

A Work Project, presented as part of the requirements for the Award of a Master's degree in
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place – enabling the future of work

**Analysis and application of the legal and financial structures required to build a
successful tech company**

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Abstract

This research paper examines the process of founding and operating a lean start-up and uses the example of flace, a tech company started by the authors of this paper, as an illustration for the development of a business plan. Hereby, this paper analyzes the case through a financial perspective and provides the answer on the feasibility of external corporate financing for a company without proof of participation in the economy. As a result of the positive progression of the implementation, flace is in the process of being founded and a product for market participation is being developed.

Keywords:

Business, Business Plan, B2B, Corporate Finance, Digitization, Entrepreneurial Finance, Entrepreneurship, Growth, Lean start-up, Product Development, SaaS, Strategy

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1. Corporate Planning

The following chapter describes the financial and legal challenges for flace as well as the decisions and rationale for overcoming these from an entrepreneurial perspective on the basis of the Business Model Canvas (BMC). Thereby, the focused topics are key resources, revenue stream and cost structure. To achieve a holistic image of the corporate planning, also the legal form, the company structure and the financing are elaborated in depth.

In outlining these aspects, the research question is addressed. (*To what extent is external corporate financing possible for a tech company without proof of actual participation in economic activity?*)

It can be concluded that even a pure concept can receive financial support through a complementary team that demonstrates a high level of commitment, a structured and long-term entrepreneurial structure as well as a prosperous environment.

1.1. Corporate Organization

1.1.1. Legal Form

The legal form of the company strongly determines the possibilities and limitations for financing and risk hedging. In the following, the German company forms relevant for flace, as well as their advantages and disadvantages, are explained in order to determine an optimum for flace.

i) Options

A basic distinction is made between partnerships and corporations. Namely, the "Gesellschaft bürgerlichen Rechts (GbR)" (known as "civil law association") on the one hand and the "Gesellschaft mit beschränkter Haftung (GmbH)" (known as a "limited liability company") on the other hand are to be distinguished.

The central difference between GbR and GmbH is the limitation of liability. Put simply, the shareholder of a GbR is liable "with everything he or she has", whereas with a GmbH the

liability is limited to the assets of the company and the shareholder is therefore not personally liable as long as he or she has acted within the legal framework.

Accordingly, founders should first carefully check what liability risks exist for the planned business model. For a business model with a considerable risk of damage, the GbR is rather wrong, but if a concept is to be developed first and then a structure is to be established with partners, the GbR can offer advantages (SZ, 2015).

ii) Formation and administrative costs

Another important point is the question of formation costs. Due to the legal regulations, a GbR already comes into being through the cooperation of several persons "for the achievement of a common purpose". This criterion is regularly fulfilled by the pursuit of a common business idea, so that theoretically the founders would not even have to draw up a partnership agreement but could only rely on the legal regulations.

If the founders want to regulate the specifics of their relationship in a partnership agreement, this is possible without any formalities. This means in particular that the founders do not have to go to a notary and can thus avoid further costs. It is also easy to add further partners.

The formation of a GmbH, on the other hand, always requires notarial certification of the articles of association. If the founders wish to make special arrangements, it is advisable to seek legal advice when drawing up the articles of association.

Anyone who founds a GmbH, especially if he or she is then involved as managing director, will have to get used to the fact that one or the other administrative task has to be performed, e.g. applications to the commercial register, tax issues or shareholder resolutions.

Many of these tasks also arise in a GbR. In the end, however, the administrative tasks are likely to be less for a GbR than for a GmbH (Schulte, 2019).

iii) Implementation at flace

Due to the low financial possibilities and the low risk at the beginning of the company's idea development, the GbR was the simpler and better solution to organize internally and to appear professionally externally towards outside developers, investors, and potential employees. For these reasons, the *Haas Irlen Ribeiro Jasmut GbR* was registered with the commercial register in Bonn, Germany, on 01.08.2021. The official legal form enabled a more intensive exchange with equity investors (namely the Digital Hub), potential debt investors (namely Sparkasse KölnBonn) and the other co-founder Tician Streifeneder. In order to take the business relationship with these stakeholders to the next level, *Haas Irlen Ribeiro Jasmut GbR* will be transformed into Getflace GmbH on 01.02.2022. For this purpose, the founders will contribute the required equity capital of €12.500 to the company while being liable for €25.000. At the same time, the willingness of investors and banks to provide financial means to flace grows, as the liability sum increases and there are more legal possibilities to bind the founders to the company in the long term. It is expected that shortly after the formation of the GmbH, the first investor (Digital Hub) will invest €50.000 for 10% equity. Digital Hub has already submitted an official offer, which is yet tied to the formation of a limited liability company.

Further details on the investment processes are provided in chapter 1.2.5.

Finally, one could argue that the formation of the GbR was an unnecessary administrative burden due to its short existence. However, it was necessary in order to engage with stakeholders at an eye-to-eye level.

1.2. Financial Plan

1.2.1. Business model and price derivation

In the B2B software sector, the subscription-based model has become established as the revenue model for most products for the following reasons:

- One of the main advantages for a company with a subscription model is the predictability of product demand, which makes development planning both easier and more cost-effective.
- In general, a company generates more revenue from subscribers than from non-subscribers. This can be explained by the fact that subscribers make more frequent purchases overall because they do not have to make an active decision every time they need the product. Even a loyal transactional buyer occasionally forgets to make a purchase or decides to buy from a competitor.
- Another reason is the extended subscriber lifetime. When a customer subscribes to a product, they have simply "opted out" of the market for a while, which makes them much less likely to stop consuming or switch to one of your competitors.
- With a subscription business model, the customer only needs to be convinced once to build a lasting relationship. With a well-managed subscription business, distribution costs are thus significantly reduced, which is particularly relevant in the sales cost intensive business of B2B software.
- A final important advantage of a subscription model is the robust cash flow that can be generated in this way. A subscriber to a product or service often pays in advance. Especially for young start-ups, which struggle to maintain liquidity, this can be crucial (Holloway, 2021).

For the reasons mentioned above, flace uses a subscription-based model. The following is an overview of the pricing structure:

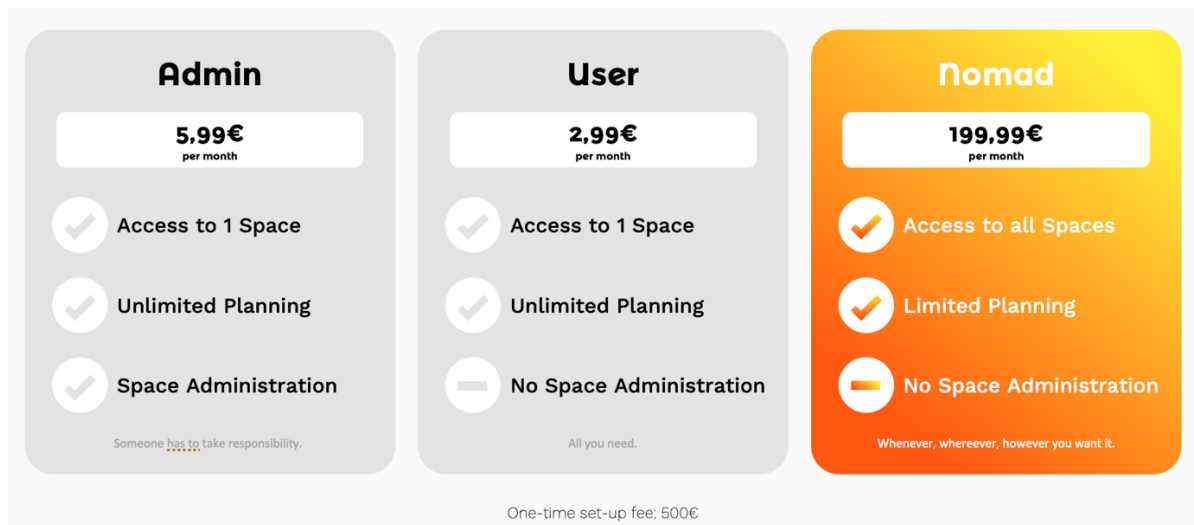


Image No. 1 – Pricing

The *Admin* account is self-explainingly the administrator for a work space so in practice it would be in the hands of the HR department or the management. The *Users* are all employees working in the office. The *Nomad* is an extended version of the user. If a company that is a customer of flace wants to give its employee maximum flexibility, the *Nomad* can work in all co-working spaces around the globe that are customers of flace.

The price is made up of two factors:

1. The competitor analysis of providers Cobot, Pult and yoffix shows different pricing models but results for an average customer with 99 employees and one administrator in a similar price range per month as flace (Cobot: €124; Pult: €320; yoffix: €300; flace: €302). It has to be considered though that flace offers significantly more functions in the area of internal office management, especially in comparison with Cobot.
2. Another factor is long-term design. At the beginning, the aim is to gain market share, which is why the price is slightly lower than the value proposition would suggest. From 2024 onwards, the price will gradually rise to the level according to the functions.

In initial discussions with potential customers such as Cassini Consulting, Ioki, and Digital Hub, flace's pricing has so far been considered fair and not a reason for discussion or deep negotiation. This can be seen as a sign to position the product for a price below the willingness to pay, but it is intentional with the strategy described above.

