

## Alpgarant Reloaded - Business Plan

A Master's Thesis submitted for the degree of  
"Master of Business Administration"

supervised by  
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Vienna, 23.07.2011

## Affidavit

I, **HELMUT STAGL**, hereby declare

1. that I am the sole author of the present Master's Thesis, "ALPGARANT RELOADED – BUSINESS PLAN", 108 pages, bound, and that I have not used any source or tool other than those referenced or any other illicit aid or tool, and
2. that I have not prior to this date submitted this Master's Thesis as an examination paper in any form in Austria or abroad.

Vienna, 23.07.2011

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Signature

## PREFACE

During the MBA modules of our E&I program of the Executive Academy and the Technical University, I got in touch with Alpgarant, the company described in the following Business Plan.

Their innovative and brave idea of introducing an “event-based” insurance service in the alpine regions of Austria and other international countries in a further step motivated me to contribute with my newly acquired knowledge of the MBA-modules. Unfortunately I found out that against all “business rules” explained by Prof. Robert D. Hisrich in his module for Entrepreneurial Leadership, the management of the respective company was rather behaving like a big corporation in terms of spending money for marketing activities than concentrating on becoming a small, but cost-effective and profitable start-up.

Even with the proven fact that Excel as such by inputting fantastic figures can lead a manager astray, the forecasts and the business case showed unbelievable positive results, which never came true.

When I raised the question for a business plan and the reply was there is none, I offered them to discuss issues with them, analyze the market and prepare a business plan for Alpgarant.

A lot of things have been changing dramatically during my engagement for Alpgarant, hence, the business plan was adjusted several times. It has been - and still is - a dynamic economic rollercoaster, if you wish or not, exposing you to uncertainty, frustration, desperation, confidence, happiness and faith in us in a frequency and bandwidth one can only understand, if he or she once tried to run an own venture.

I learned most, when I experienced myself, what our professors were trying to teach us. The result can be found in the following business plan “Alpgarant – Reloaded” – a well analyzed opportunity to save the company and to continue the going concern principle.

Through all the hard times of deprivations my girlfriend Karin, her brother Matthias and my whole family were supporting me and believing in me in an incomparable positive way. Thank you for everything!

## ABSTRACT

The bold approach of the two founders of Alpgarant to introduce an “event-based” insurance service for alpine regions in Austria was new, innovative and uncertain. For me immediately several questions popped up. Why didn't they succeed after nearly three years on the market? What was the reason for this insurmountable resistance of their business-to-business customers? Is there a real need for the service and if yes for whom? Who would be the stakeholders to consider? In which way do the different stakeholders need to be involved? What would be an adequate strategy to enter the market?

The hypothesis was that big amounts of money were spent for activities which did bring no customer response or even awareness, the focus of market research was only on irrelevant private customers and the wrong business-to business customers were approached in a much uncoordinated way.

Not only by cutting costs, but by industry and market analysis, by analysis of the legal conditions, by a categorization of customer segments according to adequate parameters for Alpgarant's purposes, by establishing a marketing strategy based on the experience of the last two years, by evaluating a sales model and by focusing on the most promising opportunities as discussed with Prof. Hisrich, the business plan was prepared. Some models and methods were used, which seemed most adequate to get sufficient results for the raised questions before. The statistical information showed the distribution of alpine sportsmen across Austria, the model of Porter's Five Forces revealed the influence of the involved and/or affected stakeholders, the VRIO-model (value, rarity, imitability, and organization) indicated the competitive advantage of Alpgarant and the elaborated key success factors clearly displayed competitive advantages or insufficiencies.

The result was that with the new approach according to the outcomes of the planning new opportunities were discovered, for example only by changing the key aspects regarding regional efforts. The time needed to start serious negotiations, the financial resources and a professional sales approach to finally enter the market are and were the most critical issues in this venture.

The market entry seems close and a first success is tangible...

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## List of Abbreviations

B2B	Business-to-business; describes commerce transactions between businesses
B2C	Business-to-consumer or business-to-customer; describes activities of businesses serving end consumers with products and/or services
CRM	Customer Relationship Management
CV	Curriculum Vitae
DI	Diplomingenieur; university degree in engineering
EBIT	Earnings Before Interest and Taxes
FTE	Full Time Equivalent; a FTE of 1.0 means that the person is equivalent to a full-time worker
GKK	Gebietskrankenkasse (local health insurance)
KABAG	Kapital BeteiligungsAG
NACA	NACA score is a so-called scoring system of the severity in cases of medical emergencies such as injuries, diseases or poisonings. It was developed from the National Advisory Committee for Aeronautics for accidents in aviation
ROI	Return On Investment
SAFE-R	Name of Alpgarant's service; stands for "Safety Area For Extensive Rescue"
USP	Unique Selling Proposition
VIG	Vienna Insurance Group
VRIO	Model used to evaluate internal capabilities of a company; stands for Value, Rarity, Imitability, Organization
WKO	Wirtschaftskammer Österreich (Austrian Chamber of Commerce)



## **Alpgarant Reloaded – Business Plan**

We are eager to save this company and start operations as we believe in us as a team, the market potential, the USP and innovation of our service, the big need for safety across international ski resorts and tourism associations and the freedom to work on our own for ourselves.

Presented by Helmut Stagl

July 2011

Business Plan Number \_\_\_\_\_

## 1. Executive Summary

*Alpgarant Safety Zone & Services* with Günter Unger, owner and director and Helmut Stagl, authorized officer, is active in innovative protection concepts. The company was founded in January 2008 by Günter Unger and Alexander Bauer, who managed to raise equity capital in the amount of € 1,100.000 over the last three years.

The product idea for an alpine protection concept was realized with the product SAFE-R which originated from a close cooperation with the partner Allianz AG as its exclusive partner in the insurance industry. During the year 2010 another insurance partner, Donau Versicherung, was attracted to reduce the risk of appropriate backup by an insurance company, which is a legally mandatory requirement to offer such a service product.

European alpine winter sports have a quantity of 200-220 million skier days (i.e. skier day or first entry, is a ski industry term used to denote one visit by a guest; the term is a convoluted way to state attendance figures over the course of a ski season and used as a billing entity for Alpgarant's SAFE-R service) in total.

Austria accounts for around 25% (which equals 53.5 million) of the skier days per winter season. Product development was aligned to the increasing trend of exercising alpine sports with all its risks. Thus for three stakeholder groups (owners of cable cars and Tourism Associations/Federal States, emergency services, skiers and alpine sportsmen) the product represents an added value and creates a clear differentiation in the market with a big potential for social benefits and sustainability.

Under the motto "FEEL THE SAFETY" the product SAFE-R meets the following requirements of their mission statement:

- **Provides a solution** for all customer complaints and public discussions for touristic institutions regarding reimbursement after rescue activities in alpine regions (in case a helicopter or other rescue service is needed)
- **Provides a solution** for the reimbursement of costs and the entire administrative handling process for customers
- **Provides a solution** for handling administrative procedures with emergency institutions and minimizes the risk of financial losses for their operations
- **Creates a clear Unique Selling Proposition** in the alpine insurance industry and the alpine leisure industry which enables effective marketing and public relation campaigns

Günter Unger, with a background in financial advisory, is mainly responsible for Finance and Controlling tasks. Helmut Stagl, who started at Alpgarant in November 2010, has eleven years of experience in the telecommunication business and takes care of Marketing and Service Operations. Both managers are deeply involved in investor relations and strategy issues as well as daily operations. DI Martin Sellner, who joined Alpgarant in June 2011, working only on a commission basis will be responsible for sales. With his own media agency DI Sellner has an excellent network across Austrian companies and the Austrian Folk Party in the political area.

The developed business model – in contrast to traditional insurance policies – offers an "event-based" insurance with fair service fees, no long term commitment for customers of alpine leisure industry and a clear differentiation for alpine ski regions.

Exclusive contracts are offered to alpine ski resorts via direct sales (B2B), where the security package SAFE-R is already included in the lift ticket and thus provides maximum convenience for customers and ski lift operators concerning administration.

The indirect sales (B2C) will be established later as a complementary online channel with affiliate partners. The clear purpose of this channel is to create awareness among people, especially among international alpine recreational athletes and guests and providing an online solution where purchasing such an "event based insurance" is possible. The Internet solution serves to explore future potentials and to enable the expansion abroad.

From experience of the last 6 months, a change in strategy was implemented with the clear objective to accelerate the rollout of direct sales (B2B) in the East of Austria and in parallel to create online campaigns to raise awareness of consumers with respect to emerging rescue costs.

The shift to the East and the complementary online strategy show a much higher potential for success through greater differentiation needs of the Eastern alpine regions and much lower pressure with respect to price transmission to end users. The target areas with top priority for 2011/2012 are therefore Lower Austria, Styria and parts of Carinthia as they have additionally higher proportions of summer visitors. To achieve maximum volume even those contacts in the West (particularly in Tyrol and Salzburg) are reactivated, which had a positive attitude regarding the SAFE-R solution.

In addition there will be an aggressive promotional line in direct sales in 2011, the so-called "winter offer". The price will be adjusted to the lower risk in the Eastern ski regions commensurate with customer needs in order to finally make a market entry possible. The basic price of € 0.75 accounts for the SAFE-R package per day per customer. The summer price is stable at € 0.65.

The mentioned SAFE-R prices for summer or winter season represent a flat price model, i.e. the free rides for children, free tickets, etc. offered by the lift operator have the SAFE-R package included.

The price for online insurance will be generally higher, at € 1.5 per day per customer, as spreading of risk at lower order quantities is missing and coverage for commissions is needed of online payment providers, affiliate partners and higher administration costs.

The market and financial analysis are based on the forecasts from the sales plan for the next three years due to the strategy change from January 2011. The figures do not take into account past calculations or estimations.

Selling 1,000.000 SAFE-R services will generate revenues of € 700,000 in the 2011/2012 season. Due to the now lower variable costs of € 0.35 insurance fee per ticket (an agreement was concluded for areas with lower accident rates) although aggressive pricing the operating result of € 155,860.40 is already positive. The following season 2012/2013 will continue positively with an operating result of € 640,785.86, resulting from forecasted sales of 2,500.000 SAFE-R services.

The aggressive market entry strategy will enable Alpgarant to reach the break-even point by selling 338,386 SAFE-R tickets. According to the forecast figures the Alpgarant will break even already in January 2012. The break-even regarding market share is happily at 0.64%, i.e. only 338,386 tickets of potential 50 million tickets are to be sold to reach break-even.

For the fiscal year 2011/2012 an equity financing of additionally € 80,000-100,000 is needed to guarantee liquidity and enable market entry. This amount should be funded by the associate Andreas Grabner after the first contract has been signed. In case the associate cannot or does not want to bring in the respective amount needed, other potential investors will be given the chance to submit a quote. At the moment Alpgarant is in contact with three potential investors.

The financial results, i.e. profits, in the following two seasons will give the company the possibility to cover costs and investments out of its own generated cash flows.

The ROI (i.e. profits divided by total equity of € 1,100.000) over the next three fiscal periods amounts to: 14.17%, 58.25% and 166.58%.

The net profit margin (i.e. net income divided by revenues) accounts for 22.6% in the first year, 37.7% in the second year and 46.1% in year three.

This makes SAFE-R from Alpgarant Safety Zone & Services a timely, innovative and successful product and Alpgarant itself an attractive investment opportunity.

## 2. Strategic Evaluation

Since Alpgarant failed totally with its efforts in the Western Austrian provinces with total investments and costs of about € 1,100,000, the company with its new strategic orientation appears more to be a start-up – and from now on a successful one.



### 2.1. Strategic Management

#### 2.1.1. Industry Attractiveness

Alpgarant has started its venture 2008 in the field of „leisure and entertainment insurance and services“ as a service provider with the aim to reduce financial risk for sportsmen in alpine regions independent of summer or winter season. In Austria, official statistics show an upward trend for this market, i.e. alpine sports, as far as international visitors are concerned as well as accident rates.

##### 2.1.1.1. *Primary Strategy*

Alpgarant offers its customers – B2B - a simple and innovative service product! Owners of cable cars can increase the added value of their tickets easily with the new event-based insurance product.

By signing a contract with Alpgarant the SAFE-R TICKET is included in the lift-ticket – a ski lift or cable car operator has already insured all his skiers or sportsmen as long as their lift ticket is valid. Alpgarant covers the costs for all rescue services, land-based or by helicopter. Additionally, a professional local guest service hotline will be provided in the most common languages.

The offer therefore is targeted primarily at owners of cable cars and any other touristic organizations (e.g. Tourism Association of a Federal State) to create a clear differentiator offering the ADDED VALUE of the service product SAFE-R.

SAFE-R stands for more financial security, more customer service and more freedom.

All stakeholders involved, i.e. owners of cable cars, the hotel sector, Tourism Associations, the Federal States themselves and mainly the emergency rescue services and the injured person benefit from a fast and uncomplicated settlement of any intervention.

The awareness of needing casualty insurance for leisure time activities in alpine regions is very low with sportsmen. The real need becomes obvious when financial claims from rescue services arise. Hence SAFE-R provides a solution with maximum convenience for a minimum price per day to be financially safe.

#### *2.1.1.2. Complementary Strategy*

Alpgarant has set its goals high to introduce such a service concept for end users (i.e. individual persons).

Even if no B2B contract can be signed, the SAFE-R TICKET can be offered online – either on an own platform or a combined solution using affiliate partners' sites to make it available to end customers.

By registering and purchasing the SAFE-R TICKET (e.g. via PayPal or credit card) for a selected ski region, end users can easily obtain financial covering.

An adequate online campaign via several selected social media channels, official magazine reports from victims supported by rescue services and key users (e.g. known snowboarders with a big internet community) will support and complement the online business.

## **2.2. Competitive Advantage/Competitive Strategy**

Compared with Alpgarant, the traditional insurance companies have a high fixed cost structure, especially regarding staff and systems, and provide complex and highly diversified products. Hence this form of "event-based insurance" and post rescue care is a lucrative niche for Alpgarant. Additionally insurance companies are not unhappy, if they can share costs for a claim with another insurer, such as Alpgarant.

Together with its strategic partner, Donau Versicherung, which provides the exclusive insurance products, insurance pricing and financial coverage, a national going live of operation is possible.

A flat organizational structure allows the main processes to be handled on a high level of automation, regardless of exclusive contracts or online business.

Because of the strategic partnership with Donau Versicherung and very low handling costs, Alpgarant can offer customer-friendly and affordable pricing models. Moreover, this focused service solution constitutes an innovative product regarding customer orientation and risk coverage, thus highlighting its pioneering role in Austria.

The well-established handling of the ticket purchase (including SAFE-R-protection) from a lift operator or the simple registration and purchase process of the SAFE-R TICKET online relieves end consumers from unpleasant hurdles of obtaining insurance policies and creates confidence in the financial safety.

This competitive strategy with the strategic partner and the gradual approach to exclusive resorts with revenue supported by the complementary strategy of online sales makes this business unique, attractive and above all competitive.

## **2.3. Industry Analysis**

The competition among traditional insurance companies is massive, but above all increases in accident business premium has bogged down and is very rigid.

Moreover, many (recreational) customers are not willing to sign contracts with fixed premium charges for this type of protection for a longer retention period. The need usually occurs for a limited period of time, usually shortly before the holiday or when the recreational phase already has begun.

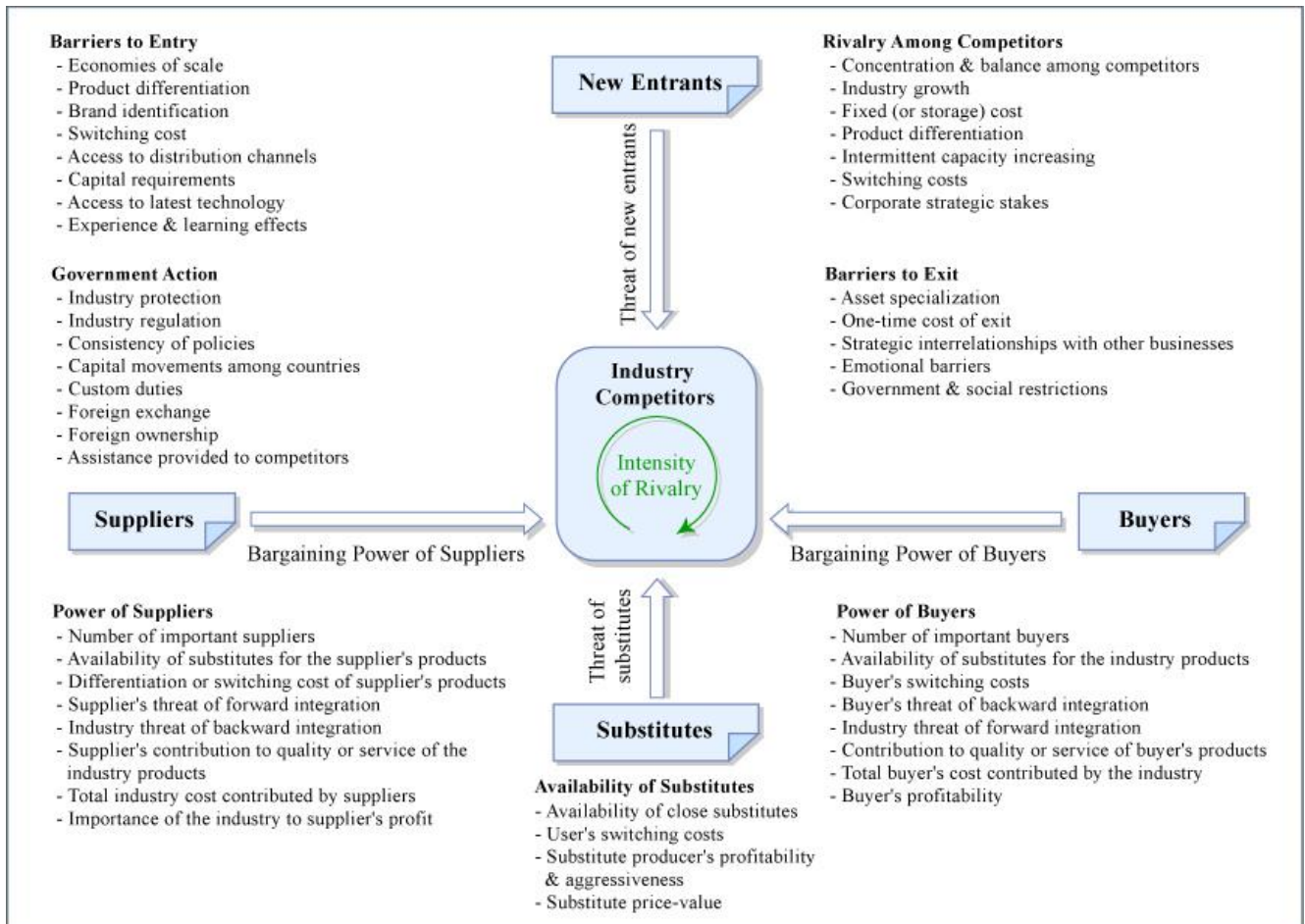
The cost structure and diversity of products in the traditional insurance industry hence does not attract such a concept within their industry.

The rescue services are – after the injured customers – the most affected interest group, as their bad debt ratio constantly increases, caused by not insured international visitors. In addition, emergency services do not offer extra care services for injured customers, as Alpgarant would do so in the regions with exclusive contracts.



## Porter's Five Forces

Figure 1: Porter's Five Forces



(Source: Michael Porter, Competitive Strategy 1980)

Looking at the industry as a whole in terms of Porter's model (source: Michael Porter, Competitive Strategy 1980, see figure 1), one can clearly deduce that with a strong product partner such as Donau Versicherung (with 5-year exclusive right to the product use) in this business of "event-based insurance" no direct competition among competitors or potential competitors exists (low risk for rivalry). Most products in the field of casualty insurance are embedded in club offers (e.g. ÖAMTC – Automobile Club, Alpine Club, Vienna Friends of Nature) at additional cost of accident insurance and contract obligations. Therefore the threat of new entrants for now is moderate.

Substitute products for such an event-related emergency protection are not available on the market yet, hence a threat from substitutes can be excluded for a period of a year or two. The risk of substitutes is for now moderate.

This period is a good base for further product and contract design, definition of the settlement model and development of an appropriately comprehensive flat organization to enhance expansion. Donau Versicherung, which serves as a supplier (taking over coverage of emergency services) – as well as other insurance companies like Allianz AG, who was the previous supplier - is not interested in the operational administration and procedures, but certainly wants to reap the rewards of service in the very rigid scope of casualty insurances. The bargaining power of suppliers at the moment is big as no operational contract was signed between a ski resort and Alpgarant. This situation will change drastically, when the first operational income can be demonstrated.

The biggest bargaining power lies with the customers in the B2B model at the ski resorts, Tourism Associations and Federal States, hence, this identifies the highest risk. In the B2C model, creating awareness will be the challenge using multimedia channels and affiliate programs.

The ski resorts, Tourism Associations and Federal State Political Parties are structured very hierarchically and usually do not respond to standard market drivers.

Every year, investments are made in innovative new services, safety and convenience for their guests and therefore their decision making processes about longer-term contracts are very conservative, cautious and defensive.

Alpgarant is seen as a possible market monopolist, which the owners of ski resorts fear in terms of pricing, contract obligations and dependence on service. Therefore especially in bigger ski resorts (i.e. more than 1 million skier days per season) the sales approaches of Alpgarant totally failed. Additionally there is no obligation by law for ski resorts or any other Tourism Association to financially support the infrastructure of emergency services. This gives the biggest and strongest bargaining power to the ski resorts and not to Alpgarant or any other insurance company.

In the B2C model customers choose to purchase the product on the Internet. This purchase decision depends primarily on a high profile of the company and its partners offering such a service. Secondly the awareness of the arising cost for any rescue operation which has to be paid by skiers themselves, the price of the service, the reliability and reputation of Alpgarant as a service provider is important for a purchase. Finally the usability and ease of use of the application is an important purchase criterion.

Negotiations with insurance providers are more critical as the diversification of risk, if only a few tickets are purchased online, is not given and the business case may turn negative. This risk to constantly attract customers over a period of three to four seasons has deterred insurance companies so far. This is the reason why it is only a possible complementary strategy.

### 2.3.1. VRIO – Evaluation (internal view)

Looking at Alpgarant's internal resources, capabilities, competencies, strengths and weaknesses it is necessary to evaluate the company's competitive potential by using the VRIO assessment method.

**Value:** Do the resources enable Alpgarant to add value for customers by leveraging their competitive advantage?

The outstanding product covers a lot of issues for all stakeholders involved. Sportsmen having an emergency will not have to pay for the rescue service, while the emergency service will be paid by Alpgarant. The ski resort and the Tourism Associations have one more asset to offer to their customers and prove their superior customer orientation. The added value for ski resorts or any other touristic establishments is the service that differentiates those companies who care for their customers at a reasonable price from those who don't.

Besides financial safety, all stakeholders – ski resorts, Tourism Associations or Federal States and rescue service operations – benefit from the convenience of the product and processes as the whole administration, data clearing and financial transactions are handled by Alpgarant.

Alpgarant uses its experience and skills to exploit the economic opportunities for stepping into the service industry combining insurance services, data management, ski and alpine ticket selling and rescue services. Hence a new value chain is created. By offering a unique service with high quality in after-sales administration a new product for security and safety is designed with the attributes of high customer convenience and simplicity.

**Rarity:** Do competing firms already possess particular valuable resources and capabilities?

Generally speaking especially insurance companies, but also companies like ski resorts would possess nearly all necessary resources, but are limited either by size or their core business itself with tailored processes that makes it harder or even unattractive for them to enter this market.

Additionally, Alpgarant has exclusive rights regarding their product and software. They also have an integrated reporting system, which is an essential part of the supplied services from Skidata, to easily monitor deviations in the key figures, i.e. skier days, accidents per day/per week/etc. per location/per region/etc. These resources are definitely rare as Alpgarant holds exclusive contracts, preventing other companies from using such a product over the next five years. The designed processes and procedures are internal assets, but could be copied with appropriate preparation time.

**Imitability:** Do other companies without the resources or capabilities face any disadvantage in obtaining or developing Alpgarant's network and resources?

Generally the product and service is imitable, if a competitor has a similar network and a good relationship with an international insurance company, the accurate estimation of the market situation and a similar variable price based on flat and automated processes.

It is the product and service combined with the network and partnership with Donau Versicherung and the automatic data delivery of SKIDATA that makes Alpgarant's service hard to imitate. The creation of an insurance product which exclusively can be used by a service provider like Alpgarant takes quite some time and will probably be more expensive, except an insurance company does it on its own. On top of that, most insurance companies do not invest any resources in something new as the experience showed during negotiations with them. Nevertheless, after expiration of the exclusive contract with Donau Versicherung an imitation on product level is possible.

**Organization:** Is Alpgarant organized enough to leverage the full competitive potential of its resources and capabilities?

By a change in strategy and personnel – Alexander Bauer as CEO responsible for Sales left end of May 2011 - Alpgarant is well organized in order to exploit the competitive advantage with given resources and skills.

The current long-term perspective provides a "sales approach" from East to West, which additionally gives the opportunity to accompany the primary model by an affiliate program on the internet (affiliate network) as a complementary strategy. The organization of Alpgarant can therefore continue to be kept lean until a critical mass of about 3 million skier days is reached. From this point on more personal customer care will be sought regionally to step up the level of differentiation to conventional insurance significantly (i.e. no contractual obligations, but event-based insurance, local support and no paper fiasco after the accident).

From a technological point of view all tests with all involved parties and systems have been successfully completed. A further increase in efficiency and process automation is planned by integrating administration from emergency services via the website.

### Assessment of Alpgarant's Internal Capabilities

Table 1: Assessment of Internal Capabilities

Are the Resources or Capabilities:				
Valuable?	Rare?	Hard to Imitate?	Exploited by Organization?	Competitive Advantages
Yes	Yes	No	Yes	Sustainable

In summary, the analysis of Alpgarant's internal capabilities shows that it is valuable, rare and organized to leverage its opportunities (see table 1). As long as Alpgarant can ultimately enter the market and introduce further new innovative services beyond the alpine skiing industry, it will be sustainable. Although it is not hard to imitate it would take competitors some time and some investment to catch up. The general key success factors are summarized in table 2.

