

A Work Project, presented as part of the requirements for the Award of a Master's degree
from the Nova School of Business and Economics.

**STRATEGIC REFLECTION OF THE APPS FOR GOOD'S
BUSINESS MODELS TO MAKE IT FINANCIALLY SUSTAINABLE
AND INTERNATIONALIZATION PLAN**

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**NAVIGATING NEW HORIZONS: CRAFTING AN EFFECTIVE GO TO
MARKET STRATEGY FOR INTERNATIONAL EXPANSION**

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19/12/2203

Abstract

This thesis addresses the financial sustainability challenges of Apps For Good and supports its ambition to expand its impact internationally through the development of strategic business model innovations and a profound internationalization strategy. The thesis is divided into five core segments: an analysis of AFG's current status, improvements to the business model within Portugal, exploration of potential international markets, formulation of a market entry strategy, and a financial forecasting analysis. This approach aims to transform AFG into a financially sustainable and internationally recognized program, increasing digital literacy and fostering digital innovation globally.

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1. Introduction (Group Part)

In an era where digital literacy is not just a skill but a necessity, the transformative role of educational programs like Apps For Good (AFG) cannot be overstated. Originating in the UK and now flourishing in Portugal, this program represents a beacon of innovation and hope. It stands at the intersection of education, technology, and social impact, uniquely positioned to empower the next generation. In a world increasingly governed by digital interfaces, the ability to not just navigate but also create digital solutions is vital. AFG, through its focus on problem-solving within the framework of Sustainable Development Goals (SDGs), is more than an educational program; it's a launchpad for future change-makers (Apps for Good 2023).

1.1. Problem Statement

Despite its noble intent and significant impact, the sustainability and expansion of AFG face considerable challenges. The program's reliance on sponsorships, primarily from the IT sector, poses a threat to its long-term viability. Moreover, its current operational model, while effective in Portugal, needs a strategic overhaul to facilitate internationalization. The core challenge lies in strategically refining AFG's business model to ensure financial sustainability and to lay a foundation for its global expansion. This necessitates a thorough understanding of the program's strengths, weaknesses, and untapped opportunities, especially in the context of a rapidly evolving digital landscape.

1.2. Approach of the Thesis

The overall thesis adopts a consultative approach to address the identified challenges. It is structured into five strategic topics, each developed by individual team members, with the Internationalization – Go-to-Market Strategy being the core topic of this document. The overall thesis is structured as follows:

Overview of CDI Portugal and Apps For Good: The first part involves a comprehensive analysis of the current state of AFG, focusing on its operational, financial, and educational impact in Portugal. It will identify the program's strengths and weaknesses, providing a foundation for enhancement strategies.

Business Model Innovation: How Apps for Good's business model can be solidified and improve financial sustainability: Building on the insights from the status quo analysis, this chapter aims to innovate and adapt the existing business model. The focus will be on diversifying funding sources and customer segments, enhancing customers willingness to pay, and maximizing impact.

Charting Global Pathways: A Comprehensive Analysis for Identifying Apps For Good's Optimal International Market: This section involves identifying potential international markets for AFG. It includes an in-depth analysis of environmental and economic conditions, market needs, cultural nuances and educational systems.

Navigating New Horizons: Crafting an Effective Go to Market Strategy for International Expansion: Based on the market analysis, this part will develop a tailored go-to-market strategy for the identified market. This strategy will include strategic considerations, marketing mix (4Ps), governance models, stakeholder analysis, timelines and challenges.

Towards sustainable Growth: A Financial Forecasting Model for Apps for Good: The final part will provide a financial projection and analysis, assessing the viability and scalability of the proposed business model changes and internationalization strategies considering a variety of potential scenarios.

Through this structured approach, the thesis aims to contribute significantly to making AFG a financially sustainable and globally recognized program, poised to combat digital illiteracy and foster digital innovation across borders.

2. Key Results of Preceding Work (Summary Individual Parts)

The following chapters shall give insights into the key activities, achievements, and results of preceding individual parts of this thesis in order to ease the understanding of the actual go-to-market strategy for internationalization described by the author in this document.

2.1. Overview of CDI Portugal and Apps For Good

CDI, the mother company of the AFG program in Portugal, embarks on a mission to make information technology accessible in underserved communities in Rio de Janeiro. The organization's vision was to harness the power of technology to bridge the digital divide, supported by a network of companies and dedicated volunteers. Over the years, CDI expanded its reach globally including an expansion to Portugal 2013 to empower individuals across different countries through strategic partnerships.

The educational initiative Apps For Good (AFG) complements the mission of CDI Portugal. The program encourages students to explore and develop mobile applications, aligning with the Sustainable Development Goals (SDGs). AFG is not just about technology education; it is a blend of technology, active citizenship, and empowerment, aiming to prepare young minds for the technological challenges of the future and unleash personal skills. AFG targets students in grades five to twelve and educators.

Central to its strategy is an online content platform to provide the course content, ensuring scalability and wide reach within the educational landscape accompanied by an in-class learning support through teachers and experts to ensure high student engagement. The courses offered are thereby tailored to different educational levels, with a special focus on technological education. It comprises various modules, including app development, user experience, app design, and machine learning.

To round off the entire program, an integral part are competition events. These events provide a platform for students to showcase their projects at local, regional, and national levels. It's an opportunity for them to demonstrate their innovation and the skills they've acquired throughout the program. The competitions select winners for the general contest as well as for dedicated sub-categories which are aligned with relevant topics to the current job market and industry. Competitions thus, are predestined to attract industry sponsors to fund events or categories in their area of interest.

In addition to its educational initiatives, AFG has also extended its reach to Portuguese prisons, emphasizing technological skill development among inmates. This initiative is a reflection of AFG's commitment to inclusive education and social empowerment.

In the following, a comprehensive analysis of Apps for Good's current business model formed the basis for identifying potential for improvement, but also for the subsequent internationalisation strategy. As a result of the analysis of AFGs ecosystem including an in-depth competitor, financial and SWOT analysis, several potentials for improvement have been identified. The key points for improvement where thereby, an identified lack of standardized processes, the lack of a collaborative ventures with tech companies, a low profitability of the overall program, a lack of a well-defined marketing strategy and limited scaling of the program to a broader range of beneficiaries (customer segment).

2.2. Business Model Innovation: How Apps for Good's business model can be solidified and improve financial sustainability

The following part formed an analysis of the actual improvements of AFGs business model proposed based on the status quo analysis. These improvements consist of a conceptualization of a faster and more specialized content generation process of online courses to increase AFGs value proposition, a concept to expand into the new customer segment universities, a new communications approach to approach new partnerships, an

innovative social media promotion tactics, and a revised pricing structure, all designed to increase subscription revenues and diversify revenue streams.

In order to reduce the dependency on major donors, a new crowdfunding approach as well as new sub-categories aligned with SDGs for competition events were introduced to attract a more diverse landscape of donors in the future.

2.3. Charting Global Pathways: A Comprehensive Analysis for Identifying Apps For Good's Optimal International Market

Building up on these business model innovations, an internationalization strategy shall be the backbone for an even more substantial increase of AFG's impact financial sustainability. In direct preparation of the Go-to-market strategy and to identify the most suitable market for expansion, a comprehensive two-phased country ranking analysis, supplemented by an in-depth PESTEL Analysis, was conducted. As a result, Spain and Ireland were identified as equally promising target countries for international expansion.

3. Navigating New Horizons: Crafting an Effective Go to Market Strategy for International Expansion (Luca)

In the dynamic landscape of digital education, the expansion of innovative programs like AFG beyond their origin territories represents a significant opportunity to effect global change. Hence, this chapter aims to build up on the country analysis performed in *Chapter Error! Reference source not found.*, by narrowing the analysis down to one target country and articulating a comprehensive go-to-market strategy that aligns with the program's ethos, while ensuring financial sustainability and scalability. The following chapter shall explore how AFG can replicate its Portuguese success on a global stage, amplifying its impact and fostering a digitally literate, problem-solving generation worldwide.

3.1. Market Selection and Strategic Considerations

3.1.1. The Target Country for Internationalization

As a foundation for the strategic expansion of AFG, a competitor analysis shall be performed to identify an optimal target country for internationalization. This analysis covers a large number of variables that are important for the evaluation of competitors business models in all their dimensions, including product features, target country, customer segment (Business-to-Business, Business-to-Customer, Business-to-Education), pricing, certifications/accreditation, online availability, customer engagement, program duration, impact focus, and course content. A detailed analysis of the competitors can be derived from *Appendix – Competitor Analysis for Internationalization*. *Figure 1 Competitive Landscape* provides an overview of the competitive landscape, simplifying the complexity of the analysis by solely distinguishing between the program's engagement with beneficiaries, as one key Unique Selling Point of AFG and the targeted customer segments only.

