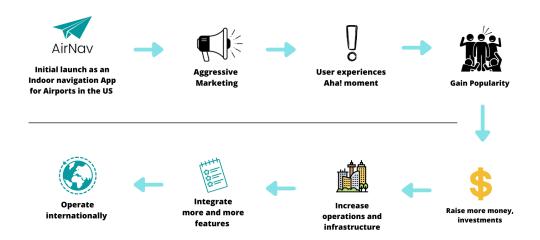**Go to Market**

TEM400/598: Technology Entrepreneurship

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1. Will you be pre-selling? What are the implications of doing this?

Our product is a travel app/website which will be initially launched as a Indoor navigation app for airports.We wish to pre-sell the platform so as to benefit from the various pros pre-selling has. We will try our best to maximize the pros and minimise/avoid/transfer cons related to pre-selling. There are always advantages and disadvantages related to preselling. In the following few sections we will list and discuss those in brief.

Before we talk about pre-selling, it would be beneficial to get acquainted with our Go-to market strategy. Our Go-to market strategy is:

Go - to Market Strategy

Pros:

First impressions and valuable feedback: When we are done with making the initial prototype of our app, we can start with the pre-selling. We will try to target a wide variety of consumers who can provide us with the first impressions and valuable feedback related to the app. They can provide us with suggestions on how we can improve our app. Because it is an app, it can run on a number of different environments, devices and scenarios. Normal Quality testing will not suffice to test out each and every scenario. For that, real time customer feedback is imperative. We would take note of all potential flaws of our app and try our best to come up with solutions and implement those asap. We will use feedback surveys, focus groups, and alpha beta testing in order to receive feedback.

Curiosity: Once the app is launched, and we are successful in delivering a positive first impression, curiosity about the app can generate among the users. This will help us with publicity of the app, which will benefit us with post sales of the app.

Usability: With the successful testing and feedback received from initial users, we will be able to derive a fair idea about the usability of our app, and the target audience. We can gather reviews about the app and understand if the app would actually churn out money, or if the idea needs to be scrapped. It is advisable for any project, that if the idea needs to be scrapped, then scrap it in the initial stages of development, rather than bearing the huge costs of development, overheads in a later stage.

Clarity: Our vision can be elaborate about our app, but the customer doesn't really care about the vision, mission or purpose of the app. Customers have the full liberty to

scrutinise a certain idea, in unimaginable ways at times. What we are imagining our app to be, the idea needs to be transferred across successfully. The customer would only be interested in the app if it serves its purpose, and adds value to his/her/their life. So clarity of information is crucial in pre-selling the app.

Cons:

Misinformation: Misinformation can easily spread about the areas of user data safety, credibility, payment gateway safety of an app. We will have to make a robust plan regarding all the above mentioned aspects. If the creators of the app cannot gather enough credibility in the customer's point of view, no matter how great the idea is, it can suffer.

Chances of imitation: Pre-selling can often extend upto considerable amounts of time i.e. 6 months, 1 year. It is possible that a company which is financially strong and resourceful and has a strong foothold in the market, can get aware of this idea and create their own product. It is also possible to get proposals of acquisition from various companies who would like to have a product like this in their hands.

Failure to meet expectations: It is also possible that curiosity can increase upto such a level that the stakeholders involved in the product can start having expectations of various degrees from the product. If the creators of the app fail to reach these expectations, they might suffer from withdrawal of investments, decreased customer interest, decrease in acceptability of the product in the market etc.

2. What is your objective(s)?

Objectives of pre-selling the product are as follows:

1. **Create Awareness:** Introducing the product as a prototype will allow us to gather valuable information regarding first impressions, usability, acceptability and feedback about the app. It will also create valuable awareness in the target audience which we later can monetise.

2. **Gather metrics:** Pre-selling the app will allow us to gather metrics through testing, focus groups, marketing (emails, social media) and we can analyse the data to determine the expected success of our app. This will give us a fair idea of the willingness of the customers to pay for the app, and whether the app has potential money making capabilities.

3. **Improvements:** Receiving feedback in the initial stage of launching the app will allow us to have some time to fix major and minor issues with the platform. We will have some time in our hands to think if we chose the right technologies, equipment, software development platforms, database management platforms, legal issues, adhering to all

government policies and regulations and working over them to sort them out. Pre-selling can bring out all the potential flaws in our product and correct them.

