



***Business plan***

# COMPANY



## BUSINESS IDEA

Art'em offers a painting created from a vintage book page combined with an icon. We use 3D technology to create printed art. This results in a painting with nostalgic value by honoring deceased icons. We create art from older generations in conjunction with an innovative and forward-thinking idea to never forget the past. With our product, we want to showcase cultural value to us young people, but also revive memories for the older generation.

## UNIQUE SELLING POINT

At Art'em, we manufacture modern art using a new technical process. We utilize 3D technology to create our printed art, which is a highly innovative and unique technical process. We believe that traditional classical art no longer appeals to us, so we want to create modernity out of something old that can appeal to a broader audience. Art'em's paintings are created by us from idea to reality—art created by young people that reaches multiple generations.



## GOLFS FOR THE YEAR

- Sell at least 200 paintings
- Expand our range with more icons and sizes
- Work with other companies (B2B)
- Achieve the budgeted profit

## COMPANY NAME

The name Art'em is inspired by the Latin word for art - "Artem." We chose to add an apostrophe to clarify what our product does, namely art from them - Art'em. That is, we create art from "them," the icons we have chosen to print on our painting. Art'em may sound different when pronounced – "Art them." We create art from them—our icons. We believe the name is well-suited to the company and makes it easy for the customer to understand what type of product we offer.

## VISION

Our vision with Art'em UF is to revolutionize the art market and introduce our innovative and forward-thinking art into every Swedish home.



## PRODUCT DESCRIPTION

Art'em UF offers a modern painting where the components are a black wooden frame, a glass pane, a plexiglass, a vintage book page, and a print of various icons. Together, these elements create the final product. The current range consists of three different prints: Marilyn Monroe, Karl Lagerfeld, and David Bowie.

All paintings have black wooden frames of the same size, with outer dimensions of 24x33 cm and inner dimensions of 21x30 cm. The glass pane and plexiglass, together with the black wooden frame, give a modern and sleek appearance. Between the plexiglass and the glass pane is a vintage book page onto which the icons are printed in different colors. The paintings are packaged in white envelope packs with a layer of bubble wrap and a layer of tissue paper. A sticker with our logo is attached to the outside.

### FUNCTION

Art'em's paintings are designed to give your home a new feel. By hanging our painting in the kitchen, living room, or bedroom, there is always something to look at and be reminded of the now-departed but never forgotten icons.

### DESIGN

To create a simple and sleek product that fits into modern home decor, we chose to use black wooden frames with a transparent background. This ensures that the print is clearly visible. Each painting is also unique as they all contain different book pages with varying texts.

## SOCIAL SUSTAINABILITY

According to us at Art'em, there should be no limitations within art; therefore, we have created innovative and beautiful art that will be accessible regardless of economic situation.

### ECONOMIC SUSTAINABILITY

With the help of venture capital, we create a good financial foundation that helps us start our company, which we can then run without debt from the start. We have created a good and sustainable liquidity budget that we will adhere to with a good margin. Through an efficient manufacturing process with a well-structured inventory, sales and revenues will flow smoothly.

### ENVIROMENTAL SUSTAINABILITY

At Art'em, we use vintage book pages that would have been discarded or remained unused without our use. Our supplier LW Glas och Metall is located locally in Stockholm, resulting in short transport distances. LW Glas is a small company with a good community and working conditions.

## MANUFACTURING PROCESS

1. Initially, specific images of icons are selected and then processed in SolidWorks.
2. In SolidWorks, dimensions and size are drawn for the printing plate, tailored to the size of the book page.
3. 3D technology is used to create the printing plate.
4. Once the printing plate is ready, it is printed onto the book page with color depending on the icon.
5. The color is then left untouched to dry.
6. The book page is then placed between the plexiglass and the glass pane before being inserted into the black wooden frame.
7. Finally, the frame is closed, and the painting is ready to be hung on the wall.

