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# Business project "DEWYGLO"

**TFG Autor:**
**Ms. Ana Paola Corona Fernandez**

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**TFG Tutor**:
**Corneliu Alberto Budica, Ph.D.**

# ACKNOWLEDGEMENTS

The greatest gratitude goes out to my parents, without whom this would not be possible.

To my friends, thanks for supporting me all this time. Thank you to my tutor for

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above everything, thank you God for letting me follow my dreams and making this

possible.

# ABSTRACT

By providing highly customized skincare routines via an innovative app, the DewyGlo initiative seeks to revolutionize the skincare sector. DewyGlo offers customized skincare routines and product suggestions based on user profiles by combining innovative technology along with expert dermatological insights. Users may expect an engaging experience from the app's user-centric design, and its rich instructional content provides users with knowledge about successful skincare methods.

# KEYWORDS

**APP, SKINCARE, DIGITAL, COMMUNITY, BUSINESS PLAN**

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# 1. Introduction

## 1.1 Company Name

DewyGlo's goal is to make the user's face look as fresh, vibrant, and glowing as the dewdrops that collect over night and give skin a natural shine. By definition, according to Cambridge Dictionary, dewy means " the drops of water that form on the ground and other surfaces outside during the night". This is reflected in the name. Our main goal is to provide individualized skincare routines to enable people to achieve optimal skin health. Everyone needs to feel good about themselves and confident in their own skin. DewyGlo ensures that the user's face appears dewy and glowy every day by combining personalized recommendations with expert dermatological insights. Our mission is to transform skincare by enabling everyone to receive practical, professional-grade guidance.

## 1.2 Founder Experience

As a beauty enthusiast and a doctor's daughter, I've learned a lot over the years. I've been able to learn about good skin care practices from a few dermatologists (my mother's friends), which is something you wouldn't normally get. This information just makes you want to learn more and more about this world, from how often to use retinoids each week to using sunscreen every day and reapplying every few hours. Since our face is ultimately how we display ourselves to the outside world, this has troubled me for years and motivated me to make a change.

## 1.3 Business Idea and Description

The business idea is to create an app that caters to each skin differently. The main issue with people and their skin care routine is consistency and knowledge. There's been a consumer behavior shift and how people use social media. People bite into mass consumption and are easily influenced. This causes spread of misinformation which correlates into how individuals are wrongly applying their skincare products. "Gen-Z is becoming more invested in their skincare, especially through social media. Despite being tech-savvy, Gen-Z is faced with the dangers of "skinfluencing", battling challenges like overconsumption and unrealistic beauty standards" (Patterson, 2023). Also, a lot of people's experiences in dermatology are not very helpful because they don't have the normal issues such as acne so their prescription is useless to the problems they want to combat.

The ultimate goal is to empower individuals with personalized skincare solutions that enhance their skin health and beauty, making professional-level skincare advice accessible to everyone. The way to this is by having a personalized skin care assessment, educational content, community and support, and a detailed schedule of product application and explanation.

Our revenue model consists of the basic subscription and the subscription pro which will have more features like video consults with dermatologists. In the graph we see below it states how "The 2020 edition of the Subscription Economy Index found that subscription companies continue to outperform their product-based peers by wide margins even during the global pandemic" (World Economic Forum, 2020). We will sell

data of our users to the beauty industry to help with innovative products and ideas. In the future, we hope to host both online and offline community gatherings to further develop our user base. These might be Q&A sessions with dermatologists, skincare courses, or first looks at new products. By providing these avenues for communication and involvement, we seek to strengthen our relationship with users and establish DewyGlo as a reliable innovator in customized skincare.
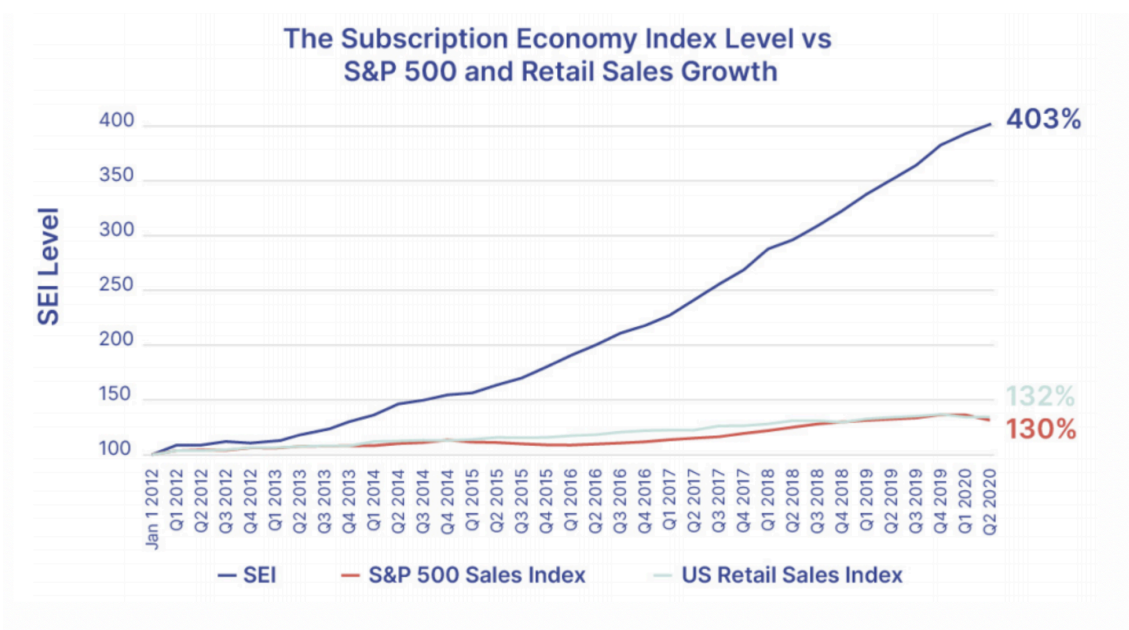


*Figure 1 - The Subscription Economy Index Level vs S&P 500 Retail Sales Growth (World Economic Forum, 2020)*

## 1.4 Objectives and Business Proposal

My main objectives include:

- Educating users on how to use skin care products properly.

- Create easy and understandable assessments for users to understand perfectly what they want and their skin needs.

- Help users feel good in their own skin

- Make personalized skin care routines

- Monitor their whole skincare journey through features within the app

- Dermatologist integration

## 1.5 Mission, Vision, and Values

Mission: The aim is to offer customized, effective, and medically supported skincare advice that addresses your specific needs and preferences while working in partnership with dermatological specialists.

Vision: To become the leading platform for individualized skincare routines, enabling people achieve optimum skin health via innovative technology and professional advice.

Values:

- Health and Wellness

- Transparency

- Inclusivity

- Education

- Empowerment

- Innovation

- Authenticity

- Community

By connecting with these values, DewyGlo can strive to greatness and create a safe environment for users.

# 2. Business Activity

## 2.1 Definition of the Characteristics of the Product/Service

DewyGlo aims to educate users on how to use skincare products properly and create a personalized skincare routine. With the mass consumption that social networks have created people are buying without knowing how to use that product. "Ads customization, promotion, sales, and shopping environment all contribute to an increase an individual's impulsive nature, leading to an urge to buy. This is often the case for online consumers with high SMI constantly browsing social media pages who are often exposed to promotion and heavily customized advertising materials, compulsive buying behavior instead has been linked to potential causes that are 'biochemical, psychological, or societal in nature" (Front Psychol, 2022).

To help with this over consumption our plan with our app is to help people understand the importance of a skin care routine which suits your skin the most and help expand their knowledge in the world of skin care. In order to do this, DewyGlo will have the following characteristics.

- **Personalisation**: Upon signing up, users will have to endure in a skin test which questions like what kind of skin do you have such as dry, mixed or oily, what is your skin goal such as reduce rosacea or wrinkle control, and how often do they follow their routine or even if they have one at all. Another important question is the budget the user has, we expect different types of incomes therefore we need to be ready with products with all pic ranges. With this information we can create the perfect skincare routine for users.

- **Educational content:** For users to know the products in their personalized skincare routine we'll give them guidelines. First, the order in which they should

use the products. This is extremely important due to certain products like glycolic acid, which would burn your skin if not used properly or in order for some products to work properly they need to be used before or after certain products. Next, showing them with visual explanations how to use the product. Applying the product can be very tricky and not putting it properly can cause wrinkles or simply the product not working. The videos would include how much they should be using, where in the face/neck they should be applying, which fingers they should be using or even the whole hand, and if they should pat or spread the product. Examples of misuse include: under eye cream is often misused, people apply it with index finger which you should be using your ring finger because it's the one with least strength and because your under eye skin is the most delicate you should slowly and carefully tap to avoid wrinkles. Lastly, create a schedule for the application of the products. Not all products are a daily thing so make them a weekly schedule on when to use it and also on the time of day they should apply the product. All of this will help users achieve their skin goals.

- **User engagement:** Features to track the user's progress are going to be implemented. Folders in which you take pictures on a monthly basis to see your progress. Also, a feedback section where you can state that you think a specific product is not working for you and we can alter your routine into something that fits better.

- **Convenience and accessibility**: Everything the user needs is in this app. We'll give a list of products and the place to buy them near them. Every feature on the app will be tested to create the MVP version of the app.

## 2.2 Targeted Market and Needs Covered

DewyGlo's target market is the following:

- Individuals with skin problems: People who battle with acne, early wrinkles, etc.

- Busy professionals: Individuals who don't have time to search for a routine that works for them, searching for something effective and efficient.

- Beginners: Individuals who have never followed a skincare routine and are looking to start taking care of their skin. They seek a reliable source to learn about skincare and to begin implementing these practices.

- Beauty and Skin Gurus: People who may have prior skincare skills but are always looking to improve their skincare routine and further their knowledge. They look for innovative research and methods to improve the health of their skin even further.

- Health and wellbeing sector: For those who like to take care of their body very thoroughly, skin is the first thing people see, therefore one of the most important features to take care of.

## 2.3 Buyer Persona

These personas represent the diverse segments of the potential user base and provide a framework for aligning the product development, marketing, and customer service strategies. Elena Martínez is a prime example of a user that prioritizes efficiency and simplicity in handling her personal and work life. Her need for efficient tracking of expenses and invoicing is directly related to the features offered by the app. Elena's presence serves as a reminder of the value of user-friendly functionality and design for time-pressed professionals who might lack a deep understanding of money

management. Her persona highlights the need for automated features that lessen the

workload and intuitive user interfaces in order to create a seamless user experience that
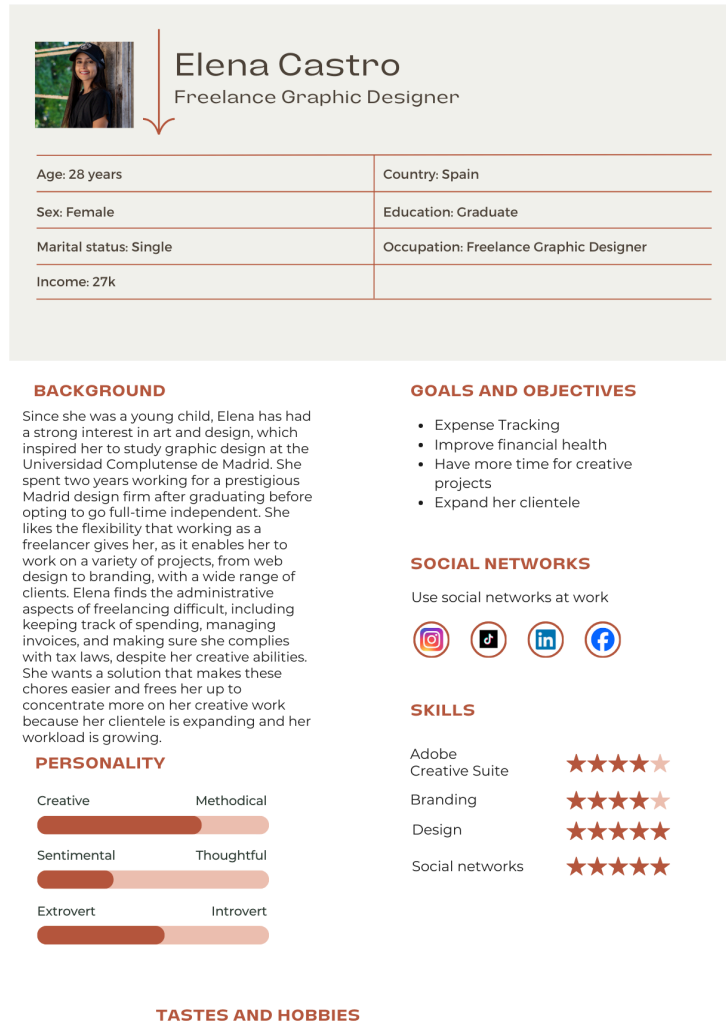
increases productivity.



*Figure 2 - Buyer Persona **Elena Castro***

*(Own source)*

Carlos represents small company owners who need all-inclusive solutions that combine numerous aspects of their organization, like payroll, inventory control, and accounting. His presence highlights the requirement for flexible software that can adjust to intricate corporate settings. Carlos's persona highlights how important it is to have reliable, all-in-one solutions that ease corporate procedures and guarantee dedication to regional laws. At this age, he also needs a skincare routine because he has to look professional at all times for his small business.



## Carlos Garcia
### Entrepreneur

| | |
|---|---|
| Age: 45 years | Country: Spain |
| Sex: Male | Education: Graduate |
| Marital status: Married with two children | Occupation: Small retail store owner |
| Income: 85k | |

**BACKGROUND**

Carlos began his professional career with a major retail chain, where he developed his skills in customer service and store management. He made the decision to follow his entrepreneurial passion ten years ago and launched his own retail store with an emphasis on eco-friendly household goods. His store, which is located in Barcelona, draws a loyal market of people who appreciate sustainability. Carlos is dedicated to providing fantastic goods and excellent customer service, but as his company expands, overseeing the store's finances, inventory, and payroll has grown more difficult. Currently, he employs a combination of digital and manual instruments, which are unreliable and inefficient. To simplify his business processes and free up more time to concentrate on growing his product line, Carlos is searching for a software-only solution.

