



Homy

Your Family Connection

Defining Opportunities/Market Research

- A. Target Customers
- B. Value Proposition
- C. Assessing Market Size with TAMSAMSOM
- D. Competitors & Risks

A. Target Customers

1. International & College Students	Age 18-25
	Characteristics Left home, adept to technology
	Goal Share daily lives and updates with parents

Behaviors & Personalities:

College students belong to young adult group who are busy yet determined to maintain school-life balance. They want to stay connected with their friends and family despite physical distance and enjoy sharing activities or events from their daily lives. Typically, they come from a collectivist culture in which family ties are strong and relationship between parents and children are tight-knit. They **communicate frequently with their families**. Although they value such family interaction, they still want to live independent lives without their parents' constant attention.

2. Millennial Moms	Age 45-55
	Characteristics Separated family members most caring unit in a family
	Goal Casually check on children manage family events

Behaviors & Personalities:

Millennial moms¹ belong to young modern parents who are generally adept with technology. They **value happiness and wellbeing** of their families. They mostly come from developed regions with a collectivist culture that emphasizes family relationships and believe in supporting their children regardless of any physical separation. Although they would prefer to have frequent communications with their families, they do not want to become a nuisance in their busy lives. They find comfort in knowing their children and husband's wellbeing and safety.

B. Value Proposition

¹Millennial moms are described as mothers born between 1978 and 1994, and approximately consist of 22% of the global mother population. [Weber Shandwick's report](#) highlights them as digital women influencers. They spend average of 17.4 hours/week on social networks, and 82% share and recommend social websites.

We narrowed down the target audience to millennial "mothers" because they are generally perceived as the most caring unit within a family. Initially targeting the moms, we want Homy to spread through strong word of mouth from one family to another.

Problem we are trying to solve:

“U.S. families say they are spending less time together.”
–ABC News²–

“The average British family spends just 34 minutes a day together.”
–Daily Mail³–

“1 out of every 3 family suffers family conflicts in Korea”
–MBC News–

Less time is spent for families as people become more and more engaged with work and social lives, and this phenomenon is found across the world as shown above. This is problematic because we are spending the least time with the most important people in our lives while spending more time with strangers, coworkers and friends. The cause of the problem has been generally identified as increased work and commute time, and hectic individual routines.⁴

Homy attempts to solve this growing social problem by **recreating online home** and allow families to seamlessly connect, **encouraging more family communication.** Homy wants to become the new channel for family interaction. Our mission is to provide **emotional communication service** to enrich family's real, offline relationship.

Value Proposition:

1. For International and College Students:

1. You can contact and share contents with parents without showing all your likes and comments on Facebook newsfeed.
2. You can indulge in Homy's online family space when you miss home and feel attached to home despite being physically separated.
3. You can keep in touch with your family quickly without appearing insincere.

2. For Millennial Moms:

1. You can maintain a strong relationship with your family and add intimacy to your online communication.
2. You can effectively manage family communication, scheduling, and family photos in one comprehensive family app.
3. You can avoid mistakenly sending wrong messages to the wrong group in multiple ongoing chats in different platforms.

² <http://abcnews.go.com/Technology/story?id=7848914&page=1>

³ <http://www.dailymail.co.uk/news/>

⁴ <http://www.pewsocialtrends.org/2015/12/17/2>

C. Market Size

We used the TAM SAM SOM model for estimating our market size. We narrowed our target customers as families that include millennial moms. We identified mothers as the **biggest influencers**⁵ in the family and focused on the mom segment of the target audience (would then be applied to the entire household unit).

TAM:

The **Total Addressable Market** for Homy would be millennial mothers with smartphones. Below, we narrowed down the criteria and data:

Number of total “mothers” ⁵	45 million
Number of millennial moms ⁵ (MM)	9 million
% of MMs with internet access + smartphones (2016) ⁶	93%
% of MMs with target children	36%
Geography/Service Area	We initially set no location boundary since the app can be potentially be serviceable to various area/countries

$$\begin{aligned} \text{TAM} &= (\# \text{ of millennial moms}) \times (\% \text{ with internet \& smartphones}) \\ &= 9 \text{ million} \times 0.93 \times 0.36 = 3.13 \text{ million} \end{aligned}$$

SAM:

The **Serviceable Available Market** would be the of the TAM-millennial moms who actively use social media in general, and we further narrowed down to those who use social media actively.

