

Course: Managing an Agile Team

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Part 1: Positioning Statement

For young professionals (born between 1985 and 1995), working from Monday to Friday in Downtown, who love to meet with their friends on Friday Nights to watch the new movies, Kinnow Cinema is an innovative movie theater that provides the most unique, futuristic experience. Unlike any other movie theater, Kinnow Cinema doesn't have queues, paper tickets, ushers and cashiers, crispy snacks and fizzy drinks with noisy packaging, and – above all – projection systems. In Kinnow Cinema, you can buy a digital ticket online, choose from a variety of healthy food options inspired by the aerospace industry, and enjoy the movie on a bright and colorful, high-quality LED display.

target customer – young professionals (born between 1985 and 1995), working from Monday to Friday in Downtown

statement of the need or opportunity – meet with their friends on Friday Nights to watch the new movies

product name – Kinnow Cinema

product category – movie theater

statement of key benefit that is, compelling reason to buy – provides the most unique, futuristic experience

primary competitive alternative – any other movie theater

statement of primary differentiation – Kinnow Cinema doesn't have queues, paper tickets, ushers and cashiers, crispy snacks and fizzy drinks with noisy packaging, and – above all – projection systems. In Kinnow Cinema, you can buy a digital ticket online, choose from a variety of healthy food options inspired by the aerospace industry, and enjoy the movie on a bright and colorful, high-quality LED display.

Part 2: Focal Questions

1. What's important to this business? Why? How is it measured with regard to customer/user behavior?

I would like to tell about this project in the format of a story. And this story started in 2006, when I was only 17 and went to the cinema for the first time in my life. The movie made an incredible impression – it was the "Pirates of the Caribbean." But the movie theater was not so good. The hall was full of people and very noisy. Someone ate, someone coughed, all the time. Many people were late, many exited during the movie. Overall, my expectations were far from this reality. I couldn't sleep that night. I was thinking why this experience was so bad. And how could this be fixed?

That time, I had just graduated from school and wanted to become an architect. From the architect's point of view, there were 3 problems:

1. **Distraction.** People sitting in front of you might somehow distract you from watching.
2. **Discomfort.** During and after the movie, you might feel tiredness, as well as neck pain and lower back pain. This is because you need to keep your head upright for a long time.
3. **Inequality.** The front rows are too close to the screen, while the back rows are too far, and only a few are the best. And many people want to buy the tickets in advance so that they will have "the sweet spot."

Later, I've understood that these 3 problems exist in almost all movie theaters around the world. Because of their core design. The first movie theaters were converted from classic stage theaters more than 100 years ago. Since then, the movie theater design has not been changed much. There are many traditional solutions to the problems (such as bigger screens, increased audience slopes, and higher seat backs), but all of these solutions have their own limitations and they don't change the core design. The only good solution is to change the core design.

That's how this project was born. Kinnow Cinema has an ergonomic design with 3 positive outcomes:

1. **No distraction.** In Kinnow, the bright and colorful, high-quality LED display is raised above the audience and tilted at the optimal degree – so that you do not see the people in front of you. And nobody distracts you from watching.
2. **No discomfort.** In Kinnow, you are leaning back in the most comfortable sitting position, proven by research.
3. **More equality.** Replacing the projection system with LED display, raising it above the audience, and tilting it at the optimal angle – all of these steps allowed to minimize the difference between the rows. In Kinnow, there are simply no best rows.

If you are interested how this was achieved, you can see a virtual prototype here: <https://youtu.be/LT72UCeYAf8>

Later, I've understood that this was not enough. There are many other problems. But now they are not related to the design – they are related to the business. Once again, the first movie theaters were converted from classic stage theaters more than 100 years ago. Since then, the movie theater business has not been changed much. We still buy paper tickets from the cashier, we still stand in the long queues, we still need to show our paper tickets to the usher, and we still don't have any options other than popcorn and Coca-Cola.

I've made an extensive research on all steps people make when they go the movies and how they perceive this experience. Interesting fact – many people think that there is nothing wrong with this experience. Because there are no alternatives. There are no other options. This is something like a block inside the mindset. And I wanted to break that block, to disrupt this industry with something that is completely unusual.

First of all, in Kinnow, there are no projection systems. Only high-quality, bright and colorful LED display. This display is raised above the audience and tilted at the optimal degree, so that you watch the movie in the most comfortable position and don't see the people in front of you.

This is surrounded by unique, futuristic, and completely digital experience. Using the existing technologies, the customers don't need to stand in queues and buy paper tickets. They want to buy digital tickets online. And they want to show digital tickets on their smartphones, upon entering the hall. In Kinnow, there are no ushers and no cashiers. Only turnstiles with QR-code scanners. The customers need to scan their digital tickets at the turnstiles and they can enter the hall. This is very common in metro stations. But this is unusual for the movie theaters.

Also, using the existing technologies, the customers don't need to stand in queues to buy food for the movie. They want to order food online when they buy their digital tickets. This is very common in passenger airlines. But this is unusual for the movie theaters.

