



colart

ELEPHANT 2021

SUPPORTING OUR BRANDS, SUPPORTING INNOVATION

What is Elephant?



Mission statement

We believe doing things differently will help us inspire a new audience of artists

Elephant is a dynamic D2C platform designed to turn an engaged community into repeat consumers of Colart products.

Comprising **cutting-edge content**, an **ecommerce platform** and **online learning**, Elephant is an all-encompassing **experience** designed to make art inspiring and accessible for all.

We will:

- Provide our community with its fix of culture
- Offer a broad and stimulating learning programme
- Curate an online shop packed with must-buy products
- Do things differently (to find out what works)

Our purpose

Alongside supporting the sales of Colart brands, Elephant has a role to play in innovation and product development

Elephant is a great platform for experimentation. As a startup we can afford to **do things in a different way**. Our tried and tested findings will be fed back into mainstream strategy, providing our brands with the insight needed to innovate in a proven way.

Two current examples in development are

- **Elephant shop**
Developing a D2C ecommerce platform to showcase Colart products, desirable items from third parties who share our ethos and to test new offerings with consumers
- **Sustainable paint (Project Gaia)**
A first step on the way to creating a paint kinder to the environment and with a focus on reducing waste



One Elephant, three boxes

Vision

Where we are trying to get to

- £10 million business within five years delivering £2.5 million in net profit
- Consumer-facing business with a solid and loyal audience engaging through multiple touchpoints with the Elephant brand

Conversion

The factors to make it happen

- Alignment with the aims, needs and values of our consumers
- Strong USPs that make us a regular and desirable destination for consumers
- Investment in marketing in order to drive demand and raise awareness

Imperatives

The actions we must take

- Development of a marketing operation
- Solid actionable strategy to scale the business
- Efficient and slick ecommerce operation with optimised cost of sales and overheads

Who is Elephant for?



Our audience

We believe Elephant has a broad reach and wide appeal, but we have a clearly defined audience in view

Our initial focus will be on proving that we can do what we want, and do it well, in the UK before looking to develop a more global audience. Our focuses are **scalability**, **commerciality** and **reputation**.

- Hobbyists
- Students
- Creative professionals
- Age range: 20-40
- Keen interest in art both culturally and practically
- Profile: inquisitive and creative, interested in the 'new'

How will we achieve our goals?



Elephant today

Content

Occupying a dynamic and inclusive space

- Highly regarded print magazine to nourish and inform
- Digital platform to provide our community with daily touchpoints
- Engaging social channels (over 2.2 million monthly impressions)

Commerce

Building a unique and high-margin range

- Stocking a varied range of art supplies and materials, alongside creative products including artworks, gifts, books and tools
- Priced to be broadly aligned to brand.com
- Sales of £36k in November

Community

Engaging learning close to Colart brands

- Providing live art education courses in long and short format using products from our brands
- All products are provided as part of the course fee
- Closely aligned with our commerce platform

New for 2021

Content

- Increasing emphasis and innovation on digital
- Creating exclusive subscriber-only content online
- Building up our digital advertising opportunities
- Relaunching magazine as a bi-annual in April
- Improving accessibility of content and design without losing the distinctive Elephant 'voice'
- Introducing mid-tier luxury brands to print

Commerce

- New website allowing us to better showcase products
- Expanding inventory and moving to selling current stock alongside disco products. Collaboration with our brands and expand our selling of Reeves in the UK
- Introducing Elephant sustainable range
- Showcasing independent suppliers who share our ethos

Community

- Introducing scalable paid-for on-demand classes
- Expanding reach and appeal by releasing new classes to cover a range of mediums, genres and techniques
- Introducing one-day classes and workshops
- Creating classes to complement subscription boxes

Continuity

- Paid subscription box scheme
- Boxes to include two magazines a year, exclusive products, discounts and third-party deals
- On-demand classes to be aligned with each release
- Building a loyal community of consumers that engage with multiple touchpoints

Revenue splits

ecommerce (Kiosk)

Our primary revenue stream. Sales are multichannel including our website, Amazon and eBay.

