

# iGroups

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Enabling effective virtual team functioning.  
Anytime. Anywhere.

# Problem

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How do you organize  
intangible items?

## iGroups

File Sharing and Versioning

E-mail

Calendars

To-do Lists

Contact Lists

Time Reporting

Discussion Boards **NEW**

iKnow Integration **Beta**

# IPRO Task

Does the iGroups software  
have a market?

**IPRO**  
It takes a team  
INTERPROFESSIONAL  
PROJECTS PROGRAM

**iGROUPS**  
Welcome, Sebastian

[iGROUPS Home](#)  
[My Profile](#) NEW!

Your IPROs:  
Spring 2008  
    IPRO 353

- Files
- Email
- Calendar
- Todo List
- Contact List
- Group Pictures
- Your Timesheet
- Manage Group
- Time Reporting
- Discussion Board
- Nuggets

- Spring 2007
- Your Other Groups:

Visit iKNOW  
IPRO Peer Review  
iGROUPS User Manual  
Need help?  
[Logout](#)

IPRO 353

Your Folders:

- Your Files
  - Agendas
  - Business Model
  - Business Plan
  - Code of Ethics
  - Competitive Analysis
  - Grant proposal
  - iGroups suggestion box
  - igroups survey data and papers
  - IPRO Day Presentation
  - Market Research
  - Midterm Presentation
  - Midterm Report
  - Minutes
  - PICTURES
  - Poster
  - Project Plan
  - Resume
  - Risks, Financial Model, Scenarios
  - student schedules
  - Survey for Professors
  - Value Proposition Draft
- Nugget Files
- Past Versions
- Trash Bin
- IPRO Office Files
- Secure Dropbox

Contents of Your Files:

[Upload File](#) [Update File](#) [Create Folder](#) [Move](#) [Create Nugget/Move TO Nugget](#) [Rename](#) [Delete](#)

Agendas	Place meeting agendas here please
Business Model	Some files to read about the business model
Business Plan	
Code of Ethics	
Competitive Analysis	Competitive Analysis discussed on 1/26
Grant proposal	
iGroups suggestion box	Please put all documents regarding iGroups improvements here
igroups survey data and papers	fall 07 data
IPRO Day Presentation	
Market Research	Please Upload documents regarding market research/ market segments here
Midterm Presentation	Midterm presentation files
Midterm Report	
Minutes	Minutes of meetings
PICTURES	Presentation, Posters and Brochures
Poster	
Project Plan	
Resume	Please upload your resumes here
Risks, Financial Model, Scenarios	Risks and Financial Model
student schedules	spring 2008
Survey for Professors	
Value Proposition Draft	Upload drafts for the VP here
Campus Colab tools report	Report on Campus Colab tools
class meeting schedule	spring 2008

What are the possibilities of  
capitalizing upon the market?

