Business Plan

December 9, 2017

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Executive Summary

Objectives

PublisEyes aims at being the most authentic and effective marketing tool for service driven businesses out there. PublisEyes will do this by engaging the Businesses with everyday social media users who like and are willing to use their services, and will advertise for them on their personal social media pages for a small fee. By cutting out the middleman i.e. costly existing online advertising platforms, PublisEyes plans to provide a cost-efficient and targeted advertising for solution that enables everyday users to make some money on the side.

Mission

Our mission is to create a more cost-efficient, authentic and targeted marketing solution for local Businesses out there looking to grow, by engaging users in the community directly and monetarily incentivizing them to advertise for the businesses they like and use on their personal social media accounts.

Our research shows that businesses are continuously trying to optimize their marketing strategies, and that the everyday social media user would use such a service if monetarily incentivized – and that is why PublisEyes believes that transferring *online advertising in the hands of the consumer* is the solution.

Key to Success

Our keys to success lie in the timing in which we release this unique technology. In our existing business model, we aim to tap 3 birds with 1 stone: that is, create a win-win-win situation for the business involved, the user, and the consumer base at large. The business gets to implement a more effective marketing solution, the user can make some extra money, and consumers (who are effectively followers of the 'user') get targeted content from their friends about businesses they are naturally more likely to use.

We plan to implement PublisEyes in such a way that the first year is spent thoroughly developing our technical infrastructure following the Human-Centered Design process, securing Letters of Intent (LOIs) from businesses that we will partner with, and getting together a pool of beta users by tapping our local network. This will ensure that after our technology is ready for launch, we already have number of businesses and users on board ensuring instant smooth functionality of our application. Eventually, we plan to capitalize on the market by aggressively building our partnerships and user network to make PublisEyes the go-to-platform for all businesses looking to market and users looking to make some money.

Company Summary

Startup Summary

PublisEyes was created in the September of 2017 when the four founders met through a renowned entrepreneurship course at UC San Diego, and realized that they could leverage their diverse skillsets to create this technology that when implemented at the right moment, has the potential to make a lot of money. Each of us is heavily invested in making this company and success and plan to spend substantial time on developing PublisEyes to make it a success, and have also planned to invest initial amounts to cover upfront start-up expenses.

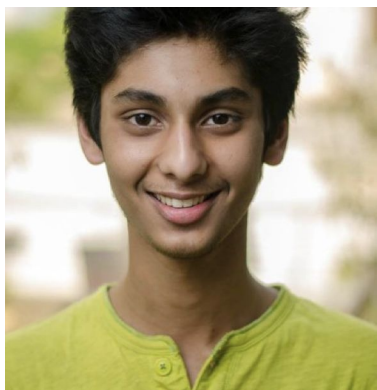## Management Team

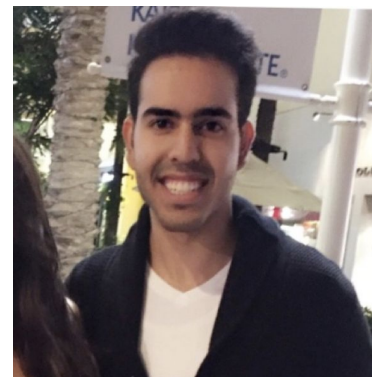The current Management team consists of all four founders of PublisEyes as follows:

Rudr Tandon, CEO

Anay Jain, CFO

Devyaanshu Patodia, COO

Ishjot Suri, CTO

Technical Team, Company Locations and Facilities

We will hire a team of talented developers in New Delhi, India at the beginning of 2018 to get started with developing our application and moving towards a Minimum Viable Product. Our company will be headquartered out of San Diego while the current plan is to outsource a lot of work to India, where we can effectively leverage personal connections, get a comparative advantage on labor cost and have a guarantee of quality in mind. Operations will plan to begin out of San Diego.

