



Safer Time Spent in the Sun

Business Plan - May 2022

Table of Contents

Executive Summary	3
Mission Statement	6
Product Description.....	6
The Problem.....	6
Our Solution	7
Unique Value Proposition	7
Marketplace Analysis.....	8
Industry Overview.....	8
Competitive Advantage.....	8
Competitive Analysis.....	9
Customer Segments.....	10
Marketing Strategy	10
Customer Channels.....	11
Pricing Strategy.....	11
Summary of Financials	11
Revenue Streams	11
Key Metrics	12
Projected Startup Costs	12
Our Ask	13
Objective	13
Development Timeline	13
Frequently Asked Questions	14
References.....	15



Executive Summary

SAFER TIME SPENT IN THE SUN

Zunny is a swim and beachwear brand that integrates UV indicator technology into each of our pieces. The UV-sensing Zunny badges on our eco-friendly swimwear and rash guards emulate the way the sun's rays affect your skin when they interact with sunscreen and indicate when sunscreen is likely to have worn off.

Zunny takes the guesswork out of sunscreen reapplication times in three easy steps:

1

When applying sunscreen to your skin, simply apply a small amount over the black Zunny badge on your swimwear and allow it to absorb.



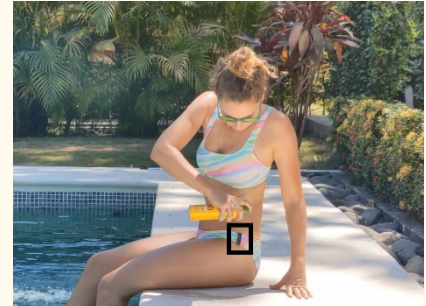
2

When sunscreen has been absorbed and the color-changing badge is ready to measure UV exposure, it will change from black to white.



3

After prolonged UV exposure, the Zunny badge's color gradually changes back to black, indicating that it is time to reapply sunscreen.



Zunny Swimwear offers skin-conscious consumers a simple, hassle-free reminder to reapply sunscreen - no cell phone, app, or separate tech wearable required. Zunny's UV-detecting badge technology is reusable, discreet, and can be recycled after the piece has reached the end of its usable life, which is five months to a year for the average swimsuit. Our products were created for people who want to enjoy outdoor activities and reap the health benefits of sunshine while avoiding overexposure and skin damage.

When coupled with sunscreen and safe sun practices, Zunny can help reduce the risk of sunburn and allow wearers to enjoy safer time spent in the sun.

WHY CONSUMERS NEED ZUNNY

More people are diagnosed with skin cancer each year in the United States than all other cancers combined. Our founder and CEO, Audrey Keller, experienced this firsthand when she was diagnosed with melanoma at the age of 30. After going through treatment and the emotional and physical challenges it presented, Audrey needed better solutions to protect her skin without sacrificing her active lifestyle. While broad-spectrum sunscreen reduces the risk of sunburn and skin damage, it is only as effective as the wearer's frequency of reapplication.

UV blocking clothing and hats are an effective option on dry land, but what's the solution for people who want to swim, surf, and play beach and water sports? How can they be confident that they're reapplying sunscreen at necessary intervals?

Audrey struggled to find a waterproof product that would take the actual, variable strength of the sun as well as differing strengths of SPF into account to help prevent overexposure. Zunny was created to fill an important need in the **\$19.5 Billion swim and beachwear industry** and give consumers peace of mind that they are reapplying sunscreen sufficiently.



MARKETING PLAN

Zunny's pieces are for anyone who wants to protect their skin from early aging, sun damage, or cancer. Our beachwear is designed for women, men, and children - and we have gender-neutral offerings.

Our target market consists of Young Women (18-29), Women (30-55+), and Mothers (all ages).

- Demographically, our customers skew younger (under 40) and have fairer complexions since individuals who fall into this category are at higher risk for skin cancer
- Psychographically, our customers are concerned about sun damage, but not so concerned that they will not spend time outdoors; they have an interest in water sports and the beach
- They are mindful of their appearance and want to prevent early aging; they are concerned with style
- They already incorporate sun protective measures like sunscreen into their lifestyle but will not necessarily purchase a separate, non-integrated tech wearable (which many consider "one more thing to remember"); they are the decision-makers in their household and tend to be eco-conscious

Our overall brand message is centered around wellness and maintaining an active outdoor lifestyle, all while protecting yourself and your loved ones from sun damage. Zunny's brand voice is relatable, informed, inclusive, and stylish regardless of audience or channel.

