

## **ECACEE – Case study business plan NaturVention**

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## Foreword

Dear reader,

Team EcoGrad include four members, Greta Aleknavičiūtė (Lithuania), Agata Kosmalska (Poland), Daniel Nuñez Vailño (Spain) and Raïssa Verpalen (Belgium). As you can see, four total different cultures with five different visions.

We have been working for two weeks on an innovation for the Company Naturvention. First we will give a view about the general market, then about the company, what they do, history and growth...

Thereafter marketing with the 4 P's, Swot analysis etc... We decided to keep this part very basic. The last part is all about our innovation, and finished with the communication strategy.

We hope that you enjoy reading our paper.



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# 1 Current market

## 1.1 General

Technology the green wall in the interior. Until recently, the slogan green wall sounded rather enigmatic, today, vertical gardens adorn public buildings, offices, private residences, winter gardens. They are spectacular design element and create a special microclimate. They are also an expression of the ecological approach to daily existence and our desire to live close to nature, because who of us does not dream of escaping to places in which we get rid of stress and breathe full breast. Although modern environment full of concrete and glass is not conducive to realizing the dream of a soothing touch of nature, it is the green wall allows you to break the monotony of urban space. Beneficial effects of green on the conditions of human functioning is perceived practically forever. The presence of plants in our environment has a positive effect on our psyche and health, is also of great important for designer. The live with the green wall is friendly for eco live. Appreciating the important role of plants in our daily lives present a green wall technology, which allows the transfer of a fragment of the garden, the interior of our homes, offices, public places.

## 1.2 Competition

The competitive market is not one of the things were Naturvention focuses on. They don't have a good view on the competition. They just do what they need to do and want to do. But there is an aspect they can not forget when they think about globalization. Perhaps other companies will make fake products with a lower and weak value. Naturvention has a patent on their idea so this gives them a certain guarantee..

## 1.3 Segmentation

Nowadays the company focuses only on the business to business market.

### 1.3.1 B2B

Business-to-business oriented, we can distinguish segments. First there is the professional client, institutional departments and municipalities.

## 2 Company

### 2.1 History and growth

The company exists now for four years. It is a young and fresh company. Just three simple guys with a different background came together as friends and talked about daily things in life. They shared the same values and attitude to life. They created a successful story: Naturvention. They want to be the next: Angry Birds, this is possible because they can combine nature and technology.

### 2.2 Company activities

There is just one company since 2010 located in:

Naturvention Ltd

Laukaantie 4

40320 Jyväskylä Finland

#### 2.2.1 Who?

Naturvention combines nature and technology to create healthy, natural indoor air! We create natural air indoors exactly the same way as nature does outside – we've just made it 100 times more efficient. Our patented active greenwall aka. FreshWall is the same as 6300 normal plants when it comes to air purification efficiency! So fresh, so clean. Demand healthy indoor air to your working environment. Don't settle for repeating headaches, fatigue and unhealthy chemicals.

### 2.3 Mission and vision

#### 2.3.1 Mission

Mission statement: *"Being pioneer in the world's biggest problems. Healthy air and connection to nature should be available for everybody."*

They want people to improve a healthy lifestyle and help them with making the right decision to do this. Naturvention believes that people have the choice to make decisions that reflect their attitudes and values. Their goal and mission are helping these people and make a healthier environment in their life.

The focus is of Naturvention is customizing a new development. They want to make their proposition more attractive, unique and relevant. Maybe to enter a new segmentation: Business to consumer.

### **2.3.2 Vision**

Our solutions will help people to understand nature's effect on their everyday life. By 2020, our solutions will make it possible for everyone to have the best indoor air and automatic vertical production of edible plants around the globe. All this will be achieved naturally, saving space and as automatically and easy as breathing.

Internal and external communication and dialogue are integral in Naturvention.

### **2.4 Marketing strategy**

The marketing strategy is not that difficult. They focus on the basic things in the company and want to bring simplicity to the world. Naturvention hopes to become a company with a great success, they want to create a consistent place in the market and remain a market leader.

