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UNDERDOGS:

REMAINING THE URBAN ART GALLERY FOR TOMORROW'S COLLECTORS –

What is Underdogs' current business structure?

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## **Abstract**

*Underdogs Gallery* has emerged as a major player in urban and contemporary art, combining creative innovation with social and commercial significance. In a context of increasing global competition and changing public behavior, this thesis explores how the gallery can strengthen its position through a strong strategy in the three main revenue streams of the company: Exhibitions, Editions and Projects. Based on internal analysis, interviews and market comparison, the work presents practical suggestions for enhancing economic stability, audience segmentation and digital interaction. *Underdogs* thus defines itself not only as a cultural institution, but also as a sustainable platform for artistic collaboration and long-term value creation.

## **Keywords**

Art Gallery, Artists, Audience Engagement, Benchmark, Commissioned Projects, Competitive Strategy, Consumer Behavior, Contemporary Art, Digital Transformation, Exhibitions, Implementation, Industry Trends, Limited Editions, Marketing Strategy, Public Art, Revenue Streams, Segmentation, Strategic Positioning, Sustainable Growth, Urban Art

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## **Table of Contents**

<b>0. Introduction</b>	<b>4</b>
<b>1. Underdogs Business and Problem Introduction</b>	<b>5</b>
1.1. Introduction to Underdogs	5
1.2. Mission, Identity and Values	6
1.2. Contemporary Urban Art Market Context and Challenges	7
1.4. Current Financial Challenges and Baseline Scenario	10
1.5. Defining the Strategic Problem	12
<b>3. Internal Analysis</b>	<b>14</b>
3.1. Business Model Overview	14
3.2. SWOT Analysis	31
<b>8. Bibliography</b>	<b>39</b>
<b>9. Appendix</b>	<b>41</b>

**List of Abbreviations**

AR: *Augmented Reality*

B2B: *Business-to-Business*

GCC: *Gallery Climate Coalition*

GAU: *Gabinete de Arte Urbana*

HNWIs: *High Net Worth Individuals*

NFTs: *Non-Fungible Tokens*

ROI: *Return on Investment*

UP: *Unique Piece*

VR: *Virtual Reality*

## **0. Introduction**

Underdogs is a Lisbon-based **urban and contemporary art gallery** founded with a mission to **democratize art** and to foster social connection through artistic experimentation. The gallery presents three primary revenue streams: **Exhibitions, Editions and commissioned Projects**.

Its business is founded on values such as accessibility, inclusiveness and social relevance, connecting both **emerging** and **established artists** with the public and urban environment.

Despite its cultural significance and innovative approach, Underdogs faces **financial pressures** driven by the **ongoing evolution** in the art market, changes in **collector behavior** and **digital disruption**. In this challenging context, it is important for Underdogs to maintain its **core mission** and **identity**. This thesis explores the strategic challenges and opportunities facing Underdogs as it navigates the complexities of the art world, with a focus on **enhancing the performance** of its revenue streams through greater scalability and audience engagement.

The **research methodology** is built on a combination of primary and secondary sources. Desk research drawing from **authoritative market reports** such as the Art Basel & UBS Art Market Report, Deloitte Art & Finance Report and Hiscox Online Art Trade Report, offers key insights into market dynamics, collector habits and the digital transition. In addition, **internal data** provided by Underdogs supports revenue analysis across Editions, Exhibitions and Projects. **Qualitative insights** were also gathered through exploratory discussions with Underdogs' team members to deepen the understanding of the gallery's strategic priorities, values and current constraints. This mixed-methods approach enables a comprehensive view of the gallery's **business dynamics** and the formulation of **tailored and evidence-based recommendations**. Indeed, the objective of this work is to deliver a **set of strategic recommendations** tailored to each of Underdogs' main revenue streams, with the aim of **enhancing the gallery's long-term financial sustainability and resilience**.

## 1. Underdogs Business and Problem Introduction

*What are the challenges Underdogs is facing in today's art market?*

### 1.1. Introduction to Underdogs

Underdogs is a **Lisbon-based contemporary art gallery** focused on urban art, operating at the intersection of cultural expression and commercial sustainability. This cultural platform was founded in 2010 by the renowned contemporary artist **Alexandre Faro**, also known as **Vhils**, as an innovative idea to invite emerging artists with backgrounds in graffiti and urban art to participate in a group exhibition in a white cube gallery, which was unprecedented in Portugal at the time. The project resulted in two successful exhibitions: one in 2010 in Lisbon and the second one in 2011 in Porto. Both took place in third-party art galleries, as Underdogs did not yet have its own physical space at that time (Underdogs, 2025a).

In 2012, Alexandre Faro met curator **Pauline Foessel** and, together, they began developing the business idea for Underdogs as a permanent cultural platform in Lisbon. As a result, in 2013, the art gallery was launched in its current space in the Marvilla neighborhood of Lisbon, featuring **two exhibition areas**. The business established itself as **a multifaceted platform** with a **Public Art Program** and three revenue streams: **exhibitions, limited-edition works** and **commissioned projects** (Underdogs, 2025a).

The **Public Art Program** is a non-profit initiative that creates art interventions in public spaces through collaborations with local and international artists. **Exhibitions** are a key element of the company, presenting artworks from contemporary Portuguese and international artists at the art gallery. The limited-edition works, also called **Editions**, are artworks produced in multiple copies in collaboration with artists. The Editions include different formats, such as prints, photographs, books and 3D editions. Finally, the commissioned projects, also simply called **Projects**, refer to the revenue stream that serves B2B clients with different types of art interventions that include conceptualization, production, execution and documentation.

By combining these different business lines, Underdogs operates **beyond the traditional art gallery model**. The various facets of the company work together to disseminate the company's purpose of embracing the city as an extension of the exhibition space and extending the conversation between artists and the public.

With this foundation established, the following chapter explores the mission, identity and core values that drive Underdogs and shape its presence in the contemporary art market.

## 1.2. Mission, Identity and Values

From the outset, Underdogs has framed its mission around **accessibility, social engagement** and **artistic integrity**:

*“Our mission is to create meaningful connections between artists, the public and the urban environment. We strive to foster artistic experimentation, encourage research and promote creativity that challenges boundaries. By supporting both emerging and established talent, we aim to make art accessible and relevant to as broad an audience as possible. We believe in engaging the public with art that reflects contemporary issues and transforms public spaces, helping to bridge local and global cultures in a way that resonates with the city and its people.”* (Underdogs, 2025a).

Promoting **meaningful connections** between artists, communities and the urban environment is their core objective. The platform seeks to encourage **experimentation** and supports both **established and emerging** artists in the urban and contemporary art sector, with the goal of reaching as many people as possible with art that is relevant and accessible. Furthermore, Underdogs wants to be the **connection of local and global cultures** in a way that appeals to the city and its people, so they engage audiences with art that reflects to **contemporary issues** by transforming public spaces. Furthermore, Underdogs wants to be the **connection of local and global cultures** in a way that appeals to the city and its people, so they engage audiences with art that reflects **contemporary issues** by transforming public spaces.

When it comes to their vision, Underdogs does not have a defined statement. However, regarding values, the gallery's identity is grounded in **five core values** that shape its operations. Firstly, **experimentation** is embraced to the fullest, with the aim of exploring new frontiers in urban art through bold and unconventional approaches. Secondly, fostering **meaningful relationships** between stakeholders plays a central role, as the platform seeks to cultivate an inclusive community where artists, collectors and the public comes together. Thirdly, **inclusivity** is equally vital, as reflected in its commitment to amplify diverse voices and democratize access to art, regardless of the audience's social, economic or cultural background. Fourthly, the gallery embraces **innovation**, by continuously adopting and following new technologies and trends. Finally, Underdogs maintains its roots in urban culture while supporting artistic creations that represent unique and genuine stories for their artists, ensuring that **authenticity** remains as a distinguishing characteristic for them. (Underdogs, 2025a).

Following this overview of Underdogs' business model, mission, identity and core values, the next chapter will explore the broader context in which the company operates and the key challenges arising from shifts in their industry.

### **1.3. Contemporary Urban Art Market Context and Challenges**

Underdogs operates within a contemporary art market undergoing **significant transformation**. Furthermore, rapid shifts in **collector behavior**, **digital innovation** and **cultural policies** are redefining how art is produced, experienced and valued. Understanding this broader context is, therefore, essential for evaluating **Underdogs' strategic position** in the market and looking for ways to enhance it.

Regarding collectors, both profile and behavior are evolving significantly. One of the most influential buyer segments consists of the **High-Net-Worth Individuals** (HNWIs), who historically represent **high-purchasing power collectors** across generational groups, including Generation Z, Millennials, Generation X, Baby Boomers and the Silent Generation

(McAndrew, 2024). This segment typically views art as an asset with **long-term financial potential** and as a **relatively safe** asset class. However, over the past two years, the **portion of wealth invested in arts by HNWIs** has declined, dropping 19% in 2023 and 15% in 2024, suggesting a focus shift toward other investment types, as well as a more selective and cautious approach to art acquisition (McAndrew, 2025).

On the other hand, the share of artworks sold to **new collectors**, that are individuals who recently purchased their first artwork, **increased by 38%** in 2023 (McAndrew, 2025). Thus, this group is generally characterized as **younger individuals with greater digital engagement** (McAndrew, 2025; Artsy, 2024).

This new generation of collectors values different priorities than traditional buyers. Firstly, **accessibility** is crucial for these types of customers, as reflected in their interest in **emerging artists**, which thereby adds relevance to a new type of artworks in the market. Additionally, their purchasing decisions are being influenced by **personal values**, such as social issues and environmental concerns, but also by **financial concerns**. Their preferences are being shaped by broader **global dynamics** such as **economic uncertainty** and growing **climate awareness**. Moreover, they prioritize **speed** and **flexibility**, as they are accustomed to discovering and interacting with art across different time zones, digital formats and platforms, due to the new technological advancements (Hiscox, 2023; Deloitte Art & Finance Report, 2023).

Therefore, this emphasis on digital engagement is part of a broader shift in how art is **consumed** and **experienced**. Consumers are increasingly interested in **online interactions** and **digital experiences** with art galleries and artists, facilitated by technologies such as **Augmented Reality (AR)** and **Virtual Reality (VR)**. At the same time, **digital platforms** and **online art marketplaces** have become essential **discovery and sales channels**, especially for these first-time collectors, who view **online purchasing** as an **easy entry point** to start collecting art. Many of these new consumers feel more comfortable in the online environment, as **90%** do **not**

**consider the art world welcoming, 30%** find it **elitist** and **19%** describe it as **intimidating** (Avant Arte, 2024). As a result, these digital developments represent not only a **strategic growth area** but also a **necessary tool** for reaching and retaining these emerging audiences, thereby calling into question the adequacy of **traditional gallery business models**.