**PERSONALITY**

Creative — Methodical
Sentimental — Thoughtful
Extrovert — Introvert

**GOALS AND OBJECTIVES**

- Manage accounting, inventory, and payroll efficiently
- Improve cash flow management
- Grow his business
- Enhance customer satisfaction
- Expand product line

**SOCIAL NETWORKS**

Use social networks at work

**SKILLS**

| Microsoft Office | ★★★☆☆ |
| Retail Management | ★★★★★ |
| Sustainability trends | ★★★★★ |
| Leadership | ★★★★☆ |

**TASTES AND HOBBIES**

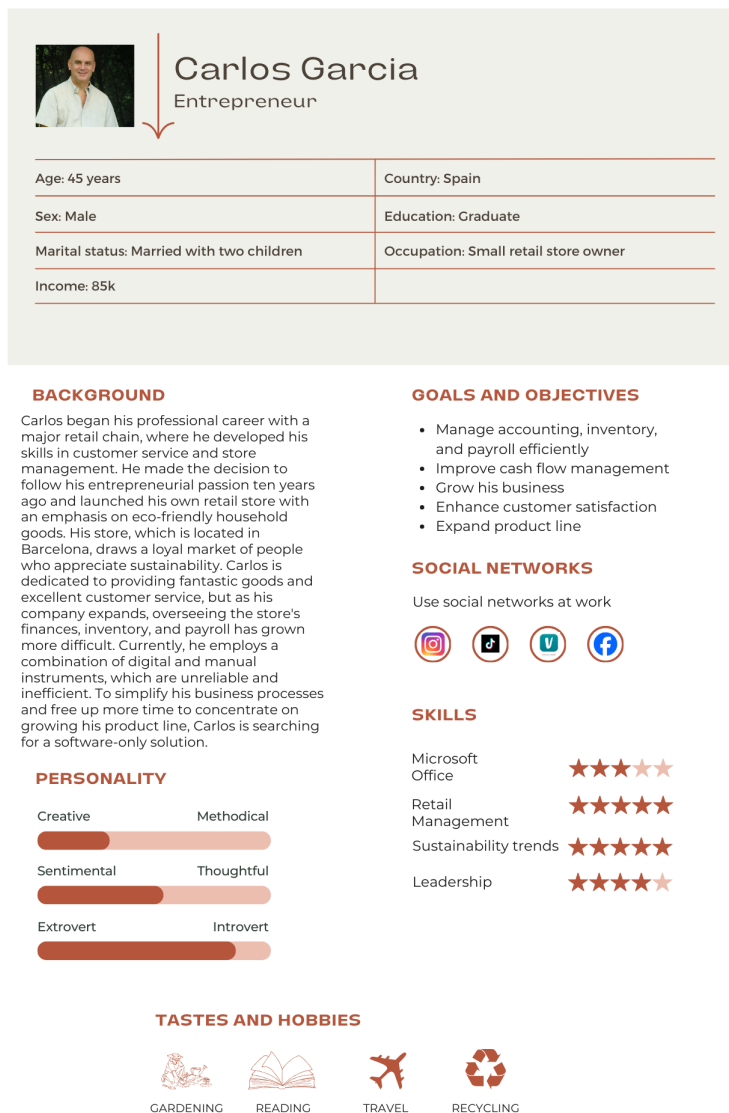GARDENING    READING    TRAVEL    RECYCLING

*Figure 3- Buyer Persona **Carlos Garcia***
*(Own Source)*

Finally, Laura is a representative of the younger, tech-savvy generation that is greatly influenced by online trends and social media. Laura's inclusion emphasizes how crucial it is to appeal to a younger audience that appreciates social integration and individualized experiences. Her persona highlights how important it is to create an entertaining, captivating, and instructive software that appeals to teens and young adults. Taking into account Laura's preferences and difficulties demonstrates the app's wider market appeal and capacity to draw a varied user base. The app's growth and adoption depend heavily on social proof and word-of-mouth marketing, both of which can be fueled by this demographic's involvement. "Buyer personas are critical tools for developing high-impact marketing campaigns. They allow sales teams to fully understand target audiences, and they enable the creation of powerful marketing messages, finely targeted ads, and marketing content that's likely to resonate with potential buyers" (Kelly, 2023)
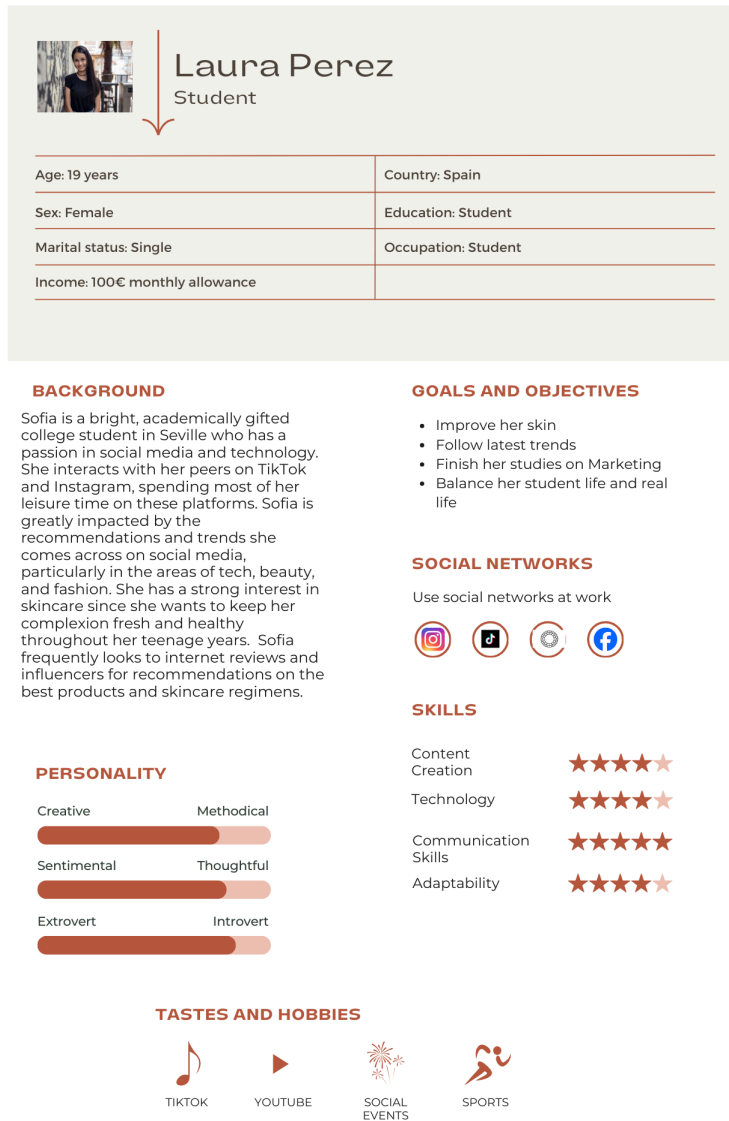
*Figure 4- Buyer Persona* **Laura Perez**

*(Own Source)*

## 2.4 Differentiation Criteria

Being able to provide customized skincare routines is one of DewyGlo's key differentiators. The skincare routine that each user follows is customized to their own skin type, issues, and objectives. Individual needs are our primary focus, which sets us apart from generic skincare solutions and guarantees that our customers receive the most relevant and effective skincare recommendations. Long-term loyalty is promoted

and higher results are achieved by users with this personalized strategy. Furthermore, DewyGlo integrates dermatological knowledge onto our suggestions. To create our content and make sure that our advice is based on the most recent clinical practices and scientific research, we work in collaboration with dermatologists. This partnership guarantees that users obtain safe and practical skincare advice while also enhancing the credibility of our app. "It is important to visit a skincare expert if you want to take care of your skin. They can help make sure you use the right products and treatments for your skin type. This will help keep your skin healthy and avoid damage. If needed, a dermatologist can give even more advice on how to take care of your skin" (Admin & Admin, 2024).

DewyGlo additionally highlights a high value on community involvement and continuous learning. We offer a variety of instructional materials, like articles, videos, and professional advice, to assist users in deepening their understanding of skincare. Through the use of our community features, users may ask questions, encourage one another, and share their experiences, fostering a sense of community and mutual learning.  Lastly, the user experience is a priority in the design of our app. To make it simple for users of all skill levels, from beginners to skincare experts, to find and use the guidance they require, we place a high priority on a user-friendly interface and seamless navigation. By focusing on accessibility, we make sure that everyone can use and enjoy our software.

## 2.5 Technology Needed

For the development of DewyGlo we need: development tools, database management, cloud services and hosting, statistical analysis, collaboration with dermatologists, customer support, analytics and monitoring, security, and design and prototyping.

The foundation of the app lies on development tools. They include programming languages and frameworks for the development. We'll use languages like HTML, CSS, and JavaScript. In terms of frameworks Angular and Python. For mobile development, Swift for IOS and Java for Android. Next, we need reliable database management that is crucial for storing and organizing data. For this we'll use Google Cloud, which we'll also use for cloud services and hosting along with Amazon Web Services (AWS).

The personalization of the skincare routine will be made with statistical analysis, tools, R and Python, will be employed. Statistical analysis software SPSS and SAS will be used for detailed data examination. In addition, we'll do an effective collaboration with dermatologists that will work alongside our programmer/developer to make the personalisation effective and accurate.

To manage our website we'll use WordPress in order to have easy access to our content and updates. Furthermore, to accomplish our customer's satisfaction, Freshdesk will manage customer inquiries whilst having someone that follows up on very important questions/cases. To track behavior and performance, we'll use Google Analytics and GA4.  Additionally, for security there will be data encryption models to ensure our

customer's security. Finally, for design and prototyping, Adobe XD and Figma will be used.

For the app to be successful, building and overseeing an active community is essential, because we want people to share their experiences and to enhance user generated content (UGC) and word-of-mouth promotion, to lower our Customer Acquisition Cost (CAC). We can reduce customer acquisition costs and boost engagement by creating a lively user community through online forums, loyalty schemes, and tailored content. It will be essential to comprehend and improve our Customer Lifetime Value (CLV) since doing so will enable us to maximize user happiness and retention. Continuous feedback loops, tailored user experiences, and strong customer service will raise CLV even more and guarantee DewyGlo's long-term viability.

## 2.6 Legal Requirements of the Project

We need to comply with certain types of licenses and permissions in order for us to operate swiftly in Spain. Our app needs licenses from data protection to health related and other types of compliances. Here's the breakdown:

- Registration with tax and social security authorities

- General Law for the Defence of consumers and users

- Data Protection Law

- General Data Protection Regulation

- Register data processing activities with the Spanish Data Protection Agency

- Electronic E-commerce Law

# 3. Business Identification and Market Analysis

## 3.1 Market Research

"Survey data collection methods offer a high level of general capabilities when it comes to representing a wide group of people. The data acquired has a better depiction of the relative features of the general population engaged in the study due to the usual large number of persons who respond to surveys. In comparison to other data collection approaches, surveys can extract data that is close to the actual characteristics of the target population" (Balamurugan, 2023). I performed a thorough market research survey with 23 different types of questions, and I received 76 responses. I started by giving the survey to my friends and peers, who then shared it with their networks to reach a larger and more varied group of respondents. By using this method, a more representative sample for the analysis was guaranteed.  The results of the survey are the following:

- 55% of the population of my survey is between 18-24 years old and 73% is female. They're mostly students with 42% and 39% employed. Out of those employed, 51% earn between 1.000€-2.999€ a month.
- 78% of my responders follow a skincare regime correlating with 25 responders placing the importance of their skincare routine on a 5 from 1-5.

How important is skincare in your daily routine?
76 responses
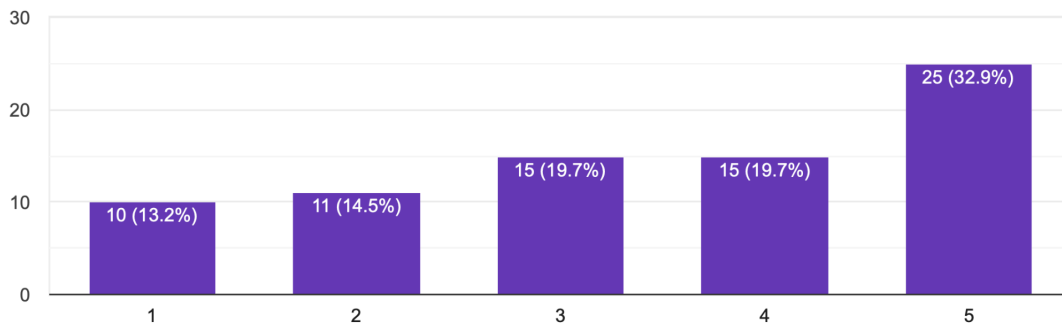


*Graph 1 - How important is skincare in your daily routine*

*(Own source)*

- The products the responders use mostly follow a pattern of face wash, toner, moisturizer, sunscreen or a type of serum following it. Most of them use Cerave, Clinique, La Roche Posay, Bioderma, and Lancome

- 50% of the responders purchase skin care products every 2-3 months which is very common if you use your products regularly.

- In terms of skin struggles 36% said dryness and 34% said acne. Some extra ones not set in the original options are hyperpigmentation, dark circles, and black spots. However, 48% have not seeked out help from a dermatologist. Adding to that, 82% have not gone to apps or any digital platform to help their skin concerns. But, 72% would be interested in a skincare app that tailors to their individual skin type and concerns. For this said app 77% would like a personalized skincare routine, 63% said product reviews and ratings, and 53% said skin analysis tools.

Have you gone to the dermatologist for said condition?

76 responses
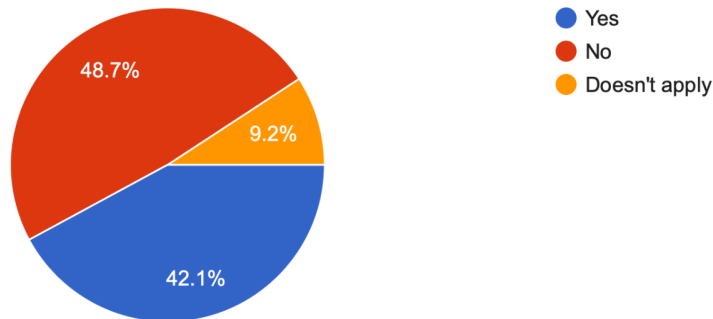


*Graph 2 - Have you gone to the dermatologist for said condition?*

*(Own Source)*

- About 15% of the responders would actually like virtual consultations, which makes sense and it probably ties to the severity of their skin concerns.

- In terms of subscriptions, the preferences are pretty tied, 32% would like a one time purchase whilst 35% would like a subscription model, and then on the other hand 31% don't have a preference to this. About 46% would like to be free and 34% would pay up to 5€ a month for it. The availability to have this app in multiple languages is very important to 38% of the population.

- App recommendation based on their experience is about 40% of the population and 53% of them would like to connect with other users to share tips and experiences. 61% would use automated tracking features for their tracking process.

- Most of them are comfortable with trying new skincare products with 31% saying 3 from a scale from 1-5 and 23% saying 5.

## 3.2 Target Market Definition

This app is designed for anyone who wants to improve their skin and their skincare routine. This is more specifically targeted for individuals who don't know what to do or what to use. Often happens when they have "Analysis Paralysis" which is "Analysis paralysis is the act of over-thinking so much about a specific decision that no decision can be made due to fear of making the wrong choice. It can be small in scale or quite large, but the all-consuming paralysis is all too real" (Hutt, 2023). This is more likely with younger people like teens to early thirties, rather than older due to having more experience in this area. In terms of gender, having a skincare routine is genderless, nevertheless leaning into females more than male since they tend to be more interested in skincare. Income varies here, since we're gonna have a section where we would ask what's your budget and then make something to fit your budget. However, having a budget aside monthly for skin care is essential here.

## 3.3 Market Situation

"The revenue generated in the Skin Care market in 2024 in Spain amounts to €2.59bn" (Statista, 2024) . This leads to Spaniards becoming more aware of their skin health and wanting to improve. This has grown exponentially over the years. "Spain is an international leader, it is one of the world's top 10 exporters of beauty products and the second largest exporter of perfumes. Exports in the sector reached 6.515 billion euros in 2022, which places it above such emblematic sectors as wine, footwear and olive oil" (Stanpa, 2023).
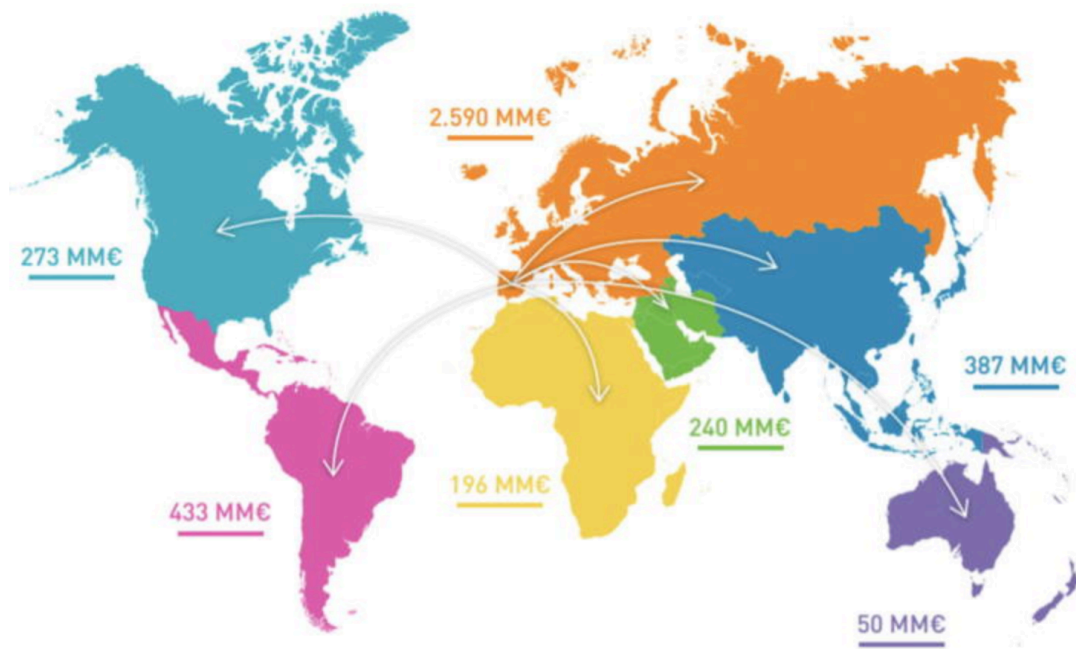
*Figure 5 - Spain: exports of cosmetics and fragrances return to pre-pandemic level*

*(Stanpa, 2021)*

## 3.4 Competition

1. RYNKL: app that tracks signs of aging with AI

2. Skincarebyalana.com: recommends products for your skin

3. Think Dirty: app that assesses any bad ingredient in your beauty products

4. Hydration Reminders: app that sends you reminders to re-apply sunblock and to drink water

5. YouCam Makeup: App that makes a face analysis with AI

6. TroveSkin: Skin tracker and photo diary

7. Skincare and Face Care Routine: App that gives you beauty tips

8. FeelinMySkin: This app combines skincare routines with mindfulness exercises

9. Skincare Routine: It assists you in creating a skincare routine based on your skin problems.

10. Cloe: app for AI-powered skin analysis

These are the top 10 (not in order of importance) beauty/skin apps based on the following criteria. Having a working app without lots of glitches is one of the most important things. Having the best customer satisfaction is prime for an app, and the ones which glitch a lot is not helpful for an app. Next, it's features. The selection of the app's features is tricky due to not wanting your app to be very information loaded. Another criteria is effectiveness on your skin journey.

