



**UNIVERSITAT
JAUME I**

MARKETING PLAN OF



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1. EXECUTIVE SUMMARY

Renovae Business is an energy engineering services company. Grupo Renovae, the business group to which it belongs, is well positioned in the sector. Its main activity is the development of renewable energy production projects, mainly aimed at individuals, communities and companies. Commitment, adaptability, trust, tranquility and ecological responsibility are the basis of its values as a company.

In recent months, with the instability of the energy sector and other external factors that in such a globalized world have affected the inflation of the price of conventional energy, many people have seen renewable energy alternatives, mainly photovoltaics, as an asset for combat such volatility and be self-sufficient. This has been a great opportunity for a sector with a lot of room for progression and increasingly competitive. In addition, the geographical location accompanies making this type of commitment to photovoltaic energy because the Levantine coast has around 320 days of sunshine a year.

In view of all of the above, the company sets a series of objectives such as increasing sales (20% in individuals, 15% companies and 10% communities), operating income (20%) and achieving a minimum satisfaction of 80%. In addition, the objective of relations is to create an internal commercial network, initially incorporating 2 commercials with experience in the sector.

Different marketing strategies will be used to achieve the objectives. One of them will be to carry out a market penetration strategy (Ansoff) to try to increase sales in service contracts, to achieve this, it will focus on the Valencian Community market. The above strategies are based on a differentiation strategy (Porter) based on offering additional peripheral services to the main one, which are valued by customers.

These strategies will be carried out mainly with service, price and communication actions such as increased contact and offers made, the design of quality questionnaires, social networks, sponsorship of events, offering financing, greater guarantees or energy audits and the opening of a contracting process to incorporate 2 commercials internally.

2. SITUATION ANALYSIS

In the first place, we will carry out an analysis of the general environment in which the company is located. With the internal analysis we will be able to determine the strengths and weaknesses of the company with respect to its competitors and, based on them, evaluate its capacity to take advantage of the opportunities and counteract the threats detected with the external analysis.

2.1 Internal Analysis

Renovae is a group of companies related to the energy sector, waste management and environmental engineering. The main function of Renovae is to provide its clients with tools and solutions to improve energy efficiency, consumption reduction and renewable energy, without incurring a cost for the client, these services being covered by the savings generated.

The first company was born in 2009, founded by Raúl Cepriá and Mark Kornweibel, in the town of Castellón, Spain. The purpose of this is to develop renewable energy production projects and organic waste management. Due to the regulatory changes that took place in the sector, Renovae decided to use its experience to reconvert its business model and dedicate itself to energy marketing.

This has led Renovae to draw on knowledge that encompasses the entire value chain of the energy sector, from production to its marketing.

2.1.1 Company's presentation

It is a young and dynamic entity that is constantly growing and evolving. Its founders are Raúl Cepriá and Mark Kornweibel. Both founders are senior industrial engineers, with more than 10 years of experience in the sector of generation, production, project development, advice and commercialization of electrical energy. Mark left the company in 2020 for personal reasons.

GRUPO RENOVAE is a business group dedicated to the energy sector. It is composed of 7 companies. Each of them is dedicated to a different section of the energy sector. The companies that make up GRUPO RENOVAE are:

- RENOVAE TRADE SL
- RENOVAE CONSULTING SL
- RENOVAE BUSINESS SL
- COMERCIALIZADORA DE ENERGIA DIRECTA SL
- RENOVAE GEN I SL
- MYEN XXI SL
- RENOVAE INSTALLATIONS AND MAINTENANCE SL

RENOVAE TRADE

In 2011, two years after the founding of the company, Renovae Trade. It is a company dedicated to the creation and commercialization of energy software for trade between companies (B2B).



RENOVAE CONSULTING

After Renovae Trade, in 2015 Renovae is born Consulting. It is an electricity and gas company. It operates under the brand of "Renovae Energy"



RENOVAE BUSINESS SL

Renovae Business was born in 2009 as a company dedicated to the gas sector. Currently its economic activity is the provision of energy engineering services.



RENOVAE DIRECT ENERGY COMMERCIALIZER

Under the brand " EDirecta " this company was created in 2016. It is a marketer of electricity between companies (B2B).



RENOVAE GEN I

"Renovae Gen I" was created in 2019 and is also related to the energy sector. Specifically, its activity is based on the production of renewable energy. It operates under the brand of "Grupo Renovae"



RENOVAE MYEN XXI

"Renovae Myen XXI" was also born in 2019. It is a company dedicated to the commercialization of light. It operates under the brand of "Myen Energy".



RENOVAE FACILITIES AND MAINTENANCE

"Renovae Instalaciones y Maintenance" is a newly born company since it was created in 2022 and its purpose is the installation and maintenance of the photovoltaic projects

carried out mainly by Renovae Business, although the idea is to extend its services to other energy installations. It operates under the brand of “Renovae Grupo”.



Renovae as a business company made up of different companies operates under the image of two logos. The first of them “Renovae Grupo” is used when more bureaucratic operations are carried out, outside the economic sphere in which their professional activity is carried out. On the other hand, the image of “Renovae Energy” is the brand used by the company when it carries out commercial activities, related to its economic activity and which encompasses all the companies in the group.



RENOVAE BUSINESS is the company for which we are going to carry out the marketing plan. This company is dedicated to the energy sector, specifically photovoltaic energy. The main activity of this entity is the achievement

and realization of photovoltaic projects, both for individuals and for companies.

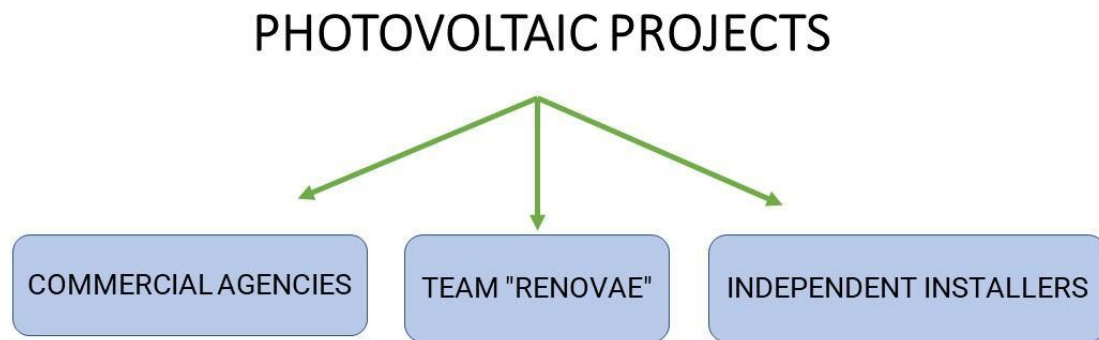
It has an experienced team of industrial engineers specialized in the energy sector and an administrative department that is in charge of all paperwork and other procedures so that customers have a pleasant experience and facilitate all paperwork with the company.

Renovae Business was born in 2009 as a company dedicated to the gas sector and, since the summer of 2021, enters the world of photovoltaic energy in which in just 8 months it has established itself in the renewable energy market carrying out projects throughout Spain, both on the peninsula and on the islands. As of 2022 and with the instability in the energy market, Renovae Business stops selling gas and is dedicated exclusively to photovoltaic energy.



To achieve and carry out photovoltaic projects, Renovae Business coordinates and collaborates with commercial agencies and teams of independent professional installers from different parts of Spain to carry out the acquisition process, case study, installation and start-up of the projects. Photovoltaic

Illustration 1: Photovoltaic Projects



SOURCE: Own Elaboration

The main functions of the RENOVAE Team are to coordinate, manage and provide the part of professional knowledge to be able to carry out this type of project. With the rise in the price of electricity currently in Spain, the demand for solar panels has skyrocketed and it is because many are those who see photovoltaic energy as a solution to pay less, revalue their home and contribute their grain of sand to the care of the planet with this renewable energy classified as green by the European framework.

The Renovae Business logo is the one shown below. With the company's immersion in photovoltaic energy, it was decided to create a new logo, more characteristic in this area and to separate this part from the rest of the company's operations. Said brand attends to a brand positioning based on attributes as the sector in which it develops its activity is renewable energy.

MISSION: To provide its clients with tools and solutions to improve energy efficiency, consumption reduction and renewable energies, without incurring a cost for the client, these services being covered by the savings generated.

VISION: To be a benchmark company in the photovoltaic energy sector for its quality and confidence in the achievement of its projects.

VALUES: Commitment, adaptability, trust, tranquility and ecological responsibility.

Its headquarters are located in Castellón de la Plana, specifically on Calle Pintor Soler. It also has offices in Madrid, which work in coordination with RENOVAE Castellón to carry out all the projects they have in common.

GRUPO RENOVAE carries out projects throughout Spain, although its majority volume of work resides in the Valencian and Madrid communities. The distribution of the volume of projects by geographical area is currently as follows:

- 40% in the Valencian Community
- 40% in the Community of Madrid
- 20% in the rest of Spain

GRUPO RENOVAE to which Renovae Business belongs and today has 25 employees in its offices in Castellón and 12 employees in its offices in Madrid. Due to its number of employees, it is considered a small company since it does not exceed 49 workers on the payroll. But if we look at its annual turnover, the business group has been about to reach 30 million turnover this past year 2021, for which, due to its volume of business, we could be talking about a medium-sized company.

2.1.2 Company's resources

Next, we will describe the different resources that the company has.