1.2.2. Profit & Loss Statement

i) Cost Structure

When looking at the costs for the year 2022, it becomes clear that staff is the largest cost item, accounting for almost $\frac{3}{4}$ of the total. This also makes it clear that the employees are a key resource of flace. The developers and the sales team in particular should be mentioned here. Developers usually already earn between €3.800 and €4.200/month (gross) at the start of their career and thus represent the largest cost driver within the personnel structure. In addition, the sales and marketing team plays an important role, as customer acquisition in the B2B software sector for young companies is mainly done through business development and cold calling. The cost forecast of developers for flace is based on on the experience of Tician Streifeneder. Product development and maintenance will require two teams. A webapp team and a mobile team. Each team consists of two backend developers, two frontend developers and one UI/UX designer. The teams will be led by Tician Streifeneder as the CTO. The assumptions for the sales staff are based on the ratio of desk.ly, where one pre-sales manager can win about five customers per month (desk.ly, 2021). As Flace is still a young company, three customers per month were conservatively calculated. However, this KPI will later approach a higher degree of market establishment at five customers per month. The number of Customer Success Managers (CSM) corresponds to the optimal number of customers managed per CSM, which is between 25 and 35 (Blake, Memarzadeh and Axelrod, 2016).

Product and development costs consist of office space, office software, databases and servers.

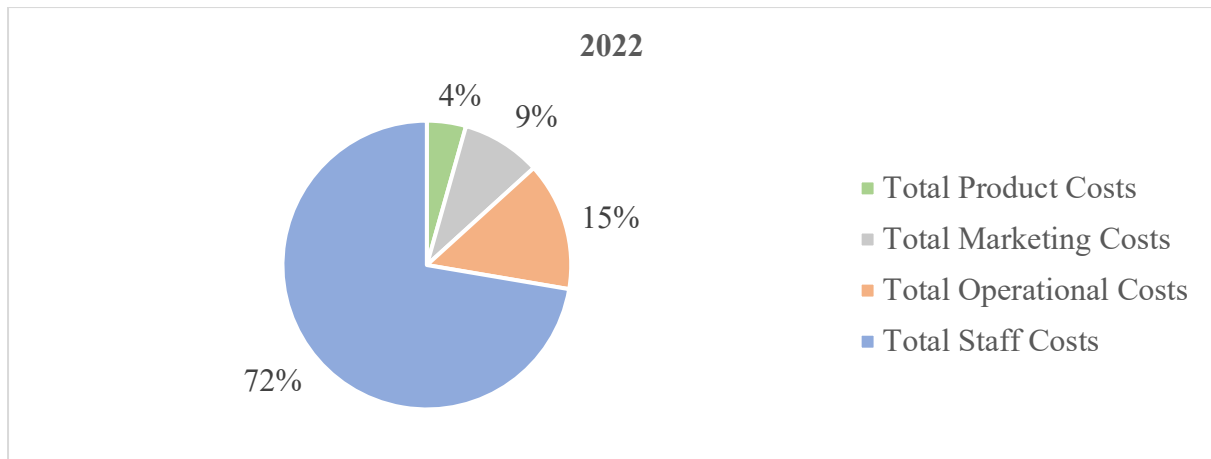


Image No. 2 – Cost structure

The cost structure for the following years will show a similar distribution.

ii) Revenue Stream

The revenue forecast is based on customer figures from competitors such as desk.ly or yoffix and expertise from experienced start-up advisors such as Simon Helmig from the Digital Hub, who has already supported SaaS companies such as kiwimo or bloxmove and now contributes his experience to flace. Desk.ly, for example, has gained 1.200 customers and 28.000 users within a year. But since flace, unlike desk.ly, does not have a financially strong parent company, growth will be much slower. Another example is yoffix, which reached revenue of 181.000 \$ in 2021, two years after founding without any funding (Getlakta, 2021).

The current revenue plan foresees 66 acquired customers in 2022, 223 in 2023 and 463 in 2024, which Simon Helmig validated as realistic. Furthermore, a churn rate of 10% is assumed, which is considered average in the SaaS B2B sector (George, 2021). The number of sales staff from 1.2.2. corresponds to the planned number of customers.

The forecast projects steady growth in the number of customers and the associated number of users, which generates higher revenue/users over time as the lucrative "nomad" users see more and more value in a flace membership as the network of co-working spaces becomes tighter.

For example, revenue/user is €3,1 in December 2022, €3,7 in December 2023 and €4,2 in December 2024.

First milestones are planned to be reached in February 2024 at €100.000 revenue/month and in December 2024 at 50.000 users/month.

The Customer Lifetime Value (CLV) over all customer segments is €14.888 with a customer loyalty time period of seven years considering an average CAC of the scenarios mentioned in chapter 2.3.5. from Filipa Ribeiro’s individual part.

The following chart shows the share of turnover that comes from the four customer groups, small, medium, large companies and co-working spaces. It illustrates the importance of large companies and co-working spaces, which, due to comparable acquisition costs to small companies, still account for the majority of turnover and thus have a better ratio of CAC to CLV. Therefore, they will be particularly targeted by flace’s sales staff.

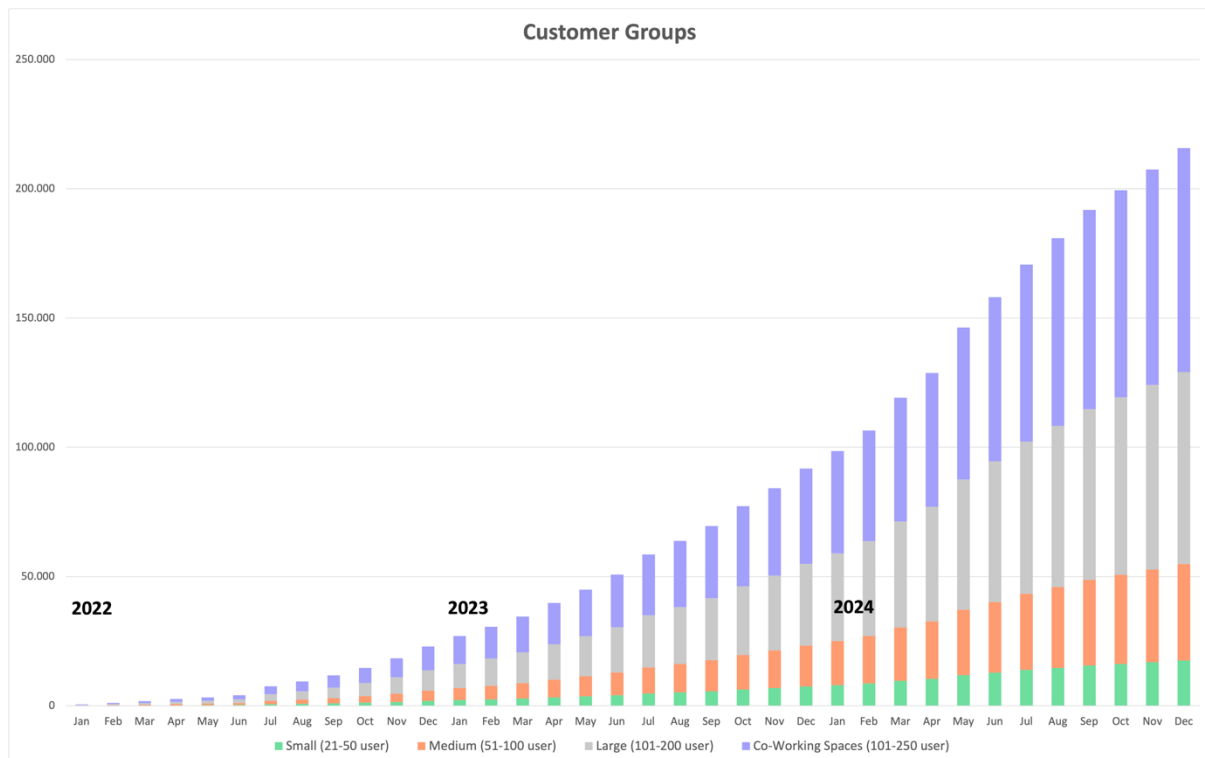


Image No. 3 – Customer Groups

For detailed information, the profit & loss statement for the years 2022, 2023 and 2024 can be found in the appendix.

1.2.3. Break-Even Analysis

Due to the demanding first phase of software start-ups with high development costs and low simultaneous turnover, a break-even analysis is of great importance. It enables to estimate the duration of the phase of monthly negative EBITs and the necessary capital demand.

In the first few months, flace develops the software solution as a prototype and then tests it as a minimum viable product in order to better understand customer needs and make adjustments.

In this phase, high development costs and low sales determine the profit & loss statement.

The following chart shows a comparison of the two. It becomes clear that sales start very slowly but rise sharply as soon as the product is accepted by customers which can be used as reference customers for further acquisition. At the same time, development costs rise quickly in the first few months and can be better controlled while fluctuating less after certain milestones are reached. This leads flace out of the development and into the maintenance phase.

