, indicating that the largest investment was made at the beginning. In the years 2025 and 2027, due to the desire to open more shops in these specific years, the value increases again. In 2026 there is a figure that is merely illustrative of what replacing computer equipment might mean, such as a mobile phone for the company's services. As was made clear in prior sections, this is a business that functions with a very small amount of daily supplies.

Net cash flow represents the difference between operating cash flow and investment. It is visible that in the first two years it is negative, suggesting a possible need for external financing. In the following years (2026, 2027 and 2028), the figures become positive, indicating that the business has sufficient cash flow to cover operating costs and offer financial return.

The NPV (accumulated net present value) is 21535€ (positive value), which means that throughout the project, considering the 10% discount rate, the business generates a positive accumulated value, certifying long-term financial viability.

The payback reflects the payback period for the initial investment made, in this case 2 years and 1 month (25 months). This is a very reasonable result considering that investment does not include external financing.

When analysing projects, whenever the NPV is positive (as in this case) the IRR is higher than the opportunity cost of capital (10%), which is confirmed by the fact that the IRR, which means the return on investment, is 21% (>10%). This is a strong indicator that the investment is attractive and sustainable in the medium to long term.

Using these figures in table 7.3, it is possible to talk about an additional indicator that is relevant to this analysis. This indicator is the margin of safety, which can be calculated from the difference between the IRR and the discount rate used (21% - 10% = 11%). This indicates that the project has a margin of safety of 11% in relation to the cost of capital and refers to the financial slack that exists before one start dealing with losses.

It is also possible to calculate the DCF (Discounted Cash Flow), which is a model used by financial analysts to simulate what the company can produce in the future with the associated risks and time discounts. It is represented by equation 7.1:

$$DCF = \frac{CF_1}{(1+r)^1} + \frac{CF_2}{(1+r)^2} + \dots + \frac{CF_n}{(1+r)^n} \quad 7.1$$

In equation 7.1, n stands for the period of time and r is the discount rate (10%). For businesses, it is the Weighted Average Cost of Capital (WACC). Table 7.4 represents the Discount Cash Flow for the period 2024-2028.

Table 7.4 Discount Cash Flow (Source: Self Elaboration)

Year	Free Cash Flow	Discount Cash Flow
2024	-5 614	$DCF = -5104$
2025	-8 570	$DCF = -7083$
2026	16 748	$DCF = 12583$
2027	12 756	$DCF = 8713$
2028	38 289	$DCF = 23775$

By looking at the results of Table 7.4, it is possible to conclude that $\sum \text{DCF} = 32884$. The DCF is positive, which means that the project has generated value over the years. In other words, it offers a return above the minimum return required.

8. Conclusion

The creation of Keep it Safe 24/7®, an innovative luggage storage company with a solid IoT technology base, serves as an example of how contemporary business models can have a positive impact in society and tackle persistent issues, mainly in the travel and tourism industries. The value proposition is to offer travellers a seamless, secure, and always-accessible luggage storage solution and this perfectly fits with the evolving dynamics of the travel industry, where convenience, and security are highly valued and sought.

The market analysis conducted for this thesis has demonstrated that Keep it Safe 24/7® operates in a developing market, where there is a growing need for self-service luggage storage options in evolving travel destinations with peculiar urban characteristics, as the case of Madeira. While competition does exist, the creative application of IoT offers a distinct competitive advantage by providing convenience and lowering operating costs, according to thorough SOAR and Porter's Five Forces analysis. In addition, the utilization of digital devices and smart lockers improves the customer experience by letting travellers store and retrieve their bags with incomparable freedom, setting the company apart from more conventional storage options.

After a few years of operation, the financial analysis shows that Keep it Safe 24/7® has the potential to become profitable. The anticipated revenues for 2026 and beyond, based on moderate predictions, indicate a positive cash flow trajectory. The business's financial viability is confirmed by the Net Present Value (NPV) and Internal Rate of Return (IRR) analyses. The business's IRR of 21% surpasses the cost of capital, which is also a positive indicator. Finally, the expected payback in 25 months is a key factor for stakeholders.

The addition of locations in 2025 and 2027 further emphasizes the business model's scalability. By branching out into other locations and/or other popular tourist destinations, Keep it Safe 24/7® will be able to increase its market share and total revenue. The initial goal was to set up all operations and digital integrations in a way that scalability could always be a possibility.

The company's emphasis on both financial and environmental sustainability is essential to its long-term viability. Keep it Safe 24/7® is aligned with SDGs, in order to keep up with sustainability trends and all of the activity is thought with the purpose of being green, avoiding waste.