## 2.4.1 Four P's briefly

### 2.4.1.1 Product

The company produce green walls. They combine nature and technology together.

### 2.4.1.2 Place

The company imports plants from the Netherlands. Consumers can choose a different type of plant. They are selling greenwalls in Finland and recently also in Russia.

### 2.4.1.3 Price

Naturvention sells a product that delivers the best results at a fairly reasonable price. The price is maybe higher than normally expected, but that is justified because the product has high benefits. Cost for one month is: €1,00. The pricing method used is the cost-plus method. Production costs are predetermined and on top of that Naturvention has a certain profit margin to arrive at their price.

The product prices in this company– 3900 EUR. 63 plants are on one wall. To make one wall for the company it costs 2000 EUR. This includes transport and installation.

### 2.4.1.4 Promotion

Company does not pay a lot of attention for promotion, but they have their own website << <http://www.naturvention.com/>>> and they have some brochures. Naturvention has a limited marketing budget and focuses on the prospects and personal contacts.

## 2.4.2 Positioning

How we stay in the market is really unique. Not because the unique method we use to combine nature and technologies together. But due to the recognizable solutions. Naturvention does not sell a full milieufriendly product but uses many ideas what concerns recycling. They are different from the competitors therefore their positioning is very strong.

## 3 Market analysis

Finland is one of the better places to start a business. Finland's job market is the least flexible of the Nordic countries. Greenwall is a new product, which can provide more benefit. It is very important to choose a country that meets all the criteria.

### Social

Finland numbers some 5.4 million and has an average population density of 17 inhabitants per square kilometre. This makes it the third most sparsely populated country in Europe, after Iceland and Norway.

### Market size

Finland has a highly industrialized, mixed economy with a per capita output equal to that of other western economies such as France, Germany, Sweden or the United Kingdom.

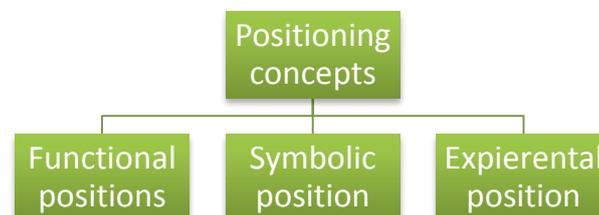
Market size will be growing within the next few years. We are expecting that the ecological awareness among people of every age will increase.

The company has no competitors that produce the same products in Finland.

### Political

Finnish politicians have often emulated other Nordics and the Nordic model Nordics have been free-trading and relatively welcoming to skilled migrants for over a century, though in Finland immigration is a relatively new phenomenon.

### Technological



#### Functional positions

- Solve problems ( air, health problems)
- Provide benefits to customers
- Get favourable perception by investors (stock profile) and lenders

#### Symbolic positions

- Self-image enhancement
- Ego identification
- Belongingness and social meaningfulness
- Affective fulfillment

#### Experiential positions

- Provide sensory stimulation
- Provide cognitive stimulation

## 4 Goals

The marketing goals are not that difficult for Naturvention. They want to focus more on the healthy aspect from the product. They want to create more contacts and create more efficiency for everybody. Because there is a limited budget for marketing and communication they can focus more in the public relations and try to stand in the spotlight by every green activity or event.

It is also important to take chances, chances to go over the border and create an international company. Ecovention want more employees located in the countries for prospects.

## 5 SWOT-analysis

| Strengths   | Weaknesses   |
|---|--|
| <ul style="list-style-type: none"> <li>• Multidisciplinary team</li> <li>• Keeps costs down</li> <li>• Difficult to copy</li> <li>• Innovation and technology</li> <li>• Improving environment</li> <li>• Skills, competencies, knowledge and experience</li> </ul> | <ul style="list-style-type: none"> <li>• Internal constraints</li> <li>• Knowledge of foreign markets</li> <li>• Employ the right people to manage projects</li> </ul> |
| Opportunities   | Threats  |
| <ul style="list-style-type: none"> <li>• The overall situation in the economy</li> <li>• Trend</li> <li>• Unique skills</li> <li>• Internationalization</li> <li>• Devolp new products</li> <li>• Franchsing</li> </ul>   | <ul style="list-style-type: none"> <li>• Globalization → cheaper</li> <li>• Competition</li> </ul>   |

## 6 Laws and regulations

Now they use unfriendly materials like plastic. There are also logistic problems with trucks. In the future they want to use recyclable products. To make Naturvention as a real ecologic company. When we think about sustainability we can conclude that the product is an investment that on long term will get some good benefits. Now for the plants they also use recycling water.

