- DirectLabelX -

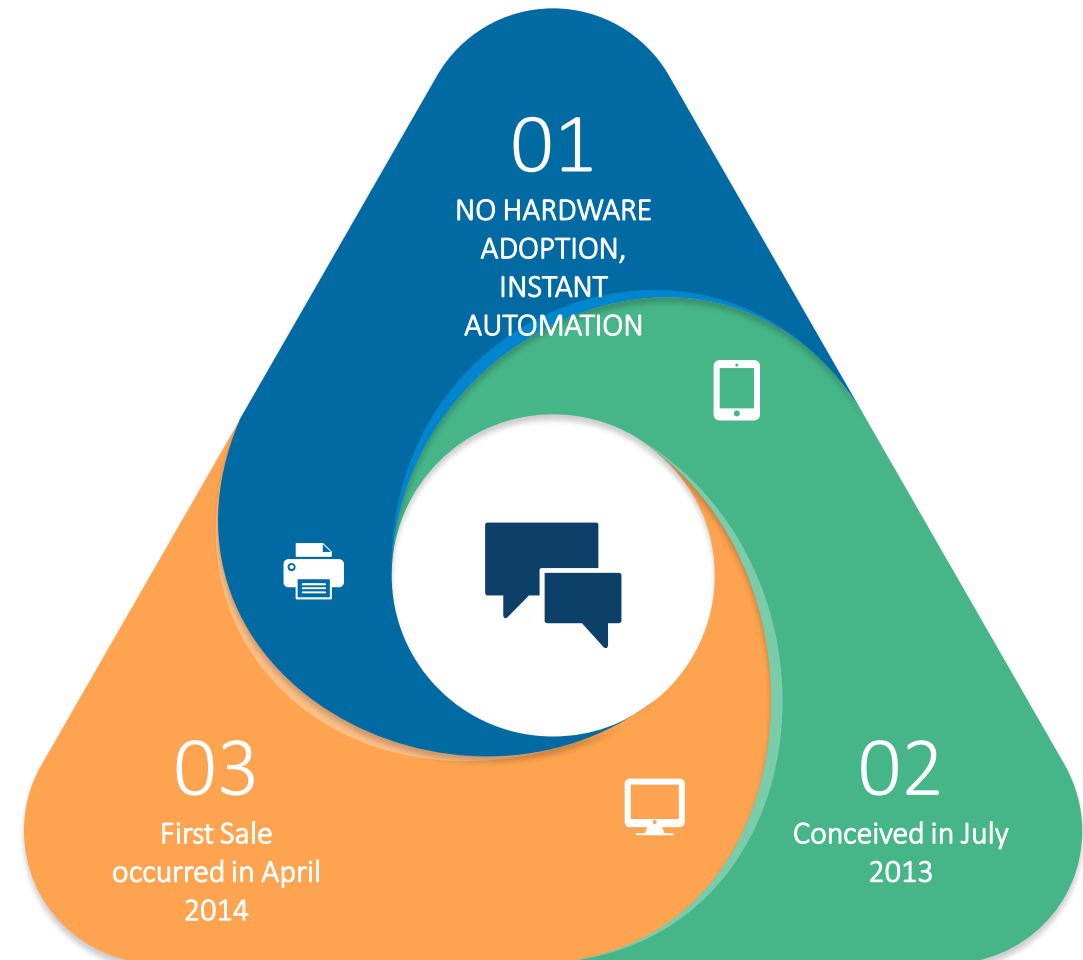# - Business Plan -

PRODUCT INFORMATION

About

o   Software solution can be used by packaging unit ranging from Retail, Pharma, Manufacturing or similar Industry.

o   Product can create Label, Configuring Product Information (Batch, Manufacturing Date, Content etc.) and printing the same using a generic printer.

