

BUSINESS PLAN - GOLDEN INVESTIMENTOS NEW BUSINESS UNIT (Casa de Análises)

1) Problem/Solution/Customer:

What is the problem we will solve with this business?

R: Investors frequently consume reports from independent research houses, which do not have access to their investments, since the investors' resources are in the broker's custody.

Therefore, investors need to rely on two separate platforms (the researchers' and brokers') which do not communicate with each other and conduct their functions separately.

What is the business and why is it a solution for this problem?

The existing investment's advisory company "Golden Investimentos", based in Brazil, should open a new area (department), focused on researching, capable of delivering materials to its consumers through three different channels: written reports, short podcasts and one-on-one meetings.

Each client would pay a different amount for the chosen "package plan", which would increase according to its complexity and closeness to the clients.

The main difference is that clients will have access to a tailored made research, based on his/her investments, since the research team would rely on the client's advisor (who also works at Golden Investimentos) opinion. This will allow a cross selling within the company and upselling opportunities too, bringing more business and offering a more complete service to our customers.

Clearly it would not be a "commodity" product, but a custom-made one, directed to a specific niche, making it a boutique business.

Clearly identify who your customers are:

Golden Investimentos top investors, who are already loyal clients, and which are willing to pay for an extra service focused on researching. They are brazilian, mostly male, between 34- 40 years old, married and with important positions in their companies or with their own companies with incomes over 50.000\$/ year.

Sample Persona:**Name:** Felipe (male)**Nationality:** Brazilian**Main characteristic:** Bold**Job:** Lawyer/ Engineer/ Professor/ Doctor / Manager / accountant or other related profession (owns the business)**Age:** 35 years old**Education:** Higher education**Media:** He is an active user of social networks, follows information about investment and the financial market. Uses the mobile phone as a work tool, research and to access a bank application, for example.**Objectives:** He wants to earn his first million, build equity and start accumulating assets. He is ambitious, seeks comfort, very busy and likes to make good use of his time, likes to show off luxury items and aims to travel and enjoy life without major concerns about financial expenses. if he finds a good opportunity, he risks**Challenges:** He follows several online content and believes he can take care of his own investment portfolio, but during many moments he has doubts about which paths to follow. He wants to actively participate.

2) Moonshot

To become the best research branch of a Brazilian investment's advisor office!

We aim to make our client's lives easier, by offering the same company, the 2 important services one needs when deciding to make financial investments: research and advisory, all connected and customized.



3) Strategy and competition

a) *The jockeying for position among current competitors:*

Exhibit 1:

Name	What they do	Perceived Positioning
Suno Research	Independent investment analysis house, which aims to help the small and medium investor succeed on the stock exchange with recommendations and analysis of equity investment, helping the customers to achieve success and financial independence by investing in the capital market in a sustainable way, without pranks or far-fetched promises. The company also provides workshops/courses	Directed to brazilian investors of all kinds; Specialized in several areas, such as stock market, international investments, etc They position themselves as a company that makes life easier for investors and makes them earn more. They have a wide variety of packages for different types of investment areas, with very differentiated costs.
Empiricus	It's the largest financial publisher in Brazil. Investment analysis and recommendations company. It is a digital investment platform, aiming to deliver to its subscribers strategies as good as those of professional investors.	Directed to brazilian investors of all kinds; They position themselves in terms of pricing on fixed subscription monthly costs low cost, for all investment advice types. Use new trends and the most updated technologies to communicate (ex: podcasts, youtube videos, Apps - and works in partnership with Vitreo, the fastest growing investment platform in Brazil) Communication with human touch, explaining the specialization of each analyst
Eleven Financial	Independent economic and financial analysis company, with the objective of helping its clients to make the best investments	Directed to brazilian investors of all kinds; More positioned on B2B (advisory offices) Large team of certified analysts specialized in different investor profiles Very professional and organized approach plans/packages well defined by type of investments and analyses Pricewise its the one which offers higher prices, and they divide their offers on basic and premium packages

As we can see above, our 3 main competitors have different positionings, but the 3 of them are very well known in the market. If we want to enter the market of financial research, we will have to position ourselves as a more technological company and one that offers a customized approach to our customers, that will make them feel understood and special.

b) Threat of substitute products

Average threat force: This product may only be substituted in the case of possibly new automatized technologies that can be created, which are able to provide automatic digital reports at lower costs; or a company that can develop a product that "x-rays" the client's portfolio and sends him personalized analyzes according to the investments he has (real time and customized).

c) Threat of new entrants

This is one of the main weaknesses of the business:

It is an industry with low costs to invest in, but from the other side, needs highly experienced and qualified personnel in their teams, which may be a barrier for new entrants.

