



Connecting Like Minded Individuals

Business Plan submission for **B6055 Value Based Innovation**

Submitted By:

Akash Majumder
Choong Yew Kwan (Ivan)
Pallavi Soni
Matthew Anthony Stenger

Business Plan

Private and Confidential



Connecting Like Minded Individuals

What if

Humans stopped being Humans

We stopped doing what we do best –

Let us start a revolution together

HIT has a simple goal – to reconnect society.

Our vehicle is to combine human and technology- not to make technology more human but instead to disrupt these pseudo bonds that have grown with the dawn of social media by re-introducing the fundamentally simple but essential human touch.

EXECUTIVE SUMMARY

HIT is a Singapore based **social technology company** that combines an online portal hub with a social activity network of service providers.

HIT looks to re-ignite the fundamental human connection that is the basis for of society and culture.

We look to target millenials who have been inundated with social media and for whom the Internet has become a basic need. We are creating a unique ecosystem that is BOTH a platform and a service – where the platform is the online hub on which the user base is created, and the service is where the company's mission is executed.

Our service innovation is in combining existing technology on both ends (end user and service provider) with a bridge that is not technology based but intentionally human i.e. HIT agents. These innovations packaged correctly will create a platform to sustain the business model.

Financing is via existing government grants and private funds. Although our mission is socially based, we are conscious of the need for sustainability hence revenue is build into the business model through premium services as well as commissions. Revenue is generated from BOTH the end users as well as service providers of activities.

Team - HIT's core team is made up of an international diverse team of business school graduates who are both familiar with social media and technology as well as have the global exposure required to understand the intricacies of different cultures and societal impacts.

CONTENTS

Why HIT?.....	5
Introduction	5
Why is this an issue?	5
What can HIT do to help?	6
UNIQUE FEATURES.....	6
Understanding	6
Personal Interaction.....	6
Trained Psychological Eye	6
SERVICE Description.....	7
HIT (Human + IT) is an ecosystem.....	7
Portal.....	7
HIT Network.....	7
Product Ecosystem	8
COMPANY STRATEGY.....	9
Initial findings and Analysis:.....	9
Strategic Approach:	10
INCUBATION (Phase 1).....	10
BUILD (Phase 2).....	10
GROWTH (Phase 3)	11
Market Potential	12

Industry Summary:.....	12
Key External Drivers:.....	13
Next-Gen Mobile: Smart Devices and Tables.....	13
Social Media 2.0: Business and Entertainment.....	14
Big Data	15
Competitors	16
Facebook.....	16
Meetup.com	17
Critical risks and Contingency strategies	18
Operational risks:.....	18
Technology risks:	19
Intellectual property risks:	19
opposition groups:	20
Financials	21
Price – Cost – Value	21
Appendix.....	23
Appendix 1: Summary financing cost (Four year plan)	23
Appendix 2: management team	26
Appendix 3: Business Strategy.....	28

WHY HIT?

INTRODUCTION

The youth generation that is Generation Y or as they like to be called 'Millenials' is the generation that has grown alongside the boom of technology and social media.

These are individuals roughly around the age of 16 to 34, amongst whom a majority have what we can call an electronic identify (E-identity). This E- identity, which is essentially an online presence of sorts, is quite essential in this day and age in the minds of the millenials.

This in itself raises terrifying long term consequences since for some an E - Identity may just be their only identity. This generation is unconsciously battling with something that the previous generations never had an issue with and that is a lack of personal human connection. All of this sounds reasonably harmless and some may argue is a normal milestone for humanity, but here is how this can become a catastrophic problem.

WHY IS THIS AN ISSUE?

Analysts believe that it is this strong virtual presence that has led to soaring rates of anxiety disorders, depression and mood swings in this generation. According to a survey conducted for the American Psychological Association, a comparison of results in 2014 and 2013 show that in the latter, the same youth bracket has tested for an increase in 39% of stress levels.