Also, many customers don't like the food options they have in almost all movie theaters. They don't like crispy snacks and fizzy drinks. And many of them hate the noisy packaging which distracts other people during the movie. In Kinnow, there is a variety of healthy food options, and every food item is in eco-friendly packaging which doesn't produce any unwanted noise. This is also very common in passenger airlines.

As you can see, we haven't created everything from the scratch. We have used the existing technologies from other industries. And all of these solutions form an overall value proposition which we present to our customers:

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Business model



VALUE PROPOSITION

KEY PARTNERS

- 1 Display provider
Samsung
- 2 Sound system provider
Harman JBL
- 3 Other hardware provider
AppleTech
Kazakhstan
- 4 Film distributors

KEY ACTIVITIES

IP development
Software development
Individual theater design
Hardware installation
Technical post-service

KEY RESOURCES

IP rights
Software platform
Proprietary theater design
Brand & service guidelines
Human resources

RELATIONSHIPS

Brand & service trainings
Individual theater design
Hardware installation
Technical post-service

CHANNELS

Website
Movie trailers & posters
CinemaCon & film festivals
Famous filmmakers

CUSTOMERS

- 1 Film exhibitors
160,000+ theaters worldwide
- 2 Property development companies
- 3 Conference centers

COST STRUCTURE

- 1 IP registration fees
- 2 Film distribution fees
- 3 Display, Sound system, & Other hardware leasing
- 4 Salaries & Overheads

REVENUE STREAMS

- 1 Brand and IP licensing
- 2 Film distribution fees
- 3 Display, Sound system, & Other hardware leasing
- 4 Individual theater design & Hardware installation
- 5 Software subscription fees

2. For which Problem Scenarios / Jobs-to-be-Done should we test new propositions?

Currently, our team plans to focus on the Problem Scenarios described below:

#1

Problem Scenario / Job to be Done: Buying tickets for the movie

Engagement Metric: The number of steps the customer takes from choosing the movie to buying the ticket to entering the hall

Current Alternative: Denis and his friends work from Monday to Friday in Downtown. They want to go to the movies on Friday Night. Because there are traffic jams on Friday Night, they buy tickets online using a third-party app or website. But – upon coming to the movie theater – they need to show their digital orders to the cashier in order to take the paper tickets. They spend a lot of time to do this because there is a long queue in front of the cashier – many other people also want to watch movies on Friday Night. Then – before entering the hall – Denis and his friends need to show their paper tickets to the usher. This also takes a lot of time because there is another long queue – the usher needs to check all of the paper tickets from people entering the hall.

Value Proposition: In Kinnow Cinema, Denis and his friends would not need to take paper tickets and spend their time standing in the queues. Because there will be no ushers and no cashiers. Only turnstiles with QR-code scanners. Denis and his friends just need to buy digital tickets online using the Cinema's proprietary app or website. Then – upon coming to the movie theater – they just need to scan their digital tickets at the turnstiles and enter the hall.

Notes: There might be many people who haven't bought tickets in advance. Usually these people buy paper tickets in the movie theater, from the cashier. And for all these people we will just install big touchscreens where they can buy tickets using our app/website. So – we will make sure all our customers buy tickets through our app/website.

#2

Problem Scenario / Job to be Done: Buying healthy food for the movie

Engagement Metric: The number of healthy food options in the movie theater

Current Alternative: Currently, there are no healthy food options at all. Denis and his friends want to have a healthy lifestyle. But every time they go to the movies, they need to buy those crispy snacks with a lot of salt, fizzy drinks with a lot of sugar, and all of this stuff in a noisy packaging which they hate because they don't like to disturb other people during the movie.

Value Proposition: In Kinnow Cinema, there will be no crispy snacks or fizzy drinks. Only healthy food options inspired by the aerospace industry. Also, Kinnow Cinema will use only eco-friendly packaging that doesn't produce any unwanted noise. And again – Denis and his friends would not need to stay in a long queue to buy food. They can order their food online when they buy digital tickets.

Notes: There might be many people who haven't bought tickets in advance and haven't ordered food online. Usually these people buy paper tickets in the movie theater, from the cashier. And then they buy some food, from the bar. For all these people we will just install big touchscreens where they can buy tickets and order food using our app/website. So – we will make sure all our customers buy tickets and order food through our app/website.

Also, there might be people who don't want to eat healthy food during the movie. And that's perfectly OK. Many people prefer crispy snacks and fizzy drinks when they watch something good. We will make sure that our app/website provides those options – with a little disclaimer that this food is unhealthy. However, we will make sure that all packaging is eco-friendly and doesn't produce any unwanted noise. Because we don't want our customers to distract each other during the movie.

3. How will we define and measure success?

We plan to measure success on our outcomes relative for the Problem Scenarios described above:

Problem Scenario / Job to be Done: Buying tickets for the movie

Measuring Success / Outcomes: How many people use our app/website to buy tickets? Ideally, this should get to 100%. Please refer to the previous section for more description (Notes).

Problem Scenario / Job to be Done: Buying healthy food for the movie

Measuring Success / Outcomes: How many people use our app/website to order healthy food for the movie? Ideally, this should get to 100%. Please refer to the previous section for more description (Notes).

Thank You & Good Luck!