Now at the moment the competition is low. Ecovention got a patent on their product. There is a risk when they are launching the greenwall on the Chinese market that there will be a lot of copies. But about the experience and unique techniques it will be difficult to copy.

Finland provides many good examples of how to protect the natural environment. The Finns have a lot of (more than 20) Acts, which regulate the pollution of the environment. As one of the world's wealthiest industrialized countries Finland is also able to afford vital environmental investments. Finland's low population density and comparatively unspoilt natural environment also facilitate nature conservation. Finland's strengths include highly effective environmental administration and legislation, and the ways environmental protection is considered in all sectors of society.

The Environmental Protection Act requires business owners to be sufficiently aware of the environmental impacts and risks associated with their operations, and also of using the best available technology for reducing harmful emissions.

The Ministry of the Environment is responsible for environmental management.

## 7 Finance

Indicate whether the business idea will be financially profitable

We think that the business idea will be financially profitable, because we want to make a cheaper product and it will be available for all the people.

| Now 2014                  |                   |                      |
|---------------------------|-------------------|----------------------|
| <b>Plants in one wall</b> | <b>Prime cost</b> | <b>Selling price</b> |
| 63 plants                 | € 2000            | € 3900               |

Today "Naturvention", the company can make 1900 euro profit from 1 sold plant. The main users are especially companies. One plant prime cost – 31,74 Euro.

| After 3 years             |                   |                      |
|---------------------------|-------------------|----------------------|
| <b>Plants in one wall</b> | <b>Prime cost</b> | <b>Selling price</b> |
| 25 plants                 | € 793,65          | € 1547,60            |

With our innovation product the prime cost of one our product – 793,65 euro and consumers will buy it for 1547,60 it is 2352,38 Euro cheaper than the green wall product. We believe that the user increase will make more profit.

|               | Now 2014   | After 3 years |
|---------------|------------|---------------|
| <b>Income</b> | € 100.0000 | € 150.0000    |

Nowadays „Naturvention“ company has 100.0000 Euro incomes after three years we think that company will have 50.0000 euro more, because we hope to attract more sponsors, we think about better advertising.

| Prime Cost          | Sell Cost | Sales ( number) | Profit         | Expense |
|---------------------|-----------|-----------------|----------------|---------|
| € 793,65            | € 1547,60 | 120             | € 185712       | € 95238 |
| <b>GROSS PROFIT</b> |           |                 | <b>€ 90474</b> |         |

We think that our company can sell 120 production per year, so "Naturvention" company can earn more than € 90474 per year. 120 production will cost for company € 95238 .

## 8 Innovation: Air Roller from team Eco Grad

### 8.1 Introduction

Naturvention want to be a pioneer in solving problems. They want to create a healthy life for everybody, with fresh air, food and nature. They combine nature and technology and use this in their innovations. These main topics are the basic for our idea and innovation. The green wall creates the best natural indoor air and solves even the hardest sick building problems

We want to understand and help people.

#### **Situation 1:**

Imagine a young couple living in the capital of a big city. They are living in a small cosy apartment and work from nine to five. During this day they breathe two firetrucks, so we think that fresh air is determinative for a healthy life.

#### **Situation 2:**

Or maybe we don't have to search that far, in Finland there are a lot of sick buildings. Finland is a country with a lot of nature, but still is there a problem with mold. Approximately as many as 600,000 – 800,000 Finnish people out of 5,4 million are exposed daily to indoor contaminants and impurities caused by mold. At worst, these indoor contaminants cause permanent and severe illnesses.

As Naturvention we want to see solutions and this is the reason to enter the business to consumer world. Business to consumer can bring us in the future solutions for people with health problems, or for the people who live in a closely populated city.

