

Strategic Recommendations

Team 3 | 2020 PEAK6 Bootcamp

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POKER
POWHER



Strategic Recommendations

August 2020

Problem Overview

How might we help POKER POWHER reach its goal of teaching 1 million women confidence, strategic thinking, and decision-making skills through the game of poker?

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How might we help POKER POWHER get more women interested in poker?

Problem Overview

How might we help POKER POWHER get more women interested in poker?

By advertising the merits of competitive poker as a skill-based critical thinking game, and re-engineering an in-app experience tailored to enhance accessibility to women.

Execution Strategy

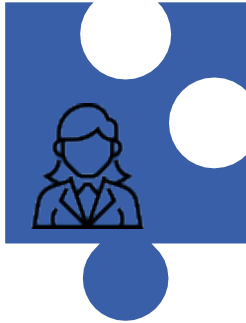
1. **Acquire** a sizable user base with a multifaceted marketing strategy
1. **Retain** users through competitive and educational gameplay
1. **Expand** brand image and user base concurrently



Execution

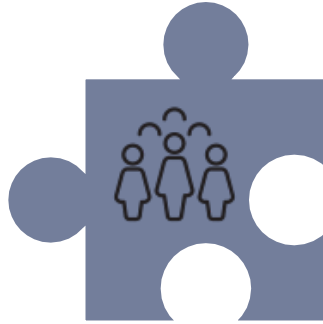
Target Demographics

Young Professional
Women



Linkedin

General Population



Mixed-gender Gamers



Messaging: strong female leaders/figures touting skill-building merits

- Developing relationships with prominent female industry leaders who will lead conversations about the need for women to be action-oriented and risk-seeking professionals

CNBC

CEO Poker Night: Manhattan's most exclusive poker game

What began as a cozy game inside a Manhattan loft has now morphed into one of the most elite poker nights around. And the stars are mostly women.

Jul 12th, 2015 (515 kB) ▼



App Strategy

How might we address women's fears and stigmas regarding poker?



Traditionally male dominated space



Association with gambling



Intimidating and aggressive



Inaccessible

App Overview: Customization



Gameplay

4 options: casual, competitive, custom, and incognito mode



Community

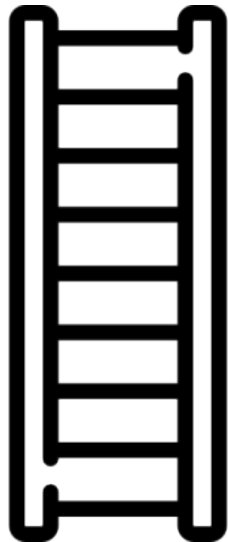
Meet others online, foster connections



Learn

Watch tutorials, practice strategic movements

App Overview: Ladder System



Introducing - Ladder Points (LP)

- Match with opponents of similar experience/skill level

Gameplay logistics:

- Tournament-style no-limit hold 'em with 8 players per game, each starting with 5,000 in chips

Ladder Point Policy:

- Gain/lose LP depending on when they were knocked out during the game

App Overview: Design Choices



Efficiency



Enriching



Simplicity

Strengthening the Brand



**Strengthen
Corporate
Relationships**



**Identify Strong
Female Candidates**



**Support Women
Throughout Their
Careers**

Selected Potential Partners



Morgan Stanley



DE Shaw & Co



BLACKROCK®

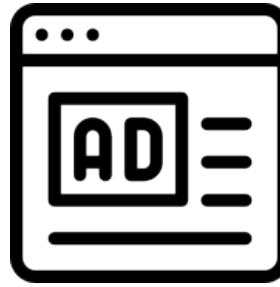


Monetization Strategy



Corporate Events

2 categories: recruiting
and team building
events



Advertising

Advertising space to be
sold to relevant industry
partners

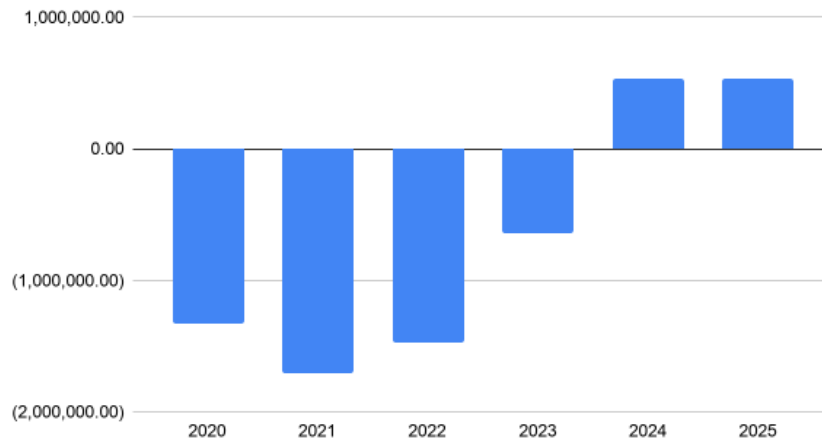


Microtransactions

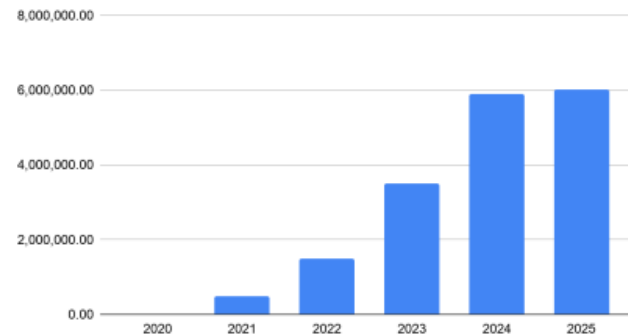
Cosmetic purchases
allow players to
showcase personality

Income and Membership Projections

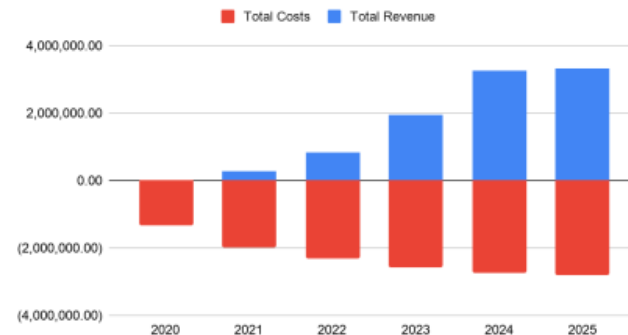
Projected Income



Total Projected Downloads



Projected Revenue and Costs



Key Takeaways

- By advertising the merits of competitive poker as a skill-based critical thinking game, and re-engineering an in-app experience tailored to enhance accessibility to women, POKER POWHER can generate more interest in poker among women
- Demographic specific marketing and compelling skill-development messaging to increase female user base
- Ladder Point ranking system to emphasize skill-based gameplay and specific app design that keeps women's experiences and interests at the forefront
- Strengthening corporate relations and exploring diverse monetization strategies bolsters brand image and top-line growth

**POKER
POWHER**

Appendix

Current Market Offerings



Casino Experience

- In-game currency purchases
- Slots/chances to gain free chips
- Cash game/tournament options



Game-Focused

- Premade lobby games
- User-set rules
- PvP option like casino apps



Educational

- Teaches poker skills
- Simulated games to train skills

Analysis

- Addictive mechanics increase retention and ad revenue
- Casino theme emphasizes gambling

- Flexibility to play in social settings
- Accessibility by third parties to use for instructional purposes
- Need for planned games makes app rarely used

- Educational focus beginner-friendly
- Limited content discourages repeated use



★ 1

FREE!



\$3,330,000



50K Players Online!

CHALLENGES  **NEW!**

5 New Challenges!

REWARDS  0

EVENT
Event Challenges

Rose's
POWER PLAY

Secret Penthouse

01h 22m

PLAY NOW

HOLD'EM
Collect New Watches!



STAKES \$25K/\$50K

SELECT A TABLE

WPT
WORLD POKER TOUR

TOURNAMENT CENTER



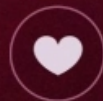
SELECT A MODE



LUCKY BONUS

Free Spin Ready!