MMs who use any social media ⁶	88%
MMs who use social media several times a day ⁶	62%

$$\begin{aligned} \text{SAM} &= \text{TAM} \times (\text{MMs who use any social media}) \times (\text{MMs who use social media several times a day}) \\ &= 3.13 \text{ million} \times 0.88 \times 0.62 = 1.707 \text{ million} \end{aligned}$$

⁵ [WeberShandwick: Digital Women Influencers Millennial Moms](#)

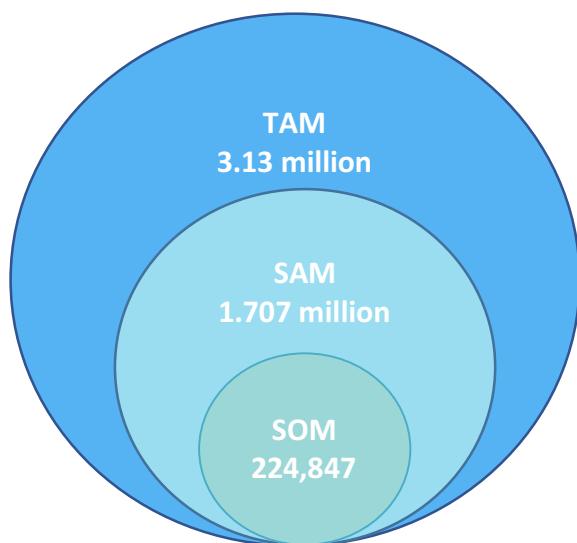
⁶ [Edison Research: Moms and Media](#)

SOM:

For Serviceable Obtainable Market, we initially plan to release the millennial population in San Francisco. We thought this was a useful initial approach, since millennial population constitutes **43%**⁷ of total SF population and are generally described as well-educated with high income and tech-fueled area. The SF area is close, and the population fits well with our target audience.

San Francisco population	830,000
MMs with target children ⁸	21%
Average family size of MMs	89% live with 3 or more people

$$\begin{aligned} \text{SOM} &= (\text{SF population}) \times (\% \text{ of SF millennials}) \times \\ &(\text{MMs with target children}) \times (\text{estimate family size}) \\ &= 830,000 \times 0.43 \times 0.21 \times 3 = 224,847 \end{aligned}$$



We hope to restrict the user base and release the product step-by-step in order to validate our main differentiator and improve upon. We hope to achieve this number throughout our 3-year plan.

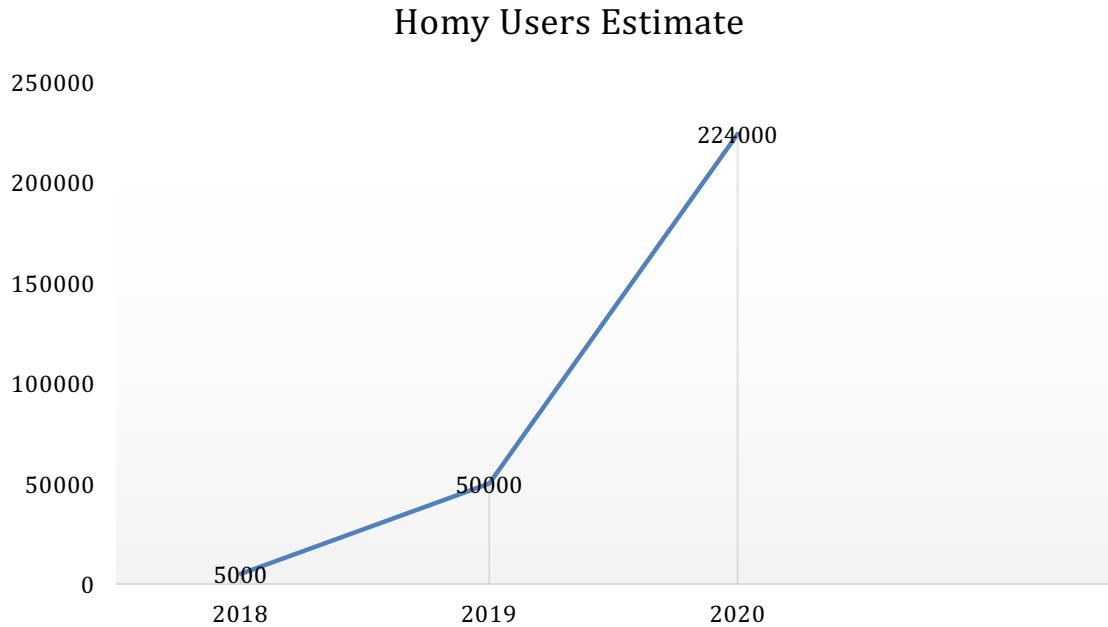
For first few months since launch, we want to begin by releasing beta testing version and plan to focus on validating and testing the product. Thus, we will restrict the users to around rough estimate of 5,000 users. Also, restricting the users could potentially create buzz through scarcity.