Some 52% had attested that they have trouble sleeping at night due to social media. On a special stress pulse test, ranging from 1-10, Millenials registered at a 5.4 as compared to the previous generation that registered at a 4.2. If this continues analysts fear that humans will cease to become creative and innovative which is a signature trait of our species.

This situation is only foreseen to worsen.

WHAT CAN HIT DO TO HELP?

What we believe in is that the current generation needs is to bring back the human touch in our social lives – i.e. an increase of human interaction. True connective moments differentiates us. This is where HIT comes in. It is our mission to CONNECT.

With the help of our unique service eco-system, we aim to connect our users on two levels. Firstly, through like-minded activities when they are either in their home community or in a new environment. Secondly, through indirect messaging by choosing to use the human voice to form these connections.

UNIQUE FEATURES

UNDERSTANDING

A unique offering of our service is the personal understanding and exploration that the customer experiences from the beginning of their interaction with us through a personalised report containing a psychological deduction of his or her social online presence (we call this an e-profile). Following this, we will also look to understand their areas of interests through a combination of direct discussion and/or online forms. This is to start the next stage of human social activity. Additionally premium services such as additional psychometric tests or personal development workshops are available.

PERSONAL INTERACTION

We intend to add a personal touch of human interaction in our service in the form of agents that act as an interface between the customers and the service organizations.

It is with the intent that a personal human presence may be present throughout our model that we would train these agents to act as social managers for our customer acting as their personal assistants to link them to their desired and apt activities.

TRAINED PSYCHOLOGICAL EYE

Professional practicing psychologists will offer their expert opinions and deductions on each user e-profile. On the payment of a fee the customer may avail a premium service of a more detailed psychological profiling of himself.

SERVICE DESCRIPTION

HIT (HUMAN + IT) IS AN ECOSYSTEM

HIT looks to break barriers, to break social habits that have been formed particularly by millennials which have resulted in social problems

HIT looks to leverage existing technology and bring back the human voice and human element by combining two elements – a Portal with the creation of the HIT network – HIT agents that use only voice to connect users with Service Providers.

