IEOR290 - Gardening of the Future

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This work was created in an open classroom environment as part of a program within the Sutardja Center for Entrepreneurship & Technology and led by Prof. Ikhlaq Sidhu at UC Berkeley. There should be no proprietary information contained in this paper. No information contained in this paper is intended to affect or influence public relations with any firm affiliated with any of the authors. The views represented are those of the authors alone and do not reflect those of the University of California Berkeley.
US millennials don’t know how to treat plants
Solution: App to help choose & treat plant
Value along the whole Customer experience

Choose

Manage

Share
27M in the US interested upon exposure

15-40, urban, employed, USA – 80M

Interested in plants – 91%¹

Problems to keep plant – 71%¹

Interested in app when exposed– 53%²

Total market size: 27.4M User

¹ According to a survey with 111 responses conducted on Survey Monkey
² Estimated based on a survey with 30 respondents („How likely are you going to use the App?“ 5=100%; 4=50%, 3=25%, 1-2=0%)
The current prototype
Three main revenue streams identified

- Ads
- Share of sales
- Premium users
Three main revenue streams identified

![Graph showing revenue over time.]
Three main revenue streams identified

- $50,000.00
- $100,000.00
- $150,000.00
- $200,000.00
- $250,000.00
- $300,000.00

Time in Months

Graph showing:
- Ads (blue line)
- Share of Sales (red line)
Three main revenue streams identified

![Graph showing revenue streams over time]

- Ads
- Share of Sales
- Subscriptions
Three main revenue streams identified

- $100,000.00
- $200,000.00
- $300,000.00
- $400,000.00
- $500,000.00
- $600,000.00

Time in Months

Ads, Share of Sales, Subscriptions

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Berkeley
When asked “What do you like best about the App?“ (extract)

- Easiness
- Interface
- Giving the answers feels easy
- Usability
- It was great to be able to buy it fully online
- That it is for free
- The ease of use
- That you actually get a specific answer for what kind of plant that suits your specifications.
The competition has largely ignored digitalization

Choose plants → Buy a plant → Reminders and help to keep it alive

- Garden Plan Pro
- Garden Manager: Plant Alarm
- Garden Time from Burpee
- GrowIt!
- Gardroid
International and diverse team

Felix Fischer
CEO
Bosch & BCG
M.Sc in Industrial Engineering

Arman Jabbari
CTO
Optimization and Analytics expert
Ph.D. candidate at UC Berkeley
Natural born gardener

Marius Svenungsen
COO
Startup experience
M.Sc in Mechanical Engineering
Customer Insight
Positive cumulative cash flow after 18 months

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
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</thead>
<tbody>
<tr>
<td>Development Cost</td>
<td>$50,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>Advertising Cost</td>
<td>$10,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Total Burn rate /month</td>
<td>$5,000</td>
<td>$10,800</td>
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<tr>
<td>Year</td>
<td>Quarter</td>
<td>Milestone</td>
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<td>------</td>
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<td>---------------------------------------------------------------------------</td>
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<tr>
<td>2016</td>
<td>Q3</td>
<td>Launch test version (Configurator)</td>
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<tr>
<td></td>
<td></td>
<td>Gather &amp; enhance plant info</td>
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<tr>
<td></td>
<td>Q4</td>
<td>Launch Version 1.0</td>
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<tr>
<td></td>
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<td>Find a gardening partner for sales</td>
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<tr>
<td>2017</td>
<td>Q2</td>
<td>Launch Version 2.0</td>
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<tr>
<td></td>
<td>Q3</td>
<td>Subscription model</td>
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<tr>
<td></td>
<td>Q3-Q4</td>
<td>Focus on growth</td>
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<tr>
<td></td>
<td>Q2</td>
<td>Break Even</td>
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<tr>
<td>2018</td>
<td>Q1-Q2</td>
<td>Focus on growth</td>
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<tr>
<td></td>
<td>Q3-Q4</td>
<td>Find international partners</td>
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<tr>
<td></td>
<td></td>
<td>Improve monetarization</td>
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<tr>
<td></td>
<td>Q3</td>
<td>Revenue run rate &gt;$500,000</td>
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</tbody>
</table>
Our Ask

Mentorship

$100,000

Gardening of the Future

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