Building upon the beta, we want to achieve around 15,000 users. This would mean having approximately 5,000 family accounts registered. With cheap online ads and mainly using strong word of mouth, we will tap into the SF millennial families, and focus on building loyal user base.

⁷ Sf.curbed.com

⁸ Marketing Charts: Demographic Stats About US Millennials

In the second year, we want to focus on scaling the product and achieve around 50,000 users. However, we do not want to scale too quickly, but rather consecutively build on and make sure that our product can support such massive users.



In our third year, we finally want to scale so to achieve the SOM. However, 224,000 users are still massive, and it would be quadrupling already. We want to be careful on scaling up massively. However, by the third year, we believe that we would have at least thousands of loyal users and stable product operation that is capable of maintaining such user base. Also, as a social media platform, user acquisition is an important aspect for Homy to establish a strong foothold in the competition.

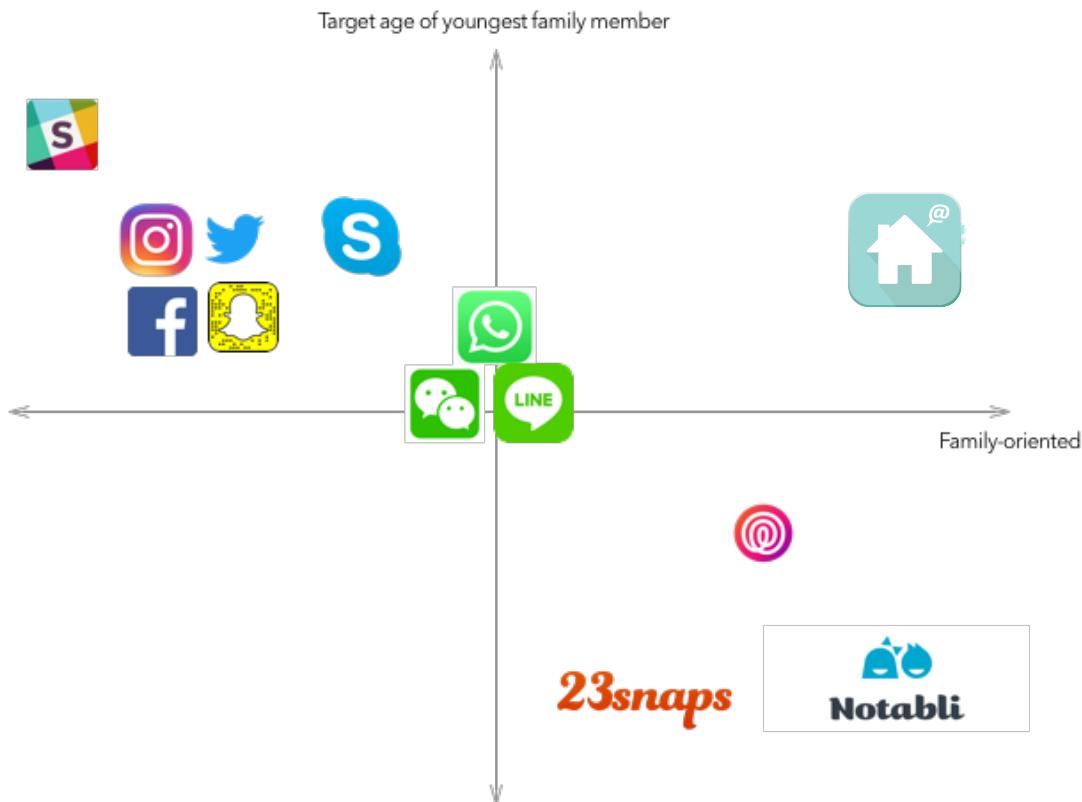
D. Competitors and Alternatives

a. Competitors:

	Facebook	WhatsApp	23snaps, Notabli
Target Market	<i>Friends and Families</i>	<i>Friends and Families</i>	<i>Millennial Parents</i>
Value Proposition	- A social utility that connects you with the people around you	- Ease of SMS usage without fees	- “Instagram for parents” - Capturing babies’ first moments
Strengths	- Massive user base - Social connections - Information sharing - Messaging, photos, events - Groups	- Collects no user data (deletes delivered messages) - Smaller data storage needed	- Online photo albums - Emphasis on photos & videos - Easy content sharing via Email
Weaknesses	- Data privacy concerns - Information overload - Impersonal	- Features limited to chat	- Lacks messaging feature - Lacks shared calendar feature
Similarities	- Digital space where people can communicate	- Chat feature	- Timeline feature - Offline photo book creation
Differences	- Concerns for personal space and privacy - Family timeline managing - Shared calendar	- Our chat will be limited to just family members - Other key features: photos, post-its, video chat, and photo book are unavailable in WhatsApp	- Emphasis on parent-baby interaction - Emphasis on photo and video sharing

b. Alternatives and Market Opportunity:

With so many social media apps like Facebook, Snapchat, Instagram, and so on, social networking is already an oversaturated market with diverse competitors. In order to identify market opportunity, we devised a competitor map that compares various social medias' "family-orientedness" (x-axis) and youngest age of target segment (y-axis).



Most popular social networks, i.e. Facebook, Instagram, and Twitter, generally share contents to the public. We thought Homy could be focused towards more as a closed-private social network for a niche-specific audience. There is no representative "family" oriented application. People generally use messaging platforms, such as WhatsApp, Line, and WeChat to comprehensively interact with both family and friends.

We have 23snaps, Notabli, and Life360, which are family-oriented apps. However, their audiences revolve around parent-baby's interaction, i.e. allowing to capture first moments of their children.

Homy is unique because it promotes a casual family social network that can be used between parents and grownup children. We are specifically trying to address the problem of families becoming physically separated as children become older and leave home for school or work.

c. Threats:

Potential Threats from Competitors:

We identify one of our greatest threats as being unable to convert social media and messaging app users to use Homy. While some people may be attracted to the unique “fridge” feature and intimate and private setting that Homy provides, for others, Homy will simply be an extra app that will be downloaded and then remain unused. (More detailed threats outlined in G. Risks section.)

Solutions:

→ Creating the onboarding process as intuitive and easy as possible so that users do not feel alien or are discouraged to get use to the new app.

→ Over the first MVP developing periods, we are trying test and validate our value proposition and our differentiator, the unique “fridge” feature that creates a virtual family fridge experience.

E. Differentiators

Current Substitutes	Problem	What Homy offers
Contacting family via Facebook	- Facebook floods with unnecessary newsfeeds	- Online family “fridge” and private chat space to encourage family communication
Contacting via messaging apps is overwhelmed with other ongoing chats	- Need to find family-specific chat - Sending wrong messages to different group	- Allows to comprehensively manage family events in single app
Family photos shared on messengers	- Uploaded without organization	- Improve family photo management and keep track of family events

Why Homy is appealing:

- Provides intimate family space through unique interaction by having family fridge on mobile screen.
- Comprehensively manage family communication, events, history, and photos in single family app.
- Converse securely in family chat without the risk of sending the wrong message to a different group.
- For young adults and students, they will no longer have to add family members on Facebook and share every like and comment they make to their parents.
- For parents, having family-app can be easier to use than Facebook and other social networks, which flood with unnecessary newsfeeds and information.