Young Women (18-29) will be reached via TikTok and Instagram. After we gain consumer traction through social advertising, we will leverage social media influencers to promote Zunny's products.

Women (30-55+) and Mothers (all ages) will be reached through multi-channel digital marketing campaigns via email, social media, search engine marketing, and retail partner channels. Word of mouth marketing tactics will resonate the most with this audience.

FINANCIAL SUMMARY

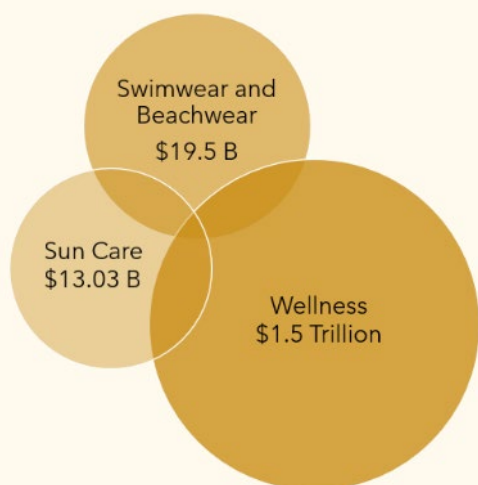
Zunny's primary revenue stream will come from our inaugural line of UV-detection enabled swim and beachwear - sold exclusively on our e-commerce site at launch. Our pieces will be competitively priced around \$85, averaging only \$15 more than other high-end, active, and sustainable swim and beachwear brands. We estimate 3,125 units sold in our first two years and a net margin of 10%, which will yield \$25,000 in earnings.

We are seeking \$316,000 in investment funds to develop our product and brand, become operational, and sustain our first two years of brand building and retail sales.

Projected Startup Costs	Purpose	Cost
UV-detecting Zunny badge prototyping	Product development	\$200,000
Swim and beachwear garment design	Product design	\$15,000
Branding and packaging design	Product design	\$5,000
Upfront costs for inventory	Retail inventory	\$8,000
E-commerce website design and build	Online product sales	\$30,000
Consumer research	Product development	\$5,000
		\$263,000
Ongoing Annual Costs (First Two Years)	Purpose	Cost
Asana Premium annual subscription	Project management	\$1,400
Mailchimp Premium annual subscription	Email marketing	\$3,600
Google Ads	Search engine marketing	\$24,000
Instagram Ads	Social media marketing	\$24,000
		\$53,000



INDUSTRY OUTLOOK AND COMPETITIVE ANALYSIS



Zunny sits at the intersection of the swimwear, sun protection, and wellness industries – all of which are on impressive growth trajectories. **The global swimwear and beachwear market was valued at \$19.5 Billion in the year 2020 and is projected to reach \$27.6 Billion by 2027.**

When it comes to consumer brand affinity, we will be competing with comparably styled and priced women's and men's retail brands such as Andie, Athleta, Chubbies, Lululemon, Patagonia, and Vuori.

While swimwear is in the maturity phase of its product lifecycle, UV-detecting solutions are still in their infancy. Lower-tech wearables, like UV-indicating stickers and patches, are simple and affordable. However, many of them are single use and unsightly – adoption has been slow, even though the technology is impressive and valuable.

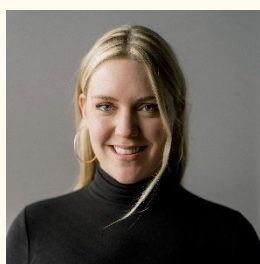
With our UV-sensing badges, Zunny packs advanced, skin emulating technology into an integrated package. Although our badges are conveniently placed on the lower portion of the swimwear, their response weight has been designed taking increased exposure on the upper body into account. Our products are attractive, fit into our consumers' existing lifestyles, and are easy to adopt.