2.1.2.1 Human Resources

Of the 37 workers that make up the business group, currently Renovae Business It has a total of 12 workers distributed in 3 departments:

- The Department The director is made up of 2 people, both partners in equal parts of the company and one of them a founding partner, who acts as CEO. Both directors are industrial engineers and have extensive experience in the energy sector. They are in charge of coordinating and managing important aspects such as financing, the opening of new lines of business, the control and management of all the resources owned by the company.

- The technical department, which is made up of a team of 4 engineers. They are the ones who apply their specific knowledge and skills to carry out photovoltaic projects. Its functions are the following:

- 1/ Make photovoltaic offers to potential customers
- 2/ Manage orders for materials to carry out the works
- 3/ Carry out the technical reports corresponding to each project
- 4/ Carry out the start-up of the installation once the work is finished
- 5/ Make a brief training to the client about the use of photovoltaic energy

The administrative department, formed by a team of 6 people. Invoicing tasks, processing with public administrations, communication with clients, etc. are carried out in this department. They are workers trained in accounting and administration. Within the department we find the following positions:

1/ Customer service : This position is held by one person. Its function is to be in permanent contact with the client, providing information about the process, resolving doubts and solving problems that may arise with the client. It is usually supported with the technical department and with colleagues from the same department.

2/ Administrative : This position is occupied by 2 people. Their functions are usually related to the management of client documents necessary for procedures derived from the process involved in the service offered and management with public administrations to request building permits, social responsibility issues and grant management.

3/ Accountants : This position is held by 2 other people. Its functions are those related to billing and collection management with customers, suppliers and collaborators.

4/ Finance : This position is held by 1 person. This person is in charge of carrying out bank control, cost forecasting and everything related to more general economic aspects of the company.

Apart from these 12 people, the company relies on external human resources such as accounting advisors, legal staff, computer specialists and other independent professionals in the sector who work closely with Renovae Business.

2.1.2.2 Tangible or Physical Resources

The main tangible assets owned by the business group are two properties, one located in Castellón, where the headquarters of the different group companies are located, and the other in Madrid, a strategic point due to its geographical location to be able to serve the entire Spanish territory.

The Castellón property has 200 m² and is located at Calle Pintor Soler Blasco nº 3.

Illustration 2: Renovae Offices



The Madrid property has 160 m² and is located at Calle Cronos nº 20

The company does not have real estate for the storage of the material necessary to carry out the photovoltaic installations because it buys according to order and with destination of delivery of the material the same place of installation, which is carried

out by independent installers who have their own necessary resources. to carry out the project.

In addition, the company has leased through leasing agreements 3 vehicles of the Mercedes brand.

The rest of the physical resources available to the company are limited to the usual personal property in any engineering studio: furniture, hardware and specialized software.

2.1.2.3 Finance Resources

Regarding financial resources according to the SABI data source, we have been able to collect the following financial information.

Despite the fact that the global turnover of the Renovae group for 2021 is close to 30 million euros, we see that the latest financial data for which we have access (2020) for the company of the Renovae Business group are the following:

Operating income: 457,316 euros

Asset value: 181,990 euros

Result of the last financial year: 62,001 euros

According to the digital website “eInforma. Company information”, the evolution of the main financial ratios in recent years is as follows:

- Working capital has increased
- The average collection period shows a downward trend
- Immediate liquidity presents a positive evolution
- debt has decreased
- The level of income from usual activity shows an increase
- Both economic and financial profitability have increased positively.

From what we see, it is a company in financial growth, where over time it is increasing its financial capacity while continuing to reduce debt.

Regarding the figures of the balance sheet and the profit and loss account for the year 2020, which is the last to which we have had access, we can see the following information:

- The total assets of the company grew by 141.44% between 2019 and 2020
- This growth has been financed to a greater extent with an increase in Net Assets of 218.99% and, to a lesser extent, with an increase in debt of 94.79%.
- The company's sales figure grew by 334.6% between 2019 and 2020
- This evolution implies an increase in the economic profitability of the company.
- The company's Net Income grew by 509.43% between 2019 and 2020

2.1.2.4 Marketing Resources

The business group has a marketing department that offers support and provides services to the 7 companies that make up the business conglomerate. In this department, customers are followed up, concerned about their post-sale satisfaction, recruitment campaigns are carried out, in addition to updating the content of web pages and the opening of social networks, in order to be closer to customers.

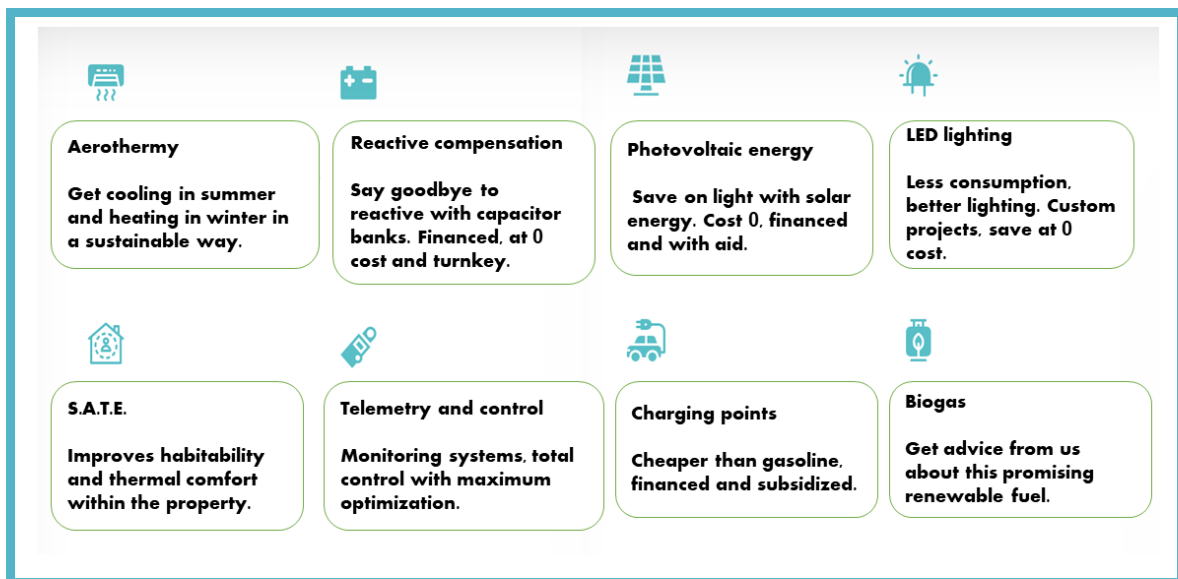
Below we will describe what the company does in each of the 4 P's in terms of marketing resources.

PRODUCT / SERVICE

The company has a limited portfolio of services, all of them related to the energy sector, so we can say that its portfolio of services is consistent with the sector to which it belongs.

The products offered are the following:

Illustration 3: Products



Source: Renovae Business Webpage

The breadth of the portfolio is 8 lines referring to the 8 products/services that the company currently has on offer. All of them are highly customizable, based on fixed standards. Despite this, the company presents a single variety of each product, which gives the portfolio little depth. The length of the portfolio would be limited to only the 8 services seen above.

It should be noted that of these 8 services, 95% of the sales volume of Renovae Business belongs to photovoltaic energy, which is the main service for the company, leaving the other 7 services in its portfolio in a second section.

The company currently has 38 active works related to photovoltaic energy distributed throughout Spain.

PRICE

In terms of price , Renovae Business does not compete on costs but rather on differentiation, trying to offer a service based on quality and professionalism.

That is why , when setting prices, offering competitive prices does not greatly influence it, but rather that the value perceived by the customer is greater than that of the competition. It is true that, due to the increase in demand for solar panels, competition in

the sector has increased, so to a certain extent this has contributed to having to readjust margins and final prices.

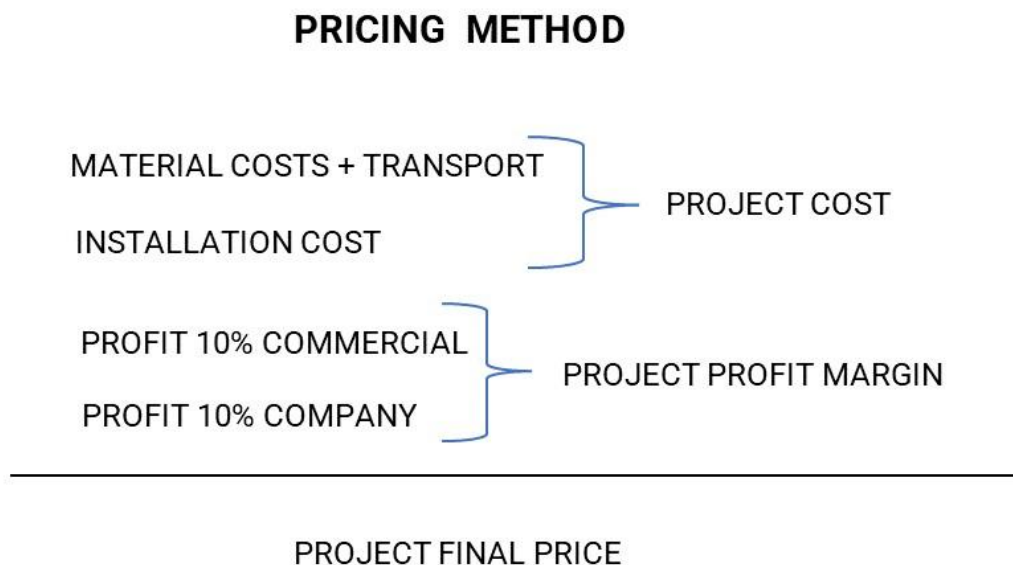
There are 2 factors that influence when setting a final price for a photovoltaic installation:

1. Profit margin: The profit margin established for each project is 20%, of which 10% is for the commercial that brings the work to Renovae and the other 10% is the clean profit that the company obtains.
2. The price of the installers: The installers, being self-employed, set a price for the achievement of each work that the company decides to accept or reject. This price is included in the cost of the project.