### 2.3.2. Key Success Factors (KSF)

Table 2: Key Success Factors

What do customers want? (Demand Analysis)	How do companies survive competition? (Competitive Analysis)	Key Success Factors
Safety – “a good feeling”	1) Understand the position of customers, analyze it carefully and turn it into a win-win business model (i.e. revenue sharing, donations, etc.)	Operational efficiency by high standardization and automation
Convenience	2) Excellent Service – fair pricing model 3) Start market penetration with „smaller ski resorts“ (less effort and better chances)	Establish a stable relationship with partners, suppliers and customers
Simplicity	4) Stable and big start on internet as complementary sales strategy by leveraging social media channels (low efforts in operation, automated processes)	Differentiation by product, price, service and complementary online strategy
Reliability	5) Cost Efficiency in operations (standardized and automated robust processes)	Further development of the product/service
Affordable Price	6) Partnering Strategies (sport industry, emergency services, etc.) – sponsoring 7) Continuously building a brand and a brand image 8) Sound time and cost estimation/planning to access this highly fragmented market (small customer base, i.e. ski resorts, high competitive, price sensitive, fragmented ownership structure)	Partnering strategy, networking, revenue share model

### 3. Description of the Venture



#### 3.1. About Alpgarant

Rescue operations after accidents or in emergency situations in the mountains result in “mountains of costs” and problems for all those involved. Until now, people rescued from mountains or ski slopes faced the consequences on their own, because settling the costs usually didn’t go off as smoothly as the rescue operation itself.

In too many cases those rescued were not only left with the memory of a ruined holiday, but also with “a mountain of costs” brought about by the rescuers' service fees. Often private accident insurance companies and other insurers would cover only part of the costs, if at all. Rescued persons often needed to clear many hurdles before being reimbursed.

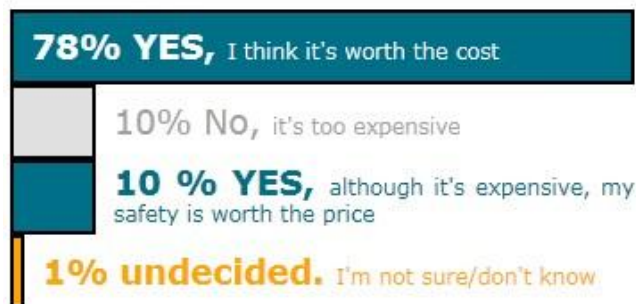
Not so with SAFE-R: once they have been rescued after an accident, visitors are no longer presented with the rescuers' invoices – that’s where Alpgarant comes in to cover the costs.

A poll conducted by Fessel GfK Institute showed that 9 out of 10 winter sports aficionados are in favor of introducing SAFE-R (see figure 2).

### 3.1.1. Poll results

Figure 2: Poll Results 2008

#### Overall results



The opinion poll carried out on behalf of Alpgarant by the renowned Fessel GfK Institute showed that there is strong public interest in SAFE-R.

#### Overall result

88% of all respondents who go Alpine skiing say YES to SAFE-R!

#### The detailed results were:

88% of those who go Alpine skiing more than once every year said YES to SAFE-R!

91% of those who go Alpine skiing once every 1 to 5 years said YES to SAFE-R!

87% of those who are already covered by private insurance said YES to SAFE-R!

94% of those who are not covered by private insurance said YES to SAFE-R!

Further details can be found in the appendix, figure 16.

## 3.2. Vision

To make Alpgarant the leading service company in Alpine rescue cost processing and post-rescue care for regional visitors.

### 3.2.1. Alpgarant's objective

Guests using the facilities of a cable car company cooperating with Alpgarant are safe – and will return gladly for their next holiday.



1. All-round rescue cost coverage for every visitor in the case of accidents or emergencies – automatically included in the ski lift pass.
2. Guests can focus on enjoying their sport, safe in the knowledge that Alpgarant will ensure payment of any rescue costs incurred in the mountains in the event of an accident or emergency.
3. All cases are processed quickly and efficiently by the Alpgarant claims managers – this saves money and effort, and relieves the burden on the accident victim.
4. After an accident, every guest receives our high-quality assistance and is given all the information and assistance he or she requires.

Alpgarant's motto is: "For a carefree holiday in the mountains, without worries and unexpected costs afterwards."

Alpgarant manages communication with guests to the region, thereby creating a positive, emotional bond with the holiday location.

### **3.2.2. Top Goals 2011 - 2014**

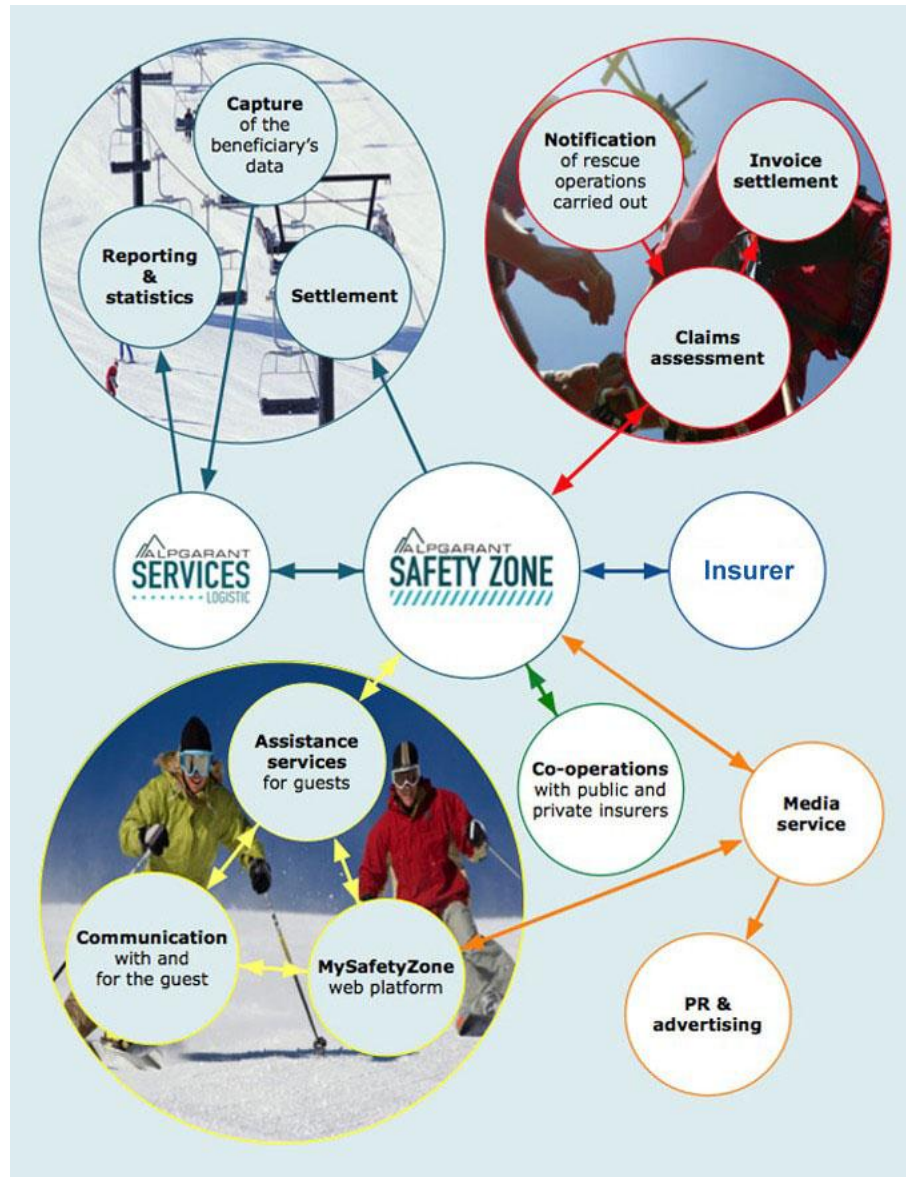
- Market entry 2011 with aggressive promotional offers
- Growth of 100% per season in Austria till 2014
- Operate at minimum fixed costs
- Direct Sales rollout starting from the East of Austria
- Indirect Sales (complementary strategy):  
Creating awareness and starting communication via Web 2.0 media channels together with affiliate partners
- Constantly evaluate and check international growth options such as South Tyrol (Italy)



### 3.3. Overview of the services and communication channels

Figure 3 gives an overview of the range of services included in the SAFE-R service.

Figure 3: Service Overview Alpgarant



#### 3.3.1. Administration

##### 3.3.1.1. Data entry/capture, settlement and reporting

###### Capture of the beneficiary's data

The beneficiary's data is captured either using a software application or by way of an automated query at the access control system (data center or local server). Data transfer is done every day

after closing time of the facilities (taking into account facilities that are operated during the night, such as floodlight-lit ski slopes).

The software used and the query procedure are provided by the manufacturer of a ski resort's access control system. This gives our customers (operators of cable cars and lifts) a maximum of security. The costs for programming and installation are borne by Alpgarant.

The query takes into account a cable car operator's individual card types. The main reason for this is, for example, to prevent the system from charging for first entries of people who are authorized to the free use of your facilities.

### The pricing structure is taken into account in all notifications and settlements

If children can use the facilities free of charge according to cable car operators' pricing structure, they are also covered free of charge by SAFE-R!

In addition, Alpgarant has a special rate structure in place for persons with (personal) season passes. In such cases, settlement is completed with the 12th first entry with the relevant season pass, while the SAFE-R cover remains in force for the pass number in question, irrespective of the number of subsequent first entries with this season pass.

Alpgarant will be happy to discuss further special arrangements to suit a cable car operator's pricing structure in person.

### Settlement of first entries

First entries are billed on the basis of first entry of transmitted card numbers by way of electronic invoice (PDF with electronic signature) one day after the daily data transmission. Daily data transmission and settlement ensure that there are no gaps in the coverage. The "preliminary" cover for a ski lift pass number, which starts with the first entry, expires upon completion of the relevant settlement procedure, at which time the provision of services is guaranteed.

### Reporting & statistics

In order to help Alpgarant's customers check that the figures are correct and to verify the correctness of the daily notifications, Alpgarant will send a report of the figures notified to them in regular intervals set by their customers. These reports can be sent to an e-mail address specified by the customers or at a later stage they can view daily, weekly and monthly overviews in Alpgarant's online system (that part of the system is password-protected so that only registered customers have access to it).

In addition, Alpgarant will provide its customers with service statistics in the password-protected area of the online system, giving them a chance to see which services were provided to their

guests. The views available to the customers range from a general overview right down to individual guests.

### **3.3.2. Cost coverage**

#### **3.3.2.1.      *Notifications, claims assessment and invoice settlement***

##### Notification of rescue operations carried out

In order to assist the rescue effort – which may be carried out by a ski patrol, the mountain rescue service or the helicopter rescue service – in the best possible way, Alpgarant keeps all its communication channels open at all times. Notifications can therefore be made by logging into the user area of their website, or by e-mail, fax or even by regular mail. It is important to provide the minimum required information about the incident and the rescued person.

In simple terms, this means indicating who was rescued where, when, why and by whom, as well as the ski lift pass number of the rescued person.

Alpgarant will provide the relevant documents and process forms already used by the various rescue organizations.

Automatic, electronic synchronization of data is also possible.

Once the notification arrives, it is assigned to an Alpgarant administration employee. Which administration employee the case is assigned to depends on two factors: the nationality of the injured person – to ensure that the administration employee and the guest speak the same language – and the location in which the incident took place. The administration employee will process the case from beginning to end and will continue to be at the guest's disposal afterwards for various assistance services.

##### Claims assessment

In this step Alpgarant first verifies whether the rescued person is in possession of a valid and registered pass number on the day of the incident. If further clarification is required, Alpgarant's employees will contact the rescue organization or the rescued person and complement the documents. Once all the required coverage and settlement information has been received and verified, Alpgarant will make payment to the relevant rescue organization(s).

##### Invoice settlement

Alpgarant makes payment directly to the rescue organizations that carried out the rescue. All received invoices for operations/services which have been given cost clearance are settled on two payout dates every month. As stipulated in the contract, Alpgarant bears the rescue costs of up to

a limit of € 4,500 per person. Alpgarant does not incur waiting times for any bureaucratic coverage assessments with possible other insurance providers. This means, in the best-case scenario, the remittance order can be made within one day of the rescue.

### **3.3.3. Assistance**

#### **3.3.3.1.      *Communication, SAFE-R web platform***

##### Communication

Alpgarant's administration employees are at the accident victims' disposal for any information and questions pertaining to the accident.

Alpgarant will procure the relevant documents (medical reports, records for third-party negligence claims, etc.) and make them available if necessary.

Alpgarant will collect documents required by the guest for claims under other private accident, health or travel insurance policies (incapacity benefit claims, reimbursement of treatment costs, etc.) free of charge. As a professional processor of claims Alpgarant is usually in the position to notify these claims to private and public insurers in Austria and abroad on behalf of the guest, if so requested, which serves to considerably relieve the burden on the guest of such processes usually characterized by a high degree of bureaucracy.

Moreover Alpgarant is invariably a reliable contact partner for the guest, irrespective of whether he or she is still at the holiday location or has already returned to his or her home address. Our adage for outside communication is that Alpgarant puts the guest at the center of their efforts through competence and the shortest possible turnover times.

#### **3.3.3.2.      *Co-operation***

##### Chain of rescue

Alpgarant places great importance on a good co-operation with the chain of rescue. Rescue organizations, be they ski patrols/ski-slope rescue teams, the mountain rescue service or helicopter rescue services, all constitute an integral component of the high sense of safety shared by domestic and international visitors to the mountain regions.

Alpgarant's high esteem of the rescuers is reflected in our optimized communication channels and swift invoice settlement procedures.

### Insurers

A certain proportion of visitors are covered by private insurance policies or memberships, which offer various contractual services in the event of an accident or emergency while in the mountains. Such policies may cover anything from payment of costs brought about by cutting short one's holiday, medical treatment, and even incapacity benefits.

Alpgarant interacts with these domestic and international insurers, and provides the necessary documents in pre-qualified form. This allows these insurers to process cases rapidly and in a way that is convenient for the guest.

The same applies to public insurance (National Insurance). Here too, Alpgarant makes available information and documents in order to vastly relieve the burden on the guest.

Figure 17 showing co-operations and responsibilities can be found in the appendix.

## 3.4. Accident Figures

Figure 4: Average Accidents per Day



- Up to 550 accidents happen daily only in the Austrian mountains (winter season)
- Up to 65,000 treatments and stays in hospitals are caused per season only by winter sports activities
- 7,500 helicopter rescue activities are initiated – as much as land based rescue services
- Between € 2,000 and € 4,000 are charged for a helicopter rescue service
- Only 27% of Austrians have a private accident insurance, by taking into account memberships e.g. Austrian Alps Association, credit card insurance packages, etc. the quota increases up to 50%
- The percentage of foreigners with a private accident insurance is even lower than 27%
- Private insurance companies bare, if at all, only the reimbursement costs – the administrative procedure
- and bureaucratic hurdles the injured customers must overcome on their own

Source: [www.alpgarant.com](http://www.alpgarant.com)

## 4. Organizational Plan

### 4.1. Form of Organization

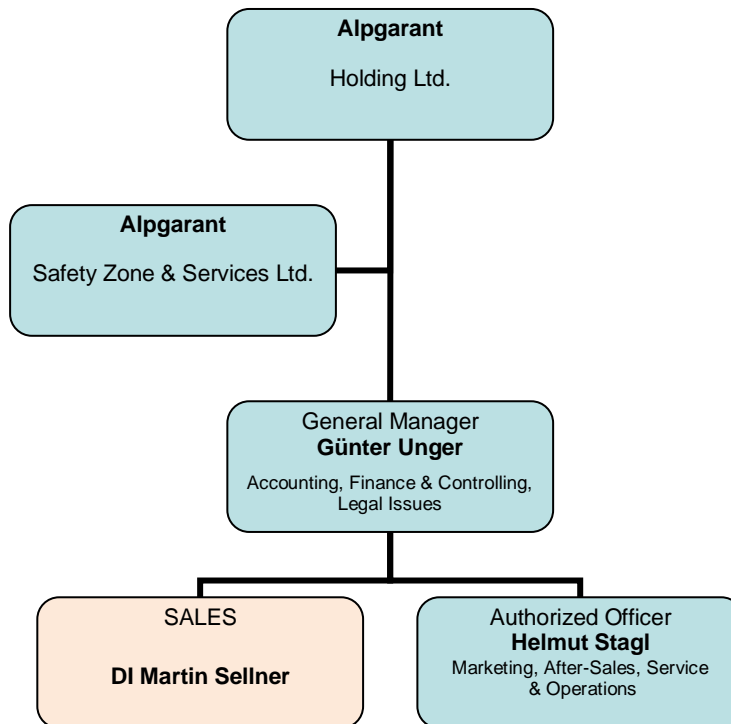
Alpgarant Holding GmbH and Alpgarant Safety Zone & Services GmbH were founded in 2008 in Pottenstein. The form of a limited company was chosen in order to keep the opportunity to gain additional equity capital. Both companies have a face value of € 35,000 each. Günter Unger and Alexander Bauer hold each 50% of equity of the holding and 35% each of the operational company Alpgarant Safety Zone and Services GmbH. A silent partner, Mr. Andreas Grabner, holds 30% of the Alpgarant Safety Zone & Services GmbH, as he contributed equity capital of € 600,000. Another silent partner, a kind of venture capitalist called the Kapitalbeteiligungs AG (KABAG, [www.kabag.at](http://www.kabag.at)), without any equity share added capital at the amount of € 200,000. This silent partner agreed to release the equity capital under the terms that Alpgarant liquidates this long term debt by a yearly debt retirement plus 20% interest rate of the total amount per year over a period of five years.

Pottenstein as location will be cancelled as the costs for this office and the distance to Vienna are both too big. The new office is located in Vienna, in the 19th district.



#### 4.1.1. Organizational Chart and Responsibilities

Figure 5: Organizational Chart Alpgarant, July 2011



Günter Unger, the new CEO of Alpgarant, is supported by Helmut Stagl and DI Martin Sellner.

Günter Unger covers the fields of Accounting, Finance & Controlling and Legal issues.

DI Martin Sellner is now responsible for the B2B sales activities after the retirement of Alexander Bauer. He has very good contacts to a political party, the ÖVP (Austrian People's Party), especially in Lower Austria and Upper Austria. The Federal State of Lower Austria has plans to develop and expand the cable car business on its territory and has already bought 4 cable car operators.

Helmut Stagl is responsible for Marketing, After-Sales, Service and Operations as well as for Business Planning and Business Development.

Günter Unger now holds 50% of Alpgarant Holding Ltd. Alexander Bauer, who still holds the other 50% stepped down from the CEO position – he has private and health issues to solve. To get back the full rights over the equity of Alexander Bauer, Alpgarant's lawyer sent an offer to Alexander Bauer, which states that because of no income and no operational business the impounded equity has a maximum worth of € 10,000. This issue is to be solved in order to offer equity share to new investors different from Andreas Grabner, if necessary.

Alpgarant currently being in a difficult financial situation offered Helmut Stagl an equity share of 4% per year over a period of the next 5 years as compensation. This will total 20% of equity share and furthermore Helmut Stagl will start receiving a salary, when operating revenues are generated. When the business turns positive and profit is shared, Helmut Stagl will receive a bonus opportunity of 20% immediately. In case new equity capital is needed, Helmut is offered to purchase additional “shares”, but if Helmut Stagl rejects, only 50% of his equity may be offered to new investors (anti-dilution clause).

DI Martin Sellner finished the Montanuniversitaet Leoben in Styria ([www.unileoben.ac.at/component/option,com\\_frontpage/Itemid,245/lang,en/](http://www.unileoben.ac.at/component/option,com_frontpage/Itemid,245/lang,en/)) for petroleum engineering. DI Martin Sellner founded his own company, Mediasell, in 1992. Besides being a publisher’s agent for several media organizations across several countries in Europe, DI Martin Sellner started professional B2B sales activities for Lenzing AG ([www.lenzing.com](http://www.lenzing.com)) in 2010 (fireproof materials).

DI Martin Sellner himself is an excellent networker and agreed to get a sales commission of 3% of total revenues resulting from the sales of SAFE-R insurance per ski region in the first year and 2% in the following year. The commission will be paid to him after the season has ceased and the total revenues, i.e. skier days multiplied by the price of the SAFE-R insurance ticket less free rides for e.g. children younger than six years, can finally be calculated.

The profiles of Günter Unger, Helmut Stagl and DI Martin Sellner can be found in the appendix from figure 18 – figure 20.



## 5. Marketing Plan

### 5.1. The service of Alpgarant

- **Provides a solution** for all customer complaints and public discussions for touristic institutions regarding reimbursement after rescue activities in alpine regions (in case a helicopter or other rescue service is needed)
- **Provides a solution** for the reimbursement of costs and the entire administrative handling process for customers
- **Provides a solution** for handling administrative procedures with emergency institutions and minimizes the risk of financial losses for their operations
- **Creates a clear Unique Selling Proposition** in the alpine insurance industry and the alpine leisure industry which enables effective marketing and public relation campaigns

**FEELING SECURE -**

**SAFE®**

### 5.2. Situation analysis

Due to a continuous upward trend in the number of people participating in alpine sports in all seasons there is also an upward trend in the number of accidents. However, for responsible operators of cable cars, hotels and other leisure facilities, just as for the alpine guests themselves, insurance cover for guests is mostly irrelevant - until an accident happens. Currently no-one is legally obliged to take out a corresponding cover arrangement in the form of “event-based cover” or traditional insurance with alpine rescue or recovery costs reimbursement for rescue costs incurred.

That means that after deduction of a social security reimbursement (if justified), the alpine guest must himself pay for any rescue operation. Today there are already many possibilities for the “end customer” himself to arrange his own cover, which in Austria can be done through various organizations (Austrian Alpine Association, Friends of Nature, Mountain Rescue Service, Austrian Automobile, Motorcycle and Touring Club accident and breakdown cover, personal accident

insurance with alpine package) and are used by about 50% of Austrians. In total only 29% of Austrians have a full coverage of costs that may occur after a helicopter rescue activity.

Nevertheless an increasingly large proportion of foreign visitors (more than 50% in total) mostly have no cover of this type and are themselves faced with the costs. Furthermore, from the rescue services there are reports of an increase in expenditure for collection of the amounts owed, which is not part of their core business.

Through various budget cutbacks for contingent liabilities that the federal states have in part assumed, there arises, for customers and rescue services in the first instance and for the tourism and leisure economy in the second instance, an urgent need for action to close these gaps in cover.

Various initiatives and publicly broadcast discussions on this subject (e.g. on the ORF television show "Volksanwalt") prove the necessity for a solution.

Details can be found on youtube.com under the following links:

[www.youtube.com/saferalps#p/u/5/OburSd2zoKq](http://www.youtube.com/saferalps#p/u/5/OburSd2zoKq)

[www.youtube.com/saferalps#p/u/4/zcQhOk7IUio](http://www.youtube.com/saferalps#p/u/4/zcQhOk7IUio)

[www.youtube.com/saferalps#p/u/3/dD7gFoBbIRI](http://www.youtube.com/saferalps#p/u/3/dD7gFoBbIRI)

A customer survey carried out by the Fessel Institute in 2008 proves the acceptance of such a service regarding disposition to buy as well as pricing (€ 0.95).

88% of all respondents who go Alpine skiing say YES to SAFE-R!

The detailed results are:

88% of those who go Alpine skiing more than once every year said YES to SAFE-R!

91% of those who go Alpine skiing once every 1 to 5 years said YES to SAFE-R!

87% of those who are already covered by private insurance said YES to SAFE-R!

94% of those who are not covered by private insurance said YES to SAFE-R!

Recovery from accidents in the mountains brings “mountains of costs” and problems for all involved, because after the rescue operation has been safely carried out the guests are left to face the financial consequences on their own.

Based on the above mentioned results Alpgarant started its venture in 2008 and tried to approach the bigger ski resorts in Western Austria. Due to the perspective of the managers of ski resorts mostly in Tyrol, which was negative towards the insurance product SAFE-R, the operation failed. No customers (i.e. ski resorts) could be acquired, but the fixed costs and the costs for the test region in Styria (Riesneralm, Donnersbachwald) remained, which resulted in a dire financial situation for Alpgarant.

After the change of strategy due to some market research, Alpgarant focused on smaller ski resorts in Eastern Austria with a solid image, a sufficient number of skier days, a clear company structure (enabling faster decision processes) and low risk regarding accidents or so-called rescue interventions.

Meanwhile the experience showed that once the market entry has been achieved, a lot of ski resorts will join due to a competitive disadvantage they would have, if they rejected the product introduction.

A further customer survey carried out by Günter Unger and Helmut Stagl with the accident victims of the test resort, Riesneralm, in Styria, in May 2011, which were rescued by helicopter, underlines the need for a service like SAFE-R for private customers (detailed results in German can be found in the appendix, table 24).

The most important results are (school grades where 1 = excellent and 5 = insufficient):

- Satisfaction with the service SAFE-R: 1.05
- Satisfaction with the customer treatment: 1
- Mark-up for lift ticket acceptable: 100% acceptance
- Importance of SAFE-R service in summer season: 90%
- Price recommendation for SAFE-R from private customers winter season: € 1.3 per (skier) day
- Price recommendation for SAFE-R from private customers summer season: € 1 per (summer) day
- SAFE-R integrated in lift ticket: 100% acceptance/recommendation
- Expectation that SAFE-R is integrated by ski resort/ski region: 95%

The results represent average values of 20 polled persons.

### 5.3. General market situation (industry/competition)

- In an average winter season 50.5 million skier days (i.e. a skier day or first entry is a ski industry term used to denote one visit by a guest, be they a skier, snowboarder, telemark skier, ski-biker, or ski boarder, to a ski and/or snowboard resort; the term is a convoluted way to state attendance figures over the course of a ski and snowboard season; source: [http://snowboarding.about.com/od/snowboardingterms/g/skier\\_day.htm](http://snowboarding.about.com/od/snowboardingterms/g/skier_day.htm)) are registered. Throughout Europe around 200 million skier days are recorded.
- In an average summer season 9.4 million mountain ascents (first entries) are registered. Throughout Europe there are 35 million first entries.
- On average, over the last few years throughout Austria alone this has resulted in around 6,000 air search and rescue operations to rescue winter sports enthusiasts and around 550 operations to rescue summer guests from alpine terrain (see chapter 3.4).
- A helicopter deployment costs between € 2,000 and € 4,000 (see chapter 3.4). Only about half of recreational sports enthusiasts have supplementary insurance or membership that would cover these costs.
- A land-based rescue in winter (rescue sledge, snowmobile...) costs on average € 90, in summer on average € 200.
- Only 18% of the search and rescue flights deployed in Austria received a (small) reimbursement from the medical insurance providers. The only flights paid for are for comparable severity of injury, which would still be entitled to be flown in places accessible by rescue vehicles.

“Rescue costs are not paid in principle,” says Alfred Wurzer, director of the Carinthian local health insurance (GKK) in a personal interview with Alpgarant: “In principle we do not pay rescue costs, unless they involve injuries that are similar to those in all other accidents.”