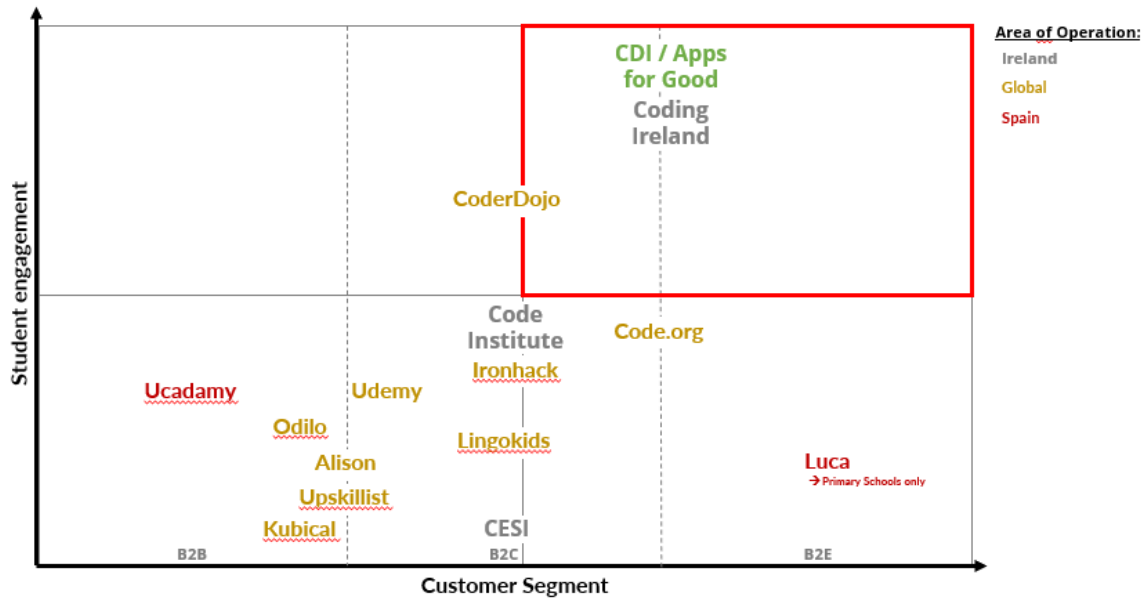


Figure 1 Competitive Landscape

The evaluation revealed a competitive EdTech landscape in both Ireland and Spain, dominated by entities in the B2B business, emphasizing hard skills for professional development. Although, the overall landscape contrasts with AFG’s unique focus on providing first and foundational access to the digital world rather than deep technical skills, three entities showed close similarities to AFG’s objectives and operational modalities:

Coding Ireland: Operational in Ireland only, offering a program similar to AFG. Their offerings include an online platform facilitating the integration of digital skills into school curricula, self-paced learning environments, teacher-friendly resources for easy facilitation, and a ready-to-deploy curriculum. (Coding Ireland 2023)

CoderDojo: Operating internationally, CoderDojo represents a network of free and local coding clubs for children and teenagers, focusing solely on coding. As a volunteer-led initiative, it fosters high engagement with participants. However, its lack of online presence limits its accessibility. More importantly, its direct targeting of individuals (B2C) contrasts with AFG’s focus on educational institutions (B2E) (Coder Dojo 2023).

Luca: Operating in Spain with a portfolio of video teaching, books, and screenplays, Luca's focus is on subjects like Mathematics, Spanish, and Science, excluding coding. Targeting a younger demographic of primary schools and operating online only, Luca lacks the personal engagement seen in AFG's model (Luca 2023).

The competitor analysis concludes that the EdTech market in Spain and Ireland is robust. However, a detailed examination of the main competitors revealed distinct differences between their objectives and those of AFG. Ireland poses a more competitive environment than Spain, as Irish competitors such as Coding Ireland, align more closely with AFG's objectives, including a similar product approach and target demographic, making it difficult for new companies to enter the market. Conversely, Spain provides a less saturated and more promising market for AFG's international expansion. As a result, Spain is chosen as the target country for AFG's internationalization strategy, defined in the following.

3.1.2. Strategic Foundations for AFG's International Expansion

To create a coherent understanding of CDI's internationalization goals, a clear expansion strategy based on Pankaj Ghemawat's AAA triangle shall be defined (Harvard Business Review 2007).

Ghemawat's AAA triangle outlines three distinct strategic responses to globalization:

Adaption (Localization): Focus on localizing products to increase market share and revenue. It is implemented through a country-centric organizational approach, ideally in markets like the home market (Harvard Business Review 2007).

Arbitrage (Exploitation): Exploit the differences between markets to the company's advantage, e.g. different cost levels for production across a variety of markets (Harvard Business Review 2007).

Aggregation (Standardization): Achieve economies of scale through standardization across multiple locations. It targets markets like the home market and is facilitated by cross-border mergers (Harvard Business Review 2007).

Four key dimensions of AFG's ecosystem determine the strategic course to be taken (Buisel 2023):

Product: The AFG online platform for course material builds the core of the product offer and shall be managed centrally in Portugal. The contents should always align with the global AFG methodology and leverage global technology trends but must be adapted to local languages and cultural nuances in Spain.

Team: AFG relies on experts to enhance the learning experience of students, as well as on local teams to organize regional and national competition events. The Portuguese team's resources are currently tied-up for local management and competition events execution, underscoring the need for efficient resource management during internationalization but also for local support in Spain.

Legal: The directives from AFG UK provide essential guidance and boundaries, particularly concerning learning methodologies and course content and shall be respected during internationalization.

Customer and Partners: Successful partnerships expansion hinges on robust local networks but are not yet existing in Spain.

This can be summarized in three strategic take-aways: Establish local networks in Spain, reuse existing courses where possible, and ensure resource efficiency. Consequently, a tailored strategy emerges, combining elements of Aggregation and Adaptation:

Aggregation for Economies of Scale: Aiming economies of scale and scope by targeting markets similar to the home base limiting the need of product adaptations.

Adaptation for Local Relevance: Emphasizing country-centered organizations to ensure local relevance and effective engagement.

This strategic focus, positions AFG for an effective internationalization process, balancing global scalability with local adaptability.

3.1.3. Lessons Learned from Previous Endeavors

The path to successful international expansion involves learning from past missteps. In fact, AFG UK has run a pilot project in Spain several years back in time already. The pilot failed. However, due to the time elapsed and the projects small impact radius, the pilot was not considered relevant for the previous target market analysis and selection. Rather, a retrospective analysis of the mistakes made in the past, shall now offer invaluable insights to strengthen AFG's position and support the success of the planned internationalization to Spain. Hence, for each mistake identified, mitigation strategies shall be defined.

Ignoring Local Educational Differences: The initial prototype in Spain failed to align with the diverse curriculums across the various autonomous communities, resulting in a poor fit and low adoption rates.

To avoid these mistakes in future endeavors, a thorough analysis is necessary to comprehend an autonomous community's specific educational framework and needs. If required, AFG should customize its content to align with and enhance the existing school curriculum within that community. Furthermore, close collaboration with local educational authorities and experts will help to gain insights and knowledge about the regional educational landscape.

Absence of a Local Team and Native Speakers: This led to significant communication barriers, cultural misunderstandings, and a disconnect with the communities, hindering the program implementation.

In order to prevent these mistakes in future endeavors, a dedicated local team, proficient in the native language and well-versed in the cultural and educational context should be recruited and trained. Furthermore, the local team should be integrated in all program stages, from initial planning to execution and feedback collection to leverage the local team's expertise and foster clear communication within the communities.

By internalizing these lessons learned, AFG can craft a more culturally sensitive and locally informed strategy for its renewed venture into Spain. The mitigation actions built the basis and shall be reflected in the detailed marketing mix for the Spanish market.

3.2. AFG's Marketing Mix for an Expansion to Spain

AFG's international expansion requires a comprehensive marketing approach based on the marketing mix, often described as the 4Ps: Product, Price, Place and Promotion. Each component plays a critical role in crafting a marketing strategy that resonates with the target audience while aligning with the overall goals of the organization (Twin 2023). In this chapter, for each of these elements it shall be examined how they can be tailored to the Spanish education sector, considering the AFG's product offering, market dynamics in Spain, past experiences and new business model innovations developed in *Chapter Error!*
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3.2.1. Place

The following chapter shall explore the strategic distribution of AFG within the Spanish market and delve into how the program's educational services are effectively delivered to schools, educators, and students in Spain.

3.2.1.1. Narrowing down the Target Market

Drawing from past experiences and lessons learned, a pivotal aspect of AFG's expansion strategy into Spain involves regional customization and recognizing the diverse legal, educational, and environmental factors unique to each Spanish autonomous community (Association of Accredited Public Policy Advocates to the European Union 2015).

To facilitate this, a detailed utility value analysis shall evaluate the attractiveness of different communities within Spain for a first pilot project. A utility value analysis serves as a tool in complex decision-making scenarios comparing diverse action options based on a set of criteria. The analysis is structured into several key steps: Explanation of initial position and decision situation, define criteria for evaluation, weighting of the criteria, determine the evaluation standard for each criterion, evaluation of the options based on each criterion and summing up and evaluating the utility analysis (FfE Munich 2020).

Hence, eight evaluation criteria are identified, with each assigned a weighting factor based on two main factors: potential for funding and opportunity to create impact. The better a KPI meets one of those factors, the higher its weighting.

Curriculum Strength: Evaluating PISA Study scores to identify impact areas.

- KPI: Lowest PISA scores – Weighting: 6

Demographics: Assessing student numbers and population.

- KPI: Highest student count – Weighting: 7
- KPI: Largest population – Weighting: 2

Tech Industry Presence: Analyzing the strength of the local technology sector.

- KPI: Strongest tech. sector presence – Weighting: 4

Economic Stability: Considering the economic prosperity of each community.