Industry Players

o   Local bulk label printers

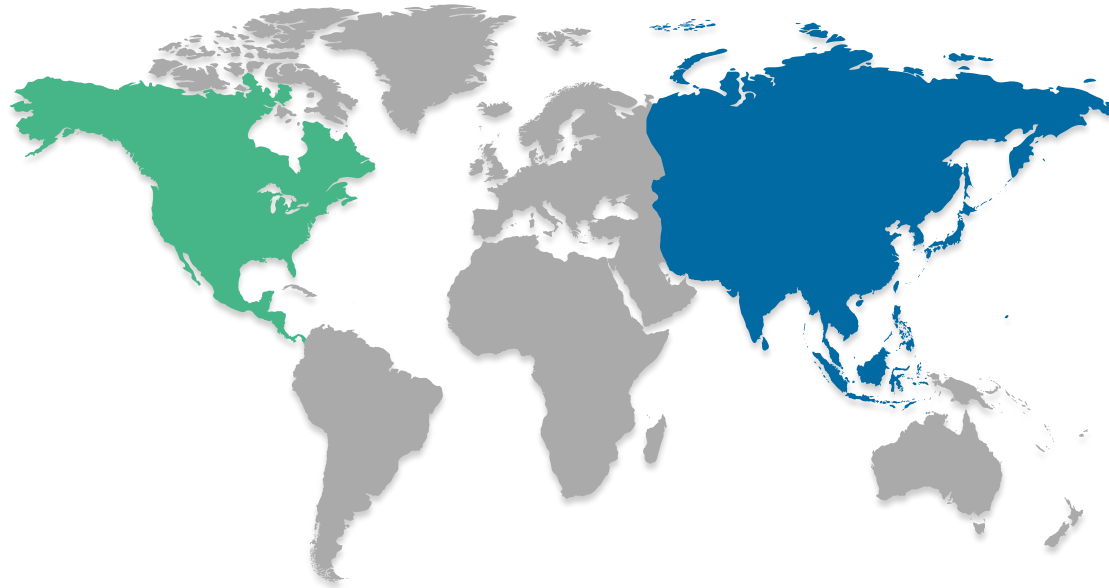o   Software solution from companies like Tec-IT, Seagull Scientific etc.

Growth Rate

o   According to "India Barcode Scanners & Printers Market Forecast & Opportunities, 2017" the revenues of the barcode industry in India are likely to grow at a whooping CAGR of around 30% during the period 2011-2017.

o   TechNavio's analysts forecast the Global Barcode scanner market to grow at a CAGR of 7.1 percent over the period 2010–2014.

01
NO HARDWARE ADOPTION, INSTANT AUTOMATION

03
First Sale occurred in April 2014

02
Conceived in July 2013

INDUSTRY ANALYSIS

15% **HEATHCARE**
Healthcare has CAGR of 15.4% in India and it is 7% for US between 2012-16

17% **PHARMA**
For Pharma, it is CAGR of 14-17% in between 2012-16 for India and for US it is expected to be 1 to 4%

4% **RETAIL**
For retail, CAGR is around 3 to 4% in US and for India it is 6.1%

TARGET AUDIENCE

We will intensively target Small and Medium segments.