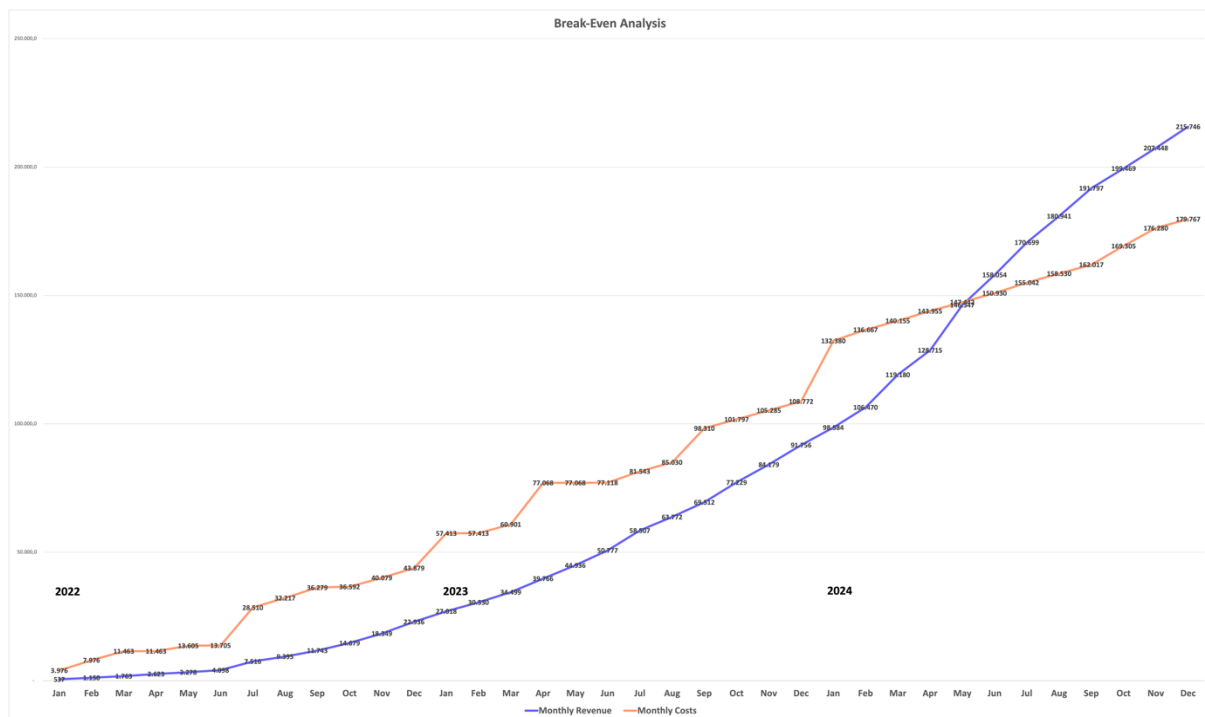


Image No. 4 – Break-Even Analysis

The following graph shows that the monthly EBIT fluctuates in the negative range up to -€38.000 between January 2022 and May 2024, depending on the development status of the product. The three-month moving average illustrates that the trend towards a positive EBIT

becomes significant from March 2024 onwards. In June 2024, the monthly EBIT is positive for the first time (Break-Even point) and rises to over €30.000 by the end of 2024.

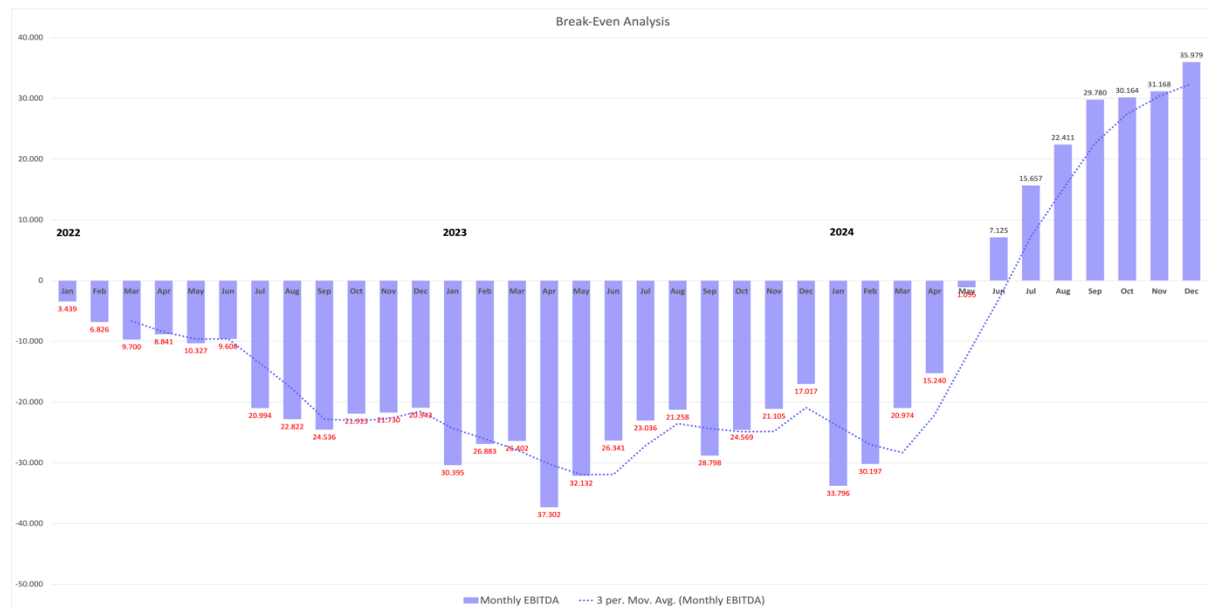


Image No. 5 – Break-Even Analysis including moving average

1.2.4. Liquidity Plan

One of the main factors for young companies to fail is that they become illiquid and have to file for bankruptcy due to lack of reserves, lack of collateral for banks and negative cash flow. For this reason, it is of great importance for start-ups to develop an understanding of monthly capital requirements and the timing of receivables and payables early on. Especially if the company is in the "Valley of Death" at the beginning and has a high monthly cash burn rate, different financing options need to be evaluated. Due to the high risk in early stages, the lack of collateral and the inaccurate forecasting possibilities, bank loans via debt capital are usually not a solution. Investors such as business angels or venture capital funds, on the other hand, are usually willing to invest early on at high risk, but in return demand equity capital in order to multiply their investment upon exit and thus justify their risk.

In the case of place, as already described in 1.2.3, it is of great importance to budget the cash flow conservatively and for the long term due to the protracted development phase. In order to

reach Break-Even without illiquidity phases, both equity and debt capital investments are key resources. In February 2022, €12.500 are paid in by the founders when the GmbH was founded, in order to settle the first invoices and to convey commitment to the investors. Shortly after the founding the first investor, Digital Hub from Bonn, joins with €50.000 for 10 % equity in the pre-seed phase at a post-money valuation of €550.000. As shown in the diagram, this capital will provide place with liquidity until July 2022. By then, at the latest, another investor must step in. To assure steady growth, €400.000 are planned as seed investment. This phase of investor acquisition was already initiated in autumn 2021. Through events such as the Demo Day in Bonn and the Start Up Night Ruhr, numerous contacts to investors were established. If talks are successful, this seed investment can keep place liquid until autumn of 2023. By then, place has been on the market for over a year and can approach banks for debt financing by presenting historical financials. Through the German Kreditanstalt für Wiederaufbau (KfW), it is possible for innovative young companies to obtain loans for which the German state assumes up to 80% of the risk. This type of financing is a valid option to reach working capital of at least €200.000 without selling further equity.

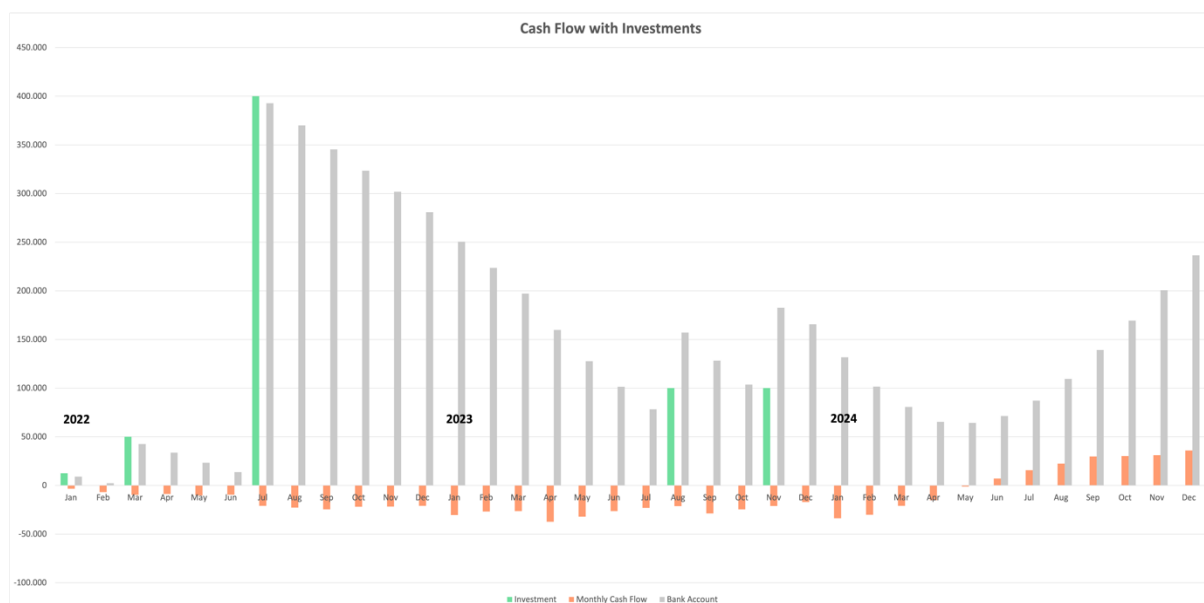


Image No. 6 – Cash Flow with Investments

However, for rapid growth and expansion, a Series A investment round will be necessary, although the focus of this round will not be liquidity. The following chapter further evaluate on options to finance this expansion.

1.2.5. Valuation

The problem, especially when evaluating the first business model ideas and prototypes of technology start-ups such as face, is that no financial values like cash flow or EBIT can be used to evaluate the company in the early phases. And even in growth phases, little turnover is made and there is negative cash flow. Therefore, valuation methods must be used that are suitable for these tasks.

