



Marvy Market Validation Report

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WorkLoad Distribution:

Marlee: Overview, About MarVy, Interview Process, What's Next & Conclusion, References, Appendices.

VyVy: Business Model Canvas, Interview Analysis, Updates & Feedback, References, Appendices.

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Overview

We began our project by forming a team and developing a business idea. The class met 1-2 times per week to share findings, touch base, and get constructive feedback. The idea of MarVy was soon born as we began brainstorming and deciding on what might be feasible. Once we decided on our business idea, we began thinking of our value propositions and customer segments to develop our business model canvas, and get a better idea of who we should interview. We then researched to see where we would find people that were in our customer segments that matched our value propositions. Once we accomplished this, we were able to begin interviewing. During interviews we kept our eyes peeled for the information we needed/did not know and looked for areas we could improve or do better. We interviewed ten people before we decided to change our interview questions so we were able to be more efficient at getting the information we needed for validation. During and after interviews, we looked for common trends and room for improvement. We also wanted to focus more on finding what we didn't know and how that compared with what we thought we did know. This allowed us to experiment with our assumptions and turn them into hypotheses to continue testing. This process also allowed us to see what assumptions/hypotheses were proven correct and what we still need to work on. After analyzing our findings, we conducted a market validation report to outline the process. This report is as follows.

About MarVy

MarVy is a credible ad-based donations platform for people with limited resources, but want to make a difference. Users will watch ads and the time spent will be donated to a cause of their choice. Who is MarVy for? People who are passionate about the wellbeing of our planet, want to help conserve the environment, but have busy lives. This is an easy way for them to make a positive impact in their free time. Why does MarVy do what we do? To provide a credible

platform that allows users with little resources to donate based on ads from the comfort of your home or anywhere. Also, to help promote causes through online based platforms.

Mission

Our goal is to connect people with a passion for the environment with organizations to make a positive impact and work towards a more sustainable future. We want everyone to be able to make a change whether they have money or not. Along with whether they have disposable time or not. We aspire to have a network nationally that will connect users and organizations from coast to coast. At MarVy, we hold ourselves to a high standard of integrity. We want users to feel comfortable and entrust us while they are utilizing our website. We believe that full transparency will allow our users to be confident that their time or money is actually going towards causes they are passionate about.

Ownership

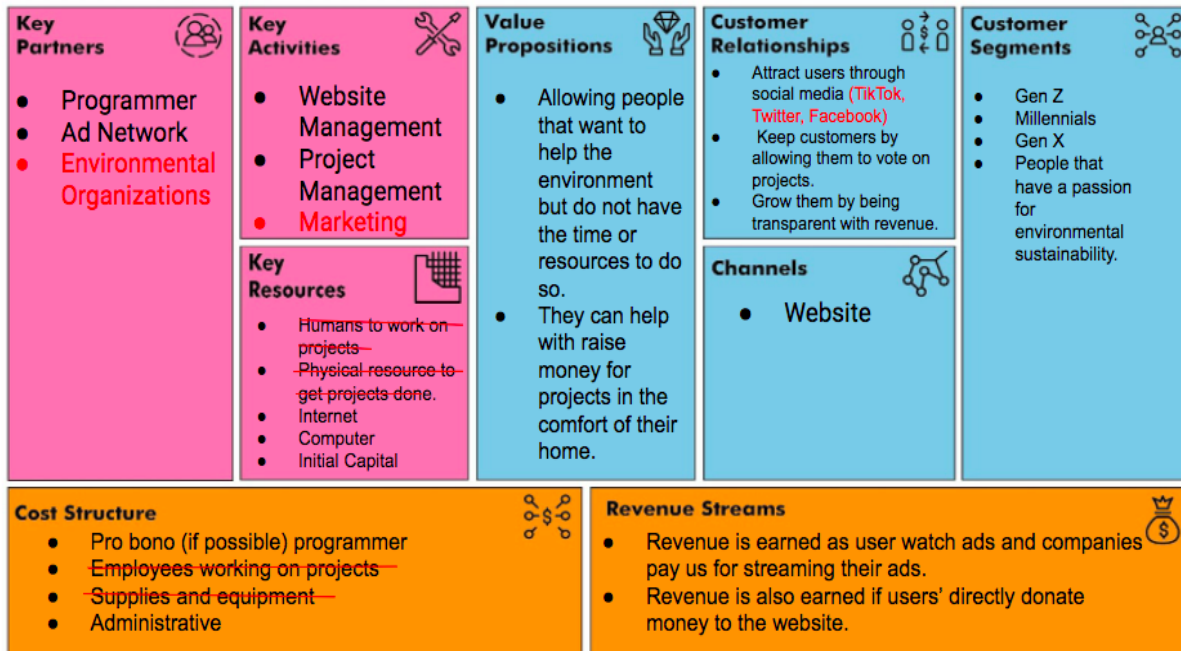
MarVy is co-owned by Marlee Yerkes and VyVy Tran and is incorporated as a Limited Liability Company that operates in the United States. VyVy Tran will own 51% ownership and Marlee Yerkes will own 49% ownership. As we start up this company, an LLC is the best option to protect our personal assets from any liability that the business may encounter. In Addition, both members are allowed to partake in the business' decision-making process.