While Zunny Swimwear is intended to take guesswork out of sunscreen reapplication times and help wearers remember to reapply sunscreen, it is not a medical device and therefore does not require FDA approval. We have drafted a provisional patent to prevent imitators from replicating our UV-sensing badge's capabilities.

WHAT'S NEXT: A BRIGHT FUTURE

Over the coming months, we will conduct additional consumer research, continue working on the prototype of the integrated, UV-detecting badge, and seek a team of material and chemical engineers to validate our technology and assist with product development and testing. The faster we can get Zunny onto virtual and physical shelves outside of our own digital storefront, the faster we can expedite the adoption of this impactful technology.

ABOUT



Audrey Keller is the Founder and CEO of Zunny Swimwear. She is an experienced marketing strategist whose background spans product marketing, integrated campaign planning, brand development, demand generation, digital media, and PR. Audrey's industry knowledge in retail, healthcare, and startups coupled with her personal melanoma experience and love for the outdoors sparked the inspiration for Zunny Swimwear. She is passionate about skin cancer education and prevention – and is on a mission to help consumers protect their skin from avoidable sun damage.

Zunny's Advisory Board includes Dr. Stephanie Frankel, MD, board-certified dermatologist; Dr. Ryan Weight, DO, MS, medical oncologist; Jung Park, entrepreneur and startup veteran; and advisors in the wearable and retail industries.

Contact: audreykeller5@gmail.com | 785.341.8268

Pitch Video: <https://youtu.be/jE8ClvnLTAo>



Mission Statement

Zunny Swimwear's mission is to help fellow sunshine aficionados protect themselves and their loved ones from avoidable skin damage caused by UV exposure and enjoy safer time spent in the sun.

Product Description

THE PROBLEM

At least one in five Americans will develop skin cancer by the age of 70:



- Prolonged exposure to UVA and UVB rays from the sun is harmful to the skin and can lead to premature aging, damage to the epidermis, and an alteration of the skin's DNA, which can eventually result in skin cancer
- According to the American Cancer Society, more people are diagnosed with skin cancer each year in the U.S. than all other cancers combined
- Over 9,500 people are diagnosed with skin cancer every day (skincancer.org)
- Per the CDC: "More than one third of adults and nearly 70% of children admit they've gotten sunburned within the past year"
- When applied properly and frequently, broad-spectrum sunscreen reduces the risk of sunburn and skin damage, but it is only as effective as the wearer's frequency of reapplication - sunscreen must be reapplied on a regular basis to remain effective
- It can be difficult to remember to reapply sunscreen when enjoying outdoor activities
- The sun's strength and severity depend on environmental factors; the reapplication frequency that works on a daily basis may not be sufficient to prevent sunburn in a new environment
- Depending on conditions, sunscreen reapplication times can vary greatly
- Variables like UV strength and water submersion make reapplication times difficult to predict
- By the time an individual notices redness of the skin or feels themselves getting burned, it's too late

People who want to reap the health benefits of sunshine and enjoy the time in the sun, water sports, and the outdoors - without wearing head-to-toe UV clothing or being banished to the shade - need a solution that serves as an indicator of UV overexposure and helps them be more diligent about sunscreen reapplication.



OUR SOLUTION



Zunny is a swim and beachwear brand that integrates UV indicator technology into each of our pieces. The color-changing, UV-sensing Zunny badges on our eco-friendly swimwear and rash guards emulate the way the sun's rays affect your skin when they interact with sunscreen and indicate when sunscreen is likely to have worn off.

When coupled with safe sun practices like avoiding peak UV exposure times, limiting time spent in direct sunlight, and reapplying sunscreen, Zunny can help reduce the risk of sunburn and promote safer sun habits for skin-conscious consumers.

Zunny takes the guesswork out of sunscreen reapplication times in three easy steps:

1. When applying sunscreen to your skin, simply apply a small amount over the black Zunny badge on your swimwear and allow it to absorb.
2. When sunscreen has been absorbed and the color-changing badge is ready to measure UV exposure, it will change from black to white.
3. After prolonged UV exposure, the Zunny badge's color gradually changes back to black, indicating that it is time to reapply sunscreen.