It is an industry with a lot of players, where employees can easily start their own business, using the know how and experience they got from these main market leader companies and actually it happens that not only independent analyses companies do this kind of information work, but also instagram influencers do it, for instance.

d) Bargaining power of customers/suppliers

Strong power of customers to bargain, as there are several players in the industry.

Bargaining power of suppliers: Medium risk, as it is a very vertical service that doesn't depend much on other companies.

On the other hand, it is easy for experienced employees to start their own business on the side, and potentially compete against our own business. This can create a higher bargaining power of the "supplier" of service.

e) Given all of the above, what is your strategy? In other words, what weakness will you exploit? How will you be different? Why would people consider buying from you?

One of the weaknesses to exploit is to try to lower down the risk of new entries in the market, which is one of the largest risks to this enterprise, due to lack of barriers to invest in such a business like this. We shall do that, by offering a unique and the most innovative product we can.

It is an industry in which it's possible to specialize in one of the investment areas, and as so, build specialized products to attract certain types of customers.

That is why it is so important to be able to have some innovation integrated in the solutions that the company already sells, so the strategy of this new business area will have to go through lowering the bargaining power of customers, which will be the weakest strength of the company and the industry in general. It can be done by offering a unique and different product from the competition, which customers pay for, as suggested in the solution to this BP problem. Also, we shall aggregate a better technological solution (APP) that our customers can use and have customized inputs for his/her profile (to keep up with the solutions that are already starting to appear on the market, such as the social platform "Traders Club", or TC Master and

investor's platform). We would be innovative by creating an app customized to each of client's profile, and that is predicted to be applied after the first 3 years of operation, as we want to first understand how clients react to our new service.

To lower the negotiating power of customers, our company could also specialize in providing advice to other Portuguese-speaking countries that want to invest in Brazil (exploit new markets), to differentiate ourselves from the competition. This would also lower the strength of the jockeying among current contestants.

To lower the threat of entry of new competitors, with the business area that is proposed to be created, a very human and personal communication seems to be essential, showing how much the company can offer the best analysis for each case, inserting the portfolio analysis of personal investments of each one, in parallel with the recommendation of financial assets for their specific profile.

To avoid the threat of the identified substitute products (automated, combined with cutting edge technology), invest in more advanced digital reporting solutions for those investors who want to read more generalist and immediate reports.

The company may also think of a way to lighten switching costs, since competition works a lot with subscriptions.

4) Opportunity Cost

The opportunity cost for Golden would be to open a branch in another Brazilian state such as São Paulo.

In order to open a branch, Golden's management would need to rent or buy another office, hire new staff and develop a new set of logistics required for an interstate business.

All of these elements contribute to the scenario of high investments, therefore it is a more clever decision, to use Golden's current facilities and open a new department, in order to cross sell to its clients.

5) Branding:

The brand archetype we want to adopt for this new service is the following:

Explore Spirituality - The Sage (Understanding).

As a company that gives advice on such important matters as investments, our customers will look for a "sage" to give them the best advice. Someone they can rely on, that understands them and their needs, and that has a lot of knowledge about the markets to share with them - to guide them.

Our customers, as the "persona" estates, know what they want, have well defined goals for their financial life and so, they will unconsciously feel connected to this archetype as we will try to mirror their personality in our communication. We want them to feel TRUST as soon as they see our communication, and most of all, we want them to feel special because we understand them and we have customized our advice to their specific needs.

So, in general our branding will be associated with the persona's profile as much as possible. We will use influencers, successful, and rich personalities in Brazil, in our communications - hiring them to testify in their social networks and media about the added value of investing with Golden Investimentos's aggregated services, mentioning how time saver it is to have knowledgeable advisors which customize their recommendations to their profile.