PORTAL

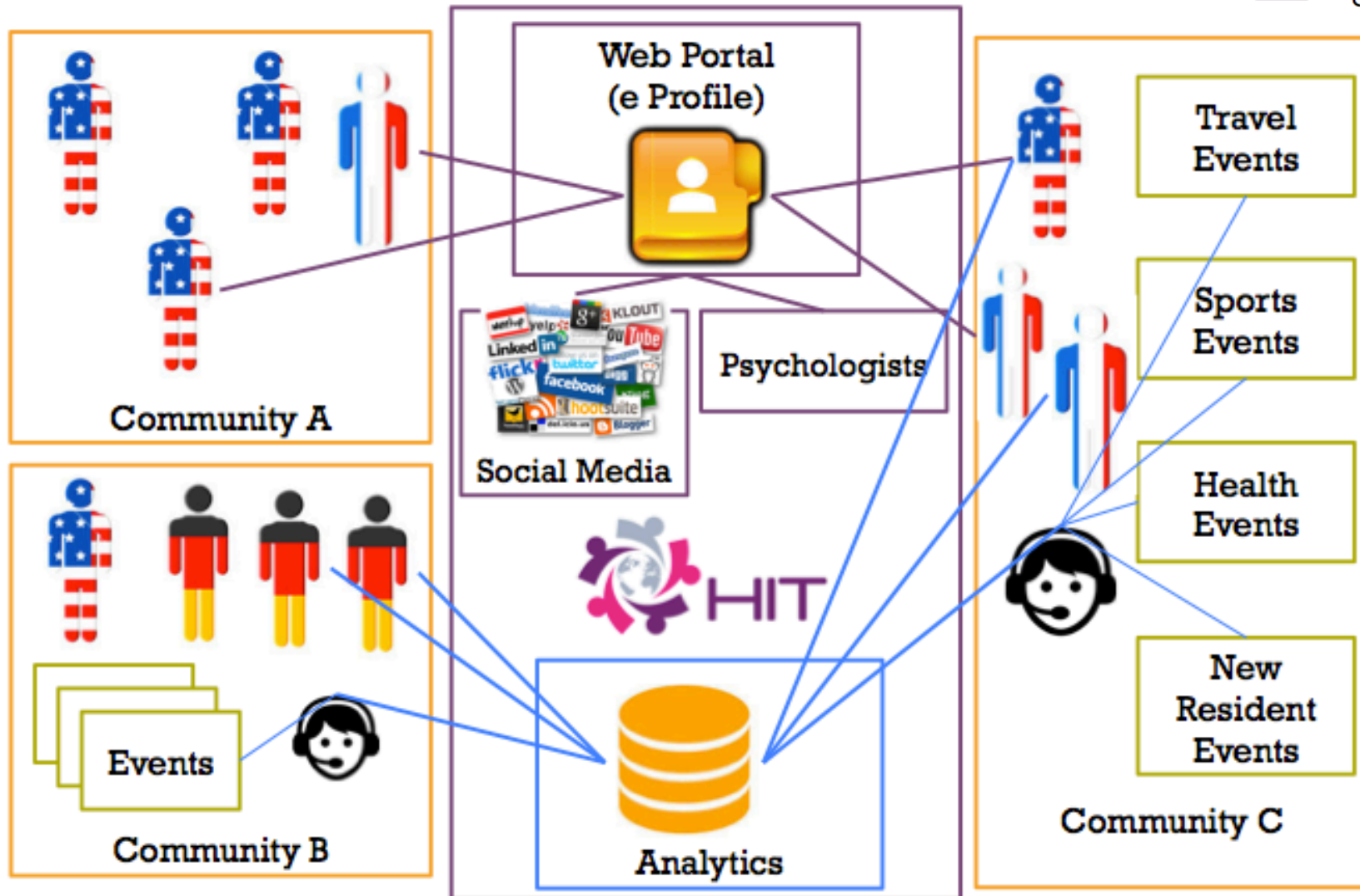
The portal is the HIT user interface that provides users an understanding of their social profile. It is a means for connecting to the millennials and helping them understand themselves through the creation of an e-profile. The user e-profile is created through a variety of sources from direct integration with social networks and custom created surveys.

To increase expertise and credibility, strategic partnerships will be formed with psychologist experts to leverage upon their domain expertise

HIT NETWORK

The HIT network brings in the social element - connecting users with Service Providers (Event organisers) either in their local communities or in new communities when travelling. The deliberate use of HIT agents (use of voice) as a means of communication is the subtle indirect means to promote the re-establishment of human interaction of communication on top of encouraging users to connect during the social event itself.

PRODUCT ECOSYSTEM



COMPANY STRATEGY

INITIAL FINDINGS AND ANALYSIS:

To validate our choice of target user audience and Minimal Viable Product (MVP) offering, we conducted a quick survey and enclosed are our findings.

Survey results (27 participants)

- Interest in a social profile (**Yes – 81.5%**, No – 18.5%)
- Choice of social network (**Facebook – 95.0%**)
- Additional services (Career surveys – 70.3%, News – 62.5%)
- Customized topics (Travel – 76.2%, Health – 57.4%, Sports – 33.3%)
- Tailored information when (**Travelling – 59.0%, At home – 59.0%**, New residents – 55.0%)
- Concierge services (Yes – 51.9%, No – 48.15%)

The results highlighted our initial target user audience and initial target Service Providers (SP) that we MUST include in our Minimal Viable Product (MVP). We intend to expand all factors of user base and target coverage as well as choice of social network platforms as we progress into future phases.

STRATEGIC APPROACH:

INCUBATION (PHASE 1)

In the incubation period, we will look build up the two main components (Portal and HIT network) as separate components. The aim is to create a Minimum Viable Product (MVP) and Minimum Viable Service (MVS) in the initial stage – each component would be able to be silently launched and built. By doing this, besides inherently creating secrecy about our final end-to-end ecosystem, this allows for project times to work in parallel and allows for better management of limited resources.

