BLG442E

Innovation and Technology Management for IT
Project 3

Team Name: Techbee

Cem Yusuf Aydoğdu
150120251
Ekrem Cihad Çetin
150110125
İhsan Burak Çağlar
150120057

1. How do you acquire customers?

There are two types of customer for our product. Personal customers who use the application and enterprises who place advertisements to our application. For acquiring personal customers, we are planning to use billboards in the metro. In order to obtain enterprise customers, we will attract them by possible user population of our application. According to Istanbul Ulaşım A.Ş., in 2015, metro was preferred 384 million times. So, this also provides us the opportunity to a wider market.

2. After you have landed a new customer, how do you plan to relate to that customer and manage the relationship (if at all)?

For personal customer retention, we are planning to provide entertaining services such as quiz games, competitions, public chat. Additionally, application will suggest nearby cultural activities to users.
Personal customer retention plans will also help to manage holding enterprise customers, because the number of active users in the application is crucial for advertisement and survey.

3. How do you charge your customers? What is your revenue model?

According to our revenue model, personal customers will be only charged when they request additional services (freemium model). Also, advertisement income from enterprises will form a basis for additional revenue model.

4. How much do you charge your customers? Can you calculate your revenues for the next month, quarter and year?

Personal customers will be charged for only extra features. Revenue from extra features are expected as 500□ per week. Enterprise customers will be charged based on time periods of the advertisement and number of questions in surveys. For weekly advertisements, we estimate 3000□ regular income. Per questions answered by users in survey, survey firms will be charged 0,1□. Assuming total number of answered questions are 2000 per day, we estimate 1400□ income weekly.

5. What assets are available to you or under your control?
User statistics and passenger data are under our control with gathered information about user's location.

6. Who are your key partners?

Our key partner is İstanbul Ulaşım A.Ş.

7. What key activities do you need to engage in to deliver your value proposition?

Purpose of the project is providing entertainment and information to passengers. We will engage marketing, R&D, sales activities for our project. Marketing and sales activities target enterprise and personal customers. R&D activities involve hardware architecture and software development.

8. What are your fixed costs?

Hardware required for the project is included in fixed costs, alongside development costs. Expenses for hardware requirements are expected as $60 for each wagon and $25000 as total. Cost for software project is estimated as $20000.

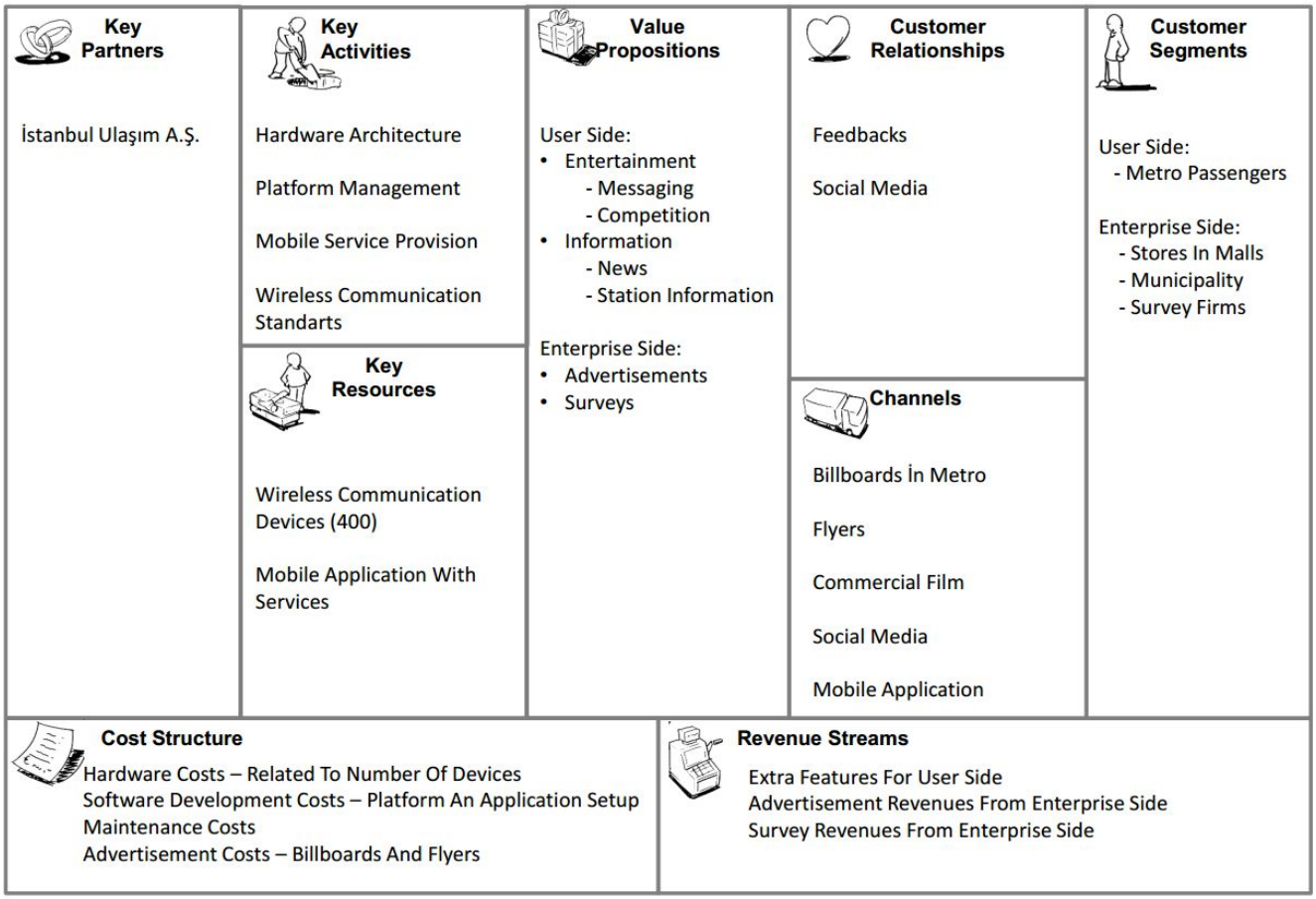
9. What are your variable costs? Can you calculate your total cost for the next month, quarter and year?

