Online Mythology Content Platform: Mythos Zone

Alexandre Tavares Paixão

ISCTE ⬡ Business School
Instituto Universitário de Lisboa

Online Mythology Content Platform: Mythos Zone

Alexandre Tavares Paixão

Project submitted as partial requirement for the conferral of

Master in Marketing

Supervisor:

Doctor Renato Lopes da Costa, Director MscBA - Master in Business Administration, ISCTE

Business School

July 2019

Acknowledgements

Resumo

A dissertação apresentada aqui segue o formato de um plano de negócios e analisa a viabilidade de formação de uma nova empresa de produtos. A empresa terá o nome de Mythos Zone e o seu objetivo é tornar-se o líder mundial no segmento de nicho de conteúdo online sobre mitologia, ao disponibilizar uma plataforma compreensiva que engloba conteúdo online de fácil compreensão, não apenas em diferentes formatos, mas também no maior número de plataformas online possível.

Neste estudo, diferentes aspetos do negócio foram cautelosamente analisados e revistos, desde a oportunidade de negócio, os meios envolventes transacional e contextual, a caracterização da indústria, o potencial de mercado, as capacidades internas e a análise do espaço competitivo do mercado. Todas estas estas análises permitem então a elaboração de uma estratégia de estabelecimento da marca Mythos Zone, que inclui não apenas a estratégia geral da empresa e estrutura organizacional, mas também a criação de atividades de marketing específicas para elevar o valor da marca nos olhos dos consumidores, por fim permitindo a sua conversão para clientes de comércio digital.

Tendo em conta toda a estratégia desenvolvida, de seguida procedeu-se ao desenvolvimento de uma análise financeira, considerando um crescimento esperado da marca durante um período de seis anos, que permitiu então concluir que Mythos Zone é um projeto financeiramente viável a ser desenvolvido durante o período demonstrado.

Palavras-Chave: Plano de Negócios, Mitologia, Conteúdo Online, Comércio Digital

Abstract

The dissertation being presented here has the format of a business plan and analyses the feasibility of the formation of a new product company. The company is called Mythos Zone and its goal is to become the world leader in the niche segment of online mythology content, by providing a comprehensive platform that encompasses easy to understand online content, not only in different formats but in as many online platforms as well.

In this study, different aspects of the business were carefully analyzed and reviewed, from the business opportunity, micro and macro environment analysis, industry characterization, market potential, internal capabilities and the analysis of the competitive scene in the space. All of these assessments allow then the elaboration of an establishment strategy for the brand Mythos Zone, which encompasses not only the overall company strategy and organizational structure, but also the creation of specific marketing activities to drive the brand's value in the eyes of its consumers, ultimately allowing for their conversion into ecommerce customers.

Taking into account all of the strategy that was developed, a financial analysis is then performed considering the expected growth of the brand during a period of six years, which allowed to conclude that Mythos Zone is a financially viable project to be started in the provided period of time.

Keywords: Business Plan, Mythology, Online Content, eCommerce

Table of Contents

Figures Index

Tables Index

Sumário Executivo

Este projeto inclui a pesquisa e desenvolvimento de um plano de negócios para uma plataforma de conteúdo online, com o tema de mitologia. Os recursos disponíveis online que se focam em mitologia e nas culturas em que esses mitos são prevalentes, apresentam um nível de informação académico e demasiado complexo, ou um nível de informação muito simplificado. Existe, portanto, uma falha evidente no mercado que pode ser preenchida por uma nova plataforma de meios de comunicação online que é tanto divertida e informativa, e conecta o espetador a estas plataformas com níveis de informação mais simples ou complexos.

De modo a construir a revisão de literatura que é exposta neste trabalho, os tópicos principais que foram escolhidos e analisados foram Co-Criação, Marketing de Influenciadores, Marketing Digital, Marketing de Redes Sociais, e Marketing Relacional, "Branding", Marketing de Conteúdos e Ligação à Marca. Estes tópicos são todos sinónimos e importantes para o sucesso na criação de uma marca de comunicação online, o que os torna cruciais para o sucesso deste negócio.

Mythos Zone apresenta-se primeiro como uma plataforma de conteúdos online, e segundo como uma empresa de comércio digital. Podemos então confirmar que o plano de marketing e as suas respetivas atividades, que englobam diversos canais de distribuição como o website, redes sociais, plataforma de vídeo, "podcast" e comércio digital, constituem a fonte do crescimento da marca e irão estar diretamente relacionadas com o crescimento económico da empresa.

Este plano de negócios apresenta uma análise abrangente do espaço de criação de conteúdos online presente hoje em dia, e providencia não só uma análise geral do meio envolvente, mas também se foca particularmente no nicho da mitologia e nas outras empresas e marcas a competir no meio.

A criação da empresa, de acordo com apresentação deste plano de negócios, é baseada num investimento inicial de 2,049.88 € e demonstra um retorno sobre o investimento de 2.07 anos (baseado em cash-flows atualizados), com um valor atual líquido de 214,657.23 € depois de seis anos de operações.

1. Literature Review

Influencer Marketing:

Being one of today's most effective sources of marketing for companies and brands, it is apparent that the connection between consumers and social media influencers provides the necessary trust (Handriana, 2016) in order to conduct business. Today's consumers are savvier and more demanding (Hobbs et Goddard, 2015) than ever and will purchase based on the trust they have in the brand, or in the influencer representing that brand.

This means that the most effective way to build a successful brand and business is to think of the brand as a media outlet (Pulizzi, 2012), in order to create and build that necessary trust with its consumers over time, It is necessary to build a relationship with each consumer.

In a practical sense, both creating original content and being able to collaborate with other influencers in the space, allows for the reach of wider audiences and the acquisition of loyal consumers that are then more willing to purchase products or services (Batra et all, 2012) that a brand might be selling at any given time.

Content Marketing and Co-Creation:

The future for Brands is to be media companies (Pulizzi, 2012), regardless of the products or services that they are selling, and many companies that refuse to adapt to this new wave of marketing will be left out on the side of the road by today's highly engaged and demanding consumers.

By focusing on this half marketing and half publishing model, brands are then able to effectively use online platforms for storytelling in their particular niche. This combined with the ability to provide the most relevant and up-to-date information of a specific topic or niche allows brands to provide value to their consumers (Pulizzi, 2012) and then obtain loyal customers that will purchase from them again and again.

Despite not being a new thing, content marketing is becoming much more prevalent in today's culture and online platforms, especially due to consumers wanting to have a better relationship

with the brand and more information before making a purchase decision (Elena, 2016). One of the challenges of content is the localization of said content, as each culture prefers different styles of content (Kee etYazdanifard, 2015) and a global message might not be optimal for widespread reach.

In order to combat this, brands can also participate in the co-creation of content and the generation of information, since it provides a much more accurate piece catered to each specific culture (Kee et Yazdanifard, 2015). This also provides the bonus of consumers being able to trust the brand, since the content that is generated or co-created with the consumers is perceived not to be a selling tactic by the brand's part (Kee et Yazdanifard, 2015).

In this way, brands are able to build a trusting and transparent relationship with their audiences (Akrout et Nagy, 2018) and consumers, ultimately building a long-term business that grows gradually in revenue instead of aiming for being a cash-cow for a short-term period.

Customer interaction is at the center of today's marketing (Kee et Yazdanifard, 2015), and social media platforms provide brands with the optimal place to create the sort of relationships with customers (Elena, 2016) that is necessary in today's day and age in order to conduct business.

Leveraging online communities and groups of brand followers also provides an alternative to influencer marketing, as the brand can often engage with micro-influencers that can reach their network (Dinesh, 2017) in a much more efficient way than bigger influencers. This can be done by directly engaging with these micro-influencers in order to co-create content and have them play a larger role in the management of small local communities, as it is in the case of modern-day brand ambassadors and community managers (Dinesh, 2017).

This way, each company is then able to turn their most engaged consumers into intangible and highly valued assets for their online brand presence and innovation. By engaging with consumers and stakeholders personally and collectively, companies are also able to effectively create brand value and a closer relationship with each of its customers, ultimately resulting in long-term growth (Handriana, 2016).

Social Media Marketing:

Social Media Marketing is a form of marketing that uses social media digital channels to engage with customers and manage customer relationships with the company or brand. (Kotler et Armstrong, 2018)

Having an online presence (Fink et all, 2018) is crucial for brands that want to be successful in today's day and age business landscape.

By being present in multiple social media platforms and catering the content to each platform (Kee et Yazdanifard, 2015), which is something that most companies do not do, these brands are able to reach a larger set of consumers. Each online social media platform requires a different type of content because consumers go to these platforms in search of specific types of content, and seeing the same content posted in different social media websites is not enough anymore (Pulizzi, 2012).

Consumers are savvier than ever and are able to see right through a company's actions in online platforms, they don't want to feel that these platforms are just another way to bombard them with advertisements of products and services (Fink et all, 2018), what they want to do is to build a relationship with the brand, where both parties benefit from the said relationship (Ghantous, 2016).

By focusing on this relationship with each consumer, brands are able to generate trust and confidence (Handriana, 2016), which will ultimately lead to more sales.

Relationship Marketing and Brand-Attachment:

Brand Love is a concept that is always prevalent in Relationship Marketing and Brand-Attachment (Batra et all, 2012) and should be the goal of small brands that are trying to grow their online presence.

Big companies have the resources and capacity to create much more frequent content that has a better quality, but they lack the operational agility to quickly react to recent events and trends. Small companies on the other hand have this operational agility but struggle in reaching wider audiences, mainly due to budget constraints for marketing purposes (Fink et all, 2018).

This means that these smaller brands need to be more effective and create the best relationships with their customers with as little money as possible (Handriana, 2016).

Most of the time, the obvious solution is to create a brand personality that consumers attach themselves to and create a much closer relationship based on trust and confidence (Park et all, 2010), because they can interact with their customers in daily-basis (Ghani et all, 2018). This is the biggest strength that small brands have, and they should always focus on building as strong of a relationship as possible with their consumers.

By creating true-fans, small brands can have a close group of loyal consumers that support the brand and perform the role of brand-ambassadors, not because they are being monetarily compensated but because of their actual commitment and attachment to the brand itself, its and values and its beliefs (Batra et all, 2012).

Brand love is therefore the ultimate goal and should be the number one priority in relationship marketing for small brands that want to build long-lasting and healthy relationships (Handriana, 2016) with their customers.

2. Presentation of the Business Opportunity & Idea

2.1. Business Opportunity

Today's sources of information for the mythology area fall into 2 categories, you either have very rich and in-depth websites that provide a lot of information but more at an academic level and not appealing to a normal user, or you have very basic information around mythology and its subtypes, usually presented by media outlets whose focus is not mythology.

There is therefore a gap in the market, as you can't find a platform that provides everything related to mythology in the same place or within the same brand but in different distribution channels.

These current websites and brands also don't provide with other consumer goods and services outside their core focus which is information sharing. With a brand that is entirely focused on

mythology and its subtypes, it can easily also provide consumer goods through eCommerce platforms and services such as historic travel explorations of ancient mythologies. The brand can also partner with other brands of companies that have products that are related with mythology.

The potential market for this business is immense, as there are between 25 and 50 million people who have demonstrated interest in mythology in online platforms such as Facebook and Instagram, and only accounting for the European and the North American markets.

2.1. Business Idea

The Business consists in the creation of a brand that focuses entirely on Mythology, it will function and run much like an online media outlet that encompasses several distribution channels.

The main distribution channels will be the website, social media, video platforms, audio platforms and e-books. The business can then be expanded and provide a wide variety of products and services, either through the eCommerce of physical goods sold by the brand or by multiple partnerships with other mythology-related brands, gaming companies or even travel agencies that can provide with an increased mythology experience and therefore increase the consumer's attachment to the brand.

By providing detailed and informative content in as many ways as possible, the brand can capture different audiences that prefer different types of distributions channels and content formats, as some people prefer to read, other to listen to audio, watch videos or even just consume quick content in their preferred social media platform of choice.

3. Market Analysis

The viability of a business idea is dependent on several factors, one of which is the external environment in which the business is supposed to be developed. To that extent, it is necessary to perform a market analysis, composed of both qualitative and quantitative data, that will not

only allow the understanding of the business viability during its development time, but also the current and possible risks of the market the business is being built in.

Throughout the development of the business, there are variables that the company can control and variables outside of the company's control, that may impact in a positive or negative way the activities carried by the company. It is therefore very important to pay close attention to the current tendencies of the market into which the company is going in and take those into account when creating the company's strategic plan of business in question.

In order to perform an adequate market analysis, this business plan will identify and analyze four key areas. The first area is the macroenvironment, which represents the general environment of the socioeconomic system that the company is being set in. Together with the second area, the microenvironment, which represents the specific industry the company is being set in, both areas allow a general overview of the external environment affecting the business development.

The remaining two key areas take a closer look at the specific industry and market that the company is tackling. By looking at the industry characterization as well as the market potential, and pairing these analysis with the analysis from the first two key areas, it is then possible to faithfully determine the attractiveness of the market the company is setting foot on.

3.1. Macroenvironment Analysis

The macroenvironment analysis can also be called PEST Analysis, because it is looking at 4 main external forces that may affect the general environment in question, and is composed of the economic, political-legal, technological and socio-cultural environments.

3.1.1. Economic Environment

The Mythos Zone company will be developed within the European Union Economic zone, as the company will have its financial headquarters in Estonia, a country that has been part of the European union since 2003. The European Union is one of the world's economic powers and is comprised of many developed countries, as well as providing an integrated and stable group of countries.

Based on the analysis of the Gross Domestic Product (GDP) of the European Union in the last 20 years, with data collected from the World Bank (2019), it is possible to identify a average growth rate of about 2%, as well the impact of the global recessions of 2009 and 2012, resulting in negative growth rates for those periods. On the other hand, Estonia has demonstrated an average growth rate of almost 5% for the past 20 years.

Even though the Estonian economy also experienced the 2008 and 2009 recession and was impacted severely, experiencing a negative of almost 15% in 2009, it also was impacted in a negative way in 1999, coinciding with a period of global recession as well. It is important to notice that Estonia only joined the European Union in 2003 and could not benefit from the economic stability that it provides before this time.

