

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

FROM IDEA TO MARKET – DEVELOPING A BUSINESS PLAN FOR A SUSTAINABLE  
SKATEBOARD FOOTWEAR COMPANY

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## Abstract

“From idea to market – developing a business plan for a sustainable skateboard footwear company”

This Work Project is an invitation to the new world of sustainable fashion, in which a company’s entire value chain is thought out, taking shared value into consideration, making decisions not based solely on profits, but also considering social and environmental impacts. The environmental and social impact of fashion is addressed in this project through the development of a business plan of a sustainable footwear company, which considers these consequences in every aspect of the business, while also generating positive financial returns. The business plan contains four sections: opportunity, operations, roll-out, and numbers.

Keywords (Sports Management, Innovation and Entrepreneurship, Sustainable Entrepreneurship, Entrepreneurship, Sustainable Fashion, Sustainability, Footwear, Skateboard, e-Commerce)

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## **1. Methodology and Analysis - Opportunity**

### **1.1. Diagnostic - The Problem**

Over the past decades, it has become evident that our planet's climate is suffering changes and that human activity has influenced and accelerated this phenomenon. Carbon Dioxide (CO<sub>2</sub>) is the leading agent of our transforming climate and recent reports show that human actions still have the power to deaccelerate and reverse it by diminishing greenhouse gas emissions and attaining net zero carbon emissions (IPCC 2021). Due to climate change, finite resources, and evolving consumer expectations, the fashion industry is progressively being demanded to implement meaningful transformations. Apparel and footwear industries are estimated to be responsible for 8% of global greenhouse gas emissions. Standalone, the footwear industry accounts for 1,4% of worldwide emissions, of which over than 60% come from manufacturing and raw material extraction (Quantis 2018). Additionally, Accenture Strategy's 2018 global survey of nearly 30,000 consumers found that 62% of customers want companies to take a stand on current and relevant issues like sustainability, transparency, or fair employment practices (Accenture 2018). This shift in behavior is even more pronounced in younger generations, such as Gen Z, of which 73% are reportedly willing to spend 10% or more on a product they consider sustainable (First Insight 2020). Currently, most fashion brands lack positioning regarding these issues, including the skateboarding footwear industry, which is flooded by disposable trends, lack of transparency, and products with heavy carbon footprint. Skateboarding has always been interlinked with youth culture, which today, has adapted their spending habits to support brands that reflect their sustainable lifestyle and values.

## **1.2. Analysis - The Market**

“The global sustainable footwear market size was valued at USD 7,5 billion in 2019 and is expected to grow at a compound annual growth rate (CAGR) of 5,8% from 2020 to 2027”, due to improvements in the field of sustainability, material technology, growing awareness among consumers, and the increasing number of younger people globally who have significant purchasing power. Additionally, market leaders are starting to think about social and environmental impacts in their manufacturing process, decreasing the cost of sustainable raw materials and making technological advancements (Grand View Research 2020).

DooGood’s initial target market will be the United States, as it simultaneously has the largest number of skateboarders – 6,61 million – (Statista 2021), sustainable footwear market – USD 2,3 billion – (Research and Markets 2021), and e-Commerce market – USD 496 billion (Statista 2021) – in the world, as well as a strong purchasing power. Initially, we will focus on the state of California, which has a population of approximately 39.650.000, with approximately 28,50% aged between 18 and 35 years (World Population Review 2021). The state of California is the birthplace of skateboarding and has been the sport’s most popular region worldwide ever since. Nevertheless, even though we will begin our operations by focusing on the Californian and American market, e-Commerce will allow our products to have a global reach. Figure 1 illustrates the company’s expected market acquired for the first year of sales.

## **1.3. Competitors**

The conduction of a perceptual map (Figure 2) allowed us to find a gap in the market when establishing a footwear brand that can combine a high perception of “skateboard style” and sustainability. The map also allowed us to analyze how our competitors are perceived by consumers.

**Direct Competitors (Sustainable skateboard footwear): Cariuma**

Cariuma is a new entrant in the footwear industry. Created in 2018, the company made sustainable casual sneakers and only 2 years later, in 2020, they launched their first skateboard shoe. Nevertheless, their portfolio is still much more reliant on casual sneakers and their skateboard shoes are made using animal leather and in Vietnam, which are not perceived as the most sustainable or ethical choices. Their skate shoes' prices range from USD 89,00 to USD 140,00 depending on the material used, which is considered high. Additionally, there is not much transparency and available information on Cariuma when compared to other sustainable footwear companies like Veja and Allbirds. However, with a strong financial investment, which led the company to sponsor main skateboarding events and build a strong skateboard team, Cariuma has been able to make an impact on the skateboard industry and introduce sustainability into skateboarding footwear.

**Direct Competitors (Skateboard footwear): Vans, Nike, Etnies**

The skateboard footwear industry has been dominated by “core” skate companies like Vans and Etnies (amongst many others) and recently by multi-billion dollars athletic footwear companies like Nike (as well as Adidas and New Balance). These companies have not changed the way they do business and focus on quantity and providing low-cost shoes at an intermediate price (normally USD 60,00 – USD 100,00), almost entirely disregarding sustainability, ethical practices, and transparency, thinking solely about their bottom-line. So, although they offer a product that can fulfil the same need as DooGood's, we believe we are in distinct categories in the skateboard footwear industry.

### **Indirect Competitors (Sustainable footwear): Veja, Saye, Allbirds**

As DooGood believes that our shoes may also be adopted by people who don't skate, but who connect with the purpose of our brand, as well as the aesthetics of our shoes and skateboard lifestyle, we believe that companies like Veja, Saye, and Allbirds, may be considered as indirect competitors. However, we like to consider them as inspirations, mainly when considering Veja's transparency, Saye's use of bio-based vegan materials, and Allbirds R&D on new materials and the company's growth, market penetration, and ability to make an impact on the footwear industry.

### **1.4. Results - The Solution**

DooGood is a purpose-led skateboard footwear company that produces and commercializes ethical and eco-friendly skate shoes. DooGood hopes to change the way the skateboarding footwear industry operates by being as transparent, eco-friendly, and ethical as possible, while delivering a high performance, long-lasting skate shoe that has a timeless style. We will be the first skateboarding footwear company to offer a skate shoe that uses bio-based vegan leather as the material for the shoe's upper, and the shoe will also feature organic cotton canvas for the lining and natural gum rubber for the sole. Our aim is to generate minimal impact on the environment with our operations, improve living condition of those who help materialize our vision and inspire today's generation and businesses to see the value of sustainability, through the power of skateboarding. We hope to fulfil the need of conscious consumers, both skaters and non-skaters, that are still seeking for a sustainable product that provides skateboard culture aesthetics and focuses on durability and comfort as key qualities. The company believes our shoes' high-performance and style will also attract consumers who prioritize looks or functionality over sustainability.

## **2. Results Discussion and Proposed Solution - Operations**

For the company's initial phase (first 5 years), DooGood will rely on a web based Direct-To-Consumer (DTC) sales model. The company will offer 4 unisex shoe models, engineered for skateboarding. The materials used on the shoes will aim to provide the best performance in a skate shoe, while minimizing carbon footprint and being ethically sourced and produced. The shoes will be produced in a third-party factory in Franca, São Paulo, Brazil, near our headquarter. ShipBob, a Third-Party Logistics company (3PL), located in the United States, will be responsible for the warehousing and outbound logistics to our final customers (Figure 3). The following chapter will detail DooGood's purpose, product portfolio, choice of materials and suppliers, sustainability strategies, sales channels, and marketing strategies. DooGood's Year 5 organizational structure can be found on Figure 4 and number of employees and role description on Figure 5.

### **2.1. Purpose**

DooGood is a purpose-led company. We seek to inspire the skateboard footwear industry to change the way they do business, taking into consideration environmental and social factors as well as profits. By being transparent and offering eco-friendly products that also deliver high performance and have been ethically produced, DooGood hopes to gain consumers' share of wallet, which will consequently convince the industry that this is the correct way of doing business. By doing so, we believe that we will be able to encourage a reduction of the industry's footprint on the environment and society. Our mission statement is to "inspire today to create a better tomorrow", and our vision statement is to "use skateboarding to better the world for future generations". Our values can be seen on Figure 6. To fulfill our purpose, DooGood has decided to follow the stakeholder management approach. We believe that focusing purely on financial returns doesn't correspond to the company's purpose. This means that the company prioritizes long-term success, which is

obtained through the relationship with our stakeholders and trying to maximize the value we create to them. DooGood’s five main stakeholder groups are our employees, consumers, community, suppliers, and investors. Our interaction with each group can be seen on Figure 7.

## **2.2. Product**

### **2.2.1 Portfolio**

DooGood’s main product portfolio throughout the first five years will consist of 4 different shoe models which, together, are able to cover the main spectrum of preferences for skate shoes, all of them being unisex and featuring a timeless design and minimalist style. The four models are: “DG 94s”, “DG 77s”, “Slip-On”, and “Hi-Top”. All DooGood’s shoes will feature our premium bio-based vegan leathers on the upper and have the same vulcanized natural rubber gum sole, that provides great grip, with a double-wrapped white foxing tape on the sides and stitching for reinforcement and added durability. Organic cotton lining and a thick bio-oil insole for cushioning and comfort are also featured. Apart from the slip-on, they will all have a gusset tongue, which is an elastic band that holds the shoe’s tongue in place for added comfort, and organic cotton white laces which are thicker than normal to withstand more abrasion from skateboarding and be more durable. We believe that our four models provide a comprehensive market coverage with minimal overlap, offering complementarity and avoiding cannibalization amongst them. A detailed description of each model is available through Figure 8, Figure 9, Figure 10, and Figure 11. Additionally, for even further information on the products, specification sheets are illustrated by Figure 12, Figure 13, Figure 14, Figure 15, and Figure 16.

### Emissions Tag

To provide more transparency, we will provide an emission tag that illustrates the carbon footprint of a specific shoe model. The tag will feature a “carbon score” which is the shoe’s total footprint

and will be calculated by the Life Cycle Assessment (LCA) we plan on conducting on every product. Additionally, there will be a breakdown of the carbon score, detailing emissions caused by materials, manufacturing, transportation, use and end of life (Figure 17). DooGood will be the first and only skate shoe company that provides this level of transparency through a carbon footprint tag. We believe that, through this tag, consumers will have a simple way to understand that everything with a price tag also comes with a cost to the planet. Additionally, consumers will demand this from other companies and they will have another spectrum of comparison when making their purchasing decisions.

### **2.2.2 Materials and Suppliers**

#### Bio-based vegan leather – “Better Leather”

The upper of all DooGood shoes will be made with, what we will call, “Better Leather”, which is a bio-based vegan alternative to animal leather and emits significantly less carbon (Collective Fashion Justice 2020). Our shoes will be available in two “Better leather” materials: Ultrasuede and Viridis. Ultrasuede is a highly functional non-woven material with a suede texture, created by the Japanese company Toray – the inventors of ultra-fine fiber. Ultrasuede is a perfect combination of a highly technological and sustainable material, that provides higher performance and has a lower impact on the environment than their rivals. Ultrasuede’s manufacturing process is certified ISO9001, ISO14001, and IATF16949. Ultrasuede TS (Thick and Soft) is 30% plant-based, using sugarcane plant to replace crude oil. Apart from Ultrasuede being a plant-based, more sustainable alternative to suede, it also has technical superiorities due to its highly technological structure (Figure 18). According to their test results, Ultrasuede is more snag and abrasion resistant, more lightweight (over 20%), significantly more breathable, stores less heat, and is easier to care for and maintain than animal leather. Toray group also has sustainability as one of their main pillars and

they aim to turn Ultrasuede into 100% plant-based in the future (Figure 19) (Toray 2021). Currently, Toray does not have a production unit in South America, but they can supply their materials in a short amount of time, through their main production sites. Nevertheless, a production site in South America is in Toray's plans as they believe Brazil and South America to be a huge potential market, where they already have an established company, Toray do Brasil, with an office located in São Paulo, Brazil (Toray 2021).

Leather is the most popular material in footwear and is also a great material for skateboarding, due to its high abrasion resistance. Nevertheless, due to leather's high environmental and social impact, we have decided to utilize Corn Waste Leather (CWL), which is a vegan and sustainable alternative to leather, made with renewable resources, through a sustainable process (Figure 20), by the Italian brand Viridis from the company Panama Trimmings. Viridis' CWL is OEKO-TEX Standard 100, USDA, and Animal-free certified, as well as PETA approved. Viridis contains 43% of bio polyols coming from European non-food and GMO-free corn and wheat crops. Viridis biobased content is equal to 69%, its bio polyols and FSC viscose content makes it the greenest product among the synthetic fabrics. To quantify and scientifically prove their claims, Viridis conducted an LCA, comparing their product to traditional PU. The results proved that Viridis is more sustainable in the following categories (Figure 21): Health, Environmental quality, Impact on climate change, Impact on global warming, Use of natural resources, Animal free. Additional results show that 1 meter of Viridis saves 3,5kg of CO<sub>2</sub> emissions and 458 grams of fossil polyurethane. Also, Viridis' solvent recovery technique used in manufacturing allows them to recover and repurpose their solvent - which comply with REACH regulation and are not harmful -, eliminating a large amount of waste and chemical substances in the material's production process (Viridis 2021).

### Organic Cotton

DooGood's shoes' lining and shoelaces will be made with organic cotton. When compared to traditional cotton, organic cotton has the "advantage of being produced in a land free of chemical fertilizers, pesticides, herbicides, and defoliants" (Bergman Rivera 2021). DooGood has chosen the Peruvian family-owned company Bergman/Rivera (BR) as our organic cotton supplier. Adding to the lack of chemicals in their production process, the organic cotton is hand-picked, which increases its quality through selection and care. Also, the Chinchu province, where they are located, utilizes water from the Andean mountains to grow their crops, making them even more sustainable. BR is B Corporation, Global Organic Textiles (GOTS), and Fair Trade certified, as well as approved by USDA and European Union (Bergman Rivera 2021).

### Natural Rubber

Skateboarding shoe soles need to be resistant and provide grip. To offer these characteristics, DooGood has decided to use Amazonian natural rubber for our outsoles, supplied by Cooperacre, a Brazilian cooperative that receives the Amazonian latex from family producers and turns it into rubber (Veja 2021). "Natural rubber is gathered from the hevea brasiliensis tree through ethical tapping" (Cariuma 2021), which means no trees are harmed. "The impact of Amazonian rubber is 0,67 tCO<sub>2</sub>e per ton (production & logistics) compared to 2,49 tCO<sub>2</sub>e per ton for Styrene-Butadiene Rubber SBR, a type of synthetic rubber. Amazonian rubber emits about 73% less GHG than the conventional rubber used by the industry" (Veja 2021). Every piece of rubber that doesn't end up in our outsoles is recycled and used in the next pair.

### Bio-oil

Insoles are one of the main components of a skateboard shoe when it comes to comfort and protection. As a high impact sport, insoles need to have a high-quality regarding impact absorption

and overall comfort. Therefore, DooGood has decided to utilize Ortholite Eco as our insoles, which utilizes castor bean oil in its composition, decreasing the petroleum content, reducing carbon footprint. To provide greatest protection and comfort for our users, DooGood will chose to work with the 20mm insoles – OrthoLite’s thickest option – and 35o Asker C – OrthoLite’s hardest option. OrthoLite Eco provides high-rebound performance, unrivaled breathability, and moisture-wicking technology (Ortholite 2021). “Ortholite is an eco-conscious brand, and they use solar power, recycled wastewater, and plant-based bio-oil to dramatically reduce their impact on the environment” (Ortholite 2021). Ortholite has a production and sales office in Brazil under the name Espugum Industria e Comercio LTDA, which was a crucial point in DooGood’s choice of supplier (Ortholite 2021).

### Packaging

DooGood’s packaging will be paper based, due to its sustainable characteristics and will be supplied by Smurfit Kappa, as they have production units certified by FSC and spread across Brazil (Smurfit Kappa 2021). Also, they are global leaders in paper-based packaging, and have a sustainable mindset. They develop sustainable packaging solutions that are renewable, designed to be recyclable, recycled, and naturally biodegrading. They also contribute to a world without packaging waste by supporting the concept of circularity, re-using more than 90% of this material in their close loop business model (Smurfit Kappa 2021).

### **2.2.3 Factory**

Due to the proximity to our headquarters, high-quality installations, and ethical practices, DooGood has proudly decided to manufacture our shoes in Franca, located in the state of São Paulo, Brazil. Franca is a key cluster of shoe industry and directly generates approximately 20,000 jobs, the city also has footwear specific institutions and provide technical and professional courses

(Daniel Atacado 2018). Labor laws are strict, and workers are unionized, they enjoy 4 weeks of paid vacation per year, their labor journey are forty weekly hours and obeys commercial schedule, they have the weekend off, and receive salaries above the country's minimum wage. To increase the level of transparency of our manufacturer, DooGood will ask them to perform regular chemical tests for our shoes, as well as social audits to ensure our values, best practices and code of conduct are met, and to pinpoint areas of improvement.

### **2.3. Sustainability practices**

DooGood defines sustainability as “meeting our own needs without compromising the ability of future generations to meet their own needs” (United Nations s.d.). DooGood believes that climate change is one of our and the future generation's main concerns, therefore, we have set to concentrate our efforts on creating a skate shoe that has minimal CO2 emissions, while providing high performance to skaters. Our sustainability goals for the end of our first year are: 1 – Conduct an LCA of our whole portfolio, 2 – Calculate our supply-chain CO2 emission (Scope 1, 2 and 3), 3 - Becoming BCorp and Carbon Neutral Certified. Apart from sustainability, DooGood's biggest goal is to be as transparent as possible to all our stakeholders. To be transparent, DooGood will track, record, and report every major decision we take that impacts any stakeholder. This information will be able to be accessed in DooGood's website (illustrated on Figure 22). DooGood will also provide annual reports with end-of-year facts and figures, show how our progress has been throughout the year, our considerations, highlighting how we measured up compared to our expectations.

#### Life Cycle Assessment

To calculate DooGood's products' impact on the environment, an LCA will be conducted. The LCA will inform what stages are the biggest drivers of CO2 in the product's life cycle, giving

DooGood the ability to concentrate our efforts on improving the aspects that will contribute the most to decreasing our emissions. The company will be able to make sustainable decisions with more assertiveness, develop even more sustainable products, prove our sustainable claims, compare our operations to competitors and find better suppliers if needed.