Prior to knowing the price at which the installers are going to invoice us and calculating the profit margin, those responsible for the technical department make a cost forecast, which is the basis when setting a price for a project.

Schematically we can see this procedure as follows:

Illustration 4: Pricing Method



Source: Own elaboration

DISTRIBUTION

Regarding logistics, it should be noted that the material is never in the physical possession of Renovae staff . It is a horizontal process, starting with the supplier and ending with the location where the installation is to take place.

Illustration 5: Distribution



Source: Own elaboration

The steps of the distribution process are as follows:

1. Placing the order to the supplier (the main supplier of the company is Saltoki SA)
2. Transportation is the responsibility of the provider. This makes the journey from the supplier's warehouse to the installation location.
3. The Renovae staff coordinates the delivery date with the client and the installers.
4. Installers must be at the delivery location on the scheduled day.
5. all this time, the salesperson performs the function of accompanying the client and supervising the work; he is the eyes of Renovae in the installation process.

As we have said before, the role of the commercial is essential. In this process its main functions are:

- Solve on-site problems that may arise during the process.
- Renovae informed at all times of the status of the project
- Supervise the installation at all times

COMMUNICATION

Renovae mainly uses 2 sales channels:

1. Online sales: Through the website, potential customers can search for information and also request it about the different services offered by the company. The company offers a short study free of charge to potential customers

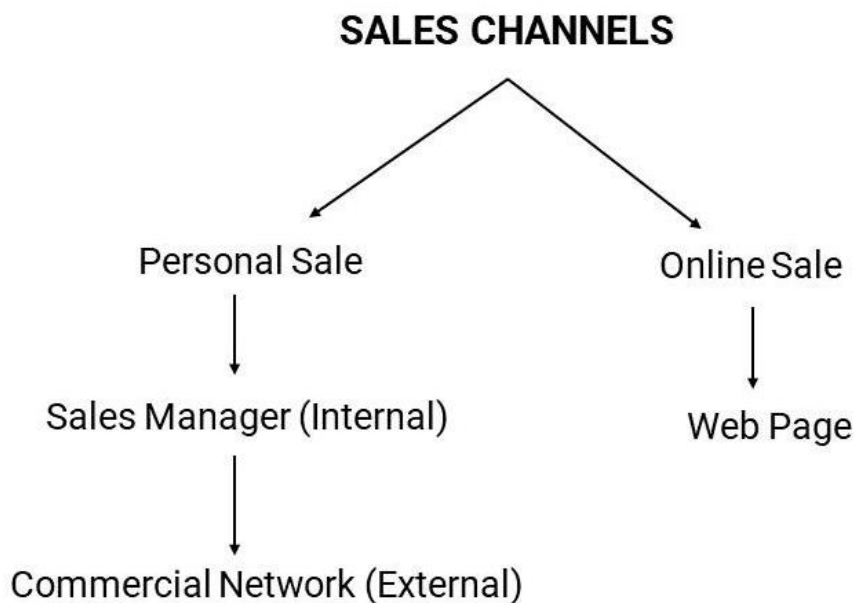
who are interested in photovoltaics. It should be noted that of the 2 sales channels used by the company, this is the one that generates the least volume of work.

2. Personal sales: Personal sales are the most frequent method of selling offered services, and it is also the channel that generates the most business volume. The personal sales team is divided into 2 levels:

- Sales Director : This figure is in charge of coordinating, directing and informing the commercials about the services offered, news, training, about the market, etc. It is an internal person of the company. In this case, the sales director is Víctor Ruiz (a partner at Renovae), who apart from being this figure in the sales process, together with Raúl Ceprià (CEO), is part of the general management of the company.

- Sales network: The company has a sales network spread throughout Spain and divided territorially whose functions are to attract potential customers, accompany them throughout the process, resolve, reassure and inform them at all times about the service, supervise facilities and inform at all times to the sales director and the Renovae team of the status of each project. These are external figures to the company, who charge a commission, which is half of the profit margin that the company takes per project, which refers to 10% of the final price of the project.

Illustration 6: Sales Channels



Source: Own elaboration

Communication with the installers is frequent and regular as well. Being self-employed, they set prices according to their needs, which they subsequently negotiate with the company, until an agreement is reached. The cost of the installation is included in the final cost of the project.

Below we detail the service process, differentiating the stages and the role of the different agents that lead each of the phases of the project, through which there is coordination and communication internally and towards the final client to give quality to the service and maximize the degree of customer satisfaction.

Table 1: Service phases

PHASE	1st PHASE	2nd PHASE	3rd PHASE
CONTEXT	START OF RELATIONSHIP	DIFFERENTIATING PHASE	END PHASE OF THE RELATIONSHIP
SERVICES	First contact Value proposition	Case study Technical report (individuals) Technical project (companies) Legal/administrative procedures	Installation Formation
LENDER	Commercial	Technical team Administrative team	Installer Technical team
COMPANION		Commercial	Commercial

Source: Own elaboration

In terms of advertising and sponsorships, the company collaborates with CF Moró in the provision of technical material for the football club in exchange for advertising on the players' shirts.

2.1.2.5 R&D

Regarding the technology of the products used by the company in its service offering, Renovae chooses the products with which to work based on their reliability. The company works with mature products on the market with stable technology. Although

they are products that take time, they are not outdated, but rather have incremental innovations constantly, in line with the growth of the sector to which they belong.

2.1.2.6 Corporate Social Responsibility

The company employs various corporate social responsibility actions, mainly internally, such as the following:

- Recycling policy: The company carries out an internal recycling policy in its offices through recycling bins, differentiating by type of waste such as organic, paper and cardboard, and plastics.
- Labor inclusion of students: Renovae is a collaborating company with the Universitat Jaume I of Castellón. Through this collaboration, the company offers job opportunities to young recently graduated students, in addition to offering places to carry out the External Internships of different university degrees . The degrees most in demand to work at Renovae are engineering and those related to business sciences. Currently 6 of the workers from the Castellón offices joined the company thanks to this collaboration between entities.
- Reconciling work and family: The company promotes the possibility that its workers can reconcile work and family life to a greater extent through work schedules that in 90% of the hours are carried out in the mornings, also allowing great time flexibility when fulfillment of these. In addition, on weekends the company remains inactive for the rest of the staff.
- Communication: Two-way communication is promoted by management, which maintains close, trusting and fluid communication with workers and those responsible for the different areas of the company, consulting and communicating all decisions made by managers, in order to to involve the staff at work and in the business organization.
- Continuous training: Renovae is dedicated to a very changing and dynamic sector, which is why updating sessions are held periodically, so that the worker is aware at all times of market trends, news and different situations that occur periodically in the market.

2.1.3 Company capabilities

Next, we are going to talk about the distinctive capabilities and the value chain of Renovae.

2.1.3.1 Distinctive Capabilities

Clearly, the distinctive capacity of Renovae Business is the high qualification and experience of its technical team made up of senior industrial engineers, electrical engineers and mechanical engineers. In the same line of product quality and service is the group of professionals in the sector with whom it has agreements for the marketing and installation of projects throughout Spain, mainly in the province of Castellón. This tandem allows us to offer quality, proximity and efficiency to the end customer, developing projects at 0 cost, accompanied by advice and tailored solutions, full guarantee and ecological responsibility. This set of services is what differentiates Renovae Business from its competitors.

In addition, another feature that adds value to the service offered is that all the projects are turnkey projects, carrying out the start-up and facilitating the immediate use and performance of the product for the final consumer.

Illustration 7: Service features



Source: Renovae Business Webpage

2.2 External Analysis

In this section we are going to analyze the external factors that condition or may condition the day-to-day running of the company.

2.2.1.1 Politics Factors

There are different political factors that directly affect the company's business activity. Some of the factors that we find in this section are:

- The current war between Ukraine and Russia has brought with it a lot of political decisions by European countries that has affected the economic activity of all countries, including Spain and its economic sectors. The obstacles on the part of political leaders in trade with third countries have caused a lack of supply in the photovoltaic sector in some materials due to their inability to bring the necessary parts for their manufacture from countries such as China. International trade is being greatly affected due to this conflict, which is causing a drop in exports and a limitation in institutional relations with other countries, which has a direct impact on both the Spanish economy and the global economy, even collapsing certain Economic sectors.
- Grants for the installation of renewable energy sources. The government, managed by the autonomous communities, offers aid such as subsidies and reductions in the IBI that encourage the population to bet on this type of green energy. In the Valencian Community, through the Generalitat Valenciana, we find aid for the realization of self-consumption installations with renewable energy sources, in the residential sector, public administrations and the third sector with or without storage. These aids come from the Recovery, Transformation and Resilience Plan in the territorial scope of the Valencian Community. Aid that can be requested both in person at the official offices of Agriculture, Rural Development, Climate Emergency and Ecological Transition of the 3 Valencian provinces, as well as the possibility of carrying out the process electronically through www.gva.es
- Energy taxes. There are taxes such as fees for minor works or the ICIO (Tax on Constructions, Installations and Works) that are levied on the installation of solar panels. In addition, a 21% input VAT is applied to all operations related to Renovae 's activity.