Figure 1: Estonia & EU GDP Growth
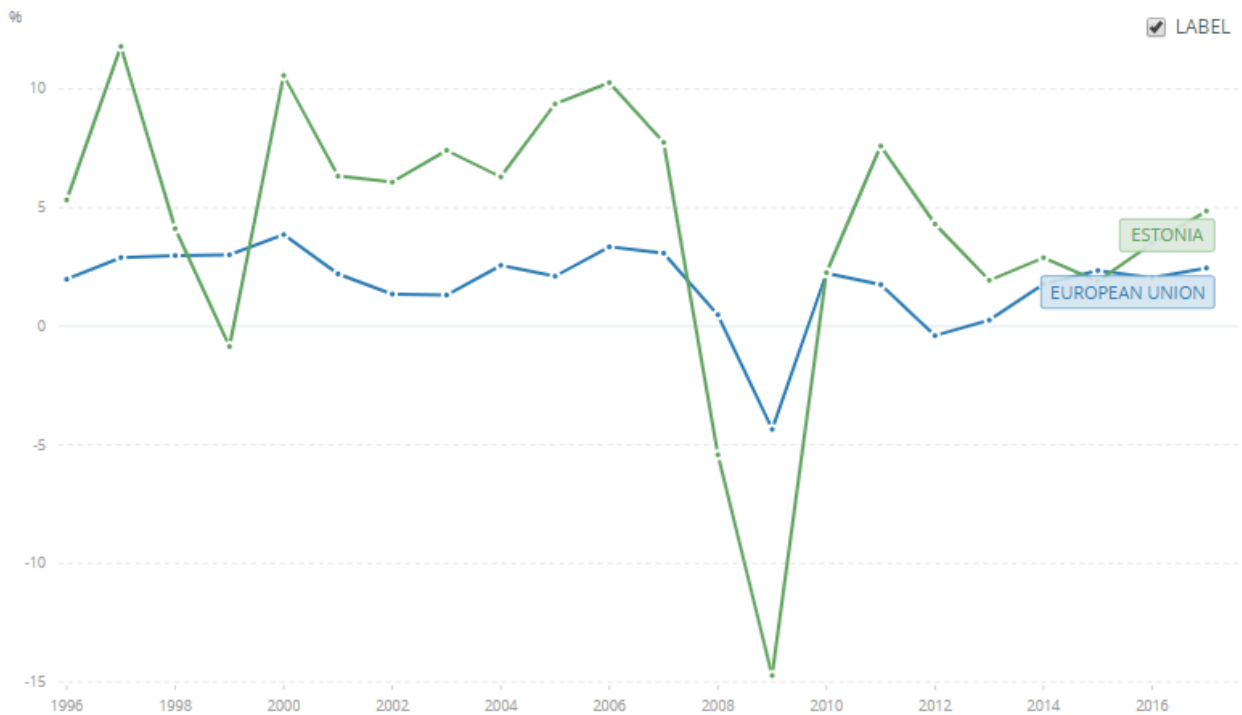
Source: World Bank, 2019

The GDP growth rate of Estonia has been stabilizing in the past few years, and the country has demonstrated an increased growth in comparison with the European Union since 2010, of between 2% to 5% higher points, driven by industries such as manufacturing, construction, information and communication, as well as professional, scientific and technical economic activities, based on data collected by Statistics Estonia 2019.

Looking at the future, and based on data collected from the European Commission (2019), it is expected that Estonia's GDP growth steadily decreases from 2017 to 2020, showing values between 4% and 2%, but still maintaining a higher growth rate than the European Union, which shows values between 2% and 1%, over the same period.

The government has been pursuing a free-market and pro-business economic framework that, together with a simplified tax system and sound fiscal policies, has allowed for a strong economic growth and freedom in the past few years.

Based on all of the analysis above, it is Safe to say that the creation of a company like Mythos Zone will benefit from the stable economic environment that the European Union demonstrates, as well as capitalize on the higher economic growth that Estonia has been experiencing and will continue to have in the next few years. This positive growth cycle supports opportunities of investment and growth in companies like Mythos Zone, that aim to disrupt the current market with an innovative strategy and an integrated online business that differentiates itself from the competition.

3.1.2. Political-Legal Environment

The European Union Is currently composed of 28 member states, and it was created with several goals in mind. These range from providing a peaceful, stable and sustainable framework for its citizens, to supporting an integrated economic system based on balanced economic growth and price stability. It also promotes its shared value system, based on human dignity, freedom, democracy, equality, rule of law and human rights. Both the goals and its valued that form the basis of the European Union (EU) are laid out in the Lisbon Treaty and the EU Charter of fundamental rights.

The global economic crisis of 2008 and 2009 also affected the European Union and its economic stability, resulting challenges such as a high unemployment rate, slow economic growth, excessive influx of immigrants and refugees, and lower trust in the economic system as a whole.
This tumultuous period resulted in political shifts, as it is normal with any economic recession, but nevertheless the overall European population has advocated different political stances.

These changes that have been experienced in the past few years represent factors for higher political instability and are also responsible for a slower economic growth.

Estonia has also been benefiting from a good political stability, as well as increasing political participation of its citizens, due to the digitalization of the whole Estonian government and voting processes. By allowing citizens to vote with their electronic identity card, Estonia has proven to be one of the leading countries in the European Union taking full advantage of the technological revolution that has been happening in the past decades.

In the legal environment, the European Union has been well conducive towards business creation and is fairly open in terms business regulations. There is one very important legal impairment to online content that has been approved in March of 2019, which is the European Union Directive on Copyright in the Digital Single Market, in which particularly the articles 13 and 11 will have detrimental impacts on online businesses and their digital content.

This directive has resulted in a new internet policy for copyright and content creation, and the most controversial clauses in the articles lead to publishers of online content being able to charge search platforms for linking and displaying snippets of their content (article 11), as well and giving content websites like YouTube new duties to heavily monitor and regulate their websites to stop users from uploading copyrighted content (article 13).

These new policies will surely have an impact on the internet freedom inside the European Union and will likely affect countless online businesses operating from within the EU, even if they are operating on a global scale.

In the case of Mythos Zone, the company will have to ensure that it is not infringing any possible copyright laws when creating content for its online platforms, and that it is complying with this directive.

Thanks to the Estonian e-residency program, it is relatively easy nowadays to setup an online business in Estonia, as well as having access to banking solutions. It generally takes less than 3 months for anyone to complete the application, become a verified e-resident of Estonia and create a company. With this program, Estonia seems to be legally at the forefront of the European Union when it comes to online businesses, as the whole entire government program was created with this goal in mind. A good example of this is the ability to manage the business accounting and legal aspects from anywhere in the world, with the digital tools provided by

the government, that utilizes technologies such as blockchain and citizen card e-readers to power the whole system.

Together with its free-market and pro-business economic agenda and regulatory framework, Estonia presents itself as the best country within the European Union to open an online business in.

3.1.3. Technological Environment

Social Media Platforms have been growing exponentially in the past decade, and the companies building these platforms have been quickly adapting their technologies to the needs of the market. The changes in the market are so rapid that there are always new companies entering into the market and disrupting several segments of the industry.

The technology powering these platforms has also been evolving, to provide not only a higher computational capability but also higher data analysis. This has allowed companies to collect significant amounts of data about its users and improve upon the platforms so that they can increase the daily time the users spend in them.

On more of a technology accessibility standpoint, there are now current offerings in the market of mobile devices for all needs and financial capabilities, allowing a much wider audience access to the available online platforms. There is also a tremendous potential in the developing countries, as mobile device access has grown exponentially in the past few years, together with internet access.

Furthermore, current platforms allow for big cross-platform integration opportunities, as it is now easier than ever to create an online brand with a full cross-platform strategy and integration. Mythos Zone will take advantage of current and future technologies to provide a cross-platform brand that has a consistent message, but that allows for the messaging vehicles to be different, in order to attract a bigger piece of the audience of this already niche market.

With the Website and Youtube channel as the main hubs of the brand, the adjacent social media platforms and products will serve as crucial pieces of the branding strategy and provide a truly innovative product to the current market.

3.1.2. Social-Cultural Environment

Even though the population of the European Union has been increasing in the past 20 years, the median age of its population has risen by almost 6 years during this period (Eurostat 2017). European citizens have longer and healthier lives, which has led to an increase in the aging non-working population, which is expected to continue as this developed region continues its growth. People also tend to be more technologically savvy and nowadays the older population is gaining access to these online platforms and their content.

Access and usage of digital technologies has been increasing exponentially over the past few years. This following analysis will be based of the Hootsuite Global State of Digital in 2019 Report, that provides the most up to date information, and created by one of the leading companies in online social media management in world.

Out of a total world population of about 7.7 billion people, in 2019 close to 5.1 billion of which have access to mobile devices, which represents a penetration of about 67%. In terms of internet access, there are reports of about 4.4 billion people having access to the internet and of which, close to 3.5 billion are active social media numbers. This represents a worldwide internet access of 57% and about 45% for the active use of social media platforms, most of them on mobile devices.

Figure 2: Digital Around the World in 2019

Source: The Global State of Digital in 2019 Report Q1, Hootsuite (2019)

Figure 3: Annual Digital Growth
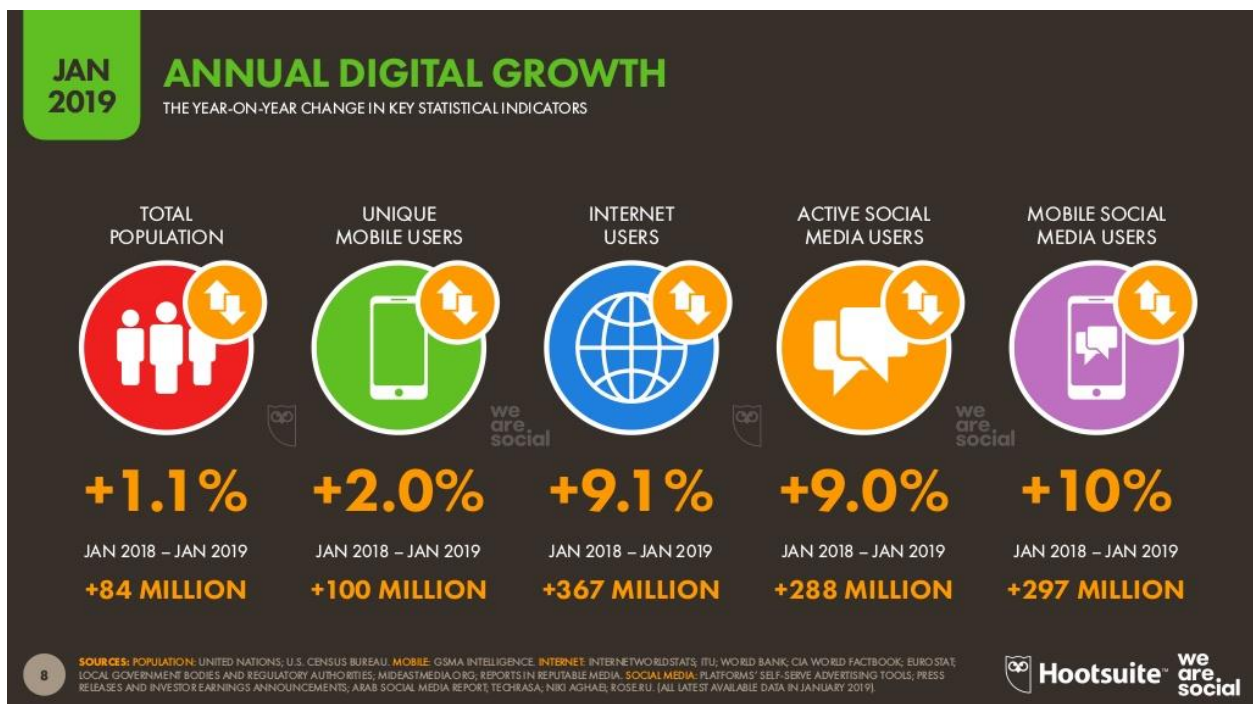
Source: The Global State of Digital in 2019 Report Q1, Hootsuite (2019)

The data collected also shows that mobile access to the internet has grown 10% from 2018, with a reported yearly growth of between 20% and 6% since 2014, and it is expected that this growth will keep increasing as mobile devices and internet access becomes more and more widespread.