TARGET AUDIENCE

Amongst small scale Pharma, Healthcare, Packaging and Fashion are to be mentioned.
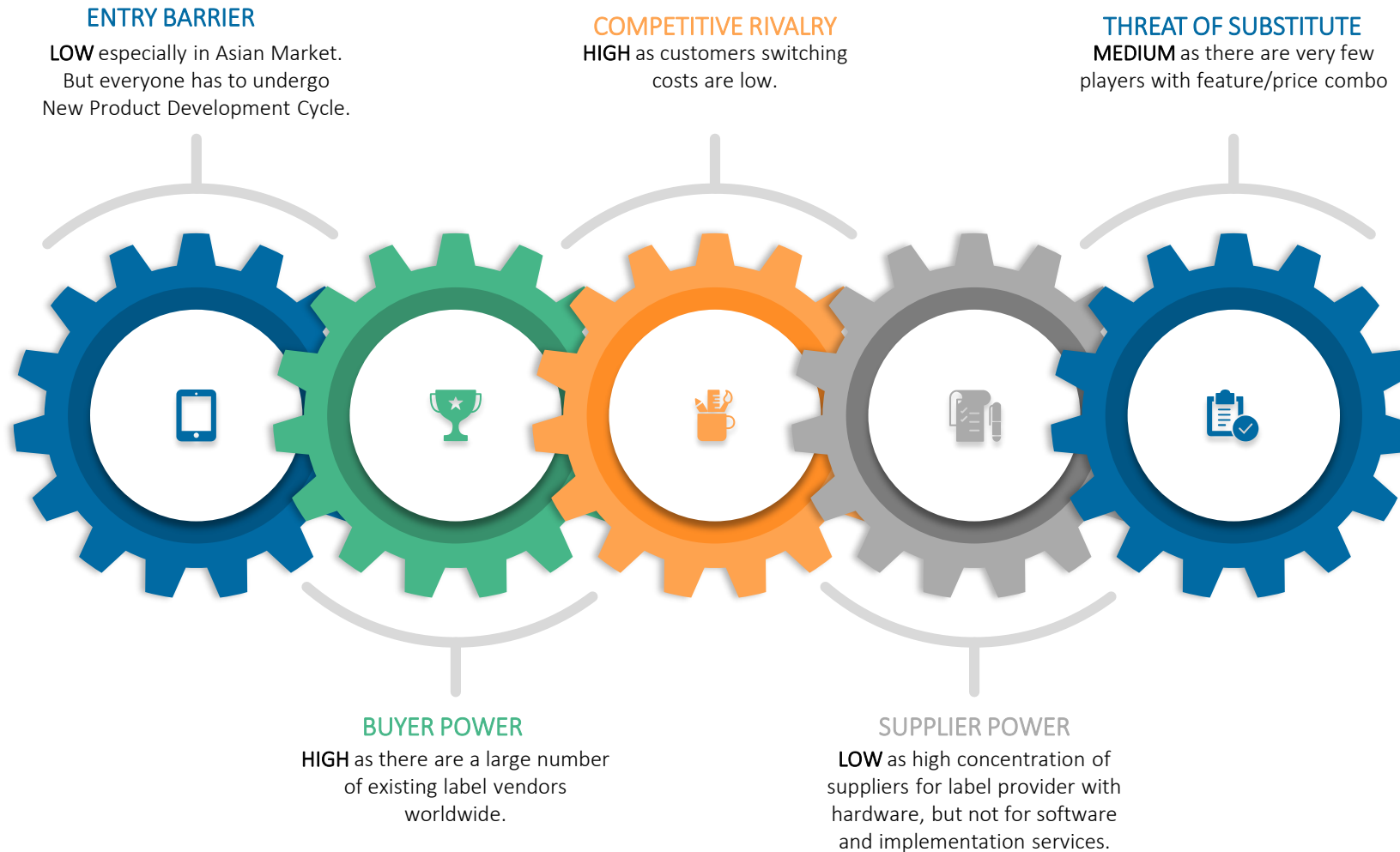
TARGET AUDIENCE

Amongst micro & medium Manufacturing, Pharma would be our main focus.

PORTER 5-FORCE ANALYSIS

ENTRY BARRIER

LOW especially in Asian Market. But everyone has to undergo New Product Development Cycle.

COMPETITIVE RIVALRY

HIGH as customers switching costs are low.

THREAT OF SUBSTITUTE

MEDIUM as there are very few players with feature/price combo

BUYER POWER

HIGH as there are a large number of existing label vendors worldwide.

SUPPLIER POWER

LOW as high concentration of suppliers for label provider with hardware, but not for software and implementation services.