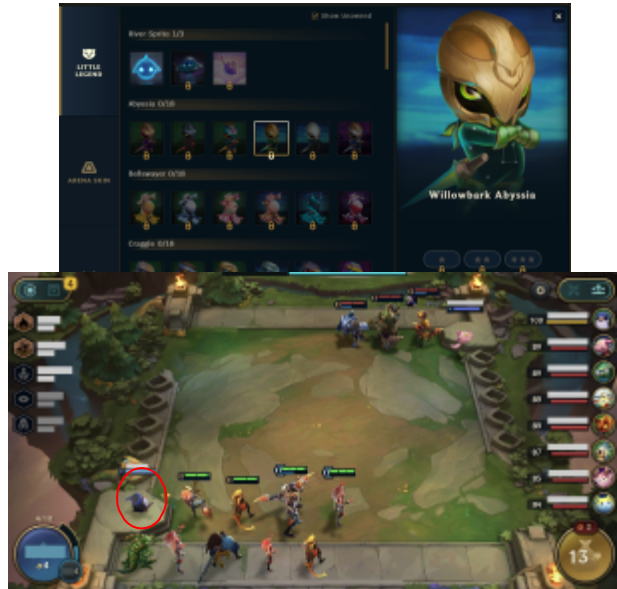
1 2 3 4 5 6 7



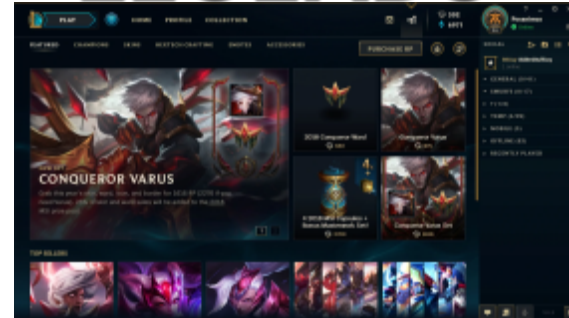
SALE!

Cosmetic In-game Purchases Case Study

TEAMFIGHT TACTICS™

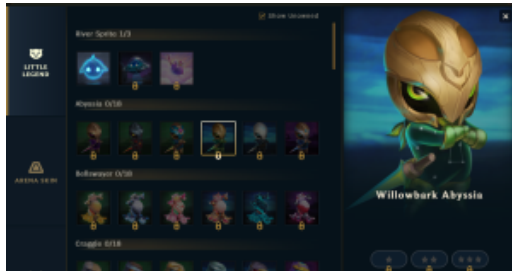


LEAGUE OF LEGENDS



Cosmetic In-game Purchases Case Study

TEAMFIGHT TACTICS™



LEAGUE OF LEGENDS

October of 2016, it was announced that a little over \$3 million would be added to the worlds prize pool, as a result of 25% of the revenue from Championship Zed and the Championship Ward skin. This means the total revenue for those two was around \$12 million.

Starting with some information from a while back, In 2011 Riot held a charity event for the Japan Earthquake and Tsunami fund, where they ran a promotion with the Red Cross to donate 100% of the profit from Nurse Akali to the charity. And it was later announced that they had raised over \$160,000 dollars and sold over 50,000 copies of the skin.

In 2012, Riot had another charity event involved with Make a Wish, where they sold the Jaximus skin at 50% off and donated 100% of the revenue to charity for the duration of the event and sale, which lasted for a total of two weeks. It was later announced that they had raised \$480,000 for charity during this event.

<https://ipo-merge.com/how-much-money-does-riot-make-on-a-new-skin-league-of-legends/#:-text=What's%20up%20guys%20it's%20me.That's%20a%20lot%20of%20skins!>

Membership Projections

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------|----------|------------|--------------|--------------|--------------|--------------|
| Number of members | 5,000.00 | 500,000.00 | 1,500,000.00 | 3,510,000.00 | 5,896,800.00 | 6,014,736.00 |
| % Growth | | 9900.00% | 200.00% | 134.00% | 68.00% | 2.00% |

Income Projections

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| One-on-One Teaching | 500.00 | 5,000.00 | 15,000.00 | 35,100.00 | 58,968.00 | 60,147.36 |
| Advertising | | 100,000.00 | 300,000.00 | 702,000.00 | 1,179,360.00 | 1,202,947.20 |
| In-app purchases | | 10,000.00 | 20,000.00 | 46,800.00 | 78,624.00 | 80,196.48 |
| Merchandise | | 5,000.00 | 15,000.00 | 35,100.00 | 58,968.00 | 60,147.36 |
| Corporate | | 160,000.00 | 480,000.00 | 1,123,200.00 | 1,886,976.00 | 1,924,715.52 |
| Total Revenue | 500.00 | 280,000.00 | 830,000.00 | 1,942,200.00 | 3,262,896.00 | 3,328,153.92 |
| Headcount | 800,000.00 | 1,000,000.00 | 1,192,500.00 | 1,353,487.50 | 1,458,382.78 | 1,487,550.44 |
| Teachers | 200,000.00 | 571,428.57 | 714,285.71 | 800,000.00 | 828,571.43 | 857,142.86 |
| Technology/App Development | 200,000.00 | 250,000.00 | 200,000.00 | 200,000.00 | 200,000.00 | 200,000.00 |
| Marketing/Curriculum | 106,666.67 | 133,333.33 | 159,000.00 | 180,465.00 | 194,451.04 | 198,340.06 |
| Shared Services | 26,666.67 | 33,333.33 | 39,750.00 | 45,116.25 | 48,612.76 | 49,585.01 |
| Total Costs | (1,333,333.33) | (1,988,095.24) | (2,305,535.71) | (2,579,068.75) | (2,730,018.01) | (2,792,618.37) |
| Total Income | (1,332,833.33) | (1,708,095.24) | (1,475,535.71) | (636,868.75) | 532,877.99 | 535,535.55 |

End