In the area of technology start-ups, the venture capital method (VC method) has established itself above all. The VC method is mainly used when the investor's focus is on an exit from the company in the future. In addition, it is a method for valuing a company before an investor or a VC company enters, i.e. at the very beginning of the process of building a start-up and its digital business model. Therefore, it is a so-called pre-money valuation, i.e. a valuation before money has flowed from an investor.

According to Ernst & Young, this method is used in more than half of all VC firms and is thus the most frequently used method for determining the value of technology-driven start-ups.

Since the focus is on an exit, i.e. the investor wants to earn money from the sale of his shares in the start-up and not from the returns from the distribution of profits, the main aim is to determine a possible sale price of the company in the future (Hoffmeister, 2019).

This method therefore calculates a valuation on the valuation date (i.e. the desired exit date). The duration and the risk of the investment are then taken into account.

The most important influencing factors in the VC method are the company's liquidity needs, the investor's return expectations and the time needed until the exit. Based on these, the expected enterprise value at the time of exit is calculated. The sales price on the valuation date

(desired exit) is determined using the multiplier method. This is based on key figures from the business plan and empirical values from comparable companies.

According to Equidam, this multiple is 30,92 on the KPI EBITDA for software companies (Equidam, 2021). As exit point, five years after founding were chosen, which corresponds to a time span common in the SaaS sector, of which 2U, salesforce or workiva are examples (Abdullah, 2019).

The net income in the year of the exit will be €696.924 and is derived by continuing the weighted moving average growth in revenue and costs from the years 2022, 2023 and 2024 with 75% weight on the last six months of 2024.

The amount of the seed investment corresponds to the capital requirement of €400.000 described in chapter 1.2.4. This amount is slightly below the seed funding of competitors such as Robin (\$1.400.000) (Robin, 2017) and other startups in the SaaS space such as eShipz (\$700.000) and JITbase (\$650.000) (SaaSworthy, 2021). The differences of the funding levels are partly due to the VC characteristics from the US compared to those from Europe. The amount is still in the common range though from SaaS Investors such as SaaStr Fund who start tickets around half a million euros (Lemkin, 2021).

The size of the Series A investment of €1.8 million is also aligned with industry-standard investments needed for rapid growth. Examples include SaaS companies OurPeople (\$2 million), Cloutrack (\$4 million) and WellSheet (\$3.8 million) (SaaSworthy, 2021).

The calculations do not include specific VC term sheet conditions such as liquidation preferences or participation stock.

On the basis of this data, the following valuations result for flace:

Assumptions			
Net income at Exit Year	696.924		
Terms	5		
PE(Multiple)	30,92		
Shares Outstanding before Investment	25.000		
Company Value at Exit	21.548.890		
	Investor Pre Seed	Investor Seed	Investor Series A
Investor Amount	50.000	400.000	1.800.000
Investment Year	-	-	2
Required Return	112%	70%	40%
Future Value	2.156.354	5.679.428	4.939.200
Required Ownership	10,0%	26,4%	22,9%
Outstanding Shares (Pre)	25.000	27.780	37.722
Outstanding Shares (Post)	27.780	37.722	48.939
Investor owns # of Shares	2.780	9.942	11.217
Share Price	17,99	40,23	160,47
Pre Money Valuation	449.660	1.117.680	6.053.094
Post Money Valuation	499.660	1.517.680	7.853.094

Image No. 7 – VC Method Valuation

The entry of investors naturally results in a dilution in the shares of the founders and the investors who previously entered the company. This is illustrated in the following:

Dilution	Initial Founding	Pre Seed	Seed	Series A
Tom Haas	50,0%	45,0%	33,1%	25,5%
Tician Striefeneder	50,0%	45,0%	33,1%	25,5%
Digital Hub (Pre Seed)	0,0%	10,0%	7,4%	5,7%
Seed Investor	0,0%	0,0%	26,4%	20,3%
Series A Investor	0,0%	0,0%	0,0%	22,9%
Sum	100,0%	100,0%	100,0%	100,0%

Image No. 8 – Dilution

Common Part:

1. Introduction (Common Part only)

This paper focuses on the development of digital solutions to contemporary problems. The central disruptive factor of the year 2021 is the Covid-19 pandemic with a wide range of direct and indirect effects on people's lives. Based on a detailed market and customer research, it was identified that companies struggle significantly with the future role of the office and the challenges of having most employees work remotely for a majority of the time. Therefore, the field lab team decided to develop a digital solution to help companies to establish a so-called "hybrid work model".

The implementation of the idea was first worked out theoretically in the process of this work using the Business Model Canvas (BMC, see appendix 1) as a structure and then implemented practically. Thereby, the research questions were formulated as follows:

1. To what extent can product-market fit be achieved with a digital tool addressing hybrid work challenges?
2. To what extent can an early-stage tech company break into a competitive industry with a limited marketing budget?
3. To what extent is external corporate financing possible for a tech company without proof of actual participation in economic activity?

The analysis of the implementation allows for the following conclusions:

1. Based on extensive market research conducted in the form of qualitative and quantitative interviews – firstly to understand the underlying problem and secondly to evaluate the quality of the prototype created to solve the problem – it has been confirmed that the proposed solution place can achieve product-market fit.

2. It is explained through theoretical models and its practical application the possibility of market breakthrough of an early-stage company, mainly through organic strategies of demand generation.

3. Through a complementary team that demonstrates a high level of commitment, a structured and long-term entrepreneurial structure as well as a prosperous environment, financial support can be acquired for a pure concept.

For a comprehensive analysis and to answer the research questions in a structured way, the topic of business start-ups was divided into three corresponding chapters.

The first part (written by Tom Haas) deals with innovation classification in the market, product development and the founding team. It examines how disruptive idea development processes can be reconciled with the challenges of the real economy, respectively the potential customers.

The second part (written by Filipa Ribeiro) covers the view from a marketing perspective. Next to the market analysis, the strategic orientation in the area of tension between the financial resources of a start-up and the challenges of a truly progressive company is addressed.

The third part (written by Anton Irlen) analyses the financials and the company structure. Besides legal form evaluation, shareholder structure and investor acquisition under the premise of the specific requirements of a tech start-up, the forecasts of the financial statements are discussed in order to ensure a basis for the creation of a perpetual liquidity.

Current studies, professional journals and literature were used to approach the topic. Furthermore, real experiences with stakeholders of place, such as customers, investors or employees, are considered. The combination of academic basics with practical implementation enables an evaluation in a defined framework and thus comparability.

Due to a promising implementation phase in the autumn and winter of 2021, Tom Haas and Tician Streifeneder intend to continue place as an actual company after the field lab is accomplished.

2. Marketing Roadmap (Common Part only)

2.1. SWOT Analysis

2.1.1. Strengths

i) Key Partnerships

Flace has some strengths that come from its partnerships. First, the access to Nova's SBE contacts, facilities, resources, and events. This helps flace find new customers, get exposed to investors, and get feedback from Professors and experts that belong to Nova's environment.

Second, flace is a part of the Digital Hub Accelerator in Bonn. This program comes with a vast network of contacts in the German market as well as access to Digital Hub installations (co-working space) that can be used as an office to work from.

Third, flace is financially supported by the Gründerstipendium, vital in such an early stage of the company.

ii) Key Resources and Capabilities

Flace benefits from the wide expertise of its founders. Starting with Tom's product and management capabilities, Filipa's marketing expertise and Anton's financial skills. These capabilities are complementary and fuel the growth of the business. The knowledge of the members given their business background degree also supports the business development and long-term growth.

The tech-savviness has also been effective in moving the business and its operations forward in an era where most of the work is done online.

Finally, the teamworking abilities that the founders have developed through the master's has proved to be a strength to the business and its ability to make progress quickly by maintaining effective communication.

2.1.2. Weaknesses

i) Financial Constraints

Despite being supported by the Gründerstipendium, some investments are not possible due to the limited financial resources of the founding team. This makes the ability to raise money a crucial requirement for flace, as it is necessary to fund future growth. This is a threat for the company in the sense that other competitors already benefit from a larger pool of financial support, be it in the form of external or internal investments. The areas that suffer the most from the financial constraints are product development and sales. In terms of product the software development process is slower since fewer employees or external contributors can be hired and thus the time to go to market increases. In terms of sales, it would be beneficial to have external help for outbound lead generation.

ii) Low level of software complexity

Even though flace's software has a high receptivity from the market, the software is not irreplicable. This means that due to the relatively low complexity of flace (particularly in the early stages) a competitor can easily replicate flace's software. Thus, the company will set itself apart by exploring other strengths and focus the development on differentiating features.

iii) Location

As the team is currently working remotely, in different parts of the world, it can be challenging to create and maintain a company culture. This also has some consequences in the advancements of the product and presence in networking events. Furthermore, the Covid-19 pandemic makes it harder for remote teams to find the time for physical meetups.

2.1.3. Opportunities

i) Hybrid Work

40% of the global workforce states they might consider leaving a company due to lack of a flexible schedule and 66% of business leaders report that their company is considering redesigning the office (Microsoft 2021), which brings more opportunities for flace and supports its long-term viability.

ii) Co-Working Spaces

In a study conducted by Porath, Gretchen, Christina *et al.* (2011), it was found that people who were part of co-working spaces reported levels of thriving of six on a seven scale — higher than employees performing their jobs in regular company offices. According to Garrett, Spreitzer and Bacevice (2018), co-working members have a higher perception of their work as meaningful. They have more job control, feel more productive, and feel part of a community. Flace's initial focus is the German market, given that Germany is the 5th country with the highest number of co-working spaces in the world (Foertsch 2018).