Figure 4: Social Media Behaviours
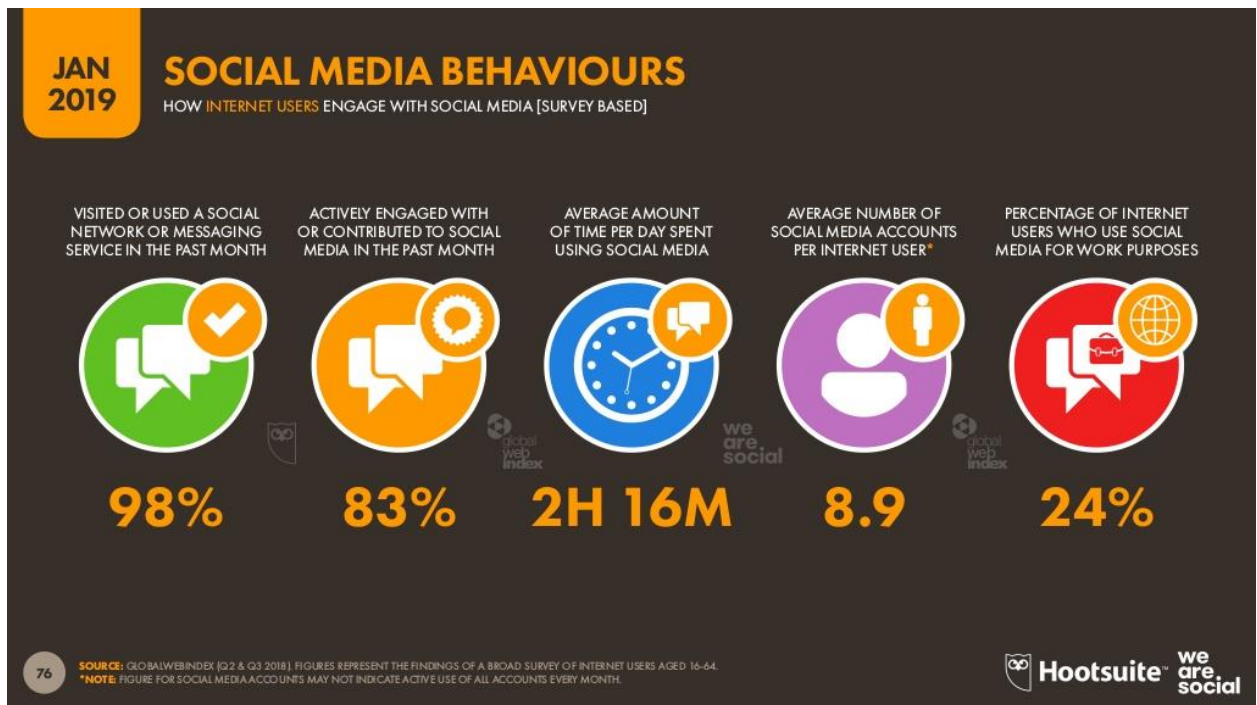
Source: The Global State of Digital in 2019 Report Q1, Hootsuite (2019)

Figure 5: Internet Use: Device Perspective
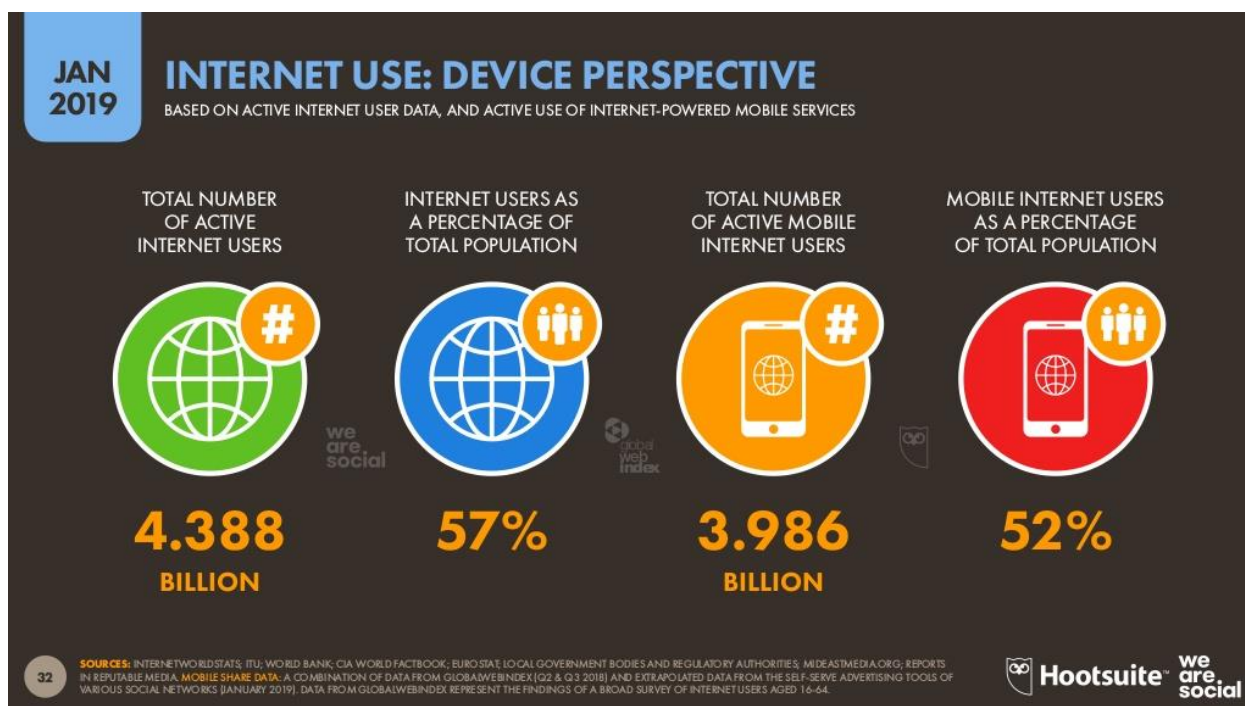
Source: The Global State of Digital in 2019 Report Q1, Hootsuite (2019)

Another important aspect of internet data is the daily time spent using the internet, which was 6 hours and 42 minutes in 2019, the first year since 2014 in which the daily time has decreased. In the previous years, this factor has represented a yearly growth of about 2% to 6%. When accounting for mobile use of the internet, this still represents about half of the daily internet access, with an average of about 3 hours and 14 minutes in 2019.

On the other hand, we have seen a significant increase in mobile daily internet time over the past few years, averaging 18% per year further clarifying the assumptions that users are shifting majorly towards the use of the internet on mobile devices rather than computer devices.

As of 2019, the average amount of time per day spent using social media is 2 hours and 16 minutes, and this factor demonstrated a big growth on the years of 2015 and 2016, but since then has been demonstrating lower yearly growth.

Figure 6: Daily Time Using the Internet: Mobile Phones
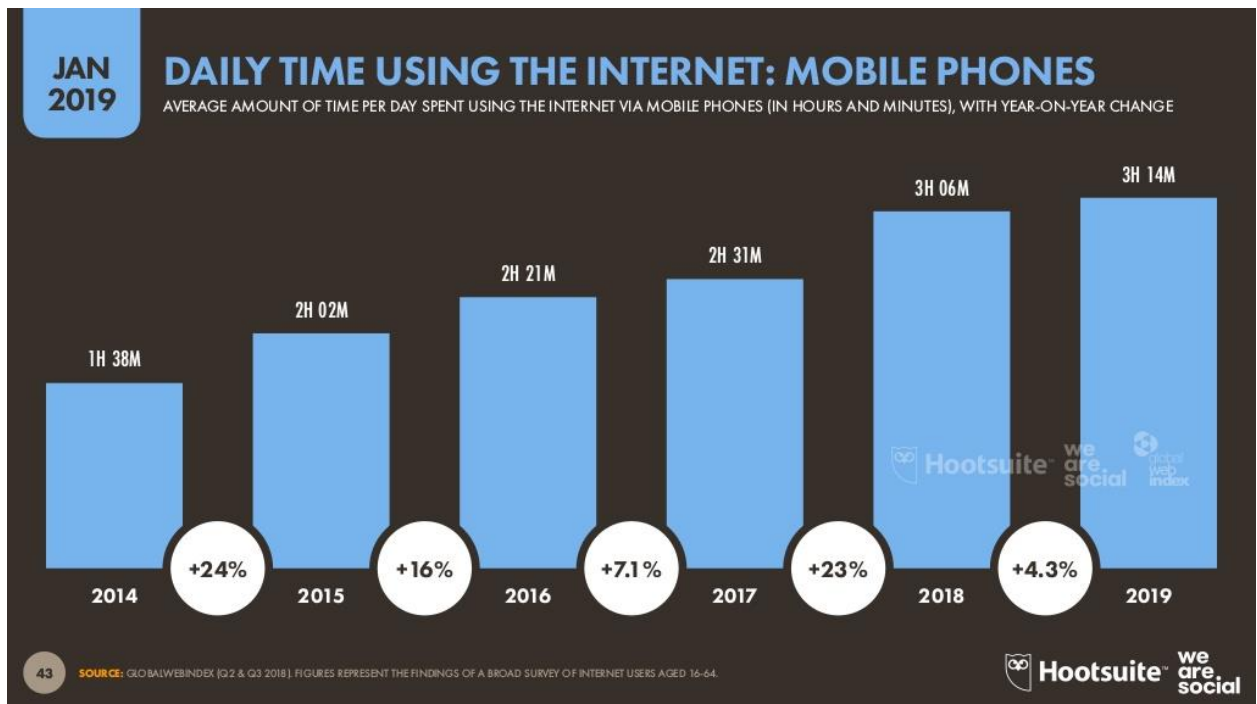
Source: The Global State of Digital in 2019 Report Q1, Hootsuite (2019)

Figure 7: Evolution of Daily Time Spent Using the Internet
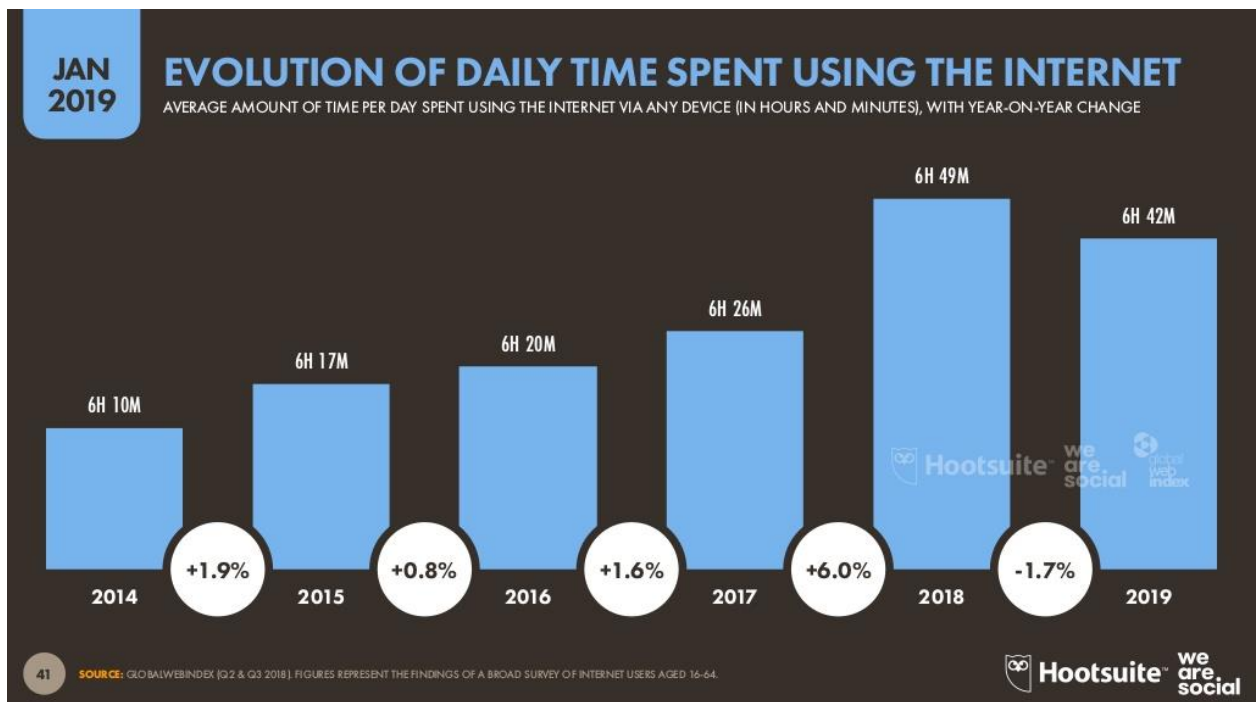
Source: The Global State of Digital in 2019 Report Q1, Hootsuite (2019)

These data points allow us to understand the impact that mobile devices, internet access, as well as social media usage, have on the daily lives of today's society. We can therefore

establish that there are significant growth opportunities for online businesses that use integrated online strategies and social media to benefit their brands. Such is the case of Mythos Zone, that will focus on creating interesting and engaging content for the users of all these online platforms.

3.2. Microenvironment Analysis

The microenvironment is composed of the people and entities that are close to the business at hand, it can affect it directly and in a measurable way and is divided in the following 4 categories: Stakeholders, Clients, Suppliers, and Competitors.

3.2.1. Stakeholders

The members of an environment that can have direct influence over the business, even if they are not paying customers, are typically called the stakeholders. In the case of Mythos Zone, we can clearly identify two types of stakeholders, the regulatory agencies and the employees:

- **Regulatory Agencies:** The regulatory agencies in charge of Estonia's online business regulation share the same free-market and open business approach of the government, and therefore give a lot of freedom to online businesses such as Mythos Zone to operate and do their normal functions, as long as they do not perform any illegal activities.

- **Employees:** In the case of Mythos Zone, the company will only have its founder as an initial employee, and therefore as the only stakeholder, but when the company inevitably grows it will increase the number of stakeholders as there will be more people entering the project's team.

The remaining stakeholders such as the clients, suppliers and competitors will be analyzed in the following sections, and therefore were not included in this section.

3.2.2. Clients

Mythos Zone is operating in a very niche market, which means that the number of potential clients is very small compared to other small and mid-sized businesses. The company will therefore try and acquire all of the customers in this small market, not focusing on demographics but instead focusing on their lifestyle and mindset.

Followers of the brand will include highly curious people that tend to be thinkers, these are constantly seeking new information and knowledge either about new topics or topics of their particular interest. The type of customer will be an open-minded individual that knows how to use online platforms and social media websites and that tends to be loyal to brands over which they have established and grown a connection with.

Furthermore, in order to build a thriving online community of people, the brand is also looking for enthusiastic people that like to connect to others about their interests and that will grow the Mythos Zone community in a positive way. By expanding upon the information provided by the company and improving it to other members of the community, these enthusiastic community members will help grow the close relationship between consumers and with the brand over time.

3.2.3. Suppliers

In the case of suppliers, which are the agents that supply the indispensable resources of the company's operations and a vital part of the value-chain, for Mythos Zone there is three aspects of the business that we must take close attention to:

- **Merchandise:** In the case of merchandise products, the online store will follow a drop shipping model using the platform AliExpress as the intermediary for the supply of its products. After a certain period of using this platform as an intermediary, and having not only developed a closer relationship with the Chinese suppliers, but also provided a good business volume to these same suppliers, Mythos Zone will start working directly with the product manufacturers with which it has developed a sense of trust with. There is also the

opportunity to work with smaller suppliers from online platforms like Etsy for smaller and more punctual promotional merchandise campaigns.