SWOT ANALYSIS

STRENGHTS

- Low & cheap development cost
- Agile Methodology Adoption by us
- Standardized product in comparison with competitors
- Product is built product in such a way that does eliminate print time data entry & store labels
- No product exists with huge set of capabilities and price

WEAKNESSES

- High interest rate & overhead level against Investment in India
- Development cost is more than some other Asian countries like China
- Early Time to market(competitors)
- There are companies who have built a product which can be affixed in assembly line up directly
- Due to the above reason, Brand Image(similar players) would be higher
- More no of employee workforce as compared to us
- No Global presence of organization especially in US/Europe/UK Market
- Inadequate fund availability
- SEO enabled Sales absent at present

OPPORTUNITIES

- Investment is available for Innovative IT products in India
- Growing business technology merchant in the country & Increase in demand for labels
- Closer connections to customers is possible due to increase in Internet usage in India
- Focus from Government is increasing to develop IT Product sector
- Rising in living standard & income of Indian population, hence growth in Pharma/Retail/.etc. Industry
- Better & efficient software is the need of the hour for the merchants
- Partnership with existing & established ERP providers
- Even if other competitors made an early entry to the market, but for "Barcode Label Generator", there is not much brand established
- Not all the competitors provide the full-fledged functionality. Few products are "Just OK" & meet very minimal business need
- Low Brand Equity of competitors

THREATS

- Lower investment in Indian IT R&D by Investors
- Less number of highly skilled salesforce for Indian Market
- Initial Increase in technology adoption cost & Lack of user acceptance due to initial cost factors
- Imports of many software from China in Indian markets due to low cost
- Resistance to change & adapt new technology products
- New technology often obsoletes current platform, need continuous innovation strategy
- Presently labels are sold to few markets & various market segments by others
- Well financed competitors & established in order to plan the marketing & campaigning activities

MARKETING PLAN

Increasing Product Awareness

- Website
- Marketing Materials
- Branding through Trade Show and Exhibition

Business Development Activities

- Current Client Relations
- New Client Outreach
- Marketing Campaigns
- User Research & Upgrade
- LinkedIn Network
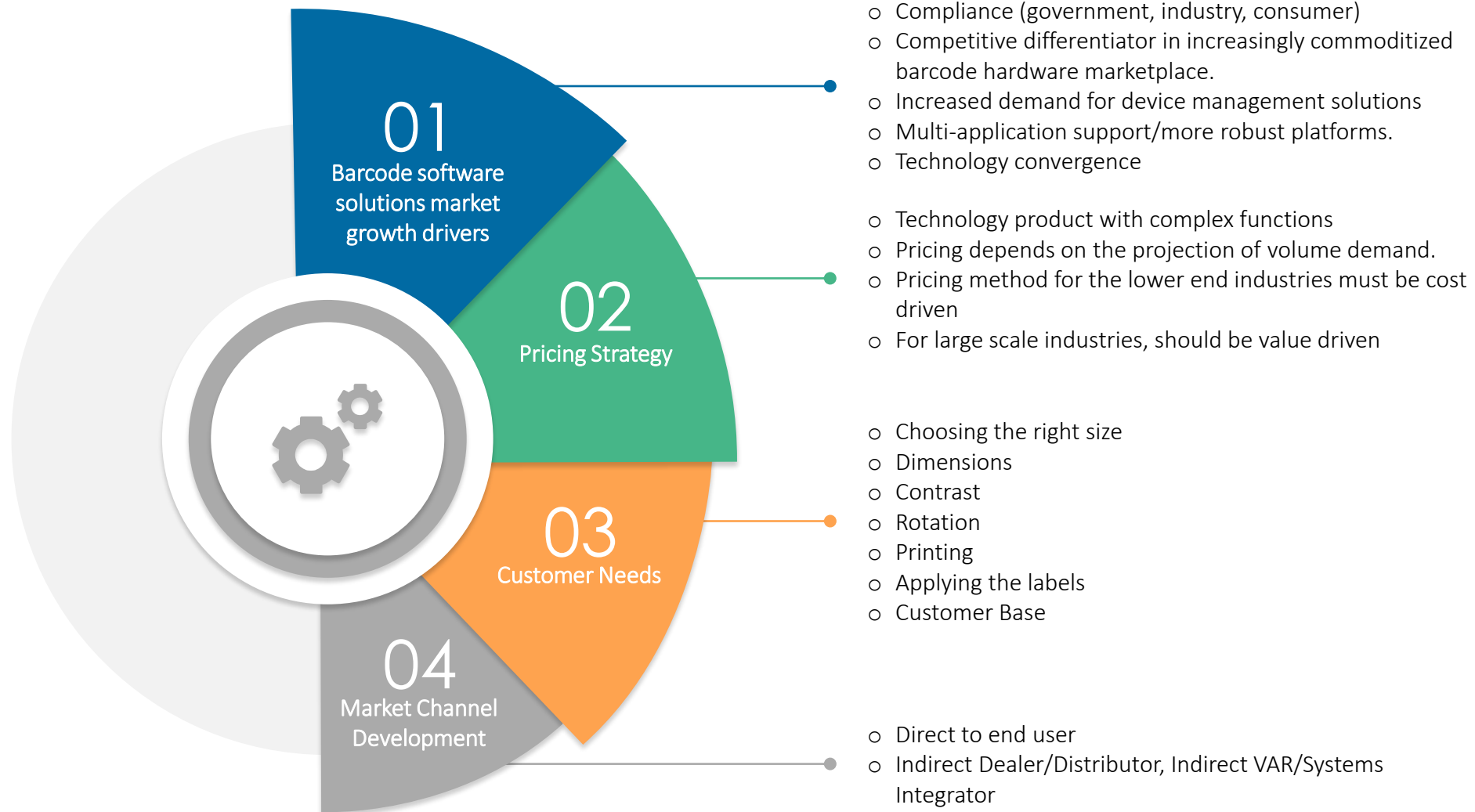
Brand Exposure