- KPI: Highest GDP per capita – Weighting: 1

Geographical Accessibility: Measuring proximity to Lisbon.

- KPI: Closest distance to Lisbon – Weighting: 3
- Governmental Support:** Gauging public and private educational funding.
- KPI: Highest public funding per student – Weighting: 5
 - KPI: Highest private funding – Weighting: 8

To ensure a robust evaluation and avoid distortion of results by outliers, absolute values of KPIs (e.g. for population or GDP) will be translated into a rank. The lowest score (indicating full fulfillment) will be set at the total number of options available (17 autonomous communities), the highest score to 1. The lower the total points, the better the ranking of the autonomous community.

The culmination of this analysis is a ranked list of the 17 autonomous communities, guiding the sequence of market entries for AFG’s expansion in Spain. The following communities present the most promising opportunities for AFG's: First, Catalonia, second Basque Country and third Andalusia.

The detailed analysis is provided in *Appendix – Utility Analysis Autonomous Communities*.

3.2.1.2. Organizational Type for Internationalization to Spain

In the second step, an evaluation of different organizational structures is crucial to build the foundation for expansion. This assessment is guided by the degree of control these structures offer over the new entity (from 1. highest control to 4. lowest control), but also their fit towards CDIs key needs identified during a potential expansion: gaining local expertise and protecting their resources and budget

1. Subsidiary	
Pros	Cons
<ul style="list-style-type: none"> • Full operational control. • Direct market engagement. 	<ul style="list-style-type: none"> • Investment and Operational costs. • Risk of cultural misalignment without local expertise. • Significant legal burdens.

Outcome: Given AFG's limited resources for substantial investment in Spain,

establishing a subsidiary is not an ideal route.

2. Joint Venture

Pros	Cons
<ul style="list-style-type: none"> • Shared risks and investments. • Benefit from the local partner's market knowledge. • Long-term commitment aiding stable operation. 	<ul style="list-style-type: none"> • Potential for conflicts. • Shared control may lead to complexities. • Legal and administrative efforts required.

Outcome: A joint venture stands as a viable option, particularly if a partnership with a local educational entity can be forged.

3. Strategic Alliance

Pros	Cons
<ul style="list-style-type: none"> • Flexible structure for easy adaptation. • Shared knowledge and resources, reducing market entry risk. • Focus on leveraging each partner's strengths. 	<ul style="list-style-type: none"> • Limited control over operations. • Dependency on the partner.

Outcome: Forming alliances with educational institutions or tech companies is viable but necessitates a dedicated team.

4. Franchise

Pros	Cons
<ul style="list-style-type: none"> • Low capital investment and operational costs. • Access to existing market knowledge and networks. • Potential for rapid expansion and scalability. 	<ul style="list-style-type: none"> • Reduced control over operations and quality assurance. • Dependency on franchisees' commitment. • Risk to brand reputation. • Challenges in finding suitable franchise partners.

Outcome: While not typically favored for rapid internationalization due to legal complexities and the time required to find partners, it is compelling for AFG as it presents an opportunity for steady generation and scaling, leveraging the brand's strength and core competencies in Portugal.

Table 1 - Comparison Organizational Type for Internationalization (BC Campus 2023)

Given AFG's existing scalable online presence, but limitations in resources and lack of market knowledge and network in Spain, the franchise model emerges as the most

promising. Even though, efforts for due diligence and selection of a franchise partner might be intense, this approach offers a balanced pathway to generate additional revenue and scale the operation in the long run, while allowing the organization to concentrate on maintaining its core competencies in Portugal.

3.2.1.3. Analysis of Potential Franchise Partners

In the quest to identify the most suitable franchise partner for AFG's expansion to Spain, a utility value analysis provides the necessary framework, using AFG's weaknesses to be complemented in the context of internationalization as evaluation criteria for franchise partners and thus ultimately as indication of the required franchise partner profile.

The analysis assigns weights to these criteria based on their relevance to market entry. The most significant weaknesses - lack of market knowledge and established networks in Spain are given the highest weights. Based on the high dependence on donations of AFG's business model, the funding attractiveness of potential partners is considered critical too. Credibility and operational capabilities are important but considered less critical.

Strengths of Apps for Good:

- Robust Curriculum Development.
- Deep Customer Understanding.
- Strong Student Engagement.
- Effective Training Programs.

Weaknesses of Apps for Good:

- **Market Knowledge** (weighting Factor 5): Limited understanding of the Spanish education sector (regulatory requirements, market dynamics, cultural nuances).

- **Established Networks** (weighting Factor 4): Lack of contacts to customers (schools, universities), sponsors and social or governmental organizations.
- **Operational Capabilities** (weighting Factor 2): Limited ability to support program logistics in Spain, including marketing, distribution, and customer service.
- **Credibility and Trust** (weighting Factor 1): Need to establish a reputable presence in Spain for program credibility and trust with stakeholders.
- **Funding Attractivity** (weighting Factor 3): Provision of funding or resources, including access to facilities, technology, sponsors, or financial contributions.

To find the best suitable franchise partner, a diverse set of representatives of various industry areas shall be analyzed, including human rights & social assistance NGO's, educational institutions, technology companies, governmental agencies, foundations, and publishing houses.

The evaluation of partners thereby relies on secondary data. To date a qualitative assessment of the potential partners has been performed rather than a comparison grounded in robust and quantitative data. As outlined in *Chapter 3.3.4*, a crucial step in the internationalization process involves conducting an extensive franchisee recruitment campaign. This effort shall enrich the preliminary evaluation in this chapter with facts and financial data obtained during negotiations and in-depth due diligence.

As the available data for evaluation does not provide the depth for each candidate to make an educated decision on the actual value for each evaluation criteria, the analysis shall be simplified. Each criterion shall be evaluated with 1 low, 3 medium or 5 high only. As a result, slight differences in the weighted end-result are not representative enough to justify a detailed ranking. Hence, the potential partners shall be clustered into four categories: Not

interesting (0-40 Points), Moderately Interesting (41-55 Points), Interesting (56-70 Points) and Very interesting (71-90 (max) Points).

The analysis shows that especially the domains of publishing houses and foundations in the educational sector show a high potential for franchise partners.

ID	Name	Domain	Weighted Result
1	Crue	Governmental Agencies	72
2	Fundación Telefónica	Foundations	78
3	"la Caixa" Foundation	Foundations	72
4	Fundación Princesa de Girona	Foundations	76
5	Fundación Trilema	Foundations	76
6	Santillana	Publishing Houses	76
7	Grupo SM / SM Foundation	Publishing Houses	72
8	Anaya Educación	Publishing Houses	76

Table 2 - Potential Franchise Partners - Category 4 "Very Interesting"

The detailed rankings and analysis of potential franchise partners are outlined in *Appendix – Utility Analysis of potential Franchise Partners*.

3.2.1.4. Building Blocks of a Franchise Agreement

A comprehensive and clear franchise agreement is critical for delineating the responsibilities and rights of both AFG and the franchisee (Fuchs 2021). While the specifics of such an agreement depend on the organizational structures, competencies, governance, and the chosen franchise partner, the following graphic shall provide a potential share of responsibilities between AFG Portugal and a Franchise Partner.

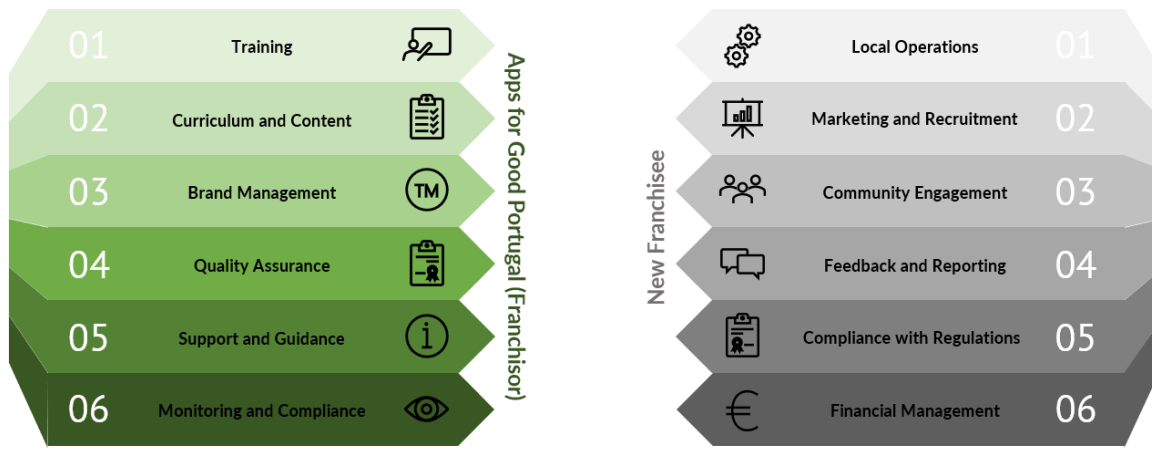


Figure 2 - Share of Responsibilities between AFG and Franchisee

In more detail the components described in *Appendix – Building Blocks Franchise Agreements* shall ensure the franchise agreement covers all aspects of the franchise relationship, aligning the franchisee’s operations with the overarching goals of AFG.