Meanwhile, Portugal, where Underdogs is based, has seen a surge in cultural activity, with Lisbon emerging as a **hub for contemporary art**. Therefore, this growth has been driven by significant **demographic shifts**, increased tourism and significant public investment. Since 2016, the influx of expatriates had generated new demand for cultural offering, due to their different profile from the locals (Garcia, 2024). Additionally, in 2025, the Portuguese government increased the budget allocated for culture by €80 million compared to the previous year, allocating a total of €597.3 million (Gil, 2025), indicating better conditions and opportunities for art players in the country.

In light of these developments, as the city consolidates its role as a global contemporary art hub, new galleries, both local and international, may start entering the market and make their presence felt, since these players can target **the same audience segments** as Underdogs, including new collectors seeking affordable and socially relevant art. In this crowded field, **visibility, artist representation and collector loyalty** become harder to secure. Therefore, Underdogs must find new ways to differentiate itself not just through curation, but through its **overall value proposition and business structure**.

Given the contextual framework in which Underdogs operates and the significant transformations reshaping the contemporary art landscape, the following chapter will define the financial challenges Underdogs is currently facing internally. Furthermore, Chapter 2 presents an in-depth external analysis of the trends mentioned.

#### 1.4. Current Financial Challenges and Baseline Scenario

In order to fully understand the challenges that Underdogs is facing, it is essential to examine the company's current financial performance. Thus, the financial statements from the period between 2022 and 2024 provided by the company were analyzed.

**Underdogs' revenue**, reported in the income statements (*Appendix 1*), was **€2,541,992 in 2024**, representing a 36% decrease compared to 2023, after significant growth of 60% from 2022 to 2023, showing **significant volatility**. One of the key drivers for the significant growth in revenue in 2023 was the sale of a project sold for €900,000, substantially above the average price of projects, leading to an increase of 103% in projects revenue in 2023. Moreover, the **general gross margin**, including all revenue streams, **stood at 38% in 2024**, representing an improvement of 7.6 percentage points compared to 2022.

**The operating expenses (OPEX) increased continuously over the years**, rising by 10% in 2023 and 16% in 2024, reaching **€947,001**. The key driver for the growth in OPEX was the *External Supplies and Services* expenses, which increased by 57% from 2022 to 2024. *Appendix 2* presents the components of this category and indicates that the most representative is the *Group Professional Fees*, accounting for 69% of the category. It refers to expenses with the transversal corporate areas of the collective that Underdogs belong to (Cultural Affairs), as well as the salaries for the Underdogs CEO and for the founder of Underdogs. Meanwhile, expenses with the *Staff Costs* category within OPEX decreased by 8% from 2022 to 2024, standing at €305,292.

As a result of the oscillations presented, the **overall EBITDA**, including all revenue streams, presented extreme volatility, growing 2863% in 2023, reaching €357,202 and then dropping 95% in 2024, standing at **€17,518**. The EBITDA margin of 0.5% in 2022 points a year with virtually no operating profit. In 2023, the EBITDA margin reached 9%, reflecting an improvement in operational efficiency due to the significant growth in revenue, which was

mainly driven by the project's revenue stream. In parallel, costs increased proportionally less than revenue, allowing the gross margin to remain stable at around 30%. In 2024, the 36% decline in revenue, along with the 16% growth in OPEX, caused the **EBITDA margin to reduce to 0.7%**, returning to a level similar to 2022, with almost no operating profit.

Following this overview of Underdogs' financial performance, it is essential to examine the contribution of each revenue stream to the company's overall financial results. *Appendix 3* details the company's revenue historical evolution and breakdown per revenue stream.

**Editions is the main revenue stream**, accounting for €1,661,797 and representing 65% of Underdogs' total revenue in 2024. The same pattern has also been seen in previous years, with this revenue stream historically being the company's main source of income. Regarding costs, this business line recorded a significant improvement in 2024, with costs representing 56.6% of editions revenue, the lower level since 2022. Thus, the gross margin in 2024 was also the best in the whole series, standing at 43.5% in 2024. Moreover, Exhibitions was the revenue stream with the higher gross margin in 2024.

The **Exhibitions** revenue stream is historically the least representative segment for the company's total revenue, as illustrated in *Appendix 3*. In 2024, it generated €359,332 and corresponded to 14% of Underdogs total revenue. The costs of this segment increased significantly between 2022 and 2023, with their representativeness over the total Exhibitions revenue increasing from 61.7% to 95.2%. In 2024, it represented 72.6% of the segment's total revenue, showing an improvement compared to the previous year, but still at a higher level than in 2022. Moreover, the gross margin experienced a significant turnaround, rising from 4.8% in 2023 to 27.4% in 2024. However, it remains substantially below the 38.3% achieved in 2022.

The **Projects** segment presented the greatest volatility in revenue among the three business lines during the period analyzed. As previously mentioned, the key driver for oscillation was the sale of a project at a substantially higher price compared to the average in 2023, resulting

in a 103% increase in revenue in this segment. This punctual growth led to a 56% retraction in revenue in 2024, recording a revenue of €520,863, similar to the €577,907 reported in 2022. Moreover, the Projects revenue stream represented 20% of the company's total revenue in 2024. Although total costs decreased by 45% from 2023 to 2024, their proportion relative to this segment's revenue increased from 58.6% to 72% over the same period. Furthermore, the highest gross margin was in 2023, at 41.4% and despite the decrease in revenue in 2024, the gross margin was higher than in 2022, being 28% and 19% respectively.

In conclusion, Underdogs' financial statements reveal a strong dependence on the Editions business line for generating revenue and financial consistency, while the Projects segment demonstrates volatility, with punctual peaks in revenue. This scenario underscores the need for sustainable growth strategies that provide greater predictability for the company. Therefore, this study aims to address this financial challenge by providing strategic recommendations that adapt Underdogs' revenue streams to new market dynamics while fostering sustainable growth. The following chapter will define the strategic problem that guides this research.

### **1.5. Defining the Strategic Problem**

The aim of this project is to obtain an in-depth understanding of Underdogs' business and to devise strategies on how the company can achieve a stronger strategic position in the contemporary urban art market and ensure its long-term competitiveness and economic sustainability. The analysis focuses on addressing the central question: **“How can Underdogs reimagine and revitalize its business model and gallery experience to attract and retain tomorrow's art collectors while maintaining financial sustainability and cultural mission integrity?”**.

Underdogs is currently facing **specific challenges** that this analysis aims to overcome through the implementation of strategic recommendations. Firstly, the company has observed a **decline in investment from collectors**, affecting both high-priced, one-of-a-kind artworks, more

affordable print editions and commissioned projects. This has made it imperative for Underdogs to reconsider how it generates revenue from its core activities (exhibitions, editions and projects) in order to remain competitive in the market. Secondly, the gallery must navigate the **tensions between increasing their revenue while preserving their core values and mission**, particularly given its strong commitment to art democratization. Thirdly, Underdogs aims to identify and **engage with emerging audiences**, in response to recent market shifts and evolving collector profiles. Finally, these challenges underscore the broader need to **align financial sustainability with cultural and social impact**, balancing act that lies at the heart of the gallery's long-term strategy.

Having established an understanding of Underdogs' business, mission, identity, values and current financial situation, alongside a preliminary overview of the contemporary urban art market and the strategic challenges this study aims to address, the next chapter will provide an in-depth analysis of the external environment in which Underdogs operates.

### 3. Internal Analysis

*What is the current organizational framework of Underdogs?*

#### 3.1. Business Model Overview

In order to better understand the strategic structure of Underdogs and support the development of targeted recommendations, the **Business Model Canva** is employed as a methodological framework. By allowing a methodical mapping of the gallery's key operational components, this tool makes it easier to identify **possible areas for strategic improvement**.

##### 3.1.1. Customer Segments

Underdogs serves a **diverse set of customer segments**, each aligned with one or more of the gallery's three revenue streams: Exhibitions, Editions and Projects. Therefore, these segments vary not only in their purchasing behavior and budget range, but also in their motivations, relationship with the gallery and degree of engagement.

When it comes to **Exhibitions**, Underdogs mainly caters to three consumer segments: Unique Piece Collectors, Institutional Buyers and Corporate Clients. **Unique Piece Collectors** are typically HNWI's seeking original artworks, larger formats and bespoke commissions. This segment highly values establishing personal connections with both the gallery and the artists. Moreover, this group is highly valued by Underdogs due to the large potential for financial investment. Furthermore, **Institutional Buyers**, including museums, collections and foundations, also play a key role in the Exhibition's revenue stream. This segment seeks original artworks that align with their curatorial standards, so the credibility of the artists and the artistic value of the pieces are very important factors. They are not a big segment in terms of size, but they have a significant impact on the gallery.

The **Editions** business line targets a wider and more varied customer base. It includes **First-Time Buyers**, who are new to collecting and are drawn to affordable editions, postcards or entry-level screenprints and **Edition Collectors**, who normally look for mid to high-tier

editions, signed prints or numbered series and often have the potential to progress toward acquiring unique works.

Additionally, Underdogs has two consumer segments that are important for both **Exhibitions and Editions: Patrons/Ambassadors** and **Corporate Clients**. The first is a loyal group that engages not only through purchases, ranging from editions to unique pieces, but also by actively supporting the gallery's ecosystem through referrals and event participation, often attracted by a sense of affiliation and recognition. Moreover, **Corporate Clients** are a cross-cutting segment relevant to both **Exhibitions** and **Editions**, not limited to commissioned projects. They are often represented by individual decision-makers who purchase both **original artworks** (for offices or as corporate gifts) and **editions** (for bulk gifting or decoration). While not these business lines' core target, they represent a valuable audience.

Finally, when it comes to the **Projects** revenue stream, Underdogs attends the B2B segment, carrying out different types of artistic interventions designed exclusively for these clients. Thus, the B2B segment follows a **distinct customer segmentation**, with its own patterns of engagement and priorities.