The app that resembles my app the most is "Skincare Routine".  Currently, when you open the app store it doesn't automatically appear for the Spanish App Store, but once you look it up online and click the link it pops up. Therefore, their target is not Spain since it's US based. The difference is that they work hand-in-hand with Deciem. They're the main manufacturer of The Ordinary and NIOD. They mostly recommend only these brands which makes everything biased. They're very good skincare brands, however once you only recommend two brands customers won't give you 100% trust. This creates a certain environment that you're portraying that your app cares more about revenue rather than good customer experience.

## 3.5 Sales Forecast

The sales forecast for the first year is the following:

|  | **Basic Pro Subscription** | **Premium Subscription** | **Data Sale** | **Ads within App** |
|---|---|---|---|---|
| **Users** | 2.200 | 800 |  | 7.000 |
| **Price** | 7.99€ | 12.99€ |  | Free |
| **Sales without VAT** | 210.930€ | 124.700€ | 3.000€ | 420.000€ |

*Figure 6 - Sales Forecast*

*(Own Source)*

## 3.6 PESTEL

Political

Spain, as well as most European countries, adhere to make sure all of their products are of quality and efficiency. We need to make sure our products comply with Spain's policies and regarding that we will only recommend products sold in Spain in places that we know for a fact that they sell. In addition, Spain has made various campaigns to endorse wellness and skincare falls into that. With this promotion of well-being, it can help us grow due to our aim to educate and help individuals.

Economic

With the boom in consumerism due to the rise of social media, we have an entryway with this. Users will spend money if they think that the product/service will work therefore we have to create confidence in the app's image. This opportunity comes from the creation of the initial problem that users are spending their money without knowledge of what they're buying. However, with this versatile and unknown economy we're on the edge of an economic recession which could make or break us. "History has shown that, when it comes to the financial markets, what goes down eventually comes back up, although the road to recovery may be a bumpy one. And while it may seem

counterintuitive, recessions aren't all bad news. From the chance to earn higher yields on your savings account to the potential for bargains and low-cost dividends in the stock market, the clouds that settle over the economy during a recession do in fact have a few silver linings" (Bromberg, 2023). By offering a freemium option at the start, we can encourage individuals to give our app a go and convince them to stay. "In beauty circles, the Lipstick Effect, also called the Lipstick Index, is claimed to be the category's leading economic indicator. The concept is that in times of a recession and other economic stresses, women will indulge in discretionary purchases that provide an emotional uplift without breaking the budget. Lipstick fits the bill" (Danziger, 2022). This explains why some luxuries, like lipstick, are still in demand despite overall spending being lower, they provide a feeling of pleasure and boost without having a big financial impact. In essence, the idea says that individuals still look for small pleasures that might uplift their spirits even during hard financial times.

Social

People nowadays want to be different from anyone, so having a customized and personalized routine enhances our customer satisfaction and increases our likelihood of our users recommending the app. In addition, the face is one of the first things people see and it's your fore-front when presenting. Sometimes, selling points could be how you present yourself and having clear/good skin is a vital factor in this. This can increase your chances of landing your dream job or your dream sale. Lastly, wellness and self-care are an everyday thing for more and more people now. Trends usually rely more on improving your health and how you present yourself rather than something that might have a negative effect on you. There's multiple studies on how how you present yourself, helps you positively in how the professional environment perceives you. "Attractive people receive more attention and compliments, which improves their

confidence and in turn, their personality comes through stronger, so the cycle continues.
A lot of the time, these people have experienced this from a very young age, so years
and years of confidence are giving them not only a psychological but academic and
professional advantage" (The Glasgow Guardian, 2023)

Technological

Advancements in technology help us greatly. AI and machine learning could do so
much for the app. When doing the personalisation, AI creates a more accurate and
authentic routine. This aid greatly helps the app with daily AI self improvements and
learning behaviors.

Environmental

The importance of the environment is a factor when choosing products more and more
by the day. People rather products that are either vegan, environmentally friendly or not
tested with animals. Making sure we follow such points is vital. Offering a variety of
products that our users can choose from to see which one they see fit. In addition, we
will work with products that the user already has and finish them to not promote waste.
There's loads of products that you can refill and it comes cheaper and more
environmentally friendly like the L'occitane shower oil and shower gel.

Legal

In terms of legality of the app there's two factors which dive into, intellectual property
laws and data privacy regulations and laws. We need to make sure we comply with
everything that this law requires. Since they protect all the exclusive rights of creations
and innovations we have to be careful with little details. Legal consultants with IP Law
expertise can help us go through this vast legal world. Furthermore, regarding data
privacy, we will sell significant information in regards to skincare and products to the
beauty industry. We need to state this in the Security and Privacy guidelines in order for

all of this to be efficient. By not letting this information out without the app's permission, our developers will implement encryption protocols, secure data systems, as well as regular security audits in order for our users to feel safe.

## 3.7 Porter's Five Forces

Competitive rivalry

The skincare personalisation app market is highly competitive, with several vendors providing different levels of personalisation and quality. Strong competition may encourage innovation, but it can also make it difficult to hold onto a unique market position. It is essential to maintain constant distinction through unique characteristics, improved user experiences, and powerful branding.

Reducing rivalry is somewhat aided by product differentiation. Users might be drawn to and engaged by apps that stand out for their excellent personalisation algorithms, excellent user interfaces, and reliable dermatological insights. Continual enhancements, the introduction of new features, and favorable feedback from users all help to keep a competitive advantage.

Growing customer knowledge of and desire in customized skin care products contributes to the skincare market's rapid expansion.

Supplier Power

Depending on the kind of supplier, different suppliers have different bargaining strength. Because so many businesses offer cloud services, artificial intelligence tools, and other technological resources, the concentration of technology suppliers is low to intermediate. Individual suppliers' power to negotiate is reduced by this availability. On the other hand, dermatological knowledge may be more specialized. Dermatologists and

skin health experts may be more able to negotiate because of their specific expertise and the value of their recommendations and insights for the credibility and usefulness of the app.

Buyer Power

As there is plenty of information available, customers in the skincare sector have significant negotiating power. Users may quickly scan reviews, evaluate various programmes, and move to competitors if they discover a better offering. In order to keep clients, businesses are forced by this transparency to constantly develop and improve their offers.

The price sensitivity of skincare products ranges from moderate to high. A lot of customers are searching for inexpensive solutions, and if the perceived value is not worth the price, they may move to less expensive options. On the other hand, providing distinctive personalisation, superior features, and measurable outcomes can help offset increased costs and lessen sensitivity.

The skincare app industry is characterized by a wide range of users, indicating that no single buyer possesses significant power over the market. But by setting trends and influencing public opinion, major influencers or significant user bases can have a greater impact. Developing close ties with these influencers might be beneficial.

Threat of Substitution

The threat of substitutes is high due to the availability of alternative skincare solutions. Alternatives include traditional skincare consultations, over-the-counter products, and other skincare apps. To mitigate this threat, the app must offer unique benefits such as

advanced comprehensive skincare routines, and ease of use, making it superior to these alternatives.

<u>Threat of New Entry</u>

The risk of new competitors joining the market is constant as the beauty and wellness sector grows. The competition has increased due to the variety of new apps created as a result of the technology and AI fields' quick progress. Furthermore, Spain's beauty sector is expanding at an exponential rate, giving companies lots of room to innovate. The rise of micro-influencers who use their platforms for commercial purposes facilitates market penetration even further.

However, this threat can be greatly reduced once a strong community is formed around the project. DewyGlo will build a committed and active user base by rewarding contributors for their participation, such as through user-generated content. In addition to increasing user retention, this feeling of community and active user participation acts as a barrier to entrance for new competitors, since continued user engagement and a strong community develop into competitive advantages.

## 3.7 SWOT Analysis

<u>Strengths</u>

- Personalisation: Everyone is going to have a personal routine for their skin types and their skin goals.
- Education: By teaching our users the proper methods this creates a safe and empowering environment.
- Features: Tabs within the app will have a calendar and reminders to keep track of everything.

- Partnerships: Having certified dermatologists is always a plus and skincare brands visibility is crucial for the app's growth.

Weaknesses

- New entry: Since being new in the skincare market, the app faces a lot of competition from already established brands and apps.

- Accuracy: The reliance of the quiz might not be enough to be extremely specific in the skincare routine.

- Underfinancing: the possibility of underfinancing, which is a major factor in the bankruptcy of a large number of small and medium-sized businesses (SMEs). Compared to larger companies, SMEs can face more barriers to funding, which may limit their capacity to expand and successfully maintain operations.

Opportunities

- Skincare market: This is a growing sector and there's huge fitness for growth.

- Expansion: Our target is Spain, but in a few years time is expected to reach more countries in Europe and North America.

- Influencers: Living in the digital era makes entryway for beauty/skin gurus to join or partner with the app to reach the right audience.

- Customer learning: There is a chance to inform consumers and offer tailored advice since many customers are unaware of how to structure their skincare products in order of importance.

- Enhanced User Engagement: By using gamification techniques and user-generated material, a strong community can be established, which will increase user retention and lessen the threat of new competitors.

Threats

- Privacy concerns: We're selling useful data to the beauty industry to help with products and to see what the client wants. However, users might feel a little uneasy sharing their information.

- Reviews: Positive reviews are always expected, but we have to be ready for all the negative reviews and use it for app improvements.

- Trends: They go by fast and strong therefore not implementing new trends with the routines and putting what works into it.

# 4. Marketing and Commercialization

## 4.1 Price and Sales Policy

DewyGlo's pricing strategy seeks to maintain the viability and profitability of the company while offering consumers value-oriented options. The app has two subscription levels: BasicPro and Premium, each intended to meet varying user requirements and levels of interaction. This is determined by averaging the prices and content of our competitors.

- Basic Pro Subscription:

    Price - 7.99€

The subscription includes a quiz for generating the personalized skin care routine, personalized skin care routine, in-app reminders, step-by-step on how to use the products and tutorials on how to use them, monthly and weekly calendar for day and night product list, personal diary of progress, personal notes, and community forum.

- Premium Subscription:

    Price - 12.99€

The subscription includes a quiz for generating the personalized skin care routine, personalized skin care routine, in-app reminders, step-by-step on how to use the products and tutorials on how to use them, monthly and weekly calendar for day and night product list, personal diary of progress, personal notes, and community forum, outsourced dermatologists online consultations, reward system and loyalty programs.

Transparency, user happiness, and smooth transactions  are the goals of DewyGlo's sales policy. With choices for monthly or annual billing and a simple sign-up process via the app, managing subscriptions is a simple thing. Through the app's account settings, users could effortlessly manage their subscriptions, including upgrading, downgrading, or canceling their plans. At the end of every billing cycle, users' subscriptions automatically renew; they are informed beforehand and can choose not to have their subscriptions renewed automatically. In order to keep customer satisfaction and trust, refund policies are laid out in detail. Although users can cancel their monthly subscriptions to avoid further charges, once the billing term has started, monthly subscriptions are non-refundable. Refunds for annual subscriptions are available during the first thirty days after purchase; after that, adjusted refunds will be evaluated on an individual basis.

## 4.2 Brand Policy

Our brand policy is focused on giving users of our skincare personalisation app an innovative, trustworthy, and customer-focused experience. Our goal is to establish ourselves as the leading source for customized skincare solutions, enabling people to achieve ideal skin wellness with innovative technology and professional advice. Every component of our brand is based on our basic beliefs.

DewyGlo  is built on expertise, since we collaborate closely with dermatologists and skin care specialists to guarantee that the advice we make are both effective and backed by research.  Trust is essential, which is why we maintain operational transparency, protect user data with strong security protocols, and continually fulfill our commitments. We take a very customer-centric approach, making sure that every feature of our app is made to give customers the most value and satisfaction possible.

"In recent years, technology has played a significant role in revolutionizing the beauty landscape, shaping the way products are developed, marketed, and consumed. From advanced skincare devices to virtual try-on tools, the integration of technology has transformed the beauty industry, offering new possibilities and opportunities for both businesses and consumers alike" (Shahzad, 2024). The app is dedicated to innovation and ongoing development. In order to stay current and competitive, we'll analyze and update our brand policy on a regular basis, adjusting to new opportunities and difficulties in the beauty industry.  Our dedication to quality guarantees that our skincare personalisation app will always be a reliable and beneficial resource for consumers, building strong connections and promoting long-term success.

## 4.3 Communication and Image/Promotion

DewyGlo's logo represents us in its colors and style. The gentle colors and fonts create a sense of comfort and serenity. When doing your skincare you have to feel you're pampering yourself and it should be a time where you feel peace.  To make my app be noticed, we will create Instagram and Tiktok campaigns. Following my demographic and reasonings for the app, going to the place of cause is the key. Making trendy and

feel-good content which creates an audience which can become customers. Going to

beauty conferences is also key in order to meet people in my same industry and make

the professionals aware of my app and its functions. Also, going to dermatologists and

asking for a type of partnership is also very important. We want nothing but success in

each person's skin therefore having a dermatologist on hand can bring even more

accuracy and help.



*Figure 7- DewyGlo's logo*
*(Own Source)*

## 4.4 Distribution Channel

Reaching potential users and guaranteeing the skincare personalisation app's widespread

acceptance depend on efficient distribution channels. A carefully planned distribution

plan promotes user acquisition, increases brand awareness, and fosters relationships

with the target market. "Understanding the power of social media in enhancing

customer engagement and retention is crucial for staying ahead in today's competitive

market" (AI VIBES, 2023). The following is a thorough rundown of the distribution

methods which will be used to market and distribute the app:

- Apple App Store and Google Play Store: Reaching iOS users can be mostly accomplished through the Apple App Store. Software Store Optimisation (ASO) strategies must be prioritized in order to guarantee that the software is optimized for discoverability and visibility on the App Store. Using relevant keywords, appealing app descriptions, clear images, and captivating video previews are some examples of this. Furthermore, encouraging users to give the app high ratings and reviews has a big impact on how visible and ranked it is. One essential channel for reaching out to Android users is the Google Play Store. Applying ASO strategies to increase the app's visibility and discoverability is crucial, much like with the Apple App Store. This covers optimizing screenshots, video previews, app descriptions, and keywords. Encouraging users to give the app favorable ratings and reviews actively raises its Play Store ranking.

- Social Media platforms: Tiktok and Instagram will be the primary social media platforms along with Facebook and Linkedin. Instagram's and Tiktok's visual format is perfect for presenting the capabilities and advantages of the programme. Engagement will be increased by presenting customer testimonials, before-and-after changes, and professional advice through high-quality photos, videos, and narratives.

- Influencer Partnerships: Reaching a larger audience and increasing brand credibility can be achieved by partnering with beauty vloggers and skincare influencers. Influencers can encourage their followers to download and use the app by offering genuine evaluations, guides, and recommendations. It is

essential to carefully choose influencers who have a large following in the target market and whose values coincide with the brand.

- Public Relations: Establishing collaborations with physicians, skincare centers, and cosmetic companies will enhance the app's legitimacy and accessibility. Referral plans, cooperative promotions, and co-branded content are a few examples of these alliances. Working together with respectable partners will open up access to their clientele and enhance the app's features.

- Paid Advertising: Driving app downloads and engagement can be achieved by targeting potential users with a combination of display, search, social media, and video ads. Performance data will be used to optimize paid ads in order to guarantee the highest possible ROI.

## 4.5 Consumer Service and After-Sales Service

Key elements of a skincare personalisation app's marketing and commercialization plan include strong after-sales support and efficient customer service. "After-sales service is critical for the longevity of your business for three reasons: ensuring repeat customers, fostering word-of-mouth referrals, and maintaining a positive brand image" (Chambers, 2022). Through the offering of thorough support and constant communication, the app can build strong connections with its users, boosting frequent use and positive reviews.