3.2.1.5. The Distribution Strategy

Building upon the status quo analysis in *Chapter Error! Reference source not found.* and the business model innovations for Portugal in *Chapter Error! Reference source not found.*, the distribution strategy shall be refined for the Spanish market within this chapter. The new strategy is structured as a three-tier system, each level designed to progressively widen the reach and impact of AFG’s product delivery.

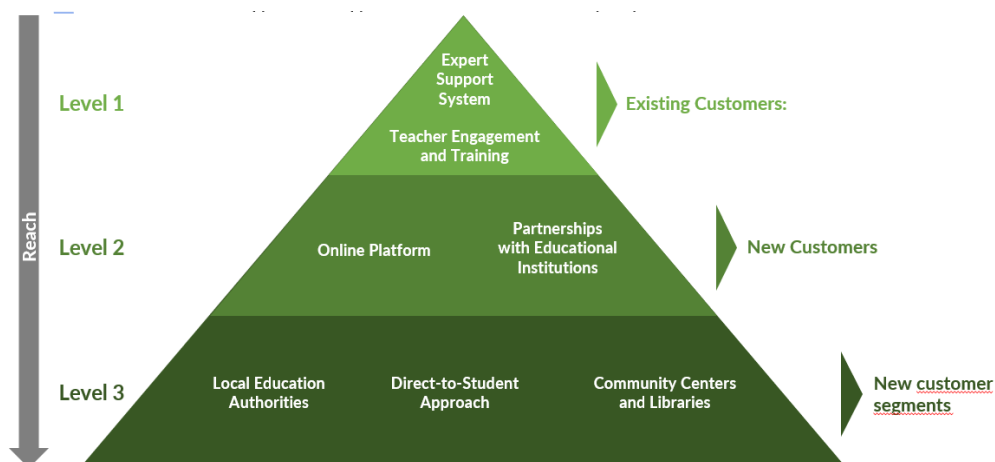


Figure 3 - Levels of Distribution Channels

Existing Customers: Deep engagement with existing customers via a detailed delivery of products, services, and methodologies, through:

Expert Support System: Leveraging expert knowledge to enhance the program's effectiveness and increase customer satisfaction and ultimately their retention rate.

Teacher Engagement and Training: Ensuring educators are well-equipped to deliver and support the AFG curriculum adequately.

New Customers: Direct delivery of products to primary customers and direct beneficiaries, through:

Online Platform: Utilizing digital means to provide access to the program content.

Partnerships with Educational Institutions: Personal interaction and partnerships with schools / universities to integrate the program into their offerings.

New Customer Segments: Expanding to new customer segments to further broaden the reach, through:

Local Education Authorities: Engaging with governmental bodies to incorporate the program into broader educational initiatives.

Direct-to-Student Approach: Reaching out to students directly, beyond institutional settings. This approach would require a new B2C marketing strategy.

Community Centers and Libraries: Partnering with public spaces to promote the program in their audience (individuals) striving to reach a more diverse community.

By adding a third level focusing on new customer segments, the aim is to increase the accessibility and impact of AFG, reaching a broader audience and embedding the program more deeply into the fabric of Spanish educational and community life.

3.2.2. Product

Reflecting on the strategic foundation described in *Chapter 3.1.2*, an adaptation of the product offering becomes essential to harmonize with the local educational environment while maintaining the core essence of AFG. In the ensuing sections, adaptations across four dimensions are proposed to align AFG's offering with the Spanish educational system.

Language Adaptation: Course content shall be provided in both Spanish and English, catering to a diverse range of schools, including international institutions. AI technologies and especially local teams and native speakers shall thereby utilized for content translation and adaption to cultural nuances.

Experts & Partners Network: New partnerships with local experts and institutions shall be formed to ensure curriculum relevance and practical applicability. On top of this, collaboration with Spanish tech companies to sponsor regional competition events shall be targeted.

Curriculum Adaptation: AFG's curriculum shall be aligned with the Royal Decree 217/2022, dictating key competences such as engineering, digital, entrepreneurial skills, personal/social/learning competence, and cultural awareness as mandatory building blocks of the compulsory secondary education (ESO) curriculum in Spain. (European Comission 2023).

Continuous Feedback & Improvement: A feedback system to continually adapt and refine the AFG program shall be established based on the experiences and needs of Spanish students.

From these adaptations, AFG is positioned to pursue two strategic directions that complement the Spanish ESO curriculum by enhancing students' learning experiences:

Pre-Secondary Education Courses: Providing students with initial exposure to topics in the ESO curriculum before they enter secondary education. This approach aims to prepare students and ignite their interest in key subjects.

Post-Curriculum Engagement: Building upon the ESO curriculum, targeting students who shown an interest in the subjects during secondary education. This strategy enables students to delve deeper into their areas of interest.

3.2.3. Promotion

For AFG in Spain, the promotion strategy centers around leveraging and expanding the competition event framework, successful in Portugal (compare *Chapter **Error! Reference source not found.***), to the Spanish market. This strategy is designed to increase visibility, engage stakeholders, and solidify AFG’s presence in Spain. Hence, a four-tiered competition event framework shall be implemented in Spain, with each level targeting a specific purpose.

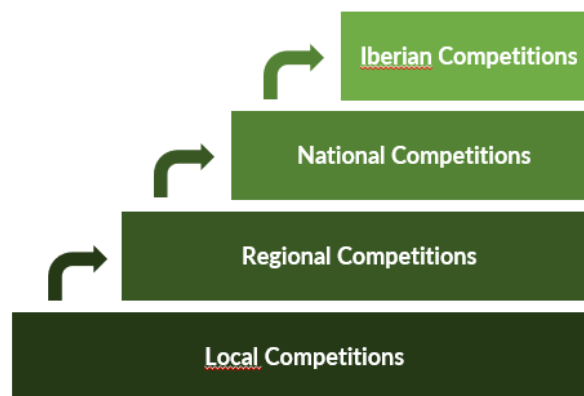


Figure 4 - Competition Event Implementation in Spain

Local Competition Events:

- Execution of initial prototype competitions in targeted schools.
- Generate local traction by involving municipalities to attract donations and funding.

Regional Competition Events

- Execution of enhanced competitions in targeted autonomous communities.
- Generate local traction and establish a foundation for scaling, utilizing success stories from Portugal to encourage participation.

National Competition Events:

- Host a culminating event for regional winners to foster increased recognition.
- Potential for additional sub-categories to attract sponsors and increase event's value.

Iberian Competition Events:

- Promote a spirit of collaboration across the Iberian Peninsula.
- Enhance brand awareness through a broader, international competition scope.

The implementation of this multi-tiered competition framework serves dual purposes.

Sponsor Attraction: By aligning competition event goals and sub-categories with Spain's Action Plan towards Agenda 2030 stating prioritization of actions towards SDGs 3, 6, 7, 11, 12, 13, 14 and 15 (Government of Spain 2018), AFG positions itself to attract sponsors invested in various SDG's, like environmental impact reduction, sustainable energy, and water management.

Furthermore, competition events shall be aligned with the demanded job areas of cybersecurity analysts, data engineers and AI engineers (Donaldson, What are the most in-demand jobs in Spain in 2023? 2023) (Mordor Intelligence kein Datum) to attract sponsors interest in getting in touch with talents in these domains. This alignment offers sponsors a platform for Corporate Social Responsibility (CSR) initiatives, enhancing AFG's appeal and funding potential.

Media Collaboration and Brand Amplification: Competition events build the stage for collaborations with local media, generating public interest and accentuating sponsor

involvement. Furthermore, stories of participating teams and their projects, can be featured to raise awareness for AFG’s program, enhancing brand image, and shaping market perception.

In addition to the competition event framework, AFG’s promotional strategy in Spain will be augmented with various channels as to be depicted from *Appendix – Diverse set of Promotion Channels*. Through this multifaceted promotional approach, AFG will establish a strong, resonant presence in Spain, effectively engaging a diverse array of stakeholders and participants.

3.2.4. Key Results of Complementing Work (Individual Part) - Price

Individual Part of another group member, resulting in the fact that for AFG’S expansion to Spain an absolute Purchasing Power Parity shall be applied to adapt the price from Portugal’s economic conditions to Spain’s, instead of building a new pricing model.

3.3. Implementation of the Internationalization Endeavor

3.3.1. KPI’s and targets for Effective Success Monitoring

The following section delineates several KPIs crucial for AFGs international expansion, offering valuable insights into growth dynamics, partner relationships, financial health, brand presence, and most importantly, the program's educational and societal impact.

For each KPI, a rationale for its importance and a high-level methodology for measurement is provided in the *Table 3 - Important KPIs for Internationalization*. While specific targets depend on various factors such as the chosen target market or final franchise partner, approaches for setting these targets are proposed in *Appendix - KPIs for Internationalization*.

KPI	Rational
-----	----------

Compound Annual Growth Rate (CAGR):	To gauge the annual growth rate of school/university partnerships of AFG in Spain.
Partner Retention Rate	Assess the percentage of Spanish partners (schools/universities) that remain active over a set period post-acquisition.
Partner Acquisition Cost (PAC) (Kimatu 2023)	Track the average cost to acquire a new school/university partner in Spain, aiming to reduce costs over time as a scalability indicator.
Brand Awareness Level	Measure the level of brand recognition and awareness among the target audience in Spain.
Financial Sustainability Ratio	Evaluate the ratio between donations/sponsorships and operating revenues to monitor progress towards financial sustainability.
Beneficiaries Impacted	Assess the number of beneficiaries impacted by the program both in the short and long term.