### Carbon Emission Report

Besides the LCA, we will create a CO2 emission report with the findings and categorize them into 3 scopes. Scope 1 and 2 measures the company's direct activity emissions and will be almost irrelevant at the company's initial stage. For scope 2, which considers purchased electricity, DooGood will establish a partnership with Flora Energia, which provides a clean energy alternative (solar energy) to traditional energy in Brazil. In addition, they provide a discount for their client's energy bills, due to the credit they receive for providing renewable energy to the traditional electric grid (Flora Energia 2021). Scope 3 is our indirect emissions, and where the biggest source of emissions will be generated, as they account for: raw materials, manufacturing, freight to factory, shoe factories, distribution, and end of life.

### Offsetting

DooGood doesn't believe offsetting our carbon emissions is the solution for climate change. We will always prioritize trying to reduce our emissions, however, as we are still not capable of emitting zero CO2, we believe offsetting will contribute to mitigate our impact. DooGood will aim to be a carbon neutral business and offset 100% of the company's emissions, both direct and indirect, accounting for emissions from scope 1, 2 and 3. Even though many companies offset Scope 1 and 2 emissions from company-operated sources, DooGood will take accountability for all carbon emissions associated with our business and products. To reach our goals, DooGood plans on becoming Climate Neutral certified. Climate Neutral estimates that carbon costs \$0,20 /

pair of shoes, if the average sneaker creates about 20 kg of CO<sub>2</sub>e, or 0,4% of the company's revenues (Climate Neutral 2021). We will also partner up with One Tree Planted, an NGO that plants trees around the globe to help deforestation and carbon issues. By donating USD 1,00 of revenue, we will plant 1 tree in the Amazon Rainforest, for every pair of shoes we sell (One Tree Planted 2021). Also, a partnership with 4Ocean allows us to directly fund the removal of trash from the ocean, rivers, and coastlines. We will also fund USD 1,00 per pair of shoes sold. USD 10,00 removes one pound of trash (4Ocean 2021).

### Sustainable Development Goals (SDG)

DooGood will be able to help with several SDGs, such as: Renewable energy (SDG 7) through our partnership with Flora Energia and suppliers that use renewable energy; Good jobs and economic growth (SDG 8) through our own workforce and the ethical factory and suppliers we will work with; Innovation and Infrastructure (SDG 9) through the use of bio-based vegan leather in skateboarding shoes, which has never been done before; Responsible Consumption (SDG 12) through our slow fashion pace, use of sustainable materials, and ethical production; Climate Action (SDG 13) through the use of materials that have been chosen to minimize carbon emissions; Life Below Water (SDG 14) through our partnership with 4Ocean; and Life on Land (SDG 15), through the use of vegan, organic, and natural materials.

### B Corp

B Corporations are becoming gaining popularity as companies are noticing the changes that must be made in their business practices to preserve the world we live in and have a better relationship with today's consumers, who are becoming increasingly conscious about their purchasing decisions. "Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance

profit and purpose. B Corps are accelerating a global culture shift to redefine success in business and build a more inclusive and sustainable economy” (B Corporation 2021). This description provided by the B Corporation illustrates perfectly DooGood’s business proposition, therefore, we will place our best effort towards earning their certificate.

## **2.4. Sales Channels**

During DooGood’s initial phase our sales channels will be web-based direct-to-consumer. Sales will take place initially in crowdfunding platforms (Kickstarter and Indiegogo). Once the campaigns are over, we will begin sales in our E-Commerce website, which will be based on Shopify’s platform, as well as in our Instagram page. Our partnership with ShipBob (3PL) allows us to have a global delivery service. After year 5, we will begin also selling into selected specialty “skate shops”, and eventually, explore the possibility of having our own DooGood physical stores. Greater detail for crowdfunding and e-commerce DTC is provided by Figure 23.

## **2.5. Marketing**

### **2.5.1 Positioning**

#### Position Statement

For skateboard enthusiasts who want to contribute to a better tomorrow, DooGood is the premium skate shoe company that offers high performance through sustainable materials and ethical production, so customers can "push" towards a better future, because we were tired of seeing time go by and no changes being made, so we decided to take a different path.

#### Unique Value Proposition

DooGood’s unique value proposition will be based upon our purpose as a brand, our transparency, and the choice of materials on our shoes. DooGood is the only skateboarding footwear company that has the purpose of changing the way business is done in our industry. We want skateboarding

footwear companies to become less fast fashion oriented, that they consider environmental impacts on their material choices, and that they manufacture their products ethically. We also want to imprint greater transparency between companies and consumers, being open about their production process, material choices, who and where their suppliers are, the impacts they have on the environment and how they plan to overcome it, the financial breakdown of the shoe until it reaches their customers, amongst other things. Also, DooGood is the only skateboard brand to use plant-based and corn-based vegan leather as the material used in the shoe's upper - as an alternative to conventional animal leather - to have a smaller impact on the environment, and at the same time, deliver equal or greater performance. We also want to become the first B Corporation and Climate Neutral company in the skateboard footwear industry.

### **2.5.2 Customer Segmentation**

To help understand our customer segments, we developed the following personas: **“Core Skateboarder”** (Figure 24); **“Conscious Skateboarder”** (Figure 25); **“Conscious Adopter”** (Figure 26); **“Skateboard Style Enthusiasts”** (Figure 27). These personas were developed based on a survey we conducted, with 42 skateboarders in different regions of the United States, which the results are shown on Figures 28 - 53.

### **2.5.3 Price**

DooGood will have a premium price compared to other skate shoes because our value proposition involves the use of premium sustainable materials, ethical production, and transparency along our supply chain and within the company, therefore, we will have a greater cost of production than other skateboarding footwear companies. Nevertheless, we do not want to use a cost-based pricing strategy and we are adopting a pricing strategy which combines competitors' prices (Figure 54, Figure 55, Figure 56, and Figure 57), value-based pricing and consumers' willingness to pay for

our products (evidenced previously by their personas). Therefore, we set the price for the DG 94s at USD 110,00; DG 77s at USD 100,00; DG Slip-on at USD 85,00, and the DG Hi-top at USD 120,00.

#### **2.5.4 Promotion**

##### Social Media Marketing

**Instagram** - DooGood has chosen Instagram as our main social media platform to interact with our target market and to raise our brand awareness. Instagram provides an “advertising audience of more than 1,16 billion people”, offering an enormous reach potential for companies. Additionally, “the most active Instagrammers are between 18 and 29, the United States is the largest Instagram market and more urban residents use Instagram than their suburban peers”, which is exactly our target audience. Also, fashion ranks as the fourth top users’ interest on Instagram (Hootsuite 2021). DooGood will have specific strategies for different Instagram functionalities, which can be seen on Figure 58. Apart from organic reach, Instagram also allows to reach users through Ads. According to Hootsuite, “27% of users say they find new products and brands through paid social ads” (Hootsuite 2020). DooGood will allocate 3% of our net revenue to fund digital advertising.

**YouTube** - Skateboarding has always been reliant on videos and currently YouTube is the world’s leading video streaming platform, and it is where longer-duration skateboarding videos are mostly consumed. DooGood will use YouTube as a platform to engage with our audience that is searching for a more “in-depth” interaction (compared to Instagram) with the brand, as they will be able to view longer content which will contain more detail about DooGood. Our videos will mainly feature product launches, new team member introductions, team trips, and vlogs that will feature day-in-life of skate team members, behind the scenes of production and creative process of our shoes, a

day at the office, amongst other possibilities. YouTube Ads will also fall into the category of our digital advertising and be funded through the budget allocated for this type of promotion. Currently, one of the main ways consumers are searching for skateboard shoes is through YouTube skateboard channels that do reviews on shoes. Therefore, DooGood will giveaway shoes to some of the main channels which are listed on Figure 59.

### Search Engine optimization (SEO)

SEO is an extremely important tool for an on-line business as it will drive more users into the company's website, which can translate into more sales. There are many ways of optimizing the website's rankings on a search engine, and they basically fall into two different categories, on-page SEO and Off-page SEO, both of which are very technical and require expertise to create positive results. Therefore, SEO will be a priority for our Digital experts, who will be supported by Google Analytics to review the website's performance.

### Skateboarding Events

Skateboarding culture is influenced heavily by the Do It Yourself (DIY) culture. Creating our own event can be a great way of showcasing our product, our company's purpose and that we want to support the skateboarding community. By creating our own event instead of sponsoring someone else's, we have greater control can apply our sustainable mindset to it by using renewable powered electricity; collect money from entry fees to support a cause of our choice; provide food on the event site from companies that are like minded and use recycled and recyclable packaging; inform participants to bring their own water bottles to minimize waste, amongst other things.

### Skateboard Team (Sponsored Athletes)

A skateboard team is one of the most important aspects of a skateboard company. DooGood wants to promote equality in our skateboard team, and we will have an equal number of men and women

skaters who will receive the same amount on their fixed salaries, according to the tier they are allocated. The structure of our skate team will be divided into 3 tiers, Tier 1 being the highest, and will feature our main skaters. One of DooGood's goal is to have Evan Smith on our Tier 1 team, who is currently one of the greatest skateboarders and the fact that he is vegan, and an environmental activist would fit well with the company. On the women's side, our goal would be to have Sky Brown on our tier 1 team, she is a 13-year-old phenom who won a bronze medal at the Olympic games and has become one of the biggest influences on women newcomers to skateboarding and will probably be an entire generation's idol. DooGood also aims to have two "team leaders" to give more credibility to our company inside the skateboarding community and to build chemistry within our team. These leaders are are Bob Burnquist, a Brazilian-American global skateboarding legend, and Karen Jonz, who is also a Brazilian skateboarding legend and has been 4x World Champion. We plan on having 10 sponsored athletes on our team by the end of year 5. We will also give our shoes to other professional skateboarders, who are not sponsored, to increase promotion and word of mouth.

### **2.5.5 Customer Relationship Management**

One of the main reasons for choosing a DTC sales model was to enable DooGood to have a direct relationship with our consumers and retrieve data from them to be able to create unique shopping experiences, build a stronger brand, and make them become loyal customers. To improve our e-Commerce customer experience, our digital and customer service experts will work side-by-side on retrieving and analyzing data that may provide insights to us. Through the Shopify e-commerce platform and Google Analytics, we can evaluate data and identify trends across our website's visitors and leverage this data to better our relationship and create strategies to implement in the future. Some of the data we will track are customer lifetime value, order history and average order

value, shipping preferences, phone number, user's birthday, and items abandoned in cart. We can also identify who buys from us most often, who spends the most, and what motivates them. DooGood will collect data organically through account registrations and order transactions. Once they log in, we will be able to use their browsing and order history to provide better product recommendations, targeted promotions, wish lists, and loyalty program features (that will be detailed later). Additionally, our website will be optimized for a mobile experience so that our customers can buy our products directly from their smartphones. Keeping a simple checkout is also an essential feature for improving customer experience.

**Loyalty Program** - As an e-commerce DTC brand, it is imperative for DooGood to create a loyalty program that will further engage our consumers with the brand through a rewarding program that will give extra reasons for buyers to create accounts, visit our on-line store more frequently, and increase their spending. DooGood's loyalty program will seek to build a community instead of being purely rewards-based. To do this, we will reward members – through a points-based system – that perform straightforward actions that deliver user-generated content and engages other people, such as: following DooGood on Instagram and YouTube, sharing a post on Instagram, reposting DooGood's post on Instagram, posting a video on YouTube, leaving a product review, and referring a friend. Other possible actions that will earn points, that focuses on the user individually are, signing up for an account, earning points for every dollar spent, registering the user's birthday, posting a Net Promoter Score, purchasing X number of times, and spending X amount of dollars. These actions provide to our members easy to earn points, engages them with other people, and is also simple to comprehend. They will be able to trade points for perks, which can include exclusive early access to new arrivals, discount on future purchases, redeemable vouchers, additional gifts (such as laces and insoles) on next purchases, and free upgraded shipping

on future purchases. Members will also be able to redeem their points for more trees planted or plastic removed from the oceans. To maintain DooGood's members engaged, the program will offer different tiers that provide progressively valuable rewards when they increase their involvement, increasing spending and purchasing reoccurrence. To increase the program's ease of use, DooGood will integrate rewards during checkout, making it possible for members to claim their points directly from the shopping cart with one click. Additionally, visibility of our program is also important, therefore, we will brand our program in our homepage, Instagram account – through posts and stories –, on YouTube videos and video description, emails, and other areas of the website. Even though it is important to promote our loyalty program, DooGood must be careful not to exaggerate and cause the reverse effect we are after.

### **3. Conclusion - The Roll-Out**

#### **3.1 Year 1 – Market Research and Product Development**

DooGood's first year will be dedicated to gathering as much information as possible from our target customers; research what our competitors are doing right and wrong; build our business plan; legally set-up the company and hire an accountant and legal consultant; design our shoes; search for, develop and sign contracts with all our suppliers, factory, and 3PL, and also establish our service level agreement and code of conduct with them; produce sample batches, hand out samples to our wear testers and sponsored athletes, request final batch of samples for photo and media purposes; launch our social media pages (Instagram and YouTube); launch website (not e-commerce yet); begin developing our audience through these channels; and reveal our initial skate team.

### **3.2 Year 2 and 3 – Initiate Sales, Building our Team, Exploring New Markets**

The second year will be marked by our “soft launch” through our Kickstarter and Indiegogo crowdfunding campaigns (45 days each), which will allow us to test our main product – DG 94s – and sales pitch with the market, have a precise initial demand forecast, raise additional funds to begin our production and operations, as well as to create an initial community of backers. In parallel, DooGood will hire customer service experts to help deal with initial sales and provide the best customer experience and first impression of the brand. Additionally, digital experts will take over our social media accounts, manage ads, SEO, and set-up the e-commerce platform for once the crowdfunding campaigns are over and we begin selling through our website. Selling through our e-Commerce platform will mark DooGood’s “hard launch”, commercializing our other three shoe models, and initiate our reoccurring operations, with focus on the American market, but with some additional sales worldwide. By Year 3, DooGood will be having reoccurring orders from customers and significantly more traction. We will be able to have a more accurate sales forecast and a better understanding of our product’s performance, seasonality, and customer preference. Therefore, as we will be over the initial learning “hump” we will begin thinking about new markets. So, we will hire our business development expert, who will map out and draw the best strategy for us to add focus to new markets, specifically in Europe, for Year 3. We will also add product experts to our team, who will help with expanding product line and mix, improve existing products, research about and source new potential materials, and manage inventory. Product experts will have a strong sustainable mindset and background, to perform all their tasks considering environmental and social impacts.

### **3.3 Year 4 and 5 – Expansion and Break-even**

For Year 4 and 5, DooGood will begin looking for expansion opportunities. Some initial possibilities are expanding our product mix, offering a few options of apparel, and a further geographical expansion to Brazil and Asia. Also, we will initiate our plans to expand our sales channel, researching about specialty skate shops. We will increase our workforce in existing departments and add Human Resources and Marketing experts to our team. Year 5 will be marked by DooGood's break-even and constant generation of profits month over month.

### **3.4 Post Year 5 – Future**

For the future, DooGood has many possible opportunities. The company may initiate product mix and line's expansion, and research the possibility of offering kid's sizing to capture the new generation of consumers from an earlier age. Also, the company may further explore the possibility of new markets that are growing their interest in skateboarding. Additionally, through years of R&D, DooGood can create a proprietary bio-based vegan leather, engineered specifically for skateboarding. The company also plans on developing an end-of-life recycling solution to our shoes and become a circular business. Developing a DooGood App is also an opportunity for us to have another channel of engagement with our customers and increase our loyalty program's contact point. Finally, we believe that, once DooGood becomes an established and well-known brand, having a Flagship store might be important to establish the brand's image and increase our customers' experience with the brand.

## **4. Conclusion - The Numbers**

### **4.1 Main Costs**

DooGood will have a relatively low initial investment, as founders will structure the first year of operations by themselves. Nevertheless, there are some costs involved and they amount to

approximately USD 22.600. Almost USD 7.000 are due to the four rounds of shoe samples and an extra USD 6.000 allocated for R&D. The remaining USD 9.000 is directed to DooGood's accountant and legal consultant. Once DooGood begins commercializing shoes, costs will increase significantly as the company starts to hire staff and rent an office space, initiates ordering shoes from the factory, and invest in marketing initiatives. Our cost of revenue for Year 2 amounts to USD 524.570,19, most of which is due to the payment of production of 15.000 pairs of shoes (10.000 ordered for Year 2 and 5.000 paid in Year 2 but that were ordered to arrive in Year 3 - due to logistical matters [container capacity optimization] shoes are shipped in multiples of 5.000, also, new orders are made once stock levels are getting low. Payment is 50% anticipated and 50% paid once shipped). The company's operational expense is also a significant part of the cost, amounting to USD 455.086,60, USD 299.000,00 of which are for HR. By the end of Year 5, total cost of revenue will amount to USD 1.990.883,68 and operational expense at USD 2.047.291,83.

#### **4.2 Revenue Development**

In Year 2, we are forecasting 3.000 pairs of DG 94s sold during our crowdfunding campaigns, and approximately 5.500 pairs sold in the remainder of the year through our e-commerce, reaching nearly 4.850 consumers, which translates into USD 779.619,47 in net revenue. For Year 3, we forecast a bit over 18.500 pairs bought by approximately 10.700 consumers, amounting to USD 1.848.161,57 in net revenues. The 137% revenue growth is mainly due to our marketing efforts, expanding our focus into Europe, and general increase in popularity of our brand. For Year 4 we predict a growth of 91%, reaching a net revenue of USD 3.521.002,08 generated through sales of over 35.500 pairs through almost 20.500 consumers. Year 5 will be marked by our break-even, selling near to 58.000 pairs to over 33.000 customers, accomplishing USD 5.728.138,45 in net revenue. Year 5 also marks the constant surplus of net revenue over the cost of revenue, month

over month (Figure 60), contributing to the company's positive accumulated net income at the end of the forecasted period.

### **4.3 Financial Performance**

DooGood's financial performance will be measured by EBIT and Net Income. From Year 1 to Year 3, the company presents operating and net loss, which is reverted into profit in Year 4 and increases in Year 5 (Figure 61), reaching operating margins of 29,50% and net profit margins of 18,27%. This turnaround will help the company break-even near the end of the first semester of Year 5, and reach an accumulated cash flow of USD 863.572,73, by the end of the year. The accumulated cash flows also indicate the deepest point of our net burn rate, amounting to USD 757.694,88, in the beginning of Year 4 (Figure 62). Therefore, by adding 20% to account for scenario disparities to the one forecasted, DooGood's objective at this stage is to get a funding of approximately USD 900.000,00 so that we may proceed with our planned operations and fulfill our growth ambitions, whilst coping with unexpected costs or variability in revenue. The expected Net Present Value after 5 years of operation is USD 467.530,77 and an Internal Rate of Return of 51,52% (using a 10% discount rate).