- The particular transport situation from skiing and hiking areas and thus impassable terrain is not taken into account in this.
- Every air rescue operation must be given cost approval by a medical director after the event otherwise no costs will be assumed.
- The contribution of the health insurance fund towards the rescue flights, if qualified, is limited nevertheless to a maximum of € 894.93 per rescue operation.
- For guests from abroad even this settlement is mostly not possible.

- Those tourists who might be able to pass on these costs to their own insurance coverage have to overcome high administrative hurdles and protracted bureaucracy. That not only causes post-incident stress but also rebounds on the holiday region through negative press.

### 5.3.1. Insurance Business

In general, the insurance landscape in Austria is shaped by large companies, i.e. Allianz AG, Erste Allgemeine - Generali, Uniqua, Wiener Städtische (Vienna Insurance Group), Donau Versicherung, Bank Austria Versicherung, Grazer Wechselseitige, Merkur Versicherung, Niederösterreichische Versicherung, Österreichische Beamtenversicherung, Oberösterreichische Versicherung, Zürich Versicherung Österreich, Tiroler Versicherung, Wüstenrot-Gruppe, Raiffeisen Versicherung).

In Austria there is no competition of any sort in the “event-based” sector. A rescue insurance is offered online at much higher prices solely in Switzerland - for details see [www.snowcare.ch](http://www.snowcare.ch)

Particularly in the accident insurance sector there is very little dynamic movement, as the market shares are tied by the so-called “total customer packages” that are cheaper for the end consumer.

End customers are most at risk particularly in leisure activities (see accident statistics below, source: [Austrian Road Safety Board \(www.kfv.at\)](http://www.kfv.at), figures from year 2009), but hardly ever insure themselves against “event-based” activities, because these do not regularly occur. Accordingly there is very little awareness, about taking out cover for certain activities.

The red markings represent the winter accidents (resulting from alpine skiing, snowboarding, cross-country skiing, coasting and bob sleighing) and the green markings represent the summer accidents (resulting from hiking, mountain climbing and mountain biking) in the alpine area (see figure 6, next page).

This clearly shows that in relation to the total number of sports accidents over all age-ranges, the alpine winter accidents make up 32% of all accidents and alpine summer accidents account for 7%. All-season alpine accidents are 39% of all sports accidents.

Figure 6: Sports Accidents in Austria

### Sportunfälle in Österreich nach Sportart und Alter

Sportart	Hochrechnung			gesamt
	0-14 Jahre	15-59 Jahre	60+ Jahre	
Alpiner Schilauf	5.800	34.300	6.800	46.900
Fußball	6.900	22.300	400	29.600
Radfahren	6.500	11.100	4.300	21.900
Snowboarden	1.800	10.100	0	11.900
Hand-, Volley-, Basketball	2.900	7.100	100	10.100
Wandern, Bergsteigen	300	4.100	2.800	7.200
Eislaufen, Eishockey	2.400	3.800	500	6.800
Jogging, Laufen (div.), Nordic Walking	200	5.900	500	6.600
Langlaufen, Rodeln, Bobfahren	1.600	4.300	600	6.600
Mountainbiken	700	5.300	400	6.300
Reiten, Pferdesport	1.700	3.200	100	5.100
Inlineskating, Rollschuhfahren	1.400	3.500	100	5.000
Kampfsport	800	3.500	0	4.300
Tennis, Squash, Federball, Tischtennis	400	3.300	600	4.300
Gymnastik, (Geräte) Turnen	1.600	2.300	100	4.000
Skateboarden	2.100	1.700	0	3.700
Schwimmen, Springen, Tauchen	2.000	1.300	300	3.600
andere Sportart	2.400	15.900	1.100	19.500
gesamt	41.500	143.200	18.600	203.300

The partner of Alpgarant, Donau Versicherung, maintained a market share of 6.58% in the accident sector and is thus placed number six in Austria. Donau Versicherung as part of the Vienna Insurance Group focuses on innovative developments, such as for example an information desk or accident claims procedure via its internet portal and is therefore anxious to increase premium sales via Alpgarant in a new field of business - that of event-based alpine rescue insurance. Donau Versicherung is increasing its activity in Italy and Alpgarant is in negotiation with the Federal Government of South Tyrol to introduce a product for this region – a general liability insurance package, which will be mandatory by law.

## 5.4. The market

### 5.4.1. Market potential and volumes – focus on Austria

The market potential of an event-based insurance product is enormous – based on the need as elaborated above and because of the unwillingness of the end consumers to enter into long-term insurance. Due to the rising tendency in accident figures in the alpine area and the high costs for a rescue operation, awareness-raising parallel to the market launch must be communicated in an adequate, clear and on-going manner.

In total Austria has 339 skiing areas in 7 federal states of different sizes, with different equipment (graph of the skier days shown below only refers to cable cars) and different target groups.

The market potential however does not just include skiing areas, cable car or ski lift operators, but goes on to leisure businesses (hotels, spa facilities), tourism institutions and respective regional politics. Across the federal states the complementary strategy “Affiliate Online Platform” can support awareness-raising and thus also present attractive and cheap coverage for foreign guests.

Sports equipment distributors such as e.g. Intersport, Hervis, Sport 2000, and ticket platforms such as Ö-Ticket ([www.oeticket.com](http://www.oeticket.com)), currently represent the most attractive partners for an affiliate network.

Through their market presence itself, their brands and above all their distribution channels (online and POS) both channels display important complementary values that can also internationally enable a faster market penetration and - above all - represent an important awareness-raising component.

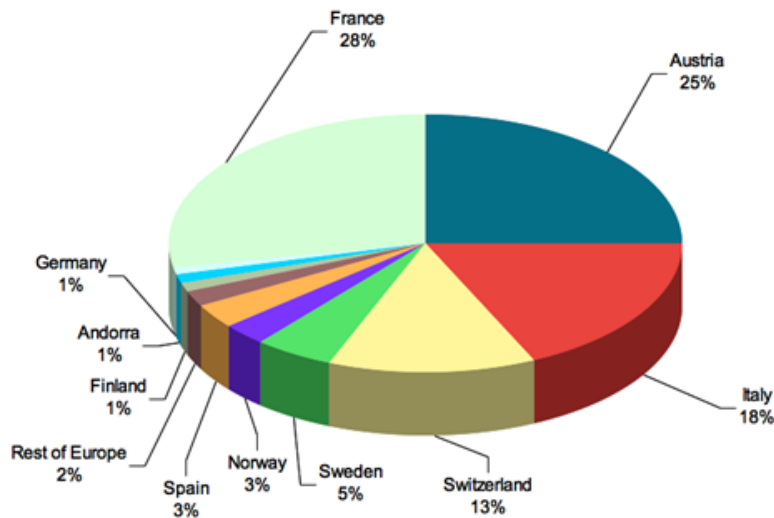
#### 5.4.1.1. *Facts and Figures 2009/2010*

European alpine winter sports have a quantity of 200-220 million skier days in total.

(Sources: <http://corporate.skistar.com/templates/NormalPage.aspx?id=179>; [www.seilbahnen.at](http://www.seilbahnen.at) )

Detailed information on European market distribution is presented in figure 7.

Figure 7: Distribution Skier Days in Europe



Austria accounts for around 25% (which equals 53.5 million) of the skier days per winter season, France for 28%, Italy for 18% and Switzerland for 13%. The skiing areas outside Europe, in particular Asia and overseas, represent a further 120 million skier days.

The number of skier days in the USA increased by 5% to 60 million (57). Despite the unstable financial situation which has beset the USA, almost the same figures as the record season 2007/08 (60.5%) were reached. Guests show a great interest in skiing in USA, even if overall snowfall decreased by 14%.

In Canada, the total number of skier days decreased slightly from 18.7 million to 18.3 million. Therefore the current world market potential is a little over 340 million skier days.

With regard to the large investment volumes, above all in the markets in the East pushing to catch up, for example Russia (Sotschi / Olympia 2014), Bukovel/Ukraine and China, clear increases in skier days are expected.

#### 5.4.1.2. *Austria as springboard into international markets*

Due to the pioneering role of Austria in all matters regarding mountain and winter sports it is to be assumed that innovations in the area of safety can also be transferred to other skiing nations, at least to those where the situation is similar, i.e. definitely Italy and France. The existing intensive competitiveness of the tourism regions contributes to additional impetus to the distribution of SAFE-R.



Through this situation the markets in the neighboring alpine countries, as well as the new areas in the markets of the East, have also been analyzed in parallel with the market surveys in Austria. Our insurance industry partner or at least its mother organization (VIG) is also prepared to put itself at Alpgarant's disposal as product partner in international business.

#### 5.4.1.3. *Market trends Austria*

In principle all large insurance companies are anxious to gain customers or transform customers into full-service customers (insurance in all sectors) through the conservative distribution channel (representatives). Moreover, effort is put into preparing the way via internet, but not as a large-scale effort. Various other institutions (ÖAMTC, Friends of Nature, Mountain Rescue) can only offer various alpine insurance services through membership and associated contributions or donations, but their market appearance is usually focused elsewhere.

Large insurance providers do not see new media and "event-based" insurance packages as their core area, whereby market tendencies in this direction are scarcely perceptible.

Market tendencies with respect to skier days in alpine regions without reference to a particular season are however increasing. That is shown definitively by the figures of the WKO for the winter seasons of the last few years (slight decrease because of the global economic crisis in the 2009/2010 season).

- 2006/2007: 48.2 million skier days
- 2007/2008: 56.8 million skier days
- 2008/2009: 56.9 million skier days
- 2009/2010: 53.5 million skier days

(Source: WKO, [www.wko.at](http://www.wko.at))

#### 5.4.2. **Market/customer segments and market positioning**

In the B2B sector, the market segments represent the countries, tourism institutions and skiing areas whereas in the B2C sector, the segmentation is based on need states and demographics of private customers (see chapters 5.4.3.4, 5.4.4, and 5.4.4.1).

The **new positioning of SAFE-R** is to be **carried out from East to West** as the competitive pressure among the skiing areas in the East - with respect to the pricing of the ski tickets,

promotion and extra services – is somewhat lower. In addition, the Eastern skiing areas represent those destinations that are between 25% and 50% used by guests from the East or from the federal capital Vienna. For exclusive contracts as well as for the complementary sales strategy via the internet the accompanying communication in the East can be prepared target-group specific and regionally.

In comparison the Western regions have higher volumes, but from political point of view it is impossible to enter the market there for now.

The advantage of the Eastern regions is that volumes in terms of skier days are increasing, while so-called rescue interventions are relatively low (0.03% to 0.06%) compared to the Austrian average of rescue interventions (0.08%). The image of some regions is quite good as a lot of sportsmen coming from Vienna, Graz, Wiener Neustadt or Eisenstadt prefer a ski resort nearby their home. Although the ownership structure is fragmented, the federal state of Lower Austria as one of Alpgarant's potential customers represents a solid decision structure. Lower Austria founded an own ski resort holding and bought 4 cable car operators to develop these regions and see safety as one of the most important issues for their guests. Another advantage is that contract obligations with the ticket networks - although existing in the Eastern ski regions of Austria - are not as strict as in the Western ski resorts (e.g. Ski Amadé).

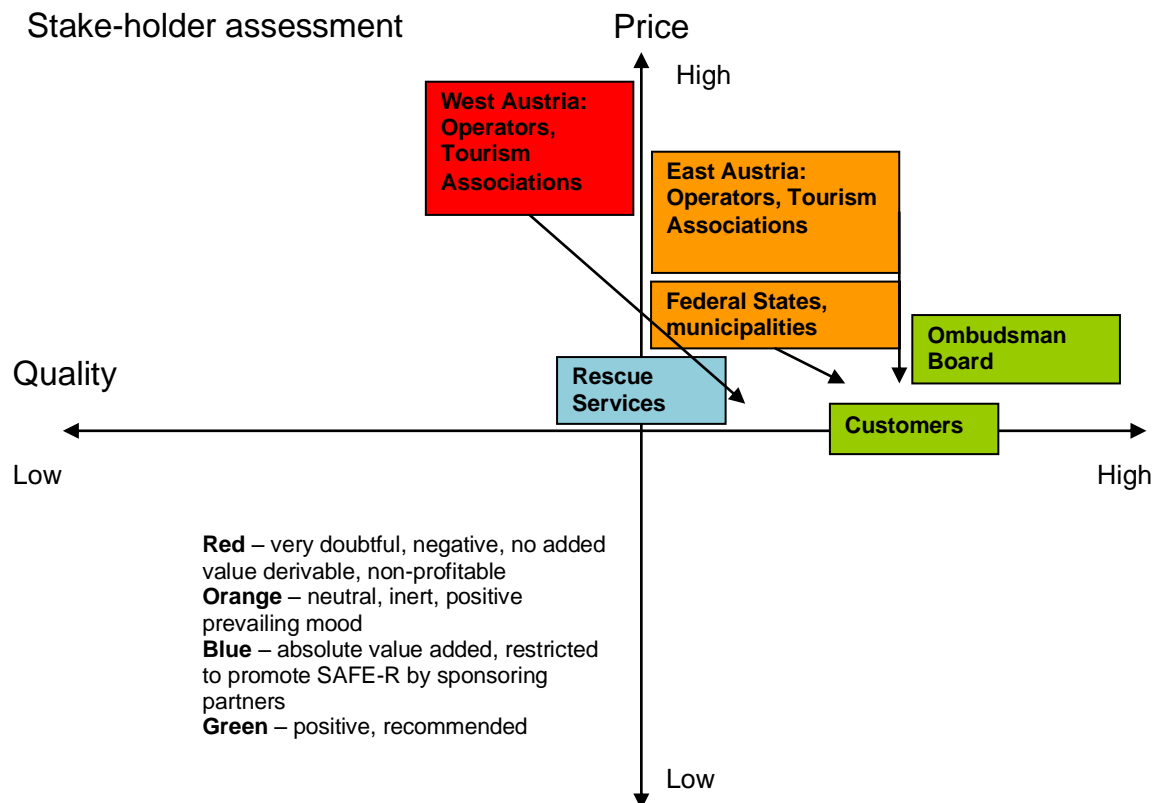
Product positioning is the term for the position that a product occupies in the perception of the consumer, or the process of identification and communication of decisive product properties, to achieve a desired position.

In addition, the Austrian mountain rescue services are in a partnership with the large insurance provider Generali, specifically as users in terms of quick handling. Through sponsorship funding and Generali's internet presence on their website, they are in a conflict of interest with respect to SAFE-R.

#### *5.4.2.1. Positioning of SAFE-R as stakeholder perspective*

(See Perceptual Map graph, figure 8), source: Helmut Stagl, Günter Unger as results of negotiations with listed stakeholders).

Figure 8: Perceptual Map SAFE-R



#### Perceptual Map – detailed explanation as of now, arrows show desired perception of certain stakeholders

In skiing areas (B2B sector) the quality of the product is perceived in principle as very high whereas the price (especially in the Western areas) is regarded as basically not worthy of discussion. This fact results from the investments made that have to be amortized by high ski ticket prices and the competitive pressure with respect to the pricing of the ski tickets themselves. This means that the risk for mark-up on the customer price according to the operators of skiing areas in the B2B area is enormous whereas the payment of the insurance product from “their own pockets” slows down the amortization of the investments. It follows from this that without compulsory nationwide coverage the West (Vorarlberg, Tyrol and part of Salzburg) represents the most challenging part of the market entry.

In the East this competition is not experienced so extremely and this is clearly reflected in the visitor numbers and day ticket prices. Here SAFE-R is considered as qualitatively good and fair in price, i.e. even passing on the insurance price to the customer does not seem to represent a great barrier. The conclusion of the current situation is that ski resorts especially in the West of Austria

do not want to introduce SAFE-R due to loss of revenues in their opinion. The big players have never been offered any incentives and therefore permanently prevented the introduction of SAFE-R abusing also the power of the Fachverband der Seilbahnen (i.e. National Association of Cable Cars), where they have the majority of members. Some managers even influenced their colleagues in the respective regions not to dare to introduce Alpgarant's product. Nevertheless the awareness among them presently is that once a renowned ski resort introduced SAFE-R, the others will have to do it, too, in order not to face competitive disadvantages and lose the image of being a customer oriented ski resort. Hence, although different roles of people in a B2B-model were analyzed and campaigns were tried out, Alpgarant came to the conclusion that a sales manager with a high quality network of people is needed, who will be able to "pervade" at least the market in the East of Austria.

### 5.4.3. Customer analysis/segments

#### 5.4.3.1. B2B

7 federal states, 339 skiing areas (source: [www.bergfex.at](http://www.bergfex.at))

In chronological order, and also order of priority, Lower Austria, Styria, Carinthia and Salzburg represent the sales activities (in total 187 skiing areas, which correspond to 55% of all skiing areas).

Figure 9: Ski Resorts Lower Austria and Styria

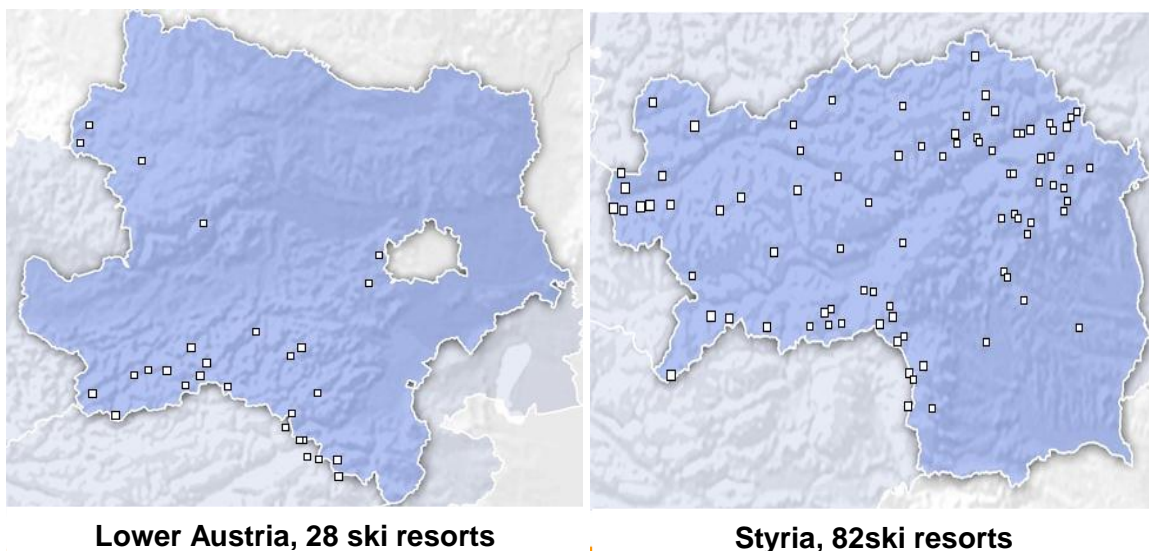
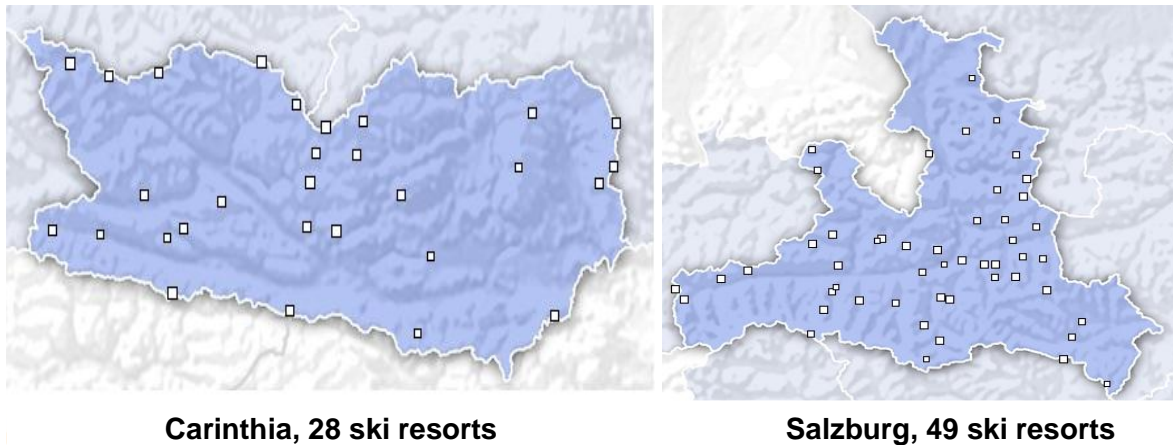


Figure 10: Ski Resorts Carinthia and Salzburg



Upper Austria with 19 ski resorts was excluded for any activities as nearly all of the resorts are managed by one organization, which is highly influenced by politics and signaled no high interest for Alpgarant's service. The intensified market entry strategy in the East, i.e. Lower Austria and north eastern part of Styria, concerns rather smaller tourism regions that also record large visitor numbers in summer. For this reason SAFE-R is offered as a year-round product to establish regional full coverage.

In order to intensify Alpgarant's summer business, which up to now has been built on the use of cable cars, the tourism associations are now being included in the sales activities, parallel to the above-mentioned efforts with respect to the cable cars. The tourism associations as possible contracting partners of Alpgarant have the advantage that the sales focus is being changed from the winter product to a whole-year product and the charging basis, based on overnight stays, as seen over the year is increasing enormously. For the consideration of the total market (100%) as a charging basis for Alpgarant, skier days based on cable-car operators (approx. 50,000,000) must be seen in conjunction with additional approx. 10,000,000 skier days from ski-lift facilities and approx. 110,000,000 overnight stays in tourism regions. First contacts with the tourism associations of Bad Kleinkirchheim and Mostviertel with overnight stay capacities of 800,000 and 1,400,000, respectively, have already taken place and are being intensively pursued.

The target businesses in the East are operationally mostly represented by managers who must agree to an official order of our product with the owner(s). In order to guard against the filter effect through so-called "gatekeepers" in the B2B segment, Alpgarant's sales manager intensifies its efforts at the latest on the second appointment to gain direct contact with the so-called "decision-makers".

A general description of owner structures is not useful in the context of this analysis, as the regions display very heterogeneous owner structures.

#### 5.4.3.2. *Categorization of the skiing areas*

##### Criteria

- Federal state/region
- Size (in skier days)
  - mini = less than 30,000
  - small = equal to/more than 30,000 and less than/equal to 250,000
  - medium = more than 250,000 and less than/equal to 500,000
  - big = more than 500,000
- Accident risk/guest mix
- Summer and/or winter business
- Owner structure (ticket network, regional network, tourism association, municipal participation, etc.)
- Price structure in the relevant area
- Differentiation of the ticket offer (season, day, half-day, hourly and unit cards, complimentary tickets)
- Image of the skiing area, skiing region

The above-mentioned criteria are also decisive for the pricing, irrespective of the promotional offer for a successful and representative market entry.

#### 5.4.3.3. *Segmentation criteria B2B*

- **Volumes per season**

The higher the volumes per season the easier it is to get a positive decision and a better price for the policy of the insurance partner. The risk spreading is simply higher and hence, the contribution margin more stable.

- **Interventions per season**

All the ski resorts or at least the rescue services have reports about rescue activities (so-called interventions) for land-based and helicopter rescues. Based on these figures not only the pricing but also the attractiveness to acquire such a customer is influenced.

- **Region/image**

The better known a ski resort is the better are the chances to start public relation activities and campaigns.

- **Ownership**

The more fragmented the ownership is (e.g. a part is owned by a private person, a part is owned by the municipality, a part is owned by a company, etc.) the more difficult it is to cover all goals of the single stakeholders. If member of the Österreichischer Fachverband der Seilbahnen (i.e. National Association of Cable Cars) or politicians are involved, it is even harder to come to decisions, as Alpgarant has experienced in the past.

- **Ticket Network**

Whenever ski resorts and/or cable car operators have concluded an agreement for a ticket network, e.g. customers can use one ticket for more slopes nearby for a special price, it is difficult to get a contract with only one of the respective ski resorts. In most cases all involved ski resorts have to approve such a new product like SAFE-R. As the price for one ski resort would slightly increase because of the Alpgarant's insurance product, the other resorts would still have the cheaper price.

#### 5.4.3.4. *Segmentation criteria B2C*

Description of target groups - safety need and overall understanding:

**Demographic:**

Men and women: 25-45 years old, married, domestic partnership, shared household, school-age children, children at university, from average income group (€1,300-€1,700), internet user, EU standard (country ranking for price perception)

Men and/or women: 46-65+ years old married or single, from average income group/pension, internet user, EU standard

**Geographic:**

Metropolitan areas in Austria, Germany, Netherlands, Hungary, UK, Czech Republic/Slovakia, Poland, Italy, Belgium



### Psychological:

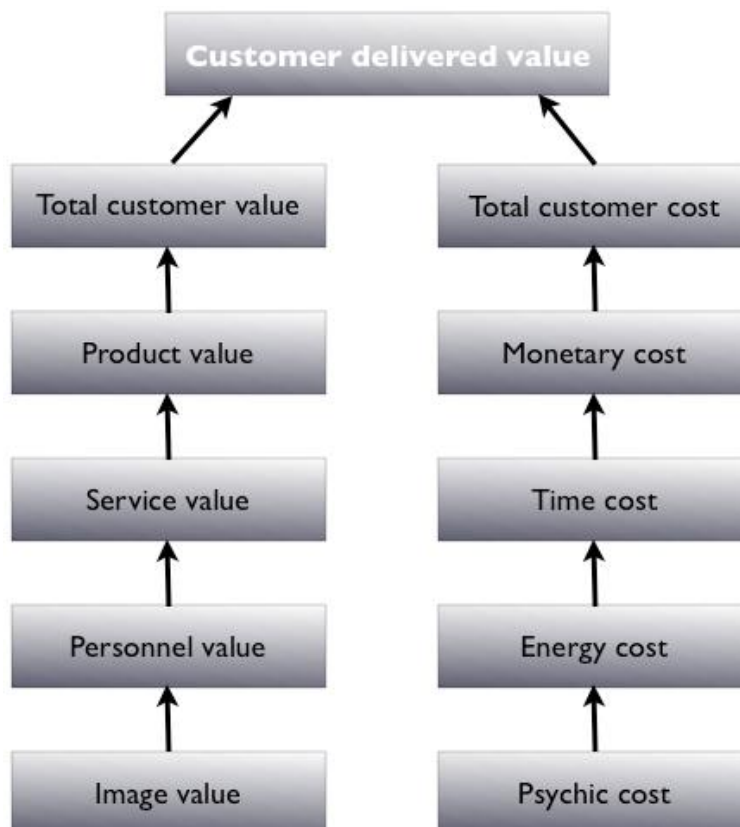
Moderate to high safety need, financial safety on holiday, traditional values and lifestyle, risk-averse, comfortable

These criteria have been evaluated for campaigns to raise awareness and for future online business in order to sell the SAFE-R service online.

#### 5.4.4. Customer added value vs. customer costs

Customers (skiing areas, end users) have costs and values that they experience intuitively or even consciously when buying a product (see model in figure 11).