Table 3 - Important KPIs for Internationalization

3.3.2. Governance for effective international collaboration

Effective governance is a cornerstone of successful international collaboration, ensuring strong engagement with the franchise partner and maximizing the impact of the program. As input for the governance structure, the latest organizational chart provided by CDI, serves as a foundation and has been adapted, to specifically match the requirements of this endeavor of expanding to Spain.

The governance framework is organized into three distinct levels, each playing a specific role in the overall management and operational execution (CDI, 2023):

Sponsors: Sponsors form the top level of the governance structure and provide both financial and strategic support. Their tasks include helping to formulate general strategic objectives in an advisory capacity and representing the sponsors' own interests. However, it is ultimately the responsibility of CDI to define, set and implement the actual strategic guidelines.

Mother Company (CDI and Franchise Partner) - Strategic Level: This level involves strategic decision-making, negotiations of legal terms and overall direction-setting for the program. It includes representatives from both CDI and the franchise partner, ensuring that both entities contribute to and agree on the strategic path forward. Regular meetings are essential for aligning goals, discussing progress, and making pivotal strategic decisions.

Apps for Good - Operational Level: This level is where the day-to-day activities of AFG are managed, including program implementation, marketing and continuous incorporation of real-time feedback and data. Reflecting on the lessons learned from the previous UK pilot, a strong local team full of native speakers on Spanish site, will be essential to ensure success of the endeavor. Effective communication and reporting mechanisms between the operational level and the strategic level are vital.

To provide a clearer overview, the graphic below illustrates the governance structure, depicting the responsibilities, interactions, and reporting lines between the different levels.

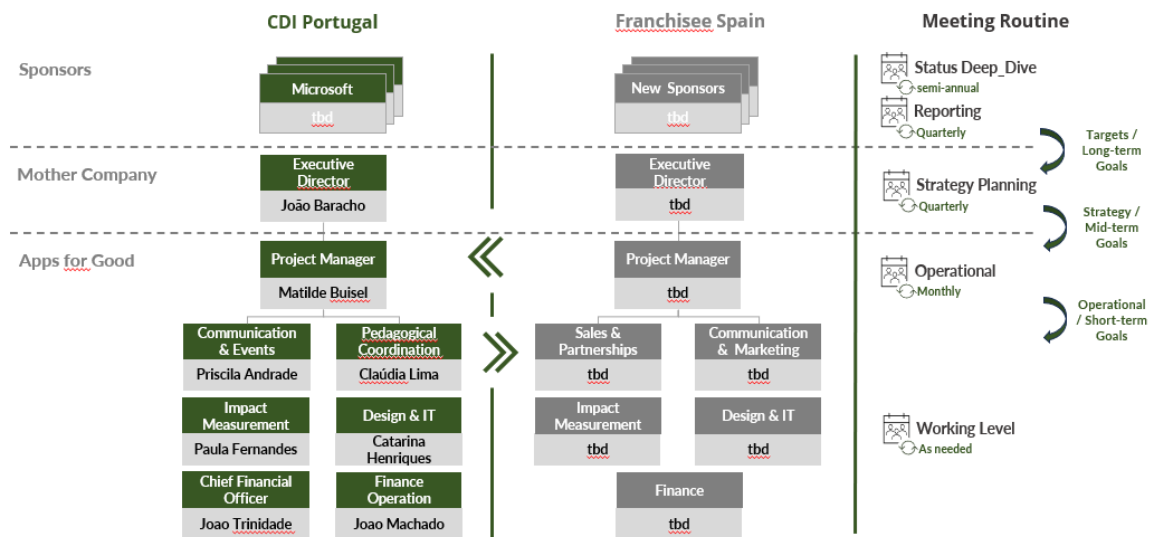


Figure 5 - Potential Governance Structure (CDI 2023)

This structure facilitates smooth coordination between all parties involved, laying the foundation for a successful and impactful international collaboration.

3.3.3. Stakeholder Analysis

The following stakeholder analysis is designed to identify and categorize key stakeholders based on their interest and power, guiding strategic interactions and communications. By evaluating the varying degrees of influence and concern among stakeholders, AFG can tailor its engagement strategies to effectively address the needs and expectations of each stakeholder group, thereby enhancing the program’s internationalization success.

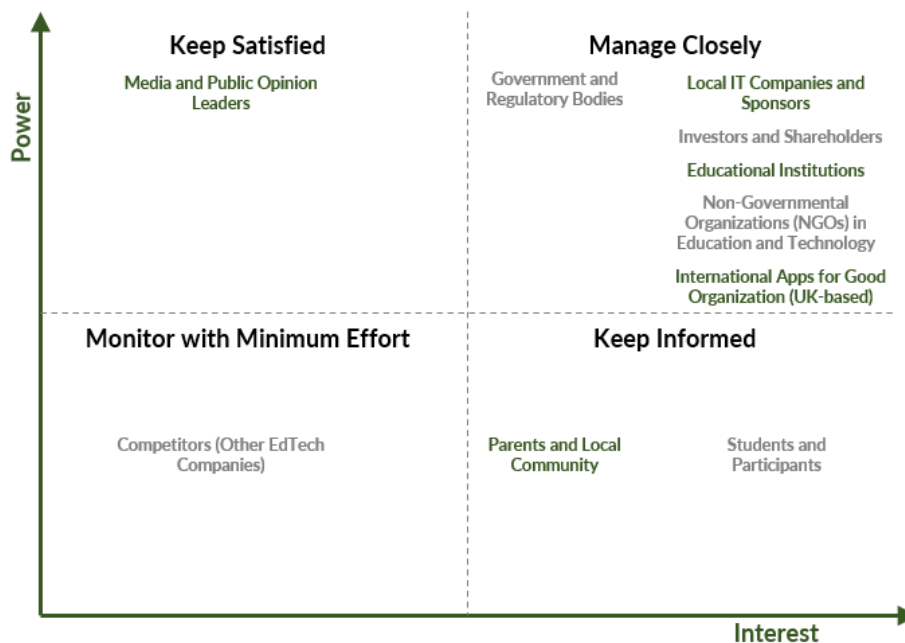


Figure 6 - Stakeholder Analysis for Internationalization

A detailed evaluation of stakeholders can be derived from *Appendix – Stakeholder Matrix*.

3.3.4. Go-to-market Timeline

This chapter shall delineate a structured, four-step approach, clearly defining tasks and time horizons for each phase of the internationalization process.

Planning (3-6 Months): The first phase, consists of refining the strategic foundation and building up on the analysis results provided in this thesis. This includes a refinement of the market analysis for the ultimately selected autonomous community, considering demographics, competitors, and consumer behavior. Furthermore, an in-depth

understanding and adhering to Spain's legal and regulatory requirements for franchising shall be achieved. Moreover, the franchise business model shall be enriched, including a refinement of the applicable cost structures and operational guidelines. Additionally, defining the ideal franchisee profile will be crucial, factoring in qualifications, experience, and financial capabilities, building up on the foundation laid in *Chapter 3.2.1.3*

Reference source not found..

Franchise Development and Setup (6-9 Months): The second phase shall focus on creating a comprehensive franchise package, which includes training materials, operational manuals, and marketing collateral. This phase shall also involve launching a franchisee recruitment campaign, based on the developed franchisee profile and the pre-selection of potential partner industries as identified in *Chapter 3.2.1.3*. Establishing training programs and support systems for the local franchisee team will be crucial to ensure smooth start of the franchise partner. Setting up a pilot project jointly between the Portuguese and Spanish team shall support this process and help to refine the model locally.

Launch and Expansion (3 Months): The third phase shall entail the official launch of the franchise program, accompanied by media and promotional activities. It shall also include providing continuous support and monitoring for the franchises, offering assistance as needed. Gathering feedback from franchisees and customers for improvement will be vital, as will planning further regional expansion based on the initial franchises' success.

Evaluation, Growth, and Strategy (Ongoing): The final phase is an ongoing process. It shall involve regularly evaluating franchise performance against benchmarks and KPIs and conducting strategic reviews with franchisees. This phase will be characterized by adapting strategies and operations based on market trends and feedback, assessing the scalability of the franchise model for potential regional expansion, and implementing continuous

improvement plans in operational, marketing, and support strategies, including innovation. Lastly, this phase shall explore further expansion opportunities, both within Spain and internationally, leveraging the initial successes and learnings.

This structured approach ensures a well-coordinated and systematic entry into the Spanish market for AFG, establishing presence, optimizing operations, expanding impact and setting the foundation for sustainable growth and success in Spain.

4. Key Results of Subsequent Work (Individual Part) – Towards sustainable growth: A Financial Forecasting Model for Apps for Good

In order to prove the effectiveness of the proposed measures in both, business model innovations and internationalization strategy, the last part comprises of an in-depth financial analysis including consideration of several sensitivities. The financial forecast thereby underpins the effectiveness of the proposals made, indicating that an increase of AFGs financial sustainability can be reached in the medium to long term, while simultaneously reducing AFG dependency on donations.

5. Conclusion (Group Part)

The thesis aimed to improve the financial sustainability of CDI's AFG by focusing on enhancements of the current business model and creation of an internationalization strategy. The findings not only provided insights into the unused opportunities within AFG's business model but also illuminated the paths for successful internationalization.

