

Company Profile: Geofusion

Geofusion is a Brazilian software company specializing in software as a service (SaaS) location analytics solutions. Founded in 1996 as a marketing geography consultancy firm, the company has become the Brazilian leader in geomarketing. Their products create location-aware business insights, enabling sophisticated decision making for their clients. Geofusion's main clients are large multinational corporations such as Burger King, Walmart, Nestle, BASF and Whirlpool.



The Challenge

As a Ministry of Labor study indicated in 2013, 99.9% of Brazilian companies are small and medium businesses (SMBs) and employ 52% of the formal labor in Brazil. Additionally, according to Sebrae-SP (Brazilian micro and small business support service), the leading cause of bankruptcy is the lack of understanding and planning before opening a business-i.e. SMBs not knowing the spending habits of their customers and do not know their competitors. Within two years, 60% of all SMBs in Brazil go bankrupt. Geofusion understands that this is an important market and can contribute strongly to the overall economic health of Brazil.

The Sustainability Innovation Grant

In March 2016, Geofusion was awarded a \$75,000 CAD Sustainability Innovation Grant (SIG) from Global Affairs Canada and managed by Mennonite Economic Development Associates (MEDA), with Geofusion contributing \$150,000 CAD. This grant contributed to the creation of a location analytics SaaS that addresses the bankruptcy risks of SMBs in Brazil. The solution will allow SMBs to scale their markets, identify the competition, analyze the profile of existing customers, and analyze the current and potential client consumption habits.

Throughout the implementation period, Geofusion found it to be an effective strategy to target franchising businesses that operate with a micro-franchising model. Within this model, the franchisees are micro-to-small businesses that employ low-income people. The franchisors will be able to use the location analytics software prior to launching and during regular business operations.

In total, five employees were trained on cutting-edge product methodologies, and two employees were trained on product marketing. In parallel, the company allocated five full-time employees to product development, including hiring one new employee for this role. The company invested over \$500,000 CAD (over \$1.2 million BRL) into product development and marketing of the product, entitled Eva.



SIG Impact

Increased Employee Skills

The employees that were involved in the full-time product development, marketing and management of Eva reported an increase in skills and liked the new challenge. This not only contributed to workplace satisfaction but increased employee skills and professional development as they were exposed to working on an innovative new product.

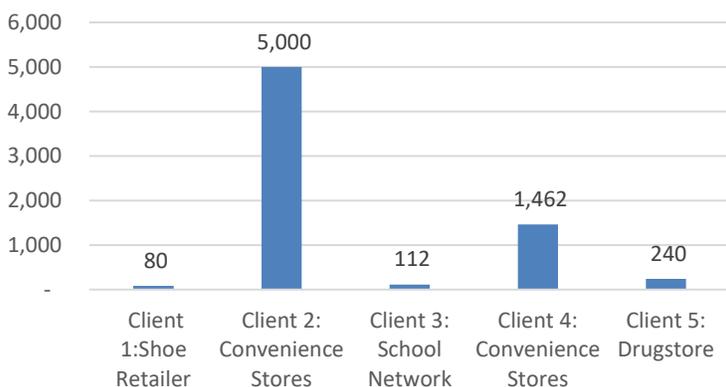
“Working on a product that is different than all other products in the market is a new challenge but that is the biggest benefit.” – Thais Calil, UX Leader

“Working with the development of a product like Eva is a huge professional benefit for me.” – Rodrigo Soler, Product Manager

Expanded Client Base

Geofusion decided to focus the marketing for Eva on the retail sector first. The company has been able to gain four new clients in the retail sector and one in the education sector, with headquarters in Sao Paulo, Porto Alegre, and Canada. Additionally, five clients have over 6,894 franchisees and were able to provide business analytics to thousands of SMBs (see graph below).

of Franchisee stores



Sustainability

Geofusion will continue to develop the Eva product and integrate feedback from pilot clients while marketing the product to other franchisors. Geofusion intends to receive feedback from franchisors on how the product has contributed to the business performance and sustainability of the franchisees. As this is a long-term goal, Geofusion plans to ensure that the feedback is properly tracked and managed throughout a client’s usage of Eva. This project has contributed to Sustainable Development Goal 8, Decent Work and Economic Growth and Goal 10, Reduced Inequalities.

8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



Lessons Learned

Geofusion realized that it takes years to develop a new product. Therefore, instead of developing a solution from scratch for the franchise market, the company decided to tailor the Eva product that was under development. This saved a substantial amount of time. The other main lesson learned was that it was hard to get the micro-franchises to understand the value of this product without other franchises using it first. Therefore, Geofusion decided to market this product to the SMB franchisor market first and take it to the micro-franchises after a proof of concept had been established.

“We learned that as a SaaS solution, we cannot customize features for each client; the solution needs to be developed entirely for the target market, listening to what customers have to say.” – Pedro Militao, Project Team