Firstly, there are also the **Corporate Clients** segment, that are usually companies looking for artworks for offices, receptions or brand activations, such as large-format pieces, multiple works, edition bundles, site-specific ephemeral installations or event curation. Additionally, the **Interior Designers and Architects** also constitute a relevant segment, as they often source editions or custom works on behalf of clients or for public spaces. Similarly, the **Hospitality Clients** segment, such as hotels and restaurants, turn to Underdogs for site-specific artworks, such as murals, wall sculptures or framed editions, that contribute to storytelling and enhance the guest experience. As for the **Cultural Institutions and Art Foundations** segment, which include museums, biennials, festivals and public programs, these clients typically seek a different type of product, such as commissioned artist interventions or collaborations on

editions that align with their curatorial values and long-term missions. In addition, the **Real Estate Developers** segment represents another strategic group, engaging the gallery to integrate curated artworks into public areas or luxury developments, thereby enhancing their overall value. Lastly, the segment of **Brand Collaborators** from sectors such as fashion, technology, food and beverage turn to Underdogs for capsule editions or co-branded artistic projects.

In summary, these customer segments represent the diverse range of individuals and organizations that Underdogs engages with and this diversified audience is key to sustaining its multidimensional business model. Thus, their specific needs, purchasing behaviors and goals are crucial to understanding the gallery's operations and value proposition.

### **3.1.2. Value Proposition**

Underdogs delivers a multifaceted value proposition by connecting diverse audiences to contemporary and urban art through curated exhibitions, accessible editions and commissioned artistic projects. By tailoring its approach to the needs of each client segment, Underdogs fosters long-term relationships across both **private** and **institutional spheres**.

Firstly, for **Unique Piece Collectors**, the gallery offers exclusive access to original works and bespoke commissions by established and emerging artists. These collectors benefit from a highly personalized experience, including private previews, artist studio visits and VIP events, which deepen their emotional and financial engagement with the art. Secondly, **Institutional Buyers** rely on Underdogs for works that align with curatorial and cultural standards. In support of these relationships, the gallery provides comprehensive curatorial documentation, artist CVs and media coverage to reinforce the credibility and long-term value of each acquisition. Additionally, **Corporate Clients** benefit from Underdogs' ability to create and deliver large-scale artworks, edition bundles and site-specific installations that enhance workplace environments and brand identity. These services are supported by end-to-end project management, including curation, production, framing, installation and tax-optimized invoicing.

Underdogs also caters to **Interior Designers and Architects**, providing fast access to curated catalogues, visual mock-ups and scalable solutions that integrate seamlessly into commercial, residential or public environments. Similarly, for **Hospitality Clients**, the gallery develops immersive and durable art installations that support narrative-driven guest experiences while maintaining visual cohesion. For **brands and cultural collaborators**, Underdogs acts as a **creative and cultural producer**, ensuring creative direction and overseeing production when co-developing limited editions and campaign-driven artistic content that merges authenticity with high visibility and brand alignment.

At the community level, Underdogs cultivates loyal relationships with **Patrons and Ambassadors** who support the gallery not only through acquisitions, but also through advocacy and referrals. Programs such as the Underdogs Club recognize this commitment with exclusive benefits and co-hosted events, which fulfils their main goal of status recognition as well as their need to establish an emotional connection with the company.

Finally, by offering accessible editions, postcards and screenprints, Underdogs introduces **First-Time Buyers** to the world of contemporary and urban art in an approachable way. These clients are supported through educational content, welcome campaigns and limited time offers designed to build trust and long-term brand affinity.

Through this diversified approach, Underdogs successfully bridges the gap between artists and audiences, delivering distinct value across market segments while remaining committed to artistic integrity, accessibility and cultural relevance.

### **3.1.3. Channels**

To effectively reach and deliver value to its diverse customer segments, Underdogs engages its audience through both **physical and digital channels**, reflecting its mission of accessibility and community connection. For that reason, these channels should not only be seen as commercial

tools, but also as essential components in how the company delivers its value proposition and sustains its operations.

At the core of its **physical presence**, Underdogs maintains the gallery space in Lisbon with **two exhibitions areas** serving as the main venues for showcasing and selling curated collections of contemporary and urban art. Designed as a conventional **white cube gallery**, these spaces host a rotating program of solo and group exhibitions, giving guests the chance to engage directly with artworks and artists in a more immersive and personal setting. The gallery space elevates and legitimizes techniques that are sometimes left out of traditional art spaces by showcasing urban and contemporary art in a professional setting. Most importantly, these exhibition spaces serve as the gallery's **main sales channel for unique pieces**. According to November 2024 data, **97% of unique pieces sales** occurred through the gallery and **only 3% via the e-commerce platform**. These figures clearly demonstrate the importance of in-person experiences for high-value collectors, institutions and corporate clients seeking original pieces. In addition, Underdogs also operates an **art store** in the gallery space that offers artist editions and limited-run books, catering to visitors interested in more accessible formats and extending the commercial function of the space. However, in 2024, sales through this channel accounted for only **26% of total edition sales**, indicating that it is not the main sales channel for this product line.

When it comes to **digital sphere**, Underdogs maintains a solid online presence. Therefore, the gallery has a **website** that functions as a **global online store** and institutional information center, providing access to public art maps, exhibition information and details about limited edition artworks, while allowing global collectors to browse and purchase both editions and UPs. In April 2025, the website received **66,000 visitors**. Traffic sources reveal a strong brand recognition and recall among the audience, with **36%** of users arriving via **direct traffic**, suggesting a loyal customer base, while the remaining traffic comes from a diverse acquisition

mix: 23% through **organic search**, 11% via **email marketing** and 5% through **paid search** campaigns. Thus, the organic search performance, contributing nearly a quarter of total traffic, highlights an opportunity for enhancement through **strategic SEO optimization**. This channel could be further leveraged with **targeted keyword strategies** and **content improvements** to capture additional audience. Meanwhile, email marketing's modest 11% contribution demonstrates a validating Underdogs' communication strategy and content quality through this media. In contrast, the 5% traffic from paid search campaigns shows poor performance, suggesting a need for **increased investment, campaign design** and **targeting** to better capture potential buyers and maximize return on ad spend.

Additionally, the best-selling products in e-commerce are the limited **editions**. In this sense, in 2024, **74% of edition sales occurred through e-commerce**, confirming that, unlike unique pieces, editions have e-commerce as the main sales channel. This data underscores the strategic importance for Underdogs to maintain both physical and digital sales channels, as each business line's customer segments exhibit distinctly different channel preferences.

Despite its reach, however, the website's average **conversion rate** from November 2024 was **0.33%**, falling **below the 1.4% market average** (Kumar, 2024). To address this performance gap, Underdogs could implement strategies such as optimizing the shopping experience by simplifying checkout, implementing customer reviews or testimonials that help build trust with new consumers or sending automatic personalized emails with reminders after cart abandonment.

The most accessed pages on the website are those of e-commerce, underscoring the strategic importance of the online store as a sales channel that expands the gallery's commercial reach to a global audience. This way, the geographic distribution of visitors from November 2024 reveals a **diverse international audience**: 50% from Portugal, 23% from the United States (U.S.), 18% from France, 5% from Japan and 4% from the United Kingdom (UK). These traffic

patterns confirm Underdogs' **strong local base** and highlight significant international growth opportunities, especially in the U.S., once it is the world's largest art market by volume and value (Statista Research Department, 2024) and where the gallery already has a notable digital presence.

Sales distribution by country through the e-commerce for November 2024 provides further insights: 63% from Portugal, 18% from the U.S., 10% from France, 5% from the UK and 5% from Japan. This data reveals **strong domestic conversion rates**, indicating established trust among Portuguese costumers. However, the **gap between traffic and sales** in the U.S. and **French markets** suggests that their consumers might be **facing barriers** such as high shipping costs, difficulty with payment methods or lack of trust in international purchases, which results in promising traffic volumes failing to translate proportionally into completed sales. Thus, addressing these issues, particularly for the American market, due to its size, could **improve international performance**.

Underdogs' digital presence is further reinforced through its use of **social media**. The gallery is present in two social media platforms, **Facebook** and **Instagram**, with a substantial following of **123,000** and **62,000 users** respectively. Both platforms publish identical content, which is focused on showcasing artists, highlighting exhibitions and providing updates regarding Underdogs to their digital community.

On Instagram, Underdogs' performance metrics reveal both strengths and weaknesses. The average engagement varies between 600 and 1,000 interactions per post and the average monthly reach is 165,900 accounts. The expressive audience size demonstrates that the gallery has a strong digital visibility. Moreover, the average monthly reach is positive, as it **exceeds the number of followers**, indicating that the content has **efficient organic reach**. However, the average engagement per post rates ranges from **0.5% to 0.8%**, falling short of the average

of the market of **3.5%** (Mikolajczyk, 2025), indicating that while reach is high, follower interaction remains low.

Regarding Instagram **demographics**, there is a balanced gender distribution and a predominance of followers between **35 and 44 years old (38%)**, followed closely by the **25 to 34** and **45 to 54** age brackets, with approximately **24% each** of the total audience (as shown in *Appendix 6*). Geographically, Portugal dominates the follower base, followed by significant representation from the U.S., Brazil and France. This aligns closely with website traffic trends, underscoring a consistent interest from both local and key international audiences. It is notable that this further confirms the interest in the brand from American and French consumers. Additionally, the strong Brazilian presence on Instagram, although not reflected in website traffic or sales, suggest a market still in early stages of brand discovery.

Furthermore, although Underdogs keeps the Facebook page active, performance metrics are no longer monitored and were not made available by the company. In this regard, Underdogs understands that Facebook is no longer relevant to the audience it intends to reach and, currently, the main platform is Instagram.

In addition to social media, Underdogs also uses **email newsletters** as a direct communication channel with its registered customers. These are sent **five times per month** and keep its subscribers informed about upcoming and exclusive exhibitions and edition launches, other “unmissable” events and stories about emerging artists, helping to maintain ongoing engagement with its audience. The newsletters maintain a **strong open rate of 43%**, well above the industry benchmark of 29.8% (Meyer, 2024), indicating that, despite a relatively high sending frequency, the subscribers do not show loss of interest, remaining engaged.

Finally, it is important to note that Underdogs currently relies on **inbound channels** to attract clients for commissioned projects, with most corporate clients initiating contact directly. This

is due to the **lack of a formal outbound strategy** in place to proactively reach or acquire B2B clients, which has been identified as a key limitation during discussions with the gallery.

In sum, Underdogs balances offline immersion with global digital reach. While the physical gallery remains key for high-value sales, digital channels offer strong potential for growth, especially through improved conversion strategies, social media engagement and targeted international communication. However, a gap remains in how the gallery approaches corporate clients.

#### **3.1.4. Customer Relationships**

Underdogs implements different **relationship management strategies** for each customer segment, recognizing their distinct characteristics and expectations. These approaches aim to support acquisition, retention and long-term engagement, balancing personalization with scalability.