A comprehensive analysis of the current business model formed the basis for proposing business model innovations that would sharpen AFG's structure and improve revenue generation.

The initial step was to conceptualize a faster and more specialized content generation process to better align AFG's value proposition with its customer profile and keep up with the latest human capital needs. This will result in an improved match between AFG's value proposition and its customer profile, leading to increased penetration rates within the current customer segment. Furthermore, a concept to expand into a new customer segment, universities, has been developed, in order to increase and diversify AFG's revenue streams. In tandem, a series of strategies were developed, including a new communications approach, innovative social media promotion tactics, and a revised pricing structure, all designed to increase subscription revenue. The financial forecasts illustrate the effectiveness of these proposals, indicating that positive cash generation in the medium to long term is possible, while simultaneously reducing AFG dependency on donations. These findings are supported by a robust sensitivity analysis.

An additional facet of the proposed strategy was the introduction of a crowdfunding approach to diversify donation revenues and reduce dependence on major donors. Finally, the focus was set on increasing the impact of competitive events through two main strategies. To increase participation from private schools and students, targeted marketing

was used to boost their visibility. Additionally, a new categorization was introduced that aligns with SDGs. This alignment with potential donors' CSR activities is expected to significantly broaden the donor base.

Building up on these business model innovations, the internationalization strategy is a method to increase AFG's impact and generate additional revenue. To identify the most suitable market for expansion, a comprehensive two-phased country ranking analysis, supplemented by an in-depth PESTEL Analysis and a Competitor Analysis, was conducted. Spain was determined as the optimal target due to its promising market dynamics.

When developing the go-to-market strategy, the focus laid on leveraging economies of scale and adapting the product to local markets to increase the probability of success. An in-depth regional analysis identified Catalonia, Basque Country, and Andalusia as key areas for expansion. The market analysis further recommends adapting a franchise model, especially with publishing houses and educational foundations, as these industry segments best align with organizational dynamics and complement AFG's weaknesses in Spain. Furthermore, the strategy involves adapting the product to meet the educational curriculum needs in Spain, resulting in refined customer segments targeting pre-secondary education courses and post-curriculum engagement of ESO students. Moreover, the strategy builds on competition events as the key driver of promotions to attract new sponsors and increase brand awareness. The pricing strategy shall be similar to the Portuguese pricing considering absolute Purchasing Power Parity for the price level adaptations to maximize market penetration and financial viability.

After synthesizing findings achieved, it is evident that the proposed strategic innovations for AFG, along with a targeted international expansion, have the potential to transform its

financial trajectory. The combination of improved content development, strategic marketing, and market expansion strategies offers a multifaceted approach to addressing AFG's challenges.

5.1. Outlook

As AFG explores avenues for enhancing financial sustainability and expanding its impact, it is imperative to consider innovative business models that leverage existing resources and networks in the future. Following, this outlook shall conceptualize an idea that, while ambitious and complex, has significant potential to generate additional revenue streams for AFG in the future by creating a new, stand-alone business case - a recruitment platform. A platform like this aims to bridge the gap between the abundant talent pool emerging from AFG's programs and the growing demand for skilled individuals in the tech industry. By aligning student capabilities with industry requirements, the platform not only creates new revenue streams but also reinforces AFG's commitment to empowering youth through meaningful employment opportunities.

The envisioned recruiting platform capitalizes on AFG's existing networks and data. It taps into the network of educational institutions, providing access to students and alumni who are in pursuit of job opportunities. The platform benefits from detailed student data, including contact information and insights into the skillsets developed through the AFG program. This data is pivotal for effective profiling and matching students with suitable job roles.

In parallel, AFG's established network of tech companies opens avenues to companies seeking talented individuals. The platform's credibility is bolstered by AFG's brand recognition, with its success stories serving to showcase the potential of candidates to prospective employers.

The platform's primary feature is its ability to match student profiles with recruiting needs, offering validated skillsets and pre-curated candidates for recruiters, and presenting pre-selected job opportunities for students. This synergy between student capabilities and recruiter requirements forms the core value proposition of the platform.

The financing model of such a platform is multi-layered, with revenue streams including subscription fees from companies accessing the platform, commissions on successful hires, advertising space for relevant services or products, premium services for candidates, such as career coaching or priority job postings and sponsorships from tech companies, supporting the platform's development.

Developing and maintaining this platform involves significant operational considerations, including platform development and maintenance, marketing and promotion, staff and infrastructure expenses, legal and compliance issues, and the ongoing management of partnerships.

Ultimately, a platform like this offers substantial opportunities, including the diversification of revenue streams to bolster AFG's financial sustainability. It provides a compelling avenue to attract more tech companies as partners and sponsors. Additionally, the enhanced value proposition can draw new schools and students to the AFG program and turn existing schools not yet willing to pay, into paying customers.

However, challenges such as the development of a robust platform, establishing a comprehensive student evaluation process, tender analysis for job postings, and strict adherence to data protection regulations must be carefully navigated.

This innovative recruiting platform, while complex and ambitious, will align with the organization's mission of empowering youth through education and technology, creating a sustainable model that, in the future, will benefit students, industry, and AFG alike.

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7.3. Appendix – Abbreviations

Abbreviation	Full Name
AFG	Apps For Good
CDI	Committee for the Democratization of Information Technology
CSR	Corporate Social Responsibility
EdTech	Education Technology
ESO	Compulsory Secondary Education
KPI	Key Performance Indicator
PESTEL	Political, Economic, Social, Technological, Environmental, Legal
PPP	Purchasing Power Parity
TOC	Theory of Change
IRR	Internal Rate of Return

7.4. Appendix – Competitor Analysis for Internationalization

ID	Competitor	Analysis Result	Product Description	Target Country	Customer Segment	Pricing	Certificates / Accreditation	Online availability	Customer Engagement	Duration	Impact Focus	Course Content	Website / Info
1	CDI / Apps for Good		Online Platform to incorporate and ease teaching of Digital Skills in schools curriculums	Portugal/UK	B2C/B2E	750€ per school and year	no	yes	teachers and experts and events	continuously	yes	Coding & IT	https://www.appsforgood.org.pt/AppsForGood/Home
2	Code Institute	Coding bootcamps --> no focus on engagement and sparking interest in the domain of IT	Full Stack Software Development Program --> Part-time, flexible + 5 Day Coding Challenge	Ireland	B2C, for beginner or intermediate level	6795€ or 12*366€	university credited	yes	limited: online course with tutor and mentor support on request	one year	none	Full stack software development	https://codeinstitute.net/global/
3	Computers in Education Society of Ireland (CESI)	Targets teachers only, not the students. No engagement of students	Provides professional support for Computer Science teachers via several channels (mail, website, TeachMeets, annual conference)	Ireland	B2C with interest in potential of technology to enhance the teaching and learning experience for all involved in education.	none	no	yes	not targeting students, low engagement with teachers	continuously	none	Ed-Tech	https://www.cesi.ie
4	Coding Ireland	strong competitor, but only operating in Ireland	Online Platform to incorporate and ease teaching of Digital Skills in schools curriculums - Self-Paced Learning: Students progress at their own speed. - Teacher-Friendly: Easy facilitation, no extra training needed. - Ready-to-Deploy Curriculum: Plug-and-play courses.	Ireland	B2C, B2E --> targeting teachers and students	9-15€ pro student depending on class year	no	yes	via teachers	8 months	none	Programming	https://www.codingireland.ie/
6	Upskillist	No focus on students in schools or universities and no engagement to spark motivation	online courses for any kind of topic including coding to refocus or deepening personal skill, on monthly basis	Ireland, but operating globally (online)	B2C, B2B - adult individuals	49,99€/month for B2C 120€/year per User for B2B	CPD Certifications	yes	none	flexible, depending on course	none	Diverse Topics	https://www.upskillist.com/courses/technology/online-coding-course/
7	Alison	No focus on students in schools or universities and no engagement to spark motivation	an empowerment platform and a global leader in free education. It offers B2C and B2B eLearning solutions including IT courses for self-learning	Ireland, but operating globally (online)	B2C, B2B - adult individuals	freemium --> free courses + premium version for 7,99€/month	Certifications and Diplomas available (CPD UK)	yes	limited, well-being, CV and career tests/info but no personal interaction	flexible, depending on course	none	Diverse Topics	https://alison.com/
8	Kubical	No focus on students in schools or universities and no engagement to spark motivation	An e-learning platform for office application training to enhance analytics skills of employees on the job3 (Excel, Power BI, SQL, Python...) for B2B only.	Ireland, but operating globally (online)	B2B, B2C	For Individuals €445 per licence, per annum For Business €430-565€ per licence, per annum	CPE, CPD and NASBA certified	yes	none	flexible	none	Digital Business Skills	https://kubicle.com/
9	CoderDojo	no online presence to reach all kinds of students and schools	The community of free, local coding clubs for kids and teens a free, volunteer-led, community-based computer club for young people. Anyone aged 7 to 17 can visit a Dojo and learn to code, build a website, or create an app or game.	globally	B2C, kids 7-17	free	none	no	high --> personal teaching in presence	flexible	none	Coding	https://coderdojo.com/en/
10	Ironhack	Coding bootcamps --> no focus on engagement and sparking interest in the domain of IT	An online technology learning platform.	Focus on Spain then Portugal and global	B2C, SAAS	7500€ and more depending on course	certificate of completion. Bootcamps are not recognized by traditional standards of	partially	limited depending on whether online or in person	9 weeks full time or 24 weeks part time and more depending on course	none	Coding & IT	https://www.ironhack.com/es-en/career
11	Lingokids	Different Age Group (younger target group)	A playlearning app for kids. Spark success and build modern learning skills in the Lingokids app where kids 2-8 years old can explore interactive learning adventures!	online, globally	B2C, Kids from 2-8 also offered to schools and kindergarten	no information	none	yes, app	low	flexible	none	Various Topics, including Science, Coding and Engineering	https://lingokids.com/playlearning
12	Odilo	Focus on B2B business	Odilo allows any library, school, university, corporation or municipality to offer all kinds of digital content to their users.	globally	B2B2C	no information	ODS certified themselves but don't offer certificates	yes	low	flexible	yes, SDG 4,5,10,12,16	various topics	https://www.odilo.es/our-company/
13	Luca	No coding content	K12 online learning platform. Bücher und Drehbücher der Klasse 1500. Videounterricht Digitale Plattform für Lehrer und Schüler	Spain	B2E, primary school students	no information	none	yes	low	flexible	none	Maths, Spanish, Science	www.lucaedu.com
14	Ucademy	No focus on students in schools or universities more focus on better job skills	Ucademy is an online academy based in Madrid. They focus on e-learning, education, and training.	Spain	B2B, B2E	no information	no information	yes	low	flexible	none	various topics	www.ucademy.com
15	Udemy	not focussing on schools more universities and no personal engagement to spark interest in new topics	As a global destination for online learning, we empower organizations and individuals with flexible and effective skill development.	globally	B2C and B2B	starting at 9,99€/month per person	Top certifications in tech and business	yes	low	flexible	none	Software Development, IT, Software, Business and more	https://about.udemy.com/
16	code.org	- higher focus on B2C via online coding courses - less engagement	Not for profit organization providing online coding courses for individuals and/or teachers to integrate it into their curriculum	globally	B2C and B2E	tbd	aligned with standards	yes	via teachers but focused on B2C	flexible	none	Computer Science	https://studio.code.org/courses