Introduction to Interviews

Each co-owner/team member conducted 25 interviews each. Marlee interviewed 23 people in person and 2 people via zoom. VyVy interviewed 12 people in person and 13 people via zoom. All interviewees were local to the Austin/San Marcos area. Therefore, these results only apply to the Austin/San Marcos Area.

Business Model Canvas

Business Model Canvas



Value Proposition

Our business model canvas describes and visualizes our business model. We have adjusted it along the way according to what we have learned throughout our interview process. Our original value proposition was to allow people that want to help the environment but do not have the time or resources to do so. Along with giving them the option to help raise money for causes from the comfort of their home. Our value proposition stayed consistent throughout the whole process.

Customer Relations

In order to attract customers we will utilize social media and our interviews helped us decide that we will use TikTok, Twitter, and Facebook to reach our target segments. We will also

allow users to vote on projects that they would like their money to go towards and be 100% transparent with revenue to keep and grow our clientele.

Customer Segments

Our customer segment consists of Gen Z, Millennials, Gen X, and people that have a passion for environmental sustainability. Currently we are focused on those of the San Marcos and Austin area. We hope to expand nationally once more research is done.

Channels

We will have the MarVy website as a channel for our users. This website is where all of the business' main functions will occur.

Revenue Stream

Our revenue stream is structured to earn revenue when users watch ads on our website and companies will pay us for streaming their ads. Revenue is also earned if users' choose to directly donate money to the website.

Cost Structure

Under cost structure we plan on bringing on a programmer to create the website pro bono. Originally we were planning on hiring employees to work on the environmental projects and buying the supplies and equipment. However, we decided to remove that from the business model canvas because that would be a large expense. Lastly, under cost structure, is administrative costs that would only be 20% of MarVy's revenue.

Key Partners

Our key partners would include a programmer and an ad network to supply us with advertisements to stream. We decided to include other organizations that already have a presence in environmental remediation and preservation. We can send them our money that we earned and they will go out to work on these environmental causes.

Key Activities

The key activities that we must do for MarVy include website management, marketing, and project management.

Key Resources

Our key resources consist of computers, internet, and initial capital. We originally listed people to work on projects and physical resources to get projects done until we shifted our business model.

Interview Process

Customer Segments & Value Propositions

Before Interviews

We initially had three main customer segments with three value propositions. Customer Segments include Gen Z, Millennials, and Gen X. Gen Z has a value proposition of “Allowing people to help with environmental causes, even if they don’t have the time and resources to do so”. Millennials have a value proposition of “Providing a trustworthy/credible platform for ad-based donations”. Gen Z has a value proposition of Offering an easy user interface when ad-based donating.

After Interviews

Once we finished interviewing, we made a few updates to our customer segments and value propositions based on our findings. We still have: “three main customer segments with three value propositions. Customer Segments include Gen Z, Millennials, and Gen X. Gen Z has a value proposition of “Allowing people to help with environmental causes, even if they don’t have the time and resources to do so”. Millennials have a value proposition of “Providing a trustworthy/credible platform for ad-based donations”. Gen Z has a value proposition of Offering an easy user interface when ad-based donating”.

Gen Z Customer Segment

The new information we added based on findings for the Gen Z customer segment is that they were in the Gen Z generation, but were students above 18. They were also Texan and local to the Austin/San Marcos area. We adjusted our Gen Z value proposition adding that this customer segment prefers to donate through ad-based donations over traditional donations.

Millennial Customer Segment

The new information we added based on findings for the Millennial customer segment is that they were in the Millennial generation, but were also undergrads or in graduate school and above 25. They were also Texan and local to the Austin/San Marcos area. We adjusted our Millennial value proposition adding that this customer segment prefers to donate through ad-based donations over traditional donations.

Gen X Customer Segment

The new information we added based on findings for the Gen X customer segment is that they were in the Gen X generation, but were also educators in the environmental sustainability field above 40. They were also Texan and local to the Austin/San Marcos area. We

adjusted our Gen X value proposition adding that this customer segment prefers to donate through traditional donations over ad-based donations.

Hypothesis & Assumptions

Before Interviews

Initially, we hypothesized that all People interested in environmental sustainability will also be interested in a website that uses ad-based donations to help causes of their choice.

Initial Interview Questions

Starting off we asked each interviewee the same eight questions. The questions goes as follows:

- How do you feel about environmental sustainability?
- If you had unlimited time and resources, what causes would you donate to?
- What causes do you donate to if any and what website do you use?
- How do you feel about watching ads if the time you spent went to a good cause?
- What is the biggest problem you had when donating to environmental causes?
- Tell me about a time/ give an example when you had problems/issues with this.
- Should I have asked anything/anyone else?
- Anyone else with a similar problem?

After Interviews

Once we finished our interviews, we realized that our hypothesis was half true. This is because Every interviewee who was willing to donate through ads was interested in environmental sustainability. But not every person we interviewed was willing to donate through ads.