# Team

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Sebastian Babel

4<sup>th</sup> year Elec. Engineering



Casey Bennett

3<sup>rd</sup> year Computer Science



Anusuya Dhewaju

3<sup>rd</sup> year Applied Math



Kok Ann Gan

3<sup>rd</sup> year Biology



Ah Reum Jeong

4<sup>th</sup> year Marketing



Kee Heun Kim

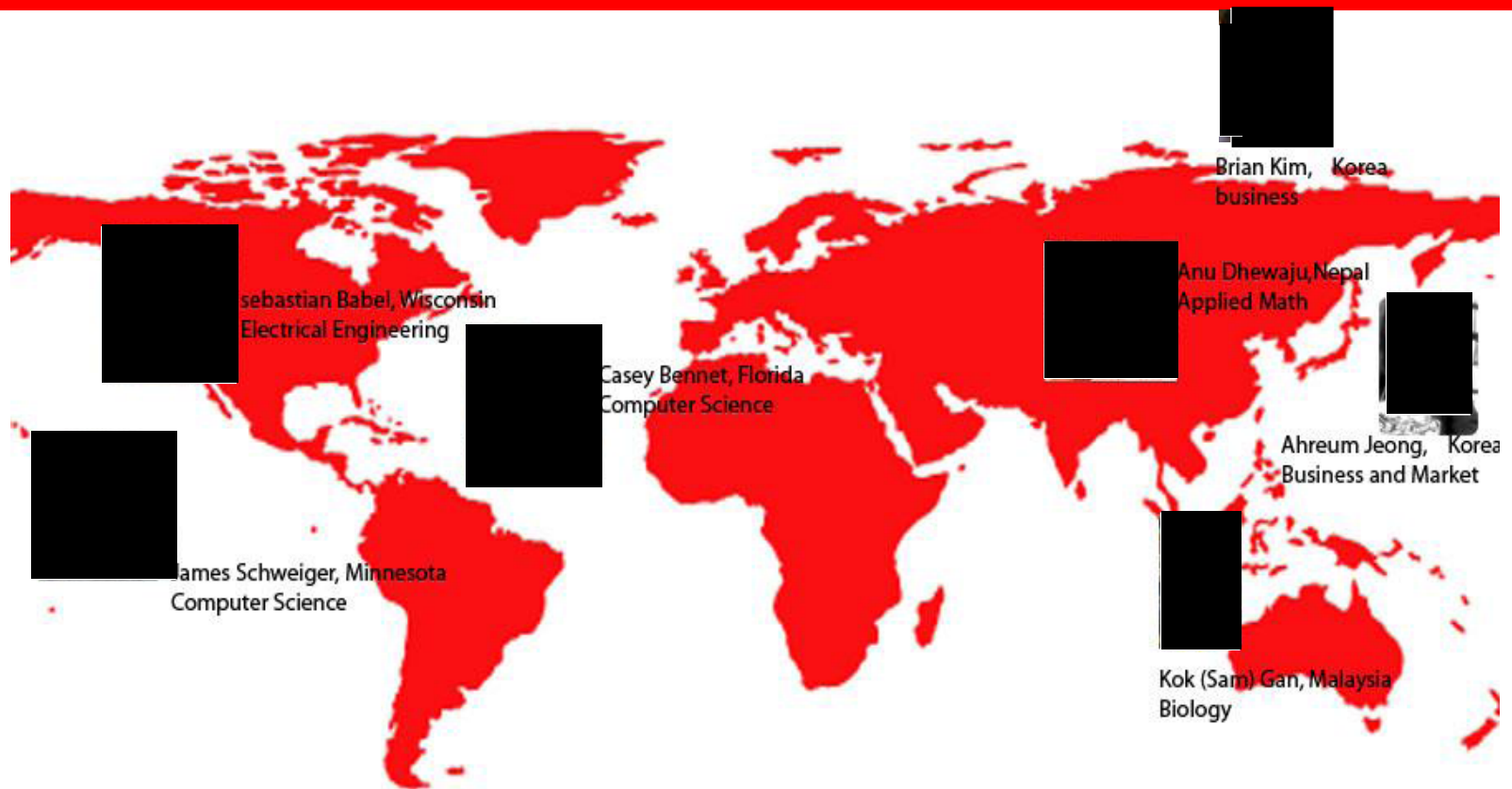
4<sup>th</sup> year Marketing



James Schweiger

3<sup>rd</sup> year Computer Science

# Team



IPRO 353 - Team Members

# Agenda

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1. Market Analysis
2. Business Scenario
3. Business Risks
4. Next step
5. Summary

# Target Market

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University Professors

who use group projects as a teaching Method

Why?

Natural Competitive Advantage

Existing Word-of-Mouth Network

Size

2,300 four-year universities 400 courses each semester

30% involve a group project

- > 200,000 courses.