Table 4 Appendix – Competitor Analysis for Internationalization (Apps for Good 2023) (Code Institute 2023) (CESI 2023) (Coding Ireland 2023) (Upskillist 2023) (Alison 2023) (Kubicle 2023) (Coder Dojo 2023) (Ironhack 2023) (LingoKids 2023) (Odilo 2023) (Luca 2023) (Ucademy 2023) (Udemy 2023) (Code.org 2023)

7.5. Appendix – Utility Analysis Autonomous Communities

		Curriculum Strength		Demographics				Tech Industry Presence		Economic Stability		Geographical Accessibility		Governemental Support				Weighted Result	Weighted Rank
		Results in PISA study		Amount of Students in Compulsory Secondary Education		Population		Revenue of ICT, Media and Audiavisaual Services Sector		Gross domestic product per capita		Center distance to Lisbon (streets/Ship)		Private Funding (study fees)		Public Funding			
weighting Factor		6		7		2		4		1		3		5		8			
ID	Autonomous community	PISA Result 2022, Domain "Ciencias"	Rank	Rank	*in 2023	Rank	Revenue 2018 in Mio €	Rank	in 2021	Rank	in km	Rank	student/year in €	Rank	student/year in €	Rank	Result	Rank	
1	Andalusia	473	1	411.790	1	8.577.627	1	3.274	3	18.906 €	17	551	15	1.403 €	8	2.209 €	15	249	3
2	Catalonia	477	4	348.234	2	7.899.327	2	18.087	2	29.942 €	4	1.178	3	2.831 €	1	2.906 €	7	124	1
3	Community of Madrid	502	13	301.641	3	6.849.617	3	79.868	1	34.821 €	1	607	14	2.720 €	2	2.138 €	16	290	7
4	Valencian Community	483	9	231.706	4	5.218.840	4	2.702	5	22.289 €	12	855	7	1.690 €	5	2.571 €	11	256	4
5	Galicia	506	16	96.716	5	2.699.933	5	1.473	7	23.499 €	10	544	16	1.259 €	9	2.726 €	10	352	10
6	Castile and León	506	16	86.650	9	2.382.401	6	645	10	24.428 €	8	630	13	669 €	15	2.938 €	5	373	13
7	Basque Country	480	6	88.883	7	2.219.731	7	3.221	4	32.925 €	2	838	9	1.415 €	7	4.174 €	1	187	2
8	Castilla-La Mancha	475	3	93.377	6	2.080.922	9	443	13	20.655 €	14	652	12	900 €	12	2.511 €	14	352	10
9	Canary Islands	473	1	87.531	8	2.213.126	8	751	9	18.990 €	16	1.786	1	1.859 €	3	1.687 €	17	284	6
10	Region of Murcia	482	8	78.665	10	1.552.815	10	857	8	21.236 €	13	874	6	755 €	13	2.892 €	9	338	9
11	Aragon	499	11	54.512	11	1.349.513	11	1.634	6	28.912 €	5	941	4	1.241 €	10	2.559 €	12	352	10
12	Extremadura	479	5	43.386	13	1.054.359	13	182	16	19.072 €	15	358	17	481 €	17	2.893 €	8	426	14
13	Balearic Islands	480	6	50.754	12	1.207.284	12	592	11	24.866 €	7	1.250	2	1.791 €	4	2.922 €	6	269	5
14	Asturias	503	14	35.108	14	1.006.623	14	407	14	23.235 €	11	780	11	1.506 €	6	2.520 €	13	444	17
15	Navarre	489	10	29.686	15	672.242	15	491	12	31.024 €	3	918	5	1.045 €	11	3.607 €	2	332	8
16	Cantabria	504	15	23.674	16	588.567	16	375	15	23.730 €	9	790	10	742 €	14	3.577 €	3	427	15
17	La Rioja	500	12	13.516	17	322.333	17	147	17	27.279 €	6	854	8	668 €	16	3.291 €	4	435	16

Table 5 Appendix – Utility Analysis Autonomous Communities (RTVE 2023) (Ministerio de Education Y Formacion Profesional 2023) (Statista Research Department 2023) (Ministerio de Asuntos Economicos Y Transformacion Digital 2020) (Instituto Nacional de Estadistica 2022) (IB Business Management HL 2020) (Google 2023) (Instituto Nacional de Estadistica 2022)

7.6. Appendix – Utility Analysis of potential Franchise Partners

		Market Knowledge in Educational Domain	Established Networks in Educational Domain	Operational Capabilities	Credibility and Trust	Funding attractivity	Provision of funding (AFG as CSR channel)	Weighted Result	Weighted Rank	Category	Description and Justification
	weighting Factor	5	4	2	1	3	3	Max Points	90		
Domain	Name										
Human Rights and Social Assistance NGOs	Cáritas Española	1	1	1	5	5	1	34	22	1	Empowerment of people to defend: basic needs, meaning of life and social participation --> focus on fundamental problems rather than digitalization, new teams resources required
	Save the Children España	3	3	1	5	5	1	52	15	2	Prevent child death, child poverty and violence and foster quality education --> focus on fundamental provision of education rather than digitalization, new teams required
	UNICEF Comité Español	3	3	1	5	5	1	52	15	2	Mandate, given by UN, to promote protection of children and increase life opportunities --> focus on development countries and fundamental education rather than digitalization, new teams
	Cruz Roja Española	3	3	1	5	5	1	52	15	2	Socio-educational approach focused on the needs and rights of the child --> focus on inclusion programs around rather than within schools, new teams required
Educational Institutions	Polytechnic University of Madrid	5	5	1	5	3	1	64	9	3	Public University with very good network in the industry Limited operational capabilities to support building a new company. Limited to university sector.
	Polytechnic University of Catalonia	5	5	1	5	3	1	64	9	3	Public University with very good network in the industry Limited operational capabilities to support building a new company. Limited to university sector.
	IE University	5	5	1	5	1	1	58	14	3	Private University with very good network in the industry Limited operational capabilities to support building a new company. Limited to university sector.
Technology Companies	Telefónica	1	1	5	3	1	5	40	20	1	Tickets €350K - €5M (Early Growth) in digital areas: Healthcare, Fintech, Entertainment; Cyber, IoT, Cloud, etc. AFG may be a suitable channel for CSR, but does not fit investment thesis.
	Indra	1	1	5	3	1	5	40	20	1	Target expert networks in technological and business areas of Indra (Transport, Air Traffic and Defence markets). AFG may be a suitable channel for CSR, but does not fit this partnership goals
Governmental Agencies	Ministry of Education, Vocational Training and Sports (MEFPD)	3	5	1	3	1	3	52	15	2	Ministry potentially providing funding and donations after application but will not provide operational workforce
	Federation of Municipalities and Provinces (FEMP)	3	3	1	3	1	3	44	19	2	Involvement in education, training and development, and local government support with expansive network. However, primary focus is on supporting local governments and municipalities.
	crue	5	5	3	3	5	1	72	6	4	Highly involved in monitoring & fulfillment of Agenda 2030 and SDGs including Commission for joint actions that ensure compliance with these objectives. Downside: focus on higher education only.
Foundations in Education	Fundación Telefónica	5	5	3	3	5	3	78	1	4	Supporting education in Spain and collaborating with different programs but also already with code.org --> providing full coding courses. Might be to similar for an additional cooperation with AFG
	"la Caixa" Foundation	5	5	3	3	5	1	72	6	4	Promoting both education and training of excellence as an engine of progress and social well-being.
	Fundación Princesa de Girona	5	5	5	3	5	1	76	2	4	Offering free programs and activities to improve the employability of young people and guide them in their purpose; while working with the new generation of teachers to revolutionize education.
	Fundación Trilema	5	5	5	3	5	1	76	2	4	Contributing to educational centers/institutions through innovation, research, change management, educational and audiovisual materials. Have existing cooperations with supporting programs
	Fundación Empieza Por Educar	3	5	3	3	5	1	62	12	3	Foundation supporting several educational programmes to support equal education
	Fundación Balía	5	3	3	3	5	1	64	9	3	For families of minors, seeking maximum participation and involvement in the education of their children. Don't have existing cooperations in place yet.
Publishing Houses	Santillana	5	5	5	3	3	3	76	2	4	Publishing house with already several educational projects in place
	Grupo SM / SM Fundatino	5	5	3	3	3	3	72	6	4	SM Foundation: Education for a more inclusive, just, peaceful and sustainable world
	Anaya Educación	5	5	5	3	3	3	76	2	4	Publishing house with several educational projects across all age groups
	Ediciones Oxford	5	5	3	3	1	1	60	13	3	Keep students reading outside the classroom and support their language acquisition and comprehension and learn about a variety of methodological and educational themes with their officially certified

