**VILNIUS UNIVERSITY**

**KAUNAS FACULTY**

**Market analysis for online anonymous chat/forum**

Documentation

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OKR plan:

**Objective 1:** To analyze the competitors and their customers.

**Key result 1:** Conduct an analysis of market segmentation and provide the report.

**Task 1:** To analyze the segmentation of market based on demographic and geographic factors

**Task 2:** To analyze customer preferences in forum functionality and their motivation to use the platform

**Key result 2:** Prepare the report on main competitors and their business strategies.

**Objective 2:** To analyze online forum technological trends.

**Key result 1:** To find out the main online forum technological trends and legal regulations on the market.

**Task 1:** To find out current technological trends used by competitors

**Task 2:** To analyze legal and other regulatory factors that affect the forum industry

**Key result 2**: To analyze the market trends and provide a future market forecast.

**Plan for the IS demo:**

**Access link:** https://www.figma.com/file/wy3b052oZ0Rt7EUbmO0zMg/Untitled?type=design&node-id=0-1&mode=design&t=x1JYidV4bf987YyD-0

**Design:** the main page must contain forum features: user’s posts and timeline; the navigation bar allows to go to private chats; the chat window allows the users to send private messages

**Placements of menu buttons on the screen** are seen in the demo.

**Market Analysis Report: Online Anonymous Chat/Forum**

1. Introduction:

The online anonymous chat/forum market has witnessed significant growth due to the increasing need for anonymous communication platforms. Users seek platforms that provide a secure and confidential space to discuss topics of interest, share experiences, and seek advice anonymously.

2. Market Size and Growth:

According to the Yahoo! Finance “the discussion system market size is expected to grow from $625.39 million in 2021 to $972.60 million by 2028. It is estimated to grow at a CAGR of 6.5% during 2021–2028”  
 Market of online forums has seen a lot of progress since the beginning of the so called “internet” era. Besides all these numbers and statistics, user engagement metrics are crucial during market analysis of online chat/forum. Tracking metrics like daily active users (DAU), average session duration, and user retention rates can provide a comprehensive view of platform success. Analyzing these metrics can guide platform improvements for a more engaging user experience.

There are 2 main giants in the online chat/forum industry, and those are: Reddit and 4chan. Reddit is among the most popular social media worldwide, with an estimated 55.79 million daily active users and 1.660 billion monthly active users in 2023. It was valued at US $10 billion in 2021, with advertising revenue contributing $350 million.

On the other hand, according to internetmatters.com, 4chan is an established imageboard website with 20 million visitors monthly and 900,000 new posts per day.

3. Market Segmentation:

Demographic Segmentation: The user base spans diverse demographics, including teenagers seeking peer support, young adults discussing personal challenges, and professionals sharing industry-specific insights. The 18-34 age group forms a significant portion of the user base due to their active online presence.

In a survey conducted by Statista in 2019, it was found that 22 percent of internet users at the age from 18 to 29 years and 14 percent of users aged 30 to 49 years use Reddit. The dominant age group of Reddit users is 18 to 29, with men accounting for 63.8% of the user base.

Talking about 4chan, according to internetmatters.com “4chan is an imageboard website that is mostly used by young males. Official demographics state that the most popular age group are those between 18 and 25.”

Geographical Segmentation: While North America leads in terms of user volume, Asia-Pacific shows the fastest growth rate. Cultural diversity influences the type of discussions, making regional customization vital for platform success. 2020 statistics from Statista.com shows that the largest number of Reddit users are in the United States, at 221.98 million users. Second and Third place are Australia and India, with 17.55 million and 13.57 million users respectively.