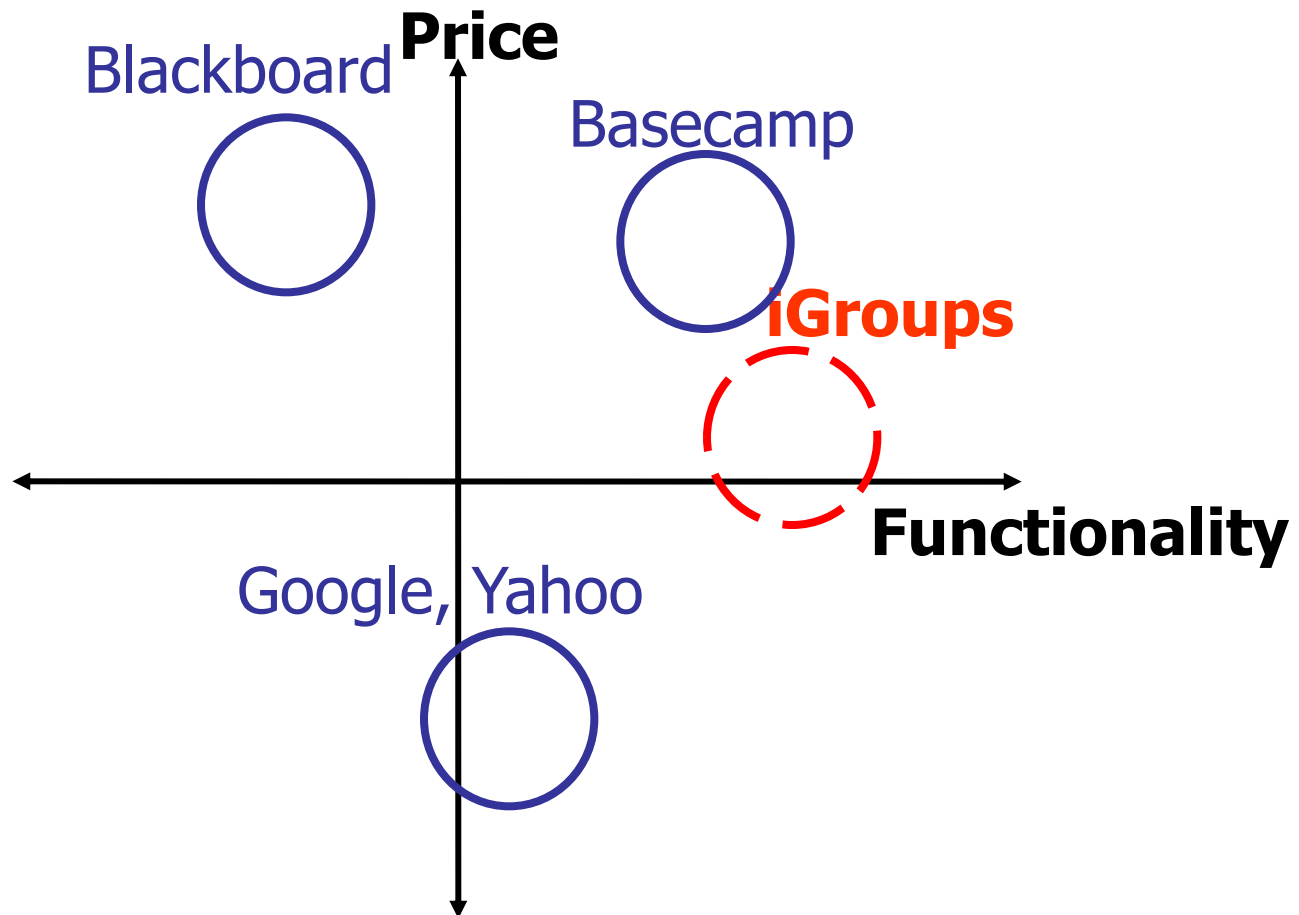
# Competitive Analysis

	Price	Functionality	Target market
<b>Google</b>	Free	Focus on email	Small groups
<b>Yahoo!</b>	Free	Focus on email	Small groups
<b>Blackboard</b>	\$60,000/year	Prof. initiates all Discussion	Universities
<b>Basecamp</b>	Up to \$149/mth	Email, file sharing	S-M business
<b>iGroups</b>	\$50-\$100/sem	File sharing, email Discussion (Student oriented)	University profs