Table 6 Appendix - Utility Analysis of potential Franchise Partner (Caritas 2023) (Save the Children 2023) (Unicef 2023) (Cruz Roja 2023) (UPM 2023) (UPC 2023) (IE University 2023) (Telefonica Ventures 2023) (Indra 2023) (MEFPD 2023) (FEMP 2023) (Crue 2023) (Fundacion Telefonica 2023) (Fundacion La Caixa 2023) (Fundación Princesa de Girona 2023) (Fundacion Trilema 2023) (Fundación Empieza Por Educar 2023) (Fundacion Balía 2023) (Santillana 2023) (Grupo SM 2023) (Anaya Educacion 2023) (Ediciones Oxford 2023)

7.7. Appendix – Building Blocks Franchise Agreements

Brand Guidelines:

- Explicit instructions on the use of Apps for Good’s logo, color scheme, and other brand elements in promotional materials.
- Provision of marketing material templates and a requirement for approval of locally produced content using the brand.
- Explicit instructions on community involvement, stakeholder management and collaboration with CDI

Mission Statement:

- Introduction of the agreement with Apps for Good’s mission, ensuring the franchisee’s activities align with it.
- A commitment clause for the franchisee to uphold the mission in all operations.

Franchise Fee:

- A clear definition of the fee to be paid by the franchise partner and its related payment schedule (Fuchs 2021)

Quality Control Measures:

- Set quality benchmarks like student engagement levels, program completion rates, and feedback scores.
- Establish a mechanism for regular reporting by the franchisee on adherence to these standards. (Fuchs 2021)

Training Requirements:

- Details on the required initial and ongoing training for franchisees and their staff, including specifics on duration, content, and frequency.

-
- Implementation of a certification process for trainers and educators within the franchisee's operations. (Fuchs 2021)

Regular Audits and Reviews:

- Arrangements for periodic audits to review operational standards adherence.
- Defined process for audits, including conduct procedures and frequency. (Campbell 2023)

Performance Metrics:

- Clear, measurable targets such as enrollment numbers, student satisfaction ratings, or successful program completions.
- A system for regular metric reporting by the franchisee. (Campbell 2023)

Dispute Resolution Mechanisms/Arbitration Clause:

- A detailed process for resolving disputes, including stages like internal discussion, mediation, and arbitration.
- Designation of a contact point within Apps for Good for franchisees to address issues. (Campbell 2023)

Termination Clauses:

- Clear conditions for agreement termination, such as breach of contract or failure to meet quality standards.
- Defined notice period and termination process for smooth transitions or remediation. (Fuchs 2021)

7.8. Appendix – Diverse set of Promotion Channels

Business to Business Promotion (Personal Relations) (MasterClass 2022):

Educational Partnerships: Collaborations with educational institutions for program promotion through newsletters, websites, and events.

Corporate Sponsorship Packages: Tailored sponsorship opportunities offering visibility and detailed impact reports.

Community Engagement: Hosting workshops and sessions in community centers to foster local involvement and feedback.

Government and NGO Collaboration: Forming alliances with aligned governmental bodies and NGOs for broader program promotion.

Digital Promotion Channels:

Digital Marketing: Targeted social media campaigns and content marketing focusing on technology's role in achieving SDGs. Especially, when dealing with other businesses LinkedIn became an inevitable platform for every company to use.

(Chi 2022)

Influencer Engagement: Partnering with influencers in education, technology, and sustainability to reach a wider audience. (Chi 2022)

Other Promotion Channels:

Alumni Networks: Engaging past participants as program ambassadors to share their experiences and successes.

Public Relations: Utilizing PR to align with Spain's Agenda 2030 goals and announcing competition events and partnerships.

7.9. Appendix – Stakeholder Matrix

Government and Regulatory Bodies:

- Interest: Moderate to High – Focus on educational initiatives and compliance.
- Power: High – Regulatory influence, ability to provide incentives.
- Category: Manage Closely – Require close engagement and regular communication.

Educational Institutions (Schools, Universities):

- Interest: High – Directly involved in program implementation.
- Power: Moderate to High – Influence on adoption within curricula.
- Category: Manage Closely – Central to program success; require active partnership.

Local IT Companies and Sponsors:

- Interest: High – Opportunities for partnerships and CSR initiatives.
- Power: High – Financial influence and potential for collaboration.
- Category: Manage Closely – Important for financial support and technological contributions.

Students and Participants:

- Interest: High – Primary beneficiaries.
- Power: Low to Moderate – Indirect influence through participation and feedback.
- Category: Keep Informed – Engage through feedback mechanisms and participatory activities.

Parents and Local Community:

- Interest: Moderate to High – Concerns about educational quality and impact.
- Power: Low to Moderate – Indirect influence through advocacy.

-
- **Category:** Keep Informed – Engage through community outreach and information sessions.

Non-Governmental Organizations (NGOs) in Education and Technology:

- **Interest:** High – Alignment with educational and technological goals.
- **Power:** Moderate – Influence through collaboration and advocacy.
- **Category:** Manage Closely – Important for support, collaboration, and public opinion.

Competitors (Other EdTech Companies):

- **Interest:** Moderate – Focus on market trends.
- **Power:** Moderate – Influence market dynamics.
- **Category:** Monitor – Stay aware of market movements and innovations.

Media and Public Opinion Leaders:

- **Interest:** Low to Moderate – Based on news value.
- **Power:** High – Significant impact on public perception.
- **Category:** Keep Satisfied – Engage through targeted communication and PR activities.

Investors and Shareholders (if applicable):

- **Interest:** High – Concerned with financial returns and growth.
- **Power:** High – Influence on investment and governance.
- **Category:** Manage Closely – Integral for financial support and strategic decisions.

Suppliers and Vendors:

- **Interest:** Low to Moderate – Business opportunities.

-
- Power: Low – Limited direct impact on program success.
 - Category: Keep Satisfied – Maintain positive relationships for operational efficacy.

International Apps for Good Organization (UK-based):

- Interest: High – Concerned with expansion success and brand reputation.
- Power: High – Control over strategic direction and resources.
- Category: Manage Closely – Crucial for strategic alignment and resource allocation.

7.10. Appendix - KPIs for Internationalization

Compound Annual Growth Rate (CAGR): To gauge the annual growth rate of school/university partnerships of AFG in Spain.

- **Approach:** Compare the total number of partnerships annually with the first period of internationalization, contextualizing it with the average EdTech industry CAGR of 14.5% (Saha 2022).

Partner Retention Rate: Assess the percentage of Spanish partners (schools/universities) that remain active over a set period post-acquisition.

- **Approach:** Compare the number of customers at the end of a period (excluding new acquisitions) to those at the start, aligning it with the Professional Services industry average CRR of 84% (Statista Research Department 2022).

Partner Acquisition Cost (PAC): Track the average cost to acquire a new school/university partner in Spain, aiming to reduce costs over time as a scalability indicator.

- **Approach:** $PAC = \frac{\text{Total marketing and sales expenses per year}}{\text{Total customers acquired per year}}$ (Kimat 2023)

Brand Awareness Level: Measure the level of brand recognition and awareness among the target audience in Spain.

- **Approach:** Conduct surveys in schools/universities within and outside the penetrated communities to measure brand awareness in the customer segment.

Financial Sustainability Ratio: Evaluate the ratio between donations/sponsorships and operating revenues to monitor progress towards financial sustainability.

- **Approach:** Track the proportion of funds received via donations and sponsorships relative to revenues generated through operational activities.

Beneficiaries Impacted: Assess the number of beneficiaries impacted by the program both in the short and long term.

▪ **Approach:**

- Short-term: Count the total number of beneficiaries participating
- Long-term: Conduct surveys to evaluate the beneficiaries' enhanced connection to the digital world post-program (e.g., occupation, skill level).