### **4.4 Key Performance Indicators**

The success of DooGood will be driven by the following metrics:

Business KPIs: Customer Lifetime Value (CLV), Customer Acquisition Cost (CAC), and Churn Rate. Environmental KPIs: Number of trees planted, amount of trash removed from oceans (Kg), and product's life cycle carbon footprint.

When looking at our different customer segments, we can observe that the "Conscious Skateboarders" have the highest CLV at USD 1.210,49, when calculated in Year 2. This is due to their high Average Purchase Frequency (APF) of 6 pairs per year and a relatively low churn rate

of 15% per year, translating into an average lifetime of 6,67 years as a customer. The second highest CLV is of the “Conscious Adopters” at USD 363,15, mainly because of their low churn rate of 25%, followed by the “Core Skateboarders” at USD 50,44, who presented a high churn rate of 60%, and lastly, the “Skate Style Enthusiasts” at USD 43,23, who had the highest churn rate of 70%, averaging less than 1,5 years as a customer. Nevertheless, with regards to CAC, the “Core Skateboarders” presented the lowest cost at USD 38,17 as they represent most of our customers (almost 70%). “Conscious Adopters” and “Conscious Skateboarders” have a CAC of USD 229,02 and USD 261,74, respectively. “Skate Style Enthusiasts” represent the highest cost at USD 305,36. Conclusively, the CLV to CAC ratio is highest for “Conscious Skateboarders” at USD 4,62, followed by “Conscious Adopters” at USD 1,59, “Core Skateboarders” at USD 1,32, and lastly “Skate Style Enthusiasts” at USD 0,14.

For our environmental KPIs we will measure the number of trees we plant through our sales, which for Year 2, amounted to 8.428 and adds up to 120.561 by the end of Year 5 - it is estimated that each tree captures 10kg of carbon dioxide per year (One Tree Planted 2021). Also, we will measure the amount of trash we remove from the ocean, which will amount to 6,281 tones by the end of Year 5. Finally, through the LCA we will conduct on each of our products, we will be able to know our shoes’ carbon footprint. A shoe company, MOEA, which uses very similar materials to DooGood’s has conducted an LCA on their shoes, which we will use as a benchmark. In their assessment, their vegan corn-based leather shoe emits 11,84 kg of carbon, compared to 23,92 kg generated from animal leather (Sami 2021).

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# Appendix

Figure 1

## Potential Market Estimation

|  |                                     |
|--|-------------------------------------|
| Total population California  | 39,650 million                      |
| Target Market (aged between 18-35)                                   | 11,40 million                       |
| Penetration rate (proportion of skateboarders)                       | 20% (Transworld Skateboarding 2001) |
| <b>Potential customers (market volume)</b>                           | <b>2,28 million</b>                 |
| Average spending on footwear per year                                | 419 USD (Statista 2021)             |
| <b>Potential market size</b>   | <b>955 million USD</b>              |
| <b>DooGood's market penetration estimation (First Year of Sales)</b> | <b>In between 0,075% - 0,1%</b>     |
| <b>Estimated market gained</b>                                       | <b>716k USD - 955k USD</b>          |

Figure 2

## Perceptual Map



Figure 3

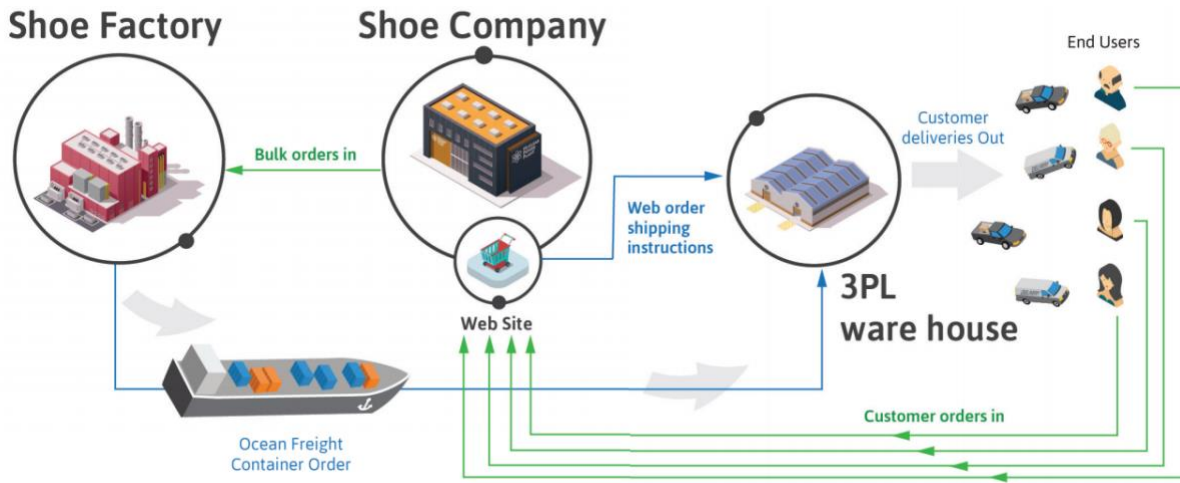


Figure 4

Organizational Structure – Year 5

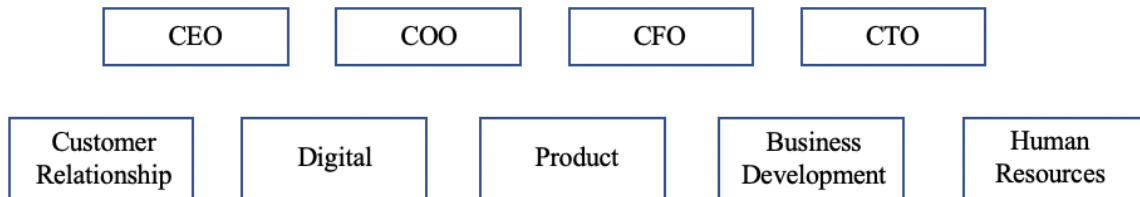


Figure 5

Organizational Roles and Functions in Year 5

| Role                  | Nr. of Employees | Function   |
|-----------------------|------------------|--|
| CEO                   | 1                | Oversees product, marketing, and strategy operations.  |
| COO                   | 1                | Responsible for material, supplier and factory sourcing and management, as well as supply chain and logistics.   |
| CFO                   | 1                | Responsible for budget allocation, financial KPIs definition and tracking, cash-flow, financial reports, profit projections, determination of capital structure, management of cash and determining capital needs. |
| CTO                   | 1                | Oversees web, e-commerce, and social media operations, Search Engine Optimization (SEO), operational system management, and possible app development.  |
| Customer Relationship | 5                | Goal is to ensure customer satisfaction and are responsible for customer interactions in all channels (web, e-Mail, e-Commerce, social medias)   |
| Digital               | 5                | Help set-up, run, maintain and improve website, e-Commerce platform, and social medias. Responsible for SEO. Help develop social media strategies and advertisements.  |
| Product               | 5                | Responsible for shoes' design, material research and development, product mix and line, pricing, planning new launches and packaging.  |
| Business Development  | 3                | Responsible for exploring, analyzing, and finding out the best strategy to enter new and promising markets.  |
| Human Resources       | 1                | Responsible for recruiting workers, handle employee relations, payroll, and benefits.  |

Figure 6

Corporate Values

| DooGood's Values   |
|--|
| Transparency is key  |
| Transform to inspire   |
| Always keep on trying  |
| This is a marathon not a sprint                                      |
| Performance & Progress   |
| Sustainability is a journey, be consistent and always try to improve |
| Organizations are made of individuals                                |
| Hungry dogs hunt better  |
| No use in doing business today, in a world that won't exist tomorrow |
| Push towards a better future   |

Figure 7

## Stakeholder relationships

| Stakeholders | Relationship   |
|--------------|--|
| Employees    | DooGood's employees are the backbone of the company. We will give our best effort to guarantee that they feel like they are working in a safe, inclusive, collaborative, and constructive environment. DooGood will try to incorporate the JEDI framework, which fosters workplace justice, equity, diversity, and inclusion. Their salaries will be matched to that of the industry and benefits will be flexible and personalized to employee's request, within budget limits. They will have autonomy to work on or off-site as well as flexibility with their time schedule. Our organic structure will incentivize collaboration between employees and departments, further engaging and expanding their roles in the company, which we hope will generate more motivation and satisfaction. To create a safe and inclusive work environment, we will adopt the SafeSpace platform into our business. SafeSpace is a Brazilian start-up that provides a platform to prevent, communicate and resolve behavioral issues at work. We will promote sustainability to all our employees, engaging their participation in eco-friendly programs, and conduct workshops and lectures on the subject. We will also provide lectures on personal financial management, mental health, and leadership. |
| Consumers    | DooGood's target consumers will be Millennials and Generation Z, who are highly engaged consumers who care about equity and sustainability in business. To foster a good relationship with our consumers, DooGood will offer them high-quality products that have gone through a conscious production and material sourcing process. Our purpose driven approach will resonate with our target consumers, as they will feel like DooGood's values reflect their own. Also, through transparency in all areas of our business, consumers will be able to see the authenticity in our business practices and trust us even more.   |
| Community    | Our headquarters will be in São Paulo, Brazil, and our initiatives in the region will create a strong local community bond. DooGood will produce our shoes in Franca, which is in the state of São Paulo. Most of our competitors manufacture their shoes in Asia, nevertheless, we believe that having a close relationship with our manufacturer and helping local workers is more valuable than lower costs and will provide us long-term benefits. The company will also create partnerships with Skateboarding NGOs in São Paulo, such as Social Skate, which has the purpose of contributing positively to the lives of underprivileged children and teenagers, through skateboarding, culture, and arts (Social Skate, 2021). Apart from our physical, local community, we believe we will also be part of intangible communities, which include, the skateboarding community, which respond to companies that give back to skateboarding and are truly made for skaters. The vegan community, which are always searching for products that don't use animal derivatives. As well as the eco-conscious community, which look for purpose-led brands that consider the environment and social welfare in their decisions.  |
| Suppliers    | To create a tighter relationship, allow for better dialogue, greater flexibility, quicker response to changes, and a smaller impact on society and environment, DooGood believes that a local manufacturer is the best alternative. DooGood will extend its high-quality standards down the supply chain and work with suppliers that share our same values and offer sustainable and high-performance materials. We will try to educate suppliers on practices we adopt and even suggest them trying out for certifications such as B Corp, which the process to earn the certification will improve their operations significantly.  |
| Investors    | A segment of Blackrock's CEO, Larry Fink's speech portrays well how we believe the company will deliver value to our investors, "The more your company can show its purpose in delivering value to its customers, its employees, and its communities, the better able you will be to compete and deliver long-term, durable profits for shareholders". Consumer's behavior is changing, and they are becoming more knowledgeable and invested in researching about companies, giving their share of wallet to those companies that have the same values as they do. This transformation is forcing companies and investors to change their outlook on returns, which was always short-term and financial, and now has become long-term and incorporates shared value.  |

Figure 8

DG 94s – Design inspiration and Description


| DG 94s - Design inspiration   | Description  |
|---|--|
|  | <p>The DG 94s are inspired by classic sneakers from the 90’s such as the Nike Dunks. This shoe is low-top but slightly more full-bodied outline than a regular sneaker, and reinforced padding on the tongue and ankle area, providing more protection, comfort, and a more casual style.</p> <p>The DG 94s will be available in two different material choices for the upper, the first option is full corn waste leather, which mimics the appearance of real leather. The second option is corn waste leather for the bottom layer of the upper and Ultrasuede (which mimics suede’s appearance) on the top layer of the upper (panels), which are present on specific places of the shoe such as the toe, heel, and sides. Due to the use of a material that mimics leather, we will add a perforated toe area to increase the influx of air. Initially, the DG 94s will have 3 colorways, the first one is off-white and cream, the second is off-white and black and the third is off-white and moss-green. In the future, due to the DG 94s characteristics of having a casual style and two layers on the upper, we will be able to create different combinations of colors to suit different preferences.</p> |

Figure 9

DG 77s – Design inspiration and Description


| DG 77s - Design inspiration   | Description   |
|---|---|
|  | <p>In contrast to the 94s, the DG 77s have a slimmer outline and a more clean/discrete style, which was popular during the 1970s, highlighted by sneakers such as the Puma Clyde, Vans Era and Adidas Gazelle, which feature timeless silhouettes that are still very current nowadays.</p> <p>The 77s are also a low-top shoe, but instead of providing a bulkier sensation, they will be used by skaters that would rather sacrifice a bit of protection to have better board-feel provided by a lighter and slimmer shoe. The DG 77s will initially be available only in full Ultrasuede – paying homage to the full suede models in the 1970s. The only part that will feature the corn waste leather is on the heel, that will feature DooGood’s logo.</p> <p>There will be two initial classic colorways, full off-white upper with white leather heel, and full black with white leather heel. We still plan on launching more colorways in the future, but DooGood will wait to have input from our consumers on what colors they would like to see the DG 77s.</p> |

Figure 10

DG Slip-on – Design inspiration and Description


| DG Slip-on - Design inspiration   | Description  |
|---|--|
|  | <p>The slip-on is a very popular option for skateboarders, they provide the highest level of board-feel amongst any other type of shoe. Also, shoelaces rip constantly while skateboarding, and slip-ons have the advantage of not having laces. It also presents a clean and classic style that have been used by skateboarders since the 70's.</p> <p>The slip-on will initially be available only in full Ultrasuede and will feature an extra padding on the ankle for extra protection and comfort. There will be two initial colorways, full off-white and full black. The slip-on is a perfect blend between an in-house shoe, due to its comfort and ease to wear, and street shoe, because of its classic silhouette.</p> |

Figure 11

DG Hi-Top – Design inspiration and Description


| DG Hi-Top - Design inspiration  | Description   |
|---|---|
|  | <p>As the name suggests, the Hi-Top features a high-top cut and is a very popular option for skaters that want extra protection and stability to the ankles, which will have the support of extra padding. High-tops are also used as a fashion statement due to its iconic design and adoption from streetwear enthusiasts, basketball players, rock bands, and skaters (who made it popular during the 70s and 80s).</p> <p>DooGood's Hi-Top will offer a clean design and is fully made of Ultrasuede. The two initial colorways are full off-white and full black, which will feature black foxing tape on the sides and black shoelaces.</p> |

Figure 12

Specification Sheet – DG 94s Viridis (Corn Waste Leather)


| DEVELOPMENT SPECIFICATION SHEET |                                     |   |   |                           |
|---------------------------------|-------------------------------------|---|---|---------------------------|
| PROJECT NAME:                   | DG 94s Viridis (Corn Waste Leather) |   |  |                           |
| FACTORY:                        | Franca                              |   |   |                           |
| SEASON:                         | NA                                  |   |   |                           |
| COLOR DESCRIPTION:              | Off-White & Cream                   |   |   |                           |
| COUNTRY OF ORIGIN:              | Brazil                              |   |   |                           |
| CONSTRUCTION:                   | Vulcanized                          |   |   |                           |
| GENDER/SIZE:                    | Mens / 41 EU                        |   |   |                           |
| SIZE RUN:                       | 36 - 46 EU                          |   |   |                           |
| COMPONENT TYPE                  | COMPONENT SPECIFICATION             | COLOR   |   |                           |
| <b>UPPER</b>                    |                                     |   |   |                           |
| 1                               | Toe cap                             | 1.5mm Viridis Corn Waste Leather                                | Creme   | Viridis (Panama Trimming) |
| 2                               | Vamp                                | 1.5mm Viridis Corn Waste Leather: perforated                    | Off-White   | Viridis (Panama Trimming) |
|                                 | Vamp Lining (inside)                | 12oz Organic Cotton Canvas, 2mm PU foam                         | White   | Bergman / Rivera          |
| 3                               | Quarter                             | 1.5mm Viridis Corn Waste Leather                                | Off-White   | Viridis (Panama Trimming) |
| 4                               | Tongue                              | 12oz Organic Cotton Canvas                                      | Off-White   | Bergman / Rivera          |
| 5                               | Tongue Logo                         | Viridis Corn Waste Leather Label                                | Off-White   | Viridis (Panama Trimming) |
|                                 | Tongue Lining                       | 12oz Organic Cotton Canvas                                      | White   | Bergman / Rivera          |
|                                 | Tongue Foam                         | 8mm PU Foam   | NA  | Local                     |
| 6                               | Shoe Lace                           | 10mm Organic Cotton   | White   | Bergman / Rivera          |
| 7                               | Collar Underlay                     | 1.5mm Viridis Corn Waste Leather, 4mm PU foam                   | Off-White   | Viridis (Panama Trimming) |
| 8                               | Heel Logo                           | 1.5mm Viridis Corn Waste Leather, Stitched Logo                 | Creme   | Viridis (Panama Trimming) |
| 9                               | Heel / Quarter Lining               | 12oz Organic Cotton Canvas                                      | White   | Bergman / Rivera          |
| 10                              | Heel Counter                        | 1.5mm Viridis Corn Waste Leather                                | Creme   | Viridis (Panama Trimming) |
| 11                              | Eyestay                             | 1.5mm Viridis Corn Waste Leather                                | Creme   | Viridis (Panama Trimming) |
| <b>OUTSOLE UNIT</b>             |                                     |   |   |                           |
| 12                              | Heel Stiffner                       | 2mm Recycled Vulcanized Rubber                                  | NA  | Local                     |
| 13                              | Foxing Tape                         | Two-layers of 2.5mm Vulcanized rubber, channel stitching thread | White   | Local                     |
|                                 | Midsole                             | Recycled vulcanized rubber                                      | NA  | Local                     |
| 14                              | Outsole                             | Natural Gum Rubber  | Gum   | Cooperacre                |