UNIQUE VALUE PROPOSITION

Zunny products promote safer sun exposure practices and bring peace of mind to skin-conscious consumers who love spending time outdoors, on the beach, or in the water. Zunny offers wearers a simple, hassle-free reminder to reapply sunscreen. Our products pack advanced skin emulating technology into a small package – in the form of each piece's integrated Zunny badge.

Sunshine has its benefits: sun exposure increases vitamin D levels, reduces stress, improves quality of sleep, and offers myriad other health benefits – including boosted serotonin production. According to Healthline,

"Getting anywhere from 5 to 15 minutes of sunlight on your arms, hands, and face two to three times a week is enough to enjoy the vitamin D-boosting benefits of the sun."

Additionally, the World Health Organization states that sun exposure may help treat skin conditions such as psoriasis, eczema, jaundice, and acne (who.int).

Our bodies are evolutionarily hardwired to enjoy and benefit from sunshine, but we must do so while mitigating the potential for overexposure – and there can be some nuance to this. Zunny helps eliminate this nuance and estimation. We sit at the unique intersection of promoting the health and wellness benefits of sunshine and outdoor activity, while also educating on sun safety and sunburn prevention.



Marketplace Analysis

INDUSTRY OVERVIEW

Zunny recognizes that the retail sector is crowded and that swimwear options, especially for women, abound. However, a line of swimwear that works with sunscreen to help consumers protect themselves stands to carve out its own position in three growing industries: swimwear and beachwear, wellness, and sun care.

- The global swimwear and beachwear market was valued at \$19.5 Billion in the year 2020 and "is projected to reach a revised size of \$27.6 Billion by 2027" (globalnewswire.com)
- McKinsey & Company estimates "the global wellness market at more than \$1.5 trillion, with annual growth of 5 to 10 percent" (mckinsey.com)
- "The global sun care products market size was \$13.03 billion in 2019 and is projected to reach USD 16.84 billion by 2027" (fortunebusinessinsights.com)

COMPETITIVE ADVANTAGE

Zunny's pieces are attractive, easy to use, and eco-friendly. Our UV-detection badges are compact but boast impressive technology. Our products fit into our consumers' existing lifestyles and are easy to adopt.

Zunny iterates on existing products that were created using impressive science but have not been widely adopted. With our team of material and chemical engineers, fashion designers, and marketers, we are building on existing research and technology to deliver a functional and fashionable product to the market.



We have an advantage over our competitors because...

- Zunny is not another pricey piece of tech to adopt and remember to wear - no app download is necessary
- Our UV-detecting badges are built into the swimwear, i.e., they are one less thing to forget
- Zunny is not thrown away after a single use; our integrated UV detection badges last as long as you decide to keep your swimwear
- Unlike other low-tech indicators, such as stickers, temporary tattoos, and bracelets, Zunny's technology is reusable and discreet
- Our pieces can be recycled after the piece has reached the end of its usable life - which is five months to a year for the average swimsuit, depending on frequency of use
- Zunny works with any broad-spectrum sunscreen of SPF 30 or higher

Our Advisory Board includes dermatologists, oncologists, and veterans in the wearable, retail, and startup industries. Our three primary Advisors are:

Dr. Stephanie Frankel, MD, board-certified dermatologist
Dr. Ryan Weight, DO, MS, medical oncologist
Jung Park, entrepreneur and startup veteran



COMPETITIVE ANALYSIS

Tech Wearables

Large beauty competitors, such as L’Oreal Paris, have made impressive advances in the skin protection tech wearable space, but adoption has been low. Existing and legacy tech wearable offerings take UV exposure into account, but do not factor sunscreen into the “allowable time spent in the sun” equation.

Wearables feel as though they are reaching the maturity phase of their product lifecycle. Back in 2016, Wired.com reviewed L’Oreal’s newly released UV-measuring temporary tattoo, stating, “A few activity trackers and even more specific wearables measure UV to tell people whether they’re getting too much or too little sunlight, but not a lot of people are going to wear a Fitbit for UV health.”

Even in 2016, when wearables were in much earlier stages of their product lifecycle, there was skepticism about the adoption of a separate device to track UV health. L’Oreal introduced some extremely innovative products from 2016-2019 – even partnering with Apple to sell a clip-on wearable in their brick-and-mortar stores: My Skin Track UV (Figure 1).