We're going to use FreshDesk for our customer support services. They offer a variety of features which allow us to connect directly with our customer in an efficient and favorable way. By responding to everyday questions right away, AI chatbots may be used to further improve support. When needed, these bots can be trained to

communicate complex problems to human agents, guaranteeing that consumers receive the help they need right away.

By bringing new features and upgrades frequently, we hope to keep users interested in the app and make it feel fresh and relevant. Users will feel cared for and engaged if you send them individualized follow-up emails and in-app notifications with questions about their progress or level of satisfaction. This will make them feel important and supported.

# 5. Production and Operations

## 5.1 Installations and Equipment

We won't have a specific office for the first 5 years, as the business grows we'll invest in an office. For our meetings we'll use Google Teams and use the Google system to do our work load. For in-person meetings we'll rent a co-working office space for the amount of hours necessary, most likely this will happen once a month. In terms of equipment, we will provide computers for our employees complying with the specific necessities their role has. In addition, we'll have the appropriate softwares and servers that each role needs. Softwares like Adobe Creative Suite, Visual Code Studio, Python, Figma, and Selenium. For network and security, firewalls ought to be installed along with antivirus softwares. Contingency plans for each scenario will be held in place with their possible solution.

## 5.2 Production Process/How the Business Works

DewyGlo works in the following way:

1. Market and Technology research: Conduct surveys, focus groups, and interviews to get knowledge into what people want and need. In addition, do a competitive analysis and learn more about our competitors. Investigate the latest technological advancements and compile a database of skincare products and dermatological information.

2. UI and UX Design: Create prototypes to see how the app's interface could look like. Also, design a seamless user experience focusing on customer satisfaction.

3. Technical Design: Develop the server side logic, database, and API integrations necessary to support the app's functionality.

4. Dermatologist pre-made routines: Dermatologists will create different skincare routines scenarios in which the programmer will connect to the quiz. Point system in which depending on how much a user chooses certain types of answers the skincare routine will be created. When having a certain type of skin there's more likely scenarios that help us know which skin care routine best fits your skin.

5. Development: Use technologies like HTML, CSS, and JavaScript to implement the user interface, making sure it is aesthetically pleasing and responsive. To ensure the app's functioning and data security, develop the server-side logic and database administration using frameworks like Python. Build the iOS and Android mobile application to ensure a smooth platform experience.

6. Development testing: Conduct tests to ensure individual components all function correctly.

7. Deployment : Ensure all guidelines of Apple Store and Google Play store meet the requirements and are ready for submission.

8. User Acquisition: Marketing campaigns will be done to ensure more use acquisition. Using SEO and social media marketing, as well. Influencer collaborations will greatly boost this.

9. Data Collection: Collect data from users about their skin types, their concerns, and goals. Analyze how users interact in the app and adjust accordingly.

10. Customer support: Provide a help center with FreshDesk to support our users 24/7.

11. Data Analysis and performance metrics: Track user retention rates and identify factors to help increase loyalty. Monitor revenue streams from subscriptions and ads.

## 5.3 Production Costs

For our production costs we allocate them into mostly fixed costs. The total amount of these for the first year 2025 is 275.284€. Our highest costs here are our Marketing expense for 60.000€/yr, salaries and wages 181.368€, web maintenance 6.000€/yr, and other fixed costs 12.000€/yr. For more detailed information of our production costs see the last part on Annex 31.

## 5.4 Quality Control

Maintaining the best possible quality for DewyGlo is essential for long-term success, user happiness, and trust. In order to ensure that the app satisfies all design, functionality, and performance requirements, quality control employs methodical

procedures. Establishing a strong quality assurance plan, defining specific goals for every stage of development, and making sure that all legal and industry criteria are met are the first steps in our quality control process. We employ both automated and manual testing techniques. Unit tests for individual components, integration tests to confirm module interactions, and regression tests to guarantee new updates don't bring defects are all examples of automated testing. In order to make sure the user interface and experience are clear and easy to use, manual testing focuses on functionality. One further essential component of quality control is performance testing. Stress testing evaluates the app under harsh circumstances to find its breaking point and make sure it can recover gracefully. Load testing simulates significant user traffic to ensure the app can handle peak loads without performance degradation. "More users than ever before are relying on web applications to access products or services, load testing is critical in validating that your application can function properly during realistic load scenarios" (OpenText, 2024). Efficient performance is ensured by optimizing CPU, memory, and bandwidth allocation through monitoring resource utilization during these tests.

# 6. Location

## 6.1 Location and Location Criteria

When choosing the location, for the starting market will be Spain therefore working from Spain. "In 2023, Spain ranked in the top 5 European countries in the consumption of health and beauty products, highlighting the cultural emphasis on self-care and physical appearance. In 2021, the Mediterranean country alone spent nearly seven billion euros" (Vargas, 2024). This proves that Spain is an emerging country when it comes to beauty. Moreover, despite a shared cultural preference for food and drink,

Spaniards place a high importance on health and wellbeing. The country's dedication to maintaining a healthy lifestyle is a good fit with the expanding market for skincare and cosmetics. Spain is a perfect starting point for our skincare personalisation app because of its advanced technology innovations and well-developed infrastructure which enables the use of digital solutions. In addition, the thriving cosmetics business, which is home to many national and international companies, promotes collaborations and partnerships. The population of Spain is likely to be skilled in technology and diverse, making them open to new approaches to beauty, which will help our app get momentum quickly.

## 6.2 Land, Building and Installations

The growth of work from home (WFH) since Covid-19 in 2020 has increased immensely. Due to this we're choosing WFH and have business meetings in a co-working space in which we'll rent out a room for the hours we need to discuss our endeavors. "16,000 workers over 9 months found that working from home increased productivity by 13%. This increase in performance was due to more calls per minute attributed to a quieter, more convenient working environment and working more minutes per shift because of fewer breaks and sick days. In this same study, workers also reported improved work satisfaction, and attrition rates were cut by 50%" (Bradshaw, 2024). We view flexibility and comfort vital for our workers. In addition, we're going to partake in our daily meetings with Google Meets and work through that platform.

# 7. Human Resources and Organization

## 7.1 Job Description and Analysis

A launching skin care app requires a focus on hiring the most essential roles. This needs a clear understanding of what the roles are because of the dynamic and competitive outlook of today's market. We're building a lean yet skilled team that can help the app thrive. We'll prioritize multifunctional roles using the thinking hats method. Having our employees have a multi-faceted working environment can help them thrive into what they're doing. Also promoting teamwork due to the fact that everything's connected within the app. We actively look for applicants on LinkedIn, use the vast network of the platform to find people who share our vision and values, in order to find and hire top talent. We are looking for experts that are passionate about innovation in the skincare sector and have a wide range of skill sets who also want to help grow the app. Here's the breakdown of the roles.

1. CEO: The CEO's purpose is to lead, define strategic goals, manage, and make sure everyone's following the company's mission and values. The responsibilities include stakeholder management, decision-making, business management, and strategic planning.

2. CTO and Full Stack Developer : Its purpose is to manage technology development and infrastructure. Also, manage the app to be responsive and user-friendly ensuring customer satisfaction.

3. UI/UX Designer and Customer support: Responsible for the designing the user interface and user experience of the app. They work directly with the CTO ensuring positive and intuitive experience. For the customer support part their

role is to provide support to the app's users. We'll have automatic AI customer support therefore they'll only foresee what's a direct necessity to users.

4. Marketing specialist: Manage marketing and user acquisition strategies. Their responsibility is market research, branding, advertising campaigns, social media management, and market analysis.

5. CFO: Manage app's finances and accounting. Doing all the financial sheets, book-keeping, and the rest of the financial plans.

## 7.2 Hiring Criteria

We'll have an external hiring team and we'll give them a description of the positions. They're gonna be the following:

- Chief Executive Officer (CEO): Since this an entrepreneurial project they have to have business administration and entrepreneurship background, preferably a degree on that. They have to possess vision and an entrepreneurial mindset, also having ambition to put this project to life. Needs to have at least fluency in Spanish and English. Ideal candidates need to have proven leadership experience with a strong understatement of how the business and operations world work. Excellent communication, negotiation, and people skills.

- Chief Technology Officer (CTO) and Full Stack Developer: They will set the technological strategies, manage app development, and ensure scalability of the app. Necessary background in software development and IT management. Some computer science degree or in a related field is very appreciated. Also, I need to be proficient in programming languages such as HTML, JavaScript or CSS, mobile app development, and cloud infrastructure. Should be creative, innovative, strong attention to detail, and excellent problem-solving skills.

- UI/UX Designer and Customer support: They will create a dual role in designing the user interface and ensuring positive user experience for the app. This role involves conducting user research, creating prototypes, designing visual elements, and conducting usability tests. As well, they'll have to respond to user inquiries and collect feedback in order to maintain a positive user experience. They'll need proven experience with UI/UX design and a strong portfolio showing previous work, proficiency in design software languages like Adobe XD or Figma, strong communication skills, and innovative mindset.

- Marketing specialist: They will manage strategies to promote the app and drive user acquisition. Conduct market research and analysis, development of branding and advertising campaigns, and manage social media. Need to have proven experience in marketing management and a degree in Marketing or something related to it. Extensive knowledge in SEO, SEM, keywords, and content creation. Strong writing and communication skills along with being creative and having strategic thinking.

- Chief Financial Officer (CFO): Someone organized and responsible. Financial and accounting tasks need special attention and perfection. Business or Finance degrees necessary and having accounting experience is a must. Extensive knowledge in Excel and analytical platforms.

## 7.3 Organizational Structure
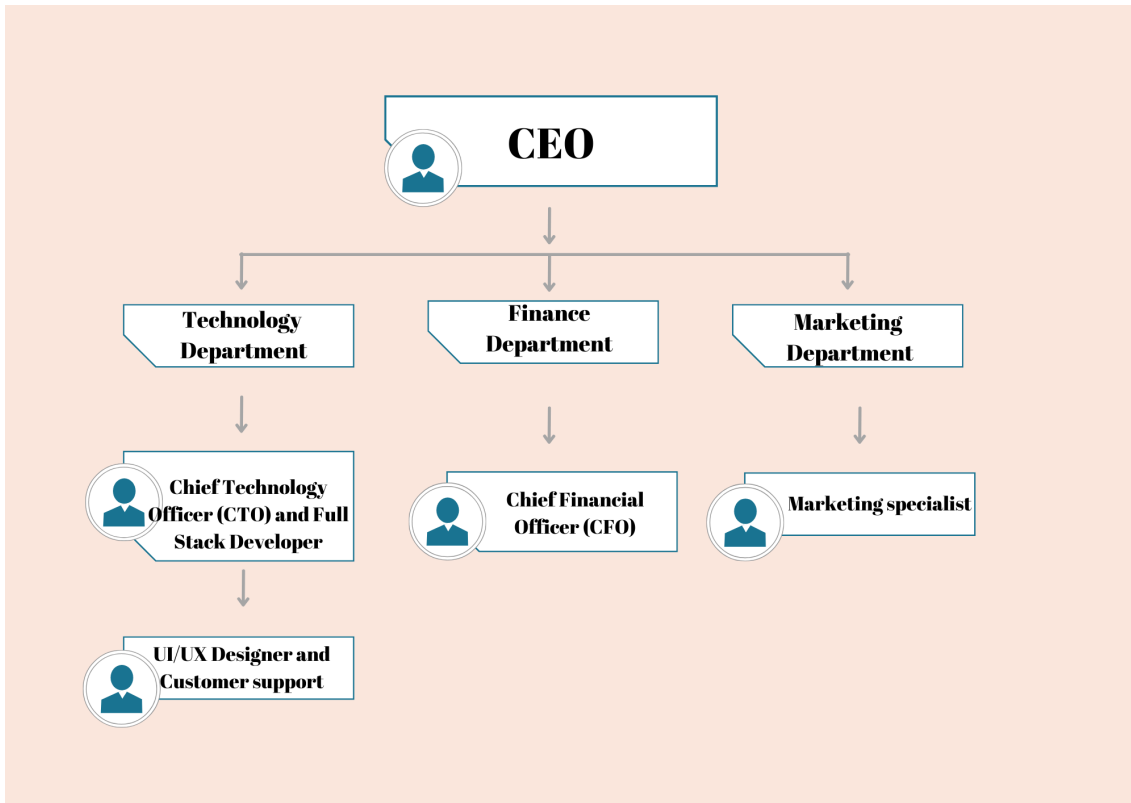


*Figure 8 - DewyGlo's Organizational Structure*
*(Own Source)*

## 7.4 Remuneration Policy

The remuneration plan will be designed to take into account the employee's area of skill, guaranteeing competitive pay corresponding with their contribution and level of experience. Thorough initiatives of bonuses and social benefits will also be put into place, rewarding staff members according to the accomplishment of set goals and performance standards.  This strategy seeks to recognise and encourage exceptional employees by recognising their accomplishments and hard work.

## 7.5 Outsourcing

These jobs don't need a full-time position therefore are not a necessity. Hiring freelancers for specific tasks can save us money and resources. We'll need a Quality

Assurance Tester that will conduct testing and ensure the app is free of bugs before launch. Another freelancer that we need is Content writer/copywriter for content creation within the app and to help the marketing specialist. Another one is data analyst, this works also as a consultant in what we could do better within the app and what we can do to fix it. In addition, a very important one is a lawyer, there's a lot of policies we need to ensure and since we're working with people we need to have one in case of anything. Lastly, a dermatologist, since we're a skincare app we need a specialist to help us guide our users into their skin goals. They'll work alongside developers to create special skincare routines based on statistical trees.

# 8. Financing and Economic-Financial Analysis

## 8.1 Economic Needs of the Project

DewyGlo has the following economic needs to be funded:

1. First Development and Setup: A significant financial investment is needed to pay for the app's development. This covers the cost of employing qualified designers, developers, and project managers in addition to the price of buying the required software tools and licenses.

2. Ongoing Operational Costs: We need to budget for ongoing costs like wages and co-working space rent in order to keep things running smoothly. These expenses also cover IT services, customer support, and other administrative expenses that are essential for daily operations.

3. Marketing and User Acquisition: To draw in and keep users, a strong marketing plan is necessary. Funding for influencer collaborations, social media advertising, digital marketing campaigns, and other promotional initiatives are included in this.

4. Technology and Infrastructure: To keep the app current and competitive, ongoing technological investment is required. This covers the price of data storage, cloud services, cybersecurity protections, and frequent software upgrades.

5. Legal and Regulatory Compliance: Paying for required licences, legal advice, and observance of data protection regulations are all part of maintaining compliance with legal and regulatory standards.

## 8.2 Funding Sources

Ana Corona, the project's founder, is the organization's primary financier, providing €50,000 to DewyGlo. The early setup costs, such as app development, recruiting key individuals, and software tools, will be paid for with these funds. The app will also obtain a €35,000 loan, which will be returned over the course of five years at a nominal interest rate of 4%. DewyGlo guarantees a strong financial foundation by combining the founder's contribution and the loan, allowing the project to efficiently handle both early and recurring costs. The team will be able to concentrate on providing its users with a personalized, high-quality skincare app thanks to this well-rounded funding strategy.

## 8.3 Financial Plan

We're doing a projection of the app for 2025, 2026, 2027, 2028, and 2029. We're taking half of 2024 to start developing the app and start promoting efforts to start launching in 2025. The financial plan consists of Investments, Projected Balance Sheet, and Breakeven Analysis. Here's the breakdown:

## Investments and Amortization

A total of €30,000 has been allocated for the development and design of the app, as well as the acquisition of computers. The five-year depreciation period on the €5,000 machines will result in an annual depreciation expense of €1,000. The €25,000 app development and design fee will be spread out over five years, for an annual amortization cost of €5,000. We can distribute these costs fairly across the course of their useful lives thanks to our thorough technique, which guarantees correct financial representation.

## Projected Balance Sheet

For our projected balance sheet we start from our initial investment and our loan, then we have when the app launches in 2025, projected to 2029. We have two categories for our assets: current and fixed. Cash reserves and accounts receivable make up current assets. Together with intangible assets like app development and design fees that are critical to our technology infrastructure, fixed assets also include tangible objects like computers that are needed for day-to-day operations. Both current and long-term liabilities are included in the liabilities category. Short-term financial commitments such as accounts payable and the portion of our loan that is due within the next year are included in our current liabilities. The remaining amount of our loan, which will be repaid over the following five years, represents our long-term liabilities. These are the financial obligations that go beyond the current fiscal year. Lastly, Equity is represented by the owner's equity, which includes the initial investment by the founder and retained earnings. This equity reflects the owner's claim on the business assets after all liabilities have been deducted and is crucial for understanding the net value and financial health of the company. For more detailed information check Annex 33.