Figure 11: Customer Delivered Value (Kotler)



(Source: Kotler, 2000, Marketing Management: Millennium Edition, 10th ed.)

The value association for Alpgarant's stakeholders means that through SAFE-R, an image value arises - above all for skiing areas as a competitive differentiator. The value creation or the added



value arises for both stakeholder groups through the benefit of convenience, through the perception of security in financial matters for end consumers, or else as added value service of the operators towards their customers. The service value results from local contracts through personal on-site customer care and through smooth service provision (invoice settlement for rescue services as quick as possible, autonomous handling of damages claims). The product value is attractive to customers because of a fair price/performance ratio in the cover package for an “event-based” occurrence.

Seen alongside is the perceived cost that in principle - whether for bulk commodities or for special products - starts with psychological costs. That means that products are first of all analyzed and compared according to various criteria, assumptions, price list comparisons etc. - for Alpgarant's stakeholders this translates to the analysis and comparison of insurance cover products. The energy costs for customers results from local comparisons of products in shops, from telephone calls in product and service comparisons, or from internet searches whereby at the same time the costs in time on the customer's side can naturally be included in the evaluation. Monetary costs are also incurred in the choice of product, and the customers include this in their purchase decision.

Both process strings symbolize the “customer added value” which in the case of Alpgarant means that through local contracts with skiing areas, the costs in all matters turn out clearly lower in comparison with traditional insurance products and in addition the end consumer is included in the consideration. In the case of the online business, awareness-raising is above all in the foreground and a purchasing process with usability as simple as possible on corresponding subject-related platforms. To be seen alongside the lower image value through the difficult market entry situation given is a greater added value for operators as also for end consumers - fixed cover at a fair price including with total processing of the insured event including claims for damages.

#### *5.4.4.1. Emotional value (Need for safety)*

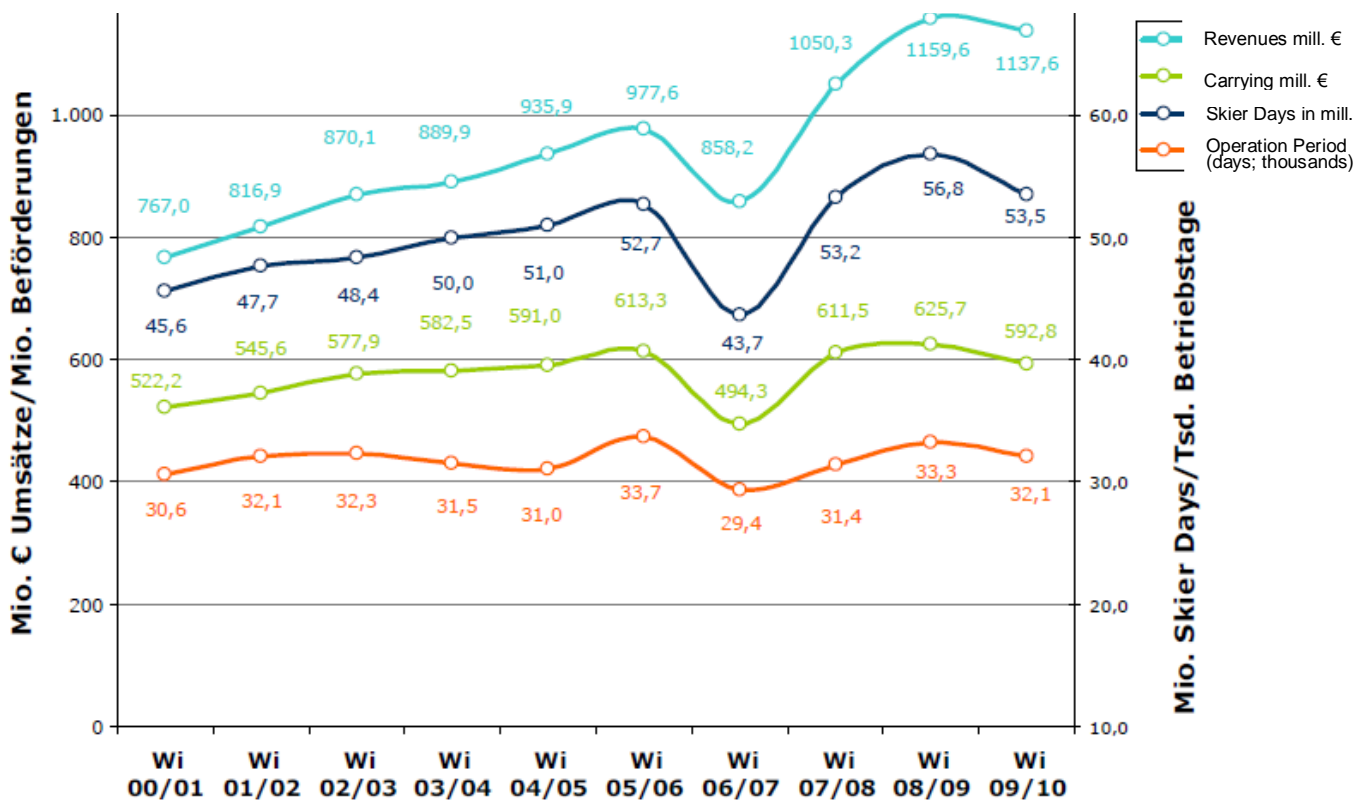
The need for safety as represented in figure 21 in the appendix is a “deficiency need” that in today's consumer society is scarcely perceived in “event-based” activities. This form of emotional value will be represented accordingly in any kind of communication and awareness-raising activity. For many people, physical safety is not high on the agenda for an event that is enjoyed and filled with positive experiences, such as alpine summer and winter sports. “Event-based” cover in leisure time is therefore precisely planned with appropriate and targeted communication via blanket covering media for Alpgarant's target groups.

For the concrete messages to our customers and stakeholders, the emotional value (experiences, expectations, hopes and anxieties), the rational value (problem solutions, assistance services, saving money, convenience), the traditional value (trust, warmth) and moreover demographic values (age, sex, lifestyle, etc.) are drawn on to achieve optimum response rates and conversion rates (overview of values, excl. demographic values, see figure 22 in the appendix; source: [http://www.glient.com/en/pages/Ansatz\\_2.html](http://www.glient.com/en/pages/Ansatz_2.html)).

## B2C

The skier days in Austria and the potential additional skier days in Europe can be seen from the Austrian Chamber of Commerce, figure 12 and figure 23 in the appendix.

Figure 12: Revenues, Carrying, Skier Days, Operation Period



Source: [www.seilbahnen.at](http://www.seilbahnen.at);

[http://portal.wko.at/wk/format\\_detail.wk?angid=1&stid=621545&dstid=329&opennavid=52579](http://portal.wko.at/wk/format_detail.wk?angid=1&stid=621545&dstid=329&opennavid=52579)

Together with the regional distribution described above, Alpgarant has additionally decided on a complementary distribution channel. This is to be set up as online product sales, in the sense of an affiliate network, involving partners such as Intersport, a big sports retailer. This marketing and distribution channel will be accompanied by a Web 2.0 awareness-raising campaign. This

distribution channel has the effect that in one of the next winter seasons the revenue situation may still be improved, and also the advantage that awareness among winter sports enthusiasts for the financial risk of alpine recreational accidents is increasing and thus the market pressure on the holiday regions in the West of Austria is increasing.

Accordingly, the awareness-raising campaigns in the Web 2.0 media are being placed in those countries with large numbers of holidays in Austria, i.e. Germany, Poland and certain areas in the Russian Federation.

The frequency and adapted iterations of these campaigns are used as required, however with a maximum number of repeats and corresponding media dissemination. The customers are addressed according to their regional or international location via the appropriate Web 2.0 platforms. For the priority 1 target destinations in the East of Austria, Lower Austria (LA) and Styria, the following breakdowns apply for the summer and winter business (overnight stay numbers) for addressing national and international target groups (see appendix figure 23, source: [www.seilbahnen.at](http://www.seilbahnen.at)).

In figure 23 the results of a survey authorized by the Austrian Chamber of Commerce shows three categories of interested customers to go skiing in Austria (green: occasional skiers; purple: skiers, who at least ski for one day per year; blue: prospective skiers). Considering only the numbers of skiers from the purple colored category, the potential is huge with 31.7 million additional skier days that could be generated partially in Austria.

#### 5.4.4.2. Target destination priority 1- Lower Austria, Styria

Table 3: Overnight Stays 2009/10, Lower Austria, Styria

Countries of origin	overnight stays winter 2009/2010					overnight stays summer 2010			Total (summer & winter)
	Lower AT	Styria	total	Lower AT%	Styria%	Lower AT	Styria	total	
<b>Total</b>	<b>2.455.253</b>	<b>4.999.539</b>	<b>7.454.792</b>	<b>33%</b>	<b>67%</b>	<b>4.000.061</b>	<b>5.817.375</b>	<b>9.817.436</b>	<b>17.272.228</b>
<b>Austria</b>	<b>1.837.075</b>	<b>2.963.119</b>	<b>4.800.194</b>	<b>38%</b>	<b>62%</b>	<b>2.681.671</b>	<b>3.933.740</b>	<b>6.615.411</b>	<b>11.415.605</b>
Burgenland	64.452	127.345	191.797			88.923	136.016	224.939	416.736
Carinthia	70.025	163.800	233.825			115.833	175.504	291.337	525.162
Lower Austria (LA)	622.872	660.952	1.283.824	49%	51%	833.397	758.321	1.591.718	2.875.542
Upper Austria	195.907	325.768	521.675	38%	62%	312.460	468.442	780.902	1.302.577
Salzburg	66.395	114.315	180.710			113.278	183.721	296.999	477.709
Styria	159.328	750.076	909.404	18%	82%	224.389	970.004	1.194.393	2.103.797
Tyrol	47.874	78.440	126.314			100.875	161.199	262.074	388.388
Vorarlberg	24.011	27.641	51.652			47.593	72.055	119.648	171.300
Vienna	586.211	714.782	1.300.993	45%	55%	844.923	1.008.478	1.853.401	3.154.394
<b>Abroad</b>	<b>618.178</b>	<b>2.036.420</b>	<b>2.654.598</b>	<b>23%</b>	<b>77%</b>	<b>1.318.390</b>	<b>1.883.635</b>	<b>3.202.025</b>	<b>5.856.623</b>
<b>Germany (total)</b>	<b>233.183</b>	<b>935.636</b>	<b>1.168.819</b>	<b>20%</b>	<b>80%</b>	<b>649.296</b>	<b>1.132.559</b>	<b>1.781.855</b>	<b>2.950.674</b>
Bavaria	71.414	230.005	301.419	24%	76%	223.221	326.792	550.013	851.432
Baden Württemberg	25.240	82.063	107.303	24%	76%	71.213	123.004	194.217	301.520
North Rhine-Westphalia	30.241	171.645	201.886	15%	85%	82.105	170.061	252.166	454.052
Central Germany	31.757	155.254	187.011	17%	83%	87.277	159.567	246.844	433.855
Northern Germany	24.708	117.991	142.699			65.492	104.846	170.338	313.037
Eastern Germany	37.764	134.015	171.779	22%	78%	97.258	192.447	289.705	461.484
Berlin	12.059	44.663	56.722			22.730	55.842	78.572	135.294
<b>Europe TOP 10</b>									
Hungary	74.524	331.465	405.989	18%	82%	37.870	95.959	133.829	539.818
Czech Republik	33.660	150.663	184.323	18%	82%	44.296	78.566	122.862	307.185
Netherlands	13.915	101.284	115.199	12%	88%	87.879	79.047	166.926	282.125
Belgium	6.233	42.527	48.760	13%	87%	18.247	28.972	47.219	95.979
Poland	24.499	47.983	72.482	34%	66%	42.401	29.447	71.848	144.330
Italy	23.268	41.941	65.209	36%	64%	42.685	73.271	115.956	181.165
United Kingdom	16.771	51.127	67.898	25%	75%	29.449	35.155	64.604	132.502
Slovakia	18.818	53.405	72.223	26%	74%	17.407	18.422	35.829	108.052
Romania	22.538	16.101	38.639	58%	42%	24.227	15.314	39.541	78.180
Switzerland	16.481	18.956	35.437	47%	53%	46.278	57.416	103.694	139.131
Denmark	2.740	29.463	32.203	9%	91%	9.595	8.975	18.570	50.773
<b>TOP 10 total</b>	<b>253.447</b>	<b>884.915</b>	<b>1.138.362</b>	<b>22%</b>	<b>78%</b>	<b>400.334</b>	<b>520.544</b>	<b>920.878</b>	<b>2.059.240</b>

(Source: [www.statistik.at](http://www.statistik.at); also for tables 25, 26, 27 and 28 in appendix)

In general the distribution of the local visitors found in both the federal states analyzed above, Lower Austria (LA) and Styria, is one third in Lower Austria and two thirds in Styria. For international visitors it can be determined that there is an even clearer **distribution in favor of Styria, i.e. 77%**. The only exception here is visitors from Romania with larger Lower Austria shares.

With respect to insurance cover in the B2C area an increased awareness-raising campaign is therefore to be started in these above-mentioned regional federal states and in the international countries in the corresponding online media. This statement also applies analogously to the summer business, at least in those areas of Lower Austria and Styria with summer business.

For the B2B business the analysis above represents another important aspect - the proportions of the international guests in **Lower Austria is 25% in winter, 33% in summer, in Styria 41% in winter, 32% in summer**, which means that these guests are holidaying with an increased risk in the said regions as far as lack of alpine insurance cover is concerned.

#### 5.4.4.3. *Target destinations priority 2 – Carinthia, Salzburg (Sbg)*

From the total of national and international overnight stays in absolute figures, the winter season in terms of overnight stays is four times higher in Salzburg compared with Carinthia (79%). **71% of Austrians prefer Salzburg over Carinthia**, the main federal states of origin being Vienna and Lower Austria. Upper Austria, Styria, Carinthia and Salzburg, follow behind, whereby Upper Austria represents the largest relative share of overnight stays in Salzburg (81%). In international comparison **German guests have a majority of the overnight stays**, while among the top 7 European visitors, the **Netherlands** is the clear number one with a total of over 1.6 million overnight stays and 89% of these are clearly found in Salzburg. Hungary with over 400,000 overnight stays in total, in the comparison of federal states, forms an exception as the only country with a preference for Carinthia with 59% (detailed figures see appendix, table 25).

In summer business Carinthia lies - in absolute figures with respect to overnight stays - only slightly over 10% behind Salzburg. Here too, Vienna and Lower Austria form the main stream of visitors - this time with clear advantages for Carinthia. The remaining federal states (analogous to the winter season), apart from Salzburg itself, prefer Carinthia as their summer holiday destination. In international comparison German guests have a majority of the overnight stays, while from the Europe Top 7 the Netherlands again lie in first place with over 1.4 million overnight stays in total and, together with Italy as number 2, with a clear preference for Carinthia. With a 40% preference share, Belgium and Hungary show an additional potential for Carinthia (detailed figures see appendix, table 26).

In both federal states, on the basis of the total number of overnight stays, the **proportion of international guests lies at 71%** - an increased insurance risk compared with Lower Austria and Styria.

For online campaigns, that means clear communication guidelines with respect to target groups and country selection for both seasons.

#### 5.4.4.4. Target destinations priority 3 - Tyrol, Vorarlberg (Vlbg)

The overnight stays in absolute figures in Tyrol are in general four times higher than in Vorarlberg with around **25 million overnight stays in winter** and around **17 million overnight stays in summer**. In the Austria comparison for summer and winter overnight stays, Tyrol occupies the top position with **a share of 32% in summer and 44% in winter**. On average the season-independent focus on overnight stays lies clearly with Tyrol at slightly above 80% (details see appendix, table 27).

Seen as a whole (see detailed evaluation graph below) the proportion of German guests with over 50% of all guests is very high, whereas the proportion of Austrian guests in both federal states is under 10% in winter and slightly above 10% in summer. In the **winter business Germans and Dutch** make up **66%** of all overnight stay figures, in summer it is still 59% (details see appendix, table 28).

Table 4: Overnight Stays Distribution, Tyrol, Vorarlberg (Vlbg)

	Winter			Summer			
	Tyrol	Vlbg	Total	Tyrol	Vlbg	total	TOTAL
Germany proportion of total abroad	55%	68%	<b>57%</b>	57%	67%	<b>59%</b>	<b>58%</b>
Germany proportion of total	52%	62%	<b>53%</b>	50%	58%	<b>51%</b>	<b>52%</b>
Top 10 proportion of total abroad	38%	28%	<b>36%</b>	35%	30%	<b>34%</b>	<b>35%</b>
Top 10 proportion of total	35%	26%	<b>34%</b>	31%	26%	<b>30%</b>	<b>32%</b>
Netherlands proportion of total abroad	14%	10%	<b>14%</b>	9%	9%	<b>9%</b>	<b>12%</b>
Netherlands proportion of total	13%	10%	<b>13%</b>	8%	8%	<b>8%</b>	<b>11%</b>
Austria share of total	7%	9%	7%	12%	14%	13%	<b>9%</b>

#### 5.4.4.5. Federal States - Overview of overnight stays

Whereas the **destinations with priority 1** (Lower Austria, Styria) only show **13% market share in the winter business (see table 5)** in the **summer business** it is already **19%** market share (see table 6). In Lower Austria even a 100% increase in share of overnight stays is evident comparing summer business to winter business. The **destinations with priority 2** Salzburg and Carinthia have a **market share of 30% in winter** whereby Salzburg has considerably higher shares of 24%. **In summer the shares of both federal states are 35%** whereby Carinthia has a strong seasonal increase and lies at 16% proportion of overnight stays in the Austria comparison. **In total therefore the destinations with priorities 1 and 2 represent a market share of 43% in winter and a market share of 54% in summer.**

Table 5: Overnight Stays Winter per Federal State

Countries of origin	Overnight stays winter 2009/2010							
	LA	Styria	Upper Aus.	Carinthia	Salzburg	Tyrol	Vlbg	SUM
% per federal state	4%	9%	4%	6%	24%	44%	8%	100%
TOTAL overnight stays	2.455.253	4.999.539	2.463.285	3.590.945	13.817.459	25.235.864	4.768.112	57.330.457
AUSTRIA share %	75%	59%	66%	36%	23%	7%	9%	23%
ABROAD %	25%	41%	34%	64%	77%	93%	91%	77%
GERMANY %	9%	19%	18%	25%	39%	52%	62%	42%

Table 6: Overnight Stays Summer per Federal State

Countries of origin	Overnight stays summer 2010							
	LA	Styria	Upper Aus.	Carinthia	Salzburg	Tyrol	Vlbg	SUM
% per federal state	8%	11%	8%	16%	19%	32%	6%	100%
TOTAL overnight stays	4.000.061	5.817.375	4.254.336	8.751.190	10.175.166	16.916.410	3.400.878	53.315.416
AUSTRIA share %	67%	68%	57%	38%	26%	12%	14%	33%
ABROAD %	33%	32%	43%	62%	74%	88%	86%	67%
GERMANY %	16%	19%	27%	40%	42%	50%	58%	39%

(Source for table 5 and table 6: [www.statistik.at](http://www.statistik.at))

## 5.5. USP - Unique Selling Proposition

### 5.5.1. Triple-Benefit Positioning

- fair/low price for alpine rescue cover without commitment, but “pay for performance” for customers
- unique handling service (i.e. advance payment and administration even in cases of damage claims)
- Pioneering role in Europe and improved image for federal states (politics), tourism , alpine regions and cable car operators

## 5.6. Pricing & Promotion - the offer

### Criteria for pricing (for cable car operators):

- **Volumes/season** (skiing areas, affiliate partners)
  - o Reduced by complimentary tickets
  - o Reduced by children’s entries (up to age 6 or up to age 10)
- **Structure of offers**
  - o **Day** ticket price
  - o **Season** ticket price
  - o **Half-day** ticket price
  - o **Hourly/unit card** price
- **Risk premium or reduction with respect to deployment costs**
  - o Number of land-based operations
  - o Number of helicopter operations
    - Dependent on that, fixed premium insurance partner (fixed cost component)



### 5.6.1. Regular offer for tourism regions/skiing regions (B2B)

#### Pricing for day ticket in exclusive contract promotional offer:

- Flat fixed premium insurance partner: € 0.50 (if intervention rate is 0.08%\*)
- Target profit margin for SAFE-R: € 0.30
- Proportion of processing (staff, systems): € 0.19
- TOTAL FLAT RATE **€ 0.99**

\*0.08% is the average of interventions overall in Austria (i.e. on 1,000.000 skier days there are 800 rescue interventions); price for insurance premium is lower, if the intervention rate is lower than 0.08%

In the current practical price scenario above this results in a price band per skier day (first entry) of between € 0.85 and € 0.90 taking into account the complimentary tickets and children's first entries (total price reduction), of the half-day, hourly and unit cards with two thirds of the base price and 11 first entries for the season ticket.

### 5.6.2. Promotion offer for tourism regions/skiing regions (B2B)

#### Pricing for day ticket in exclusive contract promotional offer:

- Flat fixed premium insurance partner: € 0.35 (if intervention rate is 0.04%)
- Target profit margin for SAFE-R: € 0.30
- Proportion of processing (staff, systems): € 0.05
- TOTAL FLAT RATE **€ 0.70**

### 5.6.3. B2C offer for consumers & partners in the affiliate network

#### Pricing for day ticket in affiliate-network:

- Flat fixed premium insurance partner: € 0.50
- Target profit margin for SAFE-R: € 0.30
- Commission per ticket partners (20%) : € 0.30
- Proportion of processing\*\* (staff, systems): € 0.40
- TOTAL FLAT RATE **€ 1.50**

\*\*due to more administration in the online business for the relevant processing here there is an estimation of a larger proportion to cover administration costs

## 5.7. Break Even Analysis

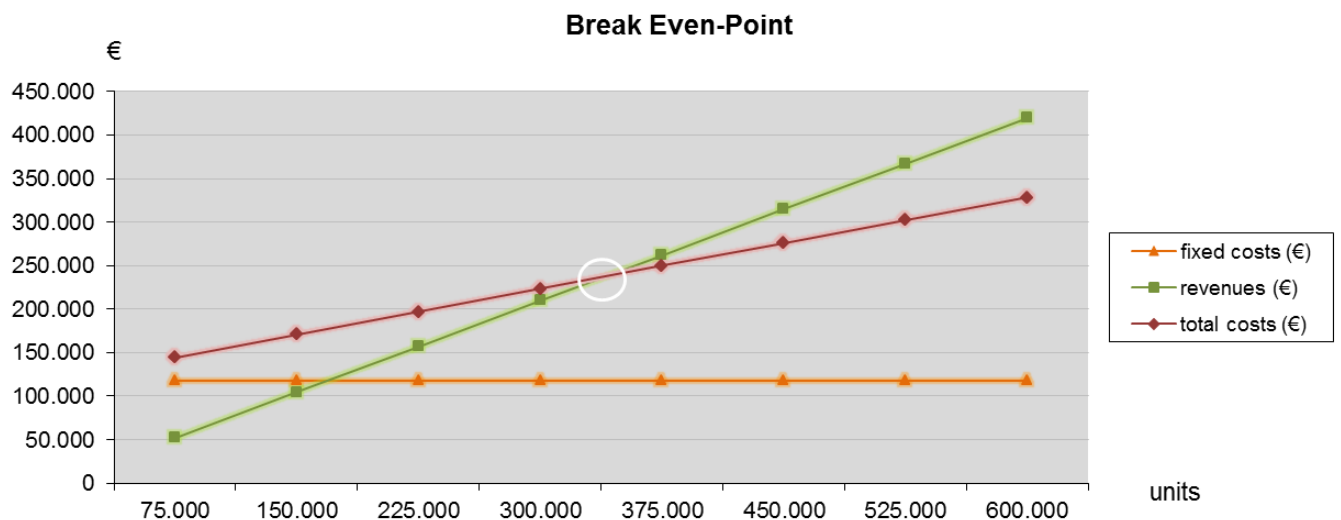
Table 7: Break Even Data Sheet

### Break Even Analysis

data input	in €	units	variable costs (€)	fixed costs (€)	total costs (€)	revenues (€)	contribution margin (€)
price per unit	0,7	75.000	26.250	118.435	144.685	52.500	26.250
fixed costs	118.435	150.000	52.500	118.435	170.935	105.000	52.500
variable costs	0,35	225.000	78.750	118.435	197.185	157.500	78.750
		300.000	105.000	118.435	223.435	210.000	105.000
<b>results:</b>		375.000	131.250	118.435	249.685	262.500	131.250
		450.000	157.500	118.435	275.935	315.000	157.500
contribution margin	0,35	525.000	183.750	118.435	302.185	367.500	183.750
break even-point	338.386	600.000	210.000	118.435	328.435	420.000	210.000

With a unit price of € 0.7 the break-even point is reached at 338,386 sold SAFE-R packages, which will happen in January 2012.

Figure 13: Break Even Graph



Taking into account the total market potential of skier days in Austria which amounts to approximately 52,500.000 skier days, the **break-even regarding market share is at 0.64%**, i.e. only 338,386 tickets of potential 52,500.000 SAFE-R tickets are to be sold to reach break-even. This KPI underlines the extraordinary potential of this venture.

## **5.8. Revenues from Recoveries**

Depending on the customers' cover arrangements the target is to aim for processing with the relevant insurance or credit card companies or the relevant association after presentation of invoice by the rescue services. In the case of insurance through SAFE-R (exclusive contract or online business) Alpgarant provides up-front services through the insurance partner Donau Versicherung and makes claims for recovery from the company notified by the customer. The effort for the customer therefore becomes marginal and Alpgarant completes these cases completely autonomously on its own responsibility or via an outsourcing partner (profitability and efficiency have to be analyzed at a later stage). On average for Austria a recovery rate of about 40% is assumed (source: Partner Allianz AG, Donau Versicherung). That means that of 100 paid operations 40 are reimbursed – totally or partially - by the customer's insurance company under the usual loss-sharing agreement of the insurance business. Of the premiums reimbursed 25% remain with Alpgarant and 75% are transferred to Donau Versicherung. This handling scenario represents an additional variable revenue share of Alpgarant.

## **5.9. Distribution channels and partnerships**

In practice two distribution channels are aimed for - direct sales as a clear relation to business customers, associations and companies with offers for exclusive contracts in the respective regions, and indirect sales online via an affiliate partner program to sharpen awareness with respect to insurance protection. The latter is targeted in Austria and the surrounding most-visited neighboring countries.

## **5.10. Sales model/sales window**

The presales phase symbolizes the preparation phase (research: size of skiing area, number of lifts, investment activities, estimate of image, estimate of skier days, intervention rate, research of owner, ticket network and tourism structures, etc.) and the scheduling phase up to the first dates, offer dates and follow-up dates.