4. **Gather more investments:** If the idea seems impressive and works as expected, it can be used to further pitch the idea to investors and gather money to raise infrastructure and resources for further development.

5. **Change in Strategies:** It might be possible that a certain situation arises where we might have to change our approach and execution strategies.

6. **Scrap the product:** If nothing goes as planned, it is advisable to scrap the product in its initial stages as it would save a lot of costs and overheads related to development, marketing and maintenance of the product.

3. **What are the mechanisms you will pursue (digital, guerilla, etc)? Give details of the operation (sending e-mails, talking and demos, etc)**

Mechanisms that we will pursue to generate leads towards our marketing are Social Media marketing, Youtube marketing, Website or blogs marketing etc. Other than this we will also focus on Email marketing and newsletters in order to attract our potential customers.

Social Media Marketing:

1. **Influencers Marketing:**

It has been seen that today most of the people are following famous influencers on social media platforms. In this case, it is a great strategy to work with such influencers to grow our sales.

WHICH SOCIAL MEDIA CHANNELS ARE MOST IMPORTANT FOR INFLUENCER MARKETING?

(Select multiple)

Channel	Percentage
Instagram	89%
YouTube	70%
Facebook	45%
Blogs	44%
Twitter	33%
LinkedIn	19%
Pinterest	15%
Twitch	6%
Snapchat	3%
Other	1%

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It is clearly seen from the above table that instagram marketing is the top social media influencer marketing which is 89%.

Instagram Influencer Marketing:

There are around 800 million people who use instagram every month amongst which n75% of the users seek out brands on instagram.This platform will help us promote our application AirNav with the help of instagram influencers. Building followers on instagram is a tough job especially with a business account. But Influencers already have a huge fanbase that follows them. Also, it is very easy to target their followers if we shake hands with influencers.

Following are the steps that we will use for instagram Influencer marketing:

1. **Finding the right Influencer:** As our application is based on the Airline industry, we will try to find influencers that are Pilot or airline industry persons.

2. **Form a partnership with the influencer:** We will first shortlist some influencer, then meet them and try to pitch them our idea and if they like it we will offer them some amount of money. We will provide a promocode to that influencer to offer a discount to their followers and when we receive any customers with that promocode then we will pay the influencer according to the number of influencers.

Other than this we will also focus on the following marketing strategy:

Creating a business blogs:

Step 1: we will create our blog business website where we will post all our feature details and discount schemes.

Step2: We will then implement search engine optimization (SEO) to boost our website ranking.

Step3: Promote our business with the help of Google Analytics and reach as many customers as we can.

Email Marketing:

It is said that emails last long for all the customers. People usually don't change their emails.

Step 1: finding data of emails from different websites.

Step 2: Mailing people about our application features and offers.

Step 3: Analysing how many people responded and then we will provide a virtual tour of our application to attract them.

4. **What are your metrics?**

 Our matrix according to marketing strategy are as follows:

1. **Social Media Metrics:-**
● Reach vs Impressions
● Engagement
● Brand Mentions
● Followers Growth rate
2. **Website Metrics:-**
● Traffic on the website page
● Total visites
● Time spent on website
● Number of feedbacks
● Content downloads
● Retention rate (new vs Old customers)
● Pay per click (PPC)
3. **Email Marketing:-**
● Email open rate
● Email clicks through rate (CTR)
● Subscriber & Unsubscribe rate.

5. **How fast will your data be available and how quickly will you be able to respond? The response is more than just marketing; you may need to change the product or scrap your strategy.**

As mentioned above, we will target our audience through Social media marketing, blog websites and email marketing. Afterwhich, we will use a Google analytical tool to collect data on all the activities that are done by our targeted audience from all marketing strategies. This will take us around 2-5 days to monitor.In our application as well as in our blog website we will provide a customer feedback portal where we can reach out to them and have interaction. We will be providing a customer detail form where they have to provide their basic details and Email ID through which we will interact with them personally.

It will take us to respond within 24 hours max. This will mostly be done by an AI bot.After having a subscription we will also provide a membership email where we will offer them our deals and if they have any problems we can solve their issues through this medium.

6. **What is the cost of this operation on a monthly basis? Break it down into fixed and variable costs. What do you expect your cost of customer acquisition to be?**

A significant amount of money must be spent in the early years to raise awareness among potential clients. As a result, marketing was assigned over 20% of the revenue creation estimate for the first two years, then lowered to roughly 12% for years 3, 4, and 5 (typical firms with sales less than $100 million spend on marketing).