In our opinion it is important to create a fixed value on the market for the consumer who needs us. So we brainstormed for days and change our ideas several times. We decided to create a multifunctional product.

First we want to focus on our target group. Who needs our product, who is prepared to buy our idea?

## 8.2 Target groups

One of our goals is that needs can be stratified as easy as possible. We talked with several people about the environmental problems in Finland, asked their opinions and scores. We can conclude that we have to focus on a very wide type of persons. A lot of kids have health problems, and a lot of the adults work indoors from nine to five. We have to focus on the purchasing manager, and confront them with the problems.

Our target groups are: the babyboomers, generation X and generation Y, we want the best for everybody.

**Babyboomers:** in 2014 they will have enough money, retirement, possible health problems.

**Generation X:** 1956 - 1970, are parents with children and want the best for them.

**Generation Y:** Young couples who can't afford a house in the countryside and need a touch of nature inside their apartment.



### 8.3 Model and design

The efficiency of the Freshwall is based on active growing technique in which the plants grow without soil. We want to use the same system in our innovation. The main idea is that the fresh air circulated in the house.

Our idea is based on multifunctional movement in the house. The model is a tube and round the tube you can find different types of plants. We don't want to create one place in the house where the Air Roller is standing. But we want to make it flexible and comfortable everywhere in the house.

The air wall also contains wheels to make the placement in the house easier.

The light on the air wall is normally very basic and bright. The atmosphere is not cosy. When you have the Air Roller in your house you don't want too much light and adjusting it in different situations.

So we designed three types of lights inside the Air Roller.

1. Work light (kitchen, office, bathroom...)
2. Atmosphere light (living room, bathroom, bedroom)
3. For the kids (sleep indicator light)

### 8.4 Dimension

If we know that one freshwall has sixty three plants and a dimension from 220x105x45 centimeters, this wall is enough to clean about 100 square meters space. We have to decide to make it easier and consumer friendly. We want to create our Air Roller in a medium version, a medium version with 25 plants with a dimension of 88x42x18, and the power to clean 40 square meters. (We got to this result because 25 plants are 2,5 times less than 63 so we divide the centimeters in 2,5.)

### 8.5 Why the Air Roller?

1. Destroys microbes.
2. Naturalized air is blown back to room by extra quiet fans.
3. It has its own closed ecosystem so water stays nice and clean.

Conclusion: more than 100 times more efficient air cleaning instead of house plants.

## 8.6 Place

We want to sell the products business to consumer. We have to make our product more available to the consumers. The place will be the same as the company now, where the Business to business center is. We want to cut in costs and use the most efficient ways to sell our new innovation. The heart of the company is in Finland so we want to focus in Finland. This makes the personal contacts and prospects possible which is very important when you launch a new product. After one year we want to sell out product the Air Roller in local shops like: 'luxurious' garden shops, Health centers. After maximum two years we want to globalize the Air Roller to countries where the need is high.

## 8.7 Goals

We divided this topic into two parts: 1. Consumer directed and 2. Financial expectations.

### Consumer directed

1. Consumer directed
2. More knowledge by the consumers
3. Make it clearer that there is a solution for the bad health problems.
4. Available price

### Financial expectations

| Plants in one wall | Prime cost | Selling price |
|--------------------|------------|---------------|
| 25 plants          | € 793,65   | € 1547,60     |

With our innovation product the prime cost of one our product – 793,65 euro and people will buy it for 1547,60 it is 2352,38 Euro cheaper than green wall product. We believe that the user increase will make more profit.

The price also included transport, installation, and guarantee. We also encourage the people to tell other people about the Air Roller, and they will get a present for it.

## 8.8 Corporate social responsibility

We divided this part into two pieces. Internal and external activities of the company.

### 8.8.1 Internal

We would like to have more team activities.

#### *"The Green day"*

Every last Friday of the month the employees have to bring their own home cooking meals. We also want to turn off the heating and try to use so less unfriendly materials. We want to create this moment because the team by Naturvention is really multidisciplinary. It is important that they keep communication with each other and talk about ideas, barriers and options. To make a real strong team.