- Online optimization using SEO, SEM and via Social/Digital Channel: LinkedIn, Facebook, YouTube, Twitter, Email campaign
- Media outreach: Success Stories, Videos of work in progress or Training Material

COMPETITOR ANALYSIS

Product Feature	Market Importance	Our Product	Tec-IT	Seagull Scientific	Teklynx	SATO	NiceWare
Print Product Name	High	☑☑☑	☑☑☑	☑☑☑	☒	☒	☒
Print Product Ingredients	High	☑☑☑	☑☑☑	☑☑☑	☒	☒	☒
Print Product Expiry Date	High	☑☑☑	☑☑☑	☑☑☑	☒	☒	☒
Print Product Price	High	☑☑☑	☑☑☑	☑☑☑	☒	☒	☒
Print Coloured Label	High	☑☑☑	☒	☑☑☑	☒	☒	☒
Print all types of labels for different sizes	High	☑☑☑	☒	☒	☒	☒	☒
Zero Hardware Adoption	High	☑☑☑	☑☑	☑☑	☑	☑	☑
Store Label's Serial Number	High	☑☑☑	☒	☒	☒	☒	☒
Store Product Specific Information & Retrieve	High	☑☑☑	☒	☒	☒	☒	☒
Store Label Number	High	☑☑☑	☒	☒	☒	☒	☒
Create Label Template	High	☑☑☑	☒	☒	☒	☒	☒
Get Label at rate as low as 0.02$	Medium	☑☑☑	☑	☑	☑	☑	☑
Hide Sentitive Product Information	Medium	☑☑☑	☒	☒	☒	☒	☒
Save Customer Details	High	☑☑☑	☒	☒	☒	☒	☒
Save Supplier Details	High	☑☑☑	☒	☒	☒	☒	☒
Save& Print Warning Messages and Images	Medium	☑☑☑	☒	☒	☒	☒	☒
Support	High	6 Months Free	☒	☒	☒	☒	☒
Price	Basic	☒	$ 360 ~ $ 560	$ 161	$ 413	☒	☒
Price	Single User License	Reach Us to get a quote	☒	☒	☒	$ 405	$ 895
Price	3 User License		☒	$ 330, $ 1045	☒	☒	☒
Price	5 User License		☒	$ 525, $ 1675	☒	☒	☒
Price	10 User License		☒	$ 3017	☒	☒	☒
Price	40 User License		☒	$ 9015	☒	☒	☒
Price	50 User License		☒	$ 11301	$ 6362	$ 6015	☒