Figure 13

Specification Sheet – DG 94s Ultrasuede


| DEVELOPMENT SPECIFICATION SHEET |                         |   |           |                           |
|---------------------------------|-------------------------|---|-----------|---------------------------|
| PROJECT NAME:                   | DG 94s Ultrasuede       |  |           |                           |
| FACTORY:                        | Franca                  |   |           |                           |
| SEASON:                         | NA                      |   |           |                           |
| COLOR DESCRIPTION:              | Off-White & Cream       |   |           |                           |
| COUNTRY OF ORIGIN:              | Brazil                  |   |           |                           |
| CONSTRUCTION:                   | Vulcanized              |   |           |                           |
| GENDER/SIZE:                    | Mens / 41 EU            |   |           |                           |
| SIZE RUN:                       | 36 - 46 EU              |   |           |                           |
| COMPONENT TYPE                  | COMPONENT SPECIFICATION |   |           |                           |
| <b>UPPER</b>                    |                         |   |           |                           |
| 1                               | Toe cap                 | 1.4mm TS Ultrasuede   | Creme     | Ultrasuede (Toray)        |
| 2                               | Vamp                    | 1.5mm Viridis Corn Waste Leather: perforated  | Off-White | Viridis (Panama Trimming) |
|                                 | Vamp Lining (inside)    | 12oz Organic Cotton Canvas, 2mm PU foam   | White     | Bergman / Rivera          |
| 3                               | Quarter                 | 1.5mm Viridis Corn Waste Leather  | Off-White | Viridis (Panama Trimming) |
| 4                               | Tongue                  | 12oz Organic Cotton Canvas  | Off-White | Bergman / Rivera          |
| 5                               | Tongue Logo             | Viridis Corn Waste Leather Label  | Off-White | Viridis (Panama Trimming) |
|                                 | Tongue Lining           | 12oz Organic Cotton Canvas  | White     | Bergman / Rivera          |
|                                 | Tongue Foam             | 8mm PU Foam   | NA        | Local                     |
| 6                               | Shoe Lace               | 10mm Organic Cotton   | White     | Bergman / Rivera          |
| 7                               | Collar Underlay         | 1.5mm Viridis Corn Waste Leather, 4mm PU foam                                       | Off-White | Viridis (Panama Trimming) |
| 8                               | Heel Logo               | 1.5mm Viridis Corn Waste Leather, Stitched Logo                                     | Creme     | Viridis (Panama Trimming) |
| 9                               | Heel / Quarter Lining   | 12oz Organic Cotton Canvas  | White     | Bergman / Rivera          |
| 10                              | Heel Counter            | 1.4mm TS Ultrasuede   | Creme     | Ultrasuede (Toray)        |
| 11                              | Eyestay                 | 1.4mm TS Ultrasuede   | Creme     | Ultrasuede (Toray)        |
| <b>OUTSOLE UNIT</b>             |                         |   |           |                           |
| 12                              | Heel Stiffner           | 2mm Vulcanized Rubber   | NA        | Local                     |
| 13                              | Foxing Tape             | Two-layers of 2.5mm Vulcanized rubber, channel stitching thread                     | White     | Local                     |
|                                 | Midsole                 | Recycled vulcanized rubber  | NA        | Local                     |
| 14                              | Outsole                 | Natural Gum Rubber  | Gum       | Cooperacre                |

Figure 14

Specification Sheet – DG 77s Ultrasuede

| DEVELOPMENT SPECIFICATION SHEET |                         |   |           |  |                           |
|---------------------------------|-------------------------|---|-----------|--|---------------------------|
| PROJECT NAME:                   | DG 77s Ultrasuede       |   |           |  |                           |
| FACTORY:                        | Franca                  |   |           |  |                           |
| SEASON:                         | NA                      |   |           |  |                           |
| COLOR DESCRIPTION:              | Off-White               |   |           |  |                           |
| COUNTRY OF ORIGIN:              | Brazil                  |   |           |  |                           |
| CONSTRUCTION:                   | Vulcanized              |   |           |  |                           |
| GENDER/SIZE:                    | Mens / 41 EU            |   |           |  |                           |
| SIZE RUN:                       | 36 - 46 EU              |   |           |  |                           |
| COMPONENT TYPE                  | COMPONENT SPECIFICATION |   |           |  | COLOR                     |
| <b>UPPER</b>                    |                         |   |           |  |                           |
| 1                               | Toe box                 | 1.4mm TS Ultrasuede   | Off-White |  | Ultrasuede (Toray)        |
| 2                               | Vamp                    | 1.4mm TS Ultrasuede   | Off-White |  | Ultrasuede (Toray)        |
|                                 | Vamp Lining (inside)    | 1.5mm Viridis Corn Waste Leather: perforated                    | Off-White |  | Viridis (Panama Trimming) |
| 3                               | Quarter                 | 1.4mm TS Ultrasuede   | Off-White |  | Ultrasuede (Toray)        |
| 4                               | Tongue                  | 12oz Organic Cotton Canvas                                      | Off-White |  | Bergman / Rivera          |
| 5                               | Tongue Logo             | Viridis Corn Waste Leather Label                                | Off-White |  | Viridis (Panama Trimming) |
|                                 | Tongue Lining           | 12oz Organic Cotton Canvas                                      | White     |  | Bergman / Rivera          |
|                                 | Tongue Foam             | 4mm PU Foam   | NA        |  | Local                     |
| 6                               | Shoe Lace               | 10mm Organic Cotton   | White     |  | Bergman / Rivera          |
| 7                               | Collar Underlay         | 1.4mm TS Ultrasuede, 2mm PU foam                                | Off-White |  | Ultrasuede (Toray)        |
| 8                               | Heel Logo               | 1.5mm Viridis Corn Waste Leather, Stitched Logo                 | White     |  | Viridis (Panama Trimming) |
| 9                               | Heel / Quarter Lining   | 12oz Organic Cotton Canvas                                      | White     |  | Bergman / Rivera          |
| 10                              | Heel Counter            | 1.4mm TS Ultrasuede   | Off-White |  | Ultrasuede (Toray)        |
| 11                              | Eyestay                 | 1.4mm TS Ultrasuede   | Off-White |  | Ultrasuede (Toray)        |
| <b>OUTSOLE UNIT</b>             |                         |   |           |  |                           |
| 12                              | Heel Stiffner           | 2mm Vulcanized Rubber   | NA        |  | Local                     |
| 13                              | Foxing Tape             | Two-layers of 2.5mm Vulcanized rubber, channel stitching thread | White     |  | Local                     |
|                                 | Midsole                 | Recycled vulcanized rubber                                      | NA        |  | Local                     |
| 14                              | Outsole                 | Natural Gum Rubber  | Gum       |  | Cooperacre                |

Figure 15

Specification Sheet – DG Slip-on Ultrasuede

| DEVELOPMENT SPECIFICATION SHEET |   |           |  |                           |  |
|---------------------------------|---|-----------|--|---------------------------|--|
| PROJECT NAME:                   | DG Slip-on Ultrasuede   |           |  |                           |  |
| FACTORY:                        | Franca  |           |  |                           |  |
| SEASON:                         | NA  |           |  |                           |  |
| COLOR DESCRIPTION:              | Off-White   |           |  |                           |  |
| COUNTRY OF ORIGIN:              | Brazil  |           |  |                           |  |
| CONSTRUCTION:                   | Vulcanized  |           |  |                           |  |
| GENDER/SIZE:                    | Mens / 41 EU  |           |  |                           |  |
| SIZE RUN:                       | 36 - 46 EU  |           |  |                           |  |
| COMPONENT TYPE                  | COMPONENT SPECIFICATION   | COLOR     |  |                           |  |
| <b>UPPER</b>                    |   |           |  |                           |  |
| 1 Vamp                          | 1.4mm TS Ultrasuede   | Off-White |  | Ultrasuede (Toray)        |  |
| Vamp Lining (inside)            | 12oz Organic Cotton Canvas, 2mm PU foam                         | White     |  | Bergman / Rivera          |  |
| 3 Quarter                       | 1.4mm TS Ultrasuede   | Off-White |  | Ultrasuede (Toray)        |  |
| 4 Elastic tape                  | Elastic   | White     |  | Local                     |  |
| 5 Heel / Quarter Lining         | 12oz Organic Cotton Canvas                                      | White     |  | Bergman / Rivera          |  |
| 6 Heel Logo                     | 1.4mm TS Ultrasuede   | Off-White |  | Ultrasuede (Toray)        |  |
| 7 Collar Underlay               | 1.4mm TS Ultrasuede, 2mm PU foam                                | Off-White |  | Ultrasuede (Toray)        |  |
| 11 Logo                         | Viridis Corn Waste Leather Label                                | White     |  | Viridis (Panama Trimming) |  |
| <b>OUTSOLE UNIT</b>             |   |           |  |                           |  |
| 8 Heel Stiffner                 | 2mm Vulcanized Rubber   | NA        |  | Local                     |  |
| 9 Foxing Tape                   | Two-layers of 2.5mm Vulcanized rubber, channel stitching thread | White     |  | Local                     |  |
| Midsole                         | Recycled vulcanized rubber                                      | NA        |  | Local                     |  |
| 10 Outsole                      | Natural Gum Rubber  | Gum       |  | Cooperacre                |  |
|                                 |   |           |  |                           |  |
|                                 |   |           |  |                           |  |
|                                 |   |           |  |                           |  |

Figure 16

Specification Sheet – DG Hi-top Ultrasuede


| DEVELOPMENT SPECIFICATION SHEET |                                |   |           |                           |
|---------------------------------|--------------------------------|---|-----------|---------------------------|
| PROJECT NAME:                   | DG Hi-top Ultrasuede           |  |           |                           |
| FACTORY:                        | Franca                         |   |           |                           |
| SEASON:                         | NA                             |   |           |                           |
| COLOR DESCRIPTION:              | Off-White                      |   |           |                           |
| COUNTRY OF ORIGIN:              | Brazil                         |   |           |                           |
| CONSTRUCTION:                   | Vulcanized                     |   |           |                           |
| GENDER/SIZE:                    | Mens / 41 EU                   |   |           |                           |
| SIZE RUN:                       | 36 - 46 EU                     |   |           |                           |
| <b>COMPONENT TYPE</b>           | <b>COMPONENT SPECIFICATION</b> |   |           |                           |
| <b>UPPER</b>                    |                                |   |           |                           |
| 1                               | Toe box                        | 1.4mm TS Ultrasuede   | Off-White | Ultrasuede (Toray)        |
| 2                               | Vamp                           | 1.4mm TS Ultrasuede   | Off-White | Ultrasuede (Toray)        |
|                                 | Vamp Lining (inside)           | 12oz Organic Cotton Canvas, 2mm PU foam   | White     | Bergman / Rivera          |
| 3                               | Quarter                        | 1.4mm TS Ultrasuede   | Off-White | Ultrasuede (Toray)        |
| 4                               | Tongue                         | 12oz Organic Cotton Canvas  | Off-White | Bergman / Rivera          |
| 5                               | Tongue Logo                    | Viridis Corn Waste Leather Label  | Off-White | Viridis (Panama Trimming) |
|                                 | Tongue Lining                  | 12oz Organic Cotton Canvas  | White     | Bergman / Rivera          |
|                                 | Tongue Foam                    | 4mm PU Foam   | NA        | Local                     |
| 6                               | Shoe Lace                      | 10mm Organic Cotton   | White     | Bergman / Rivera          |
| 7                               | Collar Underlay                | 1.4mm TS Ultrasuede, 4mm PU foam  | Off-White | Ultrasuede (Toray)        |
| 8                               | Heel Logo                      | 1.5mm Viridis Corn Waste Leather, Stitched Logo                                     | White     | Viridis (Panama Trimming) |
| 9                               | Heel / Quarter Lining          | 12oz Organic Cotton Canvas  | White     | Bergman / Rivera          |
| 10                              | Heel Counter                   | 1.4mm TS Ultrasuede   | Off-White | Ultrasuede (Toray)        |
| 11                              | Eyestay                        | 1.4mm TS Ultrasuede   | Off-White | Ultrasuede (Toray)        |
| <b>OUTSOLE UNIT</b>             |                                |   |           |                           |
| 12                              | Heel Stiffner                  | 2mm Vulcanized Rubber   | NA        | Local                     |
| 13                              | Foxing Tape                    | Two-layers of 2.5mm Vulcanized rubber, channel stitching thread                     | White     | Local                     |
|                                 | Midsole                        | Recycled vulcanized rubber  | NA        | Local                     |
| 14                              | Outsole                        | Natural Gum Rubber  | Gum       | Cooperacre                |
|                                 |                                |   |           |                           |
|                                 |                                |   |           |                           |

Figure 17

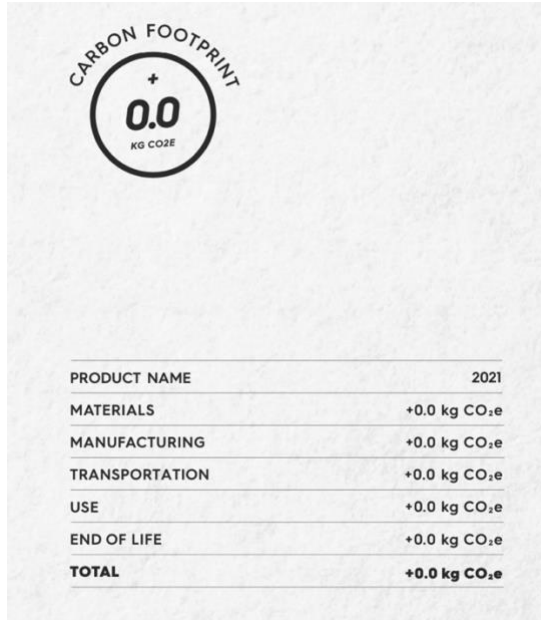


Figure 18

### The Structure of Ultrasuede®

**A Surface**  
The surface, made of intertwined, brushed ultra-fine fibers, creates a uniquely soft and smooth texture, much like natural premium suede.

**B Non-woven structure**  
Intertwined ultra-fine fibers and polymers form the internal structure, providing uniformity, durability and breathability.

**C Scrim**  
Beneath the exquisitely soft touch lies the sturdy inner body, composed of a rope-like lining called the scrim—the secret behind the tautness and durability that makes Ultrasuede® perfect for furniture, automobile seats and many other applications.