Breakeven Analysis

"Break-even analysis determines the number of units or amount of revenue that's needed to cover your business's total costs. At the break-even point, you aren't losing or making any money, but all the costs associated with your business will have been covered" (GoCardless, 2022). We can see from the graph below that we breakeven at our first year of operations. Our breakeven point for the year 2025 is 275.284€. For more detailed information look at Annex 29.
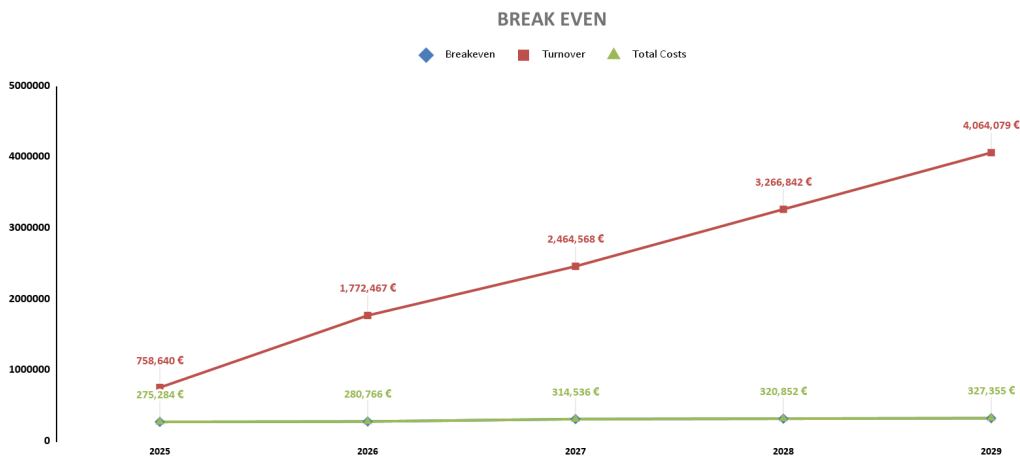


*Graph 3 - Breakeven*
*(Own source)*

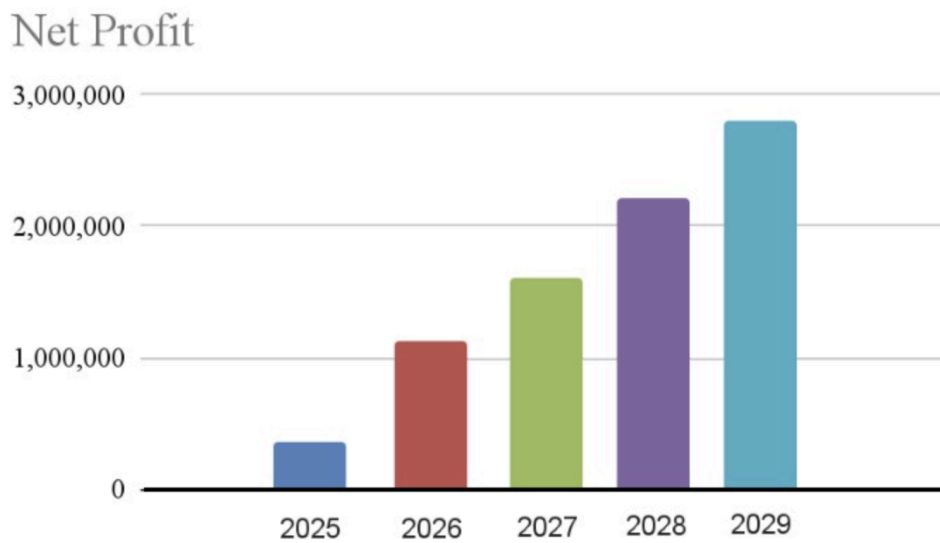## 8.4 Profitability of the Project

For the profitability of the project, I've added tables to show ROI, ROA, and ROE. In addition, we have a table showing total income, EBITDA, EBIT, and Net Profit. We also have a graph comparing our net profit throughout our first years. These indicators demonstrate how we are a profitable project and therefore a good investment.

|        | 2025   | 2026   | 2027   | 2028   | 2029   |
|--------|--------|--------|--------|--------|--------|
| ROA    | 1.26   | 0.88   | 0.64   | 0.52   | 0.44   |
| ROE    | 87.88% | 73.06% | 51.29% | 41.27% | 34.36% |

*Figure 9 - ROA and ROE*
*(Own Source)*

|              | 2025     | 2026      | 2027      | 2028      | 2029      |
|--------------|----------|-----------|-----------|-----------|-----------|
| Total Income | 758.640  | 1.772.467 | 2.464.568 | 3,266,842 | 4,064,079 |
| EBITDA       | 490,660  | 1,498,743 | 2,156,801 | 2,952,475 | 3,742,915 |
| EBIT         | 484,660  | 1,492,743 | 2,150,801 | 2,946,475 | 3,736,915 |
| Net Profit   | 362,517  | 1,118,776 | 1,612,524 | 2,209,492 | 2,802,543 |

*Figure 10 - Forecasted Income statement*
*(Own Source)*



*Figure 11 - Net Profit Comparison*
*(Own Source)*

# 9. Formal and Legal Aspects of the Project

## 9.1 Choice of Legal Form and Justification of Election

We are choosing to have a Sociedad de Responsabilidad Limitada (SRL) or Limited Liability Company. Choosing the correct choice of legal form for DewyGlo is crucial for its success. This legal form offers several advantages that go with the needs and goals of the app. The LLC legal form limits the liability of shareholders to their capital contributions, protecting personal assets from business debts and liabilities. Moreover, the LLC offers operational flexibility and it's easier to manage in comparison to other legal forms. This makes it ideal because we're a start-up just about to launch the app. In addition, regarding taxes, it's also helpful for us to have this due to its favorable tax treatment. It has lower corporate tax rates which helps us immensely and impacts our financial health. Lastly, LLCs have fewer regulatory requirements and lower compliance costs, enabling us to allocate more resources toward app development and market expansion.

## 9.2 Shareholders Agreement

For our shareholders understandment of the rights and obligations we'll establish a shareholders agreement. It will serve as a fundamental and pillar document which outlines the framework for managing the company and addressing potential issues. The structure needs to be clear and concise, we need to define the distribution between founders and investors providing clarity on each shareholder's stake. In addition, define procedures for making business decisions and voting rights. Set policies for distributing profits and dividends. By implementing well-defined shareholders agreements, we can create a stable legal foundation that supports our growth as an app.

### 9.3 Administrative Formalities

All of the administrative formalities will be followed as such. We'll register in el Registro Mercantil and obtain a CIF (Tax Identification code). In addition, to protect our brand we'll register our company name, logo, and other brand identifiers in the Oficina Española de Patentes y Marcas (OEPM).

### 9.4 Accounting, Tax and Labor Obligations

We're operating in Spain therefore we need to follow Spanish regulations and Tax obligations. They include paying corporate taxes on profits, collecting and remitting VAT for applicable sales, and withholding and paying payroll taxes for employees. Labor obligations include drafting employment contracts that comply with Spanish labor laws, detailing terms of employment, duties, compensation, and termination. Register employees in the Social Security system and make necessary contributions. By addressing these aspects we ensure a strong legal foundation for DewyGlo.
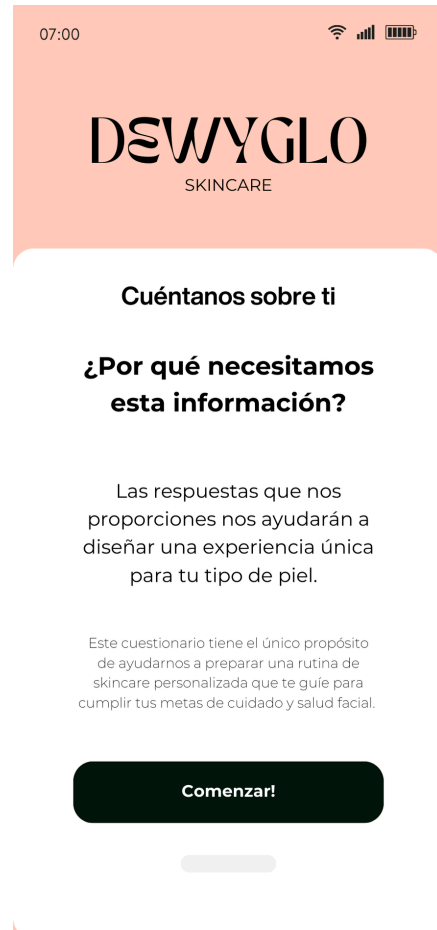
## 10. Corporate Image

### 10.1 Web Page

The DewyGlo app prototype has been carefully designed to offer a relaxing and peaceful user experience, embodying the spirit of wellness and skincare. Given that our users' skincare regimens are intimate and frequently therapeutic aspects of their everyday life, we have selected a color scheme that inspires peace and tranquility. Throughout the app, gentle pastels and calming tones are employed to create a calming atmosphere that puts users at rest as they go through their customized skincare journey. DewyGlo is more than just an app thanks to this deliberate design decision, which

makes it a relaxing haven where users can concentrate calmly and clearly on their beauty and self-care routines.
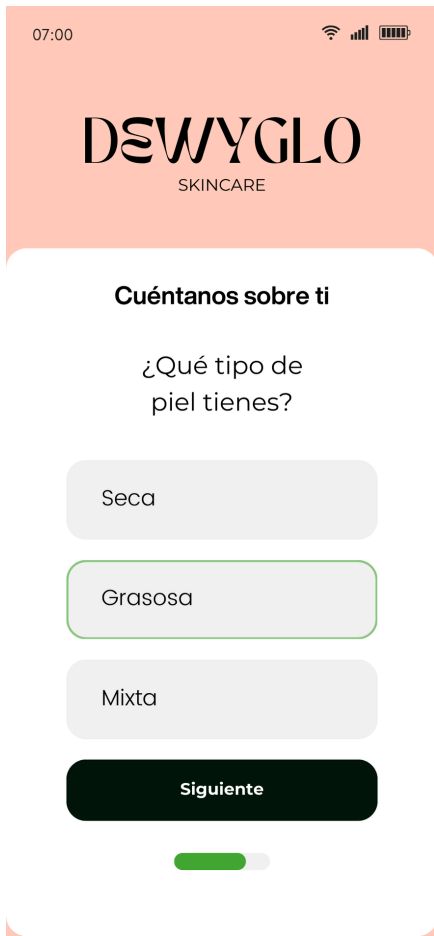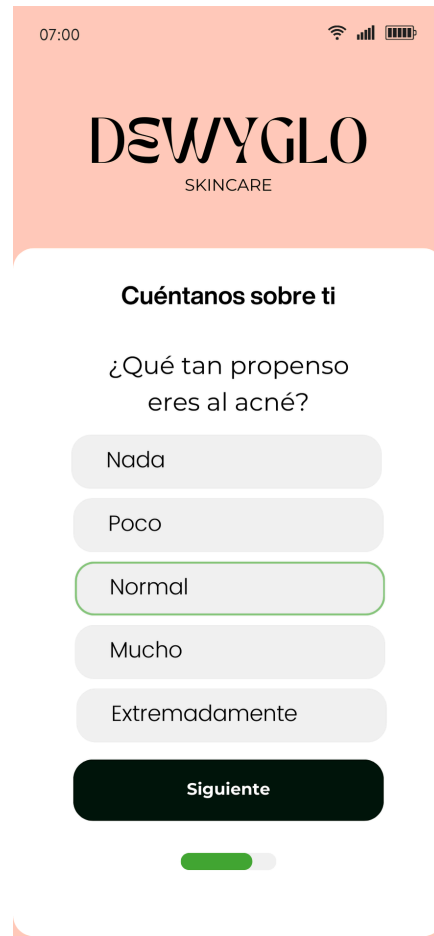


Figure 12 - DewyGlo's App Prototype

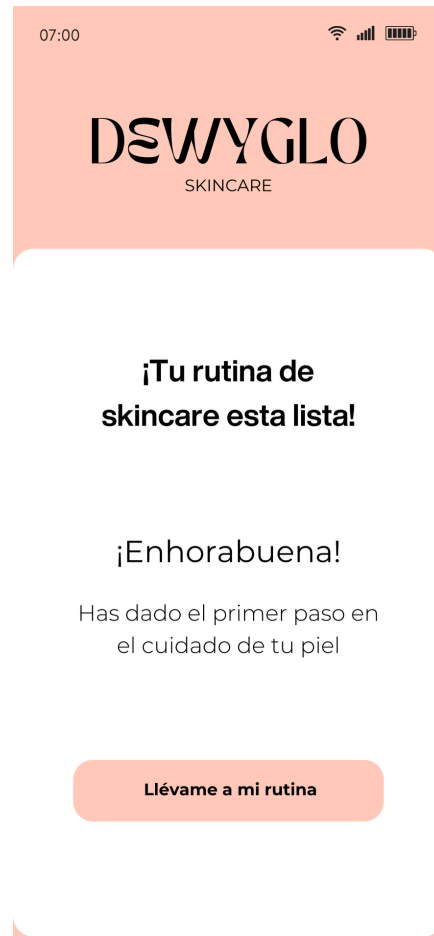(Own Source)



Figure 13 - DewyGlo's App Prototype

(Own Source)

07:00

**DEWYGLO**
SKINCARE

**Cuéntanos sobre ti**

¿Qué tipo de
piel tienes?

Seca

Grasosa

Mixta

**Siguiente**

07:00

**DEWYGLO**
SKINCARE

**Cuéntanos sobre ti**

¿Qué tan propenso
eres al acné?

Nada

Poco

Normal

Mucho

Extremadamente

**Siguiente**

*Figure 14 - DewyGlo's App Prototype*
*(Own Source)*

*Figure 15 - DewyGlo's App Prototype*

*(Own Source)*

*Figure 16 - DewyGlo's App Prototype*
*(Own Source)*



*Figure 17 - DewyGlo's App Prototype*

*(Own Source)*

*Figure 18 - DewyGlo's App Prototype (Own Source)*



*Figure 19 - DewyGlo's App Prototype*

*(Own Source)*

*Figure 20 - DewyGlo's App Prototype (Own Source)*



*Figure 21 - DewyGlo's App Prototype (Own Source)*

*Figure 22 - DewyGlo's App Prototype*
*(Own Source)*

## 10.2 Branding

At DewyGlo, our branding is carefully created to express the spirit of sophistication, peace, and professional attention, resulting in a unique and unforgettable user experience. Our core values innovation, knowledge, trust, customer-centricity, and inclusivity are the foundation of our brand identity and drive all we do. The clean, modern aesthetic of our logo stands for cleanliness and quality. It reflects the kind and nurturing quality of skincare with its delicate, flowing lines. Users will feel more at ease as they proceed through their customized skincare journey thanks to the calming

atmosphere created by this visual identity. With a hint of elegance, DewyGlo's style is readable and simple. A calm visual flow is maintained by keeping the body text light and airy, while headings are slightly bolder to highlight important information. Our app is not only visually appealing but also highly functional thanks to its careful design. We communicate in a kind, friendly, and encouraging manner. By giving our users clear and concise professional skincare advice, we hope to empower and inform them. We always maintain a tone that is both professional and empathic, whether it be through app notifications, customer service experiences, or instructional content, making sure users feel appreciated and understood. Engaging the community is yet another important component of our brand. DewyGlo encourages users to share their skincare success stories, advice, and tales of belonging by creating a community where people feel supported and accepted. Our company values diversity and strives to make everyone feel appreciated and at home.

## 10.4 Social Responsibility

Social responsibility is a fundamental component of DewyGlo's business strategy, motivating us to provide outstanding skincare products while also having a beneficial impact on society. Our main goal is to provide individuals with personalized skincare routines and professional guidance so they can achieve the greatest possible skin health.

Integrity is the backbone of DewyGlo. "Personalization means inclusivity. It allows brands to connect with their customers, build loyalty and trust, sell products, and truly win hearts and minds while making a positive change. With science-backed technology, the sky's the limit for forward-looking companies" (Georgievskaya, 2023). Regardless of skin tone, ethnicity, or origin, we want to provide a friendly community for all users.

Our app is made to offer customized skincare guidance that addresses a wide range of requirements, making sure that everyone may take advantage of our services. Furthermore, we make an effort to incorporate a variety of viewpoints and opinions into our marketing and community involvement initiatives.