Employee salaries in marketing and customer support are included in the fixed cost of marketing. A few marketing strategies, such as social media marketing, blogging, websites, and email marketing, will be fixed. Switching to new influencers for marketing, as well as guerrilla marketing expenditures based on the methods and tiers of social media, will be variable costs.

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
OPERATING EXPENSES	3,60,000	4,68,000	6,08,400	7,90,920	10,28,196
EMPLOYEE'S FINANCE	2	4	6	8	10
FINANCIAL MODELLING	260000	510000	750000	1350000	1836000
EMPLOYEES TECH	3	6	8	13	17
TECHNOLOGY DEVELOPMENT	180000	520000	660000	1080000	1370000
EMPLOYEES (MARKETIN	5	9	14	20	27

G + CUSTOMER SUPPORT)					
MARKETING	500000	550000	605000	665500	732100
CUSTOMER SUPPORT	2	5	6	9	14
TOTAL OPERATING EXPENSES	482000	1980000	4170000	8490000	15200000
USER TARGET	10000	100000	500000	1000000	200000
INCOME THROUGH SUBSCRIPTION MONEY	480000	4800000	24000000	48000000	96000000

According to the figures above, the total estimated cash for marketing for the first year is roughly 500000 for three employees. The three individuals will be paid a total of 120000 dollars per year, or roughly 40000 dollars per employee (typical starting wage for marketing employees). As a result, the monthly fixed cost will be around 8000 dollars (employee salary). The monthly variable cost will be around 1000-1300 dollars, with an annual cost of around 18000 dollars. The statistics shown for variable expenses are very prone to change and reflect a rough estimated amount because the marketing budget is based on a variety of indicators, the majority of which are led by pre-sell success measures.

7. How well does your approach scale? (what's the difference between selling 10, 100, 1000, 10,000 etc) Explain.

Because this is a business in its early stages and the service is provided through an app, the biggest difference between before and after scaling up will have the greatest influence on customer service. Minor modifications in technology and

financial modeling will arise from the size, but a lot of users may contact to ask questions and gain a better understanding of the platform. Upskilling of market and customer service personnel is required at that time. To deal with the increased consumer traffic, a few professionals in the same sector will be added, as well as chatbots to engage over the internet.

Furthermore, with this type of company, data and responses must be collected on a constant basis in order to understand the changes that need to be made, feature priority, and so on. As a result, 1-2 people will be needed to call users, comprehend their pain and pleasure, and relay the information to the product manager. The firm concentrates on providing according to the demands of the users, and future decision-making will be based on user data.

1. Thorough testing - Because the app is new, it will require thorough testing and development as the number of users and the data acquired from them grows.

2. Market & Audience Researched - Marketing relies on data obtained from numerous surveys undertaken by the team to understand the audience's wants. Investigate the backgrounds of clients and their willingness to utilize such applications for investing advice. Using a variety of marketing tools to target such audiences.

3. Backend Support Isn't Ignored - The backend of a mobile app is responsible for storing, securing, and processing data. A backend app acts as a server, allowing users to sort the information they require. Otherwise, your business value will be harmed for a long time if the app cannot handle the traffic intake.

4. By Selecting An Appropriate Platform - Different platforms cater to different sorts of crowds. 'Social media, e-mails, seminars, and other forms of communication for the younger generation For parents, there are commercials on television and radio, seminars, and influencer marketing through gatherings or the use of media.

5. Ample User Experience with Acknowledgement of User Feedback - The app's feedback option will assist us in improving and refining our service. The goal is to deliver the best service possible based on client needs and to make the app more user-friendly.

6. A well-executed mobile app launch - This is the most important step because the app must reach customers as soon as possible. To accomplish this, the company will collaborate with social media channels to disseminate information about the app and its expected launch date. In addition, if someone registers for the app through this social media site, they will receive a unique promo code or a discount on their app purchase or subscription. In addition, influencers will be

hired to promote or talk about the app. This will pique the interest of the intended audience.

7. By providing a variety of user-friendly features- To satisfy our clients, we will offer a variety of subscription alternatives, including reductions for students who cannot afford monthly payments. Aside from that, things such as personal support for a little fee will be quite appealing. In addition, the app will include features such as a financial aid calculator.