The My Skin Track UV clip-on wearable was launched under the La Roche-Posay brand. My Skin Track UV did not factor in sunscreen and was tied to an app that essentially served as an additional marketing channel for L’Oreal, to the dismay of consumers and critics, alike. Unfortunately, Apple no longer carries this clip-on product, and it is nearly impossible to find information regarding the fate of this wearable online.

UV-Indicating Stickers and Patches

Lower-tech wearables, like UV-indicating stickers and patches, are closer competitors to Zunny. These options are simple and somewhat affordable. However, many of them are single use. Most stick-on indicators are only effective for a single day, then must be thrown away, which lacks appeal to Zunny’s outdoorsy and eco-friendly target audiences.

As impressive as the technology can be in simple competitive solutions like SPOT MY UV’s detection stickers (Figure 2), they are often unsightly. Reviewers appreciate the effectiveness of SPOT MY UV, but many complain that the stickers resemble a dark mole. Their products do not appeal to individuals who are concerned with appearance and style – and at \$15 for a pack of 16 stickers, SPOT MY UV’s products are still on the higher end of the disposable wearable price range.

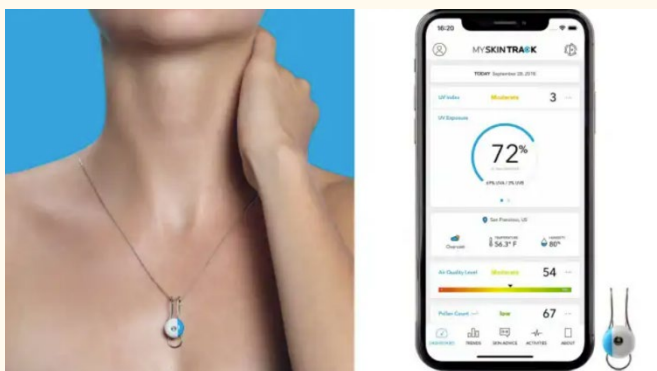


Figure 1: My Skin Track UV



Figure 2: SPOT MY UV



CUSTOMER SEGMENTS



Zunny's pieces are for anyone who wants to protect their skin from early aging, sun damage, or cancer. Our beachwear is designed for women, men, and children – and we have gender-neutral offerings.

Zunny was created for any active person who enjoys spending time in the sun.

However, our target consumers skew younger (under 40), are environmentally and ecologically conscious, and have fairer complexions – since individuals who fall into this category are at higher risk for skin cancer.

Zunny's primary target audiences are comprised of the following customer segments:

Young women (ages 18-29)

This segment is most concerned with their image, preventative aging measures, and cosmetic trends. In recent years (compared to when I was growing up), the message that early sun damage prevention is key to maintaining a healthy complexion long-term has gained prevalence.

Women (ages 30-55+)

This segment is most concerned with their overall skin health, cancer prevention, and anti-aging. We will illustrate how beauty standards have changed in recent years. As much as we all value beautiful, tan skin, a tan is a sign of sun damage! We will illustrate how tanning beds, overexposure, and dark tan skin used to be in fashion – just like [insert terrible faux pas from the early- to mid-2000s here].

Mothers (all ages)

The intent is never to frighten the target audience but to educate them on the growing occurrence of skin cancer diagnoses in younger populations. Mothers will buy Zunny not only for themselves, but also (especially) for their children.

Marketing Strategy

Our overall brand message is centered around wellness and maintaining an active outdoor lifestyle – all while protecting yourself and your loved ones from the sun. Our tone is relatable, informed, and inclusive, regardless of our audience or channel.

We will leverage social media influencers and celebrities in wellness, athletics, and the outdoor spheres to promote Zunny's message that healthy skin is beautiful skin. Our first phase of brand building will focus on demonstrating the use case for Zunny and gaining consumer affinity.

As we gain traction, we will invest in advertising partnerships with surf, beach, and swim-related events, such as the U.S. Open.

A large part of our marketing budget in years three through five will be allocated to corporate social responsibility initiative and non-profit sponsorships with organizations like the American Cancer Society.