Empowerment and education are crucial aspects of our social mission. We are committed to giving our users the information and tools they need to make wise skin care decisions. Through workshops, professional consultations, and instructional content, our goal is to promote healthy practices and increase awareness of the significance of skincare. We promote a culture of self-care and wellbeing while assisting our users in reaching their skincare objectives by providing them with the necessary knowledge.

# 11. Conclusion

 DewyGlo project's innovative and personalized approach has the potential to completely transform the skincare sector. With the use of the latest developments and expert dermatologist assistance, our goal is to offer consumers customized skincare routines that fit to their individual requirements and preferences. The user-friendly design of the app, along with its extensive instructional content and strong community-building initiatives, guarantee an enjoyable and worthwhile experience for its users.

Among our user base, our dedication to transparency and ethical behavior fosters loyalty and trust. In addition to improving personal skincare routines, DewyGlo also

generates an environment that promotes continued engagement and happiness by creating a lively community where users can exchange experiences and learn from one another.

By strategically investing in app development and maintaining a focus on ongoing innovation, DewyGlo is positioned to win the competitive skincare market. Our commitment to provide premium, customized skincare products ensures that we both exceed our clients' expectations, thereby improving their skin appearance and self-esteem.

DewyGlo is expected to have a big influence on the skincare market because of its special combination of individualized solutions, professional advice, and community support. With a distinct vision and constant commitment to our users, DewyGlo is prepared to revolutionize the way people approach their skincare regimens, encouraging more confidence and healthier skin.

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n%20covered.

# 13. Figures

## Figures Index

**Figure 22** - DewyGlo's App Prototype

**Graph 1** - How important is skincare in your daily routine
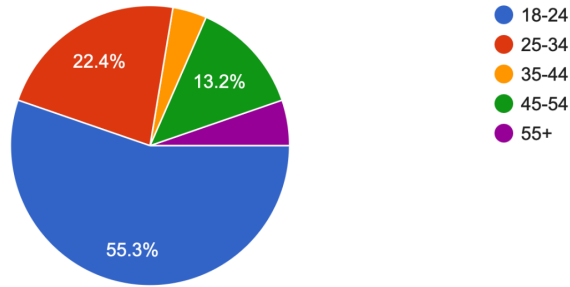
**Graph 2** - Have you gone to the dermatologist for said condition?

**Graph 3** - Breakeven

# 14. Annexes

Annex 1- Survey Response Age

**Age**
76 responses



Annex 2- Survey Response Gender

**Gender**
76 responses
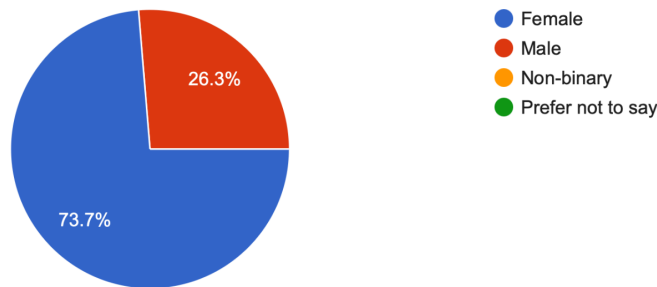


Annex 3- Survey Response Occupation

**What is your current occupation?**
76 responses
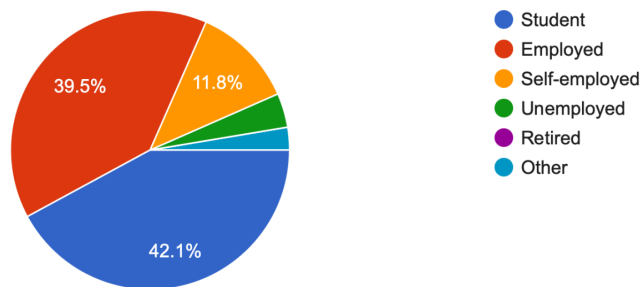
Annex 4- Survey Response Income

**What is your monthly income range?**
76 responses



Legend:
- Below 1.000€
- 1.000€-2.999€
- 3.000€-4.999€
- 5.000€-6.999€
- 7.000€ and above
- Prefer not to say

51.3%
27.6%
10.5%
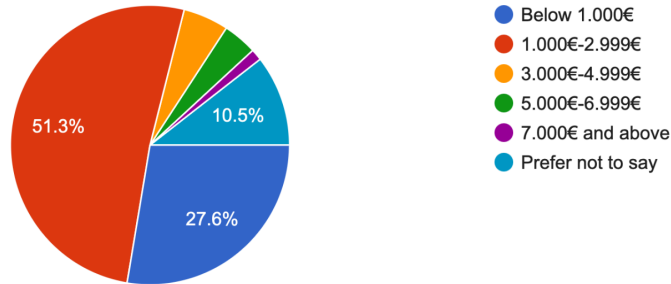
Annex 5- Survey Response Regime

**Do you follow any skincare regime?**
76 responses



Legend:
- Yes
- No

78.9%
21.1%
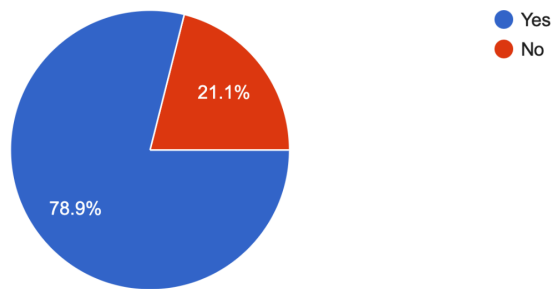
Annex 6- Survey Response daily routine

**How important is skincare in your daily routine?**
76 responses



| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
| 10 (13.2%) | 11 (14.5%) | 15 (19.7%) | 15 (19.7%) | 25 (32.9%) |
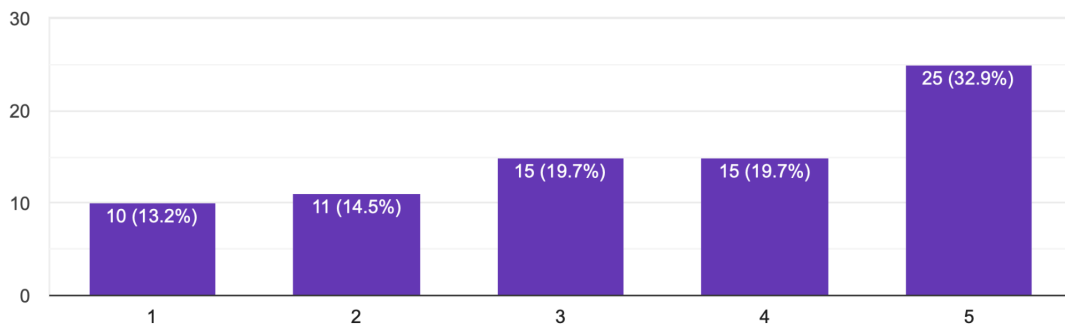
## Annex 7- Survey Response Routine

**What products do you usually use on your skincare routine?**

76 responses

| |
|---|
| None |
| Cerave |
| toner serum moisterizure sunscreen |
| Moisturizer face cleanser |
| Serum, moisturizer, sunscreen |
| Cleanser and hidrating cream |
| Facewash, toner, moisturizer, eye cream and sunscreen |
| Moisturiser |
| Clinique |

## Annex 8- Survey Response Routine

**What products do you usually use on your skincare routine?**

76 responses

| |
|---|
| ceraVe cleanser CeraVe retinol serum Larocheposay moisturizing and anti scar cream Nivea soft moisterazer |
| Desmaquillante,gel de limpieza hidratante |
| Vitamina C |
| Soap and lotion |
| Toner, serum, eye cream, moisturiser, sunscreen |
| Sunscreen, vitamin c, retinol, moisturizing cream |
| only Cream |
| tree oil |
| Cremas con Retinol |

## Annex 9- Survey Response Routine

**What products do you usually use on your skincare routine?**

76 responses

Jabón de cara, humectante de día, bloqueador, crema de ojos, crema de noche

Cleansing foam, tonner, cream

Cleanser, Moisturizer and sunscreen

CeraVe or La roche posey lines

Moisturiser and cleanser

Bioderma

a Cleanser, an Exfoliator, Serum, Moisturizer and Eye Cream

Cerave moisturizer cerave face wash the ordinary serum face theory night cream

Para desmaquillarme e hidratarme el rostro

## Annex 10- Survey Response Routine

**What products do you usually use on your skincare routine?**

76 responses

Sun screen and moisturiser

Serum, eye cream, hydrating cream, sunblock

serum + hydrating cream + sunscreen

Cleanser, facial scrub, makeup remover, moisturizer

Sunscreen, retinol,

Sunscreen, Moisturizer, serum

Crema con Retinol

Non

Page 74

## Annex 11- Survey Response Routine

**What products do you usually use on your skincare routine?**

76 responses

cleaning gel, make up remover, serum

Face creams

Lotion

Cleanser, moisturizer, toner, sunscreen

Bare minerals cleanser and moisturiser

Sensibio/Silcura

Cleanser and moisturiser

Make up wipes and water

toner, cleanser , sunscreen

## Annex 12- Survey Response Routine

**What products do you usually use on your skincare routine?**

76 responses

Cleanser, toner, moisturiser, spf, treatment serum

CeraVe face moisturizer

n/a

Cerave facewash, and cerave cream

Hydration formula, a mix of Olive oil and beeswax

Cleanser, Vitamin C serum, vitamin B + Hyaluronic acid serum

Hyaluronic acid and cream

Cera ve foam and sunscreen

Cleanser, hydrating creame, sun block

## Annex 13- Survey Response Routine

**What products do you usually use on your skincare routine?**

76 responses

cleanser, micellar water, moisturizer, sunscreen

Make up remover, cleanser, moisturiser

Crema cara

Hand cream.

Dermalogica and La Roche Posay products

Cleanser, tonic, hidration and sun block

Cleanser, spf

Cleansing balm, cleansing mousse, toner, serum (ampoules), under eye cream, night/day cream, spf

Toleriane

## Annex 14- Survey Response Routine

**What products do you usually use on your skincare routine?**

76 responses

ordinary, in key list, laroche

Moisturizing cream and sunblock

kojie san soap, cerave, argan oil...

Lancome

Cremas , jabon

Met adoba face wash

Cream

Soap

Niacinimide, sunscreen

Annex 15- Survey Response Products

How often do you purchase skincare products?
76 responses



- Monthly
- Every 2-3 months
- Every 6 months
- Annually
- Rarely
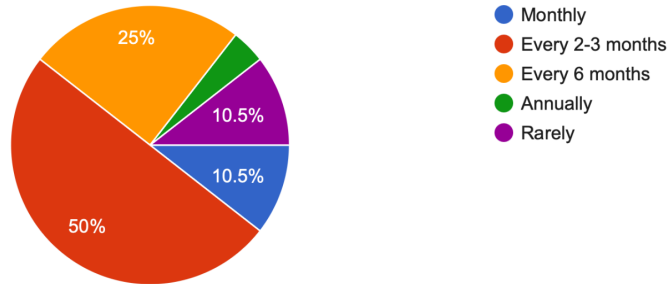
Annex 16- Survey Response Struggle

What has been your biggest struggle with your skin?
76 responses



| | |
|---|---|
| Acne | 26 (34.2%) |
| Rosacea | 20 (26.3%) |
| Wrinkles | 8 (10.5%) |
| Dryness | 28 (36.8%) |
| Oily skin | 18 (23.7%) |
| Sensitivity | 22 (28.9%) |
| Doesn't apply | 5 (6.6%) |
| Dark spots | 1 (1.3%) |
| hyperpigmentation | 1 (1.3%) |
| Dark circles, black heads | 1 (1.3%) |
| Black spots | 1 (1.3%) |
| OJERAS | 1 (1.3%) |
| Blemish's (pimples & spots n… | 1 (1.3%) |
| Hyper pigmentation | 1 (1.3%) |
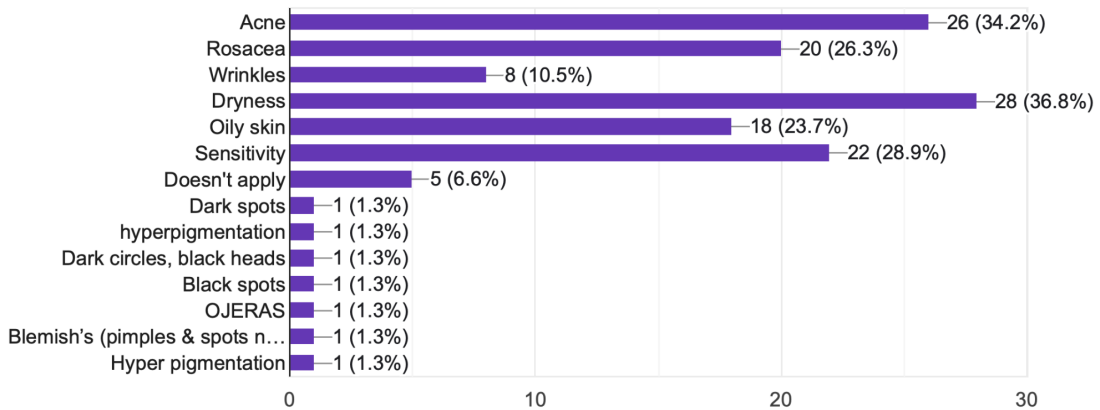
Annex 17- Survey Response Condition

Have you gone to the dermatologist for said condition?
76 responses



- Yes
- No
- Doesn't apply

Page 77
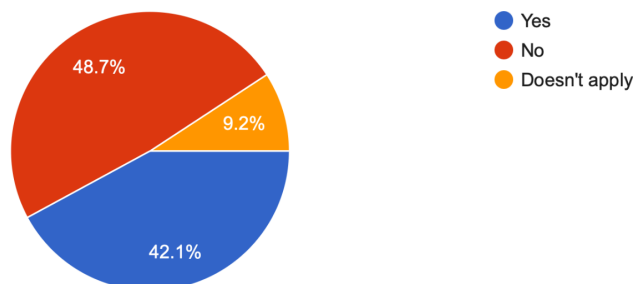
## Annex 18- Survey Response skincare apps

**Have you ever used skincare apps or digital platforms to address your skin concerns?**
76 responses



- Yes
- No

82.9%

17.1%
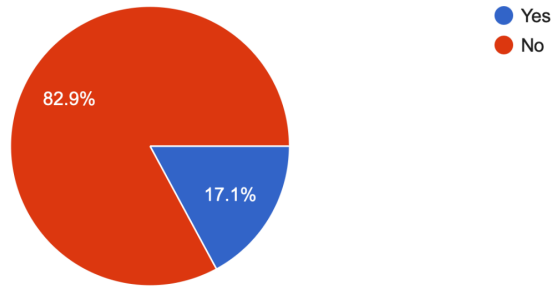
## Annex 19- Survey Response interest

**Would you be interested in using a skincare app tailored to your individual skin needs?**
76 responses



- Yes
- No

27.6%

72.4%
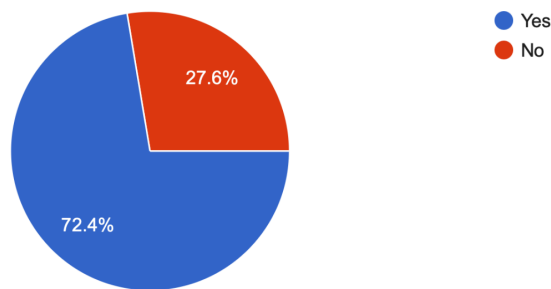
## Annex 20- Survey Response features

**What features would you like to see in a skincare app?**
76 responses



| | |
|---|---|
| Personalized skincare routine r… | 59 (77.6%) |
| Product reviews and ratings | 48 (63.2%) |
| Skin analysis tools (e.g., photo… | 41 (53.9%) |
| Shopping feature to purchase p… | 31 (40.8%) |
| Informational articles and tips | 33 (43.4%) |
| A community forum for discussi… | 25 (32.9%) |
| Appointment for live consultatio… | 28 (36.8%) |
| Don't care | 1 (1.3%) |
| none | 1 (1.3%) |
| Nothing | 1 (1.3%) |
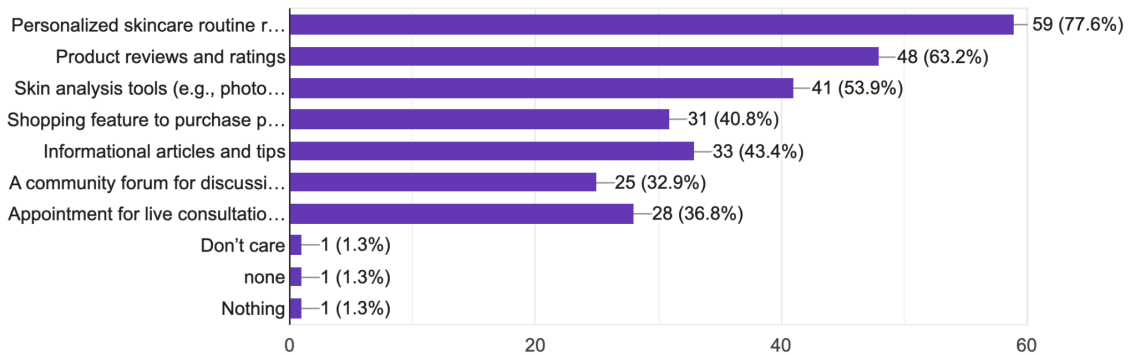
Annex 21- Survey Response personalized recommendations