Additionally, the benefits of co-working overlap with companies' increasing awareness of employee well-being. According to Knight, Saunders and Bukholt (2017), 89% of co-workers report feeling happier after joining a co-working space and 83% of them feel less lonely. These trends will make flace's offering even more attractive for businesses and co-working space operators alike.

2.1.4. Threats

i) Remote Work

Even though remote work is a part of a flexible working policy, the policy of remote-work-only can put flace out of business. According to Lund, Manyika, Smit, *et al.* (2021), and considering that remote work can be performed without any loss in productivity, about 20-25% of advanced economies' workforce could work from home between 3-5 days a week.

ii) Competition

The competition in the desk-booking market is increasing. And some of the competitors have years of experience and better access to capital. Thus, it is vital that flace enters the market as soon as possible and to start acquiring customers while building a stronger reputation.

2.2 Go-to-Market Strategy

The go-to-market strategy will highlight how place's MVP will be launched to the targeted audience, based on the market research. The main goal of the first version of the MVP is to break into the market with a first and simplified version of the product, work with three to five test companies and using the lean startup approach to gather feedback frequently to continuously iterate the product.

2.2.1. The Pain Points

The main features of the MVP are based on the requests of companies which place has talked with and solve three specific customer pain points:

- 1) Not knowing which employees are in the office at a given moment.
- 2) Not knowing if all employees will exceed the office capacity at a given time.
- 3) No data to make informed decisions related to office up or downsizing.

The go-to-market strategy will be accordingly aligned with these pain points.

2.2.2. The Marketing Funnel

The marketing plan since the beginning of October has been prepared with the goal of launching a successful MVP, leading to the launch of a commercial solution to the market.

The plan was prepared based on the marketing funnel framework that guides the customer through four main phases: the awareness, the consideration, the purchase, and the retention stage. For each of these stages, different campaigns and means of advertisement were considered.

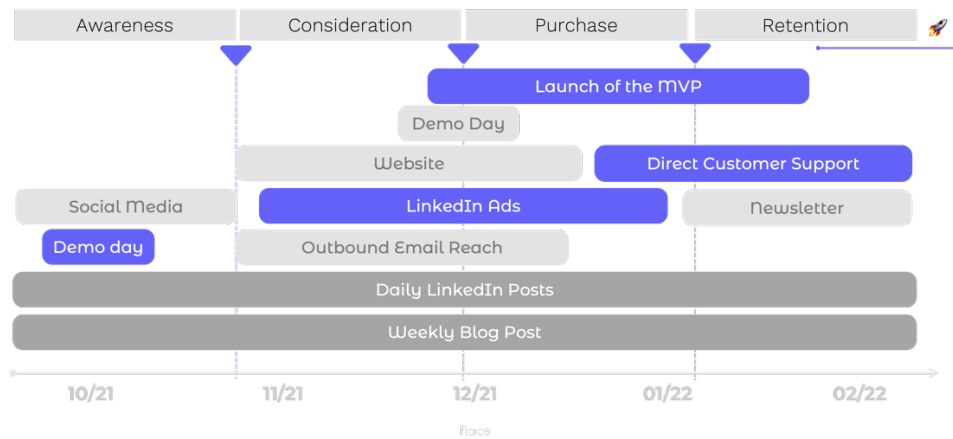


Image No. 16 – Go-To-Market Timeline

i) The Awareness Stage

In the awareness stage, social media presence is a relevant channel to get flace into the radar of potential customers. The first DEMO Day event was also a way to promote the company and show the prototype to potential clients and investors.

Additionally, both a weekly blog post and a daily LinkedIn post will be published. The blog posts have the goal of raising awareness to the service, addressing customers’ pains, and highlighting case studies of future customers. In terms of search engine optimization (SEO) the relevant keywords are: *desk-booking, desk-booking software, desk-booking system, office analytics, office space data.*

ii) The Consideration Stage

In the consideration stage, the outbound email reach assumes a relevant degree of importance as it usually leads to further meetings with prospects. The website presence strengthens flace’s proposition and elaborates on the features and benefits of the software. The LinkedIn ads seek to capture the contact of potential prospects that have, previously, engaged with flace’s posts. Finally, the most recent DEMO Day event will help flace consolidate its presence and potentially close some sales.

iii) The Purchase Stage

During the purchase stage, flace will provide direct customer support and collect feedback for future iterations. The feedback provided by the test customers will be crucial to iterate the product further and prepare for a commercial launch.

iv) The Retention Stage

Finally, flace looks to continue working with the first test customers and have them interested in continuing implementing the service. Thus, the direct customer support will be a priority and the launch of a newsletter to nurture these connections.

2.2.3. The Customer Journey

For the MVP, flace is targeting customers far in the marketing funnel, as several meetings were already conducted, and a high level of trust was established. Thus, these companies are ready to make the decision.

3. Corporate Planning (Common Part only)

3.1. Location

After careful consideration of Portugal and Germany as locations, the choice ultimately fell on the latter for the following reasons.

i) Dynamic economy

Germany offers high purchasing power, an innovative climate and short distances in a dense transport network in the middle of Europe.

Practical science and well-trained specialists, especially in the for flace crucial IT sector, are a fertile environment for innovation. One example, Germany was ahead of the rest of Europe with 67,907 patent applications in 2020. Thanks to a per capita purchasing power of €40,494 in 2020, Germany ranks among the countries with the highest purchasing power in Europe - new ideas easily find a market. Many of them come from small and medium-sized businesses, which are set to become a key customer group for flace (Statista 2021).

ii) Stability

Entrepreneurs who realize their ideas in Germany can expect stable political and economic conditions. Above all, the protection of intangible goods (VDA 2021). Copyright law, patent law and trademark law safeguard place's key resources such as the technical solution and brand.

iii) Start Up Environment

Many start-up consultancies in Germany offer entrepreneurial advice, which is particularly important in the early stages.

All German states offer professional advice to people interested in setting up a business - free of charge. There is also a large selection of start-up initiatives. These provide contacts to networks or can help with financing issues, for example. State funding programs can also offer financial support. In addition, in a European comparison, together with the United Kingdom, in Germany there is the largest amount of private capital that is invested through venture capital and thus makes growth possible for young companies (VC Magazin 2021). Especially due to the high development costs of place before a market-ready product can be presented, access to capital is of central importance.

Finally, Germany as a business location provides all the prerequisites for place to be able to grow sustainably and quickly.

3.2. Advisory Board

The advisory board monitors the company, gives advice, conveys credibility and, above all, provides the start-up with new and important contacts.

This makes the Advisory Board the most important body to discuss major and strategic decisions for the company. In terms of composition, it is crucial to form a board in which versatile and complementary skills are available to the company through the various members. For place, advice and contacts in the areas of entrepreneurship, technical implementation and B2B software sales are of central importance. For this reason, shortlists were compiled for each

of the three areas. The shortlists were compiled via LinkedIn, personal networks and the first potential investor Digital Hub, which has contacts in numerous industries. In the first interviews, a fundamental enthusiasm for flace's software solution was noticeable, as well as commendation of the founders' entrepreneurial spirit and drive. At the same time, however, it also became clear that a collaboration is dependent on the success of the MVP, additional investment acquisition and the level of company participation. It is expected that further talks will take place from February 2022 in order to be able to present an advisory board by the summer of 2022.

3.3. Corporate Culture

Generally, corporate culture is understood to be a system of commonly shared patterns of thinking, feeling and acting, as well as the norms, values and symbols that convey them, within an organization or company. This set of shared values, norms and attitudes shapes the decisions, actions and behavior of all organizational members.

Thus, corporate culture has an impact at every level of management, for example in decision-making, the way people lead, relationships with colleagues, and with customers and suppliers. Therefore, a solid corporate culture is the basis for companies to achieve their set goals and for employees to feel good - i.e., to be committed - and not to quit.

According to a study by the German Federal Ministry of Labor, as much as one third of pre-tax profits can be explained by an employee-oriented corporate culture (Süddeutsche Zeitung 2010).

Because of this importance of corporate culture, flace has also set itself the goal of sustainably developing a strong and contemporary corporate culture that is internalized and exemplified by the management. The typical American tech company culture of the companies from Silicon Valley, which offer their employees an all-inclusive carefree package, serves as a model in part:

For example, employees should be able to leave their children at a childcare center close to the company, a life coach would be available to help with private or professional problems, and employees could choose from a wide range of professional and leisure-oriented courses at the company's own training academy. In addition, free food and drinks would be always available. However, there is supposed to be a difference in the separation of professional and private life compared to Google and Co. employees are not required to be available around the clock and to "live" in the office if possible.

3.4. Investors

As a young company, several options for financing a business come into consideration:

i) Venture Capital

As the term implies, VC funds invest in start-ups that involve a high degree of risk. This includes innovative business models for which there are no empirical values, but also start-ups that require a lot of funding and leave behind high losses in the event of their failure. That is why digital business models, such as Facebook's, belong to the typical target group of VCs, as do start-ups that have set themselves very ambitious goals, such as rapid market leadership or expansion abroad.

VCs invest sums ranging from several hundred thousand to several million euros.

In return for their investment, VCs demand shares in the company and often also rights of co-determination, information and control. Their goal is an exit: after a predefined period of time, they want to get out again in order to achieve their investment goals.

ii) Business angels

Business angels are particularly suitable for small to medium-sized sums. Angels are private individuals who invest their own money in start-ups. They are often active or former entrepreneurs or managers. They invest lower sums than VCs, usually between 25.000 and a few €100.000. Unlike VCs, they do not primarily choose which start-up promises the fastest possible profit maximization, but also go by personal interests and sympathy. But business angels do not act out of pure philanthropy either: just like VCs, they want to exit after a few years at a profit (De Vries 2015).

iii) Crowdfunding

Crowdfunding makes it possible to reach many supporters who only invest a small amount at a time - and usually don't even get a say in the process. Participants receive financial compensation, such as a percentage of future profits. Many crowd investors do not primarily want to make profits and support start-ups with uncertain economic prospects because they like an idea or a team.