- Opening to new routes of energy supply. The historical lack of government support for the development of this type of energy has meant that Spain has hardly opted for renewable energies, unlike the Nordic countries, the Netherlands or Denmark, promoters of this type of energy. While the Netherlands today could supply itself entirely with its own energy production, in Spain interest in renewable energy has arisen in recent years, mainly due to the rising cost of the energy sector and aid from various governments.

2.2.1.2 Economy factors

- The current high price of electricity. The price of electricity is experiencing great instability, with an upward trend, since approximately the last 6 months, in Spain. This makes more and more citizens think of self-consumption, a way to get out of the voracious and growing energy dependence.

Graphic 1: Evolution of the electricity price in the daily market



SOURCE: OMIE

- Energy dependency of Spain. According to the latest data provided by the INE (National Institute of Statistics), Spain's energy dependence on foreign countries is approximately 73-74%. Let's say that Spain produces a quarter of what it consumes, around 25 %. This implies a very high energy cost for the country, which spends billions of euros annually to obtain supplies through other countries. This raises the price of electricity and other energy elements such as gas or fuel for final consumers.

2.2.1.3 Sociocultural Factors

In recent decades, society has evolved through an exercise in ecological awareness carried out by different agents and institutions towards a society in which the words sustainability, ecological and environmental are not uncommon on a day-to-day basis. Today's consequences that society reverberates through its past and present actions on the planet has made the ecological movement appear strongly among people. The ecological movement are voices that try to prevent our planet from finding itself in an increasingly delicate situation.

Ecological awareness arises from the fact that consumers show their concern for environmental problems and seek information about them. Information that will directly influence their consumption decisions. In addition, the European Union establishes very strict environmental regulations.

Renovae , through its renewable energy and low consumption services, follows the ecological awareness movement towards a more efficient planet and a more ecologically aware society.

2.2.1.4 Technological factors

The photovoltaic energy market is geared towards increasing efficiency and reducing the size of heavy and sophisticated materials such as solar panels or batteries and inverters.

The sector is making great technological advances in the creation of new lithium batteries, capable of increasing energy performance in hours when there is no sun through greater accumulation.

Daniel Boluda, general director of HUAWEI Digital Power Spain, a brand that is also dedicated to the technological manufacture of materials for the use of photovoltaic energy capture, stated at the forum " *The technology that marks the path of solar energy*" held on October 28 in Madrid that "year after year the panels are gaining in efficiency and both the inverters and the batteries are improving, so that each time it is going to be possible to accumulate energy more economically ". And it is that the improvement in the generation of photovoltaic energy is based on a significant improvement of the accumulation system using for it, the most advanced technologies in the world.

The future of renewable energies is promising. It is estimated that in 2040 renewable energies will represent 60% of energy production worldwide. The increase in investment in this area will allow and is allowing significant advances in the technologies used in the production of renewable energy.

If we focus on solar energy, we can say that this is going to be a key factor in the growth of renewable energies. Technological advances in solar energy are numerous, of which we detail some of them:

- Floating solar plants: It consists of a photovoltaic system that floats on the surface of drinking water reservoirs, lakes, dams, irrigation canals or waste ponds. It is an emerging market because these floating plants have many advantages compared to traditional photovoltaic plants since they are not based on any fixed structure, thus avoiding all the obstacles of installation on land.

Illustration 8: Floating solar plants



Source: PV Magazine Webpage

- Solar cell fabrics: These are fabrics with embedded photovoltaic energy that generates electricity when exposed to light. Thus, this fabric is capable of powering your own mobile without having to charge it to any outlet.

- Photovoltaic acoustic barriers: These are noise blocking systems with integrated photovoltaic solar technology designed to produce renewable energy and reduce noise levels at the same time.
- Photovoltaic solar energy integrated in buildings: Recent technological advances have made it possible to incorporate photovoltaic panels into the construction of buildings, this allows traditional elements to be replaced by crystalline solar panels.

Regarding the subject of the manufacturing components of solar panels, inverters and lithium batteries, the technological advances that have been made in these essential materials for the construction of a photovoltaic installation aim to increase the accumulation of energy resulting from solar radiation and reduce the volume, in terms of grandaria, of plates, inverters and lithium batteries, in order to facilitate the transport and installation of these elements.

2.2.1.5 Ecological factors

Solar energy is clean energy, considered green by the European Commission, an energy of the future. Consumers and society in general highly value companies with strong corporate social responsibility and those that do not leave a mark on the environment. Hence, more and more companies are striving to achieve an environmental quality seal that improves their corporate image. In addition to this environmental quality seal, the UNEF (Spanish Photovoltaic Union) issues a certificate approving the quality of the installation company.

Illustration 9: Logo Quality



Illustration 90: Logo environmental quality



Source: PV Magazine Webpage

On the other hand, it is worth highlighting the important role of the climate as a relevant factor. Spain is a land of sun. The sun is an important factor for the self-sufficiency of

electrical energy through solar panels. Spain is one of the sunniest countries in Europe and the fact is that our territory has around 300 days of sunshine per year on average, a perfect figure to encourage solar energy, reduce energy dependence and obtain greater lasting economic and environmental profitability. in the time.

2.2.1.6 Legal Factors

Regarding the regulations on energy, renewable energy is subject to a special energy regime, which is applied in Spain to the evacuation of electrical energy to the distribution and transport networks, coming from the treatment of waste, biomass, hydraulic, wind, solar and cogeneration.

Law 54/1997 of the Electricity Sector establishes the principles of a new operating model which, as far as production is concerned, is based on free competition. This law also aims to achieve objectives such as improving energy efficiency, reducing traditional consumption and protecting the environment.

On 06/23/2020 the Government approved in the Council of Ministers , a Royal Decree-Law with measures to promote renewable energies and favor economic reactivation. This decree established:

- Guarantees for firm renewable projects
- New auction system for the management of renewables
- Simplification and streamlining of procedures
- New business models linked to renewables
- High-capacity recharging points, of public utility
- System Liquidity
- Support for cogeneration
- just transition
- Agility and legal certainty of environmental regulations

The Energy Efficiency in Buildings Directive (EPBD) of the European Union dictates that all newly built homes must have almost zero energy consumption. This implies that the energy they consume must come from renewable sources located in the same building or in its surroundings. In Spain, logic points to thinking that this source of energy is solar. Therefore, in newly created buildings in Spain, solar panels must cover a large part of the energy consumption of a home to comply with the regulations from Europe.

2.2.2 Microenvironment

Next, we are going to analyze Porter's 5 competitive forces with respect to the company in question (Renovae Business) and the sector to which it belongs

2.2.2.1 Bargaining power of customers

The bargaining power of consumers declines as demand increases. Although it is true that the power of consumers in this sector related to solar energy was great, now with the boom in solar panels in Spanish society, especially due to the high price of electricity or gas, the bargaining power of consumers has fallen, and is expected to fall further in the coming months, as demand for solar panels is expected to increase. It is also true that companies that sell in the solar energy sector have invested more in marketing, mainly in advertising, and have also improved sales channels, compared to what has been done up to now with door-to-door sales or through websites with few clicks. Now it is more common to see advertisements on television, on the radio, about photovoltaic offers. These are profitable because society has increased interest in this type of energy, whether for economic, ecological or legal reasons, as we have described in the external analysis. The quality of these facilities has also increased and with the current energy situation in Spain, the added value of these projects has increased considerably.

2.2.2.2 Bargaining power of suppliers

In this sector, the bargaining power of suppliers is very great, since there are few companies in Spain that market and/or manufacture the necessary material to carry out a photovoltaic installation. This is due to two circumstances:

1. Few manufacturers of this type of material in national territory
2. Not having the appropriate technology to manufacture said material

In this aspect, there is still a great dependence on foreign companies for companies that sell this type of components that require quite sophisticated technology for their manufacture and design.

As for Renovae , the company's main supplier is Saltoki SA, a company that operates throughout the national territory and supplies 85% of the material for the installation of its numerous photovoltaic projects. The other remaining 15% is made up of a very limited

group of suppliers (around 2 or 3) that compete only with specific components, such as batteries.

2.2.2.3 threat of new entrants

The recent boom in solar panels in recent months has made the threat of new competitors ever greater. This is due to the increase in business in the sector and the viability of the sector in the long term, since it is assumed that renewable energies are the future, a future that is already present due to the increase in the cost of electricity, gas and other fuels. Despite all this, there are some entry barriers for new competitors, such as the following:

- **Product differentiation and brand identification:** Hiring a photovoltaic project involves a large investment and energy dependence on it. That is why the consumer looks for companies established in the market and with experience to place their trust and ensure the success of the project due to its considerable cost.
- **Marketing channels:** Newly created companies find it difficult to enter marketing channels and increase their turnover due to the lack of economies of scale that make their supply more expensive, so they cannot compete on price with companies already established in the market. sector.

2.2.2.4 Substitute threat product

There are alternative energies on the market that can be used as substitute products and whose installation is much cheaper, although it involves a fixed rate plus a variable one and whose energy storage is greater but its threat is relatively low or non-existent. In fact, solar energy is the great threat to conventional electrical energy, the star substitute product, which threatens to take away a significant share of the energy market.

2.2.2.5 Rivalry between competitors

With the increase in demand and the threat of new competitors, rivalry in the sector has grown considerably as many see the potential of this business and try to increase their

market share. Despite this, and compared to other sectors, the degree of rivalry remains relatively low due to the high entry barriers for new companies.

2.2.3 Competitive Analysis

Next, we are going to carry out an analysis of the rivalry of the company, detailing the different levels of competition, which we consider the sector to which Renovae Business belongs to has.