G. Risks

Brainstorm with categories in appendix

Risks	Description	Probability (HML)	Impact (HML)	Plan to address
1. Privacy concerns	Users might feel the app invades family privacy as sensitive family topics can be shared online.	Medium	High	<ul style="list-style-type: none"> - Emphasize data security in development stage, and have separate data security specialist. - Address how we focus on privacy protection on onboarding and throughout the app.
2. Too many apps	Homy might be “just another app” to users who are not completely committed to begin with, and this might cause users to delete the app because it is taking up space in their phones.	High	Medium	<ul style="list-style-type: none"> - Emphasize differentiators and unique features, such as family fridge and family timeline. - Through marketing and word of mouth, stress the value proposition of family intimacy. - Make the experience intuitive.
3. Unwilling to change	Users might stick to using what they know and are used to already.	High	Medium	<ul style="list-style-type: none"> - Have the onboarding process simple and intuitive. - Through marketing and word of mouth, convince users that the app is worth the extra learning effort. - Make the app intuitive for use.

Appendix

Section A. Personas



Name: Terry Kim

Age: 20

Hometown: Seoul, South Korea

Occupation: 2nd year student at UC Berkeley (Major: Economics)

Methods of communication: WhatsApp, video calls, Facebook Messenger (sister), sends occasional photos

Topics of communication: Share insights with father, often does not have time to talk to parents during school

Additional details:

- Introvert
- Has a trustworthy friend group
- Involved in extracurricular clubs
- Extremely busy with school and finals



Terry, aged 20 was born and raised in Seoul, and has been studying Economics in UC Berkeley for the past two years. He comes from a small nuclear family with an older sister that now works in Chicago and parents that remain in Korea. He currently communicates weekly to his parents through WhatsApp and video calls them monthly except when during finals week. He texts his older sister more often through Facebook messenger. He is an introvert but has a good group of friends through his extracurricular clubs he joined and enjoys sharing with his father about the different insights he learns at school. His parents like to keep up with his activities but during weeks that he is busy, he just wants to be left alone to complete his work and not have to communicate with his family. He does not take many photos but will sometimes send a quick photo with a caption just to tell his parents that he is doing well.



Name: Melinda Hamilton

Age: 55

Hometown: East Grand Rapids, Michigan, USA

Occupation: University-educated stay at home mom (upper middle class)

Methods of communication: phone calls, iMessage, video calls

Topics of communication: Children's lives & problems, provide support to children, family cat pictures

Additional details:

- Healthy lifestyle
- Loves to spend time with children
- Weekend trips with husband & friends
- Protective & easily anxious
- Always puts children first
- Learning to give children more space



Melinda Hamilton, aged 55, is a mom of two daughters of Caucasian descent living in the quaint suburbs of Michigan. She cares deeply for her daughters, one who is working full time now in New York and the other enrolled in college in California. She was university-educated and became a stay at home mom before her children left home. Her husband's work has enabled them to live in upper middle class life and lead relatively healthy lifestyles. Spending time with her children gives her the greatest happiness and she enjoys weekly communication with them over iMessage but would love to be able to keep up more with their eventful lives. She prefers phone calls as the main methods of communication because video calls are often bad quality. Whenever they call, the children will do most of the talking while Melinda will ask whether they are eating and resting well, and provide support in other issues in her children's lives. With both her children independent, her and her husband enjoy the occasional weekend trip around the country with their friends and enjoys sharing that with their children. In the Hamilton family, they have an old family cat that she often takes picture so and send to her children. Melinda's is protective and

easily anxious and have always gone out of her way to ensure for her children's well-being. Now that the children have grown up, she is also trying to learn to let go and give them space.

Section G. Risks

Brain dump with categories:

- Customer interest/retention: customers already have too many apps & don't want to download more, privacy issue (have so much info about families), what if target customers don't want it and would rather stick with Facebook or messaging apps
- Customer can/will pay: features not special enough for customers to want to pay, or pay more only to have us hold more information about them, app not intimate enough
- Marketing/distribution: ad targeting - too many ads out there for so many different apps
- Technology/invention: taking someone else's idea? Probably not
- Investment: NA
- Competitive: Other apps doing something similar
- Regulatory/legal: information leak/security breach
- Partner dependency: NA
- Supplier dependency: NA