**COST BENEFIT ANALYSIS**

**Purpose:** UniCentral is a website that is designed to dramatically simplify and enhance the academic lives of students in an increasingly digital age. Recognizing that the modern student juggles numerous courses, assignments, and resources, our platform centralizes all course-related information, offering an organized and intuitive interface to manage their assignments. But beyond organization, UniCentral leverages AI-driven analytics to curate and offer personalized study resources tailored to individual learning paces and preferences. This means that students not only get a holistic view of their academic responsibilities but also receive tailored support, ensuring that they are equipped to succeed in their educational journey. In other words, UniCentral aims to be the bedrock of academic success, blending organization with personalization.

**Costs (Next 3 Years):**

**Development Costs**: This includes expenses related to software development, website design, and AI integration. Since you mentioned that you and your team are students working on this project, you may not have direct monetary costs for development, but you should consider the opportunity cost of your time and any potential software licensing fees or cloud hosting costs.

* Overhead cost: $0
* Salary: $0
* Cloud hosting cost $0 (for now, once we gain a userbase and start expanding we can upgrade the cloud infrastructure)
* Domain Name: $20-30 annually
* SSL (security) $0-$300 (Let’s Encrypt) depending on how much security we need

**Maintenance and Updates**: Estimate ongoing costs for maintaining and updating the website, including server hosting, bug fixes, and software updates. Assume an annual cost for this.

* 100$ for maintenance and updating using a cloud provider such as AWS

**Marketing and Promotion:** Plan for expenses related to marketing campaigns, advertising, and promotional activities to attract users to the platform. Consider both initial marketing costs and ongoing promotional efforts.

* $200 using TikTok, Instagram and Reddit we can generate content for free and then use a small amount of our budget to promote it

**Personnel:** Include salaries or stipends for you and your team members if applicable. While students may not draw a salary, you can estimate the value of your time and any potential hiring of developers, designers, or other team members in the future.

* $0 Since we have very little capital we can learn how to do everything ourselves.
* Considering the scope of our project, it is not unreasonable to approximate ~40$/hr for each person’s contributions to the team. This is a standard hourly rate at many tech companies for technical roles such as developers, designers, product managers, etc.
* We do not plan on hiring any additional personnel because we believe the work can be accomplished with the current team.

**Operational Costs:** Account for overhead expenses like office space (if required), utilities, and other administrative expenses related to running the project.

* As students, we could make use of on-campus resources such as the library and other facilities to meet and discuss our roadmap. We already have laptops to work on. The lack of equipment and office expenses help keep our overhead incredibly low. Again, we are foregoing a salary so our operational expenses are effectively 0$.
* We plan to leverage the chatGPT API for our premium users to help create curated study guides and learning plans. On average, we are assuming each user uses 100,000 tokens (or ~75,000 words) per month. This comes out to an average of .20$ a month per user. This cost will grow as our user base increases; however, this cost will always be offset by the cost of the premium subscription.

**Benefits (Next 3 Years):**

User Base Growth: Estimate the growth in the number of users over the next 3 years. Consider factors like adoption rate, marketing efforts, and the appeal of your platform. Be conservative in your estimates.

* Trying to break into a student-oriented space, initially growth will be primarily driven by word of mouth. We believe we could get around 1,000 users within our first year and then grow to over 10,000 in our second year and 50,000 in our third year. By using social media to market towards a gen z student audience, we could grow incredibly rapidly since our target demographic is always on the lookout for the next convenient tool or trend. With a consistent social media presence showcasing the functionality of our tool we could easily attract over a million impressions. It is common for one viral tiktok to have over a million views. At an adoption rate of 5%, it is a reasonable estimate to garner over 50,000 within three years.

**Revenue from User Subscriptions:** If you plan to offer premium features or subscriptions, estimate the revenue generated from user subscriptions. Include assumptions about pricing and conversion rates.

* We are planning to launch our UniCentral on a subscription based model with a free tier included in order to draw users in. Initially we plan to launch at $5/month in order to offer competitive pricing and

**Data Monetization:** If UniCentral collects and analyzes student data (with proper privacy compliance), estimate potential revenue from data insights or selling aggregated, anonymized data to educational institutions or research organizations.

* Our target population is known for their online presence. As a result, their habits and online behaviors could be valuable to advertisers, educational institutions, research organizations, etc. We believe selling anonymized data could bring in an additional $5 per user. As our business continues to grow, this could be the most profitable segment of our business.