2.2.3.1 Levels of competence

First, we must classify the competition in regional or national:

- **Regional competition:** Those companies whose economic activity is limited to the territory or region in which they are located. They are usually newly created companies, emerging companies that seek to exploit a specific business opportunity, in a specific place, without assuming more risks than they can bear. An example of this type of company would be RENOVAT ENERGIA SL whose business activity is limited to the Valencian territory, since they only operate in the Valencian Community.
- **National competition:** It would be those companies that operate throughout the national territory. They take on projects from other parts of Spain without being physically located. ELEKTROSOL SL would be an example of this type of company.

Renovae must consider regional and national competition, since it has projects throughout Spain, but where it can generate the closest proximity to the final consumer is in the province of Castellón, where it is located,

On the other hand, we have decided to differentiate the rivalry of the sector into 3 levels or ranges of competition according to characteristics of size and/or volume of business: big companies, consolidated companies and emerging companies. For this we will see it better in the following table:

Table 2: Types of companies in the sector

Big companies	They are large corporations that, in their eagerness to explore new business avenues, enter new fields such as solar panels, in order to take advantage of their resources to exploit new business avenues.	IBERDROLA S.A. In 2022, IBERDROLA launches the "IBERDROLA Solar Plan" in its range of energy services.
Consolidated companies	They are "PYMEs" for the most part, which have been relatively long enough to have experience and consolidation in the sector, with a relatively high volume of business.	ELEKTROSOL S.L. This company has been installing solar panels for both individuals and companies for more than 15 years
Emerging companies	They are recently created companies that have seen in the solar energy sector an opportunity to break through and take advantage of the positive synergies of the current boom in solar panels.	RENOVAE BUSINESS S.L. It begins to carry out photovoltaic projects in July 2021, and in a short time it has achieved a relatively high volume of business for the short time it has been in the sector.

Source: Own Elaboration

At this level of competence, Renovae must continue to consolidate itself in the sector, through the achievement of projects and thus increase its market share without losing sight of its recent activity in this field, without ceasing to be an emerging company but with the vision of being part of the group of consolidated companies in the medium term.

2.2.3.2 Main competitors

As for competitors, for Renovae two direct competitors in the photovoltaic sector, based in Castellón and operating throughout the territory of the Valencian Community, are ELEKTROSOL SL and IMPLICA-T Sustainable Development SL, which we are going to analyze below:

ELEKTROSOL SL

Elektrosol SL defines itself as a pioneering company in the photovoltaic solar energy sector. It was born in 2004 and today works on a national level with its purpose of helping companies to produce their own energy.



It is a company specialized in the design and installation of photovoltaic solar energy projects for industrial and private self-consumption.

Elektrosol is made up of a team of engineers, installers, maintainers and importers of modules, with an experience of more than 500 projects carried out.

The photovoltaic installation service they offer includes:

- Feasibility study (technical and economic report)
- engineering project
- Technical advice
- Management of procedures and maintenance

The annual turnover of the last year available for consultation by Elektrosol (2020) was 2,625,073 euros for the two services offered by the company:

1. Photovoltaic project
2. Maintenance of photovoltaic installations

It is a small company, which would fall within the set of SMEs based in Castellón de la Plana. It was established in 2004 so, to date, it has been operating in the renewable energy sector for 18 years.

Given such experience in the sector, its pricing policy is based on differentiation through brand recognition rather than price competition, which is why it competes with Renovae in this regard, since it does not compete on price either, but in differentiation as explained in previous sections.

Regarding communication, Elektrosol has two ways of attracting customers:

- Online: It has a wide and updated website and RRSS such as LinkedIN, Facebook and Instagram
- Direct sales: Like Renovae, Elektrosol has a commercial network, although it is not as extensive. Despite this, among Elektrosol 's sales representatives there are internal and external ones, which makes the sales network more competitive, because with the internal ones it can strengthen relationships to a greater degree

with customers and through the external ones it can explore new business avenues.

It currently has 42 employees on staff and if there are two things that differentiate it from Renovae, it is that:

1. It has its own installers.
2. It has a warehouse, which it uses to store possible material prior to demand to speed up the installations that are being carried out or planned to be carried out.

IMPLICA-T



Implica-T Sustainable Development SL is a company dedicated to engineering specialized in high energy efficiency

“ Enchúfate a la energía verde ” solutions and renewable energies. It performs energy consulting functions and carries out comprehensive biomass, solar thermal and photovoltaic energy projects for self-consumption. They define themselves as a company that provides efficient and profitable solutions.

To his credit, there is an award in recognition of the company's trajectory and commitment by the Confederation of Employers of Castellón. Prize awarded in 2011.

It is a small company, which would fall within the set of SMEs in the city of Castelló, where it has its fiscal headquarters and from which it offers its services throughout the Valencian Community. It currently has 12 employees and has been active since 2007 (15 years).

The services offered by Implica-T are:

- Power generation: These are photovoltaic projects for businesses, single-family homes, communities, solar pumping, isolated installations, and the installation of smart lithium batteries.
- Sustainable air conditioning: Includes sustainable aerothermal energy and air quality controls
- Sustainable mobility: It is the commercialization of chargers for hybrid and electric cars. They currently have 2 types on the market, the V2G bidirectional charger and the VE+ Solar charger.

The annual turnover of the last year available for consultation of Implica-T (2020) for the services described above was 561,476 euros.

As for their pricing policy, they carry out a strategy based on low prices, since they only focus on the Levantine coast. Through cost reduction and the acquisition of standardized materials, they manage to offer their services at very competitive prices.

In terms of communication, Implica't has a network of its own commercials, whose communication, exhibition and recruitment work extends throughout the Valencian Community. They do not work with external commercials, only with internal ones.

Regarding the facilities, the company is small, so it does not usually carry, due to capacity, a large number of works at the same time. Nor do they usually carry large-scale works. Its target audience is aimed more at individuals than at the industrial sector.

To carry out the installations, they have 2 teams of subcontracted installers who are in charge of the installation, start-up and maintenance of the projects.

2.3 Market Analysis

Next, we are going to carry out a detailed analysis first of the renewable energy industry in general and of photovoltaic energy specifically to continue with an analysis of the consumer in this type of area.

2.3.1 Industry Analysis

The energy industry is constantly evolving and progressing, new ways of producing, storing and transporting energy are constantly being found. We are talking about an industry, despite its maturity, that is very sophisticated and constantly growing.

If we focus on solar energy and specifically on the photovoltaic sector, we find an industry in a growth phase, where little by little it is going from oligopoly to perfect competition, since there are more and more companies that make up this industry attracted by a strong business opportunity given the context in which we currently live.

We can classify the industry as a medium-sized industry since we estimate that between 50 and 1,000 employees work, although we believe that in the near future we will be talking about a large industry. We can also classify it as a leading industry, since it is in full expansion and growth in its business volume.

The most common barriers to entry in this industry are:

- Capital requirements: We are talking about very expensive material where high liquidity is needed to be able to carry out photovoltaic projects.
- Impossibility of access to specialized technology: The material used in the installation of solar panels is very specific and advanced technology is necessary for its production. If you only dedicate yourself to buying and installing you will not have that disadvantage.
- Access to distribution channels: There are few companies that distribute said material in Spain, so their conditions are not suitable for everyone.

2.3.2 Consumers Analysis

For consumer analysis, Renovae focuses on 3 different types of consumers whose characteristics are set out below:

1. Individuals
2. Companies
3. Communities of owners

INDIVIDUALS: The profiles of private clients demanding this type of service are usually very similar:

- They are usually middle-aged people, mainly couples with children and with an economically stable life. The youngest, although they are more aware than the older ones of the importance of renewable energies, do not usually have enough purchasing power to undertake an investment in photovoltaics. On the other hand, older people do not usually understand how these types of facilities work, they are often reluctant to change and skeptical of this type of investment.
- They are people who have economic control of their finances. They usually have an average purchasing power with a monthly family income of around 2,500 – 3,500 euros.
- The vast majority seek to save on electricity bills and enjoy self-sufficiency that provides them with greater energy independence. Despite the fact that one of the

most important factors when installing solar panels is environmental awareness, we find that this is a secondary factor when undertaking said investment.

- It usually occurs in single-family homes. It should be noted that according to the digital media " Actualitat Valenciana", there are 827,000 single-family homes in the Valencian Community, of which 670,000 (this is 81%) have the possibility of installing solar panels to boost economic savings through self-consumption. In addition, by law, newly built homes are required to supply themselves largely with renewable energy.

COMPANIES: The companies requesting solar panels have the following characteristics:

- They are companies with high energy consumption, such as tile, chemical, ...
- They are usually large companies, with a large number of workers (between 50 and 250) and a very high turnover which allows them to undertake such investments in photovoltaic energy.
- The vast majority are located in industrial areas, where business conglomerates are usually located.
- The profile of these organizations usually comes from the secondary sector, industries dedicated to the field of manufacturing and/or storage (logistics) in large quantities. According to the official portal "ICEX", there are about 2,542 companies active in this sector in the Valencian Community.

COMMUNITIES: Neighborhood communities are a very particular type of client:

- In the decision to undertake a community investment in solar panels, not all the members of a neighboring farm tend to agree, so the management and process in neighboring communities is usually more complex.
- The neighborhood communities to which we offer our services are usually located in residential areas, where there is a medium-high purchasing power and, therefore, they are more likely to contract this type of service.

- semi-new farms, far from the center of large towns, where the conditions for the installation of solar panels are optimal. It should be noted that by law, newly built farms are required to supply themselves largely with renewable energy.
- According to the digital media " Actualitat Valenciana" of the 327,000 buildings intended for housing in the three provinces, 77% have useful area for photovoltaic installations. It agrees that all of them are usually far from old towns and their construction is not very old.