Marketing:

HIT aims to leverage word of mouth and social marketing. This is in line with our target user base of millennials who have a high utilization of social media. Our initial target marketing segment will be local users as well as users who are travelling.

Sales:

Sales effort in Phase 1 will be focused on portal growth. Increasing chargeable premium service

BUILD (PHASE 2)

In this Phase, we look to launch the combined Portal and HIT network ecosystem – the aim is a minimal full end-to-end solution that shows the service that HIT is capable of providing

Marketing:

Marketing efforts in this phase is essential as this is a new initiative and service that has not been seen before. End user education is essential.

Sales:

Sales effort in Phase 2 will be focused on growing premium services for portal growth (eg customized reports) as well as introduction of commission model for the Service Providers

GROWTH (PHASE 3)

In this Phase, we look to grow HIT through the use of adding services and functionality according to end-user feedback. Enhancements will be made to features and focus will be given to increasing the Service Provider list.

Marketing:

Marketing efforts in this phase is to a wider user base.

Sales:

Sales efforts will be on premium services.



Special Note:

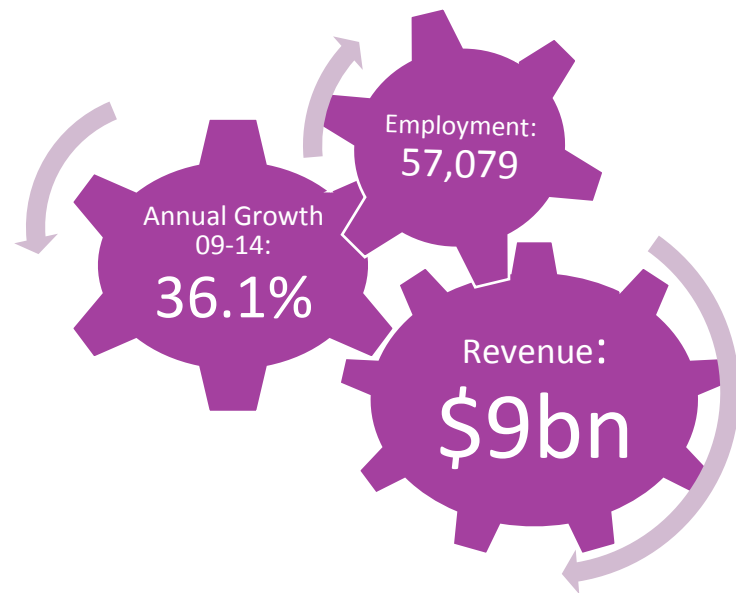
To maintain our social impact element and incorporate our links into local communities, company policy to HIT agent recruitment will focus on members of the community that require uplift – e.g. stay at home mothers, part time workers for social enablement.

This is a policy decision to maintain consistency in our ethos of working to re-establish human connections.

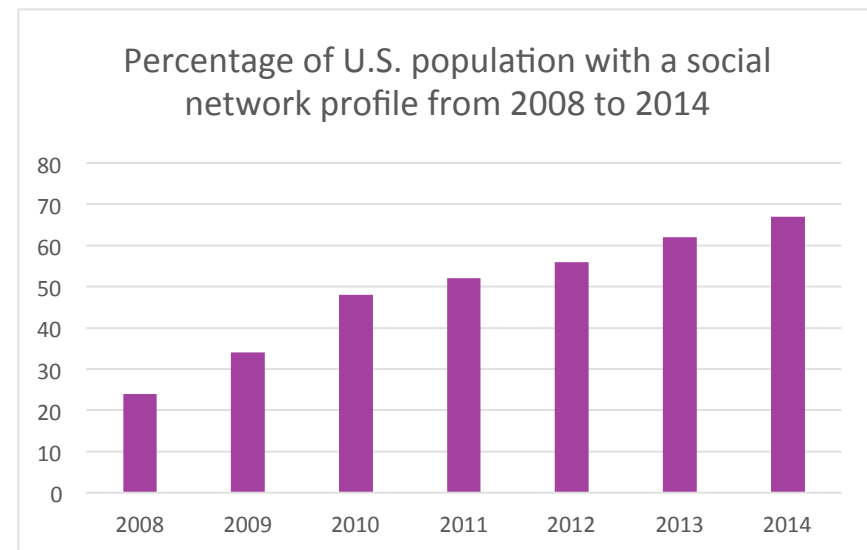
MARKET POTENTIAL

INDUSTRY SUMMARY:

The **Social Platform industry** is extremely vibrant in this day and age. The top three parties dominating this sector are Facebook, LinkedIn and Twitter. The companies within this industry tend to rapidly innovate with high investment capital as well as know about the latest technological advances. To compete in this industry one needs to consider the network's user base size, immersive and unique features as well as integration with existing websites.

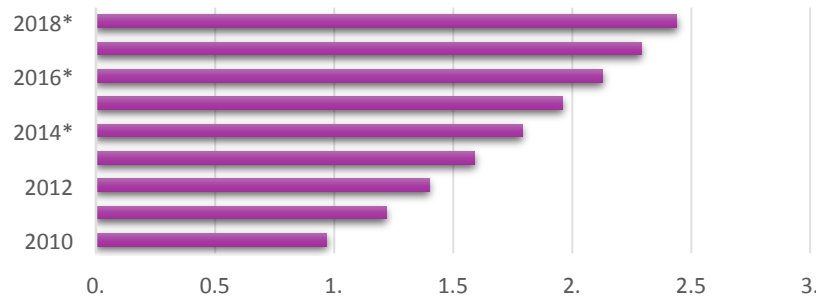


Source: IBISWorld.com



Source: Edison Research; Triton Digital

Number of social network users worldwide from 2010 to 2018 (in billions)



Source: eMarketer; American Marketing Association

The emergence of SNS or Social Networking Sites came into existence after the rapid boom of the number of broadband internet connections over the last five years. From then on, the percentage of services rendered online grew at an estimated 5% every year in the next five years to the year 2014.

After that, advertising revenues followed en-suite and there was a gradual shift from mass marketing techniques towards selective targeting to customer groups making the marketing methods more cost-effective and acquiring tangible results under controlled environments.

KEY EXTERNAL DRIVERS:

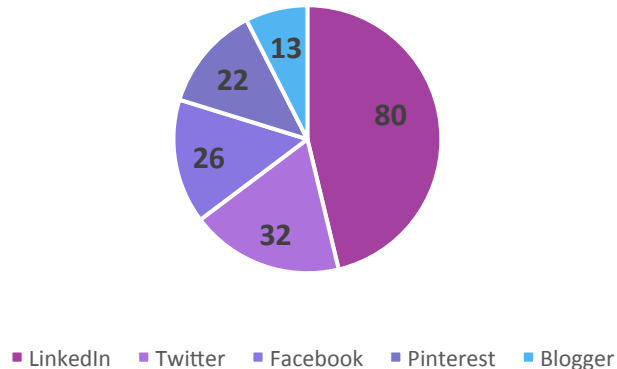
NEXT-GEN MOBILE: SMART DEVICES AND TABLES

The current-gen of computers and laptops are passé. People are on the move constantly and have no intention nor inclination of staying put. Time is too valuable. Emergence of smart devices like mobiles and tablets have pushed the envelope on the intellectual as well as social level. Users can share their moments on the go as well as search for what they want to do the moment they want to do it.

Based on sales projections on Gartner.com and IDC statistics, by 2015 the tablet market will be 479 million and PC market will be only just ahead of 535 million. This means that the tablet market will gain the sales revenue in 3 years that the PC market took a decade to achieve.