We should add a series of podcasts that show successful investment examples of our clients, associated with our brand, informing how important it was to have a team from our company on their side, to help them make the best choices for his/ her profile. (STORY TELLING)

So, the strategy should be to always be associated with success investment cases, and also relate it with advanced technology solutions.

We shall also create a sentence to be the "motto" of this new product, that in a few words emotionally connects with the customers we want to attract and explain the values and objectives of this product.

Our positional approach should be as much as possible close to the following one, stated by the Brand Archetypes article :

"I can guide you: Your personality represents safety, like a lighthouse in a stormy sea. You need to acknowledge the predicament but reassure them you know the path to safety. You are trustworthy and steadfast."

NOTE: Our branding strategy could also work with the archetype "The Hero" (LEAVE LEGACY - mastery), but we believe the one chosen will work better to create an emotional connection with our desired customers.

6)

Pricing:

We want to avoid being a price taker, and that's why we want to innovate with this aggregated service. That means our price strategy will be to apply high prices, as our customers will pay for quality and for this type of turnkey customized service.

The prices below are created based on our competitors average range of prices vs positioning (our positioning is high cost/ great value and quality product). We also want to simplify the offered subscriptions, as some of our competitors have too many options.

Our Cost structure is not too heavy, as we are taking advantage of the company that already operates and is stable and profitable, so we will be able to make good margins out of our sellings.

We will divide our offers in 4 pillars: Stock Markets, Fixed Income, Investment Funds and Alternative Investments.

Exhibit 2:

Packages and Prices	Golden Investimentos	Competitor #1: Suno Research	Competitor #2: Empiricus	Competitor #3: Eleven Financial
Stock Markets		R\$44,90	R\$78,90	N/A
Investment Funds		R\$121,65	R\$87,54	N/A
Fixed Income		R\$249,80	R\$150,57	N/A
Alternative Investments		R\$9,90	R\$180	N/A
Full Package		R\$20,90	R\$270	R\$2.084
BRONZE PACKAGE	R\$150,00 (29USD)	Access to 1 pillar		
SILVER PACKAGE	R\$275,00 (53USD)	Access to 2 pillars		
GOLDEN PACKAGE	R\$450,00 (86USD)	Access to 4 pillars		
<i>NOTE: The above prices are per subscription/price per month</i>				

6) Revenue and Pricing Management

The barriers to entry are the need of high-end workforce and high investments in facilities and human resources, something that Golden Investimentos is one step ahead of since it has stable revenues from its main department: advisory.

The competitive environment of research houses is very favorable, since less than 5% of the Brazilian population actively invests, although the number is growing every year.

In fact, the market is very specialized and players can highly customize its products in order to make them unique. Therefore, the product/service's quantity is not that sensible to changes in prices, because it depends on how the product is customized, so we can say the demand curve is more inelastic for this industry, mainly because our targeted customers have buying power and will not choose for the cheapest options, but rather the most customized and with more added value for their profile.

Our service will not do any type of price discrimination strategy, as we will sell the same package prices to all the customers. Our price strategy will be to create bundles in broader products, which cover the main investment fields, while the competitors try to specialize in very and numerous specific products.

Since our differentiation would be the integration between advisory and research, we would not need to develop many packages and would be able to charge higher prices from our three packages, since they cover the main investment fields.

We will also offer the 1st month to all the new clients who want to buy our packages, which will be an “experimental” month, for the customers to understand better how our product works.

Below you can find our Revenue and costs forecast:

Exhibit 3:

Forecast results - Casa de Análises - "Golden Investimentos"						
	Year 1*		Year 2*		Year 3*	
Revenue	\$ 104		\$ 261	10	\$ 391	100
	520,00	100%	300,00	0%	950,00	%
BRONZE PACKAGE (Access to 1 pillar)	\$ 41		\$ 104		\$ 156	
	760,00	0,40	400,00	1,00	600,00	1,50
BRONZE PACKAGE - price per month (29USD)	\$ 348,00		\$ 348,00		\$ 348,00	
BRONZE PACKAGE - nr of estimated clients	120		300		450	
SILVER PACKAGE (Access to 2 pillars)	\$ 31		\$ 79		\$ 119	
	800,00	0,30	500,00	1,00	250,00	1,14
SILVER PACKAGE - price per month (53USD)	\$ 636,00		\$ 636,00		\$ 636,00	
SILVER PACKAGE - nr of estimated clients	50		125		187,5	
GOLDEN PACKAGE (Access to 4 pillars)	\$ 30		\$ 77		\$ 116	
	960,00	0,30	400,00	0,74	100,00	1,11
GOLDEN PACKAGE - price per month (86USD)	\$ 1 032,00		\$ 1 032,00		\$ 1 032,00	
GOLDEN PACKAGE - nr of estimated clients	30		75		112,5	
buying expenses	\$ -	0%	\$ -	0%	\$ -	0%
Gross margin	\$ 104		\$ 261	10	\$ 391	100
	520,00	100%	300,00	0%	950,00	%
Payroll	\$ 64		\$ 96	37	\$ 128	
	154,24	61%	230,86	%	307,48	33%
Taxes (depends on the country, tax on the land we use, everything excepts for VAT or taxes on income)	\$ -	0%	\$ -	0%	\$ -	0%
overhead	\$ 8		\$ 5		\$ 5	
	949,00	9%	833,00	2%	851,00	1%
Gross operating profit	\$ 31	30%	\$ 159	61	\$ 257	66%

	416,76		236,14	%	791,52	
Rent						
Leasing pay back						
Interests	\$ -		\$ -		\$ -	
Depreciation expenses	\$ -		\$ -		\$ -	
	\$ 31		\$ 159	61	\$ 257	
Income before taxes	416,76	30%	236,14	%	791,52	66%
Taxable result	\$ 31		\$ 190		\$ 448	
	416,76		652,90		444,41	
Taxes on profit (27,5%)	\$ 8		\$ 52		\$ 123	
	639,61		429,55		322,21	
	\$ 22		\$ 106	41	\$ 134	
Net income	777,15	22%	806,59	%	469,30	34%
Depreciation expenses	\$ -		\$ -		\$ -	
	\$ 22		\$ 106	41	\$ 134	
Self financing capacity(*)	777,15	22%	806,59	%	469,30	34%
Loan payback	\$ -		\$ -		\$ -	
	\$ 22		\$ 106		\$ 134	
Cash flow balance	777,15		806,59		469,30	
(*) or Cash Flow						

From this forecast analysis, we will reach the break-even point in the first year, as we have a lot of advantages in not having a hard costs structure, by using the main facilities of the existing company. We can conclude that the prices are well defined, and if our goals are met as expected, the new department will be profitable since the first year!

NOTE: Original document can be found [here](#)

7) Cost structure

Estimated costs:

- As we are going to open a new department, within the existing company (Golden Investimentos), the investment and operational costs will not be very high. It will be more about hiring qualified human resources (3 Analysts), investing on the product promotion and on the technology development.

Below we can look into our detailed cost structure for the 1st year:

Exhibit 4:

BUSINESS PLAN - PROJECT "CASA DE ANÁLISE - GOLDEN INVESTIMENTOS" - COST STRUCTURE PREDICTION (IN BRL)

	UNI TS	UNIT PRICE	TOTAL PRICE (BRL)	TOTAL PRICE (IN USD)
Initial Investments Costs				
Intangible Assets				
Website and backend development	1	R\$ 10.000,00	R\$ 10.000,00	\$1.900,00
Internal marketing campaign	1	R\$ 2.000,00	R\$ 2.000,00	\$380,00
Tangible Assets				
Office desks	2	R\$ 750,00	R\$ 1.500,00	\$285,00
Office chairs	3	R\$ 400,00	R\$ 1.200,00	\$228,00
Computers	3	R\$ 3.500,00	R\$ 10.500,00	\$1.995,00
Computers' accessories	3	R\$ 500,00	R\$ 1.500,00	\$285,00
Total Investment Costs			R\$ 26.700,00	\$5.073,00
Human Resources Costs				
Research Analyst - Stock Markets * Fixed Income	1	R\$ 48.000,00	R\$ 48.000,00	\$9.120,00
Research Analyst - Investment Funds & Alternative Investments	1	R\$ 48.000,00	R\$ 48.000,00	\$9.120,00
Head of Research	1	R\$ 96.000,00	R\$ 96.000,00	\$18.240,00
Total Human Resources Costs (Per Year)			R\$ 192.000,00	\$36.480,00
Operating Costs				
External Accountability consultant	12	R\$ 200,00	R\$ 2.400,00	\$456,00
Website and backend support	12	R\$ 500,00	R\$ 6.000,00	\$1.140,00
Marketing campaigns	12	R\$ 1.000,00	R\$ 12.000,00	\$2.280,00
Total Operating Costs (Per Year)			R\$ 20.400,00	\$3.876,00
TOTAL ESTIMATED COSTS OVER THE 1ST YEAR				
			R\$ 239.100,00	\$45.429,00