- **eBooks:** In the case of eBooks, the initial digital books will be written by the company's employees, starting with the founder, and if the company is facing a scaling point big enough, it might consider outsourcing the production of these products for a higher publishing capability.

- **Travelling Agencies:** Once the brand reaches a good size, the company will then partner with specific travelling agencies to provide these innovative historic travelling experiences focused on mythology, so in this case the supplier of the product will be the travelling agency and all of its partners that offer the several components of the trips.

These suppliers, along with the online platforms that provide the company with an integrated online content brand for Mythos Zone, are very important to the success of the brand. It is also very important to note that one of the agents that supplies an indispensable resource to the brand's success is the company itself, as the creation of online content and management of its online community are crucial aspects to the business and serve as the main point of differentiation from other companies that may be selling the same types of products or services.

Without this supply of online content, the whole strategy of the Mythos Zone brand is ineffective and will not constitute a thriving business.

3.2.4. Competitors

This internet market is not only composed of competitors that are targeting the exact same niche by focusing solely on it, but also by competitors that are doing horizontal integrations of different niches into their online content platforms. It is therefore crucial to perform an in-depth analysis of the market, identify the competitors, the online platforms they have a presence on, and the types of products and services that they are selling.

For the purpose of this analysis, we have considered brands with two different types of central hubs, that are YouTube channels and websites. Taking this into account, there was an online research of companies that have brands that follow the same path or goal as Mythos Zone and analyze their areas of action so that we can create an effective comparison with the business model proposed for Mythos Zone, resulting in a total of 11 brands (Appendix 2: Competitor Analysis). It is to note that there are very few competitors in this space with platforms that can compete with the proposed brand, because it is a very niche market

From the analysis that was conducted, we can identify that 64% of the brands are focused only on mythology content, while the other 36% create mythology content based on horizontal integration, where the channels or websites focus on something else entirely but they dedicate some resources to the creation of this topic's content.

Regarding one of the two different types of central hubs, in the case of YouTube, we can see that 735 of the competitors have a YouTube channel and create regular content for this platform. On the other hand, with the second type of central hub, we can see that having a website is not as important in this niche market, and that's why only 45% of the brands have websites.

When it comes to social media platforms and engagement with the user base, we can see that about 55% have Facebook pages, 64% have a Twitter profile, and only 9% have an Instagram page. We can see that a significant portion of these brands do not engage with the consumer on a regular basis, and don't utilize the social media platforms to their advantage, in creating meaningful relationships with each of their consumers.

For the more innovative type of content, which is the case of podcasting, we can see that only 18% of the competitors have embraced this new type of online content platform, both of which use it as their main content platform. This shows that in the case of niche markets, popular trends tend to take longer to penetrate these types of markets.

Finally, in terms of the monetization of these platforms, or the business source of revenue, we can see that only 27% of the brands have merchandise stores, about 18% have published e-

Books for sale, and none of them have other types of products or services available to the consumer.

This shows that, in line with what happens in other markets of online content, most online platforms are not well designed to optimize their business revenue and rely only on traditional means of revenue such as advertising.

We can identify a great potential with this business opportunity, because by building a brand focused on online content distribution, but that is very well organized in terms of monetization, we can offer to the consumers of this market an integrated solution that no competitor is currently offering. By creating value first and then providing the consumers with ways they can contribute to the business, we are able to create the type of customer-centric that Mythos Zone is all about.

3.3. Industry Characterization

The online business industry started as early as the 1990s with the so-called internet boom. During these years many technology companies started venturing into online platforms as a way to sell their physical products or even by creating entirely digital businesses on the web. This led to a huge increase in the valuations of these types of companies and eventually culminated in the "Dotcom Bubble" burst.

With an abundance of venture capital and after the highly speculative and fad-based investing between 1995 and 2000, the investment market realized that the majority of these companies was unable to turn a profit, and quickly plummeted between 2000 and 2002 (Investopedia, 2019).

It was only several years after that the world would start to see the newfound success of some of the companies that survived the internet crash, as it is the case of Google and Amazon, as well as new companies that would come to revolutionize the way people interact online with each other, the social media platforms such as Twitter and Facebook.

The examples above serve an important fashion, which is to highlight the 3 main areas in which users interact with the internet:

- **Search Engines:** One of the main goals of the internet is the democratization of knowledge and the unrestricted access to information about every type of topic and area one might be interested in, and this is the role of search engines. Search engines serve as a middleman between the user and the information widely available all over the internet, this middleman helps in decrypting the users' needs and providing the information that best aligns with those needs. It also helps to categorize and organize the clutter that is all the internet's information, in a friendly and useful manner. There were several big search engine companies such as Yahoo, Bing and Google, but ultimately the one that was able to evolve and adapt to the needs of the market and to meet these user needs ended up being Google.

- **E-Commerce:** When the first digital commerce platforms appeared, consumers never expected that they would ever buy physical products online, especially because it required providing their personal and payment information to a company which they only have ever come in contact with via a digital screen. Fast forward almost two decades and online shopping is one of the most common practices nowadays, with more and more people buying more products and services online than they do in real life. This represents an enormous challenge for physical retailers because most of their consumer base is moving online, but also democratizes the space in the sense that now it is easier than ever to start and run an online commerce business. These fewer barriers of entry provide an advantage to new businesses, but it comes with two very big disadvantages, that there is a lot of competition in online shopping, and that the biggest platforms can kill their competition very easily. Unless you are running a very niche related shop, very big companies like Amazon, that started just as an online book seller but since has expanded into every category imaginable, are able to undercut their competitors' prices due to economies of scale, as well as having much higher financial capabilities of customer acquisition.

- **Social Media:** These platforms have been able to help the development of relationships between people over the internet, and significantly benefit from having a lot of users, the more users a platform has, the higher the likelihood of acquiring new users. Their growth in the past decade and a half has been outstanding and serve as a shining example that word of mouth marketing is still the most powerful form of marketing there is. Humans

are social creatures, that desire a sense of belonging in a social group of likeminded people, and therefore if a person's friends or family is using the platform, the more likely that this person will join this platform as well, to be part of this group and feel connected to the other members. Facebook and twitter are examples of platforms that have grown surprisingly big, and they represent companies that were and are still able to adapt very quickly to needs of the market and their user base, which is what has allowed them to garner the adoption that they have. It is also very important to note that new social media platforms are being created constantly, and that although very difficult to grow a significant user base in today's day and age, there are still cases of companies such as Instagram, WhatsApp and Snapchat that have been able to do that. This serves to clarify that any online business must have not only an online presence in these platforms, but also be able to adapt and create an online presence in new and upcoming social media platforms.

We can then derive from these factors that the online industry is an ever-evolving intricate piece of machine, and that businesses should be able to understand the pieces that make the machine move before they are able to achieve success with their online products and services. The ability to adapt to new changes and to constantly learn new ways of growing your business online are crucial to its success.

3.4. Market Potential of Mythos Zone

The market that Mythos Zone is targeting is a very niche marketing, and therefore a traditional analysis of the market potential is not viable in this scenario, since the amount of data available on this specific niche is inexistent. In this section, I will analyze the market potential in a different way, that allows a better understanding of the potential of these extremely niche markets.

The concept was created by Kelly Kelly in 2008, where he released an essay dubbed "1000 True Fans", that explained how businesses don't necessarily need to target gigantic markets and try to acquire as many customers as possible.

In the essay, Kelly defines a true fan as "a fan that will buy anything you produce. These diehard fans will drive 200 miles to see you sing; they will buy the hardback and paperback

and audible versions of your book; they will purchase your next figurine sight unseen; they will pay for the "best-of" DVD version of your free Youtube channel; they will come to your chef's table once a month."

Nowadays people tend to create businesses in which their target goals are to acquire millions of customers, grow it as big and as fast as they can and then sell the business to a big company. Kelly provides a much more conservative alternative where a person only needs to find and develop a deep connection with a small number of customers in order to create a thriving and sustainable business.

As he put it in the essay, by creating a business where you are able to create enough value each year so that you can earn 100 dollars each year, and developing a direct and personal relationship with each your customers, you are effectively able to earn about 100,000 dollars per year from your 1000 true fans. This represents a significant earning amount for any online small business.

It is also important to note that the concept of 1000 people is also flexible, and as Kelly says, you can also have 2000 people paying you 50 dollars per year for example. The main point here is that you should create an online business that has a small enough number of true fans so that you are able to provide them with more value than what they think the money they are giving you is worth. As long as the customer believes what he is getting is more valuable than the amount of money he is forgoing, the costumer remains happy. This is what happens with the true fans concept, you provide such unbelievable amounts of value to your true fans that they are more than willing to pay you in order to support the source where they are getting all that   value   from.

Nowadays, there are platforms that were able to understand this concept and capitalize on it, whether on a one-off or in a recurring basis. Kickstarter is an example of a platform where people can share their ideas and gather financial support from people all over the world that support their idea. In this case the attachment of the fans is more towards the idea and not to the person itself, but there is another example of a company that was able to create a product that perfectly validates this concept. Patreon is a platform where anyone is able to gather financial support from their true fans on a recurring basis.

The word "patron" means a person who gives financial support to a person, organization or cause. Before there were schools, this concept was very used in teaching, where parents would be patrons to their children's tutors and teachers and support the tutors financially, whether individually in the case of private tutoring or collectively in the case of group tutoring.

Patreon takes this concept and utilizes the internet to apply it to any area of interest and give access to financial support from people anywhere in the world. With the platform anyone can create a structure of rewards for people that contribute financially on a monthly basis to a specific person or group of people that is creating value, usually in the form of online content about the same area of interest as the patron. It is mostly comprised of online content creators, but also has other types of physical or digital areas of interest that are not necessarily online based.

To conclude the market potential analysis of Mythos Zone, this true fan approach will be the one used with the brand, where the goal is to gather and nourish a very dedicated community of people that are willing to pay for products and services in order to make the Mythos Zone brand grow and provide them with even more value. This value can be in the form of engaging content, deep meaningful connections or even useful and accurate information about the topics they are interested in.

As stated previously in section 3.2.3. Suppliers, the differentiation that the business has from its competitors and that will allow it to sell its products and services, is ultimately derived from these forms of value creation mentioned above.

4. Internal Analysis

4.1. Value Chain

According to Michael Porter's value chain concept, the value chain of a company is comprised of the specific activities that generate value by providing a competitive advantage to the company, and the model divides these into two categories, the primary activities and the support activities, totaling 9 activities.

The primary activities are (1) inbound logistics, (2) operations, (3) outbound logistics, (4) marketing & sales, and (5) service.

The secondary activities are (1) procurement (2) technology development (3) human resource management, and (4) firm infrastructure.

Looking at the primary activities in the model, we can identify 2 activities that generate value and are sources of competitive advantage for Mythos Zone:

- **Marketing & Sales:** This segment of the business includes the creation of content for its online platforms, as a source of marketing for people to get engaged to the brand. Once again, the company's differentiation strategy is based upon the creation of this integrated cross-platform information system for the different mythologies that people might be interested in, and that is the primary way that the company generates value for its brand and customers. It is only logic then that this activity becomes the single most important activity of the entire business and the one that generates the most value in the value chain model.

- **Service:** In this case, service is not only the way in which the company helps the customer throughout the buying process, but we must also include the relationship created with the users even if they do not become buyers of the company's products. By having a close relationship with each user and helping the users out as much as they need in the buying process, Mythos Zone will provide excellent service, as one of its differentiation points from the competition.

While analyzing the supporting activities, there are 2 activities that may serve as a competitive advantage for the company:

- **Technology Development:** One of the goals of the Mythos Zone brand is to utilize technology to its full capacity, and that includes the usage of new platforms that are not well established yet, as well as using any available technology to provide as much customer value as possible. By quickly adapting to new technological developments, the company will be able to maintain its first-mover edge against competitors, since most of them tend to explore only these new technologies when they are already well established.

- **Infrastructure:** The company's infrastructure also represents a competitive advantage because, being established in Estonia allows it to be business completely optimized for the online space. The country is really advanced in terms of supporting the infrastructure of the online companies being established there, and provides significant cost reductions in general company management, as well as finance, accounting, legal and government affairs.

4.2 VRIO Model

While the value chain analysis is based on logistics and distribution, the VRIO model looks at the company's resources and analyses it on more of an economic perspective, with their performance and subsequent competitive market advantage.

The VRIO is composed of 4 main questions that should be asked about the company's resources, these are "Valuable", "Rare", "Costly to imitate" and "Organized to capture value".

The variable of "valuable" questions if the resource allows the company to exploit new opportunities and defend against possible threats, and if true, then the resource is valuable. The second variable of "rare" questions the difficulty of acquisition of said resource by other companies and, if the resource is difficult to attain by other companies, then it is rare. The third variable "costly to imitate" questions the difficulty of other companies imitating the product, either by imitating, buying or substitute the current product at a reasonable price, the

harder it is to do any of these types of imitations the more costly it is to imitate. The fourth and final variable "organized to capture value" questions the ability for the company that have these resources to capture value from them, due to its managerial, organizational and production systems.

By meeting all these criteria then we can confidently say that these resources provide a source of sustainable competitive advantage and that the company is ready to capture the value that they can generate.

In the following analysis, we are using only intangible assets as the company's resources because, due to the previous value chain analysis that was created, we understand that these intangible assets are the resources that can become a sustainable competitive advantage:

- **Brand Recognition:** The brand can become recognized as the leading online platform for mythology, which can become a valuable and rare resource, but since it is not costly to Imitate and other companies can follow a similar marketing strategy, this resource becomes a source of short term competitive advantage. The firm is also equipped to capture the value generated from the resource so even if it's short term, it will provide a competitive edge against its competitors.

- **Reputation:** This is a characteristic that must be developed over time, but that can become and extremely valuable and rare resource, the longer and harder the efforts put into creating a great reputation, the more difficult and subsequently more costly to imitate will it be for other companies. Once the great level of reputation is established, the company will be able to convert all of the value generated into a strong and sustainable competitive advantage.