Market Analysis

Industry Overview

The amount of money that has been spent on the global advertising industry has been increasing from its inception. Since the uprise of social media, this rate has been increasing further and is expected to reach almost 550 Billion U.S. Dollars before 2018. PublisEyes is tackling the subset of this industry which deals with Social Media Advertising. This market is increasingly getting traction as it is evolving from standard advertisements to paid promotions. It now involves incentivizing people to post certain content for some reward. This is being seen as a very fruitful form of advertising and is what we are entering.

Market Size

In the U.S. alone, 190 Billion U.S. Dollars were spent on advertising in 2016. Of this 190, 31 Billion USD was through Social Media alone. This section accounts for roughly 16% of all advertising now in 2017. This in itself is clearly also a huge market. Whats even more exciting is that this form is at a Global increase of 26.3% which gives us confidence that we are entering a market with a promising future.

Our service deals with a particular form of advertising which is measured by impressions (or views) as opposed to advert follow through rates or commissions. The impressions market makes up 33% of the advertising and thus gives us a market size just over *10 Billion USD.*

Market Size

US Advertising $190 B

SM Advertising $31 B

SM Impressions
Advertising $10.23 B
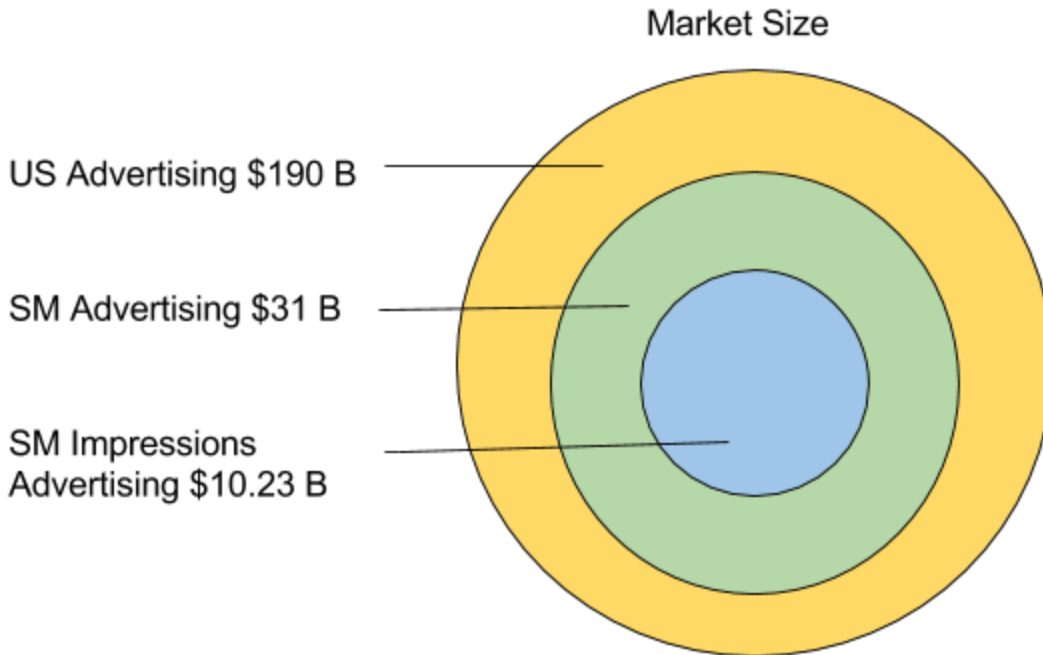
Market Opportunities

In this 10 Billion Dollar Market, there is no defined platform for Businesses to find users to post promotional content (or vice versa). Currently businesses either post on their own website or have signs at their physical location indicating some incentive (usually discount) if you upload content with a hashtag. People thus either have to already be at the location or on their specific website to come across such deals. This makes it ineffective for the business. Users who would want to find such deals also have no platform to find these deals, they just have to get lucky.

Our platform fills in this gap by giving a place for such businesses and such users to easily find each other. Our platform also values that not all social media users have the same influence and thus the incentives offered by businesses would need to differ to attract users with differing levels of influence. By make each promotion a paid promotion, our platform can reward users directly based on their influence by altering the value of their compensation. This gives business a lot of opportunities to specify exactly what kind of influence they want out of their promoters and how many they want.