Figure 19

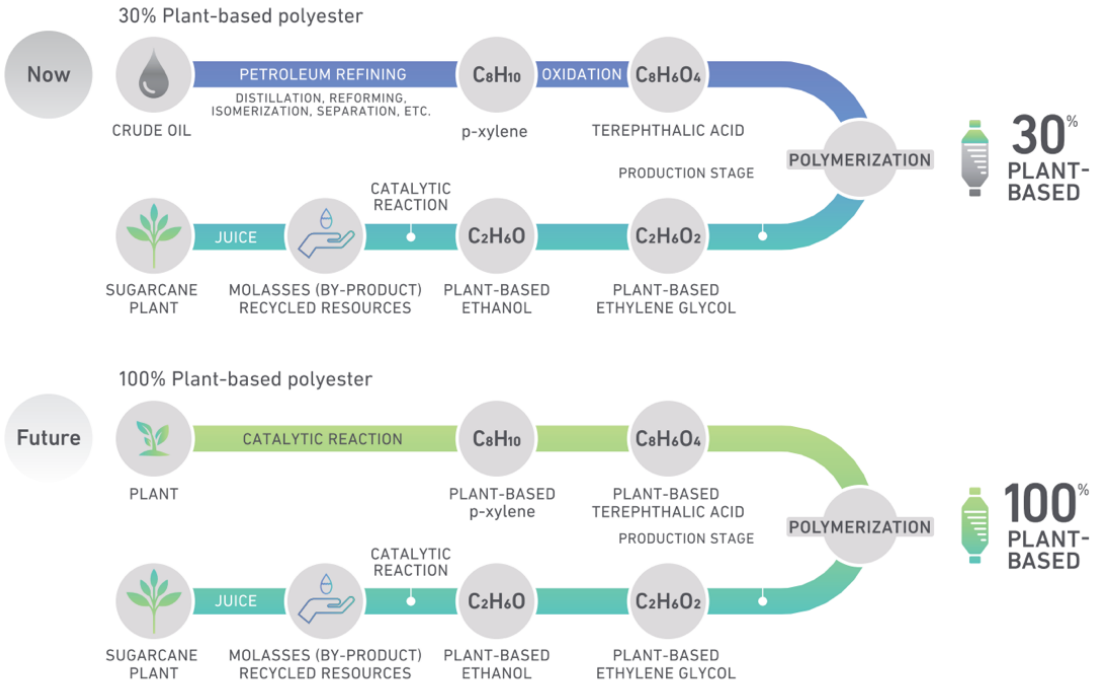


Figure 20

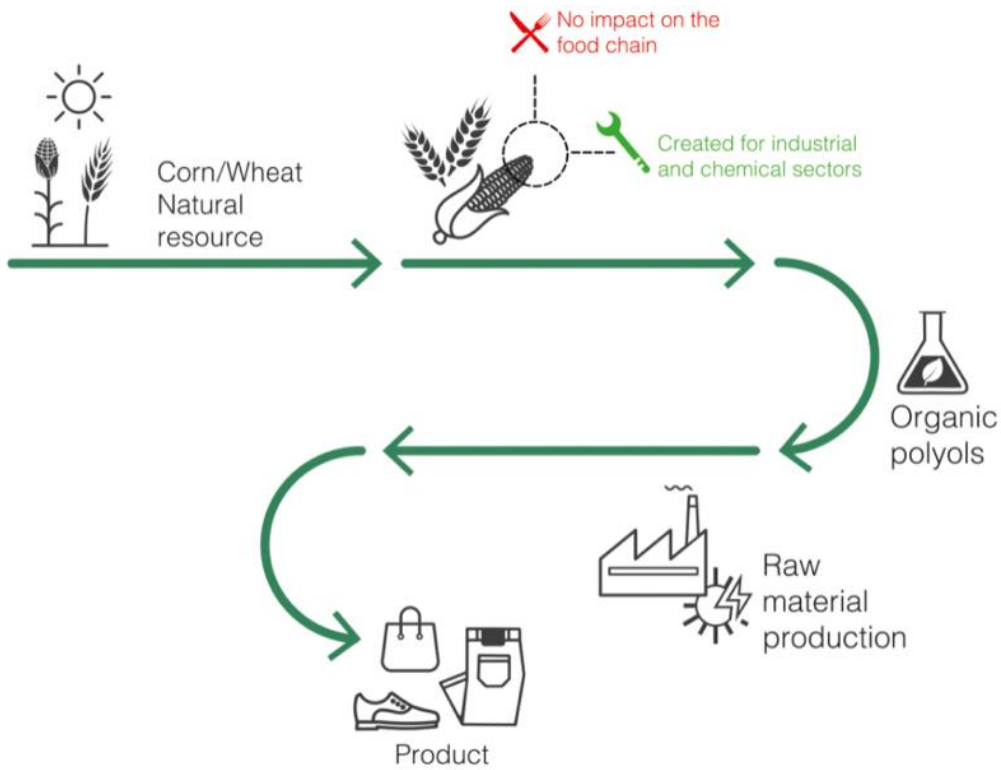


Figure 21

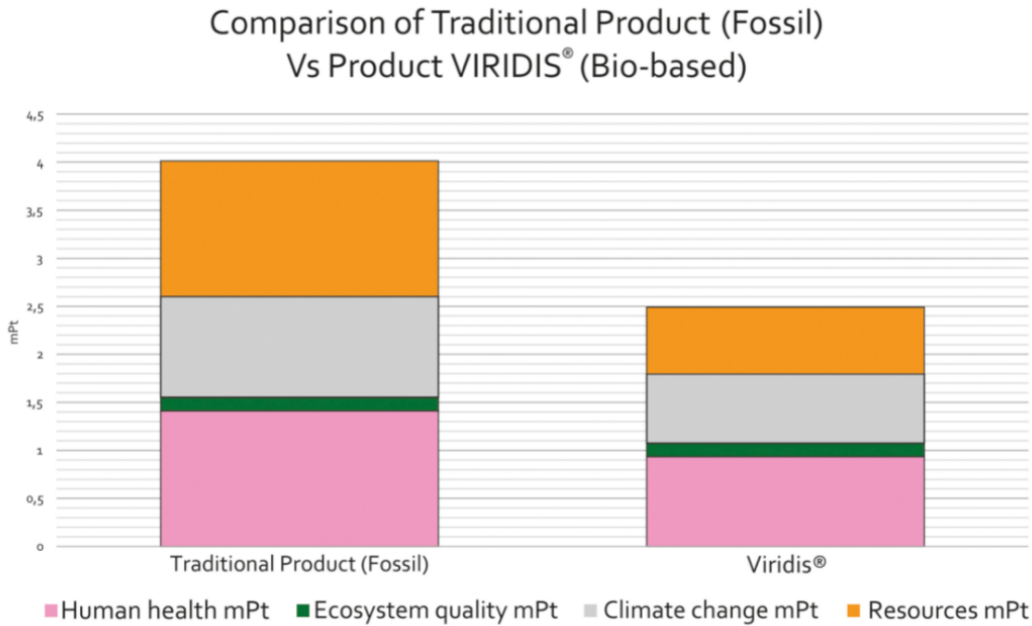


Figure 22

### Transparency portal’s content

| Topic             | Subtopics  |
|-------------------|--|
| About the company | Founders; Why DooGood was created; What we are trying to reach with DooGood; DooGood’s purpose, mission, vision, and values.   |
| Shoes             | Shoes’ structure; Features and why we chose them; Advantages and disadvantages of each model in relation to skateboarding; Skate team’s review regarding several aspects of shoes’ performance for skateboarding and specific tricks; Wear test (how they will look after they have been skated for a while); Materials used and their composition; Where they were produced (factory); Emissions of each model.   |
| Materials         | Why we chose these specific materials (environmental, ethical and performance); From where they are sourced; How they are sourced (practices used); How they are transported to the factory; How much of each material has been sourced (kg or m <sup>2</sup> ); CO <sup>2</sup> emission per kg or m <sup>2</sup> of material; On what part of the shoe the materials are used; How much was paid per kg or m <sup>2</sup> of material (if allowed by supplier); Certifications.  |
| Emissions         | Scope 1 – Company’s direct activities; Scope 2 – Energy consumption of offices; Scope 3 – Activities carried out by suppliers and partners, which include: Raw materials, Manufacturing, Freight to factory, Shoe factories; Distribution, and End of Life. Proportion of total emissions per scope and of components within each scope; Emissions of each material; Emission of each shoe model; Method of calculating emissions; Comparisons between transports (air x ocean); Comparisons between materials that could have been used, for example leather or synthetic rubber. |
| Suppliers         | Who are the suppliers; Where they are located; Sample code of conduct; Certificates; Contracts; Working conditions.  |
| Factory           | What factory the shoe is being made; Where it is located; Sample code of conduct; Certificates; Contracts; Working conditions; Wages; Paid overtime; Unionized workers; Work hours; Audits.  |
| Packaging         | Box’s material composition; Single-box packaging (shoe box doubles as shipping box); Cushion paper material composition; Shoe filler material composition; Shoe certificate material composition; Shoe tag material composition  |
| Financials        | In DooGood’s quest to be as transparent as we can, we believe our customers should have access to our costs and know how much money goes into making the shoe, and what DooGood is charging them. The following information will be available for every shoe model and compared to retail’s average mark-up: Materials; Manufacturing; Overheads; Transportation; Duties; Mark-up  |
| Limits            | Once the analysis is made, it is very likely that some information won’t be able to be calculated or gathered. They will be considered as our limits and explained why they aren’t available. Our limits will also include any area of improvement, be it material choice, mode of transport to our clients or a feature in our shoe design, amongst many other possibilities.   |

Figure 23


Sales Channels' Detailed Strategy

| Sales Channel  | Strategy  |
|----------------|---|
| Crowdfunding   | <p>The company has decided to launch our sales through crowdfunding platforms because it is a good way of testing the product and our sales pitch to the market, as well as raising funds to begin our operations and create an initial community.</p> <p>DooGood's goal will be set at EUR 15.000,00, on each platform. Nevertheless, we are forecasting to receive, on average, EUR 150.000,00 from backers on each platform, based on our peers' (Save, MOEA, and Undo For Tomorrow) performance and value proposition similarity – sustainable sneakers. While setting a target goal of raising EUR 10.000,00, these companies have been able to raise almost EUR 300.000,00, on average, to launch their brands, selling over 750 pairs of shoes per month, on average.</p> <p>Our campaign will initially run for 45 days on Kickstarter and will then transition into Indiegogo for an extra 45 days. This will be DooGood's "soft launch" as we will only commercialize the DG 94s.</p>   |
| E-Commerce DTC | <p>Once DooGood finishes the crowdfunding campaign, the company has decided to initiate sales operations through e-Commerce direct to consumers (DTC). This allows the company to capture the full retail price margin, have a greater control of our brand image and transparency with customers, have a direct relationship with the customer and understand them better, have a greater (global) reach, as well as allow us to save physical store expenses and set-up costs. Selling DTC will also allow DooGood to own our customer relationship and data, letting us create unique shopping experiences, greater merchandising and customer personalization opportunities, and build a stronger brand with those insights. The more we can engage our customers directly, the more first-party data we will get to improve our product recommendations and loyalty programs. DooGood has opted to use Shopify as our e-Commerce platform because of all the features and facilities they offer. With Shopify, we can build and customize an online store and sell in multiple places, including web, mobile, social media, online marketplaces, brick-and-mortar locations, and pop-up shops. Shopify also has features to manage products, inventory, payments, and shipping. DooGood will initiate with the main Shopify plan, which costs \$79 per month, with 2.6% + 30¢ per transaction.</p> |

Figure 24

## Core Skateboarder – Persona Profile

Core Skateboarder



# Mike Palmer

### Background / Demographics

- Age: 26
- Gender: Male
- Nationality: American
- Location: Southern California
- Class: Middle / Upper
- Education: College
- Occupation: Graphic Designer

### Values / Lifestyle

*About goals, challenges, etc.*

- Adrenaline seeker
- Skateboarding is a lifestyle
- Dresses like a skater
- Loves being with his skater friends
- Works 9 to 5
- Likes to go out at night and listen to music
- Is a creative and artistic person

### Skate shoes / sneakers

*What does this person struggle with in*

- High performance and technical skate shoe
- Durability, board-feel, comfort and protection
- Relatively price sensitive
- Spends \$50 - \$100 on average
- Maximum WTP \$120 for a shoe that would last longer
- Buys at least 1 shoe every other month (wear)
- Buys strictly on-line or from local skate shop
- May look for price discounts
- Finds out about shoes on-line or WOM
- Cares about aesthetics
- Typically uses black or white skate shoes
- Searching for high-quality and durable skate shoes

### Skateboarding

*Communication preferences?*

- Advanced and intermediate skater
- Loves Skateboarding with friends
- Uses his time skateboarding to relax from working
- Skates almost every day
- Expects skate companies to give back to skateboarding
- Praises skate companies made by skaters
- Has a higher resistance to new brands, which have to connect personally to gain his and his friends' trust or must endorse a professional skater he looks up to

### Sustainability

*...to help our persona achieve their goals?*

- Cares about sustainability but is not a top purchasing factor
- Believes skateboard footwear companies are not sustainable
- Wishes companies would become more sustainable and transparent
- Would be willing to pay more if he knew the shoe was made ethically and sustainably, but within his WTP amount
- Performance and technical factors are still most important aspect

### Relationship with DooGood

*How can you describe your solution to have the biggest impact on your persona?*

- Mike represents a large potential market for DG, in 2019 there were 6,6M skateboarders in the US, 1,4M between 18 – 24.
- Nevertheless, he is not a perfect fit due to price sensitivity and sustainability not being a top priority
- To Mike, DG will have to communicate other aspects of the brand such as it being made by a skater and for skaters, that the shoe also provides high-performance, that it is durable and made from high-quality materials, that we invest in skateboarding and skateboarders through events, NGOs and sponsoring professionals. Our transparency is also key.
- We will communicate with Mike mainly through Instagram, YouTube, our website, as well as through skateboarding events that may take place near to his hometown.
- He will be key for DG's success once operations begin to scale up and for DG to become a legitimate and strong name.
- We believe Mike will represent 40% of our sales, but will not have the highest amount spent, buying 1 pair during the first year

Figure 25

## Conscious Skateboarder – Persona Profile

Conscious Skateboarder

# Evan Goodale



### Background / Demographics

- Age: 23
- Gender: Male
- Nationality: American
- Location: Southern California
- Class: Middle / Upper
- Education: High-school
- Occupation: College student / part-time job

### Values / Lifestyle

*About goals, challenges, etc.*

- Adrenaline seeker
- Skateboarding is a lifestyle
- Dresses like a skater
- Loves being with his skater friends
- Works / studies 9 to 5
- Likes to go out at night and listen to music
- Is a creative and artistic person
- Cares a lot about the environment
- Is well-informed on climate change
- Tries his best to live a sustainable life
- Translates sustainability into fashion decisions
- "Some Evans" might be vegan

### Skateboarding

*Communication preferences?*

- Advanced and intermediate skater
- Loves Skateboarding with friends
- Uses his time skateboarding to relax from working / studying
- Skates almost every day
- Does not support skateboard footwear companies' practices and way of doing business – especially big ones ex. Nike
- Expects companies to act sustainably and to help society
- Has no resistance trying a new brand shares his values

### Relationship with DooGood

*How can you describe your solution to have the biggest impact on your persona?*

- Evan represents a niche market for DG as not every skater has the consciousness and willingness to pay that he does
- He is the perfect fit for DG, and we believe that the number of Evans will grow significantly in the short-term
- To Evan, DG will have to communicate as transparently as possible in order to gain his trust. We must focus on DG wanting to improve the industry's business practices, and the environmental and social benefits of buying DG, while still mentioning skateboarding performance and contribution to skateboard community.
- We will communicate with Evan mainly through Instagram, YouTube, our website, as well as through skateboarding events that may take place near to his hometown.
- Evan will be key for DG's initial success as we believe he will be our first adopter and will "get the ball rolling" through WOM as he will be our biggest brand loyalist.
- We believe Evan will represent 35% of our sales, and will have the highest amount spent, buying 6 pairs during the first year.

### Skate shoes / sneakers

*What does this person struggle with in*

- Uses high performance and technical skate shoe
- Durability, board-feel, comfort and protection
- Will sacrifice latest shoe with all "bells and whistles" from big companies for a sustainable option
- Spends \$75 - \$100 on average
- Maximum WTP \$150 for a shoe that meets their values and still provides high performance
- Buys at least 1 shoe every other month (wear)
- Buys strictly on-line or from local skate shop
- Higher level of research on sustainable practices before buying
- Finds out about shoes on-line or WOM
- Typically uses black or white skate shoes
- Searching for sustainable high-quality and durable skate shoes

### Sustainability

*...to help our persona achieve their goals?*

- Sustainability is a top priority purchasing factor
- Believes skateboard footwear companies are not sustainable
- Wishes companies would become more sustainable and transparent
- Will pay more if he knew the shoe was made ethically and sustainably.
- Performance and technical factors are still important
- Frustrated that companies don't offer eco-friendly high performance skate shoes
- Already shops for sustainable sneakers but still hasn't found a great option for skate shoes

Figure 26

## Conscious Adopter – Persona Profile

Conscious Adopter

# George Hill



### Background / Demographics

- Age: 25
- Gender: Male
- Nationality: American
- Location: Southern California
- Class: Upper
- Education: College
- Occupation: Teacher Assistant USC

### Values / Lifestyle

About goals, challenges, etc.

- George is constantly trying to live a more sustainable life
- This translates into his eating and spending habits
- He has a simple/ casual fashion style
- George likes the outdoors and practices running and cycling at least 2x per week
- He studies/works 9 – 5 and uses bicycle to get there
- After work/ college, he likes to hang out with friends and during the weekend and walk with his adopted dog
- George participates in beach-clean ups and supports local NGOs

### Skateboarding

Communication preferences?

- George's only relationship with skateboarding was when he was a little kid, but he gave that up
- He has some friends named Evan (who are conscious skateboarders, so he knows a bit about the culture and talks about the industry problems)
- Even though he doesn't practice the sport, he likes the simplicity of it and the sense of freedom it generates

### Relationship with DooGood

How can you describe your solution to have the biggest impact on your persona?

- George represents a growing market for DG which is shifting business practices and slowly taking away the power from traditional profit-oriented multinationals and supporting smaller sustainable businesses
- George may become a very important DG consumer because, although he is not a skateboarder, his casual style and conscious consumerism have a strong fit with our brand
- To George, DG will have to communicate as transparently as possible in order to gain his trust. We must focus on DG wanting to improve the industry's business practices, and the environmental and social benefits of buying DG.
- We will communicate with George mainly through Instagram, YouTube, our website.
- George will be key for DG to gain more traction and enter the non-skateboarder market. We believe he will be influenced by his skateboarder friends' aesthetics and WOM and he will also adopt the style (like what happened with Vans).
- We believe George will represent 20% of our sales, and will have the highest WTP per pair, and will buy 3 pairs during the first year.

### Skate shoes / sneakers

What does this person struggle with in

- When George was younger, he would use Vans because it matches his casual style, and it was what the kids at school wore
- Once he got older and came into his own style and had more defined values, George began looking for more sustainable options and did not want to support big brands which had no transparency and produced their shoes in places where there was a high risk of labor abuse
- Now, George uses a lot of the non-leather Veja sneakers, which cost around \$150 a pair.
- He typically buys 4 pairs per year.
- George does high level research on brands before buying his sneakers and supports sustainable brands on crowdfunding platforms
- He is WTP up to \$175 for a shoe that connects with his personal values, fits his style, and is durable

### Sustainability

...to help our persona achieve their goals?

- Sustainability is a top priority purchasing factor
- Believes most footwear companies are not sustainable
- Wishes companies would become more sustainable and transparent
- Will pay more if he knew the shoe was made ethically and sustainably.
- Already shops for sustainable sneakers but wants to have more options of brands that he connects with and fits his style
- Wishes he could spend a bit less on sustainable sneakers
- Buys second-hand apparel but not sneakers
- Believes that purchasing less but higher quality products that will last a longer time maximizes value

Figure 27

## Skateboard Style Enthusiast – Persona Profile

Skateboard Style Enthusiast

### Kyle Marshall



#### Background / Demographics

- Age: 19
- Gender: Male
- Nationality: American
- Location: Southern California
- Class: Middle / Upper
- Education: High-school
- Occupation: Student

#### Values / Lifestyle

*About goals, challenges, etc.*

- Kyle is a fun and outgoing person
- He thrives when he is around his friends and loves being the center of attention
- He has a casual fashion style, but when he goes out, he likes wear more fashionable outfits
- Kyle likes the outdoors but spends more time playing videogames
- He studies 9 – 5
- Kyle likes going to parties with his friends

#### Skateboarding

*Communication preferences?*

- Kyle's only relationship with skateboarding was when he was a little kid and through videogames.
- Although he doesn't skateboard, he likes to look the part as he thinks skaters are cool and he wants to portray this image

#### Skate shoes / sneakers

*What does this person struggle with in*

- Kyle mainly uses Vans because it matches his casual style, and he believes he will look like skaters.
- Kyle also likes to wear Nike when he goes out, because it is a trendy brand amongst his friends
- Kyle spends between \$75 - \$150 on a pair of sneakers
- His WTP is \$200.
- He buys around 4 pairs of sneakers per year, most of which are his casual sneakers because they wear out more

#### Sustainability

*...to help our persona achieve their goals?*

- Kyle is not too worried with sustainability.
- Although he cares about the environment and society, he hasn't translated that into his lifestyle

#### Relationship with DooGood

*How can you describe your solution to have the biggest impact on your persona?*

- Kyle represents a relatively large market, but he won't be the focus of DG and we will not market our products to him directly (which is like Vans' strategy).
- Nevertheless, as Kyle really like skateboarding's aesthetics, he might be indirectly influenced to wear DG
- DG will have to communicate through videos and images that appeal emotionally to Kyle, so that he will want to look like the skaters that are wearing DG.
- We will communicate with Kyle mainly through Instagram and YouTube
- Kyle will be an additional DG user, that will increment our sales and presence in the non-skateboarder market.
- However, we believe that, in the future, if we can become a well-recognized skate brand, many Kyles will want to wear our shoes, which could potentially increase our sales significantly (like what happened with Vans).
- We believe Kyle will represent 5% of our sales and will buy only 1 pair during the first year.