The graph below shows the user count for the countries in which Reddit is most popular:

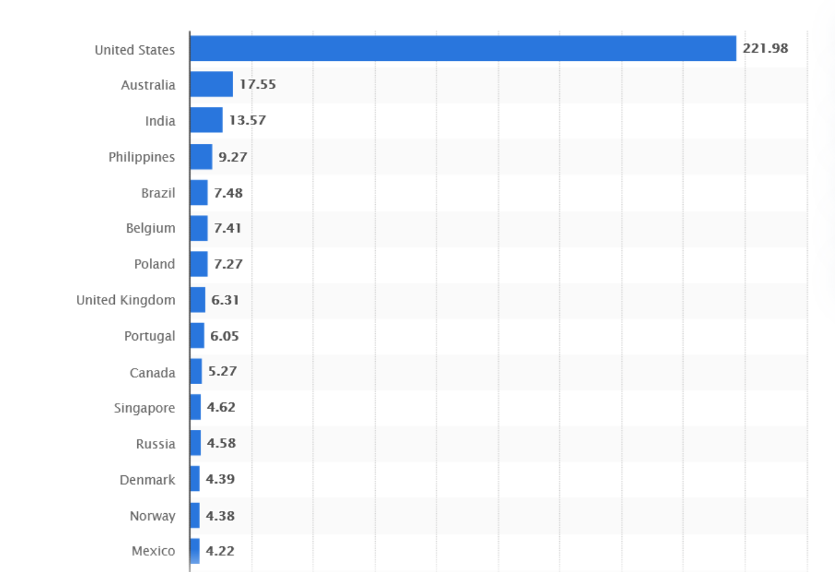


Figure . Number of reddit users by countries (in millions) source: https://www.statista.com/forecasts/1174696/reddit-user-by-country

**4. Competitor Analysis:**

Key Players: Reddit, with its many subreddits, caters to many topics. 4chan offers a more anonymous experience, attracting users interested in fringe discussions. Whisper and Secret focus on mobile users, emphasizing simplicity and anonymity.

Competitive Advantage: Platforms ensuring a balance between user anonymity and safety through robust content moderation and community guidelines gain a competitive edge. Reddit's upvoting/downvoting system promotes quality discussions, setting it apart.

Challenges: Platforms face challenges related to cyberbullying, misinformation, and hate speech. Those investing in AI-driven content moderation tools effectively tackle these issues, ensuring a positive user experience.

5. Customer Preferences Analysis:

Forums are unique among social media because they're places where people can talk anonymously about any topic. This makes forums more personal and meaningful than other social media platforms.

A forum is an online place where people can post questions, ideas, and thoughts. It's a way to start a conversation about something interesting to you, and have other people join in. The forum introduces a new possibility to reply to your post, or just read it.

The most common reasons for people to use forums, and why these forums can often turn into massive communities are:

* Anonymity**:** This is an important feature to many people. You can choose any username you want, and only share the information as you're comfortable with. This makes it a lot easier to be open and honest, as you don't have to worry about people judging you.
* Similarity**:** Successful forums work because they're made up of people who share the same interests. It may be hard to find like-minded people in your area, especially if you live in a small town. Online forums provide the opportunity to find users with similar interests all around the world.
* Specificity**:** Forums let us share specific parts of our lives or questions with others. It could be both something mundane, and deeply personal. Forums allow to ask specific questions and be sure that someone who knows the answer will respond.
* Friendship**:** Forums provide a platform for people to communicate, which understandably leads to forming new friendship bonds. Sometimes it can be easier to find friends online compared to real life. Finding similarities between people’s unique experiences is what makes it happen.

For customers, the most important parts of an online forum are those that enhance their online experience and satisfy their basic needs. These needs are often listed as motivations for using online forums.

Arguably, the most important features of an online forum are those that provide anonymity. This is because users want to feel safe and comfortable sharing their thoughts and opinions, without fear of judgment or reprisal.