NOTE: Due to the nature of this business and to the way it has been set within the existing company, we have mainly fixed costs, except for HR costs, which will vary according to the number of existing customers.

8) Economies / Diseconomies of Scale

We believe the scenario will remain the same in the first three years of the new research department operations, mainly in terms of cost structure and as per our revenue and cost

forecast.

By the forecasts analyses we have made, we will have enough revenue to make it worth investing in new areas of research in order to fulfill our client goals, covering new assets, such as cryptocurrencies or developing an APP.

On the other hand, we will run into diseconomies of scale, since competition among other investment advisor offices will appear and independent research houses will develop new ways to customize their products even more.

Therefore, we will need to develop new strategies in order to maintain our differentiation among our peers and maintain the features of our “tailor made research”, because the more we grow in terms of customers, more difficult could be to keep the focus on the customized service to each client, that is one of our added values.

9) Goals

We defined our goals for the 1st 3 years, in terms of 2 metrics:

- 1) One is the desired revenue and customer base (which are interconnected)
- 2) In terms of client satisfaction and loyalty: by measuring the NPS (Net promoter score), when we apply satisfaction surveys.

Exhibit 5:

Year	1	2	3
Revenue	\$ 104.520,00	\$391.950,00	\$783.900,00
Customer Base	2%	5%	7,5%
NPS (Net Promoter Score)	80	85	90

As exhibit 5 shows above, our goals for our goals were created to be S.M.A.R.T. - very specific in terms of figures; both of them easy to measure by getting reports on the results; assignable, very realistic and time-related, as we are defining them in full year’s period:

- 1) Knowing that Golden Investimentos has around 10.000 loyal clients, a stable number that does not vary throughout the years, we want to start by reaching 2% of those clients, as we know that in the first year, the conversion ratio will be slower and needs time for our colleagues and customers to understand the advantages of adding this new service, to what they already consume. For the 2nd and 3rd years, the conversion ratio is getting higher, which we believe will be very feasible to achieve. In the future we will also want to reach and bring new customers to the company, by offering 2 services in one, we believe we will have more competitive power.

The responsible for Revenue and Customer Base goals will be the Head of Sales
 NOTE: To understand how many customers we will need in order to get the forecasted revenue as per the numbers above, please read exhibit 3.

- 2) In our business, client's satisfaction is key in order to keep them loyal, and not to lose them to the competitors, and also for them to act as promoters of our services, with mouth-to-mouth promotion, assuming their circle of contacts are similar to their profiles, so, it matches our target. So, on the surveys we will apply, we aim to always get a NPS grade over 80%.

The Net Promoter Score will be based on a 3 months survey sent to each client regarding two elements: (1) product quality and (2) customer experience.

The responsible person for NPS will be the Head of Research, who is in charge of the new department.

10) CVP/Break-Even Analysis

Now, we have all the information in order to make a Cost-Volume-Profit (forecast) analysis. We will do this by getting our Break-Even point and also by setting up 2 scenarios, to check if we can go ahead with changing the prices after the 3rd year.

1. Fixed costs of our service, according to exhibit 3, are as follows:

Year 1: **6.669\$**

Year 2: **3.876\$**

Year 3: **3.876\$**

2. Variable costs of our service: the only variable costs are related to HR, as this cost varies according to the sales levels. So it's the total costs with wages and with Each new employee initial Costs - Intangible assets, as detailed in the forecast revenue document.