How important is it for you that the app offers personalized recommendations based on your skin type and concerns?
76 responses
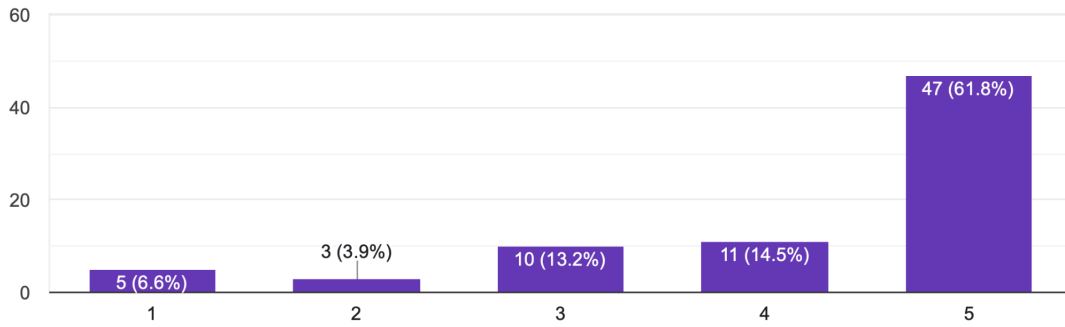


Annex 22- Survey Response virtual consultations

How likely are you to use virtual consultations with dermatologists or skincare experts through the app?
76 responses
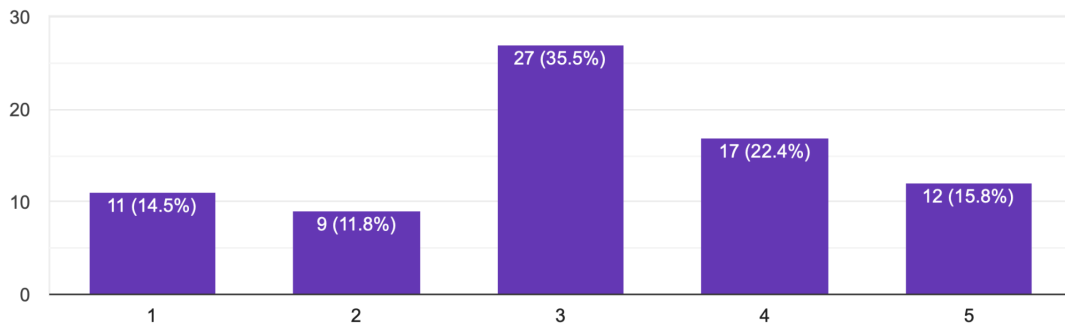


Annex 23- Survey Response subscription

Would you prefer a one-time purchase or a subscription model for the app?
76 responses



- One-time purchase
- Subscription model
- No preference
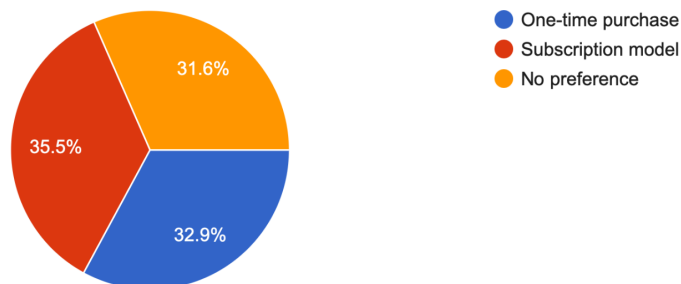
Annex 24- Survey Response willingness to spend

**How much are you willing to spend monthly on a skincare app subscription?**
76 responses



- Nothing, I prefer free apps
- Up to 5€
- 6€-10€
- 11€-20€
- More than 20€

34.2%  14.5%  46.1%
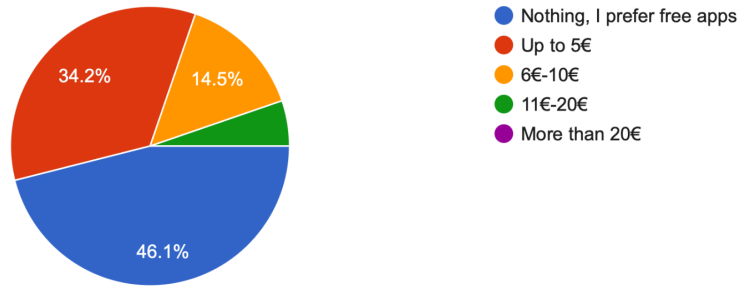
Annex 25- Survey Response languages

**How important is the availability of the app in multiple languages to you?**
76 responses



13 (17.1%)  9 (11.8%)  14 (18.4%)  11 (14.5%)  29 (38.2%)
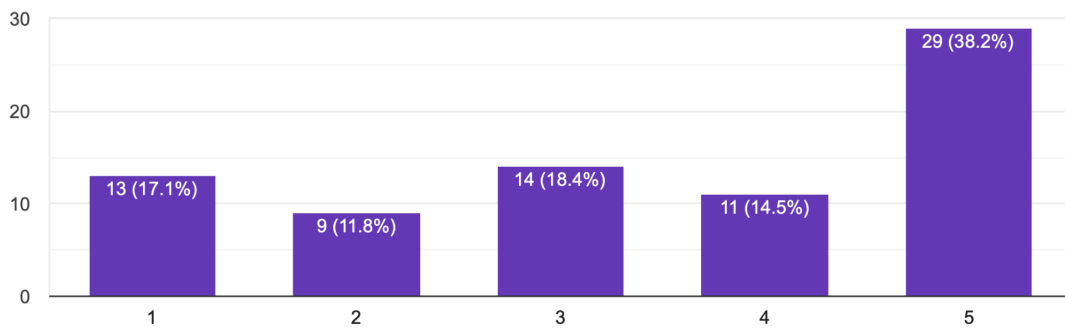
Annex 26- Survey Response recommendations

**How likely are you to recommend the app to others based on your experience?**
76 responses



7 (9.2%)  4 (5.3%)  12 (15.8%)  22 (28.9%)  31 (40.8%)
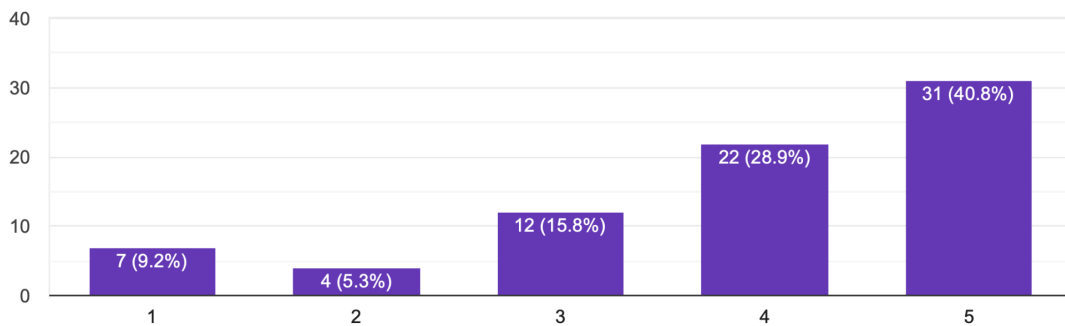
Annex 27- Survey Response connections

Are you interested in connecting with other users of the skincare app to share tips and experiences?
76 responses



- Yes
- No

46.1%

53.9%
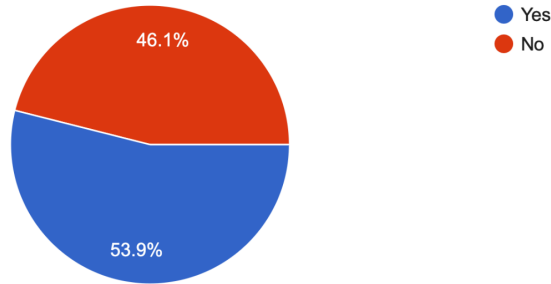
Annex 28- Survey Response products

How likely are you to try new skincare products recommended by the app, even if they are from brands you're not familiar with?
76 responses



| | | | | |
|---|---|---|---|---|
| 5 (6.6%) | 7 (9.2%) | 24 (31.6%) | 22 (28.9%) | 18 (23.7%) |
| 1 | 2 | 3 | 4 | 5 |
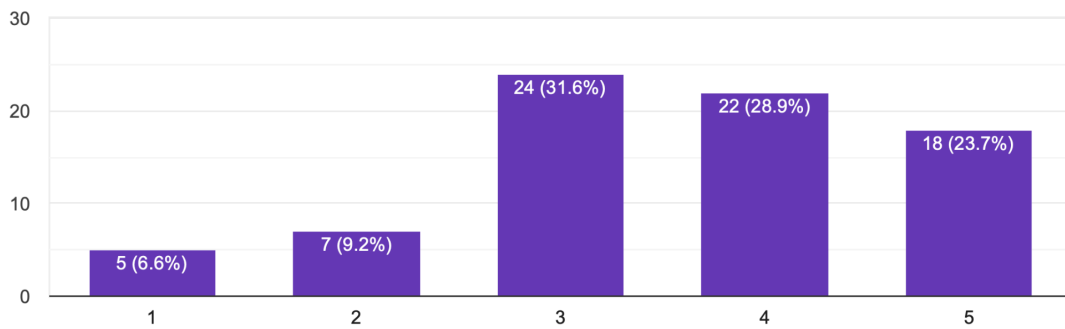
Annex 28- Survey Response concerns

Is there anything specific you would like to see addressed in a skincare app that hasn't been mentioned?

76 responses
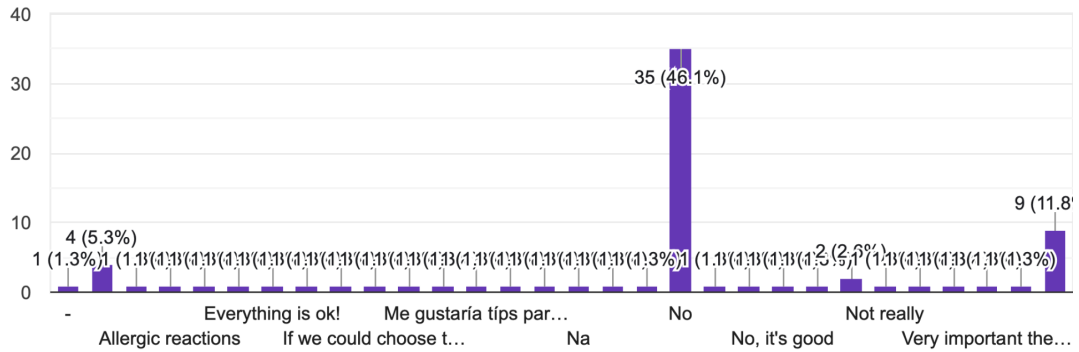


Annex 29- Breakeven Point

| BREAKEVEN POINT | | | | | |
| --- | --- | --- | --- | --- | --- |
| | **2025** | **2026** | **2027** | **2028** | **2029** |
| Fixed Costs | 275,284 € | 280,766 € | 314,536 € | 320,852 € | 327,355 € |
| Contribution Margin | 758,640 € | 1,772,467 € | 2,464,568 € | 3,266,842 € | 4,064,079 € |
| Contribution Margin in % | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| **BREAKEVEN POINT** | **275,284 €** | **280,766 €** | **314,536 €** | **320,852 €** | **327,355 €** |
| Sales for the period | 758,640 € | 1,772,467 € | 2,464,568 € | 3,266,842 € | 4,064,079 € |
| Total Costs | 275,284 € | 280,766 € | 314,536 € | 320,852 € | 327,355 € |
| **Distance to Breakeven Point** | **483,356 €** | **1,491,701 €** | **2,150,032 €** | **2,945,989 €** | **3,736,724 €** |

## Annex 30- Summary of Sales

| SUMMARY OF SALES EXCLUDING VAT | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---|---|---|---|---|
| Basic Pro Subscription | 210,936 | 464,059 | 649,683 | 909,556 | 1,227,901 |
| Premium Subscription | 124,704 | 249,408 | 324,230 | 421,500 | 505,799 |
| Data Sale | 3,000 | 9,000 | 20,655 | 24,786 | 37,179 |
| Ads in the App | 420,000 | 1,050,000 | 1,470,000 | 1,911,000 | 2,293,200 |
| | 0 | 0 | 0 | 0 | 0 |
| TOTAL SALES EXCLUDING VAT | 758,640 | 1,772,467 | 2,464,568 | 3,266,842 | 4,064,079 |

| SUMMARY OF SALES INCLUDING VAT | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---|---|---|---|---|
| Basic Pro Subscription | 255,233 | 561,512 | 786,116 | 1,100,563 | 1,485,760 |
| Premium Subscription | 150,892 | 301,784 | 392,319 | 510,014 | 612,017 |
| Data Sale | 3,630 | 10,890 | 24,993 | 29,991 | 44,987 |
| Ads in the App | 508,200 | 1,270,500 | 1,778,700 | 2,312,310 | 2,774,772 |
| | 0 | 0 | 0 | 0 | 0 |
| TOTAL SALES INCLUDING VAT | 917,954 | 2,144,685 | 2,982,128 | 3,952,878 | 4,917,536 |

## Annex 31- Fixed or overhead expenses

| FIXED OR OVERHEAD EXPENSES | 2025 Amount | 2026 Variation | 2026 Amount | 2027 Variation | 2027 Amount | 2028 Variation | 2028 Amount | 2029 Variation | 2029 Amount |
|---|---|---|---|---|---|---|---|---|---|
| OPERATIONAL EXPENSES | 86,612 | | 86,915 | | 87,779 | | 87,779 | | 87,779 |
| Coworking Space | 1,440 | | 1,440 | 60.00% | 2,304 | | 2,304 | | 2,304 |
| Web Maintainance | 6,000 | | 6,000 | | 6,000 | | 6,000 | | 6,000 |
| App Store Costs | 99 | 0.00% | 1,200 | 0.00% | 1,200 | | 1,200 | | 1,200 |
| Play Store Costs | 25 | 0.00% | 25 | | 25 | | 25 | | 25 |
| Data Cloud Hosting Fees | 112 | | 0 | | | | | | |
| Cybersecurity | 120 | | 120 | | 120 | | 120 | | 120 |
| Accounting Software (Holded) | 354 | | 354 | | 354 | | 354 | | 354 |
| Google domain | 360 | | 360 | | 360 | | 360 | | 360 |
| Customer Service Software | 216 | | 216 | | 216 | | 216 | | 216 |
| Data Protection Insurance | 200 | | 200 | | 200 | | 200 | | 200 |
| Data Hosting | 0 | | 0 | | 0 | | 0 | | 0 |
| Marketing expense | 60,000 | | 60,000 | | 60,000 | | 60,000 | | 60,000 |
| Partner Dermatologist | 5,000 | | 5,000 | | 5,000 | | 5,000 | | 5,000 |
| Mercantil Registry | 186 | | | | 0 | | 0 | | 0 |
| Notary Expenses | 500 | | | | 0 | | 0 | | 0 |
| Other Fixed Costs | 12,000 | | 12,000 | | 12,000 | | 12,000 | | 12,000 |
| WAGES, SALARIES, AND SOCIAL SECURITY | 181,368 | | 186,809 | | 219,988 | | 226,588 | | 233,386 |
| DEPRECIATION | 6,000 | | 6,000 | | 6,000 | | 6,000 | | 6,000 |
| Amortization of Intangible Assets | 5,000 | | 5,000 | | 5,000 | | 5,000 | | 5,000 |
| Depreciation of Tangible Assets | 1,000 | | 1,000 | | 1,000 | | 1,000 | | 1,000 |
| Financial Expenses | 1,304 | | 1,042 | | 769 | | 485 | | 190 |
| New Financing | 1,304 | | 1,042 | | 769 | | 485 | | 190 |
| Other Financial Expenses/Income | | | | | | | | | |
| TOTAL | 275,284 | | 280,766 | | 314,536 | | 320,852 | | 327,355 |

| TOTAL EXPENSES | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|
| VARIABLE EXPENSES: | 0 | 0 | 0 | 0 | 0 |
| Basic Pro subscription | 0 | 0 | 0 | 0 | 0 |
| Premium Subscription | 0 | 0 | 0 | 0 | 0 |
| Data Sale | 0 | 0 | 0 | 0 | 0 |
| Ads in the App | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 |
| STRUCTURAL EXPENSES: | 275,284 | 280,766 | 314,536 | 320,852 | 327,355 |
| TOTAL | 275,284 | 280,766 | 314,536 | 320,852 | 327,355 |
| Total Subscriptions | 36,000 | 77,280 | 106,272 | 146,285 | 192,617 |
| Cost per Subscription | 7.647 | 3.633 | 2.960 | 2.193 | 1.700 |