## PRIMARY AND SECONDARY TARGET GROUP

Art'em's primary target group consists of young people aged 18 to 25. The choice of age range is based on the so-called Generation Z, who have a more modern outlook. Art'em wants to revive an interest in the pop-cultural icons and art that was popular during the late 20th century.

Our secondary target group is adults aged 35 to 60 who have an interest or attachment to the icons that our art is based on. Our secondary target group lived through the earlier years when these icons were more relevant than they are now. By targeting this specific group, we aim to revive memories of these icons that may have added something to their lives.

## SELECTIVE TARGET GROUP

Our selective target group has an interest in a specific aspect of culture. The motif the customer chooses is based on an interest in, for example, fashion, culture, or music.

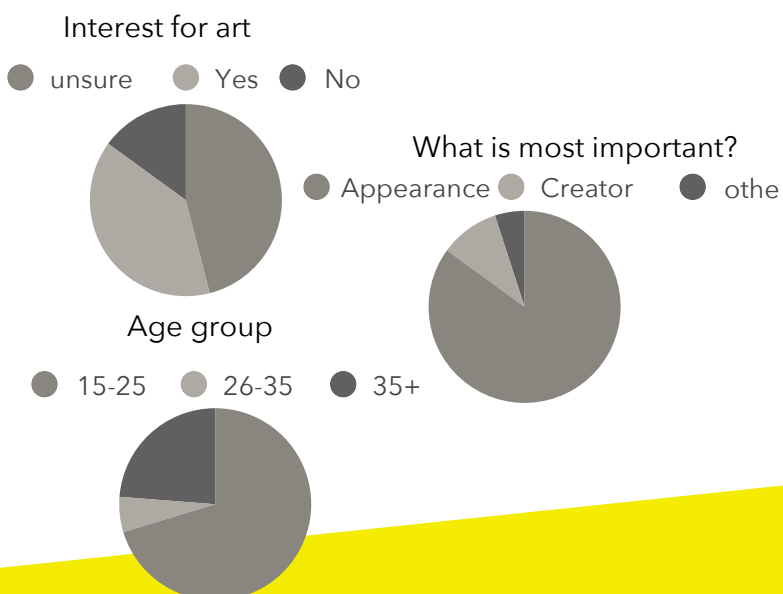
## GEOGRAPHY

Art'em will initially operate within the Stockholm region. All members of Art'em are based in Stockholm, providing the opportunity for direct sales. On our webshop, we will offer shipping to reach customers across Sweden. Our art should be accessible to everyone, so we want to increase the product's geographical availability.

## MARKET RESEARCH

We conducted both qualitative and quantitative market research. The qualitative research created an understanding of 10 people, 5 women, and 5 men's interest in our product. We engaged in in-depth discussions to gain a better understanding of our demand. Through this discussion, we concluded that many had a great interest in innovative art. The majority in the group felt that there was a lack of affordable paintings for decorating on the Swedish market.

We used the same questions in the quantitative market research, which created a broader understanding of the target group and price preferences. This requires more responses than just a few. The quantitative market research was a survey sent out on social media, resulting in 239 responses. Interest, demand, and target group were the key points. Our main goal with our market research is to tailor our painting to the customers' wishes, so that when the product is launched, we have as many satisfied customers as possible.



## SWOT-ANALYSIS

Strenghts	Weknesses
<ul style="list-style-type: none"> <li>- Affordable price</li> <li>- A product for a broad audience</li> <li>- Relatively low production cost</li> <li>- Easily accessible</li> <li>- Not dependent on seasons or trends</li> <li>- Local production</li> </ul>	<ul style="list-style-type: none"> <li>- Limited budget</li> <li>- New to the market</li> <li>- Young and inexperience entrepreneurs</li> <li>- The company is not run full-time</li> </ul>
Opportunities	Threaths
<ul style="list-style-type: none"> <li>-Wide network</li> <li>-Media exposure</li> <li>-Collaborations with resellers</li> <li>-Expand our range with new paintings</li> </ul>	<ul style="list-style-type: none"> <li>- Competitors with more experience</li> <li>- Other UF companies as competitors</li> <li>- Dependence on suppliers and other parties involved</li> </ul>

