**Wag’s Research Analysis**

**PROBLEM STATEMENT**

Dog owners need a social media platform that serves to create a community that is both entertaining and fulfilling, while also being supportive and helpful along their dog raising journey.

**MARKET ANALYSIS**

Many dog owners connect with each other at dog friendly environments, including dog parks, businesses and various forums and websites. However, there are not many platforms that are exclusively dedicated to dog owners. Our platform’s target audience is mostly young dog owners who currently host their animal’s account on other platforms such as Facebook, Instagram, YouTube or Twitter. Although we welcome all dog owners, we believe that young dog owners will be the users who will benefit the most from our platform and services.

One of the biggest issues for first-time dog owners is raising dogs without the experience or advice from others. Much like parenting, many issues such as health problems, behavioral problems, and training issues may unexpectedly arise. Without the proper support and community, it can be hard to go through the journey alone. That’s why Wag aims to help owners throughout this daunting process, while maintaining a fun and supportive environment.

Why do we believe that Wag can replace other social media platforms? First of all, Instagram, Twitter, YouTube and Facebook don’t provide our specialized services such

as “Dog Friendly Places” and “Fur You” page. Dog Friendly Places will allow the user to search for places near them to connect in person with other dog owners. Our “Fur You” page is where dog owners can find thousands of topics and content related to their dog’s breed. This page will contain a plethora of resources and information that will help answer any dog owner’s question or doubt. Users will be able to ask and answer questions here, and even recommend products that will help other owners.

Wag is unique because its sole purpose is to connect dog owners and build friendships. Whether it’s to go on a group hike together or do a dog run, Wag is the safe environment where friendships are born. Even if you are not trying to meet other people, Wag is a safe place for all entertaining animal content. Unlike Instagram and Facebook where family and friends get tired of animal posts, Wag welcomes all excessive fur baby content.

**FINANCIAL PROJECTIONS**

Wag, like Facebook and other social media platforms, will rely mostly on ads for revenue. Our goal is to focus on native advertising and influencer marketing to drive conversions. According to a Taboola article, about 25% of the U.S. internet users enable ad blockers, which significantly hinders the effectiveness of our ad content. Native advertisements are the solution to this issue, since they seamlessly blend in with other

content. CTR (Clickthrough Rate) is the ratio of clicks-on-ad to the number of reach the content has. Fortunately, according to eMarketer, pet-related native ad click-through

rates are higher than other brand categories such as food and drink, travel, family and parenting, and more.

Aside from advertising, Wag plans to rely heavily on influencer marketing to promote products and execute campaigns. According to Statista Research Department, the global influencer marketing value more than doubled between 2019 and 2021, growing from 6.5 billion to 13.8 billion dollars in only three years. Not only does influencer marketing help raise awareness for your brand, but it also helps bring in revenue through the use of product placement and advertising. As of now, many pet influencers with millions of followers such as [Doug](https://www.instagram.com/itsdougthepug/?hl=en), [Maya](https://www.youtube.com/channel/UCLFJxkc6mv0Mj6N49MHyK2Q), and [Marnie](https://www.instagram.com/marniethedog/?hl=en) promote products on platforms like Instagram and YouTube. The pet industry market has grown exponentially in the last couple of years, spending billions of dollars on pet products, supplies, and services. In 2020 alone, the American Pet Products Association reported a total of $103.6 billion dollars spent in the U.S. alone.

Lastly, we will rely on donations from users as our last source of revenue. We strive to increase the popularity of our brand by connecting with our users on a deeper level. We hope to bring in a small portion of our funding through events and campaigns. As an incentive

to donate, users will earn small perks in our app and website such as getting exclusive content from our Wag team and a chance to win monthly giveaway contests.

**DIVERSITY AND GLOBAL IMPLICATIONS**

According to Statista, there are currently over 500 million dogs in the world. With rise pet accounts rising all over social media, it is clear that animals are a common topic that is growing exponentially online. According to a Mars Petcare survey, 65% of pet owners post their pet on social media an average of 2x a week. About 25% of pet owners said that their photos are pet related. More importantly, one in six pet owners said that they have created a social media profile specifically for their pet.

There is a clear worldwide connection between pet owners and their desire to post them frequently. It’s no wonder that Instagram has experienced a large increase in pet influencers over the past decade. Animal accounts often outperform verified accounts of humans. According to an article by Forbes, pet influencers such as Juniper Foxx, Mr. Pokee the Hedgehog, and Hamlet the Piggy have endorsement deals that are worth over $2000 per post. These accounts have followers from all over the world, highlighting social media’s ability to connect people from all ages, ethnicities, sexual orientation and backgrounds.

The English version of Wag will be the first to launch, but soon after we’ll work on the Spanish and Mandarin versions of the app to serve more users around the world. We strive to grow a worldwide community that’s diverse and unique, just like our pets.

**COMPETITION**

Petzbe, a pet social network, is the closest comparable social network to Wag. Petzbe focuses on connecting pet owners through their social network as well, and has grown its user base by 10x in the past year alone. It currently has 450 thousand users. With over 1,000,000 followers on Facebook and 40,000 followers on Instagram, Petzbe is the leading social network for pets.

Some of their strengths include their monthly campaign called “Lend a Paw” which has helped them raise over 100 thousand dollars that they have donated to animal rights causes. This campaign is a great way to connect with their users and build stronger branding. Additionally, in 2021 they plan to release a mobile app, and have just recently released a pet treat product. This is a great way to bring in more revenue and awareness to their brand.

I think that one thing Petzbe could improve in their platform is using more influencers in their campaigns, creating more native ad content and increasing their Instagram presence. Most of their revenue comes from in-app purchases, their treat products and

soon their mobile app game. I think that they are missing out on great opportunities to use more social media strategies to increase engagement and generate more followers and users for their platform.

**POTENTIAL SOLUTIONS**

Wag will be a social platform that creates a supporting and loving community of dog owners. Whether it’s to entertain you with silly dog trick videos, or teach you how to cure your fur baby’s stomach ache from home, Wag’s purpose is to help you during your dog raising journey. We are unparalleled because our focus is on the user’s experience. Our biggest goal is to tailor the content to fit you and your dog’s needs. If you own an English Bulldog for example, your “Fur You” page will have content about how to properly clean your dog’s wrinkles, what dog food is good for sensitive stomachs, and how to prevent ear infections, which are all issues an English Bulldog is especially susceptible to. Additionally, our app serves as a tool to connect you to the nearest dog-friendly locations, so you can build bonds with dog owners in your local area.

**MARKETING STRATEGIES**

Our biggest marketing strategies will be through pet influencers. We will have a $30 thousand budget per month to raise awareness for our brand through marketing campaigns. With the help of influencer marketing and native ads, we can generate more

revenue from users, which we will keep investing in marketing opportunities. During our first year after launch, our focus will be user growth.

**LIMITATIONS**

Our main issue in the beginning of our launch will be funding (since it is a free app and site), and second biggest issue will be technical problems during the first beta versions.

We must focus on creating multiple streams of revenue to make sure that the first few months will run smoothly. Our plan is to make sure we get enough investment capital, and hopefully angel investors. The rest of our funding will come from crowdfunding.

As far as technical issues, they are inevitable during the first years of launching any app or platform. We will have a dedicated team focusing on patching user-related issues to make the app and website as accessible and as user-friendly as possible.

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