Figure 28

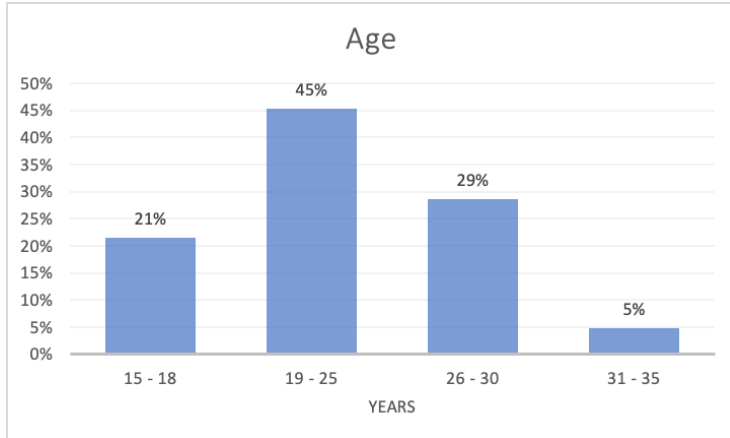


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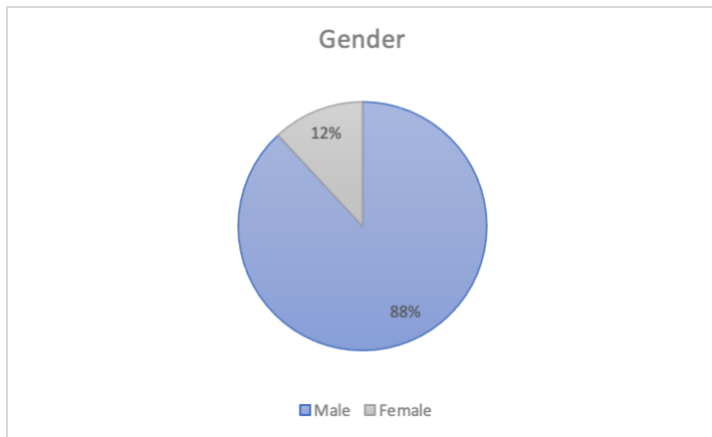


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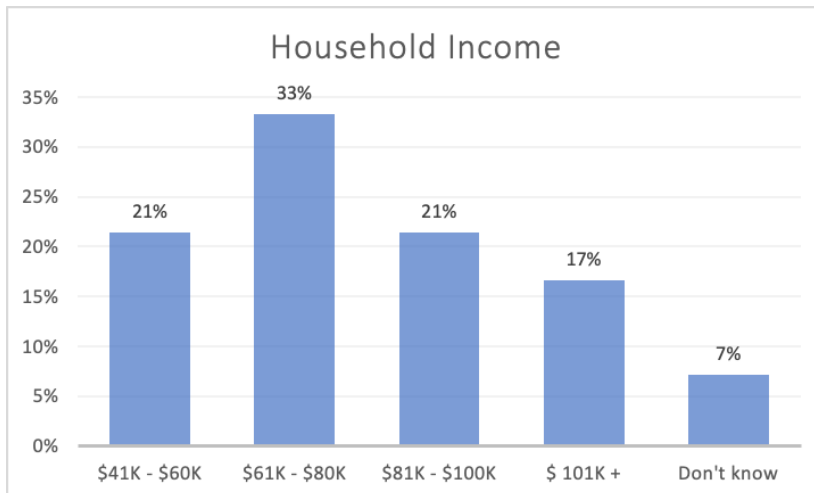


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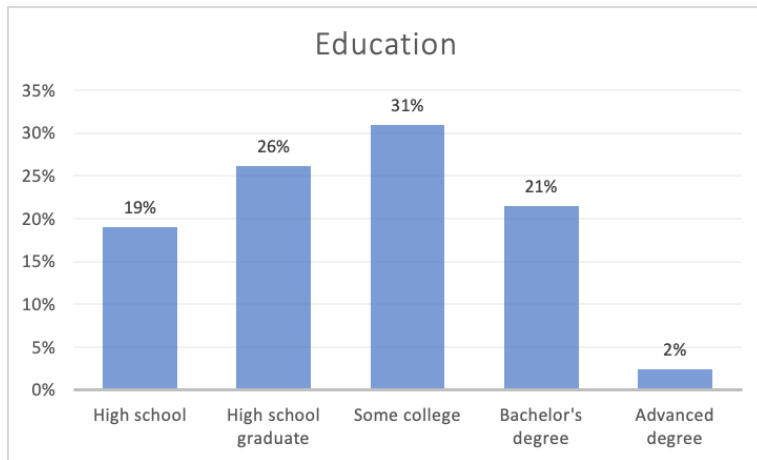


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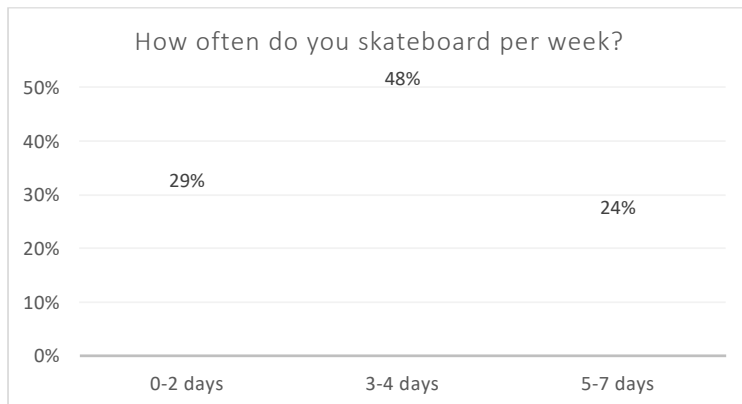


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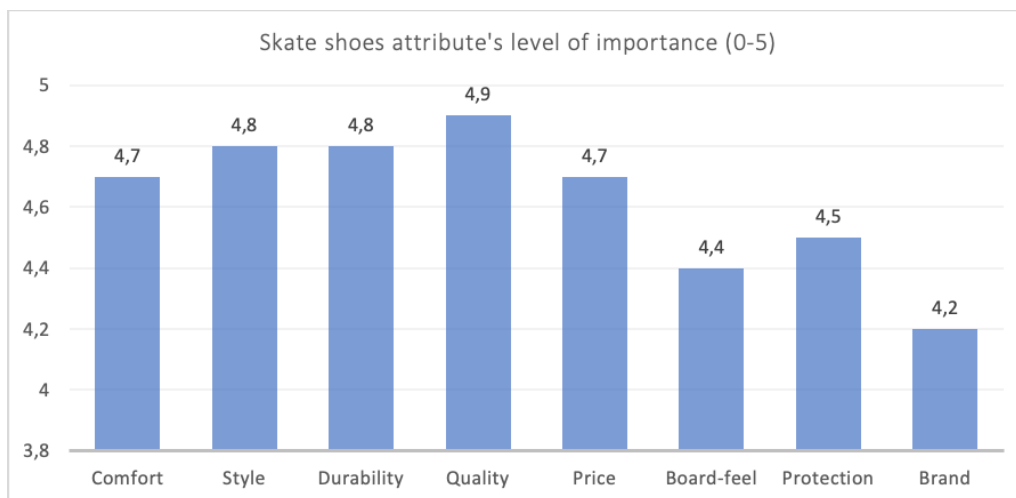


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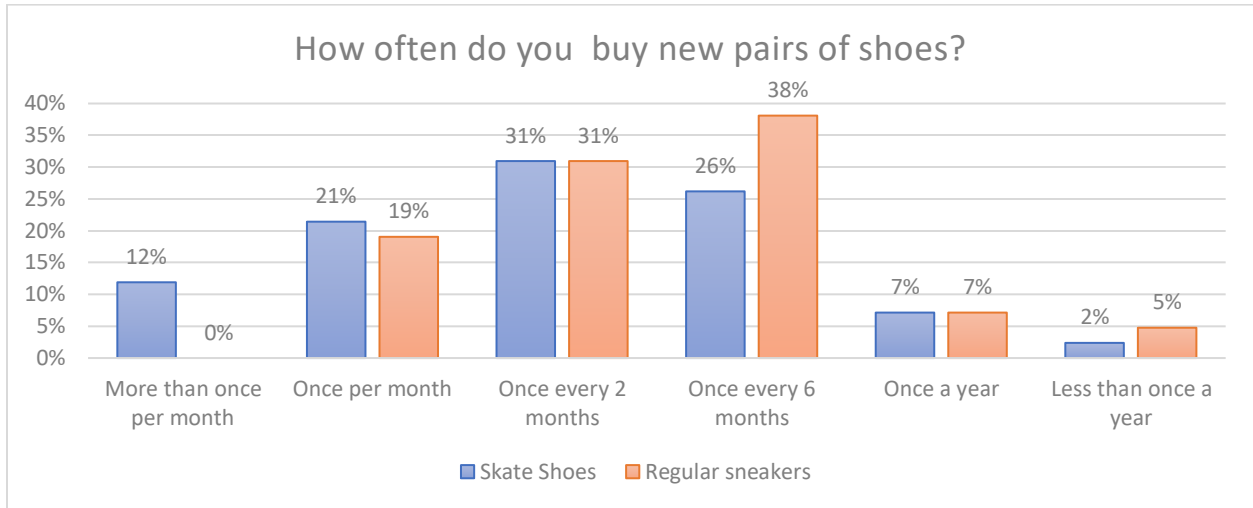


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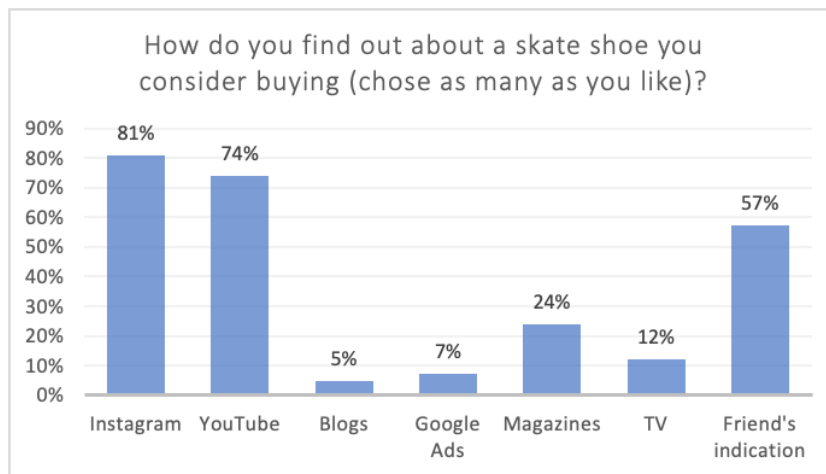


Figure 36



Figure 37

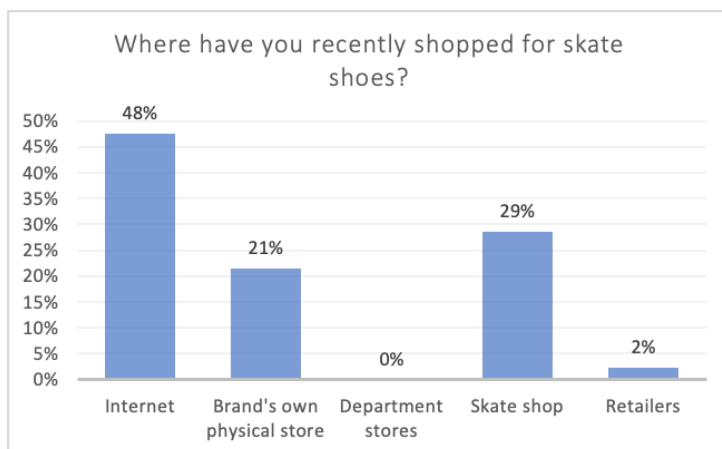


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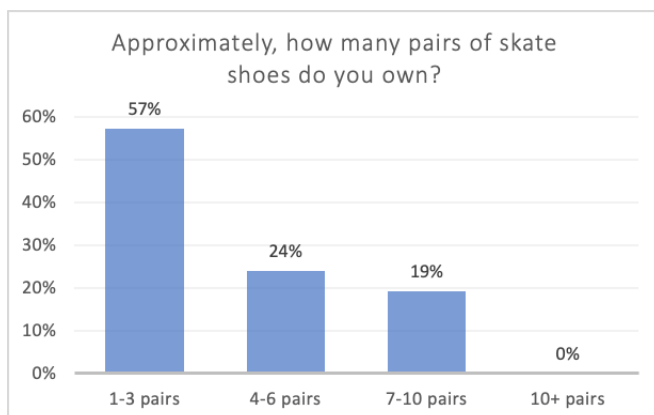


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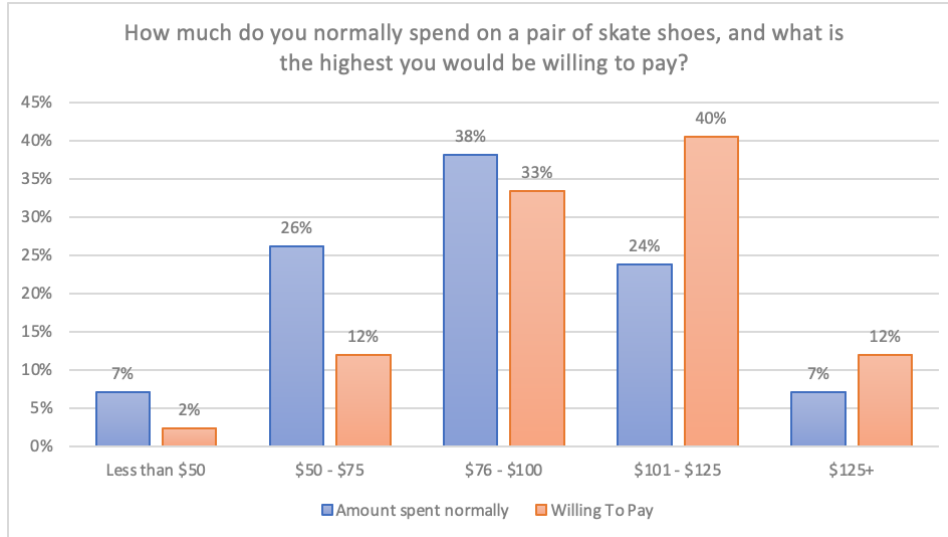


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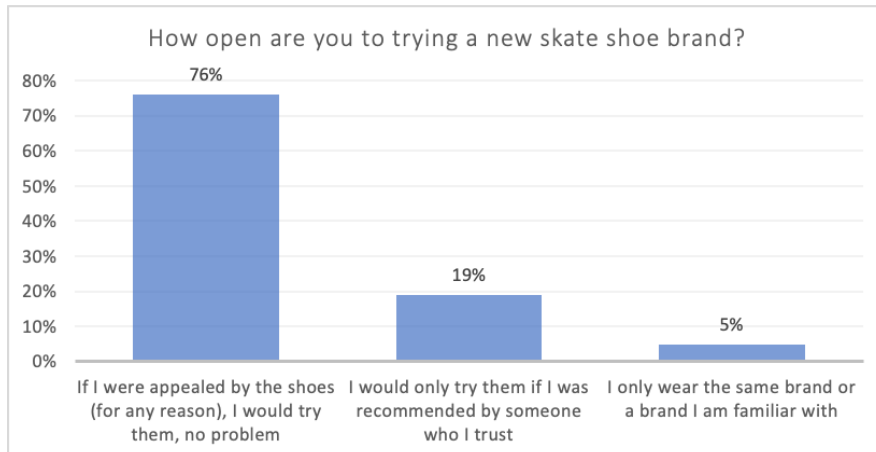


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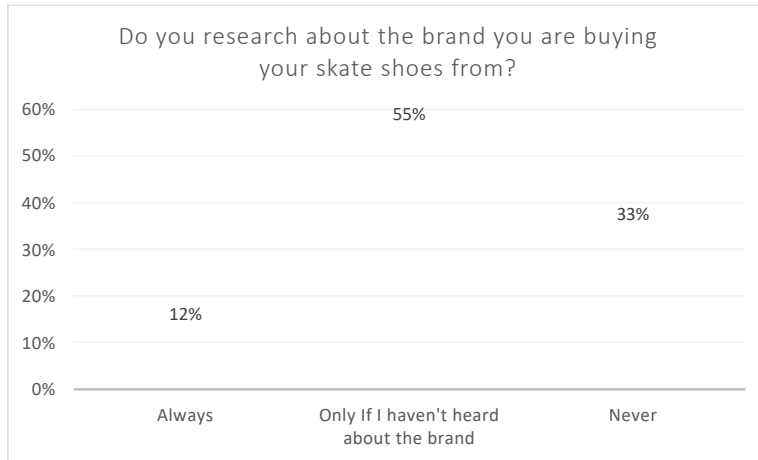


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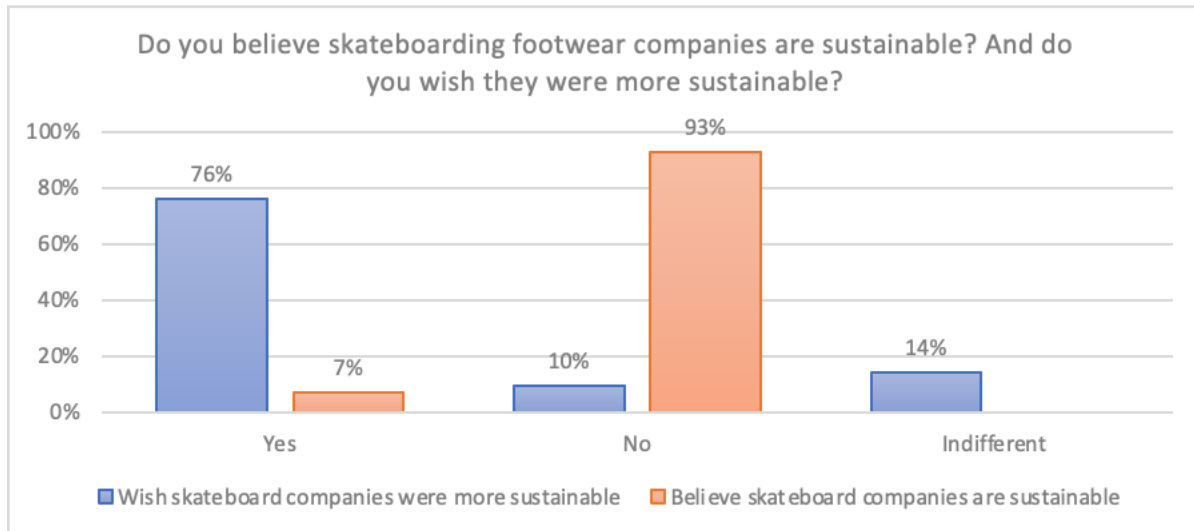