Our initial customer discovery helped us to ascertain the need in this market. We found out that 84% Instagram users would be inclined to post content on their profiles for compensation, however they had no place to find such opportunities. 51% of them would even go to the extent of going to a restaurant with a lower rating if they were given the opportunity to earn money.

People willing to post for compensation

Not willing to post for $
15.9%

Willing to post for $
33.1%

Compromise quality for $
51.0%
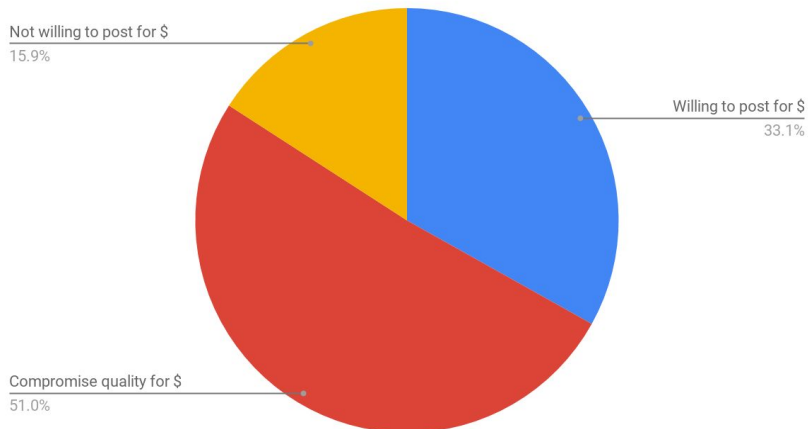
Competition

If a business chooses to advertise through social media, they generally tend to create their own content and then distribute it through large platforms like YouTube, Facebook or Instagram. Either the marketing division of their company handles this they hire a Social Media Marketing Agency to create their profiles and handle content creation. Both give a similar result. Another option some companies employ is contacting people with a significant following to talk about their product or service on their profiles. This is commonly seen on YouTube. HeartBeat is another option that provides a platform for companies to hire women as ambassadors for their products. We are thus competing with all of these options within Social Media Advertising.

Product Summary

Product Description

PublisEyes is an intelligent mobile app that will be available on the iOS App Store and Google Play that would allow small business in need of advertisement put their listing and requirement. At the same time it will allow social media enthusiast who love posting on instagram look at these listing and then advertise for their favorite listings at their own discretion. In doing so PublisEyes will be able to transfer online advertising in the very hands of the consumer.

Through its simple and easy to use interface PublisEyes will be able to provide advertisement that is:

- **Personal**: The people who are actually buying your product or service are the ones who are advertising it. It's gonna be photos of customers, by customers and consumers are going to get to see their own friends interacting with the product as opposed to actors

- **Authentic**: The personal nature of the advertisement adds to the authenticity of the

posts and advertising as you can chose which products/ services you'd want to first engage in and then advertise. Moreover it is going to be your very friends/followers who are going to be viewing your posts.

- **Cost Effective:** Businesses don't have to pay expensive agencies to create content and then pay more to advertise. Here the content creation is free and the advertising is at a lower rate than market.

The great thing about PublisEyes is that it provides advertising by the consumer for the consumer making it highly personal and authentic form of advertising. This in turn adds to the effectiveness of the advertisement.

Sourcing and Technology

We have two simple portals for registration in our application namely the Business Portal and the User Portal.

Business Portal

For the business it is going to be a very simple signup process. We would ask them to provide basic details about themselves and their business. After doing so, all these business need to do is provide us with details of what kind of listing do they want and what are their requirements. As soon as we receive this information, our algorithm would automatically create their listing on our portal for the users to view.

User Portal

For the user portal, we would ask the users to sign up through their instagram account. It is as simple as that. Once registered, the users can start uploading pictures for the favorite listings.