In order to accomplish these objectives, the marketing plan that is described in this thesis is essential. Keep it Safe 24/7® can effectively reach its target audience of travellers who value convenience and security by using digital platforms and social media. Partnerships with local accommodation facilities, tour operators, and other tourism-related companies provide more viable options for attracting new clients and boost brand recognition. Furthermore, the ability to offer complementary solutions, such as pick-up and drop-off of luggage is a positive indicator for future revenue diversification.

Ultimately, this thesis emphasizes how crucial innovation is to gain a competitive advantage. Keep it Safe 24/7® distinguishes itself in the luggage storage industry by incorporating sustainability, technology, and customer-centricity into its business model. The company will not only survive but thrive in an increasingly competitive environment thanks to its emphasis on continuous improvement, which extends to improving the IoT system and entering new markets.

Finally, the strategic planning aims to set Keep it Safe 24/7® for success. Innovative technology, a scalable businessplan, a thorough grasp of market dynamics and prudent financial planning all work together to establish the company as a future force in the luggage storage sector. With a strong emphasis on sustainability and a strategic growth approach, Keep it Safe 24/7® is expected to produce substantial value for its stakeholders and customers in the years to come.

Bibliographical References:

- Ceregeiro, M. (2021). *The future of the air travel industry: The concept of door-to-door luggage delivery service*. Retrieved from https://repositorio.ucp.pt/bitstream/10400.14/35534/1/152119355_Manuel%20Ceregeiro_DPDF_A_V2.pdf
- Christensen, C. M. (2023, April 6). What is disruptive innovation? *Harvard Business Review*. Retrieved from <https://hbr.org/2015/12/what-is-disruptive-innovation>
- Côrte-Real, N., Ruivo, P., & Oliveira, T. (2019). Leveraging internet of things and big data analytics initiatives in European and American firms: Is data quality a way to extract business value? *Information and Management*. <https://doi.org/10.1016/j.im.2019.01.003>
- Depósito de bagagem Funchal 24/7 | 5 localizações. (2023, October 26). *Usebounce.com*. Retrieved from <https://usebounce.com/pt/city/funchal>
- Forbes Portugal. (n.d.). Precisamos de desdramatizar o fracasso nos negócios e deixar de estigmatizar quem falha. Retrieved from <https://www.forbespt.com/precisamos-de-desdramatizar-o-fracasso-nos-negocios-e-deixar-de-estigmatizar-quem-falha/>
- FUTURE OF THE AIRLINE INDUSTRY 2035. (n.d.). Retrieved from <https://www.iata.org/contentassets/086e8361b2f4423e88166845afdd2f03/iata-future-airline-industry.pdf>
- Gowda, K., & Veena, M. N. (2024). Hands-free explorer: Traveling without baggage. *International Journal of Advanced Research in Computer and Communication Engineering*.
- Iivari, M. M., Ahokangas, P., Komi, M., Tihinen, M., & Valtanen, K. (2016). Toward ecosystemic business models in the context of industrial internet. *Journal of Business Models*.
- Japan National Tourism Organization. (2019). Enjoy the freedom and luxury of hands-free travel. *Japan Travel*. Retrieved from <https://www.japan.travel/en/plan/getting-around/luggage-storage/>
- Kotler, P., & Keller, K. L. (2016). *Marketing management*. Pearson Education.
- Kulaklı, A., & Arikan, C. L. (2023). Research trends of the internet of things in relation to business model innovation: Results from co-word and content analyses. *Future Internet*, 15(2), 81. <https://doi.org/10.3390/fi15020081>
- Li, X., Gu, B., & Liu, H. (2013). Price dispersion and loss-leader pricing: Evidence from the online book industry. *Management Science*, 59(6), 1290–1308. <https://doi.org/10.1287/mnsc.1120.1620>
- Luggage storage. (n.d.). *Insight Parrot*. Retrieved from <https://www.insightparrot.com/luggage-storage>
- Manufacturing a smart locker security system for public spaces using E-KTP as a primary access. (2022, August 10). *IEEE Conference Publication*. Retrieved from <https://ieeexplore.ieee.org/document/9915146/figures#figures>
- Marketeer. (2023). Turismo da Madeira bateu todos os recordes em 2023. Retrieved from <https://marketeer.sapo.pt/turismo-da-madeira-bateu-todos-os-recordes-em-2023/>
- Maslow, A. H. (1943). A theory of human motivation. *Psychological Review*, 50(4), 370–396.
- Nguyen, Q. H. (2021). Impact of investment in tourism infrastructure development on attracting international visitors. *Economies*, 9(3), 131.
- Osterwalder, A., & Pigneur, Y. (2010). *Business model generation: A handbook for*