Motivate the employees to use no plastic materials, bring their lunch into reusable packaging, carpooling. Over a few years Naturvention wants to be also ecofriendly as possible using recyclable products.

### **8.8.2 External**

We would like to have more knowledge. Because our budget is very low we want to focus on public relations. Participating on local events, organizing competitions where a consumer can win the Air Roller for a few months. We want to create a new value for the consumer market. We want to let the people bring their old Air Rollers back so that they can get a reduction by the new purchase. Naturvention is going to recycle the used walls and rollers.

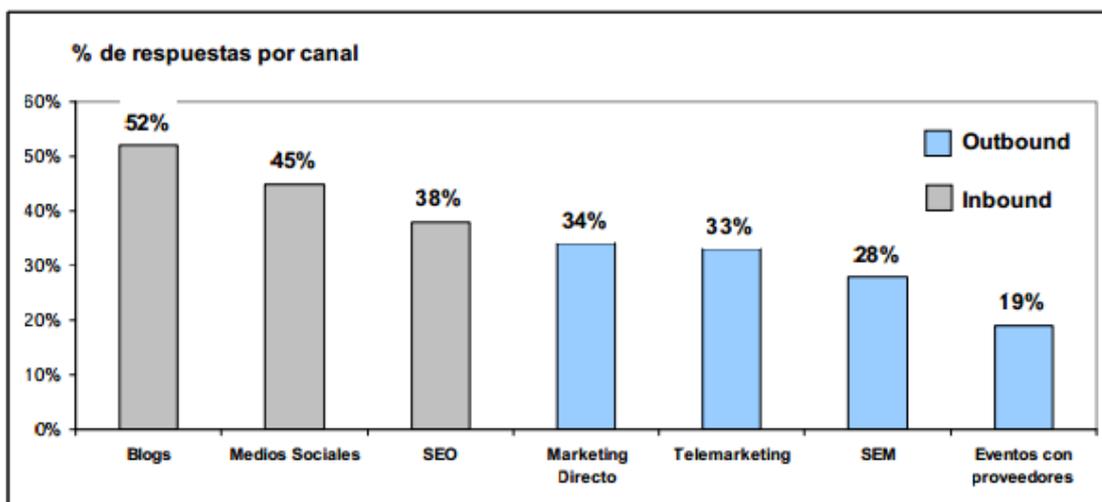
## 9 Communication strategy

In our communication strategy we will focus on the technique known as Inbound Marketing. It refers to all technical and actions communication intended to reach consumers in a non-intrusive way in the Net, discarding actions that annoy the user and cause an interruption in your unwanted activity, particularly its navigation in digital environments.

The premise of that strategy is to provide information on social platforms valuable, to instruct, amuse and / or excited, and show quality content that will make its user who decides if he/she wants to know more about a company, a product or brand.

The study, "The 2012 state of Inbound Marketing" by HubSpot shows how the three main techniques include Inbound Marketing are for companies surveyed, actions that produce a lower cost per lead, being blogs the cheapest source leads.

Lower cost per lead



Source: HubSpot

The initial phase would be to create a website and a blog which generate content to assist in search engine positioning, leveraging social networks and other channels outside the company to disseminate the content and achieve notoriety and brand visibility. In a second phase there would be interacting with online users: listen to the user, which enables it to detect new business opportunities, and give feedback.

Users viewing content generated by the web are called as potential early adopters and they are looking for solutions to the problem that you want to solve before that they know you so they value your product and they have money to buy it. They accounted the 13.5 percent of the market and they are the first people that generate profits for your company and if you find them, your success is sure.



And if the users who after visiting the site, contact the company, through a contact form or company profiles in social networks; here is where the ROI on content marketing begins to take shape, after generating brand image and got traffic to the website and the potential early adopters have more odds to become in real early adopters .

The recommendations still have more weight, as it these are users who prescribe the product / service, company or brand and provide positive references to other potential customers, and users who contact with the company thanks to a recommendation. We must not forget the value that this information has to develop the product like the consumer wants.