We will have a smart scoring system that will score every picture submitted by the user based on:

- How well the picture meets the business's requirement
- How many followers does the user have on instagram
- How authentic is the user's profile is. Eg if the user has too many advertising posts on their instagram account then he/she will likely receive a lower score

Our algorithm will also automatically tag PublisEyes and the relevant business once the picture gets approved and then automatically post it to the users instagram. It will also add a watermark in order to comply with the FTC guidelines for posting on social media.

Product Development Schedules

Task v/s Time	2016 - 17				2017				2017				2017 - 18				2018				2018				2016 - 17			
Months	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
CSE 190	■																											
Customer Discovery (Businesses & Users)		■	■																									
UX/UI designing/Front end prototype		■	■	■																								
Initial financial forecasting		■	■																									
Create Sales Deck/Presentation		■	■	■																								
Phase 1: Create Go-to-market strategy (I)		■	■																									
Build partnerships and LOIs				■	■																							
Strategise Project Definiton/Planning/Funding					■	■	■	■	■																			
Aquire Angel/Seed Round/FFF funding						■	■	■																				
Hire Development Team																												
Develop towards MVP					■	■	■	■	■	■	■	■	■	■	■													
User Testing and Iterate											■	■																
Survey/User Test MVP												■																
Roll out Beta Testing													■	■	■	■	■	■	■									
Aggressive Go-to-market plan implementation																	■	■	■	■	■							
Hire Campus Sales Reps																	■											
Hire Marketing and BD team																	■											
Status and Tracking																	■	■	■	■	■							
Key Performance Indexes for Performance																	■	■	■	■	■							
Monitoring User Behaviour																	■	■	■	■	■							
Re-iterations from HCD process																	■	■	■	■	■							
Final roll-out Phase 1																					■							
Phase 2: Implement Go-to-market strategy																						■						
Assess Client Expansion Opportunities																							■	■	■	■		
Implementation Status and Tracking																						■	■	■	■	■	■	
Funding Reassesment: Gear towards Ph 3																											■	■

Competitive Analysis

Currently, there are three giants that exist in the online advertising market namely Facebook, Youtube and Google. However, these advertising streams implement a high volume, low authenticity model. Since, these solutions target the masses, the content they use is created by marketers and is hence, repetitive in nature. Moreover, after talking to a couple of small businesses in San Diego, we found out that most of them can't even afford these advertising solutions. Thus, there is a need in the market for a more cost efficient and an authentic advertising platform.

During our research we also found out about HeartBeat which is an application that implements a similar business model to ours. However, HeartBeat targets specifically only women who already have a significant social media presence. HeartBeat encourages their users to be repeated brand ambassadors for the same clients which kills the authenticity of the posts to some extent. We differentiate from HeartBeat since we are accessible to anyone and everyone. We offer our users the freedom of choice to promote the products that they like. Moreover, we have a transaction based model, so our users have the flexibility to choose if, when and how many pictures they want to post.

Product Advantages

With PublisEyes we are able to target 3 birds with one stone:

- Businesses get a effective and authentic advertising solution at a much cheaper and cost effective price.
- Social Media Uploaders get to earn an extra income and monetize their social media uploads.
- Consumers get a personalised form of advertising where they can see people they follow create content in their own style.

Marketing and Sales Strategy

Targeted Markets

Our target market consists of two segments namely the business who are looking for advertisement and social media users who love post on instagram.

Businesses:

Our target market for businesses includes small to medium level business who are looking to advertise their products or services. These products can range from anywhere from food to amusement parks.

People who upload on Social Media:

Our target market for social media uploaders includes all those people who frequently post on instagram. It can include anyone above the age of 18 years who wants to advertise products or services. We are mainly going to target college students in the beginning and then expand our target market.

Customers

We will start by acquiring beta customers. These will be the customers who have signed up to use our service once the app is released and is mainly going to consist of small to medium level businesses. These business would be chosen strategically based on their proximity to college campuses in the San Diego region. We are looking to attract maximum number of users with the small number of listings that we would have on our platform when we first start off.

After success of our beta release, we would expand our network to other small business in San Diego. Once we get enough business from San Diego, we would look to acquire business from all over California and then all over USA. We will have one goal in mind i.e transfer advertising power in the very hands of the consumer.