Growth Drivers, Pricing Strategy, Customer Needs, Market Channel Development

01 Barcode software solutions market growth drivers

02 Pricing Strategy

03 Customer Needs

04 Market Channel Development

- Compliance (government, industry, consumer)
- Competitive differentiator in increasingly commoditized barcode hardware marketplace.
- Increased demand for device management solutions
- Multi-application support/more robust platforms.
- Technology convergence

- Technology product with complex functions
- Pricing depends on the projection of volume demand.
- Pricing method for the lower end industries must be cost driven
- For large scale industries, should be value driven

- Choosing the right size
- Dimensions
- Contrast
- Rotation
- Printing
- Applying the labels
- Customer Base

- Direct to end user
- Indirect Dealer/Distributor, Indirect VAR/Systems Integrator

EXPECTED VALUE TO CUSTOMER

95.6%

For 100 Labels purchase as a customer reduce business operations cost of procurement by 95.6%

66.7%

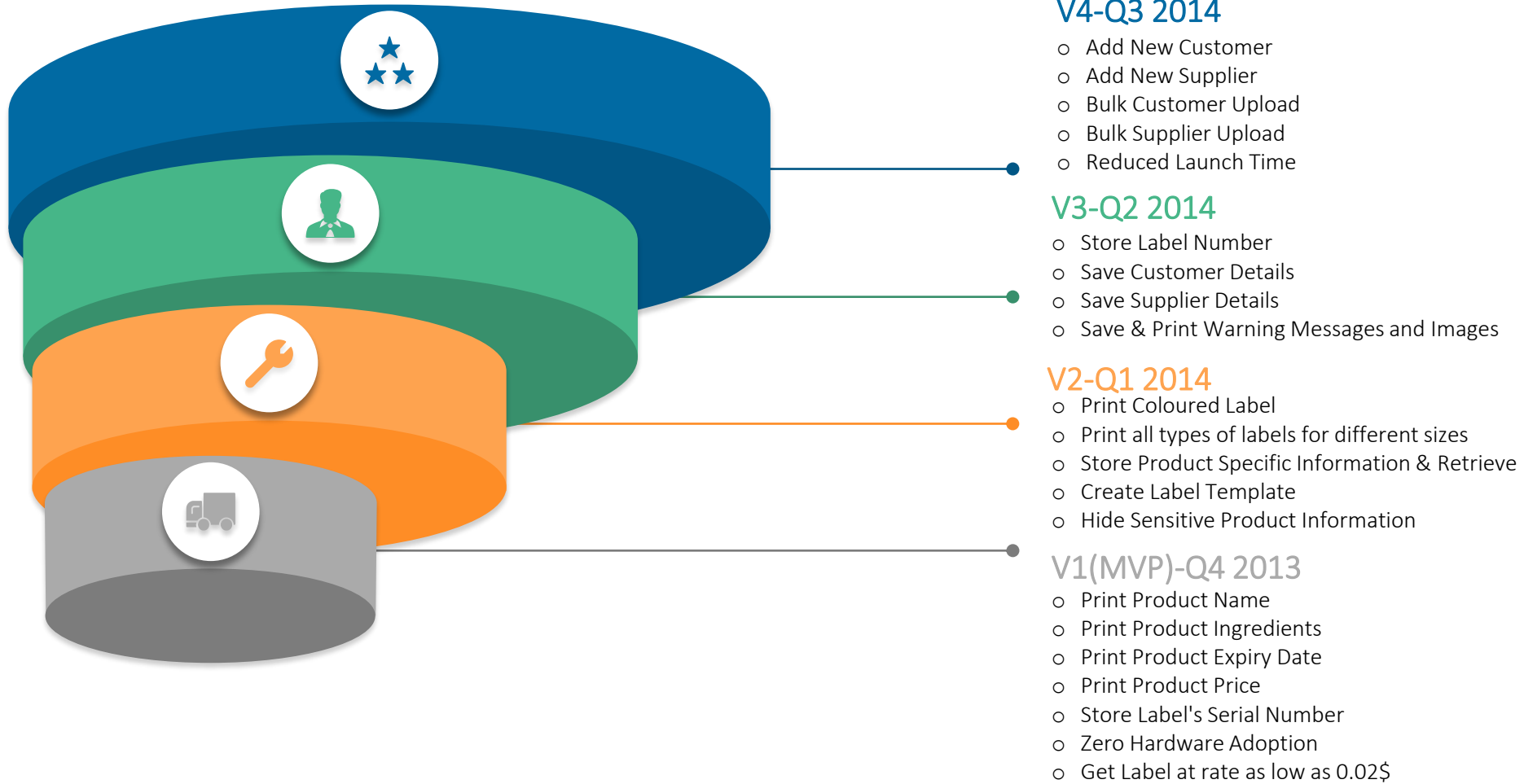Customer who purchases 10000 Labels cost of procurement is deducted by 66.7%