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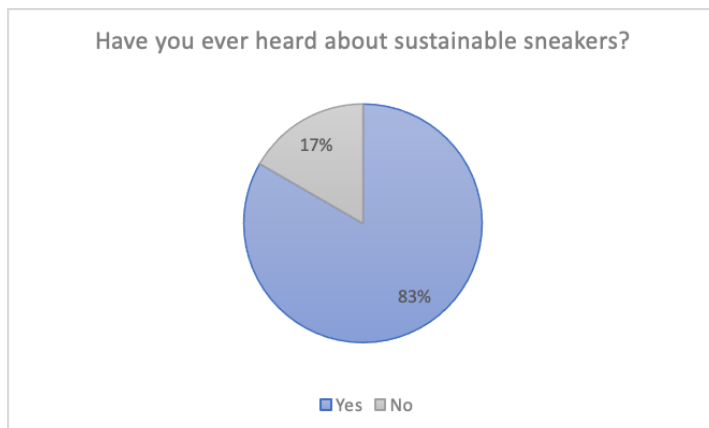


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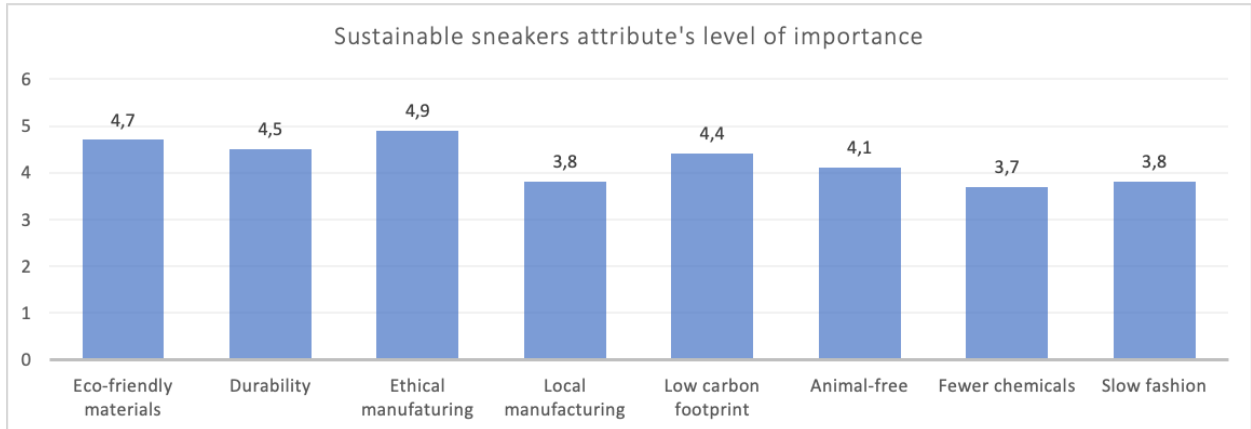


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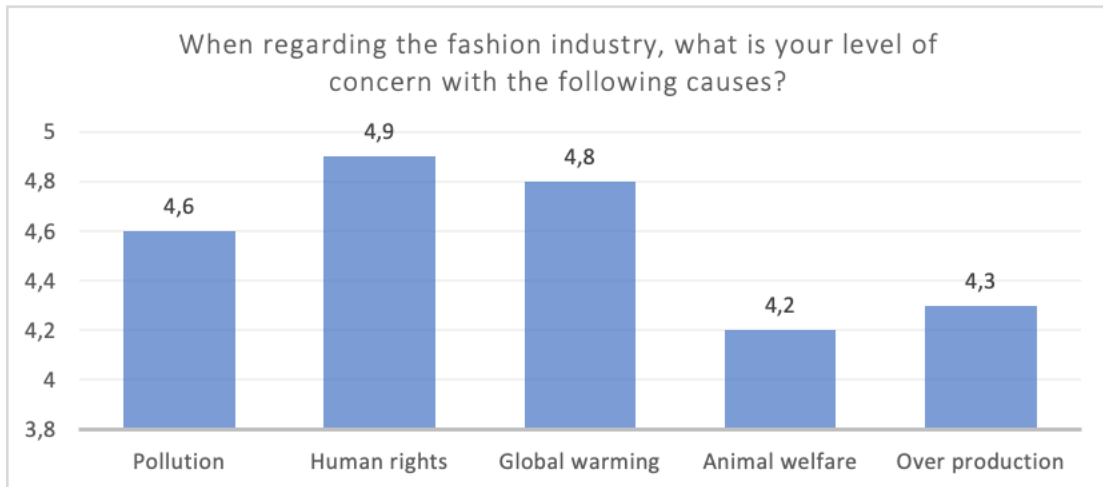


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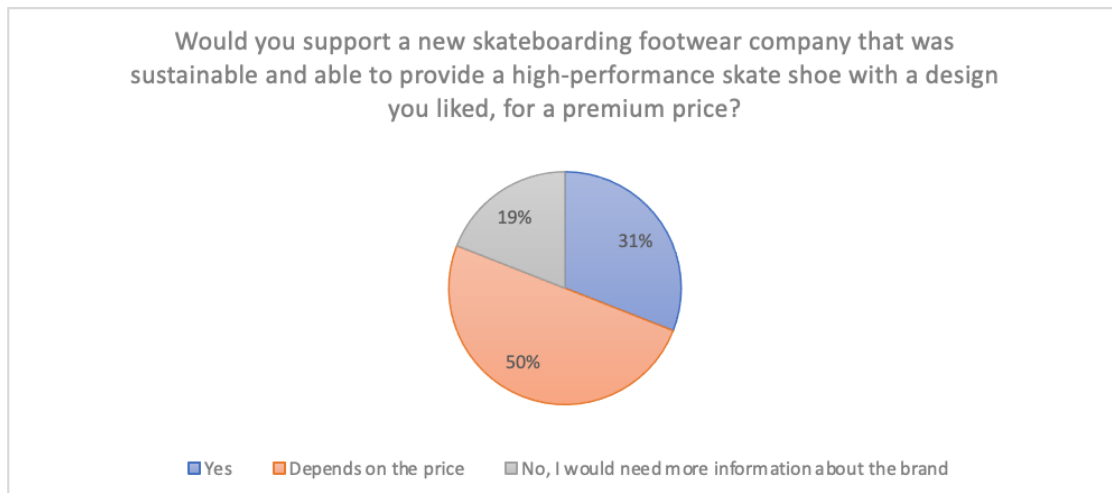


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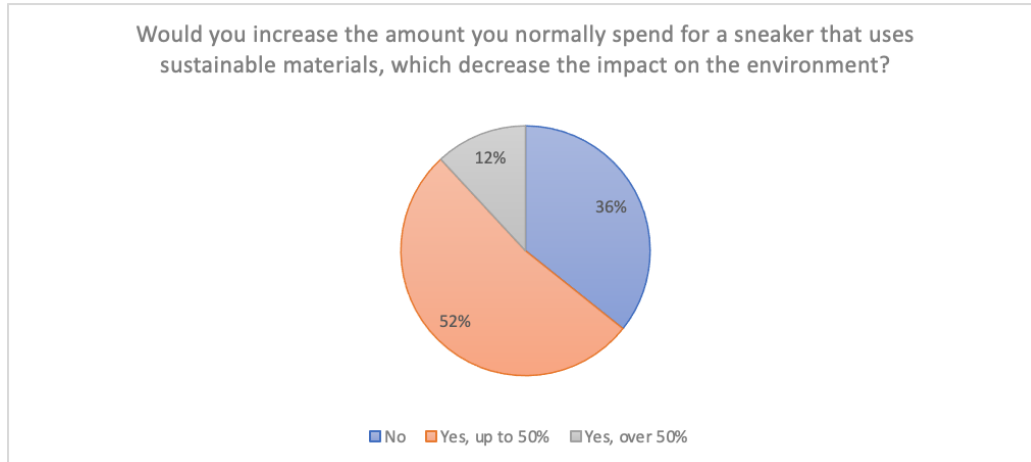


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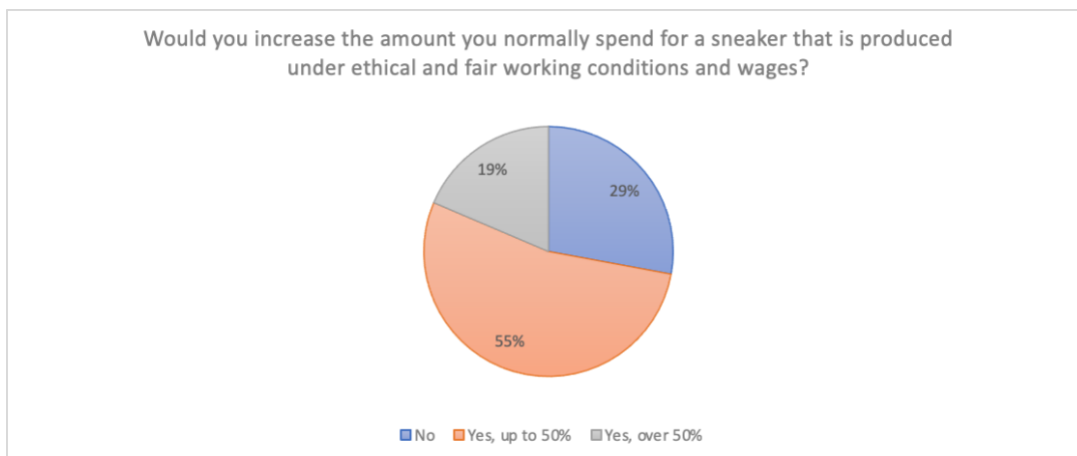
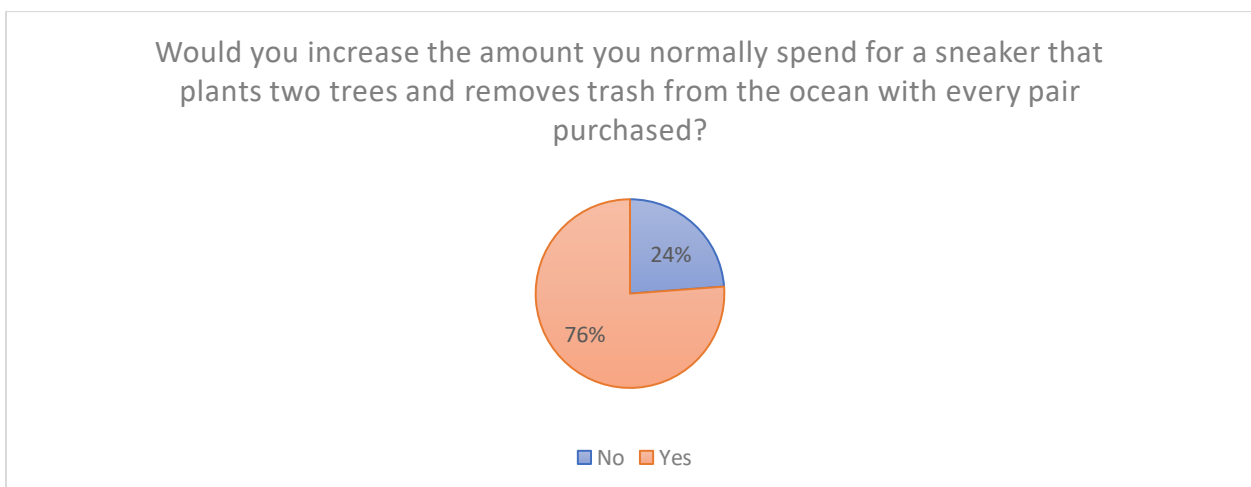


Figure 49



\*For Figures 50, 51, 52, and 53, the following statement was presented to the responders: “If there was a new skateboarding footwear brand that you knew they offered a skate shoe made from bio-based vegan leather, was ethically produced, and offered the same high-performance as a premium leather/suede skate shoe...”

Figure 50

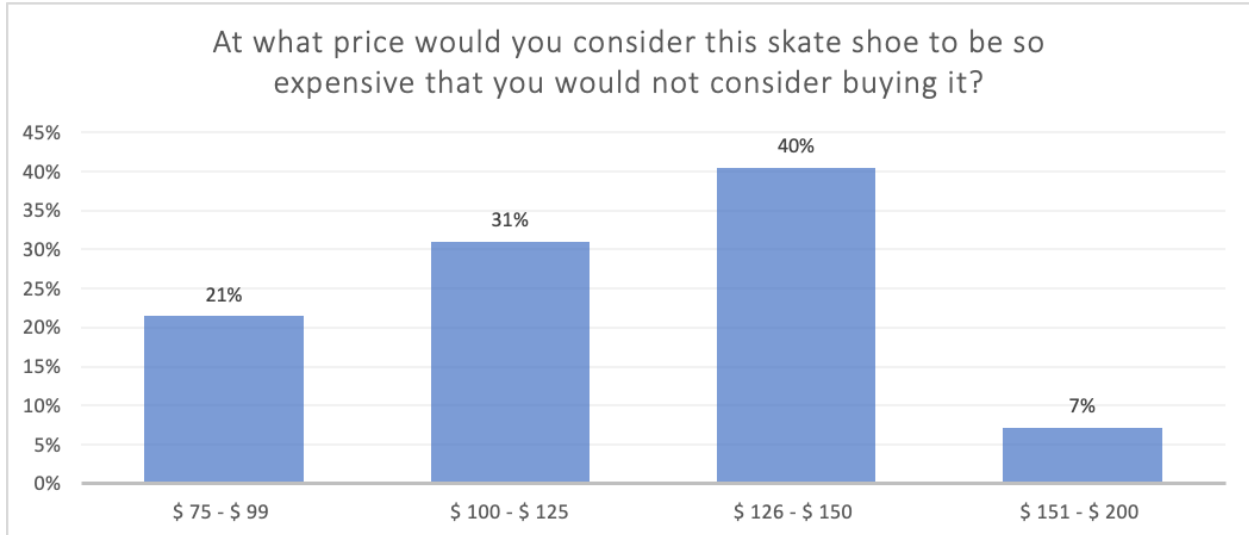


Figure 51

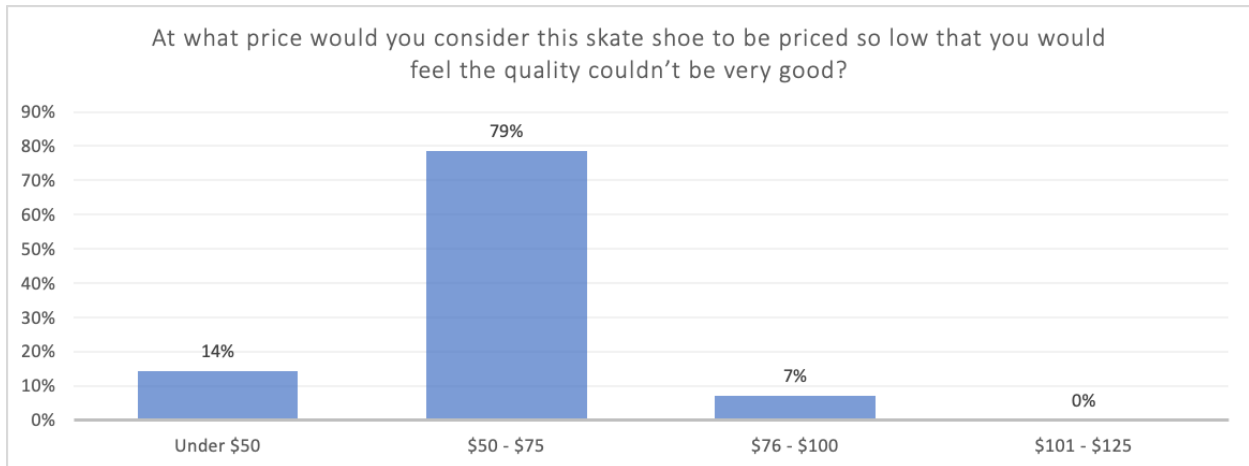


Figure 52

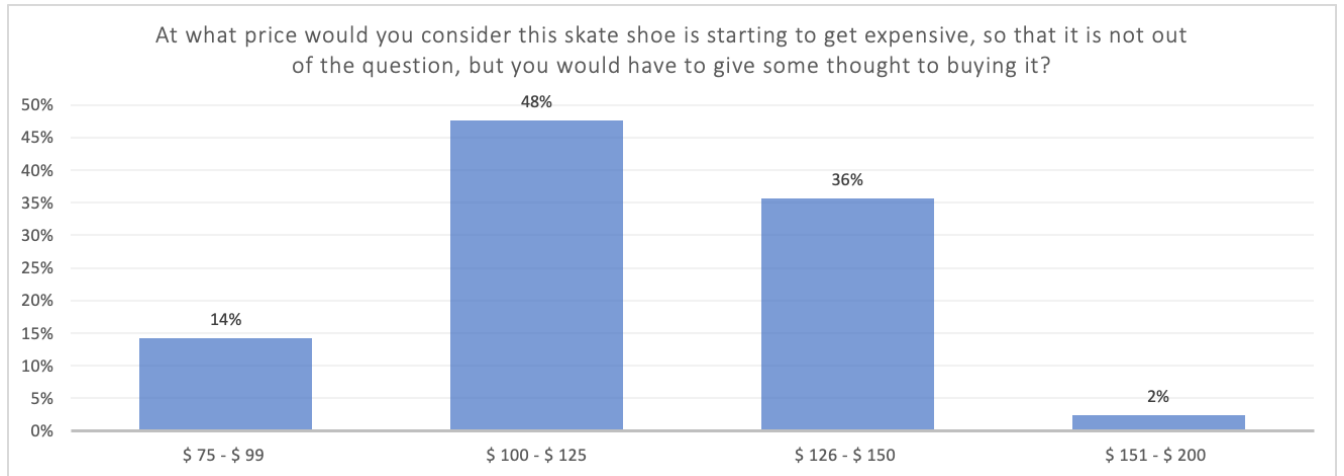
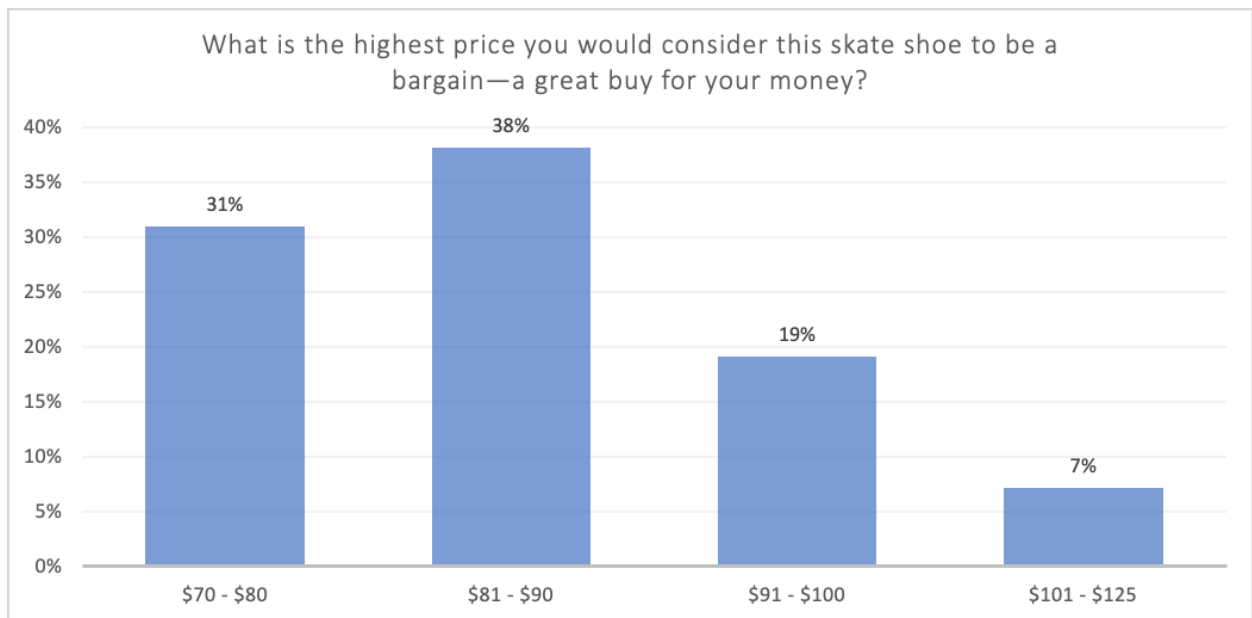