In the **Exhibitions** revenue stream, relationships with **Unique Piece Collectors** are built through high-touch experiences such as private exhibition previews, VIP events, intimate dinners with guest artists and studio visits. These initiatives aim to foster trust and emotional connection with high-value clients, who values direct engagement with the artists and the gallery. As for **Institutional Buyers**, although this is a smaller group, it can generate an extremely positive impact for Underdogs by consuming its artwork, substantially boosting its visibility and reputation. In this sense, Underdogs aims to emphasize its credibility and artistic value in order to acquire and maintain relationships with these clients, by providing curatorial dossiers, press coverage of exhibitions and detailed artists portfolios. Moreover, **Corporate Clients** value personalized assistance at the time of purchase and payment and logistical convenience. Therefore, Underdogs seeks to strengthen relationships with this group by offering personalized consulting in the selection of artworks, logistics support and framing and installation services.

For the **Editions** revenue stream, when it comes to **First-Time Buyers**, Underdogs focuses on customer acquisition, establishing a relationship based on trust and brand engagement, with the ultimate goal of retaining and turning them into regular Edition Collectors. Thus, Underdogs uses relationship strategies that mainly involve educational content about the gallery and featured artists. On the other hand, for **Edition Collectors**, the gallery strengthens relationships by offering edition packages deals and subscription-style previews of upcoming releases, encouraging both repeat purchases and potential interest in acquiring unique pieces.

For **Patrons/ Ambassadors** segment, a group that is important to both **exhibitions and editions** revenue streams, Underdogs seeks to strengthen relationships through a more emotional bond. Recognizing this group's desire for status acknowledgment, the gallery offers exclusive benefits including members-only special events and privileged early access to exhibitions. These exclusive experiences reinforce the contribution of this strategic consumer segment to Underdogs, as this group plays a key role in promoting Underdogs.

The **Projects** revenue stream requires a more consultative and long-term approach, as it serves a wide range of B2B clients with distinct profiles. The **Corporate Clients** for Projects often seeks for commission site-specific works that align with their corporate values and community engagement strategies. Therefore, Underdogs positions itself as a strategic partner with strong expertise in executing artistic projects, taking full responsibility for conceptualization, production, execution and documentation. **Interior Designers and Architects** segment values agile partners with technical expertise, appreciating practicality and quick access to catalogs, detailed dimension descriptions and digital mockups that facilitate visualization. Thus, Underdogs' relationship strategy focuses on meeting these segment needs, with the primary goal of being seen as a reference source for contemporary and urban art within this segment. **Hospitality Clients** seek partners who deeply understand their business identity and their intentions with artistic interventions and who can translate this into projects. Therefore,

Underdogs' relationship strategy with these clients involves personalized service, demonstrating attention and understanding of the client's unique characteristics. Relationships with **Cultural Institutions and Art Foundations** are highly valuable to Underdogs, as these clients bring great visibility and recognition to the company. This group values partners who have detailed documentation of previous projects, media visibility and aligned values. As such, Underdogs seeks to acquire and retain this segment by investing in company promotion in the media, showcasing the quality of its artistic curation and mission. The **Real Estate Developers** segment consumes art with the aim of adding value to luxury developments and public areas. Thus, artist visibility and status are extremely important to these clients, as well as having partners who execute excellent production planning and have scalability. Therefore, Underdogs aims to establish relationships with this segment by demonstrating its capability in artist curation and offering expertise in planning and executing artistic interventions. Finally, **Brand Collaborators** are managed through strategic co-creation. Thus, Underdogs offers creative direction, production oversight and access to artist networks, establishing itself as a cultural consultant capable of delivering high-impact brand collaboration projects.

### **3.1.5. Revenue Streams**

The foundation of Underdogs' business strategy lies in its **diversified operational framework**. It functions simultaneously as an art gallery **showcasing exhibitions**, a **producer of limited editions** and a **developer of commissioned art projects**.

The **Exhibitions** revenue stream offers **unique pieces** from featured artists, playing a fundamental role in fulfilling Underdogs' mission to promote both emerging and established artists. These artworks are presented in curated shows at the gallery and their prices vary according to **artist visibility in the market**. For instance, artworks by emerging artists may have an **entry price of €3,000**, while exhibitions by established market artists may have an **initial price of €5,000** and **reach up to €45,000**. Therefore, as previously presented, the target

audience for this revenue line consists of consumers with **high purchasing power** who identify as **mid-to-professional level art collectors**, as well as companies, museums and foundations. These consumer segments are already familiar with the art market, thereby possessing deep market knowledge and willing to invest in high-value works, since they understand their pricing valuation.

The **Editions** revenue stream encompasses limited-run artworks produced in multiple copies that can take different formats including prints, photographs and 3D editions. This pillar plays a key role in advancing Underdogs' mission by expanding the gallery's audience beyond art collectors and high-income segments, supporting the democratization of contemporary and urban art. Therefore, edition prices range from **€20 to €12,000**, allowing Underdogs to target both consumers who are buying art for the **first time**, as well as **experienced edition collectors**.

The **Projects** revenue stream commercializes **artistic intervention services** for B2B and institutional clients. These include site-specific installations, murals, co-branded collaborations and other types of projects in these lines. Thus, this pillar contributes to fulfilling Underdogs' mission of promoting creativity that challenges boundaries by bringing contemporary art to public spaces beyond the gallery. Additionally, project values vary significantly depending **on their scale** and the artist who will execute them in partnership with Underdogs, ranging from **€10,000 to €500,000**.

### **3.1.6. Key Resources**

The key resources needed for Underdogs' operation include tangible and intangible assets categorized as: **physical, intellectual, financial and human resources**.

For the **Exhibitions** revenue stream, the most critical physical resource is the Lisbon-based art gallery, which allows Underdogs to have a fixed and guaranteed exhibition space that also serves as a meeting hub to connect artists, collectors and art enthusiasts. Intellectual resources comprise a strong brand reputation to attract the desired target audience, expertise in artistic

curation, strategic partnerships with artists and a customer database. The Exhibitions revenue stream involves consignment and non-consignment agreements with the artists, thus, in the second case, Underdogs needs to have capital available to cover the upfront payments for the artists. Moreover, financial resources also cover gallery operations, staff compensation, exhibition costs, shipping merchandise expenses and artist commission payments. Human resources involve collaborators working in the internal areas of Curation, Exhibition Programming, Operations, Finance and Marketing & Communication, as well as permanent staff for customer service in the gallery. Additionally, human resources also include expertise in the contemporary art market for artist curation.

The **Editions** revenue stream requires physical resources which involve the art store located within the gallery space, online store and inventory. Intellectual resources include expertise in artistic curation, strategic partnerships with artists, consumer databases and product copyright. Financially, the editions involve a non-consignment agreement with artists; thus, Underdogs needs to have capital available to make upfront payments for editions to suppliers, as a financial resource. Additionally, financial resources are also needed for the maintenance of the physical and online store, staff compensation, communication and marketing initiatives and to cover shipping costs. In terms of human resources, the Editions revenue stream is the business line that requires more work, due to its intense launch frequency and implied activities. It encompasses employees across multiple areas, including Curation, Editions Planning, Operations, Finance, Marketing & Communication, as well as retail staff for consumer support and staff for the maintenance of the online platform. Additionally, it also requires expertise in the contemporary art market for artist curation.

The **Projects** revenue stream does not involve physical resources, as it primarily depends on intellectual and human resources. Its intellectual resources include a strong brand reputation to attract the desired target audience, artistic curation, strategic partnerships with artists and

technical expertise for project execution. Financial resources involve the company's own capital. Regarding human resources, collaborators are needed working across the areas of Curation, Operations, Commercial, Marketing & Communication and Finance, as well as expertise in the contemporary art market for artist curation.

### **3.1.7. Key Activities**

The key activities involve the most important actions that Underdogs must take to operate successfully. In this sense, they differ according to the revenue stream.

The **Exhibitions** revenue stream relies on several key activities including curation and production of exhibitions, artist relationship management, relationship with consumer segments (including personalized service and organization of exclusive events for guests), management of the gallery's physical space and visitor experience, e-commerce management, development of support materials, production of exhibitions marketing campaigns and sales and contract management.

The **Editions** revenue stream encompasses activities such as artist selection and curation, creative conceptualization of editions, release planning and product management, supplier negotiation, supervision of outsourced production, quality control, copyright and intellectual property management, physical and online store management, development and management of marketing campaigns and customer service across all touchpoints.

The activities of the **Projects** revenue stream involve client acquisition and negotiation, development and curation of customized projects, artistic co-creation for Brand Collaborators segment, technical specification and budget proposal development, end-to-end production and execution management, project documentation and communication and coordination of logistics partners and suppliers.

Finally, it is also important to mention that one of Underdogs' key activities, although not directly generating revenue, is curating and producing public art projects across Lisbon, through

its **Public Art Program**. This comprehensive initiative expands the gallery's impact beyond traditional exhibition venues into Lisbon's urban landscape and stands as one of its most distinctive features. The program includes large-scale murals and installations throughout the city, temporary urban interventions and site-specific projects and community engagement initiatives, like workshops.

### **3.1.8. Key Partners**

In addition to the previously mentioned channels used to reach clients, Underdogs' business model is further reinforced by a carefully managed network of strategic collaborations and partnerships that enhance both its cultural mission and commercial capabilities. These collaborations can be divided into two main groups: institutional/corporate sponsors and core artists relationships.

As stated on their website, the gallery collaborates with a wide range of urban and contemporary artists; nonetheless, Underdogs has cultivated especially close ties with **six important artists** who receive additional development support, namely Add Fuel, Nuno Viegas, Tamara Alves, Wasted Rita, Aka Corleone and MaisMenos. These key artists benefit from a **closer relationship** with Underdogs, which includes regular meetings with the curatorial team for advising on career guidance and project development, prioritized opportunities for gallery exhibitions and edition releases and preferential consideration for B2B project opportunities and commissions. As a consequence, both parties gain from this focused investment in these artists: Underdogs strengthens its brand identity by associating with unique artistic voices that have evolved alongside the gallery, while artists receive consistent support and market development.

At the same time, the gallery has also established valuable sponsorship relationships with **organizations from diverse sectors** that provide financial support, in-kind support and co-

promotional opportunities. These partnerships often go beyond financial transactions to reflect shared values and long-term collaboration.