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## Annex 32- Forecasted income statement

| FORECASTED INCOME STATEMENT | 2025 | | 2026 | | 2027 | | 2028 | | 2029 | |
|---|---|---|---|---|---|---|---|---|---|---|
| TOTAL REVENUE | 758,640 | 100.00% | 1,772,467 | 100.00% | 2,464,568 | 100.00% | 3,266,842 | 100.00% | 4,064,079 | 100.00% |
| Sales Revenue | 758,640 | 100.00% | 1,772,467 | 100.00% | 2,464,568 | 100.00% | 3,266,842 | 100.00% | 4,064,079 | 100.00% |
| ± Inventory Change | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| + Operating Grants | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| + Work on Intangible Assets | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| + Work on Property, Plant, and Equipment | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| + Amortized Capital Grants | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| + Other Income | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| - Variable Costs per Unit Sold | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| - Variable Costs for Units Not Sold | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| = CONTRIBUTION MARGIN | 758,640 | 100.00% | 1,772,467 | 100.00% | 2,464,568 | 100.00% | 3,266,842 | 100.00% | 4,064,079 | 100.00% |
| - Operational expenses | (86,612) | (11.42%) | (86,915) | (4.90%) | (87,779) | (3.56%) | (87,779) | (2.69%) | (87,779) | (2.16%) |
| - Personnel Expenses | (181,368) | (23.91%) | (186,809) | (10.54%) | (219,988) | (8.93%) | (226,588) | (6.94%) | (233,386) | (5.74%) |
| = GROSS PROFIT (E.B.I.T.D.A.) | 490,660 | 64.68% | 1,498,743 | 84.56% | 2,156,801 | 87.51% | 2,952,475 | 90.38% | 3,742,915 | 92.10% |
| - Depreciation and Amortization | (6,000) | (0.79%) | (6,000) | (0.34%) | (6,000) | (0.24%) | (6,000) | (0.18%) | (6,000) | (0.15%) |
| = EARNINGS BEFORE INTEREST AND TAXES (E.B.I.T.) | 484,660 | 63.89% | 1,492,743 | 84.22% | 2,150,801 | 87.27% | 2,946,475 | 90.19% | 3,736,915 | 91.95% |
| - Financial Expenses | (1,304) | (0.17%) | (1,042) | (0.06%) | (769) | (0.03%) | (485) | (0.01%) | (190) | (0.00%) |
| = PROFIT BEFORE TAX (B.A.T.) | 483,356 | 63.71% | 1,491,701 | 84.16% | 2,150,032 | 87.24% | 2,945,989 | 90.18% | 3,736,724 | 91.95% |
| - Income Tax | (120,839) | (15.93%) | (372,925) | (21.04%) | (537,508) | (21.81%) | (736,497) | (22.54%) | (934,181) | (22.99%) |
| = NET PROFIT | 362,517 | 47.79% | 1,118,776 | 63.12% | 1,612,524 | 65.43% | 2,209,492 | 67.63% | 2,802,543 | 68.96% |
| - Dividends to Shareholders | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| = RETAINED EARNINGS | 362,517 | 47.79% | 1,118,776 | 63.12% | 1,612,524 | 65.43% | 2,209,492 | 67.63% | 2,802,543 | 68.96% |
| CASH FLOW GENERATED | 368,517 | 48.58% | 1,124,776 | 63.46% | 1,618,524 | 65.67% | 2,215,492 | 67.82% | 2,808,543 | 69.11% |

## Annex 33- Forecasted balance sheets

| FORECASTED BALANCE SHEETS | INITIAL | | 2025 | | 2026 | | 2027 | | 2028 | | 2029 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TOTAL ASSETS | 85,000 | 100.00% | 602,832 | 100.00% | 2,020,357 | 100.00% | 3,827,805 | 100.00% | 6,271,338 | 100.00% | 9,306,064 | 100.00% |
| * NET EQUITY | 50,000 | 58.82% | 412,517 | 68.43% | 1,531,293 | 75.79% | 3,143,817 | 82.13% | 5,353,309 | 85.36% | 8,155,852 | 87.64% |
| - Capital | 50 | 0.06% | 50 | 0.01% | 50 | 0.00% | 50 | 0.00% | 50 | 0.00% | 50 | 0.00% |
| - Share Premium | 49,950 | 58.76% | 49,950 | 8.29% | 49,950 | 2.47% | 49,950 | 1.30% | 49,950 | 0.80% | 49,950 | 0.54% |
| - Reserves | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| - Retained Earnings | | 0.00% | 0 | 0.00% | 362,517 | 17.94% | 1,481,293 | 38.70% | 3,093,817 | 49.33% | 5,303,309 | 56.99% |
| - Profit for the Period | | 0.00% | 362,517 | 60.14% | 1,118,776 | 55.38% | 1,612,524 | 42.13% | 2,209,492 | 35.23% | 2,802,543 | 30.12% |
| - Other Equity | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| - Grants and Donations | | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| * NON-CURRENT LIABILITIES | 35,000 | 41.18% | 28,546 | 4.74% | 21,830 | 1.08% | 14,841 | 0.39% | 7,568 | 0.12% | 0 | 0.00% |
| - Debts with financial institutions | 35,000 | 41.18% | 28,546 | 4.74% | 21,830 | 1.08% | 14,841 | 0.39% | 7,568 | 0.12% | 0 | 0.00% |
| - Other Long-Term Debts | 0 | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| * CURRENT LIABILITIES | 0 | 0.00% | 161,769 | 26.83% | 467,234 | 23.13% | 669,147 | 17.48% | 910,461 | 14.52% | 1,150,212 | 12.36% |
| - Other Short-Term Financial Debts | 0 | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| - Trade Creditors | | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| - Dividends Payable | | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| - Accounts Payable VAT | | 0.00% | 35,281 | 5.85% | 88,491 | 4.38% | 124,781 | 3.26% | 166,901 | 2.66% | 208,756 | 2.24% |
| - Accounts Payable Income Tax | | 0.00% | 120,839 | 20.05% | 372,925 | 18.46% | 537,508 | 14.04% | 736,497 | 11.74% | 934,181 | 10.04% |
| - Accounts Payable Income Tax Withholding | | 0.00% | 4,534 | 0.75% | 4,670 | 0.23% | 5,500 | 0.14% | 5,665 | 0.09% | 5,835 | 0.06% |
| - Social Security Payable | | 0.00% | 1,114 | 0.18% | 1,147 | 0.06% | 1,358 | 0.04% | 1,399 | 0.02% | 1,441 | 0.02% |
| - Other Non-Financial Accounts Payable | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| TOTAL LIABILITIES + EQUITY | 85,000 | 100.00% | 602,832 | 100.00% | 2,020,357 | 100.00% | 3,827,805 | 100.00% | 6,271,338 | 100.00% | 9,306,064 | 100.00% |
| WORKING CAPITAL (CA - CL) | 55,000 | 64.71% | 417,063 | 69.18% | 1,535,123 | 75.98% | 3,146,658 | 82.21% | 5,354,877 | 85.39% | 8,155,852 | 87.64% |
| OPERATING WORKING CAPITAL REQUIREMENTS (CA + CL - ST Payables - APayable VAT - SS Payable) | 0 | 0.00% | (5,648) | (0.94%) | (5,818) | (0.29%) | (6,858) | (0.18%) | (7,063) | (0.11%) | (7,275) | (0.08%) |

## Annex 34- Capital Budget

| CAPITAL BUDGET | | | | | | |
|---|---|---|---|---|---|---|
| **ITEMS** | **INITIAL** | **2025** | **2026** | **2027** | **2028** | **2029** |
| * Investments in Non-Current Assets | 30,000 | 0 | 0 | 0 | 0 | 0 |
| * Positive Changes in Working Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| * Losses for the Period or Other Decreases in Equity | 0 | | | | | |
| * Financial Amortizations | | 6,454 | 6,716 | 6,989 | 7,273 | 7,568 |
| **TOTAL FINANCIAL REQUIREMENTS** | **30,000** | **6,454** | **6,716** | **6,989** | **7,273** | **7,568** |
| * Divestments in Non-Current Assets | | 0 | 0 | 0 | 0 | 0 |
| * Negative Changes in Working Capital | 0 | 161,769 | 305,466 | 201,913 | 241,314 | 239,751 |
| * Self-Financing | | | | | | |
| - Depreciation Allowances | 0 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| - Result for the Period | 0 | 362,517 | 1,118,776 | 1,612,524 | 2,209,492 | 2,802,543 |
| * External Financing | | | | | | |
| - Capital | 50 | 0 | 0 | 0 | 0 | 0 |
| - Share Premium | 49,950 | 0 | 0 | 0 | 0 | 0 |
| - Initial Reserves | | | | | | |
| - Other Equity | 0 | 0 | 0 | 0 | 0 | 0 |
| - Received Capital Grants | | | | | | |
| - Long-Term Loans | 35,000 | | 0 | 0 | 0 | 0 |
| - Other Long-Term Liabilities | 0 | | | | | |
| - Other Short-Term Liabilities | 0 | | | | | |
| **TOTAL FINANCIAL RESOURCES** | **85,000** | **530,286** | **1,430,242** | **1,820,436** | **2,456,806** | **3,048,294** |
| **SURPLUS/DEFICIT** | **55,000** | **523,832** | **1,423,525** | **1,813,448** | **2,449,534** | **3,040,726** |
| **ACCUMULATED SURPLUS/DEFICIT** | **55,000** | **578,832** | **2,002,357** | **3,815,805** | **6,265,338** | **9,306,064** |
| **CASH POSITION IN FORECASTED BALANCES** | **55,000** | **578,832** | **2,002,357** | **3,815,805** | **6,265,338** | **9,306,064** |

## Annex 35- Cash Flow Statement

| CASH FLOW STATEMENT | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---|---|---|---|---|
| **RESULT OF THE PERIOD BEFORE TAXES** | **483,356** | **1,491,701** | **2,150,032** | **2,945,989** | **3,736,724** |
| **Adjustments to the result** | **7,304** | **7,042** | **6,769** | **6,485** | **6,190** |
| + Depreciation for the period | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| - Work carried out for own fixed assets | 0 | 0 | 0 | 0 | 0 |
| - Recognition of grants | 0 | 0 | 0 | 0 | 0 |
| + Financial expenses | 1,304 | 1,042 | 769 | 485 | 190 |
| **Changes in working capital** | **40,930** | **53,379** | **37,330** | **42,325** | **42,067** |
| - (+) Variation in Inventories | 0 | 0 | 0 | 0 | 0 |
| - (+) Variation in Debtors and Other Accounts Receivable | 0 | 0 | 0 | 0 | 0 |
| - (+) Variation in Customers | 0 | 0 | 0 | 0 | 0 |
| - (+) Variation in Other Receivables | 0 | 0 | 0 | 0 | 0 |
| + (-) Variation in Creditors and Other Accounts Payable | 40,930 | 53,379 | 37,330 | 42,325 | 42,067 |
| + (-) Variation in Suppliers | 0 | 0 | 0 | 0 | 0 |
| + (-) Variation in Current Public Administration Accounts | 40,930 | 53,379 | 37,330 | 42,325 | 42,067 |
| + (-) Variation in Other Payables | 0 | 0 | 0 | 0 | 0 |
| **Other Cash Flows from Operating Activities** | **(1,304)** | **(121,881)** | **(373,695)** | **(537,993)** | **(736,687)** |
| - Interest Payments | (1,304) | (1,042) | (769) | (485) | (190) |
| - (+) Payments/Receipts for Income Tax | 0 | (120,839) | (372,925) | (537,508) | (736,497) |
| = **CASH FLOWS FROM OPERATING ACTIVITIES** | **530,286** | **1,430,242** | **1,820,436** | **2,456,806** | **3,048,294** |
| + Proceeds from Divestments | 0 | 0 | 0 | 0 | 0 |
| - Payments for Investments | 0 | 0 | 0 | 0 | 0 |
| = **CASH FLOWS FROM INVESTING ACTIVITIES** | **0** | **0** | **0** | **0** | **0** |
| + Contributions from Shareholders | 0 | 0 | 0 | 0 | 0 |
| + (-) Other Equity Changes | 0 | 0 | 0 | 0 | 0 |
| + Capital Grants | 0 | 0 | 0 | 0 | 0 |
| + Raising of External Capital | | 0 | 0 | 0 | 0 |
| - Repayment of Loans and Other Financial Liabilities | (6,454) | (6,716) | (6,989) | (7,273) | (7,568) |
| - Dividend Payments | 0 | 0 | 0 | 0 | 0 |
| = **CASH FLOWS FROM FINANCING ACTIVITIES** | **(6,454)** | **(6,716)** | **(6,989)** | **(7,273)** | **(7,568)** |
| = **NET INCREASE/DECREASE IN CASH** | **523,832** | **1,423,525** | **1,813,448** | **2,449,534** | **3,040,726** |
| + (-) Opening Balance of Cash and Cash Equivalents | 55,000 | 578,832 | 2,002,357 | 3,815,805 | 6,265,338 |
| = **ENDING BALANCE OF CASH** | **578,832** | **2,002,357** | **3,815,805** | **6,265,338** | **9,306,064** |

## Annex 35- Calculation of net cash flows

| CALCULATION OF NET CASH FLOWS (NCF) | INITIAL | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---|---|---|---|---|---|
| **RESULT OF THE PERIOD AFTER TAXES** | | 362,517 | 1,118,776 | 1,612,524 | 2,209,492 | 2,802,543 |
| **Adjustments to the result** | | 7,304 | 7,042 | 6,769 | 6,485 | 6,190 |
| +    Depreciation for the period | | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| -    Work carried out for fixed assets | | 0 | 0 | 0 | 0 | 0 |
| -    Recognition of grants | | 0 | 0 | 0 | 0 | 0 |
| +    Gastos financieros | | 1,304 | 1,042 | 769 | 485 | 190 |
| **= FLUJOS DE CAJA OPERATIVOS (CFO)** | | 369,821 | 1,125,818 | 1,619,293 | 2,215,977 | 2,808,733 |
| - (+)  **Inventory Variation** | | 0 | 0 | 0 | 0 | 0 |
| - (+)  **Variation in Receivables and Other Accounts Receivable** | | 0 | 0 | 0 | 0 | 0 |
| - (+)    Variation in Customers | | 0 | 0 | 0 | 0 | 0 |
| - (+)    Variation in Other Accounts Receivable | | 0 | 0 | 0 | 0 | 0 |
| + (-)  **Variation in Payables and Other Accounts Payable** | | 40,930 | 53,379 | 37,330 | 42,325 | 42,067 |
| + (-)    Variation in Suppliers | | 0 | 0 | 0 | 0 | 0 |
| + (-)    Variation in Current Public Administration Accounts | | 40,930 | 53,379 | 37,330 | 42,325 | 42,067 |
| + (-)    Variation in Other Accounts Payable | | 0 | 0 | 0 | 0 | 0 |
| **= INVERSIONES EN EL CAPITAL CIRCULANTE** | 0 | 40,930 | 53,379 | 37,330 | 42,325 | 42,067 |
| +    Divestments | | 0 | 0 | 0 | 0 | 0 |
| -    New Investments | (85,000) | 0 | 0 | 0 | 0 | 0 |
| **= INVERSIONES EN FIJO (CAPEX)** | (85,000) | 0 | 0 | 0 | 0 | 0 |
| =    **FLUJOS NETOS DE CAJA (FNC)** | (85,000) | 410,751 | 1,179,197 | 1,656,623 | 2,258,302 | 2,850,800 |