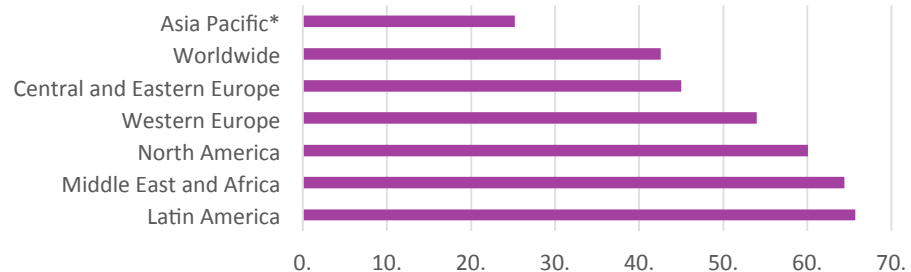
SOCIAL MEDIA 2.0: BUSINESS AND ENTERTAINMENT

Year-on-year audience growth of popular mobile social networks in the United States



Source: Nielson, *The Digital Consumer Page*, Feb 2014

Percentage of global online population using Facebook as of April 2013



The communication reach via mobile devices are on a broader scale than any existing IT infrastructure. Taking that into consideration the world will end up with social media as its primary mode of communication.

People will tend to share more and more of their psychological aspects over websites like Facebook, Twitter that will inherently create a personalized ecosystem towards that particular user.

[McKinsey Reports](#) suggest that enterprises with social business have a 25% higher revenue growth than the less social firms.

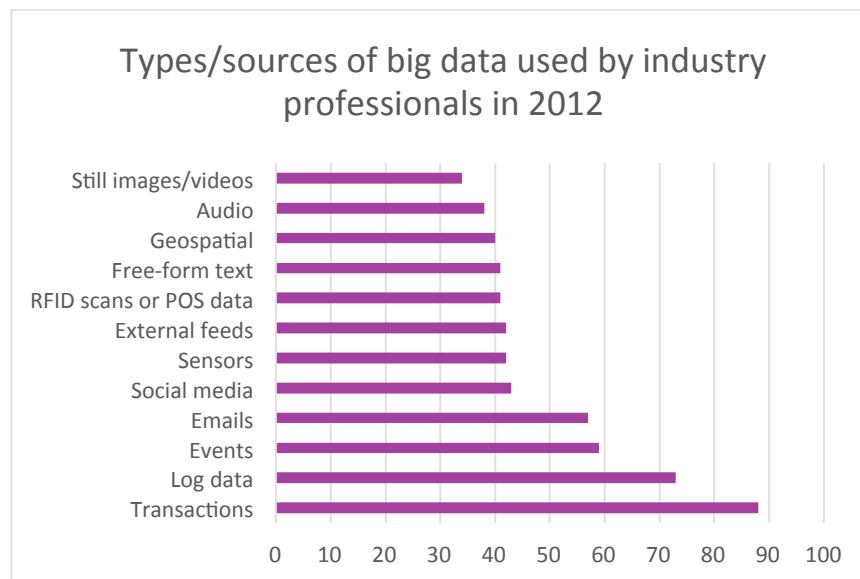
Majority of customers who are “on-line” tend to create engagement strategies both from a social and professional viewpoint due to perception of an open and accessible environment.

BIG DATA

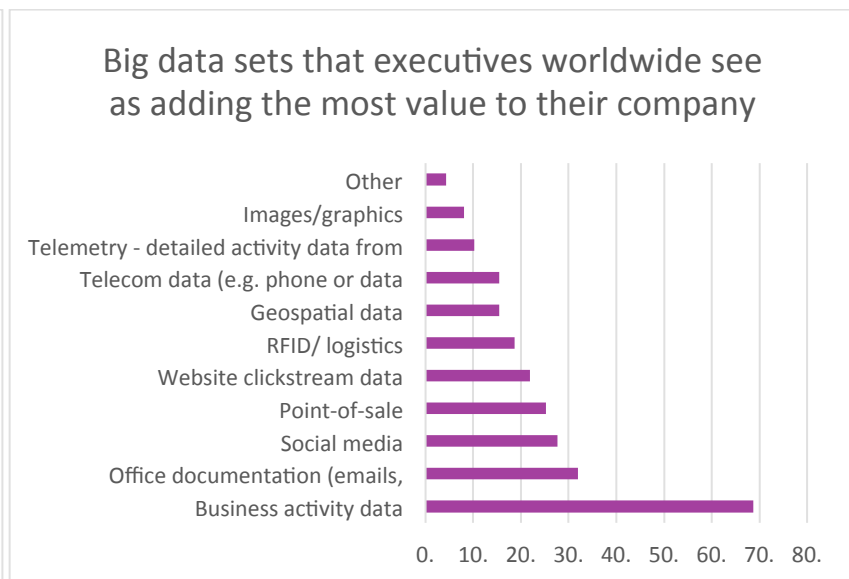
Businesses have copious amounts of data on their customers but the means to leverage such data is extremely complex. Decreasing the business cycles within an organization lets one “**observe**” the data stream and analyze it fast enough to generate business critical strategies and execute important decisions.

