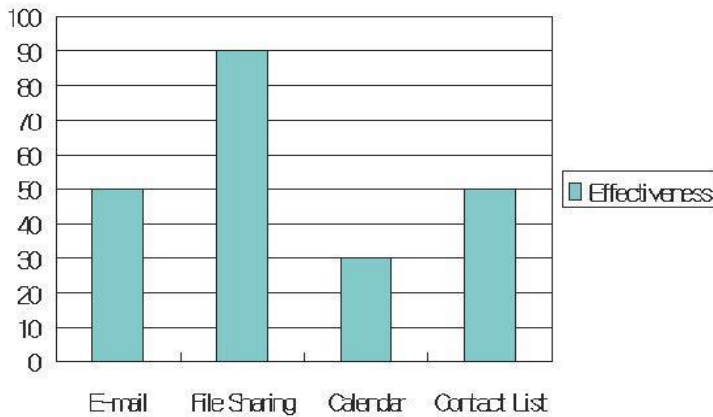


Marketing Research



Type of Research: Survey, Interview (Fall 2007)
Demographics: Students in Auburn University and IIT

☆ 50% of group communication was through IGROUPS

☆ 17 out of 18 students did not use other collaboration tools such as, Google groups or Yahoo groups

☆ Most of the students found the "Filesharing" function to be the most effective for group collaboration

☆ Our target market: Four-year university professors

☆ Market size: There are more than 4,000 institutions in the U.S., more than 2,300 (57.8% of total) of them are 4-year universities with 3,000 or more students.

☆ 2,300 Four-year Universities X 400 group-based courses average per university = 920,000 potential customers per semester.

☆ Market Characteristics: \$2,000~\$3,000 per semester for course spending

Business Scenarios

Student Organization Scenario

Capital Investment	\$0
Employees	IIT student(s) paid \$8/hour working evenings, almost exclusively email support
Marketing	Company/product website Blogs and education websites
Price	\$50 per semester
Gross Revenue Estimates	Year 1: 5 universities = \$10,000 Year 2: 10 universities = \$20,000 Year 3: 15 universities = \$30,000

IIT continues hosting

IIT continues development (assuming IPRO program continues to use iGroups)

- Electronic signup needed
- Group creation needed
- Company/product website needed
- Billing (invoicing and payment) functions needed

Angel Investor Scenario

Capital Investment	\$100,000
Employees	Employees: 1 full-time entrepreneur working for 50% equity + some compensation
Marketing	<ul style="list-style-type: none"> • Company website • Blogs and education websites • Marketing Literature, Direct Sales • Conferences
Price	\$100 per semester
Gross Revenue Estimates	Year 1: 10 universities = \$40,000 Year 2: 50 universities = \$200,000 Year 3: 100 universities = \$400,000

IIT continues development (assuming IPRO program continues to use iGroups)

- Electronic signup needed
- Group creation needed
- Company/product website needed
- Billing (invoicing and payment) functions needed

Risks in Financial Planning

Market Uncertainty

- Decreased Customers due to competition or new venture
- Over rating of product and service to customers
- Competitor overtake of present customers
- Contract violations or ending by customers

Product and Process

- Degradation of Customer Services
- Technical problems (backup problems)
- Technical repair and replacements costs.
- Utility failures (power, office facilities)
- Data Problem
 - Loss
 - Theft
 - Corruption
- Server Hack
- Software Problem –failures.
- Server failures

...this will lead to decreased customers hence slag of business

Competitive Analysis

	Pricing	Strengths	Weaknesses
Basecamp	Freemium (up to \$149/month)	Feature set, established user base	Limited File-Sharing capacity
Blackboard	?	Feature integration	Lack of File-Sharing
Microsoft SharePoint	\$4424	Brand awareness	Platform dependence
Google Sites	Free	Brand awareness	Ad-supported
Yahoo!	Free	Brand awareness	Ad-supported, feature set