CUSTOMER CHANNELS

- Business company website
- Social media channels (TikTok, Instagram, Facebook, and Twitter)
- YouTube
- Email marketing
- Google SEM
- SMS marketing
- Retail partner channels

Our younger customer base will be reached via TikTok and Instagram, while older customers will be reached via email marketing, social media, and retail partner channels.

PRICING STRATEGY

Our pieces will be competitively priced, averaging \$85. This is only \$15-\$20 more than other high-end, active, and sustainable swim and beachwear brands.

Billabong, RVCA, and Roxy do not boast any tech and are typically priced well over \$85.

Comparable Women's Swimwear:

- Lululemon - \$68-218
- Patagonia - \$59 and up per piece
- Athleta - \$59-\$79
- Andie - \$95

Comparable Men's Swimwear:

- Lululemon - \$49
- Patagonia - \$69
- Vuori - \$68
- Chubbies - \$69.50-\$79.50

Gross margins for swimwear are typically around 40%. Zunny's gross margin will be closer to 30% with the cost of technology - or \$25.00 per piece.

Estimated net margin is 10%, or \$8.50 per piece. We will round down to \$8.00 per piece in our estimations to remain conservative about our earnings.

Summary of Financials

REVENUE STREAMS

Our primary revenue stream will come from our inaugural line of UV-detection enabled swim and beachwear, including rash guards, board shorts, swim trunks, bikinis, one pieces, and gender-neutral offerings.

Over time, we hope to expand our product line to include additional garment types - like sport uniforms, hiking gear, flyfishing wear, jackets, hats, and other outerwear. We will sell our products on our own consumer website, with the goal of expanding to retail partners like REI.

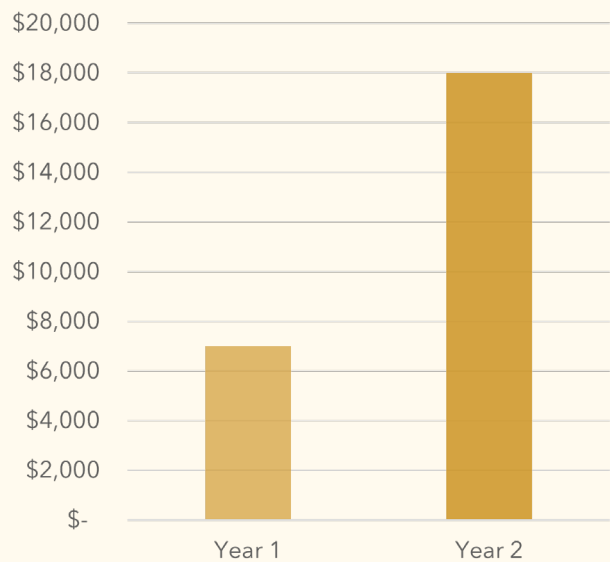
Another lucrative revenue stream presents itself in the form of selling our Zunny badge technology to third-party garment makers. A licensing model in which other retailers pay to use our Zunny badge technology on their apparel has the potential to be a much bigger revenue source than our own branded offerings.



KEY METRICS

Our primary key metric will be number of units sold to our primary target buyers: Young women (ages 18-29), Women (ages 30-55+), and Mothers (all ages). As product adoption increases and we gain traction with our target audience, we will set our sights on capturing market share with our male audience. We estimate that we will sell 875 units in our first year and 2,250 units in our second year, totaling \$25,000 in earnings.

Estimated Earnings First Two Years



Another key metric will be retail partnerships or licensing opportunities. The faster we can get Zunny onto virtual shelves outside of our own digital storefront, the faster we can expedite the adoption rate of this amazing technology.