Learning (Academy)

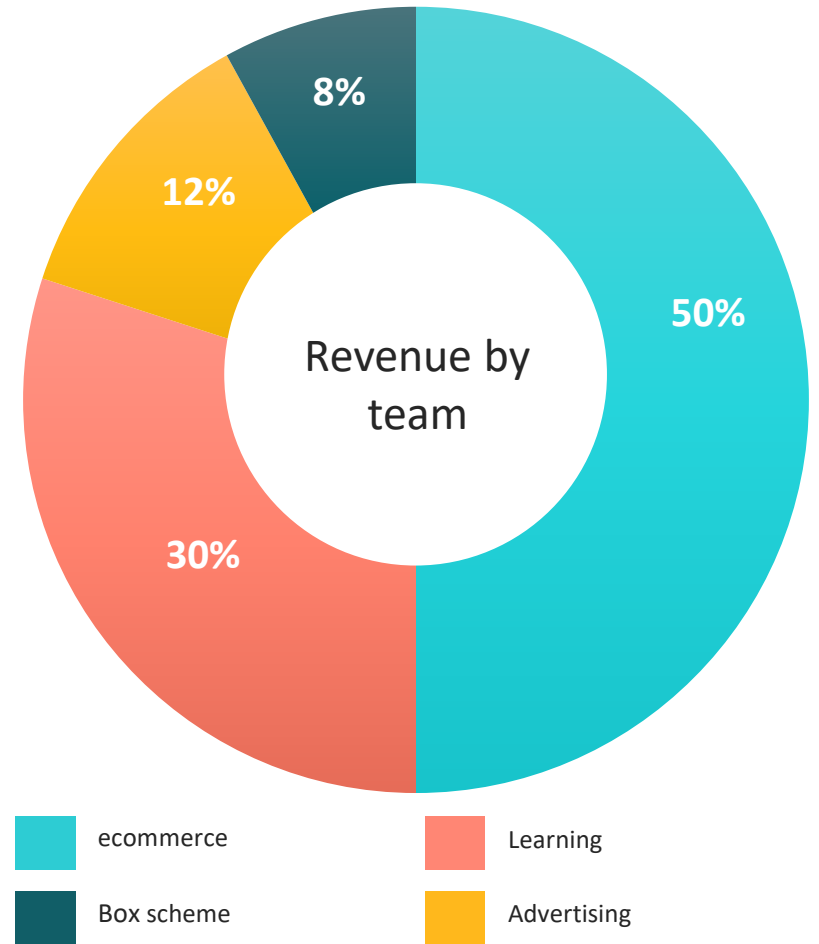
Revenues come from 80% on-demand courses and 20% live. On-demand courses will be sold through a range of marketplaces, which will include Amazon.

Advertising

Digital advertising will be the primary focus, alongside introducing new brands to print.

Subscription box

Curated box sent regularly to members and designed to create loyalty to the brand.



Elephant Space

Formerly known as Elephant West, our building in west London is being given a new lease of life to benefit all of Colart

Our previous vision for Elephant Space failed to bring the results we were hoping for. While it's clear that COVID-19 hastened the venue's demise, we know the way forward for Elephant Space is as a location with a clear purpose to our company.

Elephant Space is:

- The ecommerce hub for the Elephant shop
- Designed to be a creative, co-working space
- A studio for multimedia asset production and streaming
- An interactive concept space for Shopper Marketing
- Part of the local community, bringing our brands closer to a new audience
- A venue for workshops and art classes



Why do we need an Elephant?



The benefits

Elephant is intended to best serve customers in a rapidly changing world. If we don't do this, someone else will

Elephant brings four key benefits to Colart:

- 1. Gives us a slice of the cake**
An opportunity to generate a strong revenue stream with high margins.
- 2. Helps us adapt**
The retail landscape was already changing fast. Covid-19 has put things into overdrive. Adaption is key to survival.
- 3. Delivering us an audience**
By holding our consumers close we have significantly more capability to create brand loyalty across our portfolio.
- 4. A platform for experiments**
To test new products and approaches

Part of the family

One Elephant: the team

Collaboration is key to our success, so please keep in touch with our department leads



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Thank you!