One of the risks of crowdfunding is making a lot of details public for the campaign, including financial planning. That's risky because competitors can also access this information. And: if the campaign fails, this will also become public knowledge and can scare off potential alternative investors (Latusek 2017).

iv) Incubator

In incubator programs, coaches support the team, and a complete infrastructure is provided- from workstations to IT equipment. Some programs also provide start-up funding.

v) Bootstrapping

Bootstrapping is a form of financing for start-ups that does not involve external financing. The aim of this concept is to avoid expenditure while maximizing income.

For flace, of these possibilities, incubators, business angels and VCs come into consideration due to the development costs of the product, B2B distribution and the current stage of development. The Digital Hub in Bonn, Germany, serves as the incubator from July 2021 to January 2022. After several months of weekly workshops on the topics of law, tax, employee acquisition, finance and investors, the Digital Hub could be won as a potential follow-up investor. One obstacle in the seed investor acquisition process though is the absence of a customer group that can confirm the turnover and credibility of the solution. To compensate for this LOIs from pilot customers such as ioki, Cassini Consulting and Digital Hub are crucial documents that can be acquired if the MVP proves to be a success.

From 2023, a Series A investment will also be necessary, for which planning will begin from the conclusion of the seed financing.

4. Conclusion & Outlook (Common Part only)

During the field lab it has become obvious that there is real potential for a solution such as flace to compete in the market and become a profitable business. The concept received positive feedback from potential users, businesses, and investors. The field lab has served as an ideal ground for further developing and maturing the idea, marketing approach and financing needs required to successfully launch flace. Therefore, Tom Haas and Tician Streifeneder will continue to build flace after the field lab will have been concluded. The short-term goals are to finish the development of the initial MVP to acquire more pilot customers and to close a pre-seed investment. The team is already in conversations with potential investors, such as the mentioned Digital Hub, which is also the accelerator program flace is currently part of, as well as a potential pilot customer. Furthermore, advanced conversations with German pre-seed

investors (Digital Hub) and business angels are happening. The investment would enable flace to hire additional team members to accelerate the growth and progress faster in the software development of the tool.

The focus for 2022 will then be to primarily acquire customers and continue with the software development. The goal is to acquire 50 paying customers by the end of 2022 and finish all major features which are in the current backlog. To finance this development a Seed Investment by the beginning of the year 2022 will be crucial. Until the year 2024, there may be a need to close a Series A funding round to enable international expansion and growth. During 2023 the focus will shift more to growing the flace team to achieve the ambitious sales goals and trying to finance working capital via debt capital. In case everything goes according to plan, it should be possible to be profitable by mid 2024, unless more aggressive growth demands for an additional external investment. However, the ultimate goal is to create a financially sustainable business with an option to exit the company in an acquisition by a larger competitor or other larger businesses.

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[f%C3%BCr-start-up-bewertungen-am-beispiel-airbnb](https://www.digitalbusinessmodell.com/post/vc-methode-f%C3%BCr-start-up-bewertungen-am-beispiel-airbnb)

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Appendix 1: Profit & Loss Statements

2022:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Full Year
Revenues [€]													
Customers	2,0	5,0	8,0	11,0	15,0	19,0	23,0	27,0	32,0	39,0	46,0	53,0	53,0
Users	251,0	537,5	824,0	1.225,5	1.587,5	2.064,5	2.426,5	2.903,5	3.341,0	4.044,5	4.633,0	5.336,5	5.336,5
Returns, Refunds, Discounts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Revenue	537,1	1.150,3	1.763,4	2.622,6	3.397,3	4.418,0	7.619,2	9.117,0	10.490,7	12.699,7	14.547,6	16.756,6	85.119,5
Costs [€]													
Product													
External Costs	750,0	750,0	750,0	750,0	750,0	750,0	750,0	750,0	750,0	750,0	750,0	750,0	9.000,0
Internal Costs	175,0	175,0	175,0	175,0	175,0	275,0	350,0	350,0	350,0	350,0	350,0	350,0	3.250,0
Total Product Costs	925,0	925,0	925,0	925,0	925,0	1.025,0	1.100,0	1.100,0	1.100,0	1.100,0	1.100,0	1.100,0	12.250,0
Marketing													
Website & Infrastructure	5,8	5,8	5,8	5,8	5,8	5,8	5,8	225,4	225,4	225,4	225,4	225,4	1.967,8
Social Media	50,0	50,0	50,0	50,0	50,0	50,0	200,0	200,0	200,0	200,0	200,0	200,0	1.500,0
Creative & Creation	500,0	500,0	500,0	500,0	500,0	500,0	500,0	500,0	500,0	500,0	500,0	500,0	6.000,0
Events & Resources	700,0	700,0	700,0	700,0	700,0	700,0	2.000,0	2.000,0	2.000,0	2.000,0	2.000,0	2.000,0	16.200,0
Total Marketing Costs	1.255,8	1.255,8	1.255,8	1.255,8	1.255,8	1.255,8	2.705,8	2.925,4	2.925,4	2.925,4	2.925,4	2.925,4	24.867,8
Operational													
Office	650,0	650,0	900,0	900,0	1.400,0	1.400,0	1.900,0	2.150,0	2.400,0	2.400,0	2.400,0	2.400,0	19.550,0
Telecom	345,0	345,0	407,5	407,5	532,5	532,5	657,5	720,0	782,5	782,5	782,5	782,5	7.077,5
Legal & Insurance	800,0	800,0	800,0	800,0	800,0	800,0	800,0	800,0	800,0	800,0	800,0	800,0	9.600,0
Total Operational Costs	1.795,0	1.795,0	2.107,5	2.107,5	2.732,5	2.732,5	3.357,5	3.670,0	3.982,5	3.982,5	3.982,5	3.982,5	36.227,5
Staff													
Management	-	4.000,0	4.000,0	4.000,0	4.000,0	4.000,0	4.000,0	4.000,0	4.000,0	4.000,0	4.000,0	4.000,0	44.000,0
Employees	-	-	3.175,0	3.175,0	4.692,0	4.692,0	13.859,0	17.034,0	20.784,0	20.784,0	20.784,0	20.784,0	129.762,0
Total Staff Costs	-	4.000,0	7.175,0	7.175,0	8.692,0	8.692,0	17.859,0	21.034,0	24.784,0	24.784,0	24.784,0	24.784,0	173.762,0
Total													
Total Costs	3.975,8	7.975,8	11.463,3	11.463,3	13.605,3	13.705,3	25.022,3	28.729,4	32.791,9	32.791,9	32.791,9	32.791,9	247.108,3
EBIT	(3.438,7)	(6.825,6)	(9.700,0)	(8.840,8)	(10.208,1)	(9.287,3)	(17.403,1)	(19.612,4)	(22.301,2)	(20.092,2)	(18.244,3)	(16.035,3)	(161.988,8)
Interest Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
EBT	(3.438,7)	(6.825,6)	(9.700,0)	(8.840,8)	(10.208,1)	(9.287,3)	(17.403,1)	(19.612,4)	(22.301,2)	(20.092,2)	(18.244,3)	(16.035,3)	(161.988,8)
Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Earnings	(3.438,7)	(6.825,6)	(9.700,0)	(8.840,8)	(10.208,1)	(9.287,3)	(17.403,1)	(19.612,4)	(22.301,2)	(20.092,2)	(18.244,3)	(16.035,3)	(161.988,8)

2023:

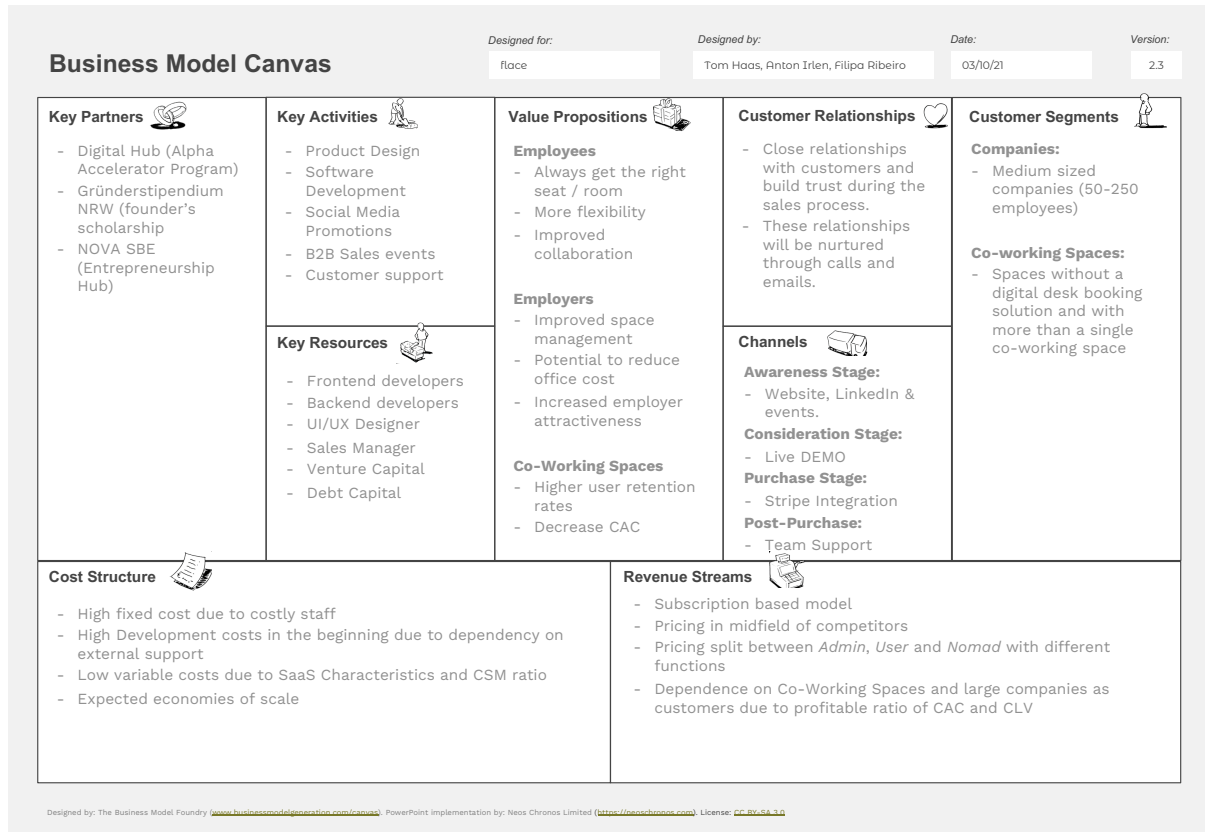
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023 Full Year
65,0	80,0	95,0	111,0	129,0	147,0	172,0	198,0	225,0	258,0	293,0	335,0	335,0
6.612,5	8.110,0	9.322,5	11.030,5	12.719,5	14.498,5	16.636,0	18.924,0	21.337,5	24.134,0	27.026,5	30.792,5	30.792,5
-	-	-	-	-	-	-	-	-	-	-	-	-
23.077,6	28.303,9	32.535,5	39.268,6	45.281,4	51.614,7	60.388,7	68.694,1	77.455,1	89.295,8	99.998,1	113.932,3	729.845,7
2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	30.000,0
900,0	900,0	900,0	900,0	900,0	900,0	900,0	900,0	900,0	900,0	900,0	900,0	10.800,0
3.400,0	3.400,0	3.400,0	3.400,0	3.400,0	3.400,0	3.400,0	3.400,0	3.400,0	3.400,0	3.400,0	3.400,0	40.800,0
225,4	225,4	225,4	225,4	225,4	225,4	225,4	225,4	225,4	225,4	225,4	225,4	2.704,8
350,0	350,0	350,0	350,0	350,0	400,0	400,0	400,0	400,0	400,0	400,0	400,0	4.550,0
1.500,0	1.500,0	1.500,0	1.500,0	1.500,0	1.500,0	1.500,0	1.500,0	1.500,0	1.500,0	1.500,0	1.500,0	18.000,0
2.000,0	2.000,0	2.000,0	2.000,0	2.000,0	2.000,0	2.000,0	2.000,0	2.000,0	2.000,0	2.000,0	2.000,0	24.000,0
4.075,4	4.075,4	4.075,4	4.075,4	4.075,4	4.125,4	4.125,4	4.125,4	4.125,4	4.125,4	4.125,4	4.125,4	49.254,8
4.250,0	4.750,0	5.000,0	5.250,0	5.250,0	5.250,0	6.250,0	6.500,0	6.750,0	7.000,0	7.250,0	7.500,0	71.000,0
1.270,0	1.395,0	1.457,5	1.520,0	1.520,0	1.520,0	1.770,0	1.832,5	1.895,0	1.957,5	2.020,0	2.082,5	20.240,0
1.150,0	1.150,0	1.150,0	1.150,0	1.150,0	1.150,0	1.150,0	1.150,0	1.150,0	1.150,0	1.150,0	1.150,0	13.800,0
6.670,0	7.295,0	7.607,5	7.920,0	7.920,0	7.920,0	9.170,0	9.482,5	9.795,0	10.107,5	10.420,0	10.732,5	105.040,0
8.000,0	8.000,0	8.000,0	10.000,0	10.000,0	10.000,0	10.000,0	10.000,0	10.000,0	10.000,0	10.000,0	10.000,0	114.000,0
25.476,0	34.643,0	37.818,0	37.818,0	37.818,0	37.818,0	40.993,0	44.168,0	47.343,0	50.518,0	53.693,0	56.868,0	504.974,0
33.476,0	42.643,0	45.818,0	47.818,0	47.818,0	47.818,0	50.993,0	54.168,0	57.343,0	60.518,0	63.693,0	66.868,0	618.974,0
47.621,4	57.413,4	60.900,9	63.213,4	63.213,4	63.263,4	67.688,4	71.175,9	74.663,4	78.150,9	81.638,4	85.125,9	814.068,8
(24.543,8)	(29.109,5)	(28.365,4)	(23.944,8)	(17.932,0)	(11.648,7)	(7.299,7)	(2.481,8)	2.791,7	11.144,9	18.359,7	28.806,4	(84.223,1)
-	-	-	-	-	-	-	-	-	-	-	-	-
(24.543,8)	(29.109,5)	(28.365,4)	(23.944,8)	(17.932,0)	(11.648,7)	(7.299,7)	(2.481,8)	2.791,7	11.144,9	18.359,7	28.806,4	(84.223,1)
-	-	-	-	-	-	-	-	530,4	2.117,5	3.488,3	5.473,2	11.609,5
(24.543,8)	(29.109,5)	(28.365,4)	(23.944,8)	(17.932,0)	(11.648,7)	(7.299,7)	(2.481,8)	2.261,3	9.027,4	14.871,3	23.333,1	(95.832,6)

2024:

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Full Year
229,4	259,2	292,9	331,0	374,0	422,7	477,6	539,7	609,9	689,1	778,7	880,0	880,0
20.038,1	22.643,1	25.586,6	28.912,9	32.671,6	36.918,9	41.718,4	47.141,7	53.270,2	60.195,3	68.020,7	76.863,4	76.863,4
-	-	-	-	-	-	-	-	-	-	-	-	-
76.946,3	86.949,3	101.834,9	115.073,4	136.894,0	154.690,2	174.799,9	197.523,9	223.202,0	252.218,3	285.006,6	322.057,5	2.127.196,2
6.000,0	6.000,0	6.000,0	6.000,0	6.000,0	6.000,0	6.000,0	6.000,0	6.000,0	6.000,0	6.000,0	6.000,0	72.000,0
3.500,0	3.500,0	3.500,0	3.500,0	3.500,0	3.500,0	3.500,0	3.500,0	3.500,0	3.500,0	3.500,0	3.500,0	42.000,0
9.500,0	9.500,0	9.500,0	9.500,0	9.500,0	9.500,0	9.500,0	9.500,0	9.500,0	9.500,0	9.500,0	9.500,0	114.000,0
1.000,0	1.000,0	1.000,0	1.000,0	1.000,0	1.000,0	1.000,0	1.000,0	1.000,0	1.000,0	1.000,0	1.000,0	12.000,0
750,0	750,0	750,0	750,0	750,0	750,0	750,0	750,0	750,0	750,0	750,0	750,0	9.000,0
2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	2.500,0	30.000,0
5.000,0	5.000,0	5.000,0	5.000,0	5.000,0	5.000,0	5.000,0	5.000,0	5.000,0	5.000,0	5.000,0	5.000,0	60.000,0
9.250,0	9.250,0	9.250,0	9.250,0	9.250,0	9.250,0	9.250,0	9.250,0	9.250,0	9.250,0	9.250,0	9.250,0	111.000,0
11.000,0	11.250,0	11.500,0	12.000,0	12.250,0	12.500,0	13.750,0	14.000,0	14.250,0	15.000,0	15.500,0	15.750,0	158.750,0
3.052,5	3.115,0	3.177,5	3.302,5	3.365,0	3.427,5	3.740,0	3.802,5	3.865,0	4.052,5	4.177,5	4.240,0	43.317,5
1.650,0	2.450,0	2.450,0	2.450,0	2.450,0	2.450,0	2.450,0	2.450,0	2.450,0	2.450,0	2.450,0	2.450,0	28.600,0
15.702,5	16.815,0	17.127,5	17.752,5	18.065,0	18.377,5	19.940,0	20.252,5	20.565,0	21.502,5	22.127,5	22.440,0	230.667,5
12.000,0	12.000,0	12.000,0	12.000,0	12.000,0	12.000,0	12.000,0	12.000,0	12.000,0	12.000,0	12.000,0	12.000,0	144.000,0
76.135,0	79.310,0	82.485,0	85.660,0	88.835,0	92.010,0	104.352,0	107.527,0	110.702,0	117.052,0	123.402,0	126.577,0	1.194.047,0
88.135,0	91.310,0	94.485,0	97.660,0	100.835,0	104.010,0	116.352,0	119.527,0	122.702,0	129.052,0	135.402,0	138.577,0	1.338.047,0
122.587,5	126.875,0	130.362,5	134.162,5	137.650,0	141.137,5	155.042,0	158.529,5	162.017,0	169.304,5	176.279,5	179.767,0	1.793.714,5
(45.641,2)	(39.925,7)	(28.527,6)	(19.089,1)	(756,0)	13.552,7	19.757,9	38.994,4	61.185,0	82.913,8	108.727,1	142.290,5	333.481,7
-	-	-	-	-	-	-	-	-	-	-	-	-
(45.641,2)	(39.925,7)	(28.527,6)	(19.089,1)	(756,0)	13.552,7	19.757,9	38.994,4	61.185,0	82.913,8	108.727,1	142.290,5	333.481,7
-	-	-	-	-	2.575,0	3.754,0	7.408,9	11.625,2	15.753,6	20.658,2	27.035,2	75.072,1
(45.641,2)	(39.925,7)	(28.527,6)	(19.089,1)	(756,0)	10.977,7	16.003,9	31.585,5	49.559,9	67.160,1	88.069,0	115.255,3	258.409,6

Appendix (Common Part)

Appendix 1: Business Model Canvas developed for flace



Appendix 2: Quantitative Research Questions – Verifying problem from user perspective (anonymous data collection)

Q1. How many days per week would you like to work in the office?	
	4
	1
	3
	3
	5
	5
	3

4
3
1
3
2
3
4
3
5
3
1
5
4
3
3

Analysis:

On average interviewees want to spend 3.2 days in the office per week.