In the automotive industry, Mini has been a notable sponsor. The brand supplies vehicles for use by the Underdogs team and Vhils Studio, approximately ten in total, including one dedicated to the gallery. In return, each year, Vhils develops a **special project** in collaboration with them, supported by coordinated communication campaigns. Following the same logic, Underdogs has a partnership with the **Ritz Hotel**, who provides **accommodation to artists** depending on their room availability and, in exchange, the hotel receives pieces from Vhils. Simultaneously, in the **beverage industry**, **Terra Nobilis** also contributes with in-kind support, by supplying wine for gallery openings and events. In general, **in-kind sponsors** are acknowledged by the gallery in several ways in return for their contribution. For example, by having their names appear at the base of curatorial texts for exhibitions, in “thank you” notes included in book launches and through dedicated social media posts highlighting the partnerships. Looking ahead, Underdogs also plans to create a **sponsor page** on its website to formalize and clarify these collaborations. In turn, in the **real estate industry**, **VIC Properties** plays a particularly strategic role. The company is working to position Lisbon’s Marvilla neighborhood, where the Underdogs gallery is located, as a high-end location, in order to sell their million euros apartments. Therefore, they need Underdogs help to make Marvilla a neighborhood where people want to come live in. one of the examples of this collaboration is **mural by Tamara Alves** on the rear wall of the gallery that VIC has financed with the intent of improving the visual landscape from their apartments for sale. This collaboration demonstrates how Underdogs’ cultural work can directly support urban development goals.

Lastly, **GAU**, a municipal body under Lisbon’s City Council, is the main sponsor of the Underdogs’ Public Art Program. According to **Catarina Pedroso**, the Head of Communications and Marketing for the Cultural Affairs Group, Underdogs has maintained a

**formal agreement with GAU** for the past **ten years**, a partnership that they are now seeking to expand to other municipalities.

In sum, in addition to financial support, some of Underdogs' sponsorships offer **in-kind resources** that **lower production costs**, broaden the gallery's audience through joint marketing campaigns and enhance **Underdogs' legitimacy** by connecting the organization with reputable institutions and businesses. Many of these partnerships are further enriched by **cross-collaboration** within the broader **Cultural Affairs collective**, enabling the gallery to access a common network of sponsors involved in other initiatives like Vhils Studio and Iminente Festival. This network effect amplifies the value of each relationship, which also creates opportunities for new collaborations tailored to Underdogs' projects. Ultimately, this partnership strategy enables the platform to carry out larger-scale projects that would be difficult to fund just through gallery sales, particularly in non-commercial areas like public art. In return, sponsors gain direct access to Lisbon's urban art scene, establishing mutually beneficial partnerships that support the gallery's cultural objective and long-term viability.

### **3.1.9. Cost Structure**

The cost structure of the **Exhibitions** revenue stream primarily depends on the agreements established with partner artists. In this regard, Underdogs establishes either consignment or non-consignment agreements with artists depending on the company's confidence level regarding the sales of the artworks. Under consignment agreements, Underdogs shares 50% of the production costs of the artworks with the artist only if there is a sale. For non-consignment contracts, Underdogs makes an upfront payment of **100% of the production costs** and pays **royalties** to the artist only **after 50% of the production costs** have been recovered.

Beyond artist agreements, Underdogs fully covers the following costs: exhibition installation, communication costs, opening event costs, shipping logistics for client purchases and artists' accommodations and flights. Installation costs range between €10,000 and €30,000.

Communication costs include photography, filming, paid media and PR and depend on the artist's relevance, ranging between €2,000 and €6,000. Opening costs include factors such as collector dinners and catering, ranging between €1,000 and €2,000. The cost of accommodation and flights is variable and, occasionally, the accommodation cost is secured at no cost through the company's strategic partnership with the Ritz.

The **Editions** revenue stream operates exclusively with non-consignment agreements with partner artists. Thus, Underdogs fully covers the production costs upfront and begins paying royalties to artists when 50% of the production costs are recovered. Furthermore, costs for this revenue line include communication costs and shipping logistics to customers. As with exhibitions, communication costs include photography, filming, paid media and PR and the investment depends on the artist's relevance, ranging between €300 and €3,000.

The **Projects** revenue line establishes agreements with artists stipulating that Underdogs will pay a fee that is negotiated in advance after the completion of the projects. The fee paid to artists depends on the artist's visibility and the complexity of the project, ranging from €1,000 to €30,000.

### **3.2. SWOT Analysis**

The previous external analysis, together with the internal business analysis of Underdogs, enabled the development of the SWOT analysis (*Appendix 7*). Therefore, key **strengths** include the **diversified business model**, with complementary revenue streams and channels that enable diversification of audiences and monetization. Along with this, the **diverse and well-defined consumer segments** allow for the implementation of targeted strategies. Furthermore, **strong value propositions** tailored to each of these customer segments also ensure that their needs are properly satisfied, as well as reinforce the positioning of the gallery in the market.

However, the financial analysis revealed **weaknesses** in Underdogs' operations and structure. Firstly, the gallery exhibited an **unstable EBITDA performance** over the analyzed period,

with a **notably low EBITDA margin** of just 0.7% in 2024. Moreover, there is **significant reliance on the Editions** business line, which accounted for 65% of total revenue in 2024, raising concerns about revenue concentration, as Underdogs is thereby highly vulnerable to any fluctuations in this market segment. Furthermore, the **Projects business line has shown significant revenue instability** over the period, underscoring its strong reliance on insulated high-value sales. Furthermore, a critical operational weakness lies in the **absence of a structured outbound strategy** to target B2B clients. As a result, corporate collaborations depend solely on inbound inquiries, limiting growth potential in this segment and highlighting the need for a more proactive commercial approach. Lastly, another critical weakness is the **overdependence on the local market**, with 63% of e-commerce sales in 2024 coming from Portugal, as well as 50% of the traffic on the website.

The opportunities and threats relevant to Underdogs have been extensively detailed in the “Opportunities and Threats” section at the end of Chapter 2, therefore for a summary of these see *Appendix 7*. Finally, to address the weaknesses identified in Underdogs’ operations, strategic recommendations were designed to leverage the external opportunities that can contribute to their improvement. These initiatives will be analyzed for each of the three business lines in the following three chapters (Chapters 4, 5 and 6). It is, however, important to underline that a central goal across all recommendations is to improve the gallery’s low EBITDA margin. And in particular the strategies related to Exhibitions and Projects aim to reduce the excessive reliance on the Editions business line, thereby promoting a more balanced and resilient revenue structure

## 7. Financial Plan

*What will be the financial impact of the recommendations?*

### 7.1. Financial Projection

To understand the financial impact of the recommendations for Underdogs across its three revenue streams, two projected income statements were developed. The first, presented in *Appendix 30*, assumes a base scenario, in which Underdogs maintains its current operations. The second, shown in *Appendix 31*, considers a scenario in which the company adopts the strategic recommendations proposed in this project.

The implementation of the recommendations significantly increases Underdogs' revenue potential, especially from 2027 onwards, due to a strong contribution from the initiatives for the Projects revenue stream. Additionally, the performance in 2030 reflects the full impact of all implemented initiatives. In 2027, Underdogs has a 23.3% higher revenue in the scenario that considers the initiatives than in the one that considers only organic growth and in 2030, 34.5% higher. Moreover, considering the projected revenue for the last year, 2034, the scenario in which the recommendations are implemented outperforms the base scenario across all revenue streams, being 9% higher in Editions, 41% in Exhibitions and 104% in Projects.

Although costs are higher in the scenario with recommendations, the absolute growth in gross profit compensates it. The same applies to gross margin, which shows a slight reduction in the scenario that considers the initiatives, but which is outweighed by the absolute increase in gross profit. Moreover, OPEX were projected at a constant level in both scenarios, which was assumed to represent 18% of the revenue for the *Supplies and External Services* category and 11% of the revenue for the *Staff Costs* category.

Regarding EBITDA, the base scenario shows negative results from 2027 onwards, underscoring operational unsustainability in the long term. In contrast, the scenario incorporating the recommendations maintains positive EBITDA throughout the forecast period,

with the highest historical value in 2026, representing €105,304. The peak is followed by a decline as cost increases due to the implementation of the initiatives. This pattern suggests that while the strategic recommendations successfully drive revenue growth, they also entail higher costs in the short to medium term.

In conclusion, the financial projections highlight that implementing the proposed recommendations positions Underdogs for sustained growth and improved financial health. Despite higher costs, the long-term benefits justify the strategy. In this sense, the recommendations not only strengthen the revenue streams, but also ensure that the company can scale more sustainably.

## 7.2. Timeline of Recommendations

This section outlines the financial rationale and strategic timeline for implementing the recommendations developed throughout the previous chapters. The approach integrates financial return with operational feasibility, ensuring that decisions are both value-driven and realistically actionable within the gallery's current and projected capabilities, as well as a well-structured and realistic roadmap for Underdogs' growth over the next six years.

To determine the optimal sequence for implementation, a matrix was built in order to evaluate each recommendation along two key dimensions: the **ease of implementation** and the **expected return on investment** (see the Matrix in *Appendix 34*). Thus, the ease of implementation was assessed based on the **estimated cost** and the **complexity of the execution**, including the number of required steps. On the other hand, the ROI dimension was already computed in previous chapters and is considered with the intent of reflecting the **financial and strategic value** the recommendation is expected to bring to the gallery. For analytical purposes, **higher ROI** was defined as any recommendation with a return above the average ROI of all proposed initiatives, calculated at **29%**, while **lower ROI** refers to any initiative falling below this threshold.

The matrix groups recommendations into four broad categories: high ROI and simple implementation (Quadrant B); high ROI but complex implementation (Quadrant D); simple implementation but low ROI (Quadrant A); and, finally, low ROI and complex implementation (Quadrant C). This way, a six-year timeline balancing **quick wins** with **long-term initiatives** was created.

In the short term, covering the years 2026 and 2027, the focus is on initiatives that promise high returns and are relatively easy to implement. Notably, the Eco Fundamental Sustainable T-Shirts Project, scheduled for 2026, represents a straightforward and cost-efficient initiative, requiring only €8,285 and expecting a ROI of 45%. Alongside this, introducing blockchain-based certificates of authenticity for exhibitions, also planned for 2026, stands out with the highest projected ROI of 88%. With a modest cost of €3,200, it presents a highly attractive early-stage investment. These two initiatives serve as strategic “quick wins,” enabling the organization to generate immediate value while building financial momentum. Simultaneously, during this initial period, groundwork will begin on more complex recommendations, ensuring sufficient preparation time for their future implementation.