Maintenance costs for hardware are expected as $300 per month, $1000 per quarter and $4000 per year. For new services in the software, $1000 cost is estimated.

10. Does your revenue forecast demonstrate increased profitability towards the end of the forecast period?

With the supplementary services and scalability factor of the project i.e. applying the system to other metros, customer and advertisement numbers will be increased which will result as higher profit.

Business Model



Risk Management

We estimate no profit from next month because expenses will be higher than incomes. But, after the platform is established, we will not be spending any money for infrastructure, therefore we will profit.

There are some risks associated with the project, such as permission from key partner about the platform setup. Another risk is inability to reach a sufficient number of users, but this risk can be overcomed with updating services and adding new services.

Risks about number of users can be reduced with more effective promotion of the application to passengers.

Clarifying Business Model

No.	Question	Fact (with evidence)	Assumption
1	How can you achieve sufficient number of users?	Statistics from Istanbul Ulaşım A.Ş.	
2	How can you know hardware total cost?	Unit price of device is multiplied by # of cars	We are assumed $60 per device
3	How can you estimate advertisement income?	Referenced by Google Adsense data	We assume 3000 regular income per week
4	How can you obtain required permission for implementation?	Cellular connection does not provided because of security problems in metro.	We assume that required permissions are obtained
5	How can you attract user number with flyers and billboards?	According to İstanbul Ulaşım 700.000 passengers use metro per day	

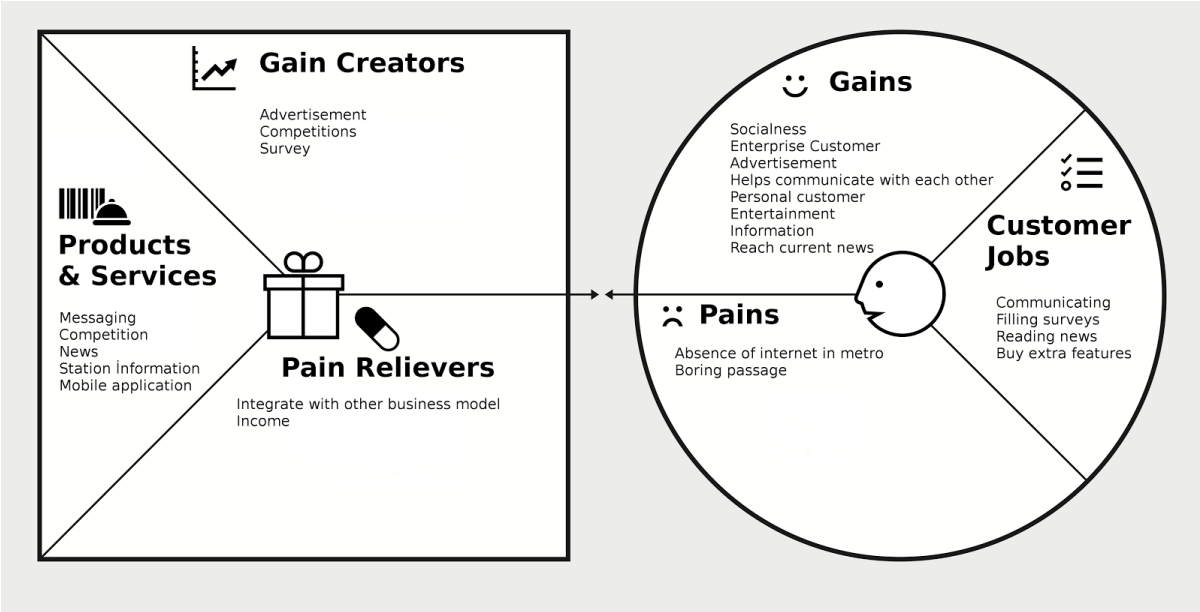
Value Proposition Canvas

Product and services
- Messaging
- Competition
- News
- Station İnformation
- Mobile application

Gain Creators
- Advertisement
- Competitions
- Survey

Pain reliever
- Integrate with other business model
- Income

Identifying customer benefits(Gain)
- Socialness
- Enterprise Customer
  - Advertisement
- Personal customer
  - Entertainment
  - Information
- Helps communicate with each other
- Reach current news

Pain
- Absence of internet in metro
- Boring passage

Customer job
- Communicating
- Filling surveys
- Reading news
- Buy extra features