- **Customer Relationship:** Having a very good relationship with your customers is something that is crucial to any small business, as these returning customers are what ultimately leads to business prosperity. In this particular case, although this resource is very valuable, it is not a rare resource, as well as being easy to imitate, mainly due to the fact that the other small companies that are competition with this business can also focus highly on the relationship creation part of the business. These competitors don't even

necessarily have to employ the exact same tactics but can create different tactics catered to the needs of their business and customers, and it will be as impactful. This leads to an impact of competitive parity, since both the company and its competitors are on an equal level in terms of the resource.

Table 1: VRIO Analysis

Resource	Valuable?	Rare?	Costly to imitate?	Organized to capture value?	Competitive impact
Brand Recognition	Yes	Yes	No	Yes	Short Term Competitive Advantage
Reputation	Yes	Yes	Yes	Yes	Sustainable competitive advantage
Customer relationship	Yes	No	No	Yes	Competitive Parity

Source: Elaborated by the author

5. Competitive Analysis

5.1. Industry Attractiveness – Porter's 5 Forces Model

Utilizing the Michael Porter's 5 Forces Model, we can effectively determine the long-run attractiveness of the market segment for this new company. It considers the threats that these 5 forces pose as competitors to the business and how the level of intensity of these forces affect the overall competitiveness level of the market segment (Appendix 1: Porter's 5 Forces Model).

5.1.1. Rivalry among Existing Competitors

A higher overall rivalry between competitors in a specific segment or industry tends to be damaging to everyone and impair everyone's possible success and profitability. According to this analysis, we consider a high level of rivalry if:

1. There is a high Number of Competitors
2. If the competitors are too big
3. The Level of Customer Loyalty is high
4. There are high exit barriers
5. Level of Advertising Expense is high
6. Product Differentiation is small
7. Industry Growth Rate and Size is small

According to the analysis, we deem the rivalry among existing competitors of Mythos Zone to be low (2, on a scale of 1-5). This has mainly to do with the low amount of competition between existing companies, this market is a niche market and they tend to share the audience rather than compete for it. Each competitor tries to grow via differentiation of their own brand, and I believe that should also be the goal of Mythos Zone.

5.1.2. Threat of New Entrants

The threat of new entrants in any given market tends to relate to the attractiveness of a market, its size and if it is easy to enter the market with higher resources and capabilities than your competitors. This ultimately results in the barriers of entry to a market having the most impact on whether new companies will pursue that goal, more specifically resulting in a high risk due to:

1. Impairing Legal Barriers
2. Need for a high Brand reputation
3. High Amount of Capital required
4. Retaliation by existing companies
5. Difficulty in accessing distribution channels
6. A high need for Product Differentiation

Based on the analysis, we can classify the threat of new entrants in the market as Low Average (3, in a scale of 1-5), which means that there are some obstacles for new companies to enter the market, such has the differentiation of the brand, despite being relatively easy to enter the market.

5.1.3. Threat of Substitutes

There is a threat of substitutes in the market when other companies can easily replicate or offer a better product or service than the one being provided by the company, and results in higher competitiveness and lower revenues for all the market players. This threat level is high when:

1. Number of Substitutes is high
2. Cost of Changing is low
3. Performance of Substitutes is higher

Based on the analysis made, this force level is considered high (3.67, in a scale of 1-5), which means that there is a high threat level of substitutes appearing in the market. This means that

competitors can easily provide substitutes to the company's products and drive away market share, with little friction for the market audience.

5.1.4. Bargaining Power of Suppliers

Any company where the suppliers in the value chain a high bargaining power have has a high level of risk in its activity, the higher it is, the more impactful will their actions be to the company. The bargaining power of suppliers will increase if there is:

1. Small Number of Suppliers
2. Big Size of Suppliers
3. No Ability to find substitute suppliers
4. A high Cost of switching suppliers
5. High Importance of quality of products bought
6. High Threat of vertical Integration

We can view via the analysis made that the bargaining power of suppliers is relatively low, so this force level is considered low average (2.33, in a scale of 1-5), which means that the companies in the marketplace are not constrained by their suppliers and have the flexibility and liberty to choose their optimal suppliers and product strategies.

5.1.5. Bargaining Power of Buyers

Buyers that have a high bargaining power can influence the company in several ways, whether it is by affecting the price, decreasing the revenue figures of the company or even their profit margins, the more power the buyers have, the more customer-centric the company needs to be. The following factors will result in a high bargaining power of buyers:

1. Small Number of Buyers
2. Small Size of Buyers
3. Buyers' low costs of switching suppliers
4. High Number of substitute products
5. Buyers lower price sensitivity

6. Big Size of each order
7. High Threat of backwards integration
8. High Importance of quality of products bought

In the last of the forces, we can view in the analysis that this is the most impactful force of the business, displaying a high bargaining power of suppliers (4, in a scale of 1-5). This results further indicate that the business at hand is a very customer-centric business and in order to be successful, it must follow a customer-value strategy. Since the consumers will have a high impact on the company and its operations, it is very important to recognize and work with them, not against them.

Based on the Porter's 5 Forces Model analysis, we can verify that the attractiveness of the market is average, and that this attractiveness comes from the fact that the market is easy to enter into, there is a low level of competitiveness in the market, the suppliers don't have a lot of impact in the company. That attractiveness is contrasted the difficulty of the market in terms of differentiation and customer loyalty, due to a high threat of substitutes in the market, as well consumers having a lot of bargaining power in the consumer-company relationship.

Based on these results, the company and brand Mythos Zone should create a customer-centric strategy, and create as much product differentiation as it can, in order to overcome this market difficulty.

5.2. SWOT Analysis

The SWOT analysis is a multi-dimensional tool whose goal is to "Match the company's strengths to attractive opportunities in the environment, while eliminating or overcoming the weaknesses and minimizing the threats", as stated in Principles of Marketing (Kotler, 2018).

By creating this dynamic analysis on a predictive basis of the future activities of the company, this will allow the company to create an effective and compelling growth strategy that considers what can or should occur in the future, as the company grows and evolves.

Strengths	Weaknesses
- Organization of information - Quantity and quality of information provided - Catered content for each type of audience - Strong variety of physical products that consumers can purchase - Affiliations with popular travel agencies to provide immersive experiences - Unique adaptability to new distribution channels - High involvement with the consumer results in brand attachment - Able to respond very quickly to consumers and new market opportunities, as there is no need for higher management approval - The team can devote a lot of time to consumers and potential customers - Marketing direction can be changed quickly if it's not working - Universal Source for Everything Mythology-related	- Low amount of collaborators - Revenues increase gradually but are very low in the beginning, which might affect scalability - Little market presence or reputation in the mythology and online space - Since the team is small, it is very vulnerable to vital staff leaving or being sick - Quick need of scalability might result in the brand losing its values, as the new addition of many collaborators might make it difficult to maintain the same level of interaction with the consumer - Lack of experts in the mythology area in the main team might prove to be a challenge
Opportunities	**Threats**
- Possibility to acquire a large market share of the mythology enthusiasts - New social media and podcast trends allow for a better interaction with the	A large competitor may decide to change its focus and might have the capability to wipe out any market position that we have achieved

consumer and subsequent creation of brand-attachment • Mobile-first platforms will allow for a significantly better customer experience • Increased adoption of audio platforms such as podcasts allow for an easier reach to new consumers • Close relation to the consumers in both online and physical community related discussions and events allow for a stronger brand-attachment • The business model allows for expansion in both areas of action and monetization possibilities • Competitors are very slow in adapting to new technologies, and this new brand is not bound to any new technology or platform, it is completely adaptable to the best platforms of the moment	• Virality over any piece of content or media might result in the company not being able to quickly scale and keep its core values at the same time, which can destroy the customer loyalty of the earliest supporters of the brand • Religious beliefs and lifestyles might affect a part of the business, since some of the mythologies are based in theology

Source: Elaborated by the author

6. Strategic Analysis

In business, there are several strategies that companies might pursue in order to gain a competitive advantage and be successful in their endeavors. To that extent, we will be using Porter's Generic Strategies in order to determine the scope of the business and the source of its competitive advantage, as stated in Marketing Management (Kotler, 2018).

The three strategies in this framework are:

(1) Overall Cost Leadership, where companies focus on continuously decreasing their costs in order to undercut their competitors. This tends to create a vicious cycle where each company is always trying to undercut the other companies in the same market and drive the overall profitability of the whole market down;

(2) Differentiation, where companies focus on achieving a superior performance on the areas of their products or services that their customers value the most, often leading to them perceiving the product as unique or different from its competitors.

(3) Focus, where companies concentrate on narrower segments of the market, for example niche markets, and then pursue that with either a cost-leadership or differentiation strategy. In this scenario, it is very important for companies to deeply understand the dynamics of their niche market and be able to meet the unique needs of their customers.

Mythos Zone will focus on a Differentiation Focus strategy that will allow the company to take full advantage of an extremely niche market with a product offering that is inherently differently from competitors. This differentiation stems from the fact that the products being offered are deeply attached to the brand being created and are only perceived as unique by the customer because the customer develops a very close relationship with the brand via the extensive marketing communication channels and messaging.

In this type of business, the information being provided is as much, if not more important the actual products being sold, and the lack of it means the irrelevance of the products. This means that if the products are not preceded and subsequently accompanied by a constant customer engagement via the marketing channels, the relationship that the customers have the brand is not enough to result in them buying the products being sold.

Since the products will only be purchased if the customers have a deep connection to the brand, it means that the marketing strategy and channels of communication are a critical factor of the company's future success. This condition is implied in the rest of the Mythos Zone business

plan and is considered as the most important factor in the estimates presented in both the implementation plan and the financial analysis, sections 8.4 and 9 respectively.

7. Strategy Formulation

7.1. Mission, Vision and Values

7.1.1. Company Name

The chosen name for this media company is Mythos Zone. This name provides the reader with the information about the company's goal and products provided, as it combines the abbreviation of Mythology into Mythos and uses "Zone" to implies that it is the place to go for information about this topic.

7.1.2. Vision

To be the number 1 place in the internet for online content and information about mythology.

7.1.3. Mission

Mythos Zone's mission is to empower the mythology enthusiasts and any curious mind with the information they need, in whatever form of content they prefer.

7.1.4. Values

- Relevance, of the information provided to the consumer;
- Innovation, in the delivery methods of this information;
- Trust, to provide historically correct and trustworthy information to the consumers;
- Growth, to provide ways in which people can learn and grow from the lessons of mythology;
- Fun, in the way the information is delivered to the consumer;
- Passion, to provide a place where passionate people can come together and rejoice;

7.2. Objectives

General Goals:

- Become a reputable and a source of reference in the mythology category for online content;
- Grow the audience base and acquire brand loyalists;
- To create and informative and fun place where people with the same likes and interests can come together and interact with each other;
- Provide a content hub that aggregates trustworthy information about mythology in one place;
- To fully utilize the potential of all digital media platforms to grow the Mythos Zone Brand;

These general goals will be supported by these specific objectives:

- Beginning of the online content creation and publishing in the first quarter of 2020;
- To provide information about every major mythology before the end of 2020;
- To have recurring online content in the form of Website information, Podcast series, Social Media content and Video content in platforms such as Facebook and Youtube by the end of the second quarter of 2020;
- To start the monetization aspect of the business in the first quarter of 2021, and start with both an eCommerce Platform, as well as Brand Endorsements;
- To provide the initial self-published digital books in the year of 2021;
- Partner with a travel agency to provide Historical Travel Experiences starting from 2022;

7.3. Critical Success Factors

The critical skills or capabilities for the success of the company are a vital part of any company's business strategy and represent the company's critical success factors. Based on

the previous market and competitor analysis preformed earlier, we can identify several critical success factors (CSF) of the Mythos Zone company:

- Content that provides the perfect balance of education and entertainment, that is fun and engaging, while at the same time very informative and accurate;
- Consistent Brand image, across all social media and digital platforms;
- Variety in content formats, creating content in different digital formats allow for an acquisition of a wide audience and stronger brand attachment because the content feels more customized;

8. Implementation Strategy

8.1. Marketing Strategy

8.1.1. Segmentation

For our specific goal, we will divide the market segments mainly according to psychographic and behavioral factors, because on a geographic and demographic level, we are already target most of the internet users that can use technological devices and understand the English language at a basic level.

From a Psychographic perspective, we can identify several groups of market segments:

- Lifestyle
- Personality

From a behavioral standpoint, we can identify the following groups:

- Benefits Sought
- Loyalty Status
- Attitude Towards Product
- Online digital Platforms Usage

8.1.2. Targeting

Since the company will be competing in a very niche market, where acquiring a small and loyal user base is much more profitable over the long-term, it doesn't require the targeting of a very wide group of people. This being said, a long-tail approach to targeting will be much more effective, and that is why the target user for Mythos Zone is a:

- Thinker, seeking information and knowledge
- Open-Minded
- Looking for quality information
- Very loyal to trusted sources
- Enthusiastic
- Veteran user of Online Media Platforms

8.1.3. Positioning and Differentiation

Mythos Zone will position itself as a Mythology Hub for the Internet, where people can come and get a basic, medium or advanced knowledge of the different mythologies that have impacted the world.

By combining modern content platforms with a central hub, the brand will be able to provide an organized and structured way for people to learn about mythologies. With different types of content for different user needs, such as quick information via social media posts, audio content in the form of podcasts, video content for a visual and animated representation of the information or in a readable format such as digital books, the brand is able to differentiate itself from all other mythology brands by providing the users with the option to obtain the same information in whichever way is more effective or convenient for them, at any point in time.

8.1.4. Value Proposition

Mythos Zone, a place where you can come and get your mythology fix. Whether you want to know a lot or just get a quick gist, let's learn together about all the wonderful mythologies that have been a part of our long human history in this planet.

8.2. Marketing Mix

8.2.1. Product/Service

With the nature of the brand, being a media/influencer type of company, it can display different types of products, both in the B2B and the B2C areas. These following products and services pertain to each of these areas, either completely or a mix of both.