Advertising and Promotion

As a team we will utilize various strategies in order to promote and advertise for PublisEyes. To promote our service to businesses, we would offer them a free trial in which they will be able to post their listing on our platform for free for the first month and see the kind of response they get. We would then offer them a discounted rate if they subscribe to our service for the entire year.

For the users, we are primarily relying on word of mouth as one of our strongest forms of advertising. We would promote our product through our service by promoting our product with each post that any user posts. We would also incentivise the users to register for PublisEyes by offering them $5 off at their favourite listing on our platform as soon as they post their first picture on our platform. If a user refers a friend then both the user and his referral would get $5 off at their respective favorite listings.

Selling Tactics

In our first year, we plan to reach out to potential businesses who are in our local network and get them on board by having them sign Letters of Intent (LOIs). What this will entail is that when our technical infrastructure is ready and we are gonna launch, we will have some businesses already on board along with beta users, which will ensure smooth functionality in our apps. In our second year, we plan to aggressively tap new businesses and will do this by leveraging our personal network, Cold Calling, Cold emailing and hiring outreach and marketing representatives and interns who will aggressively go out there are build our partnerships. In our third year, we plan to bring almost 1000 businesses on board our application, and at this point we will have dedicated marketing strategies with a team working on it, as well as explore different data-optimised tools that help build leads.

In terms of tapping more users, we will follow a college focused approach where we will aggressively market through college campuses and incentivize college students with different benefits to start using our application. We are believing a lot in the power of word-of-mouth to get more and more users on board, and will initially focus on tapping college students as they fit the perfect persona of our target user.

Manufacturing and Operations Plan

Wafer Sourcing

We do not have any costs towards raw materials because our application is strictly software. Any costs involved would include the money we pay to developers to help create our platform, and any other employees we may hire on the way. Above that, there could be periodic expenses in terms of administrative costs, rent etc. which we have accounted for in our financial plans.

Backend Manufacturing Plan

Our founding team plans to work closely with a team of developers to create the technological infrastructure for PublisEyes' platform. We plan to outsource this to a team of professional developers in India, as to reduce costs and take advantage of existing relationships we have with developers. After our back-end is ready, we plan to get into business and will have a dedicated team with a manager to maintain the upkeep of our technology.

Organization and Personnel Plan

Organization Structure

Our current organization structure is limited to the four founders, but once we get into 2019, we plan to get developers on board who will work directly with the CTO towards developing our infrastructure. In 2020, we plan to hire outreach managers and campus representatives to build leads, and they will report in directly to the COO and CEO.

Financial Plan

YEAR	2018	2019	2020
REVENUE			
Product [Advertising market for businesses]			
Market Size	288750000	288750000	288750000
CB Market Share %	0.054025974	0.162077922	0.315151515

Market Share Dollar Value	156000	468000	910000
# units	10	350	1000
Revenue	4800	168000	480000
TOTAL REVENUE	**4800**	**168000**	**480000**
EXPENSES			
Product x			
Components cost	0	0	0
Number Contractors	5	5	5
Net Pay Per Contractor (USD)	400	400	400
Total Labor Cost (USD)	2000	2000	2000
TOTAL COGS	**2000**	**2000**	**2000**
GROSS PROFIT	**2800**	**166000**	**478000**
Customer Acquisition Cost			
Advertising Cost	1200	15000	25000
Sales Cost	2800	8000	14000
Promotional Costs	3500	5000	9000

Total Customer Cost	7500	28000	48000
Operating expenses			
R&D	0	1500	1500
SG&A	0	2000	2000
Domain Cost	20	0	0
Server And Database Cost	300	1200	3000
Total Technology Cost	320	4700	6500
TOTAL EXPENSE	**9820**	**34700**	**56500**
OPERATING INCOME OR LOSS	**-5020**	**133300**	**423500**
EBIT			
Interest expense	0	0	0
Income before Taxes	-5020	133300	423500
Income Tax	0	31458.8	99946
Net Income	**-5020**	**101841.2**	**323554**