

UNIVERSIDAD ESAN



**SOCIAL EXPLORERS: A SMARTPHONE APPLICATION INFORMING
ABOUT NONPROFITS ACTIVITIES AND ALLOWING PERSONAL OR
SPONSORED DONATIONS**

**Thesis presented in partial satisfaction of the requirements to obtain the degree
of Master in Business Administration by:**

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EXECUTIVE SUMMARY:

In order to draw the general and specific objectives of the present document, the team first identified a set of problems, that would be later defined as market gaps. It was revealed that there is a lack of effectiveness in the communication of large and smaller size nonprofit organizations. Most of them owns a private website aimed at displaying content and information, communicating around emergencies and asking for donations. But, for a potential donator willing to be more informed about associations in general, and maybe to donate some of its private money, it is considered complicated, time consuming and sometimes frightening to understand which association to select and to trust. It was therefore decided to study the possibility to create a smartphone-based application gathering a large number of nonprofits, providing quality content, tools for comparison and accountability, as well as a donation system. For this purpose, the following objectives are formulated:

- Analyse the evolution of donations to nonprofits in Europe, focusing mainly on France.
- Analyse the demographics of donators.
- Analyse the feelings of a potential target about the topics stated previously.
- Study the possibility to include companies willing to sponsor users' donations in exchange of targeted advertising.
- Describe the business model for the smartphone-based application.
- Determine the financial viability of the project.

In order to assess the attractiveness and viability of the project, was conducted a three-folds study, which relied on:

- secondary data about the nonprofit market;
- a survey towards targeted customers;
- and, in depth interviews with professionals from nonprofit organizations, companies and experts.

The questions of the application design's requirements were handled by creating a prototype based on previous knowledge, and on running a series of test on potential customers, looking for reactions and feedbacks.

The financial stability of the project was assessed by creating a breakdown of potential costs, assigning a set of variables impacting the revenue streams, user base, and cost evolution. After setting these variables as random values within a predetermined range and launching a series of four thousand iterations, it was possible to stress the project financial structure solidity.

Finally, after assessing and analysing the results, it was concluded that the project of creating a smartphone application gathering donators, nonprofits and companies on a single platform was economically and technically feasible, based on the following:

- The target group of donators (16 to 35 years old) is growing both in term of their number, and in term of the amount they donate.
- There are no direct competitors providing a combination of editorial content, accountability, donation and sponsoring.
- There is a lack of trust in nonprofits accountability from potential donators, but at the same time a recognition of their social utility.
- There is an interest for companies operating in profitable industries to diversify their advertising portfolios and to increase their social impact by sponsoring donations.
- The occurring costs in launching such a project are well balanced against the monetization strategy, offering good prospects of positive net cash flows.