Renovae currently has a total of approximately 50 works active, of which 50% belongs to projects for companies, 40% to projects for individuals and the remaining 10% to projects for communities of owners.

Despite this, the greatest growth in the demand for solar panels has been in individuals, followed by communities. The lowest growth in demand is found in companies.

If we look at the billing index, the highest billing and without correlation with the growth in demand is found in companies. These are followed by individuals and, lastly, the ones with the lowest turnover are the communities.

Table 3: Projects distribution

	ACTIVE PROJECTS	HIGHER GROWTH IN DEMAND	HIGHER BILLING
INDIVIDUALS	40%	1st	2nd
BUSINESS	50%	3rd	1st
COMMUNITIES	10%	2nd	3rd

Source: Own elaboration

It should be noted that according to the digital media "El Periódico de la Energía", photovoltaic solar energy will experience a more than significant growth in the current decade in the Valencian Community, with forecasts of an increase in the demand for installed power of 1,548% compared to from your current level.

3. SWOT ANALYSIS

Next, we are going to describe the internal strengths and weaknesses and the external opportunities and threats of RENOVAE Business and its relationship with the world of photovoltaic energy.

Table 4: Swot analysis

SWOT ANALYSIS

<p><u>STRENGTHS</u></p> <p>SUPPORT OF THE RENOVAE GROUP YOUTH AND AMBITION PROFESSIONAL KNOWLEDGE GREEN COMPANY PROJECTS KEY ON HAND SUBSIDIES MANAGEMENT</p>	<p><u>WEAKNESSES</u></p> <p>SHORT EXPERIENCE IMPOSSIBILITY OF POSSESSING THE RAW MATERIALS DEPENDENCE ON EXTERNAL AGENTS</p>
<p><u>OPPORTUNITIES</u></p> <p>GREATER NATIONAL EXPANSION CREATE YOUR OWN NETWORK OF SALESMEN AND INSTALLERS GREEN BRAND PROMOTION FINANCIAL SUPPORT COLLABORATION WITH CONSTRUCTION COMPANIES</p>	<p><u>THREATS</u></p> <p>RISE OF NEW COMPANIES IN THE SECTOR LACK OF STOCK INCREASE IN RATES AND TAXES</p>

SOURCE: Own Elaboration

STRENGTHS

- RENOVAE Business belongs to GRUPO RENOVAE, a group of companies, all of them dedicated to the energy sector. Therefore, the Business in question is not alone but has the support of a series of entities that guarantee it, provide it with resources, liquidity and financing whenever it may need it. Having strong support behind you is a strength that start-ups don't have.

- RENOVAE Business has a young, ambitious and prepared team that works day by day in a dynamic and coordinated way to carry out the tasks that are presented to them. Having a young team, that adapts to the current moment, that has recent all its learning and that wants to evolve professionally is an asset that we consider strength for the company.
- RENOVAE Business has the necessary knowledge to carry out its work, since it has a team of senior industrial engineers, with master 's degrees in electrical engineering that guarantees them professionally and allows them to have intellectual independence when developing photovoltaic projects.
- Renovae is recognized as a green company, both by the Ministry of Ecological Transition and by European organizations due to its involvement in renewable energies and environmental change. This gives you brand recognition that is seen as a strength for the end customer.
- All Renovae projects are turnkey. In this way, the end customer receives a comprehensive service, without having to deal with major expenses or paperwork.
- In addition, Renovae is one of the few companies in the sector that directly and efficiently manages the subsidies that the client can access for installing solar panels in their home or company. The extra management of administrative issues is a highly valued strength among Renovae clients.

WEAKNESSES

- Despite the fact that its volume of work is quite large and we can say that there may be a consolidation of the company in the sector, RENOVAE Business has been operating in the photovoltaic sector for only 8 months, so we consider that it is still in a process of learning and evolution towards constant improvement. That short experience can be a weakness when it comes to tackling more complex projects.
- As we have previously mentioned in the presentation of the company, a large part of the work of RENOVAE Business is to coordinate and manage the process, from the first contact with the client, to the start-up of the photovoltaic installation.

This makes them depend largely on the good work of the commercial agencies with which they collaborate or with the professional installers with whom they physically shape the installations. All this without adding the bureaucratic processes of administrations and municipalities. We consider the company's dependence on external professionals to be a great weakness.

- The company makes a forecast of the necessary material for an installation, places the order and sends it to its location. The raw material is complex and expensive, so its suppliers are specialized. We consider the impossibility of possessing part of the raw material a weakness, since if it is not available or arrives late, it can cause an extension in the estimated times of the project, generating dissatisfaction for the RENOVAE client.

OPPORTUNITIES

- With the increase in the price of electricity, many people are considering switching to self-consumption, installing solar panels to save on the bill and revalue their homes. This translates into a business opportunity to continue growing and expanding throughout Spanish territory.
- This year the Energy Efficiency of Buildings Directive (EPBD) of the European Union came into force, which dictates that all homes that are built must have almost zero energy consumption. This requires the installation of solar panels, the simplest and most effective solution when it comes to complying with this law. This legislation opens up a range of opportunities for Renovae Business, which can enter into collaboration agreements with construction companies to manage the energy issue in new homes and buildings.
- Creating its own network that encompasses commercials and professional installers to minimize dependence on external agents and have greater control of photovoltaic projects is an opportunity that the company should seriously rethink.
- Due to the fact that it is classified as a green company, Renovae Business clients can access numerous grants, subsidies and both national and European funds,

with the company itself, as an added value, processing the requests in favor of the client.

- The fact of being a green brand can open more doors as it is a condition that is increasingly valued in the market and among consumers.

THREATS

- The boom in photovoltaic energy may bring with it many new competitors who also want to do business with the current energy situation in Spain. The entry of new competitors may threaten the market share held by RENOVAE Business.
- The constant lack of stock derived from global events, such as trade wars between countries or the pandemic itself, causes delivery times to be delayed. This is a problem and therefore a threat to the business of the company, which depends on the availability of this material to carry out its economic activity.
- Due to the increase in photovoltaic installations in our country, the government can understand this as a new way of collecting by increasing the taxes and fees that are already paid today. This is a threat to RENOVAE Business.

4. MARKET SEGMENTATION

Next, we are going to proceed to identify the different segments, arguing each one of them and then indicating which of them we are going to address in the new marketing plan for the company, narrowing down our target market and choosing the coverage strategy for the selected segments.

IDENTIFICATION AND DEFINITION OF THE SEGMENTS

INDIVIDUALS

According to the benefit sought:

1. Economy: The client seeks an economic benefit in the medium/long term by ceasing to depend on energy and the savings that this entails.
2. Functionality: The client wants the photovoltaic installation to work and to do it correctly, in order to maximize its profitability.

According to demographic and socioeconomic factors:

1. Income : Income is very important because you must have economic stability to undertake this investment since it is not cheap in the short term.
2. Age: We found that the clients of this type of project are of adult age, young people still have low purchasing power and the elderly are still highly skeptical of this type of project.
3. Studies: We also found that the majority of clients tend to have secondary or higher education.

According to consumer lifestyles:

1. Socially aware: They are usually people with a great social conscience, with social responsibility who seek to do their bit in a society that is so consumerist and rooted in the traditional.
2. Innovative – Consumers are often open minded, progressive in nature looking to find solutions through innovation and solar energy is a great solution to conventional non-renewable energy.

According to personality:

1. Sociable: The client of this type of company is usually a sociable person, who is interested in this type of alternative energy and who is informed about its operation.
2. Ambitious: We also find that the client is usually ambitious with photovoltaic installations, intends to set goals such as being completely self-sufficient, never paying for electricity consumption again, ...

According to geographical aspects:

1. Regional: At the regional level we will focus on the Valencian Community.

Therefore, the segment at the level of individuals would be people of adult age, with secondary or higher education, with medium or high incomes who seek economic savings through energy self-sufficiency and located in the Valencian Community.

BUSINESS

According to the benefit sought:

1. Functionality of the product: Companies seek an efficient and effective product so that it does not hinder the economic activities that they carry out on a day-to-day basis.
2. Durability: It is sought to have durability over time, providing stability and making it easier for them to recover the investment made.
3. Economy: The economic aspect is fundamental in companies. Companies that install solar panels seek a reduction in fixed costs since they are usually companies with large energy consumption.

According to buyer characteristics:

1. Geographical location: The companies that we are going to address must be located in the Valencian Community.
2. Sector: We are going to focus on industrial companies, which usually have higher consumption and larger surfaces for the possible installation of solar panels.
3. Financial capacity: We will try to ensure that all those companies with which we establish contact are solvent, are not heavily indebted and have a sales volume of over one million euros.
4. Number of employees: We are looking for medium and large companies, with a number of employees that varies between 50 to 250 approximately, being flexible in this variable.

Therefore, the segment at the company level would be companies that seek durability and good functionality in the product offered and, of course, want to reduce their energy costs. For this, we will look for medium-sized industrial companies with the financial capacity to undertake said energy investments. We will focus on the geographical area of the Valencian Community.

COMMUNITIES

According to the benefit sought:

1. Durability: The communities look for the photovoltaic installation to provide them with a long-term benefit in order to maximize its benefits.

2. Economy: The main reason that communities access this type of facility is to reduce their electricity bills and save money in the medium/long term.

3. Functionality: For this, the communities look for reliable companies that guarantee the correct functioning of the solar panels, batteries, inverters and other extras that the installation carries.