- visionaries, game changers, and challengers*. Wiley.
- Porter, M. E. (1979). How competitive forces shape strategy. *Harvard Business Review*, 57(2), 137–145.
- Radical Storage company profile: Valuation, funding & investors - pitchbook. (n.d.). Retrieved from <https://pitchbook.com/profiles/company/185303-26>
- Stripe, Inc. (n.d.). Security at Stripe. Retrieved from <https://stripe.com/docs/security>
- Subash, A., Danny, C. S. A., & Vijayalakshmi, M. (2022). IoT-based secure luggage storage kiosk. *International Journal of Information Technology*, 14(3), 579–585. <https://doi.org/10.1007/s41870-021-00835-3>
- The Economist. (2018, October 31). The bag-storage industry is taking off. *The Economist*. Retrieved from <https://www.economist.com/gulliver/2018/10/31/the-bag-storage-industry-is-taking-off>
- Weinreich, S., Şahin, T., Huth, T., Breimesser, H., & Vietor, T. (2021). How to manage disruptive innovation: A conceptual methodology for value-oriented portfolio planning. *Procedia CIRP*, 100, 403–408. <https://doi.org/10.1016/j.procir.2021.05.095>
- United Nations. (n.d.). Sustainable Development Goals. Retrieved from <https://sdgs.un.org/goals#icons>

Appendix A: Other Financial Information

External supplies and services						
	2024	2025	2026	2027	2028	
Electricity, Water, Gas	300,00	600,00	600,00	900,00	900,00	
Fuels	0,00	0,00	0,00	0,00	0,00	
Office Supplies	200,00	400,00	200,00	500,00	500,00	
Rents and Rentals	6 000,00	14 000,00	14 000,00	19 000,00	19 000,00	
Communications	720,00	1 000,00	1 000,00	1 200,00	1 200,00	
Insurance	60,00	120,00	120,00	200,00	200,00	
Tools and Other Materials Quick-Wear	0,00	0,00	0,00	0,00	0,00	
Travel and Accommodation	300,00	1 000,00	300,00	2 000,00	1 000,00	
Fees	0,00	12 120,00	12 120,00	12 120,00	12 120,00	
Conservation and Repair	100,00	300,00	300,00	600,00	600,00	
Marketing e Advertising	7 500,00	10 000,00	7 500,00	12 000,00	12 000,00	
Cleanliness, Hygiene and Comfort	0,00	0,00	0,00	0,00	0,00	
Accounting, Lawyers, etc	1 800,00	1 800,00	1 800,00	1 800,00	1 800,00	
Other Expenses	0,00	500,00	500,00	1 300,00	1 300,00	
TOTAL	16 980	41 840	38 440	51 620	50 620	

1 INCOME STATEMENT						
	2024	2025	2026	2027	2028	
INCOME						
Sales and service provision	25 000	54 000	71 100	87 800	105 360	
Production variation	-	-	-	-	-	
Own enterprise work	-	-	-	-	-	
Additional income	-	-	-	-	-	
Exploration Subsidies	-	-	-	-	-	
Other operating income and gains	-	-	-	-	-	
TOTAL INCOME	25 000	54 000	71 100	87 800	105 360	
EXPENSES						
Cost of goods sold						
External supplies and services	16 980	41 840	38 440	51 620	50 620	
Staff expenses	15 147	15 147	15 147	15 147	15 147	
Depreciation expenses	1 686	3 322	3 439	5 075	5 075	
TOTAL EXPENSES	33 813	60 309	57 026	71 842	70 842	
OPERATIONAL RESULT	-8 813	-6 309	14 074	15 958	34 518	
EARNINGS BEFORE TAX	-8 813	-6 309	14 074	15 958	34 518	
Tax on year income	-1 763	-1 262	2 815	3 192	6 904	
NET RESULT	-7 051	-5 048	11 259	12 766	27 614	

INVESTMENTS							
Depreciation Rate	EQUIPMENT	Initial Investment	2024	2025	2026	2027	2028
33.33%	Computers	150,00	0,00	0,00	350,00	0,00	0,00
25.00%	Automobiles, Commercial Vehicles	0,00	0,00	0,00	0,00	0,00	0,00
12.50%	Commercial Furniture	0,00	0,00	0,00	0,00	0,00	0,00
25.00%	Printers	0,00	0,00	0,00	0,00	0,00	0,00
5.00%	Commercial Buildings (shops, warehouses, offices, ...)	0,00	0,00	0,00	0,00	0,00	0,00
25.00%	Lockers	3 045,00	0,00	3 045,00	0,00	3 045,00	0,00
25.00%	Hardware	3 500,00	0,00	3 500,00	0,00	3 500,00	0,00
0.00%	Software	4 654,00	250,00	2 700,00	0,00	2 700,00	0,00
25.00%	Equipment 8	0,00	0,00	0,00	0,00	0,00	0,00
		11 349,00	250,00	9 245,00	350,00	9 245,00	0,00