Both qualified as the user contacts the touch thanks to a company recommendation can generate sales or not, but help build online reputation of the company thanks to the knowledge and dissemination of content. Finally, after themselves known, interact with users, attract targeted traffic to the website and get users to contact the company, the company and have the opportunity to generate sales and above all, customer loyalty through product quality and service.

From social networking publications providing information of interest to the creation reference a blog with regular articles, drawing tutorials, podcasts, channels of video marketing, application development or reporting of industry case studies or any material related to the scope of the company that can provide a benefit selflessly target audiences may form part of the content strategy, whenever relevant to the audience.

You can check some of our strategy of communication:

<http://danielondres.wix.com/cleanair>

## Ecograd has the solution!

### Clean air!

If you haven't got a clean air, maybe you could feel identified with some of the following symptoms:

**Fatigue.**  
**Redness of eyes.**  
**Rash.**  
**Sore throat.**  
**Dry skin.**  
**Throat irritation.**  
**Runny nose.**  
**Headache.**  
**Sneezing.**  
**Dyspnea.**  
**Lack of concentration.**  
**Itchy nose.**  
**Dry eyes.**



## Ecograd has the product that going to improve your life!



We enhanced nature's air purification with new technology. Thousands of years plants have developed their ability for air purification. We took this on to a new level by improving airflow and ease of maintenance.



### Air Impurities Removal Systems

Impurities in and clean air out. Plants capture, break down and use impurities of air as nutrients in parks and forests. FreshWall active greenwall does the same indoors.



Clean, natural air effortlessly. FreshWall active greenwall is so easy to take care of that you can just concentrate on enjoying it. Smart automatic and our maintenance make sure the wall always looks great and performs as it should.



Answer for dry and impure air. When dirty air is pulled through the root zone of the plants, microbes break down impurities. Active green wall also increases humidity of indoor air and makes it more pleasant to breathe naturally.



Increased the health of your family. Thanks to clean indoor air and fresh looks of the active green wall, sick leaves decrease and the health of you and your family increases.



No soil, no flowering plants - no allergies. We use the least allergenic plants available. We are also not using soil or other allergy-causing elements.

Content marketing is profitable for the company for four advantages:

- Differentiation and visibility: in a saturated environment, can become a competitive advantage over other similar companies.
- Credibility: generate valuable content related to the sector aid brand to position itself as an expert, providing information that can help the user in the decision-making process of purchase and consumption.
- Engagement: establish a link with the public beyond the transaction trade through storytelling.
- Bandwidth: the contents of interest may motivate potential customers and generating business opportunities, improving the web traffic and SEO.

Below find the link to our facebook page: [www.facebook.com/pages/Air-Roller/557207337734363?ref=hl](https://www.facebook.com/pages/Air-Roller/557207337734363?ref=hl)

The other part in the communication is face to face. We want to participate in exhibitions for consumers, think about life style events. Also participating on local events are one of the actions we want pay attention on.

## 10 Conclusion

Company Naturvention, develops new methods of preservation, consistent with the nature of space for people, leading this research program and manufacturing this product for four years. Innovative projects based on sustainable development and environmental protection, are very necessary in the era of modern civilization and frequent contamination of the environment.

After two weeks of hard working together we can conclude that we made this project to a good end. The visits at the different companies were a value to create a new innovation for Naturvention. We based our new innovation on the visits and ideas that we were thinking about. We chose the best idea, to make it available for everyone.

In our opinion is it important that everyone deserves a healthy and happy life. It will be the best choice in both directions, for the company Naturvention and the consumers. Being realistic was one our main goals for creating the innovation. We hope that Naturvention gets inspired by our idea and vision.

We want to thank everybody for organizing this international project. All the teachers who helped us with giving feedback, motivating us etc... Also the two lovely girls, Heidi and Phila for all the good work they did.

We can look back to two amazing weeks in Finland, Jyvaskyla, with amazing peoples with different opinions and lifestyles.

Team EcoGrad,

Greta Aleknavičiūtė

Agata Kosmalska

Daniel Nuñez Vailño

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