According to the buying behavior:

1. Attitude towards the product/service : This point is important because not always 100% of the people who make up a neighborhood community agree with this type of installation and/or alternative energy. That is why we will look for communities that present a positive attitude with the option of contracting our services, in order to avoid complications during the process and in a possible future deal.

According to demographic and socioeconomic characteristics of the consumer:

1. Income: We will look for communities where the income of the owners is medium-high. Communities in residential areas, of high standing where a certain purchasing power is needed to be able to live in them.

According to lifestyle:

1. Socially aware: We will look for communities whose owners generally maintain certain traits of social and environmental responsibility.

According to geographical aspects:

1. Geographic location: The communities to which we are going to address must be located in the Valencian Community.

Therefore, the segment at the community level would be communities of owners who seek economic savings through the durability and proper functioning of the product offered. Farms in residential areas where purchasing power is medium-high and where

the majority of their owners have a positive attitude towards the product and service. We will focus on communities in the Valencian Community.

After defining the segments to which the company is going to target and because the company is going to offer all of them the same type of product, we can affirm that the market coverage strategy that Renovae Business will follow is that of differentiated Marketing mix, specialty product.

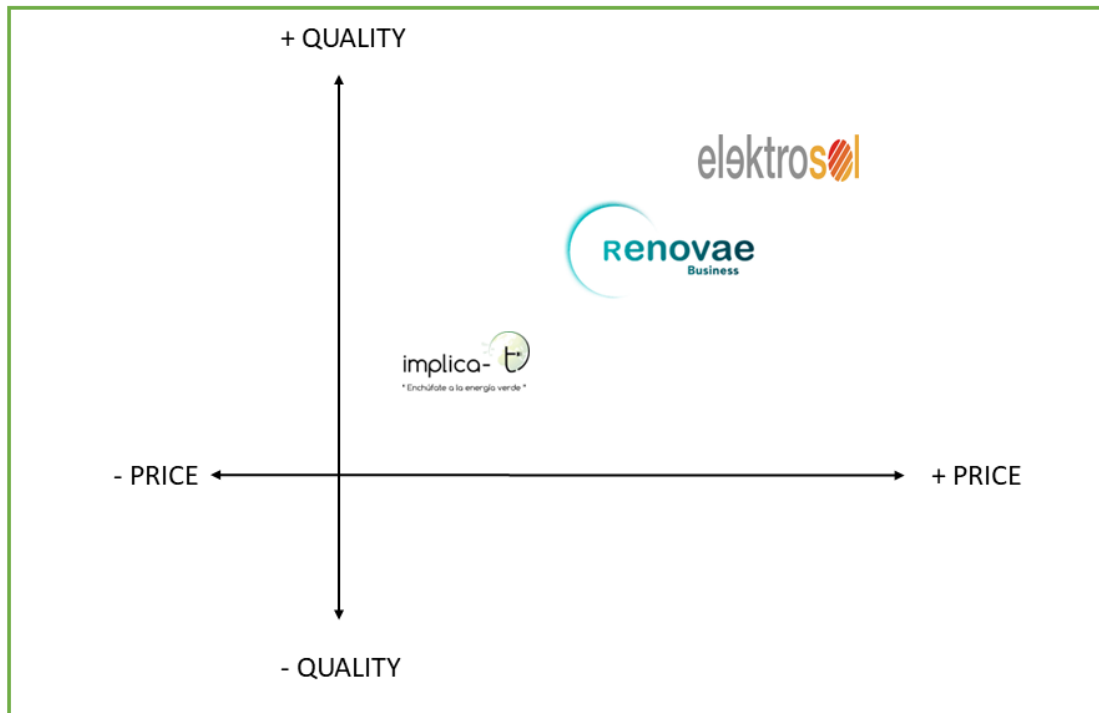
4.1 Positioning

Regarding the positioning we are going to base ourselves on the quality-price ratio. The idea is that clients perceive that our services are consistent with our prices and believe that the perceived value is what is expected when hiring the company to carry out a project.

Photovoltaic projects are very personalized services, so the degree of quality of this is a fundamental factor for the consumer to be satisfied and to be able to recommend the service to third parties. In addition to having a high degree of customization, to achieve these, very sophisticated materials are usually used, the knowledge of qualified personnel for its design and labor for its subsequent installation. This implies that the investment is relatively high. Our goal is for the client to value quality over quantity, believe that the service is fair with the consideration and perceive an added value that implies a fair, acceptable and satisfactory quality-price ratio for both parties.

If we compare the positioning that we want with that of the 2 competing companies that we have analyzed previously, we believe that Renovae is in a fairly balanced position between the price and the quality offered.

Graphic 2: Positioning



Source: Own elaboration

In short, we want our brand/service to be perceived as offering very high returns at competitive prices in line with the market. For this we are going to direct our marketing plan to achieve this position in the Valencian Community.

5. MARKETING OBJECTIVES

The objectives that we set ourselves in this new marketing plan for the company Renovae Business SL are 3 and are the following:

1. Relationship objectives: With this objective we intend to improve relations with our clients and open new relationships via collaboration agreements with new sectors in which we find new business opportunities.

Specifically, we are going to try to achieve 2 relationship goals:

- Improvement of customer satisfaction after the provision of the service. We will measure it through telematic surveys that we will carry out a month after the completion of the installation and start-up of the solar panels. We will try to achieve a score of 80% or higher in consumer satisfaction surveys for customers in the Valencian Community. This objective has an annual periodicity and the average scores obtained quarterly will be reviewed.
 - The second objective of relations will be to create a network of internal commercials, who sell and specialize exclusively in the services offered by Renovae . In the medium term, the company aims to reduce its current dependency on external commercials, so we are going to hire 2 internal commercials in an annual period for the Valencian Community.
2. Commercial objective: With this objective we are going to try to increase sales. In our case, we will measure this through the number of new clients that we managed to capture in the Valencian Community for a period of 12 months. For this we will use the following parameters according to our target audience:
- Increase the number of clients by 20% in the individual segment
 - Increase the number of customers by 15% in the business segment
 - Increase the number of customers by 10% in the community segment
3. Economic marketing objective: Through this objective we are going to set an economic growth for the company, based on the increase in operating income of Renovae Business for its main economic activity (photovoltaic projects). To do this we are going to set the goal of increasing operating income by 20% on an annual basis. It must be taken into account that as our target audience is limited to the geographical area of the Valencian Community, to correctly measure this objective we will separate the operating income from our activity in the Valencian region from those from projects in the rest of Spain.

These three objectives have a great correlation, since, if our potential clients value our brand image more positively, we will be able to close more photovoltaic projects and thus increase the installations and, therefore, the turnover in the Valencian Community.

6. MARKETING STRATEGIES

Next, we are going to describe the different marketing strategies that we are going to carry out to achieve the objectives set above.

6.1 Growth and diversification strategy

As for the growth and diversification strategy and taking into account the Ansoff matrix, for our new marketing plan we will follow a market penetration strategy. We will carry out this strategy because we want to increase our presence in the current market segments, in this case for the Valencian Community and with the current service offered.

According to Munuera and Rodríguez (2007) in their publication in the book “Marketing Strategies. An approach based on the management process” it is said that one of the ways to carry out market penetration is by increasing market share by offering a differentiated product/service in order to search for and attract new users.

We believe that the adoption of this strategy will allow us to expand our brand image and strengthen it with the increase of future projects in the Valencian regional population in order to reach the marked number of new clients for the 3 types of our target audience.

6.2 Competitive strategies

Regarding the behavior linked to the competition, in this case we are going to follow a challenger strategy in reference to the leading company in the Valencian Community which is Elektrosol SL. We are going to try to increase our market share, at the expense of the rest of the companies that operate in the area through improvements to our service, investment in advertising, discounts, ...

With the adoption of this strategy we will try to achieve the billing objective set above, this would mean an increase in market share that would lead us to increase sales of our service offered.

6.3 Strategy as a competitive advantage

Finally, we will follow a differentiation strategy. We are going to offer a total service to consumers, which is not usually offered by the rest of the competitors. We will offer both a brief training on solar energy and the assumption of all the management related to

subsidies and aid, aspects that consumers take into account when making an investment in photovoltaic energy.

According to Munuera and Rodríguez (1998) in “Strategic Marketing. Theory and cases” one way to differentiate is thanks to peripheral services that do not necessarily always come with the main product, but when a company offers them they are especially valued by customers. In this case we will be making a differentiation in services.

With this strategy we are going to both strengthen our brand due to the added value of the service we will offer and increase our sales if said value is perceived by the customer.

7. ACTION PROGRAMS

Next, we are going to develop the actions by which we are going to try to achieve the objectives set in the previous section.

7.1 Summary of action plans

1. Sponsorship in events of the Valencian Community
2. Offer financing to hire a service
3. Increase the guarantee of our service
4. Increase the number of offers made
5. Increase contact with farm managers
6. Develop social networks
7. Develop a service quality control questionnaire
8. Offer energy audits
9. Hiring process for new business employees

7.2 Service decisions

Table 5: Increase guarantees

ACTION	INCREASE GUARANTEES
OBJECTIVE	INCREASE CUSTOMER SATISFACTION
STRATEGY	DIFFERENTIATION
PERIOD	JUNE 2022 – JUNE 2023
RESPONSIBLE	TECHNICAL SUPPORT

Source: Own elaboration

Explanation of the action: To continue differentiating ourselves from the competition and increasing the satisfaction of our clients, we are going to increase the guarantees of our services. Currently the guarantees that the company offers to the end customer are those that the manufacturer offers to the company, so we are going to increase the guarantees that we offer to customers by 2 years.