Interview Analysis

Where We Found Our Interviews

Initially, we reached out to environmental organizations at Texas State to start our search for interviewees. From there we were introduced to a network of people from those we interviewed. It became a chain reaction of being introduced to more people with similar problems every time we had an interview. Additionally, we went around town and Austin to conferences, businesses, and events that all related to environmental sustainability. We were able to speak with educators, students, consumers, and business managers.

Causes Our Customer Segments Would Donate To

We wanted to know what kind of causes people are passionate about and would like to see change within. This will help us understand what kind of project we will include on MarVy. There was no correlation between customer segments and what type of cause they would donate to. We have made a collective list of causes from our interviews and it includes:

- Upcycling Plastics
- Ocean Restoration
- Local Farming
- Wetland and Mangroves Restoration
- Environmental Sustainability Awareness
- Recycling and Waste Management
- Renewable and Sustainable Energy
- Water Purification and Sustainability
- Veganism and Environmental Awareness
- Sustainable Food Sourcing
- Reforestation

- Sustainable Domestic Recycling Plants
- Political Campaigns
- Wildlife
- San Marcos Campus/River (local)
- Invasive Species Control
- Infrastructure to Offset Climate Change

Trends Noticed

There were many trends that we noticed throughout the interview process. First, we learned that all customer segments feel that there needs to be more done to improve environmental sustainability. The biggest issue people face when donating to any cause is that they are concerned that the majority of the money is going towards other things rather than the actual cause. Therefore, they want more transparency from charities and organizations.

They also feel like there needs to be more done to ensure proper maintenance and credibility. Additionally, people have a hard time finding causes to donate to due to lack of marketing and outreach. All customer segments look at social media affiliates, impact, and what percentage of donations goes towards the actual cause when deciding if a cause is credible or accountable. There are organizations out there that understand this and people trust such as Team Sea, Sierra Club and TerraCycle.

We also found that a lot of our interviewees preferred donating locally, so they can see the impact of their contributions first-hand. Some students do not have money to donate but will donate their time towards volunteer work. All Gen Z and millennials interviewees said that they would be open to ad-based donations. Most interviewees in the Gen X customer segment prefer to donate with money rather than spending time to donate as they have busier lives and more resources compared to the other customer segments.

Updates & Feedback

Main Focuses Considered

We have considered implementing new ideas after our interviews. We will utilize social media such as TikTok, Twitter, and Facebook to our advantage to help eliminate the issue of lack of credibility and accountability. We will have various projects that users can pick from to send donations to. Additionally, MarVy will provide an easy user interface that allows for an opt-in subscription of user choice so you can be alerted of different causes. It is important that we provide full transparency with percentage breakdowns of donations and distributions.

Updated Value Proposition & Hypothesis

After the interviewing process, we have updated our value proposition. Our new value proposition is to offer ad-based donations to appeal to Gen Z and Millennials customer segments. Additionally, offer traditional donations to appeal to the Gen X customer segment. We also updated our hypothesis, however, we would continue our research in different regions and credibility percentages to prove.

The new hypothesis states:

- Customer segments will deem a cause credible if 50% or more of their revenue goes to the cause at hand.
- Health conscious cities or cities with a high health index are more caring towards environment sustainability, and therefore more likely to participate in traditional or ad-based donations.

Adjustments Made In The Interview Process

Initially, we were getting rejected for interviews, so we decided to make adjustments to how we approach potential interviewees. We wore shirts with the Texas State logo to boost

credibility and lessen the blow of rejection. We also curated a more professional introduction when approaching interviewees. The new introduction included our name, occupation, purpose, details, and conclusion. By planning and practicing our new introduction we were able to have more people willing to speak with us. This also allowed interviewees to be more helpful when it comes to referring us to their network of people that have similar problems. We also added a few more questions to get more insight on these issues people face when donating.

Rewording/Changing of Interview Questions

We decided to reword and change a few of our questions after our first ten interviews to produce higher quality interviews.

The updated interview questions:

- How do you feel about environmental sustainability in general?
- If you had time and resources, what type of causes (in regards to environmental sustainability) would you donate to?
- What causes have you donated to, if any?
- What is the biggest problem you've encountered when donating to environmental causes?
- How do you decide if a cause is credible or not?
- Do you know of anyone else that would relate or have similar issues?

Conclusion & What's Next

Overall, interviews went well and we were able to gather insight about organizations our customer segments trusts, over attitude toward donating (which seems to be lacking on the accountability side), what causes our customer segments donate to, and promising feedback towards ad-based donations. From our findings we have developed two main hypotheses that we would like to continue to research to test. Hypothesis #1 being: "We assume our customer

segments will deem a cause credible if 50% or more of their income goes to the cause at hand". We would like to continue to test this hypothesis to see if we should only include charities that have 50% or more of their income going to the cause at hand. Hypothesis #2 involves Interviewing people in other parts of the country to see if we find the same or similar trends. This will help us narrow down customer segments to see what type of geography/ demography we should be targeting. For example: people in urban areas vs. rural areas. We also plan to consider targeting more health conscious cities or cities with a high health index, as these areas tend to have a higher care for environmental sustainability.

Appendix A: Distribution of Interviews Per Market Segment

Number of Interviews Per Market Segment