Section 9 of this business plan contains a forecast of the total expected revenue of the entire company, along with the foreseeable individual segments, based on estimates of audience growth and current industry metrics for each specific area.

eCommerce/Merchandise:
The business will have a section focused entirely on eCommerce, of both merchandise and also physical products related to each of the mythologies, that consumers can purchase.

There are already online eCommerce stores providing these types of products, but only related to each specific mythology and without any media brand attached to them. The creation of this brand as a mythology media outlet and the subsequent aggregation of the eCommerce products for each specific mythology will provide a much-needed solution in the market, as consumers are more likely to purchase products of brands, they are attached to rather than a brand they are just connecting with for the first time.

Historical Travel Experiences:
By partnering with different travel agencies, a new source of revenue can be created while the brand develops a much closer connection with its loyal customers. In-person experiences tend to impact the consumer in a stronger way than online platforms, and this new service provides

the more experienced enthusiasts with a way to delve deeper into the mythology area and its historical significance.

e-Books:

The third type of product that will be sold to the audience will be in the form of digital books. This will be done in the form of Amazon Self-Publishing e-Books and provide an additional source of revenue for the Mythos Zone Company, simply because Digital Releases of Books allow for a much higher profit margin and also because most of the Brand's audience already consumes the content online, in a digital way.

The vastly different areas of mythology allow for the creation of fiction stories, informational glossaries, cross-mythology analogies and other types of philosophical analysis of each specific mythology and its components/stories.

Brand Endorsements:

Being an influencer/media type of company, we must include in the "products" of the company the brand endorsements and advertisements that it promotes, even though these are not in-house products or services, they are still something that the brand is selling indirectly to its audience and consumers.

These types of endorsements can generate revenues for the companies in several ways, either individually or with a mix between all of them:

- One-time payment for a direct sponsorship of a specific product or service, or even the promoting the brand itself;
- Recurring payments that result in Mythos Zone being a brand, product or service ambassador, that promotes them in a recurring fashion;
- Commission or affiliate marketing, where the Mythos Zone Brand promotes a specific product or service and receives a commission of every sale of what it is promoting;

8.2.2. Price

The price of each of the products displayed before will vary on the type of product it is and also the size of the audience that the media business of Mythos Zone has at any specific point in time.

For the price strategy, there are three possible strategies that I can implement when selling the company's products:

- cost-based pricing, where a company typically applies a fixed markup percentage on top of the products cost;
- competitor-based pricing, where a company analysis the market and sets its products' prices in the same level of the competitors' products;
- value-based pricing, where a company is typically able to set its own price, different from product to product, depending entirely on the value that consumers attribute to the brand;

Since the company's products' success is entirely dependent on its brand differentiation value (refer to section 6 – Strategic Analysis), I have decided that the price strategy that will be implemented in all of the Mythos Zone products will be a value-based strategy. Therefore, it is not reliable to indicate a price in this section for any of the products, as the price can shift rapidly depending on the growth stage of the brand, the size of the brand's audience, and the attachment of said audience to the brand itself.

For financial purposes, and so that a proper financial analysis can be forecasted, In section 9 of this business plan, I will rely on market data collected from different online sources, regarding the topic of online influencer revenues and its relation to their audience size. This way, I will be able to generally predict my company's revenue figures, and provide that In the financial analysis, accompanied and directly related to the expected growth of the brand's audience.

eCommerce/Merchandise:

With a mix of both Chinese mass-production manufacturers and lower volume handcrafted exclusive materials, the brand will be able to have a healthy mixture of high and low margin products to be sold to the public.

Using Chinese manufacturers available via places such as Alibaba and Aliexpress, and subsequently with direct contacts with chines manufacturers, this will allow for most of the company's products to be sold at a very high margin in regard to their cost. Associating a strong and powerful brand with an eCommerce platform is crucial to the success of the platform, as the eCommerce market becomes more and more saturated int the upcoming years.

Historical Travel Experiences:

The prices and margins of this specific segment of the business will be on par with industry standards, as this will function more like a brand-attachment strengthening vehicle than a high volume and profitable endeavor.

e-Books:

This is another high margin section of the business, as it contains very low production costs and provides infinite scalability. The prices of said books will also be on par with industry standards for self-publishing books, with Amazon taking a publishing fee off the sale of each book (fees may vary depending on the time the books is published)

Brand Endorsements:

Depending on the size and engagement of the Mythos Zone audience, at any specific point in time, the prices the company sets for brand endorsements and advertisement will vary accordingly. Affiliate marketing also provides another difficult avenue to predict as it will vary immensely on the quality of the products being advertised, as well as the conversion rates of the audience.

8.2.3. Communication Mix

The online content that will be created for the following platforms will have 3 main stages of development, where each stage focuses on the creation of the best quality content around a specific set of mythologies.

In the first stage, the brand will publish online content around some of the most popular mythologies in today's culture, Greek, Norse, Japanese and Egyptian mythologies. By tackling the most popular mythologies, it serves as a good base for the establishment of the online brand and start building a relationship with people who are interested in mythology and search for information online about them.

In the second stage of development, the mythologies explored will be the Roman, Hindu, Chinese and Mayan mythologies, also very popular amongst the mythology enthusiasts. At this stage the Mythos Zone brand is already establishing itself as the dominating brand in the marketplace, by providing information about these eight main mythologies in a clear, fun and informative way, in whatever form of content the consumer might prefer.

In the third stage of development, the brand will not only start to explore less well-known areas such as the Celtic and Slavic mythologies, but also explore different religions which can also be considered as different types of mythologies such as Christianity and Islam.

Website:
This will be the main hub of information of the brand, everything will point to the website and it will be developed for mobile-first.

It will have a chronogram that relates each mythology with the period of history in which it was most prevalent and supported by its respective population.

It will be completely user friendly and provide an incredible experience for both novice enthusiasts and the depth that experienced enthusiasts require from a platform of this scale, all of this supplemented by creative artwork and content that is much more appealing to today's online audiences.

Social Media:

Besides being able to adapt quickly to new social media platforms that might become popular, the content created for these platforms will be unique and catered to each one, as each platform has a different set of consumers that require a different type of content in order to be engaged.

These will also be the main areas of interaction with the brand's consumers, with the development and management of groups specific to each mythology, where the brand can foster different types of activities such as discussions and community events. This together to the closeness of the consumers and the creation of brand ambassadors as community managers will allow for a big level of co-creation in the type of content that is being shared to the brand's audience.

From the activities and content being developed via these social media platforms, we can already establish some of the type of information being developed and distributed here. Social media tends to favor shorter forms of online content and that is why we will include content such as short stories & tales, concept art of the different mythologies and even quotes from popular fiction books related to mythology. The brand can also create different types of engagement content, separate from the community groups, such as quizzes and contests about the different mythologies.

Youtube / Facebook Informational Videos:

These platforms will provide one of the different types of content being provided to consumers, which is the video format. It will also have a big focus in educational content, as it provides an easy and digestible content format for younger audiences, which also prefer short-form content.

By having a presence in the biggest video platforms popular at each moment, this will allow the brand to capture a wider audience and new enthusiasts of mythology that might not have entered the space because of the current format of informational content available online.

The three main types of content that will be created and distributed via this platform include the explanation of mythology characters, the family tree of the encompassing mythology and the re-telling of popular tales & stories of each different mythology.

Podcasting:

Being one of the latest trends and form of online content, mainly due to a shift in the lifestyle of many consumers, the podcast allows for the development of long-form content. It also provides a better form of information consumption and learning for people whose learning pattern favors audio instead of video.

The type of content can also vary as the brand can focus on creating audio versions of many myths, discussions with the community or with podcast guest, interviews with mythology experts and even roleplaying games of each mythology.

Gaming Content:

Online viewership of gaming youtubers and live streamers has been increasing drastically in the past few years. By taking advantage of this growing trend, Mythos Zone can expand its audience more rapidly by also having gaming content created and published on a regular basis.

The gaming section of the business will consist of an on-going content creation of gaming related videos of mythology video games, that will consist of both entertainment and informational content for the brand's audience.

Some of the games that will be explored in this type of content will be "Smite" from Hi-Rez Studios, "Hades" from Supergiant Games, "God of War" by Sony Computer Entertainment's Santa Monica Studio, "Gods and Monsters" from Ubisoft, as well as other games that might be related to mythology or religion.

8.2.4. Place (Distribution)

Even though each product or service has a different distribution vehicle, they will all be displayed and accessible in the Mythos Zone website, as it will function as a middleman in the consumer buying process. The website will contain all the sections with information about the products and relay the user to the respective endpoint of distribution.

eCommerce will forward the users to the dedicated Mythology store that is powered by the Shopify technology and the brand's e-Books informational page will allow users to purchase from their preferred Amazon website each of the digital products.

Finally, both the historical travel experiences as well as brand endorsements will have dedicated informational pages, with detailed information about the travel experiences that can forward directly to the partner agency's package page, and the recurring ambassadorship products or services information and links in the second case.

8.3. Organizational Structure

8.3.1. Project Management

The project manager will have to oversee all of the company's creative and business aspects, and develop both areas in a balanced way, so that the company and brand can grow exponentially, while at the same time ensuring the same or superior level of content and product quality regardless of the size of the brand.

I will be the project manager for the entire duration of the project. This area can be subdivided into smaller areas as the company grows, eventually hiring people to run the creative or business aspect of the brand. Nevertheless, I as the sole proprietor of the company and brand, will maintain a significant level of control over the company's operations.

8.3.2. Commercial Department

The commercial department will oversee the business opportunities and the monetization aspect of the brand. This will encompass several tasks, such as handling the sale of merchandise or digital products, the historical travel experiences or even brand endorsements.

I will run the commercial department and, as the brand and company grow, this is one of the company's areas that will eventually be delegated to a new person.

8.3.3. Marketing Department

The marketing department oversees the growth of the brand's digital and physical presence. It will consist of managing entirely organic growth strategies and campaigns in the initial stages of brand growth and will eventually evolve into managing both organic and paid marketing efforts.

I will operate the marketing department of Mythos Zone throughout the duration of the project, even if the project expands and the company size increases.

8.3.4. Administrative Services

By applying for and obtaining an Estonian e-residency citizenship, any person is able to register and operate a company entirely digitally via the internet.

In this particular case, I will utilize LeapIn as the service provider for my Limited Liability Company. Using this service provider will allow me to quickly setup the company, create an Estonian bank account, have dedicated accounting services, as well as have a remote administration of the company digitally over the internet.

This way, by paying the initial setup costs (190€ of company registration fee, plus a 25€ state service fee) and a subsequent fixed monthly fee (79€ per month, plus a 20% VAT rate), I'm able to accurately foresee my administrative fixed costs for the duration of the project.

8.4. Implementation Plan

The implementation plan of the activities necessary to the development and growth of Mythos Zone (Table 1) describes in a succinct way the first 3 years of the company launch, from the first quarter of 2020 to the final quarter of 2022.

The plan will not include activities of preparation for operation, as the development of each stage will be done in-real time and on an iterative basis. This means that the development of

the online content and the sale of the products will be launched on a barebones basis and improved rapidly after their launch.

Table 3: Business Operations Chronogram

	2020				2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Company Creation Activities												
Business Plan Analysis	■											
Legal Procedures and Company Registry	■											
Start of Marketing Communication	■											
Start of Operational Activities												
Mythos Zone Brand Creation	■											
Youtube Videos	■	■										
Facebook Page Content Start		■										
Twitter Content Start		■										
Instagram Content Start		■										
Facebook Community Creation				■								
Website Launch			■									
Podcast Launch			■									
e-Book Publishing							■	■	■	■		
eCommerce/Merchandise Launch					■	■						
Historical Travel Experiences Launch											■	■
Organic Promotion	■	■	■	■								
Paid Promotion					■	■	■	■	■	■	■	■
Beginning of Sales					■							

Source: Elaborated by the author

The company creation activities can be done at the same time as the start of some of the operational activities, because the company is not selling any products at this stage, it is only providing free information online, and therefore does not require a legal structure.

This figure indicates the starting dates of each of the company's operational activities, and not the duration of the same, as most operational activities have a starting date but no ending date.

Before the start of any product sales, in the first quarter of 2021, the company will only engage in organic promotion, which means that it will not spend any money on paid promotional activities before that stage, only on free online promotional activities. After the company starts selling its products, a fixed portion of the company's profits will be allocated to paid promotional activities. This spending budget will be indicated in the following section 9, the financial analysis.

9. Financial Analysis

The following financial analysis should be seen as an auxiliary instrument to the evaluation and decision of the Mythoz Zone business creation. This financial analysis will demonstrate the business growth estimates, operational costs, expected revenues and net financial income of the business.

The following assumptions were taken into account when creating the financial analysis:

- Inflation Rate: 3%;
- Coporate Tax Rate: 20%
- Value Added Tax (VAT): 20%
- Currency conversion rate \$/€: 1 USD = 0.9 EURO
- Merchandise avg profit Margin: 40%
- e-Books Profit Margin: 65%
- Initial Cash Investment: 2049.88€

Channel Growth Forecast

In this business particular case, we must establish some growth projections for the platform, because these projections are what allow us to create the following sales projections. In terms of user base, we are focusing the growth metrics on the number of Youtube subscribers, as most reliable sources of data collected from online influencers tend to focus on Youtube channel metrics. It is also very hard to gather exact data about channel growth and this data tends to be based on rough estimates, so that is taken into account and the following assumptions are necessary:

- Avg Number of Videos per Month: 8 videos

- Avg number of views per video in comparison with subscriber count: 15%

- Avg Views and Subscriber Growth rate:

      - 1st Year: 50%/month

      - 2nd Year: 20%/month

      - 3rd Year: 10% /month

      - 4th Year: 10%/month

      - 5th Year: 5%/month

      - 6th Year: 5%/month

Table 4: Projected Youtube Channel Growth

	2020	2021	2022	2023	2024	2025
Average Number of Video Views	14400	128390	402941	1264622	2271082	4078541
Average Number of Subscribers	1000	8916	27982	87821	157714	283232

Source: Elaborated by the author

The projections are presented as conservative values, but they provide a healthy baseline for what the minimum growth of the platform and the following sales forecast and business volume.

