Group: NaviBike – DETAILED CUSTOMER SEGMENT / VALUE PROP ANALYSIS – JAI HIMATSINGKA

NaviBike is a very simple idea- audio based navigation inside the 5 boroughs of New York City. Statistics indicate that there are approximately 3,884 bicycle-motor vehicle collision related injuries and 12 deaths resulting from this. Audio based navigation restricts the guidance to a level such that your eyes never have to go off the road.

Our customer segment could broadly be classified as Middle class Tourists visiting New York City for leisure and sightseeing (Since there are very few lower class tourists due to the high costs of NYC, and the higher classes are uninterested in anything that does not have 4 wheels). NYC has a footfall of over 50 million tourists a year, consisting of approximately 42.9 million domestic visitors and 11.4 million international visitors. The detailed customer segment would be smartphone owning international tourists, who do not already have a carrier in the US, approximately between the ages of 18-45.

Tourists come to New York City, primarily relying on Hotel Wi-fi to use the internet. But when outside the hotels, they typically do not go for domestic carrier plans due to the expense and inefficiency of buying one, and the detailed contracts required for the relatively smaller time period they spend in the city. NaviBike aims to make a compact device in the form of a wireless Bluetooth, that attaches to the ear, and has a temporary sim card installed inside it, allowing a hotspot to connect with the tourist’s smartphone. From there, it connects to the open source software Google Maps and accurately directs the tourist to the location they wish to go to. Yes, entering the location on Google maps requires looking at the smartphone, but one assumes this is much safer since typically one doesn’t go onto the roads until such formalities are done with.

Other products in this field (the “competition”) have many disadvantages: They’re often overpriced, or have a very visually distracting interface, or are bulky gadgets that have to be attached and removed on bikes and could be stolen potentially, or have poor battery life. These “pains” of the customer, we plan to solve by:

1. Allowing for a rental option for a period of a few weeks
2. Only Audio based navigation through the earpiece
3. No potential for this gadget being stolen, since it is always on the person himself and not the bike.
4. Low energy Bluetooth and wi-fi technology, allowing for prolonged battery life.

But, there are several issues, apart from the advanced technology. Firstly, why would a customer choose to physically strain themselves riding a bike around New York City? Preliminary answers indicate a more focused customer segment such as those who are touring the world, those more athletically inclined to this activity etc. We need more research on this and are planning to conduct a few tourist interviews to understand this. Secondly, a few reasons why biking around New York City is a worthy idea is because it allows you to get a feel of the city’s amazing attractions, something which the subway cannot provide or the individual flexibility, unlike tour buses. A con would be the extra physical exertion.

Another major challenge, and a very tough question: “How is this different from plugging in earphones and using Google Maps”? Firstly, this requires a carrier connection, which we provide on a temporary basis. Assuming this is taken care of, earphones cannot be used in all weather and are prone to getting tangled. We are still working on diversifying our product to have more features. This would expand the product and clearly distinguish it from google maps such that a comparison would be pointless, and change the status of the good from ordinary to luxury, yet affordable for the middle class. Suggested features are a “crime-check” feature, that uses the hotspot to connect to the NYPD online database of crimes and have the automated earpiece voice inform the rider if they’re entering a neighborhood that’s dangerous at that hour, or if a crime has taken place in the vicinity and include a possible re-route. Additionally, the earpiece is planned to be waterproof, such that it can be used in all weather.

A very important statistic we are trying to collect is how many international tourists actually tour New York City on a bike, since that would also determine our primary revenue stream. This device can be designed at a reasonable cost, requiring only a partnership with a local carrier, Bluetooth connections to a smartphone and access to Google maps and the internet. If even a small proportion of the 11.4 Million tourists fall into our customer segment, we could still be looking at a large revenue stream due to the sheer number of the tourists. Furthermore, since the range is “middle class”, they would not be looking to spend money on expensive cabs/subway/buses but rather on shopping and sightseeing. We could partner up with bike rentals and provide affordable solutions to this, making it an attractive option. Tourist interviews are planned for this stage.