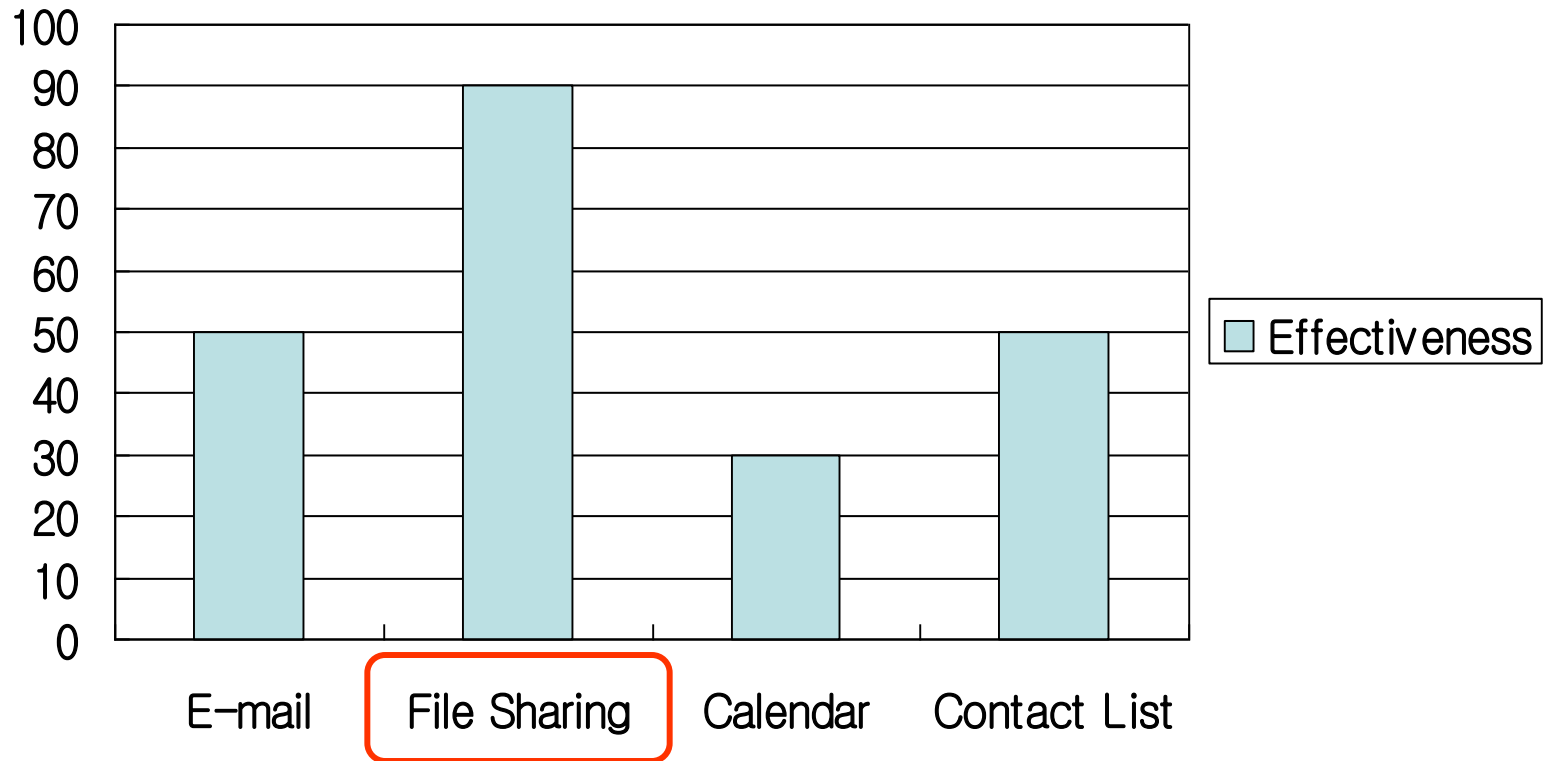
# Competitive Analysis

## Perceptual Map



# Market Research

Survey of 128 IIT Student users



# Market Research

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## Interview of University Professors