The main technologies used to provide anonymity in online forums include:

* Two-factor authentication: Two-factor authentication adds an extra layer of security to user accounts by requiring users to enter a code from their phone, in addition to their password, when logging in.
* End-to-end encryption: End-to-end encryption encrypts messages so that they can only be read by the sender and the intended recipient. This helps to protect users' privacy, even if the forum itself is hacked.
* Data masking: Data masking hides or obfuscates sensitive data, such as users' IP addresses and email addresses. This helps to protect users' identities from being revealed.
* Access control: Access control restricts who can access certain parts of the forum, such as private messages and administrative features. This helps to protect users from spam, harassment, and other forms of abuse.

Among the future solutions for providing anonymity for online forums are blockchain technologies and AI-led security algorithms.

* Blockchain technologies can be used to create decentralized forums that are more resistant to censorship and hacking.
* AI-led security algorithms can be used to identify and remove harmful content from forums, while still preserving users' anonymity.

Another important requirement for online forums is a user-friendly interface. This includes:

* Intuitive service design: The forum should be easy to navigate and use, with clear instructions and labels.
* Accessibility features: The forum should be accessible to users with disabilities, such as screen readers and text-to-speech software.
* Adaptability to various devices: The forum should be compatible with a variety of devices, including desktop computers, laptops, tablets, and smartphones.

To implement specificity into an online forum, many companies (such as Reddit) create multiple rooms, each dedicated to a specific topic. This model allows the forum to keep the specificity feature, while maintaining a large audience.

For example, on Reddit, there are rooms for all sorts of topics, including technology, gaming, movies, music, and much more. This allows users to easily find and connect with other people who share their interests.

Overall, the most important features of an online forum are those that provide anonymity, a user-friendly interface, and specificity. By implementing these features, forums can create a safe and welcoming environment for users to share their thoughts and ideas.

6. Regulatory and Legal Factors:

Data Privacy Laws: Compliance with international regulations like GDPR and CCPA is vital. Platforms must inform users about data collection practices and provide options to opt out, ensuring transparency and building trust.

Content Moderation: Legal problems can be avoided by strictly sticking to laws like the Digital Millennium Copyright Act (DMCA). By implementing AI-driven content moderation, illegal content is removed and a positive online environmen2t is maintained.

Apart from concerns about data privacy and security there are legal factors to consider. Laws regarding child protection like COPPA in the United States regulate the collection of data from minors. Require adherence. It's crucial to understand and effectively manage defamation and libel laws to address statements and harmful content. Having a policy on intellectual property rights is essential for dealing with copyright related matters.

User consent and terms of service agreements play a role in outlining user responsibilities and obtaining consent for data processing. Ensuring accessibility compliance is important so that users with disabilities can access the platform. Since regulations can vary depending on the jurisdiction it's necessary to be adaptable in compliance efforts. Lastly having a defined incident response plan along with procedures for notifying about data breaches is crucial to address security breaches while following legal requirements.

7. Technological Trends:

AI and Machine Learning: AI algorithms scan texts, images, and videos in real-time, identifying inappropriate content and cyberbullying. Machine learning models improve accuracy over time, ensuring proactive moderation and enhancing user safety.

Blockchain: Some platforms explore blockchain technology to provide cryptographic anonymity, allowing users to engage without revealing their IP (Internet Protocol) addresses or other identifiable information. Blockchain also ensures data integrity, increasing user trust.

In the changing world of chat and forums there are several important technological trends that are shaping how users engage. Real time communication technologies allow for interactions ensuring that people can connect quickly. Mobile optimization ensures an experience, across devices making it easy for users to access information on the go. Additionally artificial intelligence (AI) and chatbots have improved support and moderation functions making it easier for users to get assistance when needed.

In this age where concerns about data security and privacy are increasing it is crucial to have measures in place to protect user information. Accessibility compliance is also important to ensure that everyone can participate in discussions and activities. Analyzing user behavior and personalizing experiences based on their preferences provides insights and tailored interactions.

Furthermore, incorporating voice and audio-based features enhances the variety of ways people can engage with each other online. Multilingual support and localization are essential, in order to reach an audience effectively.