84.6%

Anyone who purchases 1000 Labels cost of procurement is reduced by 84.6%

33.3%

Even who purchases 1000000 Labels for business operations cost of procurement is reduced by 95.6%
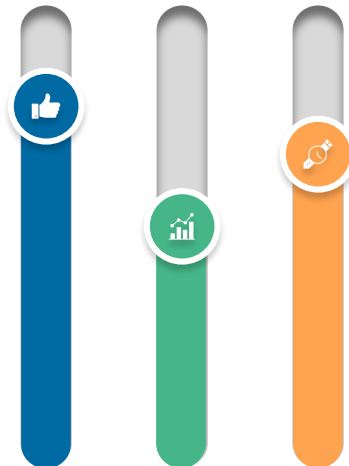
PRODUCT ROADMAP

V4-Q3 2014
- o   Add New Customer
- o   Add New Supplier
- o   Bulk Customer Upload
- o   Bulk Supplier Upload
- o   Reduced Launch Time

V3-Q2 2014
- o   Store Label Number
- o   Save Customer Details
- o   Save Supplier Details
- o   Save & Print Warning Messages and Images

V2-Q1 2014
- o   Print Coloured Label
- o   Print all types of labels for different sizes
- o   Store Product Specific Information & Retrieve
- o   Create Label Template
- o   Hide Sensitive Product Information

V1(MVP)-Q4 2013
- o   Print Product Name
- o   Print Product Ingredients
- o   Print Product Expiry Date
- o   Print Product Price
- o   Store Label's Serial Number
- o   Zero Hardware Adoption
- o   Get Label at rate as low as 0.02$

FINANCIAL PLAN
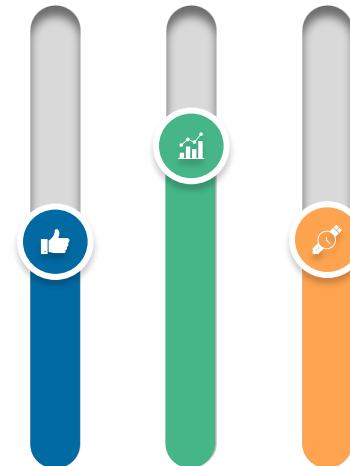
ROI-PHASE 1

34%

ROI-PHASE 2

20%

2014-2016

Funding in this stage is required to market and promote existing product. The plan is to seek Angel Investment of 55000 $ against a 20% equity dilution.

2017 ONWARDS

Funding is aimed at enhancing integration with ERP and OEM printers. Since by this stage we expect a positive cash flow, the plan is to seek debt funding of 55000 $

READY TO BOOST THE IMPACT OF YOUR INVESTMENT?

Head over to us and find out more about our product.