Sales Forecast & Business Volume

In the case of this business, during the first year of development of the online platform, we are assuming that there is no generation of revenue, because there are no products or services being sold. As mentioned above in section 8.4, the monetization aspect of the business, with the sale of merchandise goods, e-Books and historical travel experiences will start at different points in time, the first being in the 2nd year of operations.

- Merchandise profit rate: 30€ profit per 1000 views
- eBooks: 7.5€ per book
- Number of eBooks created per year: 1
- Number of books that a subscriber buys in a year: 1
- Avg Google conversion rate: 8%

For practicality purposes, we will also not include the historical travel experiences revenue in this forecast, as this doesn't belong to the primary offering of products and services and serves as a complimentary service focused on increasing customer relationship. This means that the service is focused on creating customer value and not necessarily on generating profit.

Table 5: Project Sales of Products & Services

	2020	2021	2022	2023	2024	2025
Merchandise Sales (€)	€ -	€ 3,851.71	€ 12,088.22	€ 37,938.67	€ 68,132.45	€ 122,356.22
eBooks Sales (€)	€ -	€ 5,349.60	€ 16,789.20	€ 52,692.60	€ 94,628.40	€ 169,939.20
Total Sales Exc. VAT (€)	€ -	€ 9,201.31	€ 28,877.42	€ 90,631.27	€ 162,760.85	€ 292,295.42
Annual Sales Increase (%)	-	-	314%	314%	180%	180%

Source: Elaborated by the author

As we can see, the first year of monetization provides a relatively low value, but that will grow roughly 314% in the following two years, 2022 and 2023 respectively, and then slow down its proportional growth in the last 2 years of this sales projection.

Operational Costs

The majority of the activities of this business will be done by the owner and shareholder, but there are some external costs that allow the business to perform its day-to day activities. These costs can be related to marketing, accounting, quality, technology, software and should be taken into account in the financial analysis of the business plan.

The filming equipment used in the first year of the business operations will consist of gear that is already owned by the director, and in the subsequent years, starting in 2021, the company will acquire higher quality professional filming gear. This will represent an initial cost of 1500 euros in 2021, and then subsequently every two years, the company will double the quality of the filming equipment every 2 years, until 2025.

Initially the computer gear being used for the development of the business consists of personal equipment, which will only require a replacement every 3 years of operations. This means that in 2022 and subsequently in 2025 of the financial analysis is when there can be a computer expense registered for accounting purposes, of 2000 euros each time.

Cost Assumptions:

- Advertising Costs: 20% of total revenue
- Creative Material Design: 5% of total revenue
- Leapin Company Costs: 79€/month
- Initial Company Setup Costs: 190€
- Adobe Suite Apps Cost: 61.49€/month
- Envato Elements (Stock Digital Assets): 14.5€/month
- Shopify Subscription + Apps: 100€/month (expenses start in 2021)

Table 6: Operational Costs

	2020	2021	2022	2023	2024	2025
Materials						
Filming Equipment	€ -	€ 1,500.00	€ -	€ 3,000.00	€ -	€ 6,000.00
Computers	€ -	€ -	€ 2,000.00	€ -	€ -	€ 2,000.00
Specialized Services						
Advertising	€ -	€ 1,840.26	€ 5,775.48	€ 18,126.25	€ 32,552.17	€ 58,459.08
Accounting, Legal & Management Costs	€ 1,138.00	€ 948.00	€ 948.00	€ 948.00	€ 948.00	€ 948.00
Creative Material Design		€ 460.07	€ 1,443.87	€ 4,531.56	€ 8,138.04	€ 14,614.77
Other Services						
Software Subscriptions	€ 911.88	€ 2,111.88	€ 2,111.88	€ 2,111.88	€ 2,111.88	€ 2,111.88
Total Operational Costs	€ 2,049.88	€ 6,860.21	€ 12,279.24	€ 28,717.70	€ 43,750.09	€ 84,133.74

Source: Elaborated by the author

The costs presented in the table above represent the majority of the costs incurred by the company during its operations, as the team of people working in the project will remain as one person for as long as it is viable.

Personnel Costs

Since I will incur the responsibilities and tasks of the four main areas of the project, project management, commercial & marketing functions, as well as the administrative services, we can assume a null cost for these activities throughout the planned 6 years.

Furthermore, according to the growth projections of the company and brand, the youtube channel will have around 300 thousand subscribers by the end of 2025, which does not represent enough of a size that justifies the hiring of a new person for the commercial department, as outlined in section 8.3.2. Commercial Department. This team expansion would only be necessary after the channel as achieved a substantial growth to over 1 Million subscribers.

Table 7: Personnel Costs

	2020	2021	2022	2023	2024	2025
Management Team	€ -	€ -	€ -	€ -	€ -	€ -
Commercial Team	€ -	€ -	€ -	€ -	€ -	€ -
Marketing Team	€ -	€ -	€ -	€ -	€ -	€ -
Administrative Team	€ -	€ -	€ -	€ -	€ -	€ -
Total Operational Costs	€ -	€ -	€ -	€ -	€ -	€ -

Source: Elaborated by the author

Asset Investments

When it comes to fixed tangible assets, the company is considering the purchase of both computers and filming gear for the daily operations of the company, represented as assets in the table below.

As for the intangible assets, the software being used for the day-to-day operations of the business does not represent an intangible asset, as they are all subscription based and does not entitle the user to any ownership of the software itself.

Table 8: Asset Investments

	2020	2021	2022	2023	2024	2025
Fixed tangible Assets						
Computers	€ -	€ -	€ 2,000.00	€ 2,000.00	€ 2,000.00	€ 4,000.00
Filming Equipment	€ -	€ 1,500.00	€ 1,500.00	€ 4,500.00	€ 4,500.00	€ 10,500.00
Intangible Assets						
Software	€ -	€ -	€ -	€ -	€ -	€ -
Total Assets	€ -	€ 1,500.00	€ 3,500.00	€ 6,500.00	€ 6,500.00	€ 14,500.00

Source: Elaborated by the author

The assets owned by the company represent only a small part of the company's expected profitability, which leads to the conclusion that the reinvestment of the company's profits is applied to activities and services that do not represent tangible or intangible assets.

P&L Statement (Profit & Loss)

For the purposes of this financial analysis, we are also assuming that the yearly net income will be distributed to its shareholders in the form of capital gains dividends. Represented in the account of Other Revenues & Gains is the initial cash investment into the company of 2 049.88 euros to fund the first year of operations of the company.

Table 9: P&L Statement

	2020	2021	2022	2023	2024	2025
Other Revenues & Gains	€ 2,049.88	€ -	€ -	€ -	€ -	€ -
Sales	€ -	€ 9,201.31	€ 28,877.42	€ 90,631.27	€ 162,760.85	€ 292,295.42
Total Operating Revenue	€ 2,049.88	€ 9,201.31	€ 28,877.42	€ 90,631.27	€ 162,760.85	€ 292,295.42
Cost of Goods Sold	€ (2,049.88)	€ (6,860.21)	€ (12,279.24)	€ (28,717.70)	€ (43,750.09)	€ (84,133.74)
Personnel Costs	€ -	€ -	€ -	€ -	€ -	€ -
Total Operating Expense	€ (2,049.88)	€ (6,860.21)	€ (12,279.24)	€ (28,717.70)	€ (43,750.09)	€ (84,133.74)
EBT (Earnings before taxes)	€ -	€ 2,341.10	€ 16,598.19	€ 61,913.57	€ 119,010.76	€ 208,161.69
Value Added Tax (VAT)	€ -	€ 468.22	€ 3,319.64	€ 12,382.71	€ 23,802.15	€ 41,632.34
Income Tax	€ -	€ 468.22	€ 3,319.64	€ 12,382.71	€ 23,802.15	€ 41,632.34
Net Income	€ -	€ 1,404.66	€ 9,958.91	€ 37,148.14	€ 71,406.45	€ 124,897.01

Source: Elaborated by the author

As we can see, the forecasted net income differs significantly from the forecasted sales revenue, which indicates that a significant part of it is being reinvested into the company. During the 2nd year, of 2021, the net income represents roughly 15% of the forecasted sales, displaying the lowest net income to sales ration of all of the forecasted years. This is mainly

due to this year being the first year of monetization and therefore a larger spending of the company's profits, as reinvestment into the business.

During the following years, the ratio will increase from roughly 15% to around 40%, which can then be distributed to the shareholders as dividends.

Balance Sheet

Table 10: Balance Sheet

	2020	2021	2022	2023	2024	2025
Assets	€ -	€ 3,841.10	€ 20,098.19	€ 68,413.57	€ 125,510.76	€ 222,661.69
Fixed Tangible Assets	€ -	€ 1,500.00	€ 3,500.00	€ 6,500.00	€ 6,500.00	€ 14,500.00
Intangible Assets	€ -	€ -	€ -	€ -	€ -	€ -
Cash	€ -	€ 2,341.10	€ 16,598.19	€ 61,913.57	€ 119,010.76	€ 208,161.69
OE (Owners Equity)	€ -	€ 1,404.66	€ 9,958.91	€ 37,148.14	€ 71,406.45	€ 124,897.01
Net Income	€ -	€ 1,404.66	€ 9,958.91	€ 37,148.14	€ 71,406.45	€ 124,897.01
Liabilities	€ -	€ 2,436.44	€ 10,139.28	€ 31,265.43	€ 54,104.30	€ 97,764.68
Accounts Payable	€ -	€ 1,500.00	€ 3,500.00	€ 6,500.00	€ 6,500.00	€ 14,500.00
Tax Payable	€ -	€ 936.44	€ 6,639.28	€ 24,765.43	€ 47,604.30	€ 83,264.68
OE + Liabilities	€ -	€ 3,841.10	€ 20,098.19	€ 68,413.57	€ 125,510.76	€ 222,661.69

Source: Elaborated by the author

From the balance sheet presented above, we can see that the Liabilities represent only 63% of the assets of that same year of 2021, followed by a steady decrease in this liability/asset relation during the following years, down to 44% in 2025.

Project Appraisal

To conclude the financial analysis of the business in question, it is important to take the results generated from the financial forecast to perform a project analysis and verify is economically viable or not.

For that purpose, we shall consider an initial investment of 2049.88€ and assume that the net income of each year is distributed to the shareholders as dividends.

The data used to derive the cost of capital rate used in this project appraisal will consist of data collected from the United States Financial Market and will be applied in the following way:

Cost of Capital = Risk-Free rate + (Company Beta * Risk Premium)

Cost of Capital: Possible Market Return if the investment is allocated in another business
Risk-Free Rate: Treasury Bonds Rate (US Treasury Bonds 5 years)
Company Beta: Market Beta of Media Companies (Invesco Dynamic Media ETF (PBS) – 5 years)
Risk Premium: Average Market Return (S&P 500 Index – 5 years)

Cost of Capital = 1.78% + (6.45%*8.896%)
Cost of Capital Rate = 2.35%

Having the cost of capital rate, we are now able to present the discounted cash flows using the following formula:

Discounted Cash Flow (t) = Future Cash Flow / (1 + Cost of Capital Rate)^t

t = current year of project development, where 2020 is t=0, and 2025 is t=6

Table 11: Project Appraisal

	2020	2021	2022	2023	2024	2025
Future Cash Flows	€ (2,049.88)	€ 1,404.66	€ 9,958.91	€ 37,148.14	€ 71,406.45	€ 124,897.01
Discounted Cash Flows	€ (2,049.88)	€ 1,340.90	€ 9,288.56	€ 33,852.11	€ 63,576.74	€ 108,648.81
Net Present Value	€ (2,049.88)	€ (708.98)	€ 8,579.58	€ 42,431.69	€ 106,008.43	€ 214,657.23
Return on Investment (ROI)	-100%	-35%	419%	2070%	5171%	10472%

Source: Elaborated by the author

From the table above, we can clearly see that the project has a Return on Investment (ROI) of 2,07 years, as it starts to have a positive net present value in the 3rd year of operation, the year 2022.

 Despite having a negative Return on Investment of -35% in the 2nd year, the ROI of the project starts to ramp up exponentially after that, resulting in a 10472% ROI at the projected year of 2025.

Based on the Net Present Values and ROI demonstrated above we can conclude that this project is an economically viable business to initiate.

The Internal Rate of Return analysis (IRR) consists of accessing which Cost of Capital rate would be required for the Net Present Value of the entire 6-year project to be Zero. This would mean that the Project's Return on Investment would also be 0% and it the business would not be worth the monetary and time investment.

Since the future cash flows are significantly high compared to the initial Investment of 2049.88€, we will obtain a significantly high Internal Rate of Return is 175.23%. This means that we would have to find an alternative investment with an annual return of 175.23% for it to be a better alternative to the project in question.

10. Conclusion

This study for the creation of a business plan for the creation of the Mythos Zone company has included a market analysis and the elaboration of a brand strategy, complete with the product offer, based on the internal capabilities of the company.

With the marketing activities of online content creation being the core aspect of the brand and what allows the company to convert its consumers to customers of its ecommerce products, both the marketing strategy and marketing mix were comprehensively studied to present the company's value proposition, and what sets it apart from the competitors in the niche segment. Finally, we proceeded to the elaboration of a financial analysis which gives an oversight of the economic viability of the project.

The company's activities, as delineated on the marketing strategy section of this business plan, encompass content creation on a very wide array of online platforms. By publishing content on Youtube, social media and podcast, Mythos Zone is able to cover the different ways that people consume content online, while appealing to their visual and audio senses in shorter or longer forms of content.

We can also conclude that relationship marketing is one of the most important aspects of the business, as it is what ultimately drives the customer down the conversion funnels. Furthermore, these conversion funnels will then allow the company to monetize its dedicated audience and develop a sustainable and profitable business.

According to the financial analysis elaborated in this business plan, the business will require an initial seed investment by its sole shareholder of 2 049.88 euros, aimed at sustaining the company's operational costs during the first year of operations, in which the company will focus on building a close relationship with its customers via online content creation and community activities.