The final phase "Sales" clearly designates the phase of implementation of results or decisions (see detailed overview in figure 24 in appendix).

### Table 8: Sales Forecast 2011 - 2014

Helmut Stagl

The above presented figures result from contracts with the SeilbahnenbeteiligungsAG of the federal state of Lower Austria for the winter season 2011/12 (see table 9). The ski resorts, which are already under control of the SeilbahnenbeteiligungsAG, can be found in the last column of table 9 with the attribute Lower Austria, the others are under negotiation.

**Table 9: Ski Resorts Lower Austria**

Name of the ski resort	Skier days	Ownership / Negotiation
Mönichkirchen	125.000	Lower Austria
St. Corona	125.000	Lower Austria
Annaberg	90.000	Lower Austria
Gemeindealpe Mitterbach	50.000	Lower Austria
Hochkar	200.000	In negotiation
Semmering	220.000	In negotiation
Ötscher	200.000	In negotiation

Alpgarant additionally intensified its sales activities in Styria and is in negotiation with Veitsch, a ski resort in Northern Styria, with a volume of about 70,000 skier days. The managing director of Veitsch is willing to promote SAFE-R and support Alpgarant's sales activities to convince his neighbored ski resorts of the advantages of SAFE-R. This is an approach in his own interest in order not to be the only cable car operator to raise prices for the ski tickets because of SAFE-R.

The increase of skier days per year by 100% is a quite realistic estimation, as even representatives of the National Association of Cable Cars mentioned that once a renowned ski resort has a contract with Alpgarant, the rest will have to follow this trend.

The assumptions given above in the sales forecast (table 8) are based on the estimation and positive outlook that due to synergy and pricing effects all ski resorts of Lower Austria will introduce the SAFE-R service in the forthcoming winter season.

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## 6. Financial Plan

### 6.1. Value driver and success criteria

The main driver for Alpgarant's business model is skier days. A solid volume of skier days is primarily necessary to get the approval from the insurance partner regarding insurance policy for a certain ski resort and an acceptable purchase price. The purchase price goes alongside with the diversification of risk regarding volumes.

The success criteria can be summarized as follows:

- Price per skier day according to risk assessment per ski resort
- Insurance premium according to risk assessment per ski resort
- Contract obligation of Alpgarant's customers
- Service and loss adjustment procedure (incl. regress)

For the next winter season from December 2011 till April 2012 the promotion price of € 0.7 for Lower Austria and selected ski resorts in Eastern Austria is a crucial factor for the success of Alpgarant. A part of the promotion is a discount for customers which will be reimbursed as marketing support from Alpgarant to keep the price of € 0.7 stable. With an insurance premium of € 0.35 (variable costs) the contribution margin (unit price minus unit variable cost) in absolute figures is € 0.35 or 100%. The net profit margin (net income divided by revenue) is 22.6% for this winter season and will increase in the next two years due to low and stable fixed costs.

### 6.2. Pro forma income statement

The income statement for the next three years, from 2011 – 2014, is based on the sales forecast for the respective years and was planned according to the experience and the current opportunities for Alpgarant.

As the new strategy of the Federal State of Lower Austria is to develop the Eastern alpine regions in terms of increasing visitors during winter and summer time, the service of Alpgarant fits perfectly into this approach. Furthermore the aim is to make the regions more attractive for families and guests from Vienna, where safety is a good and complementary asset for their advertising strategy, as Mr. Markus Redl, CEO of the SeilbahnenbeteiligungsAG, and Prof. Christoph Madl, Head of Niederösterreich Werbung (Advertising Agency of the Federal State of Lower Austria) confirmed.

The current plan for 2011/2012 is to get a contract with Lower Austria, which took over several cable car operators and is striving to take over even more (see table 9 in the marketing plan).

The figures in table 9 were taken from managers of the respective ski resorts and underline the sales target for 2011/2012. Additionally the Schröcksnadel Group (8 cable car operators in Austria with 2 million skier days) are interested in taking Alpgarant's service, but are waiting how the industry is developing regarding "event-based" insurance packages integrated in the lift ticket.

Generally the whole industry is very cautious regarding the SAFE-R service, but even experts in the field of rescue services such as the managing director of ÖAMTC Air Emergency Division, Reinhard Kraxner, told Alpgarant to continue with its efforts. His estimation is that once the market was entered, a lot of ski resorts will follow and order the SAFE-R service very quickly.

In the following tables the pro forma income statements for the financial years 2011/2012, 2012/2013 and 2013/2014 are presented (see tables 10 – 12).

Table 10: Income Statement 2011/12

Income Statement	SUM YEAR 2011/2012	2011/12											
		May	June	July	August	September	October	November	December	January	February	March	April
<b>Revenues<sup>1</sup></b>													
<b>Sales &amp; regress revenues</b>													
Revenues winter	700.000,00	-	-	-	-	-	-	-	70.000	175.000	280.000	105.000	70.000
Revenues regress winter	24.800,00	-	-	-	-	-	-	-	2.480	6.200	9.920	3.720	2.480
Revenues summer	0,00	-	-	-	-	-	-	-	-	-	-	-	-
Revenues regress summer	0,00	-	-	-	-	-	-	-	-	-	-	-	-
Discounts for customers <sup>2</sup>	-35.000,00	-	-	-	-	-	-	-	- 3.500	- 8.750	- 14.000	- 5.250	- 3.500
<b>Other discounts</b>													
Supplier discounts													
<b>Total Revenues</b>	<b>689.800,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>68.980,00</b>	<b>172.450,00</b>	<b>275.920,00</b>	<b>103.470,00</b>	<b>68.980,00</b>
<b>Operating Expenses<sup>3</sup></b>													
Insurance premium <sup>4</sup>	350.000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	35.000,00	87.500,00	140.000,00	52.500,00	35.000,00
Sales commission <sup>5</sup>	26.100,00												26.100,00
Advertising	3.600,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00
IT-hosting & maintenance	3.600,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00
Licence fees CRM	1.980,00											1.980,00	
Rent	4.800,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00
Office expenses	3.480,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00
Travelling costs	19.240,00	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33
<b>Personell expenses<sup>6</sup></b>													
Salaries and wages	48.555,00	2.697,50	2.697,50	2.697,50	2.697,50	2.697,50	2.697,50	5.395,00	5.395,00	5.395,00	5.395,00	5.395,00	5.395,00
<b>Depreciation</b>	<b>41.754,60</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>41.754,60</b>
<b>Other operating expenses</b>													
Fees (other)	480,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00
Legal advice	3.600,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00
Other costs	3.000,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00
<b>EBIT</b>	<b>179.610,40</b>	<b>-6.180,83</b>	<b>-6.180,83</b>	<b>-6.180,83</b>	<b>-6.180,83</b>	<b>-6.180,83</b>	<b>-6.180,83</b>	<b>-8.878,33</b>	<b>25.101,67</b>	<b>76.071,67</b>	<b>127.041,67</b>	<b>40.111,67</b>	<b>-42.752,93</b>
<b>Financial result<sup>7</sup></b>													
Interest and other financial expenses	-22.000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-22.000,00	0,00	0,00	0,00	0,00
<b>Revenue from ordinary activities</b>	<b>157.610,40</b>	<b>-6.180,83</b>	<b>-6.180,83</b>	<b>-6.180,83</b>	<b>-6.180,83</b>	<b>-6.180,83</b>	<b>-6.180,83</b>	<b>-8.878,33</b>	<b>3.101,67</b>	<b>76.071,67</b>	<b>127.041,67</b>	<b>40.111,67</b>	<b>-42.752,93</b>
<b>Income Taxes</b>	<b>1.750,00</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>
<b>Annual profit/loss</b>	<b>155.860,40</b>	<b>-6.326,67</b>	<b>-6.326,67</b>	<b>-6.326,67</b>	<b>-6.326,67</b>	<b>-6.326,67</b>	<b>-6.326,67</b>	<b>-9.024,17</b>	<b>2.955,83</b>	<b>75.925,83</b>	<b>126.895,83</b>	<b>39.965,83</b>	<b>-42.898,77</b>
<b>ROI (return on investment)<sup>8</sup></b>	<b>14,17%</b>												
<b>Net profit margin<sup>9</sup></b>	<b>22,60%</b>												



Table 11: Income Statement 2012/13

Income Statement	SUM YEAR 2012/2013	2012/13											
		May	June	July	August	September	October	November	December	January	February	March	April
<b>Revenues<sup>1</sup></b>													
<b>Sales &amp; regress revenues</b>													
Revenues winter	1.500.000,00	-	-	-	-	-	-	-	150.000	375.000	600.000	225.000	150.000
Revenues regress winter	99.200,00	-	-	-	-	-	-	-	9.920	24.800	39.680	14.880	9.920
Revenues summer	175.000,00	26.250	35.000	43.750	43.750	26.250	-	-	-	-	-	-	-
Revenues regress summer	9.450,00	1.418	1.890	2.363	2.363	1.418	-	-	-	-	-	-	-
Discounts for customers <sup>2</sup>	-83.750,00	- 1.313	- 1.750	- 2.188	- 2.188	- 1.313	-	-	- 7.500	- 18.750	- 30.000	- 11.250	- 7.500
<b>Other discounts</b>													
Supplier discounts													
<b>Total Revenues</b>	<b>1.699.900,00</b>	<b>26.355,00</b>	<b>35.140,00</b>	<b>43.925,00</b>	<b>43.925,00</b>	<b>26.355,00</b>	<b>0,00</b>	<b>0,00</b>	<b>152.420,00</b>	<b>381.050,00</b>	<b>609.680,00</b>	<b>228.630,00</b>	<b>152.420,00</b>
<b>Operating Expenses<sup>3</sup></b>													
Insurance premium <sup>4</sup>	775.000,00	11.250,00	15.000,00	18.750,00	18.750,00	11.250,00	0,00	0,00	70.000,00	175.000,00	280.000,00	105.000,00	70.000,00
Sales commission <sup>5</sup>	65.100,00												65.100,00
Advertising	3.600,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00
IT-hosting & maintenance	3.600,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00
Licence fees CRM	1.980,00											1.980,00	
Rent	4.800,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00
Office expenses	3.480,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00
Travelling costs	19.240,00	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33
<b>Personell expenses<sup>5</sup></b>													
Salaries and wages	129.480,00	10.790,00	10.790,00	10.790,00	10.790,00	10.790,00	10.790,00	10.790,00	10.790,00	10.790,00	10.790,00	10.790,00	10.790,00
<b>Depreciation</b>	<b>22.004,14</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>22.004,14</b>
<b>Other operating expenses</b>													
Fees (other)	480,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00
Legal advice	3.600,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00
Other costs	3.000,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00
<b>EBIT</b>	<b>664.535,86</b>	<b>831,67</b>	<b>5.866,67</b>	<b>10.901,67</b>	<b>10.901,67</b>	<b>831,67</b>	<b>-14.273,33</b>	<b>-14.273,33</b>	<b>68.146,67</b>	<b>191.776,67</b>	<b>315.406,67</b>	<b>107.376,67</b>	<b>-18.957,47</b>
<b>Financial result<sup>7</sup></b>	<b>0,00</b>	<b>0,00</b>	<b>-22.000,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
Interest and other financial expenses			-22.000,00										
<b>Revenue from ordinary activities</b>	<b>642.535,86</b>	<b>831,67</b>	<b>-16.133,33</b>	<b>10.901,67</b>	<b>10.901,67</b>	<b>831,67</b>	<b>-14.273,33</b>	<b>-14.273,33</b>	<b>68.146,67</b>	<b>191.776,67</b>	<b>315.406,67</b>	<b>107.376,67</b>	<b>-18.957,47</b>
<b>Income Taxes</b>	<b>1.750,00</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>	<b>145,83</b>
<b>Annual profit/loss</b>	<b>640.785,86</b>	<b>685,83</b>	<b>-16.279,17</b>	<b>10.755,83</b>	<b>10.755,83</b>	<b>685,83</b>	<b>-14.419,17</b>	<b>-14.419,17</b>	<b>68.000,83</b>	<b>191.630,83</b>	<b>315.260,83</b>	<b>107.230,83</b>	<b>-19.103,31</b>
<b>ROI (return on investment)<sup>8</sup></b>	<b>58,25%</b>												
<b>Net profit margin<sup>9</sup></b>	<b>37,0%</b>												

Table 12: Income Statement 2013/14

Income Statement	SUM	2013/14												
	YEAR 2013/2014	May	June	July	August	September	October	November	December	January	February	March	April	
Revenues <sup>1</sup>														
Sales & regress revenues														
Revenues winter	3.200.000,00	-	-	-	-	-	-	-	-	320.000	800.000	1.280.000	480.000	320.000
Revenues regress winter	198.400,00	-	-	-	-	-	-	-	-	19.840	49.600	79.360	29.760	19.840
Revenues summer	375.000,00	56.250	75.000	93.750	93.750	56.250	-	-	-	-	-	-	-	-
Revenues regress summer	18.900,00	2.835	3.780	4.725	4.725	2.835	-	-	-	-	-	-	-	-
Discounts for customers <sup>2</sup>	-178.750,00	-	3.750	-	4.688	-	2.813	-	-	-	40.000	-	64.000	-
Other discounts														
Supplier discounts														
Total Revenues	3.613.550,00	56.272,50	75.030,00	93.787,50	93.787,50	93.787,50	56.272,50	0,00	323.840,00	809.600,00	1.295.360,00	485.760,00	323.840,00	323.840,00
Operating Expenses <sup>3</sup>														
Insurance premium <sup>4</sup>	1.550.000,00	22.500,00	30.000,00	37.500,00	37.500,00	22.500,00	0,00	0,00	140.000,00	350.000,00	560.000,00	210.000,00	140.000,00	140.000,00
Sales commission <sup>5</sup>	161.850,00													161.850,00
Advertising	3.600,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00
IT-hosting & maintenance	3.600,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00
Licence fees CRM	1.980,00												1.980,00	
Rent	4.800,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00
Office expenses	3.480,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00
Travelling costs	19.240,00	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33	1.603,33
Personell expenses <sup>6</sup>														
Salaries and wages	161.850,00	10.790,00	10.790,00	10.790,00	10.790,00	10.790,00	10.790,00	16.185,00	16.185,00	16.185,00	16.185,00	16.185,00	16.185,00	16.185,00
Depreciation	10.889,27	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	10.889,27
Other operating expenses														
Fees (other)	480,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00	40,00
Legal advice	3.600,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00
Other costs	3.000,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00
EBBIT	1.685.180,73	19.499,17	30.756,67	42.014,17	42.014,17	19.499,17	-14.273,33	-19.668,33	164.171,67	439.931,67	715.691,67	254.111,67	-8.567,60	-8.567,60
Financial result <sup>7</sup>														
Interest and other financial expenses	0,00	0,00	-17.600,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Revenue from ordinary activities	1.667.580,73	19.499,17	13.156,67	42.014,17	42.014,17	19.499,17	-14.273,33	-19.668,33	164.171,67	439.931,67	715.691,67	254.111,67	-8.567,60	-8.567,60
Income Taxes	1.750,00	145,83	145,83	145,83	145,83	145,83	145,83	145,83	145,83	145,83	145,83	145,83	145,83	145,83
Annual profit/loss	1.665.830,73	19.353,33	13.010,83	41.868,33	41.868,33	19.353,33	-14.419,17	-19.814,17	164.025,83	439.785,83	715.545,83	253.965,83	-8.713,44	-8.713,44
ROI (return on investment) <sup>8</sup>	1.100.000,00													
Net profit margin <sup>9</sup>	166,58%													
	46,10%													

- (1) Revenues: according to the planned skier days in the sales forecast (see table 8 in the marketing plan) multiplied with an average price of € 0.7; distribution of skier days per month of the season included (see table 13 below); October and November are not assigned to any season, hence, no revenue is planned for those two months.

Table 13: Sales Distribution

	May	June	July	August	September	October	November	December	January	February	March	April
<b>SALES</b>												
Distribution winter								10%	25%	40%	15%	10%
Distribution summer	20%	25%	20%	25%	10%							

- (2) Discounts for customers: due to a difficult market entry an additional discount was planned with 5% of the revenue, which is € 0.035 per sold SAFE-R package.
- (3) Operating expenses: the most common expenses after the restructuring of Alpgarant are very low, this holds true for advertising, IT-hosting and maintenance, license fees CRM, rent (office), office expenses. Travelling across Austria incl. overnight stays (i.e. 50 overnight stays at € 80 for accommodation and 100 travelling days at € 26.4 daily allowance) was planned with average driven kilometers of 30.000 per year (i.e. avg. 1050 kilometers per month), where kilometer allowance is € 0.42 per kilometer. Insurance premium and sales commission are explained as follows.
- (4) Insurance premium: this premium as the variable cost driver for Alpgarant is € 0.35 for 2011/12; € 0.375 for 2012/13 and € 0.4 for 2013/14. The increase is assumed due to the acquisition of bigger ski resorts in Western Austria, where the accident risk is higher due to steeper slopes, more traffic among skiers and more alcohol consumption.
- (5) Sales commission: the commission is divided into two parts (i.e. 3% commission of the revenue in the first year and 2% follow up commission in the second year) and totals 5% of the revenues. This commission quota had to be chosen as Alpgarant could not offer a regular salary to the sales manager, DI Martin Sellner. The sales targets are divided in three categories (i.e. sales target, price target and contract obligation target). Each category has its own weighting according to the importance of reaching a certain goal. The only values that change for the following last planning period are the increasing sales targets (i.e. 2013/14: sales target 1 is € 6,000.000, target 2 is € 4,000.000 and target 3 is € 2,000.000). A calculation of the sales commission according to the weighting of values per category is presented in table 14.

Table 14: Model Sales Commission

Model Sales Commission						
YEAR	2011/12					
season	winter	weighting		summer	weighting	
revenue in €		50%	value		50%	value
sales target 1	>1.000.000	100%	0,5	>750.000	100%	0,5
sales target 2	>750.000	40%	0,2	>500.000	40%	0,2
sales target 3	>500.000	20%	0,1	>250.000	20%	0,1
price in €		30%	value		30%	value
price target 1	0,9 - 1	100%	0,3	0,8 - 0,9	100%	0,3
price target 2	0,8 - 0,89	50%	0,15	0,7 - 0,79	50%	0,15
price target 3	0,70 - 0,79	15%	0,05	0,6 - 0,69	15%	0,05
contract obligation		20%	value		20%	value
target 1	3+ seasons	100%	0,2	analogous winter	100%	0,2
target 2	2-3 seasons	80%	0,16		80%	0,16
target 3	1 season	5%	0,01		5%	0,01
YEAR	2012/13					
season	winter	weighting		summer	weighting	
revenue in €		50%	value		50%	value
sales target 1	>5.000.000	100%	0,5	>4.000.000	100%	0,5
sales target 2	>2.500.000	40%	0,2	>2.500.000	40%	0,2
sales target 3	>1.000.000	20%	0,1	>1.250.000	20%	0,1
price in €		30%	value		30%	value
price target 1	0,9 - 1	100%	0,3	0,8 - 0,9	100%	0,3
price target 2	0,8 - 0,89	50%	0,15	0,7 - 0,79	50%	0,15
price target 3	0,70 - 0,79	15%	0,05	0,6 - 0,69	15%	0,05
contract obligation		20%	value		20%	value
target 1	3+ seasons	100%	0,2	analogous winter	100%	0,2
target 2	2-3 seasons	80%	0,16		80%	0,16
target 3	1 season	5%	0,01		5%	0,01
commission			3%	0,03		
follow-up commission (year 2)			2%	0,02		
SUM			5%	0,05		

The accurate calculation of the sales commission for calculations in the income statements can be found in the appendix in table 27.

- (6) Financial results: the interests for the silent partner KABAG as determined in the contract with Alpgarant account for € 22.000 per year over a period of five years. The liquidation plan is presented below in table 15.

Table 15: Liquidation Plan KABAG

### Silent partner KABAG

		figures in €
Total capital		200.000,00
Interests	10% p.a.	
Silent partner		200.000,00
Agio		20.000,00
Total		220.000,00
<hr/>		
Interest	per 31.12.2011	22.000,00
Payments	per 30.06.2012	22.000,00
	per 30.06.2013	17.600,00
	per 30.06.2014	13.200,00
	per 30.06.2015	8.800,00
	per 30.04.2016	4.400,00
Liquidation	per 30.04.2012	44.000,00
	per 30.04.2013	44.000,00
	per 30.04.2014	44.000,00
	per 30.04.2015	44.000,00
	per 30.04.2016	44.000,00
Total		220.000,00

- (7) Personnel expenses: until December 2011 only Günter Unger as managing director will receive a regular salary, while Helmut Stagl will start receiving a salary from November 2011 on, one month before the operations will start. The salary for both persons are equal, i.e. € 2,697.50 per person (incl. € 197.50 ancillary wage costs). A third person will be hired in November 2013 as the operational cases will increase according to the increasing skier days and the estimated accident ratio (see FTE planning for further details in operational plan).
- (8) The ROI (i.e. annual profit/loss divided by total equity capital) is 14.17% in the first year, 58.25% in the second year and 166.58% in the third year.
- (9) Net profit margin: net income divided by revenues accounts for 22.6% in the first year, 37.7% in the second year and 46.1% in year three.

### 6.3. Cash flow projections

The cash flows for the financial years 2011 – 2014 show a clear picture regarding the difficult market entry in 2011. Without additional equity funding due to missing operating income of the summer season, but substantial back payments which result from debts (in total € 224.000 of which only 40% have to be paid in installments till April 2012 as can be seen in the cash flow projections in the line working capital changes) from the last three years, the venture could not survive. The contract with the SeilbahnenbeteiligungsAG in Lower Austria and one contract in Styria will justify another round of raising equity capital at an amount of € 80,000 in August 2011. Once Alpgarant succeeds in entering the market the industry will follow as the price argument that exists now is only a spurious argument.

- (1) Re-investment ratio: Alpgarant requires an excessive amount of working capital and fixed assets in order to stay in business and this is why the re-investment ratio (i.e. percentage of depreciation for new investments to measure the increase or decrease of fixed assets) was chosen to derive investments. Due to only relatively small values of Alpgarant's fixed assets such as office equipment, furniture and IT-hardware, the re-investment ratio, even when increasing, is not an accurate KPI (key performance indicator) for measuring Alpgarant's company value, but is in the current cash flow projection a necessary figure to derive investments.
- (2) Investments: in the calculation as proportion (i.e. re-investment ratio) of the depreciation; the sale of company furniture for € 27,500 (sale of assets) in May 2011 were fully spent for paying two invoices of € 29,800 (working capital changes).
- (3) Cash from investors: with the first contract or even letter of intent (either from the SeilbahnenbeteiligungsAG of Lower Austria or a ski resort from Styria) the associate, Andreas Grabner, could invest another € 80,000. As the equity capital is needed in any case to keep the venture going other scenarios of attracting new investors are developed in order to get the needed money.
- (4) Cash out: according to the liquidation of the capital from KABAG (see table 15).

Table 16: Cash Flow 2011/12

CASHFLOW	SUM YEAR 2011/2012	2011/12											
		May	June	July	August	September	October	November	December	January	February	March	April
Profit/Loss	155.860,40	-6.326,67	-6.326,67	-6.326,67	-6.326,67	-6.326,67	-6.326,67	-9.024,17	2.955,83	75.925,83	126.895,83	39.965,83	-42.898,77
+ Depreciation	41.754,60	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	41.754,60
Working capital changes	-29.800,00			-4.231,02	-20.299,33	-22.019,01	-10.692,00		31.190,96				-31.824,13
Others													
Operating Cash Flow	109.940,47	-36.126,67	-6.326,67	-10.557,68	-26.626,00	-28.345,68	-17.018,67	-9.024,17	34.146,79	75.925,83	126.895,83	39.965,83	-32.988,30
Re-investment ratio <sup>1</sup>	25%												
Investments <sup>2</sup>	17.061,35	27500	0	0	0	0	0	0	0	0	0	0	-10.438,65
Cash flow from investments	17.061,35	27500	0	0	0	0	0	0	0	0	0	0	-10.438,65
Cash in from investors <sup>3</sup>	80.000,00	0	0	0	80.000,00	0	0	0	0	0	0	0	0
Cash out (investors) <sup>4</sup>	-44.000,00	0	0	0	0	0	0	0	-44.000,00	0	0	0	0
Bank	0,00	0	0	0	0	0	0	0	0	0	0	0	0
Cash flow from financing	36.000,00	0	0	0	80.000,00	0	0	0	-44.000,00	0	0	0	0
Cash flow	163.001,82	-8.626,67	-6.326,67	-10.557,68	53.374,00	-28.345,68	-17.018,67	-9.024,17	-9.853,21	75.925,83	126.895,83	39.965,83	-43.406,95
Cash (start of period)		13	-8.613,67	-14.940,33	-25.498,02	27.875,99	-469,69	-17.488,36	-26.512,52	-36.365,73	39.560,10	166.455,93	206.421,77
Cash (end of period)	163.014,82	-8.613,67	-14.940,33	-25.498,02	27.875,99	-469,69	-17.488,36	-26.512,52	-36.365,73	39.560,10	166.455,93	206.421,77	163.014,82

Table 17: Cash Flow 2012/13

CASHFLOW	SUM YEAR 2012/2013	2012/13											
		May	June	July	August	September	October	November	December	January	February	March	April
Profit/Loss	640.785,86	685,83	-16.279,17	10.755,83	10.755,83	685,83	-14.419,17	-14.419,17	68.000,83	191.630,83	315.260,83	107.230,83	-19.103,31
+ Depreciation	22.004,14	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	22.004,14
Working capital changes Others													
Operating Cash Flow	662.790,00	685,83	-16.279,17	10.755,83	10.755,83	685,83	-14.419,17	-14.419,17	68.000,83	191.630,83	315.260,83	107.230,83	2.900,83
Re-investment ratio <sup>1</sup>	50%												
Investments <sup>2</sup>	-11.002,07	0	0	0	0	0	0	0	0	0	0	0	-11.002,07
Cash flow from investments	-11.002,07	0	0	0	0	0	0	0	0	0	0	0	-11.002,07
Cash in from investors <sup>3</sup>	0,00	0	0	0	0	0	0	0	0	0	0	0	0
Cash out (investors) <sup>4</sup>	-44.000,00	0	0	0	0	0	0	0	0	0	0	0	-44.000,00
Bank	0,00	0	0	0	0	0	0	0	0	0	0	0	0
Cash flow from financing	-44.000,00	0	0	0	0	0	0	0	0	0	0	0	-44.000,00
Cash flow	607.787,93	685,83	-16.279,17	10.755,83	10.755,83	685,83	-14.419,17	-14.419,17	68.000,83	191.630,83	315.260,83	107.230,83	-52.101,24
Cash (start of period)		163.014,82	163.700,65	147.421,49	158.177,32	168.933,15	169.618,99	155.199,82	140.780,65	208.781,49	400.412,32	715.673,15	822.903,99
Cash (end of period)	770.802,75	163.700,65	147.421,49	158.177,32	168.933,15	169.618,99	155.199,82	140.780,65	208.781,49	400.412,32	715.673,15	822.903,99	770.802,75



Table 18: Cash Flow 2013/14

CASHFLOW	SUM YEAR 2013/2014	2013/14											
		May	June	July	August	September	October	November	December	January	February	March	April
Profit/Loss	1.665.830,73	19.353,33	13.010,83	41.868,33	41.868,33	19.353,33	-14.419,17	-19.814,17	164.025,83	439.785,83	715.545,83	253.965,83	-8.713,44
+ Depreciation	10.889,27	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	10.889,27
Working capital changes Others													
Operating Cash Flow	1.676.720,00	19.353,33	13.010,83	41.868,33	41.868,33	19.353,33	-14.419,17	-19.814,17	164.025,83	439.785,83	715.545,83	253.965,83	2.175,83
Re-investment ratio <sup>1</sup>	75%												
Investments <sup>2</sup>	-8.166,95	0	0	0	0	0	0	0	0	0	0	0	-8166,9525
Cash flow from investments	-8.166,95	0	0	0	0	0	0	0	0	0	0	0	-8166,9525
Cash in from investors <sup>3</sup>	0,00	0	0	0	0	0	0	0	0	0	0	0	0
Cash out (investors) <sup>4</sup>	-44.000,00	0	0	0	0	0	0	0	0	0	0	0	-44.000,00
Bank	0,00	0	0	0	0	0	0	0	0	0	0	0	0
Cash flow from financing	-44.000,00	0	0	0	0	0	0	0	0	0	0	0	-44000
Cash flow	1.624.553,05	19.353,33	13.010,83	41.868,33	41.868,33	19.353,33	-14.419,17	-19.814,17	164.025,83	439.785,83	715.545,83	253.965,83	-49.991,12
Cash (start of period)	770.802,75	790.156,08	803.166,92	845.035,25	886.903,58	886.903,58	906.256,92	891.837,75	872.023,58	1.036.049,42	1.475.835,25	2.191.381,08	2.445.346,92
Cash (end of period)	2.395.355,80	790.156,08	803.166,92	845.035,25	886.903,58	886.903,58	906.256,92	891.837,75	872.023,58	1.036.049,42	1.475.835,25	2.191.381,08	2.445.346,92

## 7. Operations Plan



### 7.1. Process Overview

Alpgarant markets primarily the product SAFE-R through direct sales and will use at a later stage as complementary strategy affiliate networks to sharpen the awareness of private customers through online presence.

