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Rice/ 2M

1. Red Oceans represent all the industries in existence today, or the market space.  
The Blue Oceans represent all industries not in existence today, or the unknown market space.
2. One start-up that used blue ocean strategy to both create and take a good portion of the new market is Bird. Bird completely created a new rideshare market by producing large amounts of scooters for people to rent. Rentable bikes were a thing before, but Bird was the first to allow users to unlock a device and leave it anywhere where they finish, creating a true “rideshare” without cars.  
Another startup that used blue ocean strategy was Uber. Before uber, one’s only option for private transportation without a vehicle were taxis. Uber decided to create a whole new market by allowing users to sign up as drivers with their own cars, eliminating the cost for taxi cabs, and a phone app that finds the nearest car for the customer’s convenience.
3. One advantage of strategizing to join red oceans is that the boundaries are already structured and the “rules of the game” are already known, making it easier to determine your strategy and next steps. One risk is that the market space of the red ocean can get crowded, reducing your profits and growth.
4. The three main types of crowdfunding are donation, lending, and equity crowdfunding. In the donation model the founder receives money from the crowd without any tangible return. The crowd “donates” their money to the founder.

Lending crowdfunding, also known as peer-to-peer or peer-to-business, is where the founder raises money with the expectation that the money will be paid back to supporters. In equity or investment crowdfunding the company raises money from a crowd in exchange for a stake in the ownership of the company.

5. At the moment *Shujinkou* is utilizing lending crowdfunding, promising returns for money invested. Once it is changed to C-corp and shares can be offered, it may use an equity crowdfunding method. Also once a kickstarter is in place, that would be considered donation crowdfunding since there is no monetary reward.
6. I believe at the current stage the best option would be to do donation crowdfunding through a kickstarter. Not only would this provide a good boost of starting cash to develop the game, but a successful kickstarter would look great to investors; boosting potential share price or convincing people to lend money who would have been hesitant before.
7. A company using the least rewarding method was Twitter, which used equity funding to raise \$1.8 Billion in its Initial Public Offering. Alternatively, a company called Pebble used donation crowdfunding through kickstarter to raise over \$10 million.