These more complex recommendations, but still with high return, will be implemented in 2027. Therefore, the community engagement workshops are planned for this year, offering a strong **return of 57%** on a small investment of €4,368. In the same year, the outbound reach strategy will be launched. Although significantly more complex and costly, requiring an investment of €535,624, it is expected to deliver a solid **ROI of 35%**. It is important to underline that the high cost is primarily attributed to the substantial expenses involved in delivering a project tailored to B2B clients, that is balanced with a strong return.

Following these, in the mid-term, the initiatives to be executed will generally offer more modest returns. Therefore, priority will be given to the simpler ones, which are easier to implement and help maintain operational momentum. Due to the simplicity of these initiatives, in 2029, three

will be integrated into the gallery's operations. Namely, the *Azulejos de Fachada ceramic tiles*, which involve a modest cost of €3,906 and a manageable implementation process. Though its ROI is more moderate at 15%, it contributes meaningfully to the diversification of revenue streams. Another key project during this phase is the **post-exhibition package initiative**, expected to cost €121,283 and yield a respectable ROI of 20%. Additionally, the **adoption of sustainable practices**, while offering a lower ROI of 11.8%, supports the organization's sustainability strategy and longer-term brand positioning and doesn't imply very significant extra costs.

Finally, the long-term phase, covering 2029 and 2030, is reserved for projects that are more complex and offer lower financial returns, but may provide strategic value and could potentially yield greater benefits under future market conditions or once the gallery has gained more exposure. In 2029, the organization plans to expand digitally through online marketplaces such as Artsy. This initiative requires an investment of €83,882 and is projected to return a ROI of only 3%. However, its potential to enhance visibility and access to broader markets may justify the investment from a non-financial perspective. Also scheduled for 2029 is the exploration of creating NFT editions. With a total cost of €92,318, this initiative offers a moderate ROI of 13% and aligns with the growing digitalization of the art sector. In 2030, the gallery may consider implementing an AR initiative to allow clients to visualize artworks in their own spaces. Despite its innovative potential, this project entails a significant investment of €64,213 and has a projected ROI of only 0.2%. Nonetheless, it may contribute to the gallery's positioning as an early adopter of digital tools in the art market, which could translate into long-term reputational and experiential value.

This phased approach enables the company to begin with achievable, high-impact projects, build internal capabilities over time and progressively take on more ambitious initiatives. It ensures that resources are allocated efficiently, risk is minimized and the return on investment

is maximized throughout the implementation period. The plan remains flexible, allowing for periodic reassessment of each initiative based on changing internal priorities or external market conditions.

### 7.3. Summary of Financial Implications by Revenue Stream

To sum up, this section provides an analysis of the projected financial benefits associated with the implementation of the targeted strategic recommendations across the three revenue streams: Exhibitions, Editions and Projects. This analysis, therefore, focuses on the incremental profit generated by each initiative over a nine-year period (2026-2034), thereby isolating the added value of the recommendations from baseline operations (for the breakdown of these values consult *Appendix 35*).

In the first place, the Editions stream stands to benefit from a series of initiatives aimed at enhancing **scalability** and **digital engagement**. These include expansion into online marketplaces, the development of sustainable merchandise (T-shirt project), the introduction of artist collaborations (e.g., ceramic tile editions) and the integration of AR tools to support buyer decision-making. The financial impact of these measures begins in 2026, with full implementation achieved by 2029. The Editions initiatives are projected to contribute **€18,215 in annual profit** to the company's overall EBITDA. While modest in size, this contribution confirms Editions as a reasonably high-margin and strategically vital component of the business model, particularly due to its alignment with digital trends and accessible pricing.

In the Exhibitions revenue stream, proposed interventions include the implementation of blockchain-based certificates of authenticity, sustainability advancements and the provision of post-exhibition packages. These initiatives begin generating returns in 2026 and are fully implemented by 2028. From that point onward, the gallery can expect an **annual profit increase of €30,858** attributable to these interventions. Although the margin is comparatively

modest, the reputational benefits and potential for increased audience engagement reinforce the strategic relevance of these initiatives.

Finally, the Projects stream demonstrates the most substantial financial impact resulting from the proposed strategic actions. Specifically, the recommendations include the development of outbound reach strategies and the establishment of community engagement workshops. These initiatives both begin in 2027 and are fully operational starting that year. Therefore, from 2027 onward, the Projects stream is expected to deliver an **annual added value of €190,269**. This substantial contribution highlights the latent potential of Projects as a scalable and profitable revenue stream. However, it is important to note that this segment is inherently volatile due to the variability in project size and frequency, an element that must be factored into long-term financial planning.

In summary, if all recommendations are fully implemented by **2029**, from that year forward Underdogs is projected to achieve a **total increase of €239,484 in annual profit** derived solely from these strategic interventions. It is also important to consider the **qualitative and synergistic effects** of these initiatives, such as enhanced brand positioning, stronger artist partnerships and deeper community engagement, which, although not quantifiable in this financial model, are likely to further reinforce the gallery's long-term sustainability and cultural impact.

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## 9. Appendix

### Appendix 1: Underdogs Historical Income Statements (2022 – 2024)

Underdogs	Historical Results		
	2022	2023	2024
<b>Underdogs Income Statement</b>			
<b>Revenue</b>	<b>2.482.943</b>	<b>3.983.189</b>	<b>2.541.992</b>
Editions	1.496.842	2.293.889	1.661.797
Exhibitions	408.193	517.157	359.332
Projects	577.907	1.172.142	520.863
<b>Costs</b>	<b>1.728.232</b>	<b>2.810.181</b>	<b>1.575.403</b>
Editions	1.008.195	1.631.410	939.497
Exhibitions	251.650	492.435	260.949
Projects	468.387	686.336	374.957
<b>Gross Profit</b>	<b>754.711</b>	<b>1.173.008</b>	<b>966.589</b>
Editions	488.647	662.479	722.300
Exhibitions	156.543	24.722	98.383
Projects	109.520	485.806	145.906
<b>Gross Margin</b>	<b>30,4%</b>	<b>29,4%</b>	<b>38,0%</b>
Editions	32,6%	28,9%	43,5%
Exhibitions	38,4%	4,8%	27,4%
Projects	19,0%	41,4%	28,0%
<b>Operating Expenses (OPEX)</b>	<b>742.657</b>	<b>815.806</b>	<b>949.071</b>
Supplies and External Services	411.057	504.892	643.778
Staff Costs	331.600	310.914	305.292
<b>EBITDA</b>	<b>12.054</b>	<b>357.202</b>	<b>17.518</b>
<i>EBITDA Margin</i>	<i>0,5%</i>	<i>9,0%</i>	<i>0,7%</i>
<b>EBIT</b>	<b>5.311</b>	<b>350.459</b>	<b>11.257</b>
Depreciation	6.743	6.743	6.261
<b>EBT</b>	<b>44.070</b>	<b>347.558</b>	<b>14.180</b>
Financial Result	- 2.870	- 2.901	-
Extraordinary Result	39.447	-	-
Prior Year	2.182	-	2.923
<b>Corporate Income Tax</b>	<b>7.338</b>	<b>63.337</b>	<b>1.417</b>
<b>Net Income</b>	<b>32.363</b>	<b>284.221</b>	<b>6.917</b>

Source: Underdogs Annual Reports

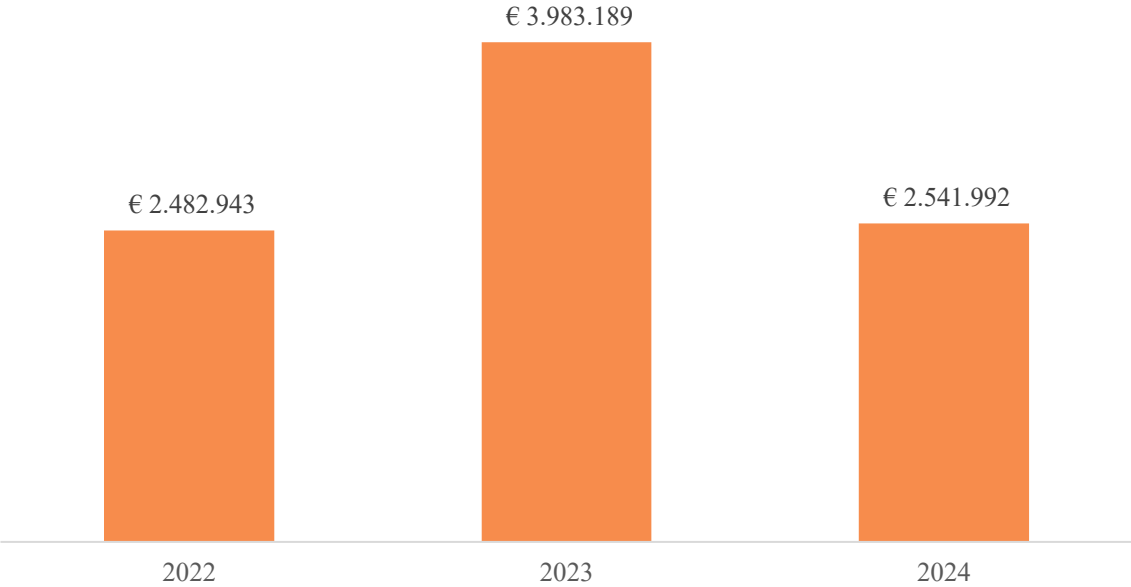
## Appendix 2: Detailed OPEX Breakdown of Underdogs (2022-2024)

Underdogs	Historical Results		
	2022	2023	2024
<b>Operating Expenses (OPEX)</b>	<b>742.657</b>	<b>815.806</b>	<b>949.071</b>
<b>Supplies and External Services</b>	<b>411.057</b>	<b>504.892</b>	<b>643.778</b>
Shopify	24.795	-	-
Service Suppliers	7.536	6.320	10.608
Grupo Galileu	-	18.309	2.473
External Producer	-	-	14.200
Google	-	4.034	3.050
Artsy	9.839	-	-
Basecamp	326	219	-
CRM Arternal	2.164	-	-
Photographer	4.359	1.364	4.086
Art Fairs and Institutions (ARCO)	-	722	-
Website developer	-	3.268	5.558
Website development and SEO	-	19.673	16.662
Website assessment	72	-	-
E-commerce Project Manager	-	-	10.535
PRR support e-commerce	-	-	6.379
Mariana Bouza	-	-	6.000
Carolina Costa	-	-	6.014
Garantir Cultura	1.295	-	-
Cision UD	-	-	1.620
Cision UD (annual)	-	-	1.000
Translator UD (curatorial texts + other needs)	-	-	54
Operational and Strategic Marketing	1.569	1.930	-
Paid Media (Meta + Branded Content)	-	-	1.255
Google Adwords	-	-	625
Press Officer (Namalimba)	-	-	7.617
Clay (New company trademark and branding)	-	-	5.841
Clay (project kick-off)	-	-	24.103
Professional Fees (GROUP)	293.777	397.019	444.926
Maintenance and Repairs	2.598	8.992	2.364
Lighting system	-	-	12.509
Other Supplies and Services	6.891	1.845	3.727
Tools and Equipment	782	645	652
Office Supplies	1.129	822	443
Electricity	1.548	1.308	1.760
Fuels	1.084	653	857
Water	651	450	509
Travel and Accommodation	1.840	2.288	1.537
Goods Transportation	2.734	-	-
Rents and Rentals	28.940	24.790	38.811
Communication	5.680	4.831	4.261
Insurance	8.040	2.725	12.265
Surveillance and Security	1.029	571	1.184
Cleaning, hygiene and comfort	2.380	2.115	3.162
<b>Staff Costs</b>	<b>331.600</b>	<b>310.914</b>	<b>305.292</b>