Considering the processing part the provided service is most important, hence the explanations are focused on the claims processing.

Legend:

 – SALES       – SERVICE (After Sales, Operations)       – FINANCE

#### **Pre-Sales/SALES**

- 1) Research and preparation
- 2) Scheduling negotiation meetings (telephone, personally, email)
- 3) First contact (product presentation and data collection, evaluation of decision structure/ownership structure)
- 4) Tender preparation
- 5) Second contact: presentation/discussion of the tender
- 6) Third contact: Clarification of details
- 7) Fourth contact: decision (go/no go)

### **Online Pre-Sales/SALES**

- 1) Evaluation of partner(s)
- 2) Scheduling and execution of negotiation meetings
- 3) Tender preparation and presentation
- 4) Partner selection (criteria: visibility, usability, page hits, backlinks, etc.)
- 5) Partner is selected: supply of SAFE-R online platform for partner and customers
- 6) For customers:
  - a. Online registration (full name, birth date, address, phone number)
  - b. Email-validation
  - c. Acceptance of GTC (General Terms and Conditions for SAFE-R)
  - d. Purchasing the SAFE-R package for a certain time period
  - e. Confirmation of purchase (print version on platform; email confirmation)

### **Claims processing resulting from direct sales**

- 1) Notification of rescue costs through rescue service (rescue service of ski resort, Mountain Rescue, air emergency) to Alpgarant Operation Office
- 2) Collection and evaluation of data of rescued person(s)
- 3) Invoice and personal data of rescued person (form) to Alpgarant
- 4) Alpgarant: creation of a „claim case“
  - a. Data check (ticket number and date, personal data of victim, accident description, location, NACA score<sup>1</sup>, claim to damages yes/no)
  - b. Data input to CRM-system
  - c. Back checking with rescue services, if needed
- 5) Accept/reject invoice (process end in case of rejection or complaint)
- 6) Payment of invoice if accepted from account of insurer → process end
- 7) If point 4a contains a claim to damages:
  - a. Back checking with rescued person to verify data of insurance
  - b. Contact insurance

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<sup>1</sup> NACA score is a so-called scoring system of the severity in cases of medical emergencies such as injuries, diseases or poisonings. It was developed from the National Advisory Committee for Aeronautics for accidents in aviation.

Source: [http://en.wikipedia.org/wiki/NACA\\_score](http://en.wikipedia.org/wiki/NACA_score)

- c. Agreement of payment between Alpgarant and other insurance (knock-for-knock)
- d. Monitoring transaction
- e. Division of payment from other insurance between Alpgarant (keeps 25%) and Donau Versicherung (keeps 75%)

The detailed flow chart can be found in appendix, figure 25).

#### **Claims processing resulting from indirect sales (online)**

The only difference compared to claims processing resulting from direct sales (B2B) is that customers themselves send all the documents which they receive from the rescue service including the invoice to Alpgarant.

#### **Invoicing with direct partners (B2B)**

- 1) First entries (i.e. skier days) as an entity for invoicing are regularly collected by the partner (i.e. in 95% of the cases via the electronic access service of Skidata AG)
- 2) On a daily or weekly base the billed amount is transferred to Alpgarant
- 3) Invoice processing is monitored and checked by Alpgarant
  - a. Correction in case of failures
  - b. Clarification in case of ambiguity
  - c. End of process, if transaction was approved
- 4) Final accounting per month, per quarter, per season and per financial year (e.g. May 2011 – April 2012)

The invoicing with affiliate partners is planned to be done monthly according to the sold SAFE-R packages on his portal, where his commission is 20% of the SAFE-R package.

#### **Invoicing with insurance partner (Donau Versicherung)**

- 1) According to the agreement with Donau Versicherung the premium outlay of the SAFE-R package is transferred to their account.

## 7.2. Interventions

Table 19: Calculation of Cases

Overview cases (processing claims) 2011 - 2014											
Intervention Quota		2011/2012 Sales Forecast									
winter				month days  %interventions cases/month	working days per month			22	working days per month		88
1.000.000 skier days		1.000.000,00	skier days		Dec	Jan	Feb	March	Apr	days	
400 interventions		400	interventions		15	31	28	31	10	115	
0,04% intervention quota		4,55	cases/day		10%	30%	40%	18%	2%	100%	
					40	120	160	72	8	400	
summer					working days per month			22	working days per mont		110
1.000.000 summer days			0 summer days		May	June	July	Aug	Sep	days	
100 interventions			0 interventions		31	30	31	31	15	138	
0,01% intervention quota		0,00	cases/day								
Intervention Quota		2012/2013 Sales Forecast									
winter				month days  %interventions cases/month	working days per month			22	working days per month		88
1.000.000 skier days		2.000.000,00	skier days		Dec	Jan	Feb	March	Apr	days	
600 interventions		1200	interventions		15	31	28	31	0	105	
0,06% intervention quota		13,64	cases/day		10%	30%	40%	18%	2%	100%	
					120	360	480	216	24	1200	
summer					working days per month			22	working days per month		110
1.000.000 summer days		250.000,00	summer days		May	June	July	Aug	Sep	days	
150 interventions		37,5	interventions		31	30	31	31	15	138	
0,02% intervention quota		0,34	cases/day								
Intervention Quota		2013/2014 Sales Forecast									
winter				month days  %interventions cases/month	working days per month			22	working days per month		88
1.000.000 skier days		4.000.000,00	skier days		Dec	Jan	Feb	March	Apr	days	
750 interventions		3000	interventions		15	31	28	31	0	105	
0,08% intervention quota		34,09	cases/day		10%	30%	40%	18%	2%	100%	
					300	900	1200	540	60	3000	
summer					working days per month			22	working days per month		110
1.000.000 summer days		500.000,00	summer days		May	June	July	Aug	Sep	days	
200 interventions		100	interventions		31	30	31	31	15	138	
0,02% intervention quota		0,91	cases/day								

interventions) can be found in February. The calculation for the winter seasons 2012/2013 and 2013/2014 was done analogously.

The intervention quota in the summer season is quite low although increasing due to the fact that more and more untrained people go hiking in the mountains and often suffer from cardiovascular disorders. The summer season lasts longer with 138 season days in total, but the cases per day can be neglected due to a low intervention quota.

Generally Alpgarant assumed a slight increase of the intervention quota as more and more ski resorts from Western Austria will join.

### 7.3. Labor Costs

The following model based on average case figures describes how much effective time per case and accumulated per year is necessary to handle such a liability case including recourse.

Table 20: Model Labor Costs

Model Labor Costs				
labor (in minutes)	best case	worst case	average	attempts max.
<b>CASE creation</b>	<b>6</b>	<b>10</b>	<b>8</b>	<b>1</b>
Data Check	2	2		1
Input Data	2	2		1
Back Checking (phone)	2	6		3
<b>Approval Payment</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>
Check Invoice/Accident Form	1	1		1
Final Approval	1	1		1
<b>Recourse Case</b>	<b>8</b>	<b>20</b>	<b>14</b>	<b>1</b>
Contact Insurance Company	2	10		5
Back Checking Customer	2	6		3
Agreement Payment Appointment	2	2		1
Payment & Receipt Payment	2	2		1

Labor Costs according to Sales Forecast and Intervention Quota				
	min.	hours	work days	SUM YEAR
winter 2011/2012	6.240,00	104,00	14,86	→ 14,86
summer 2011/2012	0,00	0,00	0,00	
winter 2012/2013	18.720,00	312,00	44,57	→ 45,96
summer 2012/2013	585,00	9,75	1,39	
winter 2013/2014	46.800,00	780,00	111,43	→ 115,14
summer 2013/2014	1.560,00	26,00	3,71	

(Model by H. Stagl)

The information on the minutes needed was taken by Alexander Bauer (former CEO). Table 20 describes an average duration per case (claims processing) in minutes to get an average case duration, i.e. 10 minutes per case, if no recourse is possible, and 24 minutes, if a recourse with another insurance company of the customer is possible.

Considering that the recourse quota is 40% (source: Allianz AG, Donau Versicherung), the work days needed to complete all the cases can be seen under column work days. This means that in the third winter season, when 4 million skier days are reached, additional employees will be needed.

The next table "FTE need per month" (see table 21) shows the need of FTE (full-time equivalent) according to the different distribution of skier days and interventions (as seen in the table 19) per month on average.

The need for employees as proven is will arise in the winter season 2013/2014, when on average 1.4 FTE is needed.

Table 21: Average FTE Need per Month (2011-2014)

Labor hours (without consideration of throughput time)						
2011/12	productive working hours per day				SUM hours/FTE	132
winter	Dec	Jan	Feb	March	Apr	days
season days	15	31	28	31	10	115
min per day	89,14	85,09	113,45	51,05	5,67	
hours per day	1,49	1,42	1,89	0,85	0,09	
FTE per day	0,25	0,24	0,32	0,14	0,02	
hours per month	10,40	31,20	41,60	18,72	2,08	
<b>FTE/month</b>	<b>0,25</b>	<b>0,24</b>	<b>0,32</b>	<b>0,14</b>	<b>0,02</b>	
					SUM hours/FTE	132
summer	May	June	July	Aug	Sep	days
season days	31	30	31	31	15	138
min per day	0,00	0,00	0,00	0,00	0,00	
hours per day	0,00	0,00	0,00	0,00	0,00	
FTE per day	0,00	0,00	0,00	0,00	0,00	
hours per month	0,00	0,00	0,00	0,00	0,00	
<b>FTE/month</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	

Labor hours (without consideration of throughput time)						
2012/13	productive working hours per day				SUM hours/FTE	132
winter	Dec	Jan	Feb	March	Apr	days
season days	15	31	28	31	10	115
min per day	267,43	255,27	340,36	153,16	17,02	
hours per day	4,46	4,25	5,67	2,55	0,28	
FTE per day	0,74	0,71	0,95	0,43	0,05	
hours per month	31,20	93,60	124,80	56,16	6,24	
<b>FTE/month</b>	<b>0,74</b>	<b>0,71</b>	<b>0,95</b>	<b>0,43</b>	<b>0,05</b>	
					SUM hours/FTE	132
summer	May	June	July	Aug	Sep	days
season days	31	30	31	31	15	138
min per day	3,99	5,32	6,65	6,65	3,99	
hours per day	0,07	0,09	0,11	0,11	0,07	
FTE per day	0,01	0,01	0,02	0,02	0,01	
hours per month	0,47	1,95	2,44	2,44	1,46	
<b>FTE/month</b>	<b>0,01</b>	<b>0,01</b>	<b>0,02</b>	<b>0,02</b>	<b>0,01</b>	

Labor hours (without consideration of throughput time)						
2013/14	productive working hours per day				SUM hours/FTE	132
winter	Dec	Jan	Feb	March	Apr	days
season days	15	31	28	31	10	115
min per day	668,57	638,18	850,91	382,91	42,55	
hours per day	11,14	10,64	14,18	6,38	0,71	
FTE per day	1,86	1,77	2,36	1,06	0,12	
hours per month	78,00	234,00	312,00	140,40	15,60	
<b>FTE/month</b>	<b>1,86</b>	<b>1,77</b>	<b>2,36</b>	<b>1,06</b>	<b>0,12</b>	
					SUM hours/FTE	132
summer	May	June	July	Aug	Sep	days
season days	31	30	31	31	15	138
min per day	10,64	14,18	17,73	17,73	10,64	
hours per day	0,18	0,24	0,30	0,30	0,18	
FTE per day	0,03	0,04	0,05	0,05	0,03	
hours per month	1,24	5,20	6,50	6,50	3,90	
<b>FTE/month</b>	<b>0,03</b>	<b>0,04</b>	<b>0,05</b>	<b>0,05</b>	<b>0,03</b>	

(Calculation model by H. Stagl)




## 7.4. Systems & Infrastructure

Alpgarant has nearly all its systems outsourced to an IT-provider called IT-Park, [www.it-park.at](http://www.it-park.at). This provider was selected due to bootstrapping needs and the fact that the owner and managing director is the brother in law of Günter Unger, the managing director of Alpgarant.

With this provider no costs are charged, which helps Alpgarant in its current situation.

The only costs that arise are the license fees for three unique users for the CRM system, which was customized by KINAMU, an IT company, which is specialized in the field of SugarCRM solutions and was a spin off from SAP. SugarCRM is a software company based in Cupertino, California. They produce the web application Sugar, also known as SugarCRM, which is a customer relationship management (CRM) system that is available in both open source and proprietary, non-free versions.

Figure 14: Login Screen SugarCRM Alpgarant



Welcome to  
**KINAMU** SugarCRM Professional Appliance

Please enter your user name and password:

User Name:

Password:

[Options](#)

---

Server response time: 0.25 seconds.

© 2004-2009 [SugarCRM Inc.](#) All Rights Reserved.


POWERED BY  
**SUGARCRM**

Sugar's functionality includes sales-force automation, marketing campaigns, customer support, collaboration and reporting.

In the screenshot below you can see the user interface for case management.

Figure 15: Screenshot Case Management SugarCRM

Welcome, Hi



[Home](#)
[Sales](#)
[Case Management](#)
[Activities](#)
[Collaboration](#)
[Reports](#)
[Marketing](#)

[Cases](#)
[Accounts](#)
[Contacts](#)

Last Viewed: Taupitzer Sell Taupitzer Frem

Shortcuts

- Create Case
- Cases
- Case Reports
- Import

New Case

Subject: \*

Priority: High

Status: New

Account Name: \*

Assigned to: \*

Save

**Cases: Home**

Basic Search

Number  LBL\_ALP\_SKGEBIET\_NAME

Only my items ☐

| Saved Searches: --None--

**Case List**

Select    Selected: 0

	Num.	LBL_ALP_PATIENT_FIRST_NAME	LBL_ALP_SKGEBIET_NAME	LBL_ALP_SKGEBIET_VERTRAGSNUMMER	LBL_ALP_SKGEBIET
<input type="checkbox"/>	100178	Waltraud Prieler	<a href="#">Riesneralm Bergbahnen GmbH &amp; Co KG</a>	1141613-1	A669207009 Winte Sommer
<input type="checkbox"/>	100177	Alexandra Wonisch	<a href="#">Riesneralm Bergbahnen GmbH &amp; Co KG</a>	1141613-1	A669207009 Winte Sommer
<input type="checkbox"/>	100176	Alina Bierenheide	<a href="#">Riesneralm Bergbahnen GmbH &amp; Co KG</a>	1141613-1	A669207009 Winte Sommer

The license fee per unique user accounts for € 660 per year, the cost for telephone and internet access amounts to € 1,440 per year and the cost for mobile telephony is € 660 per year.

## 8. Risk Assessment

The mountains are  
always a risk!



**Feeling secure –  
We are SAFE-R!**

### 8.1. Market risk

The current market risk is the market entry without considering the field trial on Riesneralm in Styria. Although the product SAFE-R with its performance parameters represents an important economic contribution for skiers, alpine sportsmen and rescue services, the current B2B customers, i.e. the owners of cable cars and slopes, are the biggest potential risk drivers.

The product criteria of SAFE-R for clear differentiation support only image values and emotional values (i.e. security) at the moment, but cannot guarantee an increase of revenues and profits for B2B customers. Additionally there is no legal obligation for the owners of cable cars and slopes to ensure financial safety for their customers. Therefore especially in the Western regions of Austria (i.e. Salzburg, Tyrol, and Vorarlberg) a further increase of the lift ticket price to integrate SAFE-R in the lift ticket is quite difficult, as the managers of cable car operators from these regions argue.

If there are no dramatic drop outs of rescue services or if there are no political directives to introduce such a product like SAFE-R, the market entry is difficult in Western Austria. High revenues and profits from skier days in Western Austria add extra momentum to the overcautious

attitude when it comes to utilizing an event-based coverage from a monopolistic company like Alpgarant that is trying to enter the market.

To a large extent the risk is minimized by the new strategic direction that focuses on conquering Austria by rolling out direct sales initiatives from Eastern Austria. Additionally Alpgarant uses Web 2.0 campaigns to raise awareness among private customers.

Since mid of June 2011 the new direct sales manager, DI Martin Sellner, concentrates on Eastern Austria with target areas of highest priority in Lower Austria and Styria. Furthermore, Western skiing areas that positively perceive the product (e.g. Jungholz) are being contacted as well to induce a positive decision for Alpgarant for the coming winter season of 2011. Another potential, partly evaluated in initial talks and deemed positive, are year-round offers for tourism associations.

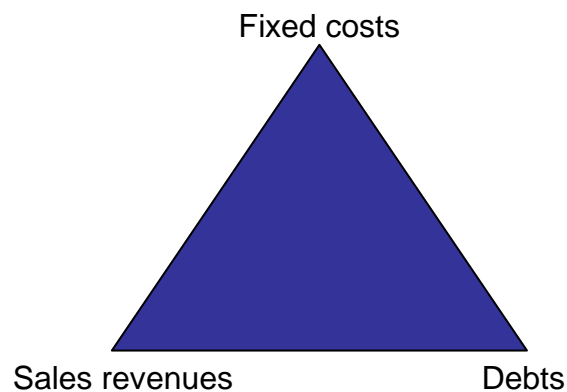
The complementary strategy of increasing awareness via Web 2.0 media with the later goal of setting up indirect sales further minimizes the risk on the longer term. This approach mainly addresses cost awareness and therefore promotes all areas with direct contracts as well. End customers can be directly contacted during or after awareness rising via low priced Web 2.0 campaigns and buy Alpgarant's solution, namely SAFE-R, online from one of the affiliate partners.

To summarize, this means that the risk can be slightly minimized by the split between direct and indirect sales in the future. Furthermore indirect sales directly targets private customers for either raising awareness or offering buying options in the future. The concentration on Eastern Austria via direct sales reduces the risk for sole winter business as these areas have a strong summer business as well (see marketing plan).

This fact further increases a season independent stable cash flow generation and therefore liquidity.

## 8.2. Liquidity risk

Alpgarant's liquidity risk basically consists of 3 parts being dependent on each other to a certain extent under the presumption that the necessary equity capital is provided (see financial plan, cash flow, cash from investors). In case the financing is not assured, it would resemble a further risk potential.



As mentioned before the most important element is the full financing of 2011 till winter season. Bearing in mind that Alpgarant will most probably not generate any revenue from May through November requires a clearly specified funding.

In order not to increase the risk of illiquidity, fixed costs shall be kept to a minimum. Minimizing this particular risk was assessed medium, although the current plan does not foresee any personnel costs, investments or costs for fairs. The complementary strategy, made up by investment costs (online platform) and insignificant advertising expenses for the internet appearance in the affiliate network of a partner, will amount to a minor sum (€ 10,000).

The risk of liquidity can be reduced drastically once the first contract with a renowned cable car operator has been signed. This would be a clear sign to investors that the market risk was eliminated.

The biggest operative liquidity risk is the absence of revenue from direct sales. Without regular sales revenues the operating cash flow will fail completely and Alpgarant will need further equity capital being able to go about winter season 2011/2012. Furthermore, the equity to a substantial

part needs to be provided for the out of court debt relief amounting to € 120,256.44 until 30.04.2012.

This risk is being classified as medium to high by Alpgarant – despite the new sales focus on Eastern Austria where alpine tourism regions are not exposed to the pressure of fellow colleagues from Western Austria and the generally lower ticket prices and a more positive attitude on passing on additional costs to the end customer. Previous talks show that another risk lies in the conclusion of a contract in case Alpgarant has not carefully researched the ownership/decision-making structure and therefore has negotiated with the wrong parties. This risk will be reduced in the future as Alpgarant will insist on meeting with decision-makers only. A weekly reporting serves as monitoring basis about number of meetings and the outcome of those in order to plan next steps (like adjusting the offer, additional efforts and adapting basic sales measures). This monitoring of sales activities in numbers is performance statement and outcome statement alike and can be aggregated up to a monthly level.

In addition Alpgarant will do a credit check for respective contractual partners to avoid the risk of loss of accounts receivables and thus minimize consequences of financial harm.

Once first customer contracts become active an appropriate monitoring for receipts of payment will be set up and a claims management activated according to the contractual agreement. This monitoring system will help maintain liquidity.

In order to assure price elasticity for the market entry in Eastern Austria and to increase liquidity and profitability later on it was agreed that upon its first successes in this region the pricing of variable costs will be on a diminishing scale. This can be explained by the on average lower frequency of accidents in lower Austria and Styria compared to Tyrol.

### **8.3. Investment risk**

The investment risk is seen as low for the three years to come. Only in case of extreme growth investments into infrastructure (office, computers, printers, scanners, screens, telephone switchboard) and systems (workflow adjustments in CRM system, direct gate of rescue services to CRM system, customer portal for claims settlement etc.) need to be done.

Mentioned investments will also have an impact on the fixed costs (like employees, rent, telephone and internet costs, CRM licenses etc.).

For the complementary strategy at a later stage – purchase agreement of own database with direct link to micro-payment institute – the investment sum is estimated relatively low and will vary between € 5.000 and € 8.000.

## **8.4. Organizational risk**

The organizational risk currently mainly affects the management (Günter Unger and Helmut Stagl) and its power of endurance. Should the conclusions of contracts be further delayed or should additional equity capital fail to appear means of existence – in the form a salary – would cease to exist. This risk is medium to low as both gentlemen strongly believe in the success coming from the strategy in Eastern Austria.

Another organizational risk is given in the case of a liquidity crisis. Such an instance could lead to a situation where the role of manager cannot be executed anymore.

Other organizational risks (qualified personnel, organic growth, location, minority interest) are connected to rapid growth. This scenario can happen once the market entry has been successful with a renowned skiing area which then leads to a domino effect. Another possibility for spiraling growth would be the conclusion of a contract of a public liability product with South Tyrol (this would amount to approximately 10 million skier days).

## **8.5. Competitive risk**

Competitive risk is currently perceived is rather low as classic insurers do not consider event based insurance together with its administrative effort as their core business. Risks of low probability are some of the skiing regions in Tyrol and Vorarlberg that aspire an independent rescue fund solution of their own for unpaid cases of hardship. In their model they envision to cover unaffordable cases of hardship out of their own fund. Rough estimations out of personal conversations constitute that only a small percentage of the rescue flight missions with average costs of about € 3,000 can be covered by them. This requires though that all parties, tourism associations, committee colleagues and owners of ski-lifts, need to pay into the fund. This case does neither cover land-based rescue services nor does it cover the costs for all rescue flight missions for customers.

The competitive risk of the growing number of smart-phones with internet access and corresponding passion for applications can turn into a major risk during the next two - three years. Competitors with poor means and low prices could penetrate the market (even internationally) especially in case they have an insurer as partner carrying the relatively high risk of having only a low risk spreading, if the volumes of sold insurance packages via applications are low.

In its thoughts about strategy Alpgarant considered this variation and therefore wants to offer a smart-phone application as part of its complementary strategy once it can finance such an investment out of its own cash flow.

## **8.6. Restriction**

The market and financial analysis are based on the forecasts from the sales plan for the next three years due to the strategy change from January 2011. Because of an enormous bargaining power of cable car operators in the West of Austria Alpgarant shifted its sales activities to the East of Austria beginning with spring 2011.

The figures in any financial statement do not take into account past calculations or estimations. This Business Plan has the goal to clearly highlight the extraordinary profitable opportunity of this venture, but not the history of Alpgarant's painful attempts in Western Austria. The debt clearing as a precondition to carry on with the venture is part of the income statement 2012/13 and the cash flow statement 2012/13.