10 Professors in University

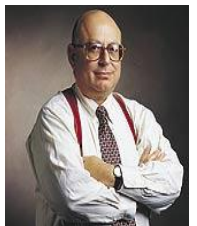
- IIT, Art Institute, UIC and Wayne State University

## Results

Faculty willing to spend \$50 - \$100 per semester

Need to see value in iGroups

Google Groups used in many courses



# Business Model

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Subscription-based

\$50-\$100 per semester per course

Other models considered:

- Freemium
- Licensing

# **Business Scenarios**

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1. Student-staffed Organization
2. Entrepreneur
3. Angel Investor

# Student-staffed Organization

IIT continues hosting and developing iGroups

Employees - hire IIT students for customer service

Marketing - product website, word of mouth

Student team generates sales

## Summary of Income Statement

Year	0	1	2	3	4	5
Gross Revenue	\$0	\$10,000	\$20,000	\$30,000	\$50,000	\$100,000
Fixed + Variable Costs	\$0	\$6,000	\$11,000	\$16,000	\$26,000	\$61,000
Marketing Costs	\$0	\$4,000	\$9,000	\$14,000	\$20,000	\$30,000
Final Margin	\$0	\$0	\$0	\$0	\$4,000	\$9,000

# Entrepreneur

Employees - Entrepreneur

After 1~2 year - IPRO team -> Entrepreneur

Marketing - Increase spending on promotional literature and education conferences

Summary of Income Statement

Year	0	1	2	3	4	5
Gross Revenue	\$0	\$40,000	\$200,000	\$400,000	\$600,000	\$1,000,000
Fixed + Variable Costs	\$0	\$13,000	\$162,000	\$285,000	\$385,000	\$670,000
Marketing Costs	\$0	\$27,000	\$38,000	\$80,000	\$120,000	\$190,000
Final Margin	\$0	\$0	\$0	\$35,000	\$95,000	\$140,000

# Angel Investor

\$100,000 investment for 50% equity

Employees - Hire salesperson 1-2 years after investment

Marketing - Increasing spending

## Summary of Income Statement

Year	0	1	2	3	4	5
Gross Revenue	\$0	\$40,000	\$200,000	\$600,000	\$1,00,0000	\$1,600,000
Fixed + Variable Costs	\$0	\$13,000	\$172,000	\$350,000	\$515,000	\$750,000
Marketing Costs	\$0	\$27,000	\$100,000	\$140,000	\$190,000	\$240,000
Final Margin	\$0	\$0	(\$72,000)	\$110,000	\$295,000	\$610,000
Investment Capital			\$100,000			
Remaining			\$28,000	\$28,000	\$28,000	\$28,000



# Risk Analysis

RISK TYPE	CAUSES	STRATEGIES to AVOID	COST involved (if any)
Technical risk	Server might be hacked or go down	Back up plan: Amazon Hosting	\$200 annual for Amazon hosting.
			Disaster recovery fund \$1000
Financial Risks	Negative Cash Flow	→ Reduce Variable Costs → Increase Market and Sales	Use money saved from lower expenses for marketing

# Risk Analysis

RISK TYPE	CAUSES	STRATEGIES to AVOID	COST Involved (if any)
<b>Organization Risks</b>	→CEO/ Entrepreneur leaves	Hand the management to Student Staff Team scenario	
<b>Competition Risks</b>	Blackboard coming up with similar model as iGroups.	→ Enhance Features in iGroups → Referral System	-20% to 25% discount for every referrals up to 10
	Google and Yahoo groups likely to be chosen	Give iGroups as Trial Version	

# Next Steps

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- Open iGroups to all IIT Profs
- Beta Testing - Auburn plus 4 more
- Grant applications for seed capital
- Continuing IPRO Class
  - Marketing website
  - Support Beta Testing
  - Intellectual property issues

# Summary

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*"The number of group courses is increasing significantly every year, and students need better tools to collaborate."*

- Suzanne Mueller, Stuart School of Business

*"I would love to use iGroups to know students' process in group projects."*

- Bob Footlik, INTM Professor at IIT



# Questions?

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