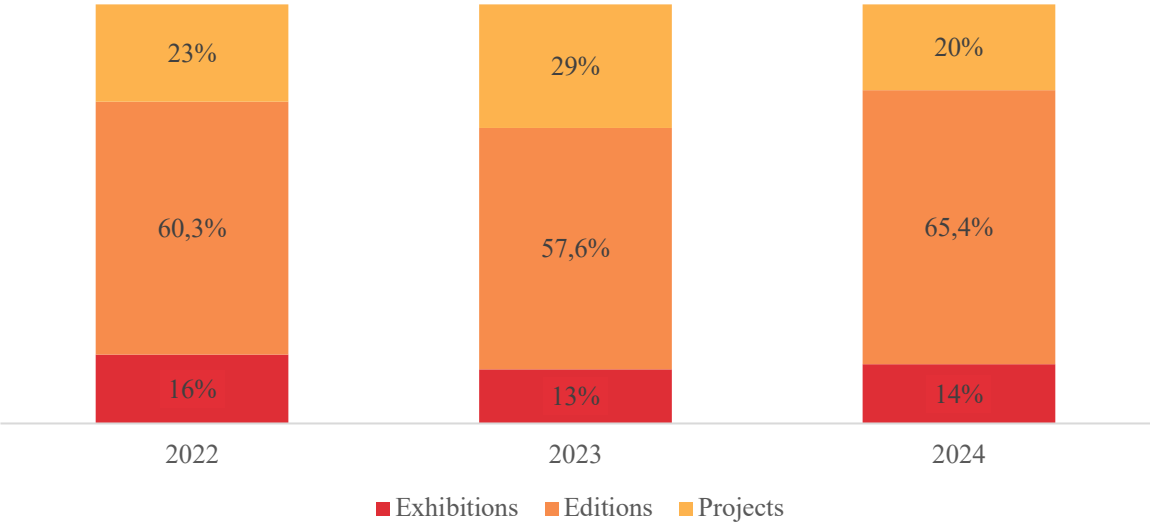
Source: Underdogs Annual Reports

**Appendix 3: Revenues Historical Evolution and Breakdown (2022 – 2024)**

**Appendix 3.1: Revenues Historical Evolution**



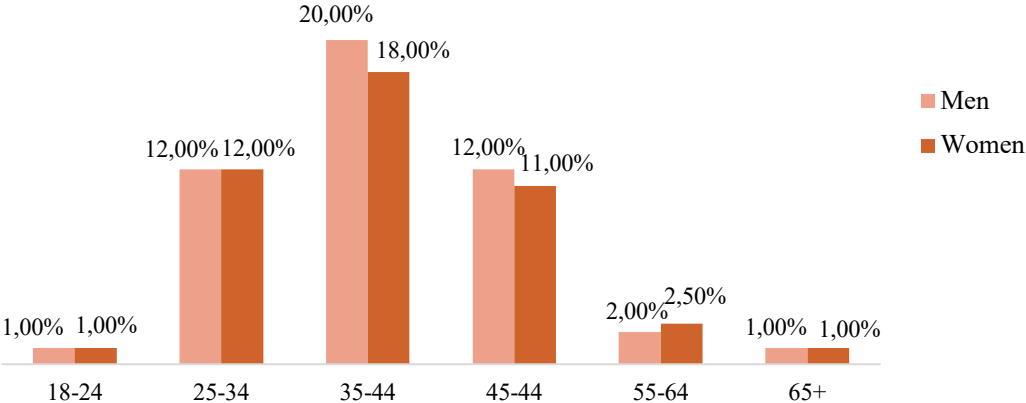
**Appendix 3.2: Revenues Breakdown per Revenue Stream**



Source: Underdogs Annual Reports

**Appendix 6: Underdogs Instagram Metrics**

*The main country of the audience on Instagram is Portugal (48.5%) and the main city is Lisbon (17%)*



*Source: Underdogs Internal Data*

**Appendix 7: SWOT Analysis**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• <b>Diversified business model</b> with complementary revenue streams and channels</li> <li>• Diverse and well-defined <b>consumer segments</b></li> <li>• <b>Strong value propositions</b> tailored to each customer segment</li> <li>• Strong <b>artist relationships and brand partnerships</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Unstable EBITDA</b> performance and very low EBITDA margin in 2024 (0.7%)</li> <li>• <b>High dependency on the Editions</b>, which accounted for 65% of total revenue in 2024</li> <li>• <b>Revenue instability in the Projects line</b>, heavily reliant on isolated high-value sales</li> <li>• <b>Overdependence on the local market</b> (63% of the e-commerce sales in 2024)</li> <li>• Absence of a <b>structured outbound strategy</b> to target B2B clients</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Respond to <b>evolving product preferences</b> in the art market, including affordable works by emerging artist and value-driven or investment-worthy pieces</li> <li>• Leverage <b>online marketplaces and immersive technologies</b> (AR/VR) to support international expansion and deliver innovative formats</li> <li>• Adoption of emerging technologies such as <b>Blockchain and NFTs</b></li> <li>• Meet demand for <b>eco-conscious practices</b>, at the same time <b>as taking the lead in the Portuguese art scene</b> in this field by joining the GCC</li> <li>• Reach a <b>promising new customer base</b> emerging from Lisbon’s evolving demographic</li> <li>• Leverage <b>national platforms</b> to boost visibility</li> <li>• Growth of Lisbon’s cultural ecosystem creates <b>new collaboration and audience engagement opportunities</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Potential entry of new players in Lisbon</b>, given the international visibility the city is having as a contemporary art hub</li> <li>• <b>Political and economic instability</b> in Portugal may affect the grants and purchasing power</li> <li>• Failure to meet rising <b>environmental expectations</b> could affect <b>reputation, funding eligibility and collector interest</b></li> <li>• <b>Competition intensifies</b> in affordable and emerging artist segments</li> <li>• <b>Regulatory approvals for public art</b> might create logistical and creative challenges for artists operating in urban spaces</li> <li>• Investment-focused collectors may <b>overlook emerging talent without sufficient institutional recognition</b></li> </ul>

## Appendix 30: Projected Profit & Loss considering all Revenue Streams – Without the Implementation of Recommendations

This income statement considers all the revenue streams, projecting a baseline scenario without the implementation of the recommendations