PROJECTED STARTUP COSTS

Up-Front Investment Needed: **\$316,000**

Projected Startup Costs (First Two Years)	Purpose	Cost
UV-detecting Zunny badge prototyping	Product development	\$200,000
Swim and beachwear garment design	Product design	\$15,000
Branding and packaging design	Product design	\$5,000
Upfront costs for inventory	Retail inventory	\$8,000
E-commerce website design and build	Online product sales	\$30,000
Consumer research	Product development	\$5,000
		\$263,000
Ongoing Annual Costs (First Two Years)	Purpose	Cost
Asana Premium annual subscription	Project management	\$1,400
Mailchimp Premium annual subscription	Email marketing	\$3,600
Google Ads	Search engine marketing	\$24,000
Instagram Ads	Social media marketing	\$24,000
		\$53,000



Our Ask

OBJECTIVE

We plan on making our mission a reality by raising the funds necessary to develop and patent our UV-sensing badge technology, launch our product line, and spread brand awareness. Please help us make safer time spent in the sun a reality for consumers!

We are seeking \$316,000 in investment funds to develop our product and brand, become operational, and sustain our first two years of brand building and retail sales.

DEVELOPMENT TIMELINE

30-60 Days:

- Additional consumer research
- Secure IP protection
- Technology validation

2-6 Months:

- Hire material and chemical engineers
- Development of UV-detecting badge
- Prototype testing

Please help us make safer time spent in the sun a reality for consumers.



Frequently Asked Questions

Q: Does Zunny work with any sunscreen?

A: Zunny UV-detecting badges work with your favorite broad-spectrum sunscreen of SPF 30 or higher.

Q: How many times can Zunny UV-detecting badges be reused?

A: Zunny's UV-detecting badges can be reused until the swimwear reaches the end of its usable life, which is five months to a year for the average swimsuit (or about 40 wears). When the UV-detecting badge no longer changes color upon sunscreen application, it is time to recycle the piece.

Q: Does Zunny work with different skin tones?

A: Yes, Zunny is meant to emulate the epidermis and works with any skin type and tone.

Q: Does this product require FDA approval?

A: While Zunny Swimwear is intended to take guesswork out of sunscreen reapplication times and help wearers remember to reapply sunscreen, it is not a medical device and therefore does not require FDA approval.



References

- Callaghan, Shaun, et al. "Feeling Good: The Future of the \$1.5 Trillion Wellness Market." *McKinsey & Company*, McKinsey & Company, 27 Jan. 2022, <https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/feeling-good-the-future-of-the-1-5-trillion-wellness-market#:~:text=We%20estimate%20the%20global%20wellness,of%205%20to%2010%20percent>.
- "Guidelines for School Programs to Prevent Skin Cancer." Centers for Disease Control and Prevention, Centers for Disease Control and Prevention, 28 Apr. 2021, https://www.cdc.gov/cancer/skin/what_cdc_is_doing/guidelines.htm.
- Nall, Rachel. "What Are the Benefits of Sunlight?" Healthline, Healthline Media, 1 Apr. 2019, <https://www.healthline.com/health/depression/benefits-sunlight>.
- "Radiation: The Known Health Effects of Ultraviolet Radiation." World Health Organization, World Health Organization, <https://www.who.int/news-room/questions-and-answers/item/radiation-the-known-health-effects-of-ultraviolet-radiation>.
- Research and Markets. "The \$19 Billion Global Swimwear and Beachwear Market Is Expected to Witness Growth at a CAGR of over 5% between 2020 and 2027." *GlobeNewswire News Room*, Research and Markets, 30 June 2021, <https://www.globenewswire.com/news-release/2021/06/30/2255382/28124/en/The-19-Billion-Global-Swimwear-and-Beachwear-Market-is-Expected-to-Witness-Growth-at-a-CAGR-of-Over-5-between-2020-and-2027.html>.
- "Skin Cancer Facts & Statistics." *The Skin Cancer Foundation*, 4 Feb. 2022, <https://www.skincancer.org/skin-cancer-information/skin-cancer-facts/>.
- "Sun Care Products Market Size, Share & Covid-19 Impact Analysis, by Product Type (Sun-Protection, after-Sun, and Tanning), Form (Lotion, Spray, Stick, and Others), SPF (0-29, 30-50, and >50), Distribution Channel, and Regional Forecast, 2020-2027." *Sun Care Products Market Size, Share | Industry Report, 2020-2027*, <https://www.fortunebusinessinsights.com/sun-care-products-market-103821#:~:text=The%20global%20sun%20care%20products,3.5%25%20during%20the%20forecast%20period>.