Figure 53



\* For Figures 54, 55, 56, and 57, the following legend key applies:

| Category          |
|-------------------|
| Skateshoes        |
| Sustainable       |
| Bio-based leather |

Figure 54



Figure 55



Figure 56

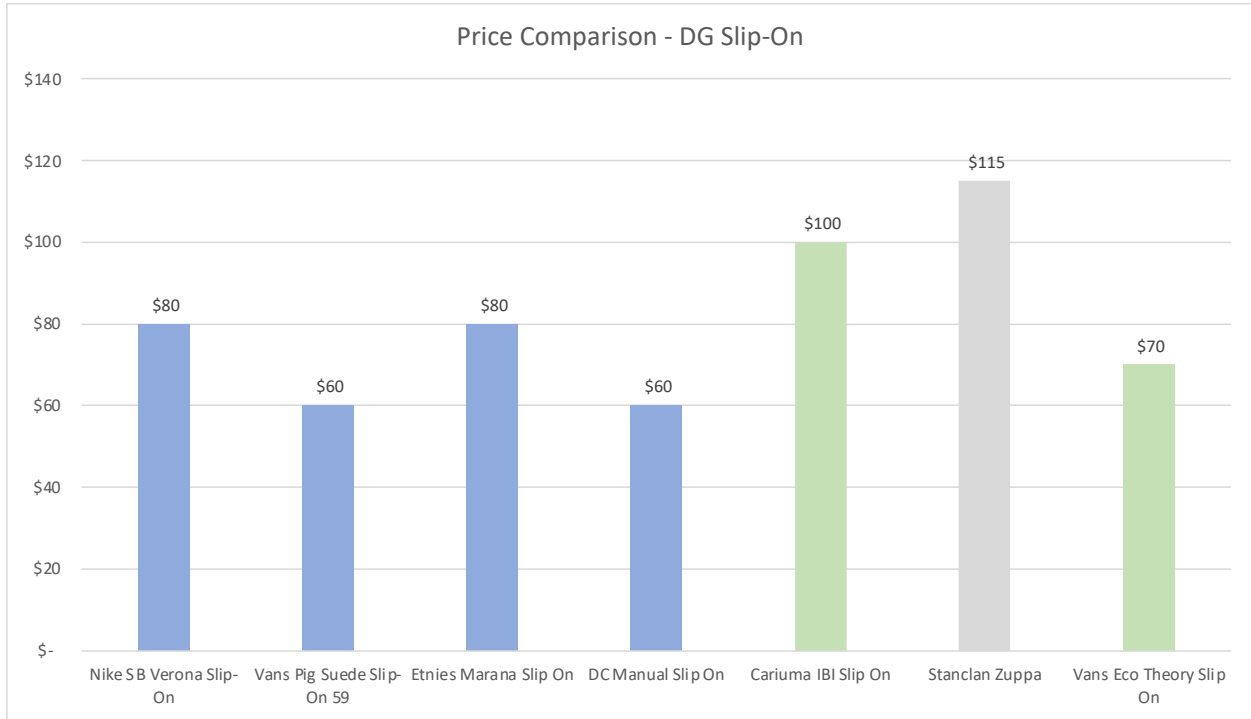


Figure 57

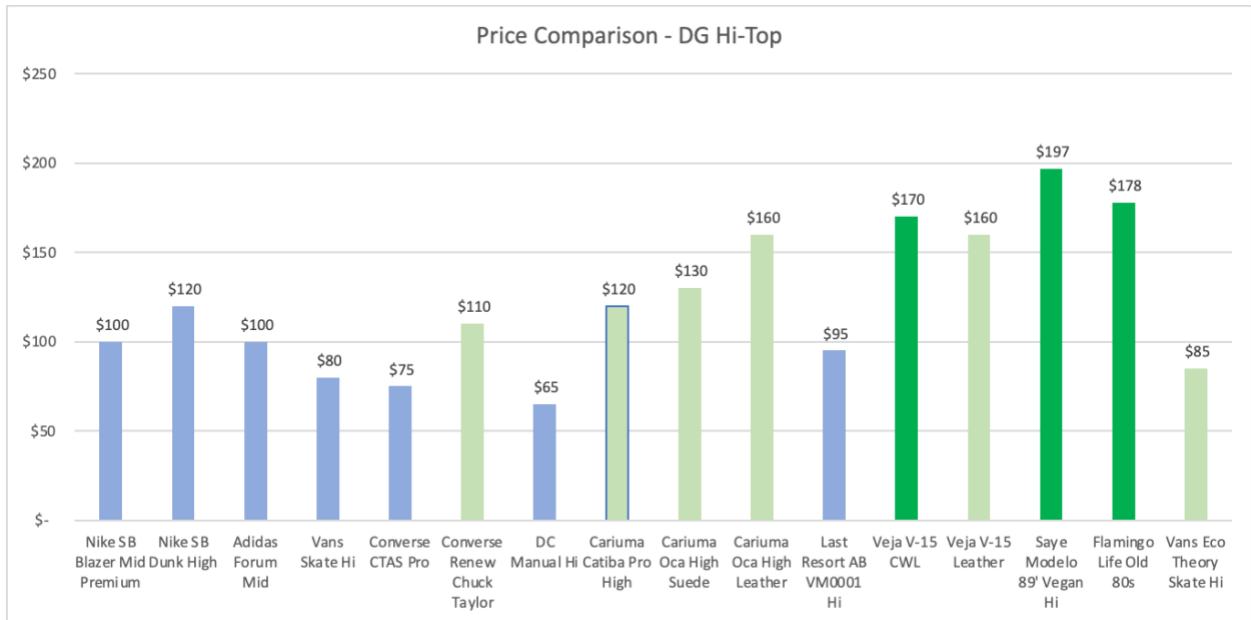


Figure 58

### Instagram Strategies

| Instagram Functionality | Strategy   |
|-------------------------|--|
| Feed Post               | At least one post on the account’s feed per day: Post will be made during active times in US west coast timezone (Instagram’s analytics provides highest traffic rate of your followers); Product posts with product tags (which enables users to be redirected from Instagram to our e-commerce website to buy our products); Lifestyle posts; Action (Skateboarding) posts; New product release posts; Informational posts on our materials, production, sourcing and how to take care of our products so they last longer; Behind-the-scenes posts of production, an office day, our creative process, etc.; Reposts and User Generated Content (UGC); Product giveaways and price promotions.  |
| Stories                 | Post at least 3 stories daily featuring: users using DooGood, user’s reviews, sustainability tips, inspirational and lifestyle photos, link to posts on our feed, DooGood’s sponsored athletes’ video, links to our e-commerce website); Post interactive content like polls, quizzes, questions, and other features to engage our followers; Due to Instagram stories’ nature of disappearing after 24 hours, they are more “raw” and day-to-day content when compared to feed posts which are more curated and strategized; Stories can be left as highlights on DooGood’s account and will be done to “tell a story” about a specific subject, such as: Dedicated highlight for each shoe model, Materials used, Sourcing of materials, Behind-the-scenes of production, Behind-the-scenes of creation, Sponsored athletes’ media, Sustainability tips, Amongst other possibilities.  |
| Instagram Ads           | Our main target audience will be users with 18 – 29 years old, who follow skateboarding related accounts, sneaker accounts and/or sustainability accounts. Our promotions will be mostly directed to the audience in the United States, as it is our biggest market. DooGood’s ads will be in the following format: Story ads, which are more immersive as they cover the phone’s whole screen. These ads must have an organic feel and seem like a regular story post to be more effective and feature a call-to-action button directing to our e-commerce website.<br>Video ads, which will enable our target to see DooGood shoes in “action” and also show that they are sustainable.<br>Carousel ads, which feature several photos and can show different angles of our shoes.<br>Collection ads, which are a mixture between carousel ads and shopping ads, as they showcase a picture of the product and provide a direct buying option.<br>Our promotion on Instagram can be done in two ways:<br>Ads Manager, which allows DooGood to: Chose a campaign objective, such as brand awareness or engagement; Chose a budget and schedule which will provide an audience definition and estimated daily result; Define an audience through location, age, gender, interests, and behaviours; Chose placement, which is where you want your ad featured. The other way is to promote an existing post, which is easier to do but doesn’t allow for these customizations. |
| DooGood Podcast         | We will post a video of our own podcast once a week on Instagram which will feature one of our founders with a special guest which can either be from the skateboarding industry and/or a sustainability activist or a peer that works with sustainable fashion.   |
| Live                    | Live videos will be like podcasts, DooGood can use this feature when: Collaborate with an industry expert or influencer; Offer a live behind-the-scenes look at an event; Host a workshop or share a tutorial; Host a Q&A; Interview a team member or sponsored athlete.   |
| Instagram Shop          | DooGood will also utilize Instagram as a sales channel. According to Facebook, 130 million accounts tap on a shopping post to learn more about products every month, so it is a great way to increase our reach.   |
| Followers               | DooGood will find followers on competitors page and interact with them to show our page and see if they have an interest on our product and on our Instagram account. The main accounts where we believe we will find users that will have an interest on following DooGood are, and not limited to:<br>Sustainable shoes: Veja; Allbirds; Saye; Cariuma; MoEa; Undo For Tomorrow; ACBC; Collective Canvas.<br>Skateboard companies: Vans; Converse; Nike SB; NB numeric; Adidas Skateboarding; Etnies; ÉS; DC; Lakai; Last Resort AB.<br>Skateboarding Instagram channels: Braille Skateboarding; Sobre Skate; 3s Skaters; SKTBR; Thrasher Magazine; Free Skateboard Magazine; amongst others.  |
| Influencers / promoters | The following skateboarders have a strong followers base and can become brand promoters:<br><a href="#">Cata Diaz @catadiazsk8</a> – 536K followers; <a href="#">John Hill @johnhill</a> – 316K followers; <a href="#">Chris Chann @chrischann</a> – 641K followers; <a href="#">Manuel Herrera @junglebook</a> – 118K followers; <a href="#">Victoria Taylor @skatemoss</a> – 342K followers; <a href="#">Gianluca Zanardi @gianluccazn</a> – 105K followers; <a href="#">Ivan Freitas @freitasivan</a> – 64,5K followers; <a href="#">Guilherme Abe @guilhermeabe</a> – 215K followers; <a href="#">Diego Guerra @diegoguerra_3s</a> – 308K followers  |

Figure 59

### YouTube Shoe Review Channels

| YouTube Strategy                 | YouTube Channels   |
|----------------------------------|--|
| Product giveaway for shoe review | Christian Flores – 65K subscribers,<br>George Poulos – 314K subscribers,<br>Skate Box – 152K subscribers,<br>Tactics Boardshop – 126K subscribers,<br>CCS – 183K subscribers,<br>Sobre Skate – 1,04M subscribers,<br>SKTBR – 974K subscribers,<br>3sSkaters – 2,73M subscribers. |

Figure 60

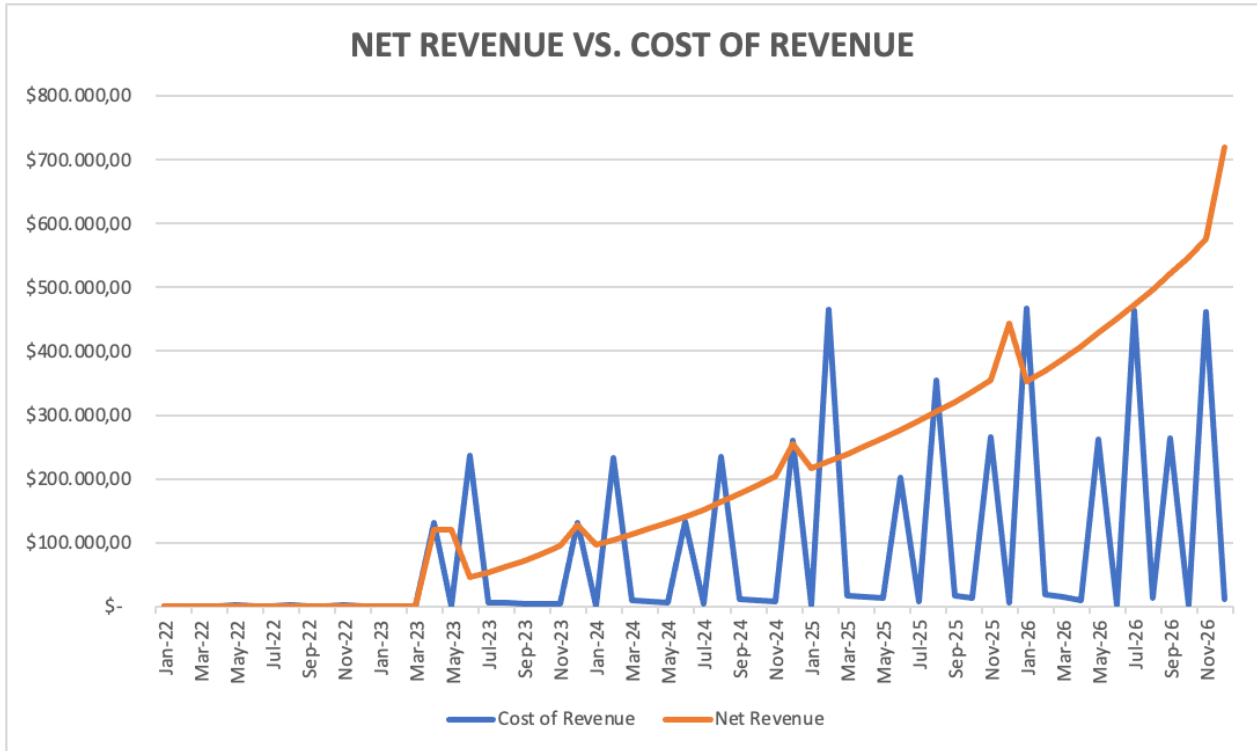


Figure 61

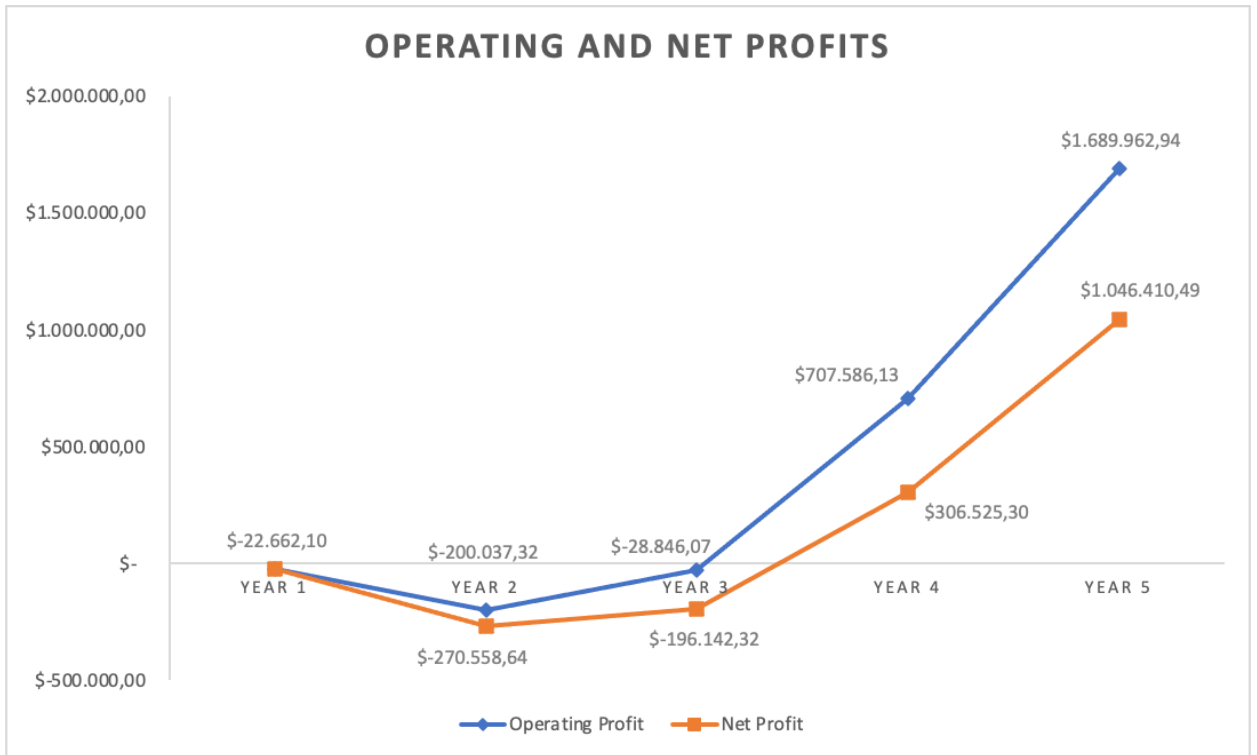


Figure 62