## DISTRIBUTION AND RETAILERS

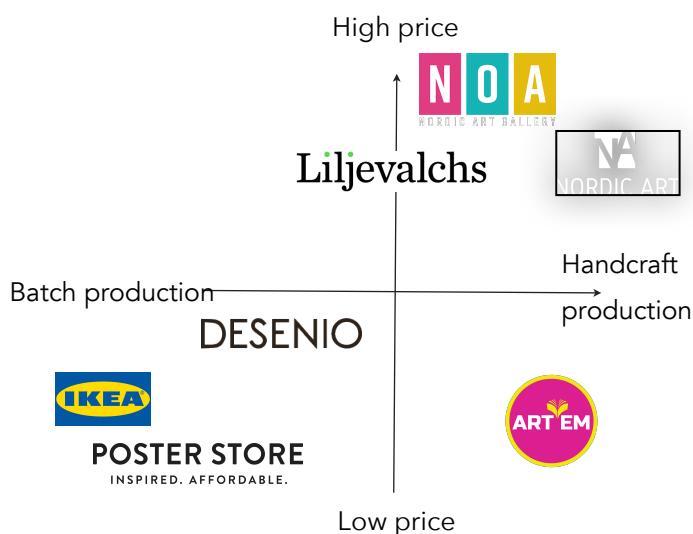
At Art'em, we will primarily use physical sales opportunities such as Christmas markets, exhibitions, and the UF fair. We are also always available on our website and on our social media, where we have chosen to work with e-commerce and offer shipping if desired. Shipping will not be included in the price of the paintings as we want to prioritize the environment and primarily use our physical sales opportunities.

Art'em sees a great future in working with other companies. One of our goals is to collaborate with smaller home decor companies and start with local vintage and second-hand stores. Another B2B concept is that other companies can work with us to create their own prints.

## COMPETITORS

Art'em is operating in a market with a wide range of paintings that convey different types of art. This means we are not the first in the market, but we are the first to stand out as we do. We offer handcrafted art at an affordable price, which makes us stand out compared to our competitors. This innovative combination becomes attractive to the customer and makes us significantly more competitive as a company. Unlike companies like Ikea, Desenio, or Poster Store, we avoid mass production of paintings that lack exclusivity. However, we also become competitive against the more exclusive paintings from companies like NOA Gallery, Nordic Art, or Liljevalchs through our low price. Additionally, our paintings include a frame, which is extremely rare among most of our competitors, providing greater customer value with our product.

## POSITIONING DIAGRAM





## STRATEGIES

Art'em's long-term and short-term focus areas are customer service and marketing. Since Art'em is a newly started company, customer service is a crucial strategy to achieve our vision. Therefore, we have chosen to participate in fairs, open houses, and other events where we can actively work on customer service to increase our sales. There, we will have the opportunity to provide customers with business cards so they can later easily reach our communication channels.

We also have a goal to host our own vernissage during the UF year, where we invite customers and investors to build trust between us and the customer, but also to give customers a more personal view of the company and us as individuals.

Our other strategy we will actively work on is our marketing through social media. We are a newly started company, and for us to be visible in the market, our marketing will be key. We will be 100% active on our platforms such as Instagram, Facebook, and our own website. To gain followers on Instagram, we have planned to focus on influencer marketing. We want to work with a few major influencers with between 20,000 - 100,000 followers and micro-influencers with between 2,000 - 20,000 followers. Major influencers are good for building the brand with the help of the influencer's own identity and to reach more customers, while micro-influencers often have a closer relationship with their followers, making them more likely to buy. Another marketing initiative we are considering is Instagram ads, where you can target specific audiences with your posts.

## MARKETING

Art'em is present on social media such as Instagram, Facebook, blogs, and social media influencers. Among these, we will share personal posts and information to engage our audience. We will also invite our potential customers to discussions on our platforms to enhance customer value.