Q2. Do you prefer working in the office, fully remote or in a hybrid format?
Hybrid
Fully Remote
Hybrid
Hybrid
Fully Remote

Fully Remote
Hybrid
Hybrid
Hybrid
Hybrid
Hybrid
Hybrid
Hybrid
Hybrid
Hybrid
Hybrid
Hybrid
Hybrid
Hybrid
Hybrid
Fully Remote
Fully Remote
Hybrid
Hybrid
Hybrid

Analysis:

77% of interviewees prefer a hybrid work model.

Q3. Do you have preferences regarding the time to work in the office?
No
No
Monday-Friday mornings at the office. Afternoons out of the office. No seasonal preference

No
Yes
No
No
No
No
Mondays
No
Tuesday and Thursday
No
Yes
No
No
Yes
No
No
No
No
Mornings, Beginning of the week

Analysis:

Only 32% of interviewees have a preference for when to use the office.

Q4. Could you imagine also working from a third location (e.g., co-working space or other companies' office)?
No

No
No
Yes
No
No
No
No
Yes
No
No
No
No
No
Yes
Yes
Yes
No
No
No
Yes
Yes
Yes

Analysis:
 About one third (36%) of interviewees could imagine working from a third location.

Q5. Do you believe a hybrid working environment could benefit your productivity?

Yes
Yes
Yes
Yes
No
Yes
Yes
Yes
Yes
Yes
Yes
No
Yes
Yes
No
Yes
Yes
No
Yes
Yes
Yes
Yes
Yes
Yes
Yes

Analysis:
A large majority (82%) of interviewees assume a hybrid work model improves productivity.

**Appendix 3: Qualitative Interviews – Verifying problem from business perspective
(summarized)**

Q1. How does remote work currently work at your company?	
<p>Lucia Paskert Team Lead HR Picus Capital Venture Capital Fund Ca. 120 employees</p>	<p>Every employee can choose individually to work 100% from the office or remotely. If employees choose to work from the office, there is a list in which they can sign themselves in. This way we track who is in the office on which day and we can better track the situation with regards to COVID-19.</p>
<p>Amelie Schmid Organizational Development & Digitalization Bosch Tools Manufacturer Ca. 125,000 employees</p>	<p>There is a flex-desk policy. I.e., everyone has a small kind of trolley in which they can store some personal belongings and the rest can be found at every desk. Each department has autonomy on who can work remotely and for how long. So, some departments are 100% remote, while others, especially engineers who need their tools in the office are working in the office. In HR for instance, we haven't been in the office for months.</p>
<p>Jana Lenort Head of People Ioki</p>	<p>Even before COVID-19 we had the policy that every employee can work remotely for 2 days per week – Tuesdays and Fridays. Now with COVID-19 we are currently 100% remote but</p>

<p>New Mobility Startup</p> <p>Ca. 100 employees</p>	<p>adapting to the pandemic. So, when the situation is less critical, we allow a limited number of employees in the office, but the majority still prefers to work remotely. We have an Excel list to keep track who is in the office.</p>
<p>Ralf Mayer</p> <p>Head of Human Resources</p> <p>Invite Group</p> <p>Hospitality Group</p> <p>Ca. 600 employees</p>	<p>Most employees that used to work in the office are in the office. Everyone has their own desks with their personal items which cannot simply be moved. Particularly accountants have confidential information which they cannot take home.</p> <p>The employees working in the hotels and restaurants obviously cannot work remotely.</p>

<p>Q2. How might this change in the future?</p>	
<p>Lucia Paskert</p> <p>Team Lead HR</p> <p>Picus Capital</p> <p>Venture Capital Fund</p> <p>Ca. 120 employees</p>	<p>Our employees wish to continue to have the freedom of choosing where they want to work from, so that's what we are planning on doing in the future. However, we do expect that most employees will work from the office.</p>
<p>Amelie Schmid</p> <p>Organizational Development & Digitalization</p> <p>Bosch</p> <p>Tools Manufacturer</p>	<p>It's tough to predict because the interests and circumstances of our employees are so varied. We have people who have all their tools they need to perform in the office. We can't provide these tools in their home. Other employees may</p>

<p>Ca. 125,000 employees</p>	<p>have a family or children to take care of, so we have to offer them the possibility to work from home. I think we will see after the pandemic how the interests of our employees will change.</p>
<p>Jana Lenort Head of People Ioki New Mobility Startup Ca. 100 employees</p>	<p>For us it's important to keep our company culture intact. We have noticed that surprisingly quickly you lose touch with your employees when you don't see them regularly. So, we hope that we can continue to have an office where people love to work. But I guess more people will chose to work fully remote in the future. Especially developers.</p>
<p>Ralf Mayer Head of Human Resources Invite Group Hospitality Group Ca. 600 employees</p>	<p>I don't see us changing our work model in the foreseeable future. Everyone has their own desk and documents that they need to always have on their desk. Maybe we can introduce a policy with the possibility to have 1 day per week as a remote option. But then the question is whether the office will just be empty on that day.</p>

<p>Q3. Which factors play a role in deciding on your future work mode?</p>	
<p>Lucia Paskert Team Lead HR Picus Capital Venture Capital Fund</p>	<p>One aspect that is critical for us is the office capacity. Right now, we are moving into a new office again, after having been in the old location only for about a year. We are growing</p>

<p>Ca. 120 employees</p>	<p>so fast that we need to make sure we always have enough capacity for our own employees and sometimes also our portfolio companies.</p>
<p>Amelie Schmid Organizational Development & Digitalization Bosch Tools Manufacturer Ca. 125,000 employees</p>	<p>I cannot really say, as I am not involved in making that decision.</p>
<p>Jana Lenort Head of People Ioki New Mobility Startup Ca. 100 employees</p>	<p>We will listen to what our employees say. Maybe we will do a survey to better understand the preferences of our workforce. Our offices are also quite expensive, so maybe that will also play a role in the decision-making process.</p>
<p>Ralf Mayer Head of Human Resources Invite Group Hospitality Group Ca. 600 employees</p>	<p>We are monitoring these new trends such as remote work and hybrid work. Maybe in the future we will have to adjust but right now we are not really thinking about this a lot.</p>

<p>Q4. How do you think will the office of the future look like?</p>	
<p>Lucia Paskert Team Lead HR Picus Capital Venture Capital Fund</p>	<p>There will always be an individual desk for employees who want to continue working in the office “like in the old days”. But for sure the office will develop more into a collaborative</p>

<p>Ca. 120 employees</p>	<p>environment. Maybe we must change the layout a bit and offer more rooms for collaboration.</p>
<p>Amelie Schmid Organizational Development & Digitalization Bosch Tools Manufacturer Ca. 125,000 employees</p>	<p>I cannot imagine that it is going to look much different. Maybe we will have a few more collaboration areas and the layout in general will be less “strict”, but the office has been a huge investment for Bosch, so I don’t think we can change that much soon.</p>
<p>Jana Lenort Head of People Ioki New Mobility Startup Ca. 100 employees</p>	<p>That’s a tough question. It’s hard to predict because we don’t really know how much office capacity we will need once the pandemic has been limited a bit more. But my guess is that we will reduce the size of the office because less people will be coming here every day. Maybe there will be Team days, so we only must have enough capacity for one or two teams at a time.</p>
<p>Ralf Mayer Head of Human Resources Invite Group Hospitality Group Ca. 600 employees</p>	<p>Not very differently. We are probably going to give all employees laptops in the future, just to avoid the scenario that a person cannot work because they don’t have a computer. Right now, most have laptops but not all.</p>

Q5. Do you think a tool such as flace – which allows your employees to flexibly book spots in the office and provide data analytics about the office usage – could be helpful for you?

<p>Lucia Paskert Team Lead HR Picus Capital Venture Capital Fund Ca. 120 employees</p>	<p>Yes! Currently we are using Excel to manage all of this, but of course that tool is not ideal. For us it would already be great just to know who is in the office and when. Analytics would be great for us to better understand how much capacity we truly need. I think a lot of growing companies are currently struggling with this.</p>
<p>Amelie Schmid Organizational Development & Digitalization Bosch Tools Manufacturer Ca. 125,000 employees</p>	<p>I can definitely see the benefits of such a system. But I am unsure if Bosch could be implementing such a software. For sure it would take a long time to implement it, and it's always tough to get all employees onboard with new systems.</p>
<p>Jana Lenort Head of People Ioki New Mobility Startup Ca. 100 employees</p>	<p>Definitely! We are currently using Excel and there are a lot of shortcomings with that tool. A proper software would definitely help us.</p>
<p>Ralf Mayer Head of Human Resources Invite Group Hospitality Group Ca. 600 employees</p>	<p>Such a tool only makes sense if you have a flex-desk policy or something like that. So, in our case, I think we are not at that stage yet. Maybe in the future.</p>