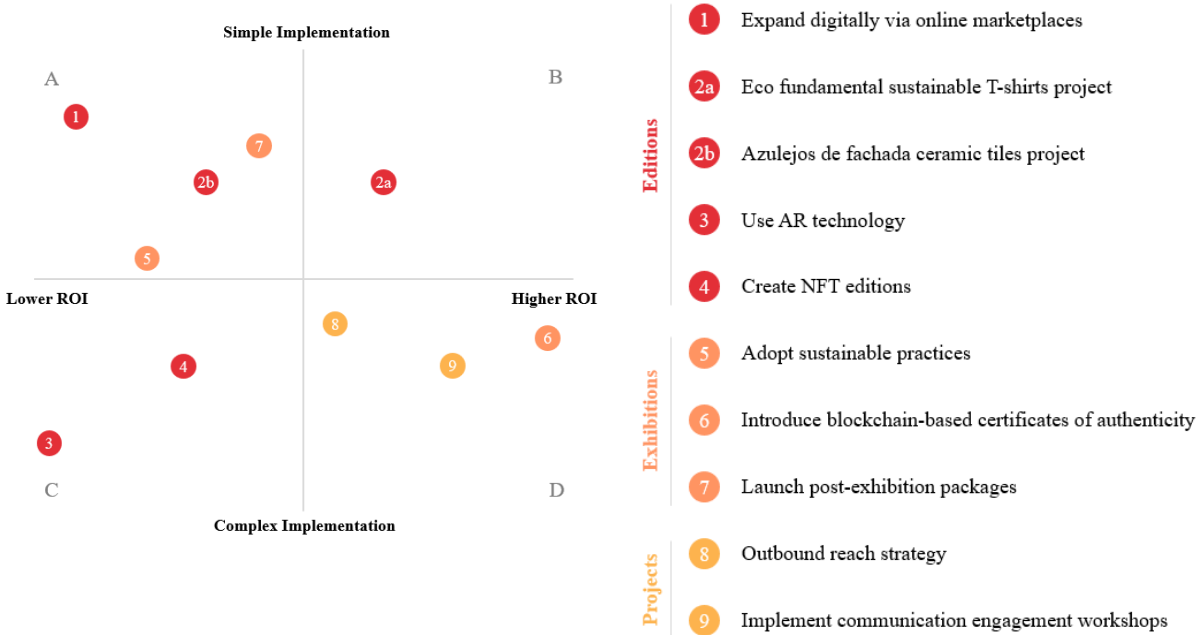
Underdogs	Historical Results			Forecast Period									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Underdogs Income Statement (Without considering the recommendations)</b>													
<b>Revenue</b>	<b>2,482,942</b>	<b>3,983,188</b>	<b>2,541,992</b>	<b>2,673,302</b>	<b>2,811,828</b>	<b>2,957,983</b>	<b>3,112,203</b>	<b>3,274,952</b>	<b>3,446,720</b>	<b>3,628,025</b>	<b>3,819,417</b>	<b>4,021,477</b>	<b>4,234,822</b>
Editions	1,496,842	2,293,889	1,661,797	1,763,000	1,870,367	1,984,273	2,105,115	2,233,316	2,369,325	2,513,617	2,666,696	2,829,098	3,001,390
Exhibitions	408,193	517,157	359,332	373,813	388,878	404,550	420,853	437,813	455,457	473,812	492,907	512,771	533,435
Projects	577,907	1,172,142	520,863	536,489	552,584	569,161	586,236	603,823	621,938	640,596	659,814	679,608	699,996
<i>Revenue Growth YoY</i>	-	60%	-36%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
<b>Costs</b>	<b>1,728,232</b>	<b>2,810,181</b>	<b>1,575,403</b>	<b>1,793,539</b>	<b>1,885,529</b>	<b>1,982,547</b>	<b>2,084,879</b>	<b>2,192,830</b>	<b>2,306,720</b>	<b>2,426,890</b>	<b>2,553,699</b>	<b>2,687,528</b>	<b>2,828,782</b>
Editions	1,008,195	1,631,410	939,497	1,146,007	1,215,799	1,289,841	1,368,392	1,451,727	1,540,137	1,633,932	1,733,438	1,839,005	1,951,000
Exhibitions	251,650	492,435	260,949	269,145	279,992	291,276	303,014	315,226	327,929	341,145	354,893	369,195	384,074
Projects	468,387	686,336	374,957	378,386	389,738	401,430	413,473	425,877	438,654	451,813	465,368	479,329	493,709
<i>Costs Growth YoY</i>	-	63%	-44%	14%	5%	5%	5%	5%	5%	5%	5%	5%	5%
<b>Gross Profit</b>	<b>754,710</b>	<b>1,173,007</b>	<b>966,589</b>	<b>879,764</b>	<b>926,300</b>	<b>975,436</b>	<b>1,027,324</b>	<b>1,082,122</b>	<b>1,140,000</b>	<b>1,201,135</b>	<b>1,265,718</b>	<b>1,333,949</b>	<b>1,406,040</b>
Editions	488,647	662,479	722,300	616,994	654,568	694,432	736,723	781,589	829,188	879,685	933,258	990,093	1,050,390
Exhibitions	156,543	24,722	98,383	104,668	108,886	113,274	117,839	122,588	127,528	132,667	138,014	143,576	149,362
Projects	109,520	485,806	145,906	158,102	162,845	167,731	172,763	177,946	183,284	188,783	194,446	200,279	206,288
<i>Gross Profit Growth YoY</i>	-	55%	-18%	-9%	5%	5%	5%	5%	5%	5%	5%	5%	5%
<b>Gross Margin</b>	<b>30,4%</b>	<b>29,4%</b>	<b>38,0%</b>	<b>32,9%</b>	<b>32,9%</b>	<b>33,0%</b>	<b>33,0%</b>	<b>33,0%</b>	<b>33,1%</b>	<b>33,1%</b>	<b>33,1%</b>	<b>33,2%</b>	<b>33,2%</b>
Editions	32,6%	28,9%	43,5%	35,0%	35,0%	35,0%	35,0%	35,0%	35,0%	35,0%	35,0%	35,0%	35,0%
Exhibitions	38,4%	4,8%	27,4%	28,0%	28,0%	28,0%	28,0%	28,0%	28,0%	28,0%	28,0%	28,0%	28,0%
Projects	19,0%	41,4%	28,0%	29,5%	29,5%	29,5%	29,5%	29,5%	29,5%	29,5%	29,5%	29,5%	29,5%
<i>Gross Profit Growth YoY</i>	-	-3,1%	29,1%	-13,5%	0,1%	0,1%	0,1%	0,1%	0,1%	0,1%	0,1%	0,1%	0,1%
<b>Operating Expenses (OPEX)</b>	<b>742,657</b>	<b>815,806</b>	<b>949,070</b>	<b>781,738</b>	<b>827,510</b>	<b>1,083,795</b>	<b>1,183,276</b>	<b>1,286,460</b>	<b>1,355,507</b>	<b>1,408,525</b>	<b>1,464,493</b>	<b>1,523,580</b>	<b>1,585,968</b>
Supplies and External Services	411,057	504,892	643,778	486,154	514,619	673,999	735,865	800,034	842,974	875,945	910,751	947,496	986,294
Staff Costs	331,600	310,914	305,292	295,585	312,892	409,796	447,411	486,426	512,534	532,580	553,742	576,084	599,673
<b>EBITDA</b>	<b>12,053</b>	<b>357,201</b>	<b>17,519</b>	<b>98,025</b>	<b>98,789</b>	<b>108,359</b>	<b>155,952</b>	<b>204,337</b>	<b>215,508</b>	<b>207,390</b>	<b>198,775</b>	<b>189,632</b>	<b>179,928</b>
<i>EBITDA Margin</i>	0,5%	9,0%	0,7%	3,7%	3,5%	-3,7%	-5,0%	-6,2%	-6,3%	-5,7%	-5,2%	-4,7%	-4,2%

## Appendix 31: Projected Profit & Loss considering all Revenue Streams – With the Implementation of Recommendations

This income statement considers all the revenue streams, projecting a scenario in which Underdogs implement the initiatives from the plan

Underdogs	Historical Results			Forecast Period									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Underdogs Income Statement (Considering the recommendations)</b>													
<b>Revenue</b>	<b>2.482.942</b>	<b>3.983.188</b>	<b>2.541.992</b>	<b>2.673.302</b>	<b>2.829.828</b>	<b>3.706.244</b>	<b>4.046.438</b>	<b>4.399.293</b>	<b>4.635.415</b>	<b>4.816.720</b>	<b>5.008.111</b>	<b>5.210.172</b>	<b>5.423.517</b>
Editions	1.496.842	2.293.889	1.661.797	1.763.000	1.882.367	1.996.273	2.121.615	2.439.922	2.640.286	2.784.578	2.937.657	3.100.059	3.272.351
Exhibitions	408.193	517.157	359.332	373.813	394.878	410.550	608.326	625.287	642.930	661.285	680.380	700.244	720.909
Projects	577.907	1.172.142	520.863	536.489	552.584	1.299.422	1.316.497	1.334.084	1.352.198	1.370.857	1.390.074	1.409.869	1.430.257
<i>Revenue Growth YoY</i>	-	60%	-36%	5%	6%	31%	9%	9%	5%	4%	4%	4%	4%
<b>Costs</b>	<b>1.728.232</b>	<b>2.810.181</b>	<b>1.575.403</b>	<b>1.793.539</b>	<b>1.897.014</b>	<b>2.534.023</b>	<b>2.793.677</b>	<b>3.077.828</b>	<b>3.255.931</b>	<b>3.376.101</b>	<b>3.502.910</b>	<b>3.636.739</b>	<b>3.777.993</b>
Editions	1.008.195	1.631.410	939.497	1.146.007	1.224.084	1.298.126	1.380.583	1.640.118	1.792.742	1.886.536	1.986.043	2.091.609	2.203.604
Exhibitions	251.650	492.435	260.949	269.145	283.192	294.476	459.629	471.841	484.544	497.760	511.508	525.810	540.689
Projects	468.387	686.336	374.957	378.386	389.738	941.422	953.465	965.869	978.645	991.805	1.005.359	1.019.320	1.033.700
<i>Costs Growth YoY</i>	-	63%	-44%	14%	6%	34%	10%	10%	6%	4%	4%	4%	4%
<b>Gross Profit</b>	<b>754.710</b>	<b>1.173.007</b>	<b>966.589</b>	<b>879.764</b>	<b>932.815</b>	<b>1.172.221</b>	<b>1.252.760</b>	<b>1.321.465</b>	<b>1.379.483</b>	<b>1.440.619</b>	<b>1.505.202</b>	<b>1.573.432</b>	<b>1.645.524</b>
Editions	488.647	662.479	722.300	616.994	658.283	698.147	741.032	799.804	847.544	898.042	951.614	1.008.450	1.068.747
Exhibitions	156.543	24.722	98.383	104.668	111.686	116.074	148.697	153.446	158.386	163.526	168.872	174.434	180.220
Projects	109.520	485.806	145.906	158.102	162.845	358.000	363.032	368.215	373.553	379.052	384.715	390.549	396.557
<i>Gross Profit Growth YoY</i>	-	55%	-18%	-9%	6%	26%	7%	5%	4%	4%	4%	5%	5%
<b>Gross Margin</b>	<b>30,4%</b>	<b>29,4%</b>	<b>38,0%</b>	<b>32,9%</b>	<b>33,0%</b>	<b>31,6%</b>	<b>31,0%</b>	<b>30,0%</b>	<b>29,8%</b>	<b>29,9%</b>	<b>30,1%</b>	<b>30,2%</b>	<b>30,3%</b>
Editions	32,6%	28,9%	43,5%	35,0%	35,0%	35,0%	34,9%	32,8%	32,1%	32,3%	32,4%	32,5%	32,7%
Exhibitions	38,4%	4,8%	27,4%	28,0%	28,3%	28,3%	24,4%	24,5%	24,6%	24,7%	24,8%	24,9%	25,0%
Projects	19,0%	41,4%	28,0%	29,5%	29,5%	27,6%	27,6%	27,6%	27,6%	27,7%	27,7%	27,7%	27,7%
<i>Gross Profit Growth YoY</i>	-	-3,1%	29,1%	-13,5%	0,2%	-4,1%	-2,1%	-3,0%	-0,9%	0,5%	0,5%	0,5%	0,5%
<b>Operating Expenses (OPEX)</b>	<b>742.657</b>	<b>815.806</b>	<b>949.070</b>	<b>781.738</b>	<b>827.510</b>	<b>1.083.795</b>	<b>1.183.276</b>	<b>1.286.460</b>	<b>1.355.507</b>	<b>1.408.525</b>	<b>1.464.493</b>	<b>1.523.580</b>	<b>1.585.968</b>
Supplies and External Services	411.057	504.892	643.778	486.154	514.619	673.999	735.865	800.034	842.974	875.945	910.751	947.496	986.294
Staff Costs	331.600	310.914	305.292	295.585	312.892	409.796	447.411	486.426	512.534	532.580	553.742	576.084	599.673
<b>EBITDA</b>	<b>12.053</b>	<b>357.201</b>	<b>17.519</b>	<b>98.025</b>	<b>105.304</b>	<b>88.425</b>	<b>69.484</b>	<b>35.005</b>	<b>23.976</b>	<b>32.093</b>	<b>40.709</b>	<b>49.852</b>	<b>59.556</b>
<i>EBITDA Margin</i>	0,5%	9,0%	0,7%	3,7%	3,7%	2,4%	1,7%	0,8%	0,5%	0,7%	0,8%	1,0%	1,1%

### Appendix 34: Evaluation Matrix: ROI vs Ease of Implementation



### Appendix 35: Revenue Stream’s Breakdown of Added Profit