Manufacturer warranties:

- Panels: 25 years
- Investors: 5 years
- Batteries: 10 years

Renewal Guarantees:

- Panels: 27 years
- Investors: 7 years
- Batteries: 12 years

Table 6: Energy audits

ACTION	ENERGY AUDITS
OBJECTIVE	INCREASE CUSTOMER SATISFACTION INCREASE SALES
STRATEGY	DIFFERENTIATION
PERIOD	JUNE 2022 – JUNE 2023
RESPONSIBLE	TECHNICAL SUPPORT

Source: Own elaboration

Explanation of the action: Energy audits consist of analyzing the energy flow of a building to draw conclusions on energy efficiency. Through this type of audit we can recommend the installation of solar panels to our clients with personalized data. This service will make it easier for us to achieve a sale in addition to achieving customer security in their decision making. The energy audits will give a plus to the service that will allow us to differentiate ourselves in the market.

7.3 Price decisions

Table 7: Offer financing

ACTION	OFFER FINANCING
OBJECTIVE	INCREASE CUSTOMER SATISFACTION INCREASE SALES INCREASE OPERATING INCOME
STRATEGY	MARKET PENETRATION CHALLENGER STRATEGY
PERIOD	JUNE 2022 – JUNE 2023
RESPONSIBLE	CFO

Source: Own elaboration

Explanation of the action: We are going to offer financing to our clients that allows them to have a greater ability to pay when facing the necessary investment to face a project. Payment in installments will allow us to attract those people who do not have the necessary immediacy to face the full payment. For this, an interest will be agreed with the client and a term and a monthly fee will be established.

Up to 20,000 euros, the financing will come from own resources, from this amount external financing will be sought through banking entities.

It should be noted that to agree to finance a project, we will previously study the client's economic position in order to have collection guarantees.

7.4 Distribution decisions

Despite the fact that the company in the medium/long term wants to reduce the degree of dependency in terms of the distribution process of the material necessary to offer its services, to date the company has not yet considered any action in this field due to its short life in this sector and its recent inclusion in the world of photovoltaic energy.

7.5 Communication decisions

Table 8: Sponsorship in events

ACTION	SPONSORSHIP IN EVENTS
OBJECTIVE	INCREASE SALES
STRATEGY	MARKET PENETRATION
PERIOD	JUNE 2022 – JUNE 2023
RESPONSIBLE	MARKETING DIRECTOR

Source: Own elaboration

Explanation of the action: The action will consist of the sponsorship of two sporting events in the Valencian Community, specifically the "BP Ciudad de Castellón Marathon" and the "Mediterranean" cycling race. Epic Grand Fund". Both events will be held at the beginning of 2023 in the province of Castellón. We consider this type of event to be ideal, since the average profile of the participants is usually of adult age, with average incomes and a family, and with a disposition towards energy self-sufficiency, the target audience we are targeting. These types of events bring together hundreds of participants. The scope is much greater, since various regional and national circulation media cover these events, in addition to all the companions, collaborating companies and spectators who attend these sporting events.

Table 9: Increase offers made

ACTION	INCREASE OFFERS MADE
OBJECTIVE	INCREASE SALES INCREASE OPERATING INCOME
STRATEGY	MARKET PENETRATION
PERIOD	JUNE 2022 – JUNE 2023
RESPONSIBLE	SALES MANAGER

Source: Own elaboration

Explanation of the action: We are going to try to establish some parameters during the established period with the aim that our commercial network increases the offers made in the Valencian Community in order to increase sales and operating income from photovoltaic projects.

Table 10: Increase contacts

ACTION	INCREASE CONTACTS WITH PROPERTY ADMINISTRATORS
OBJECTIVE	INCREASE SALES INCREASE OPERATING INCOME
STRATEGY	MARKET PENETRATION
PERIOD	JUNE 2022 – JUNE 2023
RESPONSIBLE	COMMERCIAL DIRECTOR

Source: Own elaboration

Explanation of the action: The boom in the increase of photovoltaic installations in communities of owners makes us consider exploiting this market opportunity. That is why, with the main purpose of increasing sales and continuing to increase market share, increase contacts with administrators of residential estates in the Valencian Community through our commercial network.

Table 11: Social networks

ACTION	DEVELOPMENT OF SOCIAL NETWORKS
OBJECTIVE	INCREASE SALES INCREASE CUSTOMER SATISFACTION
STRATEGY	DIFFERENTIATION
PERIOD	JUNE 2022 – JUNE 2023
RESPONSIBLE	MARKETING DIRECTOR

Source: Own elaboration

Explanation of the action: To pursue the objective of increasing sales, we believe it is very necessary to register, maintain and manage social networks for Renovae Business. Through these, we will be able to reach and persuade more people about who we are and what we do. We are going to open our profile on 2 social networks: Instagram and Facebook. Instagram because it is the most influential social network today and Facebook because the users of this social network have a profile very similar to that of our target audience. We will try to upload content and interact with followers through these 2 networks on a regular basis.

Table 12: Design a quality questionnaire

ACTION	DESIGN OF A SERVICE QUALITY QUESTIONNAIRE
OBJECTIVE	INCREASE CUSTOMER SATISFACTION
STRATEGY	DIFFERENTIATION
PERIOD	JUNE 2022 – JUNE 2023
RESPONSIBLE	MARKETING DIRECTOR

Source: Own elaboration

Explanation of the action: In order to know the impressions of our clients after the service provided by us, we are going to develop a questionnaire related to the quality of the service in order to know different opinions, correct the possible negative points and enhance the positives. For this, we will send a questionnaire to our clients one month after the completion of their photovoltaic installation in order to know their experience regarding the quality of the service and the reliability and profitability of the product after

30 days have elapsed. The questionnaire will mainly collect questions related to the quality of the service provided and we will try to make the average score 80% or higher.

Table 13: Hiring process

ACTION	HIRING PROCESS
OBJECTIVE	CREATE AN INTERNAL COMMERCIAL NETWORK
STRATEGY	DIFFERENTIATION
PERIOD	JUNE 2022 – JUNE 2023
RESPONSIBLE	HR DIRECTOR

Source: Own elaboration

Explanation of the action: In order to reduce dependence on external agents that collaborate with Renovae, we have decided to create our own commercial network. For this, and as it is the first year in the photovoltaic sector, we have set ourselves the goal of, in one year, having 2 of our own sales representatives. The action will consist of the hiring process, with its phases followed by the person in charge of human resources, in order to incorporate 2 sales representatives into the internal staff.

8. SCHEDULE

Table 14: Schedule

ACTION	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	SEA	APR	MAY
Sponsorship in events												
To offer financing												
Increase guarantees _												
Increase the number of offers												
More contact with admins . of farms												
Develop RRSS												
Develop a satisfaction questionnaire												
Audits energetic												
Hiring process of internal commercials												

Source: Own elaboration

IMPLEMENTATION PHASE OF THE ACTION	
MAINTENANCE AND IMPROVEMENT PHASE	
INACTIVITY OF THE ACTION	

- The offer of financing, increased guarantees and energy audits are 2 actions that we are going to implement continuously throughout the year. Similarly, the increase in offers made and contacts with property managers are 2 actions that our commercials have to develop annually without interruption, with the increase in these 2 cases being notable over the months.
- Regarding the development of social networks and the satisfaction questionnaire, this action of shaping said profiles and preparing the questionnaire that will be carried out during the months of June and July. The rest of the year a maintenance and improvement process will be carried out that will consist of a

periodic activity of the social networks and the issuance and collection of customer data through questionnaires.

- The 2 sporting events that we have used for sponsorship are the “Mediterranean Epic” cycling race and the “BP Ciudad de Castellón Marathon” which are held in February and March, respectively. Therefore, such action will be carried out during those 2 months.
- Regarding the action related to the hiring process of new commercial employees for the creation of an internal commercial network, the process of publishing the vacancies, attracting candidates, selection process and finally the hiring will be carried out for 6 months. The process will begin after the summer, in September, and will end at the beginning of 2023.

9. BUDGET

Most of the actions that we are going to implement do not present an additional cost. If presented by the following actions:

- Sponsorship of sporting events: We establish a budget of 1,500 euros per event, so the cost of implementing this action would amount to 3,000 euros.
- Offer energy audits: For this service we will subcontract an external professional to carry it out. We will establish an annual budget for audit services of 20,000 euros that will be paid to the independent professional for each service performed. The amount per service will vary according to the size and activity of the company of which said audit is going to be carried out.
- Recruitment of 2 commercials: The gross salary after hiring will be 1,000 fixed euros + 600 variable euros according to objectives that we will relate to the actions of increasing the offers made and contacts with property managers. The idea is to hire 2 commercials for the internal network and the selection process ends in February, so we will have to pay 3 monthly payments to each one until the end of the annual plan. The cost of 3 monthly payments (4,800 euros maximum) for 2 workers will amount to 9,600 euros.

Therefore, the total estimated budget of the marketing plan would amount to 32,600 euros.

10. CONTROL

Next, we establish some control parameters to ensure that the proposed marketing objectives are met.

Table 15: Control

OBJECTIVE	INDICATOR	PERIODICITY
Increase customer satisfaction	The score in the satisfaction surveys, which should be 80% or higher	Quarterly
Create an internal business network	The evaluation at the end of each of the phases of the contracting process. Incorporation of 2 commercials after this process	Monthly
increase sales _	The number of offers made and sales contacts that should increase by 15% compared to the previous quarter	Quarterly
Increase operating income	The number of contracted services that must undergo an increase of 10% compared to the previous month	Monthly

Source: Own elaboration

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