## Appendix

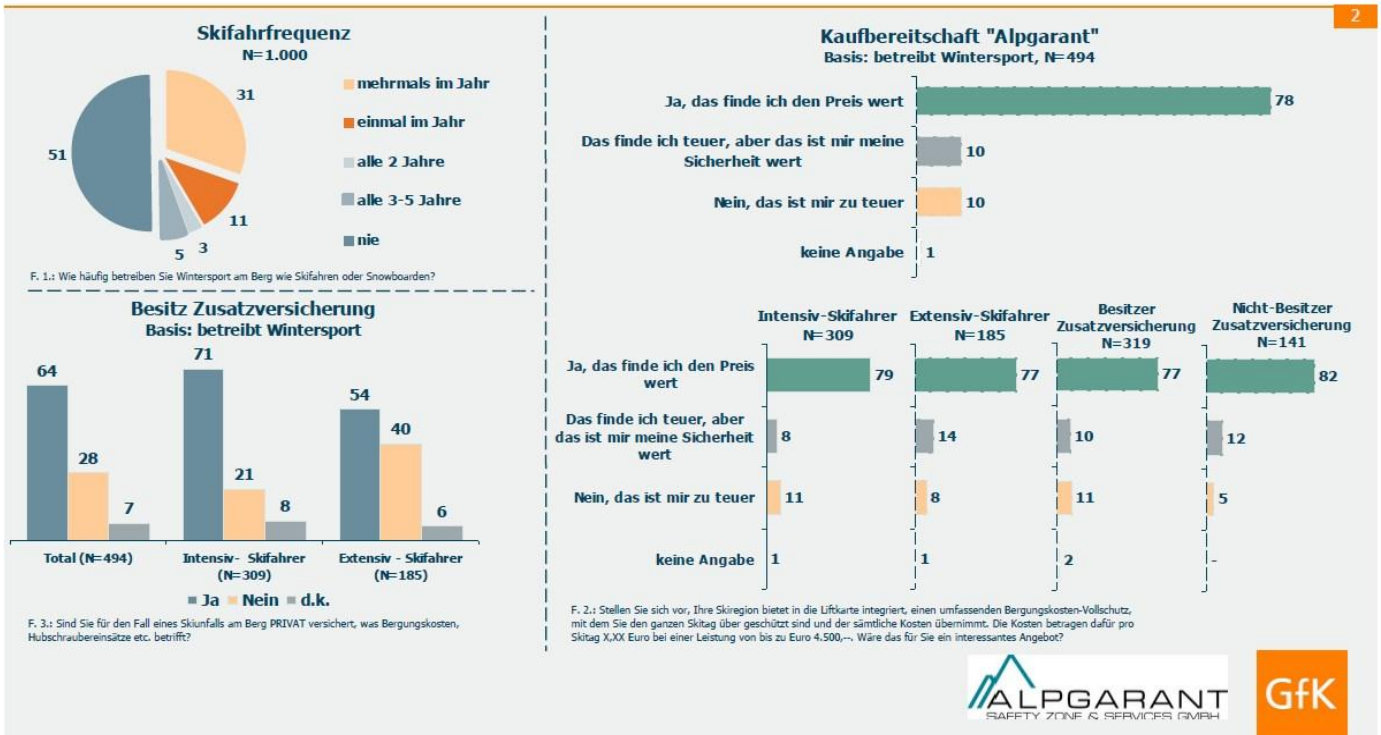
Figure 16: Detailed Poll Results 2008 (German)

GfK Custom Research

Omnibus Umfrage Alpgarant

November 2008

### Fragen 1-3: Skifahrerfrequenz, Kaufbereitschaft Alpgarant und Besitz einer Zusatzversicherung – Welle 1+2 (N=1.000)



(Source: Customer Survey Fessel Institut, 2008; [www.gfk.at](http://www.gfk.at))

Figure 17: Cooperation and Responsibilities



(Source: [www.alpgarant.com](http://www.alpgarant.com))

Figure 18: CV Günter Unger

## Curriculum Vitae

**Günter Unger**  
**General Manager**

**ALPGARANT SAFETY ZONE  
& SERVICES GmbH**  
Hainfelderstrasse 42  
2563 Pottenstein

1  
Office: [g.unger@alpgarant.com](mailto:g.unger@alpgarant.com)



Born on February 7th, 1962 in Vienna

### Professional Experience

**1984 - 2007** Senior manager with core responsibilities in tax advice, business and financial advisory, auditing and advice  
at: **Dr. Georg Spitz**  
**Dr. Rudolf Jirovec**  
**Roland Schmidt**  
**Wolfgang Böhm**  
**Dr. Lisbeth Rogy**




**1984 - 1989** Trainee Tax Consultant

### Berufliche Weiterbildung

**1990 - 2007** Expert seminars in the field of Business Administration, auditing, international accounting and group accounting

**1982 - 1986** Academic studies at the Economic University of Vienna

Figure 19: CV Helmut Stagl

															
<h2>CURRICULUM VITAE</h2>															
<h3>PERSONAL DETAILS</h3>															
Name	HELMUT STAGL														
Address	BUCKALGASSE 8/ TOP 2, 1230 VIENNA, AUSTRIA														
Mobile fone	+43 660 300 90 99														
E-Mail	helmut.stagl@gmail.com														
Nationality and Location	AUSTRIA, VIENNA – willing to relocate														
Date and Place of Birth	20TH SEPTEMBER 1973, EISENSTADT														
Language Skills	GERMAN (MOTHER TONGUE), ENGLISH (FLUENT), RUSSIAN (INTERMEDIATE), CROATIAN (BASIC)														
PERSONAL CHARACTERISITCS & QUALITIES	<p>Explorative attitude, strategic planning and thinking, high flexibility and commitment, efficient worker, highly motivated, able to act on my own initiative, keen perception, sound analytical skills, global and cross-linked thinking over all channels, ability to improvise, high sense of duty, professionalism, organisational talent, high customer orientation, leadership experience in a very dynamic environment, creative, communicative, friendly, team-oriented, ambitious, able to work under pressure – I am taking much pleasure in challenging tasks.</p>														
<h3>POSTGRADUATE STUDIES</h3>															
 	<h4>Professional MBA Entrepreneurship and Innovationmanagement</h4> <p><i>Mastering Creative Destruction</i>, October 2009 – October 2011</p> <p><b>Business Core</b></p> <table border="0"> <tr> <td>Managing People &amp; Organizations</td> <td>Financial Reporting</td> </tr> <tr> <td>Data Analysis &amp; Decision Making</td> <td>Contemporary Strategy Analysis</td> </tr> <tr> <td>Corporate Finance</td> <td>Controlling</td> </tr> <tr> <td>Marketing</td> <td>Operation Management</td> </tr> <tr> <td>Global Markets</td> <td>Management Information Systems</td> </tr> <tr> <td>Managerial Economics</td> <td>Entrepreneurship &amp; Innovationmanagement</td> </tr> <tr> <td>Leadership</td> <td>Ethics &amp; Corporate Responsibility</td> </tr> </table> <p><b>Specialization</b></p> <ul style="list-style-type: none"> <li>○ Sources of Innovation – Exploit and Explore (e.g. Lead User Method)</li> <li>○ Strategies of Innovation – Long Term Goals, Complementary Assets, JVs, Alliances</li> <li>○ Marketing of Innovation – Market &amp; Technology Portfolio, Product Evaluation Methods (Kano, Conjoint Analysis), Mass Customization</li> <li>○ Organization of Innovation – Organizational structures for innovation, business models</li> <li>○ Financing and Controlling of Innovation</li> <li>○ Entrepreneurial Leadership – Business Plan, VCs, The Entrepreneurial Mindset</li> </ul> <p><b>Master Thesis:</b> Business Plan for an own consulting company</p>	Managing People & Organizations	Financial Reporting	Data Analysis & Decision Making	Contemporary Strategy Analysis	Corporate Finance	Controlling	Marketing	Operation Management	Global Markets	Management Information Systems	Managerial Economics	Entrepreneurship & Innovationmanagement	Leadership	Ethics & Corporate Responsibility
Managing People & Organizations	Financial Reporting														
Data Analysis & Decision Making	Contemporary Strategy Analysis														
Corporate Finance	Controlling														
Marketing	Operation Management														
Global Markets	Management Information Systems														
Managerial Economics	Entrepreneurship & Innovationmanagement														
Leadership	Ethics & Corporate Responsibility														
<h3>CURRENT POSITION</h3>															
Date	SINCE OCTOBER 2010														
Company	Alpgarant Safety Zone & Services GmbH														
JobTitle	Hainfelderstraße 42, 2563 Pottenstein														
Main Responsibilities & Tasks	<p><b>Business Development Manager</b></p> <p>Business Planning with the main focus on market entry strategy in a B2B-business and via internet, communication plan, operational plan, business model, risk assessment</p>														
<h3>PROFESSIONAL EXPERIENCE</h3>															
Date	AUGUST 2008 – SEPTEMBER 2009														
Company	Telekom Austria TA AG														



Job Title	Lassalestrasse 9, 1020 Vienna
Main Responsibilities & Tasks	<b>Head of Customer Customer Interaction Management</b> Process- & Project Management, Self Care Management, IT Demandmanagement and CS Project Office, Incident Management as main interface towards Operation Management, Contributing to strategic planning and development by participating in the company-wide growth programme called ENERGY (i.e. growth in all market segments, cost reduction, increase efficiency, change culture, new technology – New Generation Network). <b>Main Achievements:</b> design and setup of a Telekom-wide process map including roles and responsibilities of owners & participating entities/units, increasing self care ratio by more than 5%, definition and request of end2end KPIs for Customer Service and for core processes.
Date	<b>JULY 2007 – MAY 2008</b>
Company	<b>Vip operator DOOEL Skopje (a member of mobilkom austria group)</b> Dimitrie Cupovski 2, 1000 Skopje, Republic of Macedonia
Job Title	<b>Head of Customer Service</b>
Main Responsibilities & Tasks	Setup of the Customer Service Department (greenfield operation) – Recruiting, Process- & Project Management, training, coaching and developing customer service personnel, coordination of all mag-internal trainings with OpCo-trainers, establishing a department-wide reporting, a central knowledge base and central complaint management process. Contributing to strategic planning and development as a member of the senior management team <b>Main Achievements:</b> launch on September 19 <sup>th</sup> 2007, postpaid launch on November 6 <sup>th</sup> 2007 (world record in the mobile industry, i.e. within 6 months)
Date	<b>SEPTEMBER 2004 - JUNE 2007</b>
Company	<b>MOBILKOM AUSTRIA AG</b> 1020 Vienna, Obere Donaustrasse 29
Job Title	<b>Group Leader of Information and Campaign Management</b>
Main Responsibilities & Tasks	Serve as the main contact point for all communications between Marketing and Customer Services and Sales, to guarantee the best service quality throughout all CSS departments, Centralized Outbound Call Coordination, exploiting all potentials for further campaign automation, Process Development (Retention, Tariff Change Optimization), Communication with our customers throughout all channels with the focus on cost reduction, channel shift and increasing efficiency <b>Main Achievements:</b> increasing campaign automation by changing uptake possibilities, decreasing costs for postage by changing communication channels, design of the „Central Information and Campaign Process“ <b>2002:</b> Project Assignment si.mobil Slovenia for 6 months, churn reduction <b>Main Achievements:</b> decrease of churn by 30% and increase of collection rate by 50% (YE)
October 1999 – August 2004	Group Leader Projects at MOBILKOM AUSTRIA AG
April 1998 – September 1999	Project- & Reportingspecialist at MOBILKOM AUSTRIA AG
June 1997 – March 1998	Activation Deptmt. Customer Service mobilkom, MANPOWER Austria
1993 – 1997	Senior Sales Representative, Vorsorge Finanzierungsconsulting GmbH & CO KG
<b>EDUCATION</b>	
1993-1995	Vienna University of Economics and Business Administration
1984-1992	Grammar School Eisenstadt (Final Examination 20 June)
1980-1984	Primary School Wulkaprodersdorf
<b>SKILLS AND ABILITIES</b>	
MS Office, Outlook & Access-Training (mobilkom) Business English Presentations (mobilkom/Talk Partners) MS-Business Objects Introduction (mobilkom/SPC Consulting external) Project Management for Project Managers (Roland Gareis Consulting) MbO – Management by Objectives (Leadership Training, external ITO) management in progress (Leadership Program for mobilkom) Coaching Training, Work Life Balance Training, Leadership from top to bottom Consultant Education for Marketing & Sales (Hamburg Mannheimer Insurance/VFG)	

Figure 20: CV DI Martin Sellner (German)

## Curriculum vitae

**Name:** Dipl.-Ing. Martin Sellner  
**Geb.Dat.:** 28. Juni 1963 in Wien  
**Familienstand:** ledig  
**Kinder:** Raffaella (geb. 5.5.2000)  
**Adresse:** A-1070 Wien, Kellermannngasse 5/7  
**Tel:** 01 / 5264221 oder 0699 / 14045155



### Ausbildung:

**1982-1992:** Montan Universität Leoben (Erdölwesen)  
 Graduierung zum Dipl.-Ing 1992  
 Diplomarbeit:  
 „Investitionsgütermarketing für das strategische Geschäftsfeld  
 „Oilfield-Equipment“ im Austrian Industries Konzern“  
**1973-1982:** BRG Wien VI, 1060 Wien, Marchettigasse 3  
**1969-1973:** Volksschule Wien 5, Einsiedlergasse 7

### Berufliches:

### Verkauf MEDIEN

**1992 bis dato:** Gründer und Inhaber der **Mediasell** Verlagsvertretung  
 Auszug aus Einzelprojekten und laufenden langfristigen  
 Vertretungen:  
**1997-dato:** Repräsentant für Österreich, Italien und Slowenien  
 der **DVV Media Group GmbH.** (Hamburg)  
 (vormals Deutscher Verkehrsverlag GmbH.)  
 Medien:  
 DVZ (Deutsche Logistik Zeitung) Di, Do, Sa  
 Log.Kompass (Organ des dt. BVL)  
 sowie alle Titel im Geschäftsfeld Verkehr-Transport-Logistik  
 in Benelux, Dänemark, Polen, Tschechien, Bulgarien, Dubai, Indien  
**2009-dato:** a3-Verlag – Repräsentanz für a3 B:tec und a3 Bau  
**2010-dato:** DATUM – Seiten der Zeit  
 Anzeigenleitung  
**2011-dato:** DENKMAL heute  
 Zeitschrift der Freunde der Österr. Denkmalpflege in Zus.Arbeit  
 mit dem Bundes Denkmalamt  
**2005-2009:** konstruktiv –  
 Zeitschrift der Bundeskammer der Architekten und  
 Ingenieurkonsulenten  
 Anzeigenrepräsentanz und Anzeigenleitung im Auftrag der  
 kammereigenen BIK Verlags GmbH.  
**2008-2009:** Chemiereport  
 Anzeigenleitung

Dipl.Ing. Martin Sellner, A-1070 Wien, Kellermannngasse 5/7  
 Tel.: +43 (0) 1 / 526 4221 – 0 Mob: +43 (0) 699 / 14045155 martin-sellner@chello.at

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1988-2005:	<b>Schülerkalender</b> der Arge Schule & Bildung Anzeigenleitung
2000-2001:	<b>Antenne Wien</b> key Account Betreuung für verschiedene Branchen
1997-1998:	<b>Libro Journal</b> Im Auftrag der Agentur IKP – Anzeigenverkauf für nicht bei Libro gelistete Produkte
1996-1997:	<b>youngBIZ youngSTYLE</b> die Jugendbeilagen zu „DerStandard“ im Auftrag der Cicero Verlagsges.mbH.
1995-1996:	<b>Antenne Steiermark</b> Werbezeitenverkauf an überregionale Werbekunden (RMS war noch nicht existent)
1994-1996:	<b>Kommunal –</b> Organ des Österreichischen Gemeindebundes im Auftrag der Nö. Verlagsges.mbH. Anzeigenleitung, komplette Markteinführung des Titels Durchführung der ersten Kommunalmesse 1995 in Oberwart
1989-2002:	Vorlesungsverzeichnisse <b>TU-Wien, WU-Wien, Boku</b> Anzeigenleitung im Auftrag verschiedener Verlage u.a. Herold, unikat und Servicebetriebe der WU-Wien
1987-1994:	<b>Academia</b> (Zeitschrift für Politik & Kultur) Verlagsleitung

**Verkauf andere Industriesegmente:**

2010-dato:	<b>Lenzing AG</b> – Endkundenansprache für Arbeitssicherheits-Produkte aus Feuerfestfasern
2001-2003:	<b>myQ</b> – Branchensoftware für Druckereien, Grafische Betriebe und Werbeagenturen

**Mitgliedschaften:**

Forum Mediaplaner (seit 2005)  
 IAA – International Association of Advertisement Agencys

**Sprachen:**

Englisch (verhandlungssicher in Wort und Schrift)  
 Französisch (Grundkenntnisse)

**Privates & Interessen:**

Führerschein B  
 Segelführerschein B  
Sport:  
 Fußball, Skifahren, Radfahren, Schwimmen, Golf, Wandern  
 Kabarett, Theater, Oper



**Referenzen:**

Mag. Maurizio Berli	Gf. Goldbach Media, Wien
Dipl.-Ing. Georg Feith, MBA	Vorstand Glanzstoff AG, St. Pölten
Dr. Alfred Fiedler	Gf. Gesellschafter AFP Werbeagentur, Linz
Dipl.-Ing. Paul Gessl	Gf. Nö. Kulturwirtschaft GmbH.
Mag. Andreas Grad, MBA	Transdanubia Spedition GmbH., Pasching
Dr. Norbert Griesmayr	Gen.Dir. VAV Versicherungs AG
Dr. Alfred Grinschgl	Gf. RTR GmbH., Wien
NR. Peter Haubner	Gen-Sekretär. Österr. Wirtschaftsbund
Alfons Helmel	WKO
Mag. Rudolf Kuzmicki	Gf. Antenne Steiermark
Mag. Lukas Leitner	Gf.Ges. Cayenne Werbeagentur, Wien
Dr.. Georg Linhart	Gf. Ges. Linhart & Partner Consulting, Graz
Mag. Christian Marolt	Gf. Ges. EMC Consulting Group, Brüssel
Dr. Christian Sonnweber	Gen.Sekretär Notariatskammer, Wien



Table 22: Detailed results customer survey Riesneralm, May 2011

## 2

# Befragung & Methode

## Übersicht

Generell werden die Zufriedenheitswerte mit dem Schulnotensystem bewertet,  
 d.h. 1=sehr gut, 2=gut, 3=befriedigend, 4=genügend, 5=nicht genügend  
 Bei Preisangaben in Frage 6, die eine Spanne ausdrücken (z.B. zwischen € 3 und € 5)  
 wird jeweils der kleinste angegebene Preis für die Durchschnittsberechnung herangezogen.  
 Der gewichtete Beeinflussungsgrad in Frage 11 entspricht einem Punktesystem,  
 d.h. sehr stark = 9-10 Punkte, stark=6,5-8,5 Punkte, mittel=4-6 Punkte, wenig=1,5-3,5 Punkte, gar nicht=0-1 Punkte  
 Entscheidungsfragen werden rein mit "ja" bzw. "nein" beantwortet und in % dargestellt,  
 wobei zur Auswertung JA mit dem Wert 1 und NEIN mit dem Wert 0 in den Fragebögen eingetragen werden.  
 Jegliche weitere Kommentare dienen lediglich der Identifizierung  
 einer gewichteten Meinung des Kunden zur Ableitung von Tendenzen

Anzahl Kunden: 20  
 Erreichbarkeit: 100% (Telefonbefragung)

	JA	NEIN	
Dürfen wir Ihren Namen und Wohnort nennen und dürfen wir Sie zitieren?	13	7	65% der Kunden dürfen zitiert werden

Die Interviews mit den Unfallopfern der letzten beiden Jahre wurden von Günter Unger und Helmut Stagl selbst telefonisch durchgeführt und die Daten dementsprechend verarbeitet, um diese Auswertung zu ermöglichen.

\* AVG steht für Mittelwert (engl. Average)

## 2

# Kundenzitate zu SAFE-R

Es wäre mehr als begrüßenswert, wenn es diesen herausragenden Service woanders auch gäbe! (Klaus Trnka, Frankfurt am Main, Deutschland)

Es wäre hervorragend, wenn es dieser tolle Service gleich in der Liftkarte integriert wäre! (Karoline Rodlauer, Bad Mitterndorf)

Diese Dienstleistung SAFE-R sollte es überall geben, wo man Skifahren kann! Junge Leute, ich kenne da ein Beispiel, stehen vor dem finanziellen Ruin, wenn sie Helikopter-Kosten selbst tragen müssen! (Martin Kohlberger, Mönichkirchen)

Die neue Ausrüstung fördert das schnelle Fahren auf der Piste, dazu gibt es immer mehr Leute auf der Piste und die Unfallraten steigen. Ein Unfall passiert schnell und man ist auf Rettung angewiesen, richtige Leute sind wichtig! Mit dem Schutz von SAFE-R haben wir ein gutes und sicheres Gefühl auf der Piste. (Monika Maier, Irdning)

Es gab keinen Schreibkram, keine langwierigen Unfallberichte – stattdessen Kostenübernahme und ausgezeichnete Betreuung! (Christl Bau, Wermelskirchen, Deutschland)

Ich bin einfach sehr dankbar für die ausgezeichnete Abwicklung und glücklich, weil ich keine Gedanken wegen der Finanzen hatte! Wenn es den Schutz in mehreren Gebieten gäbe, würde man viel beruhigter fahren. (Waltraud Prieler, Irdning)

Es hat alles gepasst! Dieser Service sollte überall Standard sein! Vor allem große Skigebiete sollten diesen Service in ihre Liftkarte integrieren! (Karl Franz, Steyrermühl)

Dieses Service sollte überall integriert sein auf der Planai, am Loser, auf der Tauern – die Liftkarten sind eh schon teuer genug! (Monika Maier, Irdning)

## 3

## Fragen/Ergebnisse 1-5

	1	2	3	4	5	AVG.*
1 Sie haben durch den Erwerb der Liftkarte den Bergungsvollschutz der Alpgarant erfahren. Wie zufrieden waren Sie mit unserer Gästdienstleistung SAFE-R und der Abwicklung?	19x	1x				<b>1,05</b>
2 Wie zufrieden waren Sie, abgesehen von der Kostenübernahme, mit der telefonischen Betreuung?	20x					<b>1</b>

Die Beurteilung „Gut“ in einem Fall resultiert aus der Tatsache, dass den Betroffenen der Schutz nicht bewusst vorab kommuniziert wurde. „Rückwirkend war die Freude und Erleichterung groß, allerdings hätte das Skigebiet diese tolle Leistung besser kommunizieren können“ (Frau Arzu Beck, Hamburg).

	JA	NEIN	
3 Hatten Sie eine Zusatzversicherung, die die Kosten der Bergung übernommen hätte?	10x	10x	50% hatten eine Versicherung - nicht alle hatten volle Kostendeckung
3a Wenn ja, würden Sie trotzdem das Dienstleistungspaket der Alpgarant wieder in Anspruch nehmen wollen?	20x		100% würden das Paket nochmals in Anspruch nehmen wollen
Nur 50% der Verunfallten hatten eine „Versicherung“, wobei in einigen Fällen fälschlich angenommen wurde, dass eine Kostendeckung vorhanden ist, in anderen Fällen wurden vom jeweiligen Versicherer auf Drängen von Alpgarant die Kosten teilweise übernommen (z.B. Schulski-Kurs von einem Opfer aus Hamburg).			

	JA	NEIN	
4 Wären Sie bereit auch einen geringen Aufschlag auf die Liftkarte dafür in Kauf zu nehmen?	20x		100% wären bereit einen Aufschlag zu akzeptieren
5 Wäre Ihnen unsere Gästdienstleistung für alpine Aktivitäten auch im Sommer wichtig?	18x	2x	90% empfinden SAFE-R auch für den Sommer wichtig

Von den 18 Personen, die die Dienstleistung auch im Sommer für wichtig halten, waren zwei darunter, die meinten, dass es prinzipiell wichtig sei und saisonal keinen Unterschied mache, sie persönlich aber keine alpinen Aktivitäten im Sommer ausüben (Info für Frage 6 bzgl. Preis im Sommer).

**Zusammenfassung:**

Grundsätzlich waren die Kunden äußerst positiv von der Leistung, der Betreuung und der Abwicklung überrascht und vor allem erleichtert, nachdem Kostenübernahme und danach teilweise folgende Regressaktivitäten seitens Alpgarant für sie selbst ohne jeglichen Aufwand verliefen. Die Zufriedenheitswerte in den Fragen 1 und 2 bestätigen daher auch die Folgeantworten bzgl. Bereitschaft für einen geringen Aufschlag auf die Liftkarte und eine gleichermaßen ungeminderte Wichtigkeit des Services auch im Sommer.

## 4

## Fragen/Ergebnisse 6-10

6 Wie viel wäre Ihnen diese Dienstleistung pro Tag wert? Winter und Sommer	0 €	0,75 €	0,90 €	1 €	1,25 €	2 €	3 €	AVG.
Winter	0x	1x		9x	6x	3x	1x	<b>1,3125</b>
Sommer	4x	1x	10x	2x	1x	1x	1x	<b>1,05625</b>

Die Winterpreise, die von den Kunden angegeben wurden, sind gewichtet stark zwischen € 1 und € 1,25 zu finden. 20% der Befragten geben sogar Preise von € 2 bzw. € 3 an. Die Wertigkeit von SAFE-R ist relativ gesehen höher bei Unfallopfern als bei Nicht-Unfallopfern. Die proklamierte Inakzeptanz der Schifahrer bzgl. Erhöhung der Liftkartenpreise ist daher als falsch an zu sehen, vielmehr läge ein Durchschnittspreis, den Kunden bereit sind zu bezahlen, bei € 1,31. Beim Sommerpreis gibt es eine Konzentration von 62,5 % bei der € 1-Marke, 31,25% der Kunden würden tendenziell sogar mehr bezahlen. Von der Gesamtkundenanzahl von 16, die im Sommer ebenfalls aktiv sind, ergibt dies einen Durchschnittspreis von € 1,06 im Sommer.

	JA	NEIN	
7 Waren Sie sich über die Kosten bewusst, die eventuell bei einem Unfall auf der Piste auf Sie zukommen können?	8x	12x	40% waren sich über evtl. auftretende Kosten bewusst
8 Würden Sie diese Dienstleistung gerne auch in anderen Skigebieten in Anspruch nehmen?	20x		100% würden SAFE-R auch gerne in anderen Skigebieten nutzen
9 Sind Sie der Meinung, dass ein solcher Schutz grundsätzlich in der Liftkarte integriert sein sollte?	20x		100% meinen, dass der Schutz in der Liftkarte integriert sein soll
10 Erwarteten Sie sich von den Bergbahnen, dass diese ihren Gästen bewußt ein sorgenfreies Urlaubserlebnis im Hinblick auf eine integrierte Absicherung ermöglichen sollen?	19x	1x	95% erwarten/wünschen sich die Bereitstellung einer Absicherung von den Skigebieten

**Zusammenfassung:**

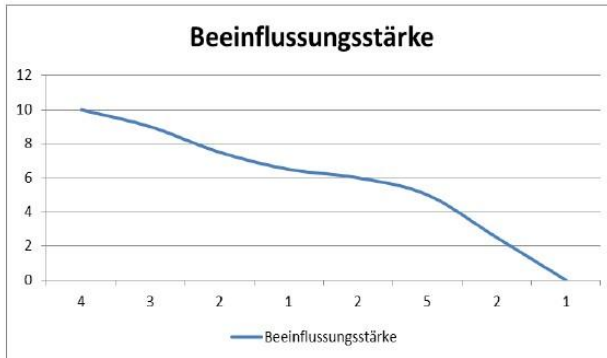
Unabhängig vom Preis eines anlassbezogenen Absicherungspaketes SAFE-R, waren sich nur 40% der Kunden über mögliche Bergkosten bewusst. Alle befragten Kunden sprachen sich für SAFE-R in anderen Skigebieten und die fixe Integration in die Liftkarte aus. 95% (also 19 Kunden) erwarten/wünschen sich die Bereitstellung eines Absicherungspaketes vom jeweiligen Skigebiet/vom jeweiligen Bergbahnbetreiber – lediglich ein Kunde fühlte sich so selbstverantwortlich, dass er diese Erwartung nicht hegt.