It is also noted that, according to the economic viability of the project analysis, the project is financially viable demonstrates a ROI of 2.07 years (based on present day discounted cash

flows), with a Net Present Value of 214,657.23 € after 6 years of operation, which represents approximately a 10472% return on the shareholder's initial seed investment.

The development of this academic work has allowed me to acquire new sets of knowledge about the topic that was researched, as well as the further development of previous knowledge and skills acquired throughout my academic career.

Most importantly, the work also allowed me to create an extensive plan about a business idea that I was already going to develop in the near future, which I believe will ultimately lead to a better preparation to run the business and the chances of success of the same.

11. Bibliography

Abdul-Ghani, E., Hyde, K. F., & Marshall, R. (2018). Conceptualising engagement in a consumer-to-consumer context. Australasian Marketing Journal (AMJ). doi:10.1016/j.ausmj.2018.06.004

Adobe. (n.d.). Descubra a experiência da Creative Cloud. Retrieved from https://www.adobe.com/pt/creativecloud/plans.html

Ahmad, A., & Thyagaraj, K. S. (2015). Impact of Brand Personality on Brand Equity: The Role of Brand Trust, Brand Attachment, and Brand Commitment. Indian Journal of Marketing,45(5), 14. doi:10.17010/ijom/2015/v45/i5/79937

Akrout, H., & Nagy, G. (2018). Trust and commitment within a virtual brand community: The mediating role of brand relationship quality. Information & Management,55(8), 939-955. doi:10.1016/j.im.2018.04.009

Barker, S. (2018, September 20). 85 Influencer Marketing Statistics That Will Surprise You in 2018. Retrieved from https://shanebarker.com/blog/influencer-marketing-statistics/

Batra, R., Ahuvia, A., & Bagozzi, R. P. (2012). Brand Love. Journal of Marketing, 76(2), 1-16. doi:10.1509/jm.09.0339

Bloomberg. (n.d.). United States Rates & Bonds. Retrieved from https://www.bloomberg.com/markets/rates-bonds/government-bonds/us

Burke, M. (2018, September 10). How Social Media Stars like Liza Koshy & Logan Paul are using Instagram to sell more merch. Retrieved from https://sociable.co/entertainment/instagram-to-sell-more-merch/

Chaffey, D. (2019, February 12). Global social media research summary 2019. Retrieved from https://www.smartinsights.com/social-media-marketing/social-media-strategy/new-global-social-media-research/

Constantinides, E. (2014). Foundations of Social Media Marketing. Procedia - Social and Behavioral Sciences, 148, 40-57. doi:10.1016/j.sbspro.2014.07.016

Dinesh, D. (2017, May 1). Why Micro-Influencers Are a Social Media Marketing Imperative for 2017. Retrieved from http://www.econtentmag.com/Articles/Editorial/Industry-Insights/Why-Micro-Influencers-are-a-Social-Media-Marketing-Imperative-for-2017-115835.htm

Drozdiak, W. (2019, February 4). Europe's Challenges in an Age of Social Media, Advanced Technologies, and Artificial Intelligence. Retrieved from https://www.hoover.org/research/europes-challenges-age-social-media-advanced-technologies-and-artificial-intelligence

e-estonia (n.d.). Law - e-Estonia. Retrieved from https://e-estonia.com/solutions/security-and-safety/e-law/

Elena, C. A. (2016). Social Media – A Strategy in Developing Customer Relationship Management. Procedia Economics and Finance, 39, 785-790. doi:10.1016/s2212-5671(16)30266-0

European Commission (2019, February 08). Commission publishes Winter 2019 Economic Forecast. Retrieved from https://ec.europa.eu/commission/news/commission-publishes-winter-2019-economic-forecast-2019-feb-07_en

European Commission. (2018, November 29). Financial Times Future of News: The impact of social media abuse on European society. Retrieved from https://ec.europa.eu/commission/commissioners/2014-2019/king/announcements/financial-times-future-news-impact-social-media-abuse-european-society_en

European Commission. (2019, May 07). Economic forecast for Estonia. Retrieved from https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-performance-country/estonia/economic-forecast-estonia_en

European Union. (2019, April 29). The EU in brief. Retrieved from https://europa.eu/european-union/about-eu/eu-in-brief_en

Eurostat (2019, January 4) People in the EU - statistics on demographic changes. Retrieved from https://ec.europa.eu/eurostat/statistics-explained/index.php?title=People_in_the_EU_-_statistics_on_demographic_changes#Population_change_in_the_EU

Geyser, W. (2019, May 16). How Much do YouTubers Make? - [A YouTuber's Earnings Calculator]. Retrieved from https://influencermarketinghub.com/how-much-do-youtubers-make/

Ghantous, N. (2016). The Impact of Services Brand Personality on Consumer–Brand Relationship Quality. Services Marketing Quarterly,37(3), 185-199. doi:10.1080/15332969.2016.1184544

Hajli, N., Shanmugam, M., Papagiannidis, S., Zahay, D., & Richard, M. (2017). Branding co-creation with members of online brand communities. Journal of Business Research, 70, 136-144. doi:10.1016/j.jbusres.2016.08.026

Hale, J. L. (2018, September 28). This Nifty Tool Estimates How Much Money YouTubers Can Make From AdSense Vs. Selling Merch. Retrieved from https://www.tubefilter.com/2018/09/28/sellfy-tool-how-much-does-a-youtuber-earn/

Hayes, A. (2019, June 25). What Ever Happened to the Dotcom Bubble? Retrieved from https://www.investopedia.com/terms/d/dotcom-bubble.asp

Heritage Foundation. (n.d.). Estonia. Retrieved from https://www.heritage.org/index/country/estonia

Hobbs, J. E., & Goddard, E. (2015). Consumers and trust. Food Policy,52, 71-74. doi:10.1016/j.foodpol.2014.10.017

Hootsuite Media Inc. (n.d.). Digital in 2019 - Social Media Marketing & Management Dashboard. Retrieved from https://hootsuite.com/pages/digital-in-2019

Hsieh, S. H., & Chang, A. (2016). The Psychological Mechanism of Brand Co-creation Engagement. Journal of Interactive Marketing, 33, 13-26. doi:10.1016/j.intmar.2015.10.001

ITPRO. (2019, April 16). (What is Article 13 and Article 11?. Retrieved from https://www.itpro.co.uk/policy-legislation/32552/what-is-article-13-and-article-11

Jurevicius, O. (2013, October 21). Is the VRIO Framework a Key to Competitive Advantage? Retrieved from https://www.strategicmanagementinsight.com/tools/vrio.html

Kee, A. W., & Yazdanifard, R. (2015). The Review of Content Marketing as a New Trend in Marketing Practices. International Journal of Management, Accounting and Economics, 2(9), 1055-1064

Kelly, K. (2008, March 4). The Technium: 1,000 True Fans. Retrieved from https://kk.org/thetechnium/1000-true-fans/

Kotler, P., & Armstrong, G. (2018). Principles of marketing. Hoboken: Pearson Higher Education.

Kotler, P., & Keller, K. L. (2016). A framework for marketing management. Boston: Pearson.

Leapin (n.d.). Plans & Pricing. Retrieved from https://www.leapin.eu/pricing

Leckie, C., Nyadzayo, M. W., & Johnson, L. W. (2016). Antecedents of consumer brand engagement and brand loyalty. Journal of Marketing Management,32(5-6), 558-578. doi:10.1080/0267257x.2015.1131735

Liu, X., Shi, S. W., Teixeira, T., & Wedel, M. (2018). Video Content Marketing: The Making of Clips. Journal of Marketing, 82(4), 86-101. doi:10.1509/jm.16.0048

Park, C. W., Macinnis, D. J., Priester, J., Eisingerich, A. B., & Iacobucci, D. (2010). Brand Attachment and Brand Attitude Strength: Conceptual and Empirical Differentiation of Two Critical Brand Equity Drivers. Journal of Marketing,74(6), 1-17. doi:10.1509/jmkg.74.6.1

Priceonomics. (2018, March 09). The Advertising Conversion Rates For Every Major Tech Platform. Retrieved from https://www.forbes.com/sites/priceonomics/2018/03/09/the-advertising-conversion-rates-for-every-major-tech-platform/#46cfc64c5957

Pricing. (n.d.). Retrieved from https://elements.envato.com/pricing

Pulizzi, J. (2012). The Rise of Storytelling as the New Marketing. Publishing Research Quarterly, 28(2), 116-123. doi:10.1007/s12109-012-9264-5

Ramaswamy, V., & Ozcan, K. (2016). Brand value co-creation in a digitalized world: An integrative framework and research implications. International Journal of Research in Marketing, 33(1), 93-106. doi:10.1016/j.ijresmar.2015.07.001

Republic of Estonia E-Residency (n.d.). How to Start a Company in Estonia & EU | e-Residency. Retrieved from https://e-resident.gov.ee/start-a-company/

Reynolds, M. (2019, May 24). What is Article 13? The EU's divisive new copyright plan explained. Retrieved from https://www.wired.co.uk/article/what-is-article-13-article-11-european-directive-on-copyright-explained-meme-ban

Rowley, J. (2008). Understanding digital content marketing. Journal of Marketing Management, 24(5-6), 517-540. doi:10.1362/026725708x325977

Statistics Estonia. (2018, June 13). Economic growth in Estonia increased significantly. Retrieved from https://www.stat.ee/article-2018-06-13-economic-growth-in-estonia-increased-significantly?highlight=growth,2017

Swaminathan, V., Stilley, K. M., & Ahluwalia, R. (2009). When Brand Personality Matters: The Moderating Role of Attachment Styles. Journal of Consumer Research, 35(6), 985-1002. doi:10.1086/593948

Vincent, J. (2019, March 26). Europe's controversial overhaul of online copyright receives final approval. Retrieved from https://www.theverge.com/2019/3/26/18280726/europe-copyright-directive

World Bank Group (n.d.). (GDP growth (annual %). Retrieved from https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=EU-EE&start=1997

World Population Review (n.d.). Europe Population 2019. Retrieved from http://worldpopulationreview.com/continents/europe-population/

World Population Review (n.d.). European Union Population 2019. Retrieved from http://worldpopulationreview.com/regions/european-union-population/

Xiao, M., Wang, R., & Chan-Olmsted, S. (2018). Factors affecting YouTube influencer marketing credibility: A heuristic-systematic model. Journal of Media Business Studies, 1-26. doi:10.1080/16522354.2018.1501146

Yahoo Finance. (2019, June 23). PBS Performance History | Invesco Dynamic Media ETF. Retrieved from https://finance.yahoo.com/quote/PBS/performance/?guccounter=1

Ycharts (n.d.). S&P 500 Annual Total Return:. Retrieved from https://ycharts.com/indicators/sandp_500_total_return_annual

12. Appendices

Appendix 1: Porter's 5 Forces Model

Force	Force Impact	
	Intensity	**Qualification**
Rivalry among Existing Competitors	2	Low
Number of Competitors	1	Very Low
Size of Competitors	3	Average
Level of Customer Loyalty	2	Low
Exit Barriers	1	Very Low
Level of Advertising Expense	2	Low
Product Differentiation	2	Low
Industry Growth Rate and Size	3	Average
Threat of New Entrants	3	High Average
Legal Barriers	4	High
Brand reputation	4	High
Amount of Capital required	1	Very Low
Retaliation by existing companies	2	Low
Level of difficulty in access to distribution channels	2	Low
Product Differentiation	5	Very High
Threat of Substitutes	3.67	High
Number of Substitutes	2	Low
Cost of Changing	5	Very High
Performance of Substitutes	4	High
Bargaining Power of Suppliers	2.33	Low Average
Number of Suppliers	2	Low
Size of Suppliers	3	Average
Ability to find substitute suppliers	2	Low
Cost of switching suppliers	2	Low
Importance of quality of products bought	4	High
Threat of vertical Integration	1	Very Low
Bargaining Power of Buyers	4	High
Number of Buyers	5	Very High
Size of Buyers	5	Very High

Buyer's costs of switching suppliers	5	Very High
Number of substitute products	3	Average
Buyers price sensitivity	4	High
Average Size of each order	4	High
Threat of backwards integration	2	Low
Importance of quality of products bought	4	High

Appendix 2: Competitor Analysis

Name	Website /channel	Primary Focus?	You tube	Face book	Twit ter	Inst agr am	Web site	Podc ast	Mer chan dise	e-book s	Other products /services
Crash Course	https://www.youtube.com/user/crashcourse	No	Yes	Yes	Yes	Yes	No	No	No	No	No
Extra Credits	https://www.youtube.com/channel/UCCODtTcd5M1JavPCOr_Uydg	No	Yes	Yes	Yes	No	Yes	No	Yes	No	No
Mythology & Fiction Explained	https://www.youtube.com/channel/UCH4Bz5Swatl5iHSuCT_Hlxg/videos	Yes	Yes	No	Yes	No	No	No	Yes	Yes	No
See U in History /Mythology	https://www.youtube.com/channel/UC9u3UqkoikJ9Nr8t4wvyNRQ	Yes	Yes	No	No	No	No	No	No	No	No

Tale Foundry	https://www.youtube.com/channel/UCusb0SpT8elBJdbcEJS_l2A	No	Yes	Yes	Yes	No	No	No	No	No	No
The legends of History	https://www.youtube.com/channel/UCy-VnRxdzpcQSnR8nPo4wWw	Yes	Yes	No	Yes	No	No	No	No	Yes	No
Captivating history	https://www.youtube.com/channel/UCMNMpSc81hvn5OC26yj-5Jw	Yes	Yes	No	No	No	No	No	No	No	No
Ted-Ed	https://www.youtube.com/channel/UCsooa4yRKGN_zEE8iknghZA	No	Yes	Yes	Yes	No	Yes	No	No	No	No
Myths and Legends	https://www.mythpodcast.com/	Yes	No	Yes	No	No	Yes	Yes	Yes	No	No
MythCrafts	https://mythcrafts.com/	Yes	No	No	No	No	Yes	No	No	No	No
Mythtake	https://mythtake.blog/	Yes	No	Yes	Yes	No	Yes	Yes	No	No	No