**@ARTEMSTHLM**

On Art'em's website, we will focus on our webshop, gallery, company description, and additional marketing. Our goal with the website is for a potential customer to gain an understanding of Art'em's core values and brand. This way, they will have a better understanding of the purpose of our product, which we believe can create increased demand from the customer. The website should also be simple and clear so that it can be used by a wider audience of all ages. It should also include posts that have been shared on social media, making it easy for customers to learn about what we do, where to find us, and our sales.



→ <http://www.artemsthlm.se>

## CORE VALUES

Art'em UF strives to create art with a purpose. For us at Art'em, art is not just a visual image but something close to the heart, and that is what we want to convey to our customers. We want to create innovative art by using something unique and turning it into something modern.

All budgets are prepared for the fiscal year 2019/2020. The budgets are based on a volume of 250 units with a sales price of 149 SEK and do not include shipping costs in the price.

Likviditetsbudget											
Läsåret 2019/2020	Sep	Okt	Nov	Dec	Jan	Feb	Mar	Apr	Maj	Totalt	Totalt i %
Inbetalningar											
Risikkapital	300	10 000	0	0	0	0	0	0	0	10 300	21,66%
Försäljning	0	0	3 725	7 450	3 725	4 470	5 215	5 960	6 705	37 250	78,34%
Summa inbetalningar	300	10 000	3 725	7 450	3 725	4 470	5 215	5 960	6 705	47 550	100,00%
Utbetalningar											
Registrering	300									300	1,02%
Ramar			0	0	0	870	1 015	1 160	1 305	4 350	14,82%
Glas			750	375	375	450	525	600	675	3 750	12,78%
Förpackning			500	250	250	300	350	400	450	2 500	8,52%
Profilkädder		800								800	2,73%
Marknadsföring			100	100	100	100	100	100	100	700	2,39%
Julmarknadsmaterial					500					500	1,70%
Julmarknadskostnad					400					400	1,36%
Mässanmälan				750						750	2,56%
Monter				3 500						3 500	11,93%
Mässmaterial			1 500							1 500	5,11%
Risikkapital									10 300	10 300	35,09%
Summa utbetalningar	300	800	2 850	4 975	1 625	1 720	1 990	2 260	12 830	29 350	100,00%
Likvida medel											
Balans	0	9 200	875	2 475	2 100	2 750	3 225	3 700	-6 125	18 200	
Ingående behållning	0	0	9 200	10 075	12 550	14 650	17 400	20 625	24 325	18 200	
Utgående behållning	0	9 200	10 075	12 550	14 650	17 400	20 625	24 325	18 200		

Resultatbudget	
Intäkter	
Försäljning	37 250
Summa intäkter	37 250
Kostnader	
Registrering	300
Materialinköp	11 000
Förpackning	2 500
Profilkädder	800
Marknadsföring	700
Julmarknadskostnader	900
Mässanmälan	750
Mässmaterial	1 500
Monter	3 500
Summa kostnader	21 950
Resultat	15 300

## PRICING

For Art'em to be competitive, we have realized, after comparison with competitors and our market analysis, that we need to be more affordable than other options. Another advantage of this pricing is that it is the perfect amount for impulse purchases, meaning customers won't need to save or spend much time or money before buying our product. We have chosen a fair price for our customers to prove that exclusivity, neatness, and modernity don't have to be about the price of the product. Additionally, the primary age group is often students or even unemployed, which means the price needs to be adapted to a lower personal economy. With Art'em, you get a modern, sleek, and attractive painting at a price of 149 SEK.

Priskalkyl	Kr/St
Ramar	29
Glas	15
Förpackning	20
Total produktkostnad	64
Försäljningspris	149
Pålägg (kr)	85
Pålägg (%)	133%

## FUTURE

Our business idea is based on having a large, broad range of different icons, so we do not feel that we are finished. Currently, we see opportunities and demand to develop our existing product and product range, so the future prospects look good. Since we are creating something new and innovative, we want our business idea to continue. We have the ambition to continue running the company after the school year ends and see a great opportunity to expand. Once the course is over, we will have more time, which will allow us to work more to improve quality.