To handle the growing number of users efficiently scalability and cloud computing solutions play a role. Augmented reality (AR) and virtual reality (VR) technologies take interaction to new levels by providing immersive experiences.

8. Market Trends and Forecasts:

Rising Demand for Niche Communities: The market is witnessing a surge in demand due to increasing mental health awareness and the need for safe spaces for discussions.

Monetization Strategies: Nowadays, online forums use a lot of different monetization techniques, the most popular among them are: freemium models, in-app advertisements, and subscription-based services are emerging as popular monetization strategies.

9. Conclusion:

Our team chose to explore the online anonymous chat/forum market because it's a rapidly evolving space on the internet. It's not just a digital trend. It mirrors society's shift towards open dialogues and the essential need for supportive online communities. These platforms are more than just websites, they're virtual lifelines where people connect, share, and find understanding.

In the digital age, online forums and chats are essential for bringing people from all over the world together. They promote empathy and knowledge sharing by providing a sense of community. Recognizing their importance, we are concentrating on improving user experience, adopting AI moderation technologies, and keeping up with privacy laws. We want to positively impact this expanding online environment by comprehending the changing needs of people.

10. SWOT analysis

|  |  |
| --- | --- |
| **Strength**  Accessibility: Can be accessed from anywhere with an internet connection.  Real-time Interaction: Provides instant communication and feedback.  Community Building: Fosters a sense of community among like-minded individuals.  Knowledge Sharing: Facilitates the exchange of ideas, information, and expertise.  User Engagement: Users can actively participate, leading to higher engagement rates.  Cost-Effective: Generally, lower operating costs compared to physical forums or meetings.  Analytics: Offers valuable data on user behavior and preferences. | **Weaknesses**  Security Concerns: Prone to data breaches and privacy issues.  Quality Control: Difficult to monitor and maintain the quality of discussions.  Trolling and Spam: Vulnerable to trolling, spamming, and offensive content.  Dependency on Internet: Relies heavily on a stable internet connection.  Limited Non-Verbal Cues: Lack of facial expressions and tone can lead to misunderstandings.  Technical Issues: Users might face glitches, leading to a frustrating experience. |
| **Opportunities**  Diverse Monetization: Options like ads, premium features, or subscription models.  Mobile Optimization: Developing user-friendly mobile apps for on-the-go access.  Specialized Forums: Creating niche-specific forums catering to specific interests.  Integration: Integration with social media platforms and other online services.  Global Reach: Expanding the user base across different countries and cultures.  Collaborations: Partnering with influencers or experts for exclusive content and discussions. | **Threats**  Competition: Intense competition from existing and emerging online forum/chat platforms.  Regulatory Changes: Changes in internet regulations and data protection laws.  Technological Advances: Rapid technological changes might make the platform obsolete.  Negative Publicity: Scandals or controversies leading to a negative public image.  User Burnout: Users might get overwhelmed leading to reduced participation.  Changing User Preferences: Shift in user preferences towards other forms of online communication. |

11. Documentation of project functions

**Functionality:**

First, you will see the main frame of our product. There you can click on the Chat Messaging button, and you navigate to Chat Messaging page. There you can click on the provided chat and open a chat with messages. In theory you will be able to write messages. Moreover, you can click on the notification button wherever you are and detect who replied to your message. Besides, you can return to the main page via clicking on the Home button (wherever you are) or if you want to see the profile you can click on the avatar and navigate to the profile page (wherever you are). There you will be able to change your profile and logout.

Let’s go back to the main frame. There you can click on the heart in the first post and click on the first post and then the post opens, and you will be able to write message. Also, I would like to point out that on the main page you will be able to search for posts what you want. If you look at the left side bar, you will see the Popular Tags and Pinned Group where you will be able to click on those bars and find interesting posts, and if you find the nice group and can pin to the Pinned Group bar.

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