Year 1: $64.154,24 \$ + 2.280\$ = 66.434,24\$$

Year 2: $96.230,86\$ + 1.957\$ = 98.187,86\$$

Year 3: $128.307,48\$ + 1.957\$ = 130.264,48\$$

3. Analysis of possible volume of sales within a specific period of time: it is detailed on Exhibit 3.
4. Analysis of the variability of profit, considering points 1, 2 and 3. We have made this exercise of checking what happens with forecasted profit, if we go ahead with changing the prices after the 3rd year for the Bronze package only. For that, we have created an CVP Income statement, to help us taking decisions internally:

Exhibit 6:

CVP Income Statement - BP Golden Investimentos

Unit selling price of Bronze package	\$ 348,00	per year
Unit variable costs - through high-low method	\$ 193,00	
FORMULA USED: (change in total costs) / (high - low activity level) = variable cost per unit		
$(130264,48\$ - 66434,24\$) / (450 - 120) = 63.830,24 / 330 = 193\$$		
Total fixed costs year 3:	\$ 3 876,00	
Bronze Package - Units sold on Year 3	900	

CVP Income Statement - For the month of December 2024

Sales (900 customers)	\$ 313 200,00	
unit Variable cost	\$ 193,00	
Contribution Margin	\$ 313 007,00	
Fixed Costs	\$ 3 876,00	
Net income	\$ 309 131,00	

SCENARIUM 1: Changes on income if we get the price 15\$ more expensive, based on the assumption that as prices increase, demand will decrease by 10%

Unit selling price of Bronze package	\$ 528,00	per year
Unit variable costs	\$ 193,00	
Fixed Costs	\$ 3 876,00	
Bronze Package - Units sold based on this new scenarium	810	

CVP Income Statement - For the month of December 2024

Sales (810 customers)	\$ 427 680,00	
Unit variable costs	\$ 193,00	
Contribution Margin	\$ 427 487,00	
Fixed Costs	\$ 3 876,00	
Net income	\$ 423 611,00	

SCENARIO 2: Changes on income if we get the price 8\$ less expensive, based on the assumption that as prices decrease, demand will increase by 20%		
Unit selling price of Bronze package	\$ 252,00	per year
Unit variable costs	\$ 193,00	
Total fixed costs:	\$ 3 876,00	
Bronze Package - Units sold based on this new scenario	1125	
CVP Income Statement - For the month of December 2024		
Sales (900 customers)	\$ 283 500,00	
Variable costs	\$ 193,00	
Contribution Margin	\$ 283 307,00	
Fixed Costs	\$ 3 876,00	
Net income	\$ 279 431,00	

So, based on this exercise, we can conclude that, if our forecast on demand is correct, it compensates to get the bronze package 15\$ higher on the 4th year, as it will not affect that much our customers (as explained above, our demand curve is more inelastic), and by doing this, the income will be higher.

On the other hand, it will not be a wise decision to lower the unit selling price, as it will go against our strategy and also, because it will lower down the expected income, even though we can slightly increase the number of customers, by applying this change.

5. Identify your break-even point in units and US Dollars.

As our business has a sales mix, meaning, we sell different products at different prices, with different costs and different margins, in the future, and once we have more exact information on the percentage of sales of each of the packages, we shall start computing the break-even point in a more complex way, by doing a Multiproduct Break-even analysis. At this stage, as we can only rely on predictions or sales forecasts, we have decided to find the break-even point of only one of the packages, the one we expect to be the most profitable one.

Finally, we will compute our Break Even Point of the bronze package, on the third year to give a continuation to the previous analysis, by the contribution margin technique:

Formula of BEP in units:

$$\text{Fixed costs} / \text{unit contribution margin} = \text{break even point in units}$$

So, to get to the unit contribution margin, we have to make the following calculation:

$$\text{unit contribution margin} = \text{unit selling price (per year)} - \text{unit variable costs}$$

$$\begin{aligned} &= (\$ 348,00) - \$ 193,00 \\ &= 155 \$ \end{aligned}$$

So, getting back to BEP in units formula:

$$3.876\$ / 155\$ = 25$$

This means we reach the break-even point of bronze packages sales, when we reach 25 customers consuming this package on year 3.

BEP in dollars: 25 customers x 348\$ (unit yearly selling price) = **8.700\$ bronze package sales**

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