## 5

## Frage/Ergebnisse 11

Der gewichtete Beeinflussungsgrad in Frage 11 entspricht einem Punktesystem,  
 d.h. sehr stark = 9-10 Punkte, stark=6,5-8,5 Punkte, mittel=4-6 Punkte, wenig=1,5-3,5 Punkte, gar nicht=0-1 Punkte

	10	7,5	5	2,5	0	AVG.
11 Wie stark würden Sie die Entscheidung, wo sie Skifahren gehen, davon beeinflussen, ob eine Skidestination diesen Service bietet oder nicht?	10=4x 9=3x	7,5=2x 6,5=1x	6=2x 5=5x	2,5=2x	0=1x	6,525



Die x-Achse beschreibt die Anzahl der Kunden, die ihre Aussage bzgl. Beeinflussung ihrer Entscheidung unterschiedlich stark gewichtet haben. Zu erkennen ist, dass bereits **35% ihre Entscheidung sehr stark** davon abhängig machen würden und **15% ihre Entscheidung stark** abhängig machen würden. D.h. für **50% der Kunden** spielt unser angebotenes Service nach den Erfahrungswerten mit Rettungskosten und Abwicklungsaufwänden eine **wichtige Rolle**.

Die genannten Gründe sind sehr stimmig und nachvollziehbar:

- Die Abwicklung ist sehr einfach und angenehm! (Christian Nusterer, Ottendorf)
- Optimale Lösung bei solchen alpinen Unfällen! (Karoline Rodlauer, Bad Mitterndorf)
- Ausgezeichnete Erledigung mit Kostendeckung und die Versicherung bleibt im Hintergrund! (Helmut Frantsch, Lanzenkirchen)
- Sehr unkomplizierte Abwicklung, keine Probleme mit der Versicherung! Es ist toll, einen guten Partner während und nach dem Unfall zu haben, der einem wirklich hilft! (Martin Kohlberger, Mönichkirchen)
- Es geht um meine Gesundheit und um mein Leben! (Sonja Haselbauer, Laussa)

#### Zusammenfassung:

Ein beträchtlicher Teil der Kunden differenziert, ob er bereits eine „Unfallversicherung“ mit Kostendeckung für solche Anlässe hat, und überdenkt die Entscheidung bzgl. Einfluss. Dennoch kam nach kurzer Denkphase für diese Kunden mit einem Anteil von 35% eine mittelstarke Beeinflussung als Ergebnis, da oft die Abdeckung im alpinen Bereich, die Höhe der Abdeckung und der administrative bzw. finanzielle Aufwand nicht obsolet waren. Lediglich 15% der Kunden gaben an, kaum einen Einfluss in der Wahl ihres Skigebietes zu sehen, wobei eine Kundin angab, nach dem Unfall gänzlich auf das Skifahren zu verzichten. Tendenziell ist zu erkennen, dass wenn der Fall eintritt bzw. eingetreten ist, dass ein Unfall mit anschließenden Rettungskosten passiert, das Bewusstsein bei 50% der Kunden sich zu einem sehr starken bzw. starken Einfluss ändert, ob dieses Service angeboten wird oder nicht bei der Wahl des Skigebietes. Das belegt der Durchschnittswert, der mit 6,5 Punkten am Anfang der Bandbreite zu „starker Einfluss“ liegt.



Figure 21: Hierarchy of Needs (Maslow)

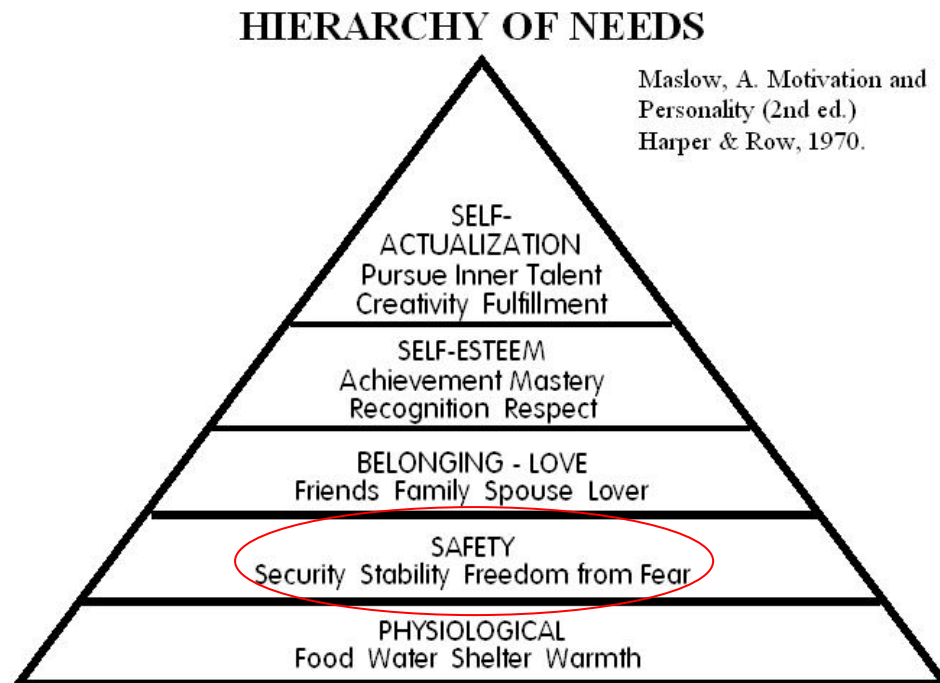


Figure 22: Customer Values

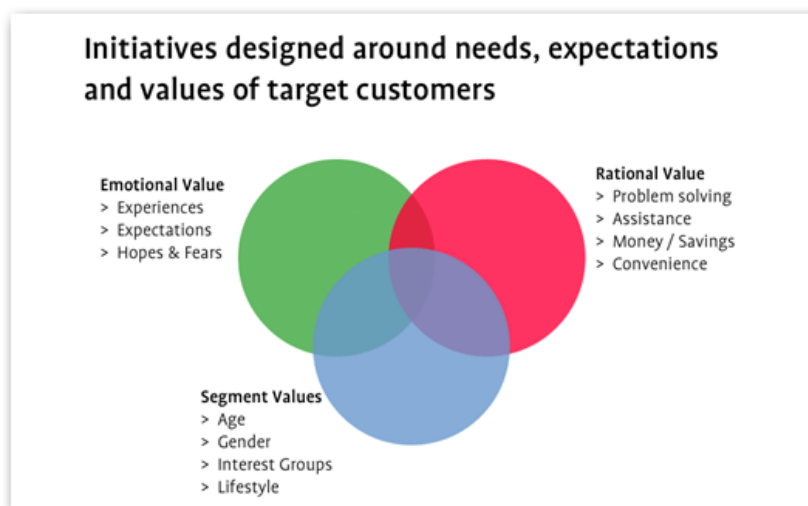


Figure 23: Potential for Additional Skier Days

Source: Presentation Manova, 2010; [www.wko.at](http://www.wko.at)

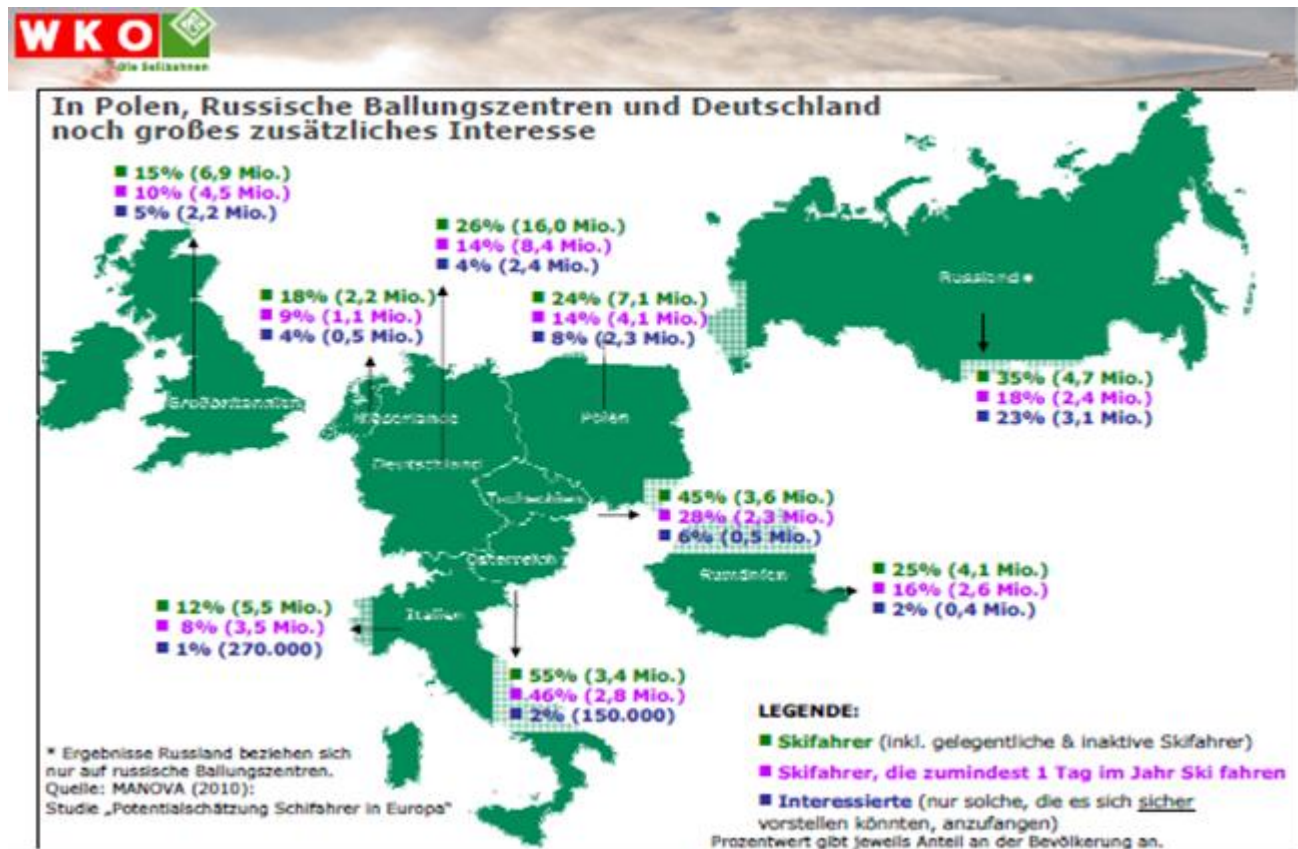


Table 23: Overnight Stays Winter 2009/10, Carinthia, Salzburg

Countries of origin	Overnight stays winter 2009/2010				
	Carinthia	Sbg	total	Carinthia%	Sbg%
<b>Total</b>	3.590.945	13.817.459	17.408.404	21%	79%
<b>Austria</b>	1.303.938	3.143.589	4.447.527	29%	71%
Burgenland	45.941	136.949	182.890		
Carinthia	258.035	141.018	399.053		
Lower Austria (LA)	238.743	774.962	1.013.705	24%	76%
Upper Austria	112.530	482.167	594.697	19%	81%
Salzburg	50.218	297.945	348.163		
Styria	234.211	307.067	541.278	43%	57%
Tyrol	46.658	134.977	181.635		
Vorarlberg	9.944	43.760	53.704		
Vienna	307.658	824.744	1.132.402	27%	73%
<b>Abroad</b>	<b>2.287.007</b>	<b>10.673.870</b>	<b>12.960.877</b>	<b>18%</b>	<b>82%</b>
<b>Germany (total)</b>	<b>899.808</b>	<b>5.439.635</b>	<b>6.339.443</b>	<b>14%</b>	<b>86%</b>
Bavaria	196.296	1.367.804	1.564.100	13%	87%
Baden Württemberg	75.045	395.195	470.240	16%	84%
North Rhine-Westphalia	201.052	1.151.601	1.352.653	15%	85%
Central Germany	124.645	981.762	1.106.407	11%	89%
Northern Germany	149.261	691.262	840.523		
Eastern Germany	108.730	640.507	749.237		
Berlin	44.779	211.504	256.283		
<b>Europe TOP 7</b>					
Netherlands	174.123	1.452.613	<b>1.626.736</b>	11%	89%
Italy	186.461	154.310	<b>340.771</b>	55%	45%
United Kingdom	48.451	515.126	<b>563.577</b>	9%	91%
Czech Republic	154.235	418.470	<b>572.705</b>	27%	73%
Denmark	12.461	529.092	<b>541.553</b>	2%	98%
Belgium	33.987	313.169	<b>347.156</b>	10%	90%
Hungary	251.743	176.894	<b>428.637</b>	59%	41%
<b>Total Europe Top 7</b>	<b>861.461</b>	<b>3.559.674</b>	<b>4.421.135</b>	<b>19%</b>	<b>81%</b>

Table 24: Overnight Stays Summer 2010, Carinthia, Salzburg

Countries of origin	Overnight stays summer 2010					
	Carinthia	Sbg	total	Carinthia	Sbg%	Total (summer & winter)
<b>Total</b>	<b>8.751.190</b>	10.175.166	18.926.356	46%	54%	36.334.760
<b>Austria</b>	3.314.726	2.661.711	5.976.437	55%	45%	10.423.964
Burgenland	80.182	91.393	171.575			354.465
Carinthia	320.402	148.875	469.277			868.330
Lower Austria (LA)	710.438	492.593	1.203.031	59%	41%	2.216.736
Upper Austria	452.126	429.916	882.042	51%	49%	1.476.739
Salzburg	210.552	344.893	555.445			903.608
Styria	533.003	241.745	774.748	69%	31%	1.316.026
Tyrol	185.524	194.527	380.051			561.686
Vorarlberg	60.941	71.468	132.409			186.113
Vienna	761.558	646.301	1.407.859	54%	46%	2.540.261
<b>Abroad</b>	5.436.464	7.513.455	12.949.919	42%	58%	25.910.796
<b>Germany (total)</b>	3.460.087	4.257.577	7.717.664	45%	55%	14.057.107
Bavaria	831.942	1.092.814	1.924.756	43%	57%	3.488.856
Baden Württemberg	450.700	475.003	925.703	49%	51%	1.395.943
North Rhine-Westphalia	762.299	752.964	1.515.263	50%	50%	2.867.916
Central Germany	488.352	672.415	1.160.767	42%	58%	2.267.174
Northern Germany	411.842	417.570	829.412	50%	50%	1.669.935
Eastern Germany	394.871	701.969	1.096.840	36%	64%	1.846.077
Berlin	120.081	144.842	264.923			521.206
<b>Europe TOP 7</b>						
Netherlands	805.347	602.110	1.407.457	57%	43%	3.034.193
Italy	386.970	279.602	666.572	58%	42%	1.007.343
United Kingdom	44.910	262.645	307.555	15%	85%	871.132
Czech Republic	68.163	169.884	238.047	29%	71%	810.752
Denmark	62.656	143.719	206.375	30%	70%	747.928
Belgium	114.946	175.388	290.334	40%	60%	637.490
Hungary	62.815	93.715	156.530	40%	60%	585.167
<b>Total Europe Top 7</b>	1.545.807	1.727.063	3.272.870	47%	53%	7.694.005

Table 25: Overnight Stays winter 2009/10, Tyrol, Vorarlberg

Countries of origin	overnight stays winter 2009/2010				
	Tyrol	VIbg.	total	Tyrol%	VIbg%
<b>Total</b>	<b>25.235.864</b>	<b>4.768.112</b>	<b>30.003.976</b>	<b>84%</b>	<b>16%</b>
<b>Austria</b>	<b>1.744.156</b>	<b>423.508</b>	<b>2.167.664</b>	<b>80%</b>	<b>20%</b>
Burgenland	40.722	12.290	53.012		
Carinthia	78.441	15.758	94.199		
Lower Austria (LA)	328.294	48.775	377.069	87%	13%
Upper Austria	273.502	37.790	311.292	88%	12%
Salzburg	105.706	24.825	130.531		
Styria	152.154	29.701	181.855		
Tyrol	234.087	32.828	266.915	88%	12%
Vorarlberg	89.076	125.945	215.021		
Vienna	442.174	95.596	537.770	82%	18%
<b>Abroad</b>	<b>23.491.708</b>	<b>4.344.604</b>	<b>27.836.312</b>	<b>84%</b>	<b>16%</b>
<b>Germany (total)</b>	<b>13.014.574</b>	<b>2.947.374</b>	<b>15.961.948</b>	<b>82%</b>	<b>18%</b>
Bavaria	2.372.925	326.412	2.699.337	88%	12%
Baden Württemberg	1.646.222	937.077	2.583.299	64%	36%
North Rhine-Westphalia	2.838.397	572.420	3.410.817	83%	17%
Central Germany	2.336.666	631.562	2.968.228	79%	21%
Northern Germany	1.557.694	259.647	1.817.341	86%	14%
Eastern Germany	1.787.863	153.200	1.941.063	92%	8%
Berlin	474.807	67.056	541.863		
<b>Europe TOP 10</b>					
Netherlands	3.389.596	453.177	3.842.773	88%	12%
Switzerland	885.279	412.806	1.298.085	68%	32%
United Kingdom	1.092.834	109.630	1.202.464	91%	9%
Belgium	915.999	83.660	999.659	92%	8%
Italy	338.818	17.264	356.082	95%	5%
France	356.087	95.684	451.771	79%	21%
Denmark	452.714	19.076	471.790	96%	4%
Czech Republic	445.854	9.040	454.894	98%	2%
Poland	515.360	9.625	524.985	98%	2%
Russia	437.671	13.535	451.206	97%	3%
<b>Total Europe TOP 10</b>	<b>8.830.212</b>	<b>1.223.497</b>	<b>10.053.709</b>	<b>88%</b>	<b>12%</b>



Table 26: Overnight Stays summer 2010, Tyrol, Vorarlberg

Countries of origin	overnight stays summer 2010					Total (summer & winter)
	Tyrol	Vibg.	total	Tyrol%	Vibg%	
<b>Total</b>	16.916.410	3.400.878	20.317.288	83%	17%	50.321.264
<b>Austria</b>	2.102.126	459.501	2.561.627	82%	18%	4.729.291
Burgenland	53.999	17.454	71.453			124.465
Carinthia	98.203	15.490	113.693			207.892
Lower Austria (LA)	350.279	53.065	403.344	87%	13%	780.413
Upper Austria	339.443	49.297	388.740	87%	13%	700.032
Salzburg	165.151	28.202	193.353			323.884
Styria	203.684	35.077	238.761			420.616
Tyrol	334.724	51.448	386.172	87%	13%	653.087
Vorarlberg	123.311	125.615	248.926			463.947
Vienna	433.332	83.853	517.185	84%	16%	1.054.955
<b>Abroad</b>	14.814.284	2.941.377	17.755.661	83%	17%	45.591.973
<b>Germany (total)</b>	8.470.711	1.958.104	10.428.815	81%	19%	26.390.763
Bavaria	1.835.954	261.582	2.097.536	88%	12%	4.796.873
Baden Württemberg	1.244.577	659.372	1.903.949	65%	35%	4.487.248
North Rhine-Westphalia	1.545.294	331.512	1.876.806	82%	18%	5.287.623
Central Germany	1.452.075	337.836	1.789.911	81%	19%	4.758.139
Northern Germany	775.249	145.271	920.520	84%	16%	2.737.861
Eastern Germany	1.371.671	180.681	1.552.352	88%	12%	3.493.415
Berlin	245.891	41.850	287.741			829.604
<b>Europe TOP 10</b>						
Netherlands	1.364.292	276.264	1.640.556	83%	17%	5.483.329
Switzerland	1.115.601	335.076	1.450.677	77%	23%	2.748.762
United Kingdom	477.362	36.330	513.692	93%	7%	1.716.156
Belgium	576.253	66.309	642.562	90%	10%	1.642.221
Italy	735.682	37.711	773.393	95%	5%	1.129.475
France	530.468	93.948	624.416	85%	15%	1.076.187
Denmark	156.398	10.213	166.611	94%	6%	638.401
Czech Republic	146.806	12.859	159.665	92%	8%	614.559
Poland	64.983	5.848	70.831	92%	8%	595.816
Russia	37.915	4.406	42.321	90%	10%	493.527
<b>Total Europe TOP 10</b>	<b>5.205.760</b>	<b>878.964</b>	<b>6.084.724</b>	<b>86%</b>	<b>14%</b>	<b>16.138.433</b>

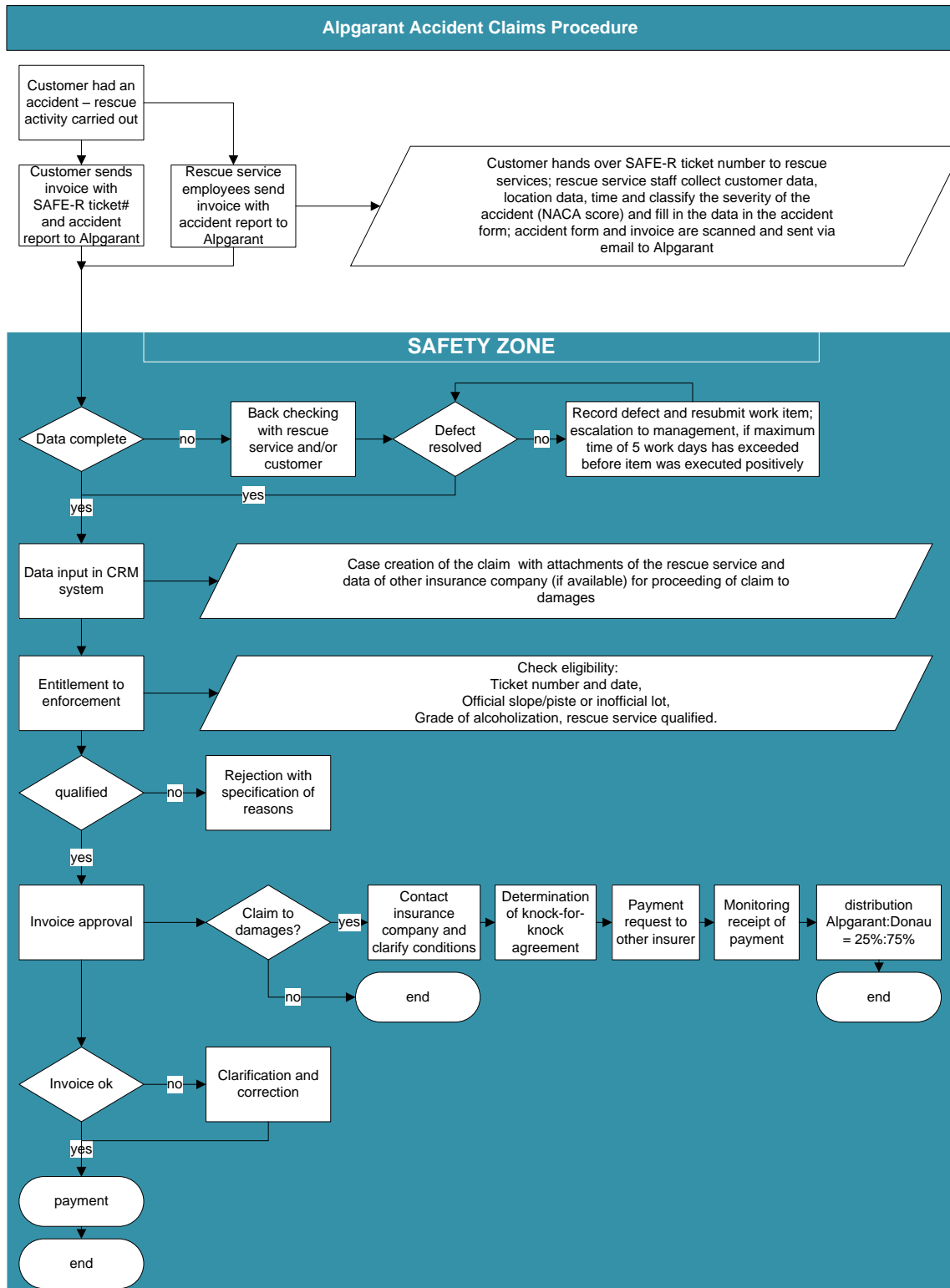
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Table 27: Calculation Sales Commission

EXTERNAL SALES COSTS													
Sales agent commission %	3,00%												
Renewal commission (2nd year) %	2,00%												
Winter													
Sales target (revenue in EUR)													
Target 1	1.000.000,00	100,00%	0,50										
Target 2	750.000,00	40,00%	0,20										
Target 3	500.000,00	20,00%	0,10										
Price target (in EUR)													
Target 1	0,90	100,00%	0,30										
Target 2	0,80	50,00%	0,15										
Target 3	0,70	15,00%	0,05										
Obligation target (years)													
Target 1	3,00	100,00%	0,20										
Target 2	2,00	80,00%	0,16										
Target 3	1,00	5,00%	0,01										
		Contract 1	Contract 2	Contract 3	Contract 4	Contract 5	Contract 6	Contract 7	Contract 8	Contract 9	Contract 10	Contract 11	Contract 12
Sales target		200.000	500.000	600.000									
Price target		0,85	0,85	0,75									
Obligation target		1	2	1									
Total Sales (revenues in EUR)		1.300.000											
Sales target		0,50	0,50	0,50	0,50	0,50	0,50	0,50	0,50	0,50	0,50	0,50	0,50
Price target		0,15	0,15	0,05	-	-	-	-	-	-	-	-	-
Obligation target		0,01	0,16	0,01	-	-	-	-	-	-	-	-	-
Premium this year		3.960	12.150	9.990	0	0	0	0	0	0	0	0	0
Premium following year		2.640	8.100	6.660	0	0	0	0	0	0	0	0	0
Premium per contract (in EUR)		6.600	20.250	16.650	0	0	0	0	0	0	0	0	0
Premium last year EUR		0											
Premium this year EUR		26.100											
Premium following year EUR		17.400											
Total premium in EUR		43.500											

Figure 25: Detailed Claims Procedure



(Designed by Alexander Bauer, Günter Unger and Helmut Stagl)