Promising better ROI and tackling previously impossible issues related to scalability, Big Data requires many new skills and cross functionality techniques that help a business understand its customer on a more personal level. The key adoption in sight requires making open data a priority for the enterprise.

Big data means generating new infrastructure, implementing efficient ops, and development. This means organizational refinements must be made to tap into the greater potential.



Source: IBM Online Survey, 2012



Source: eMarketer, Economist Intelligence Unit, 2012

COMPETITORS

As mentioned above, HIT is encroaching on the social media industry segment. Targeted towards individuals who have an active virtual life and an inactive social life, we intend to leverage the user's virtual presence to fabricate a tailor-made IRL (In Real Life) event that the user would be inclined to attend.

Our competitors would be applications/services who strive to provide the same end result as us but not in the same way.

FACEBOOK

BACKGROUND



According to Facebook Newsroom statistics, a reported 1.23bn active users exist on the social media platform on monthly basis

50% to all the Facebook users have more than 200 friends.

Facebook's share price rose from \$38 to \$62 in a span of 3 years. With more than 7,000 employees and 556mn mobile users, this company seems like the clear winner as far as competitors go.

But, we are competing not with Facebook but with

THE PROBLEM

The generalized concept of creating an event and adding your friends into that even irrespective of whether they would be interested and doing all of this in an automated manner is the target here.

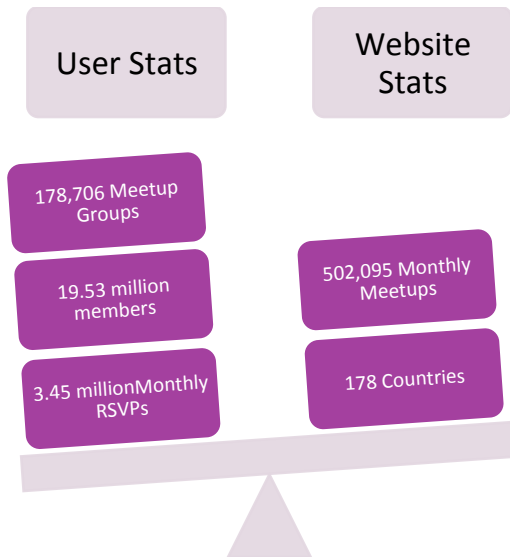
Acquiring information on a user via data mining and pushing advertisement towards them creates a negative impact.

THE OUTCOME

The events being generated requires the user to publicize his/her interests without knowing what the response would be.

Ideally, one would like to hang out with like-minded people and a lack of it may lead to withdrawal from society and the emergence of e-people or virtual people.

MEETUP.COM



Source: Meetup.com Stats Room

BACKGROUND



As of 2014 Meetup.com is the go-to application for creating and organizing local groups for social get-togethers that enrich the community as a whole.

It integrates on the concept of knowledge sharing and social media in a way that makes it accessible to the current as well as the past generations.

THE PROBLEM

Meetup.com's style of enabling users to interacting with like-minded individuals is the most important selling point here but if there is Person X and he is interested in the same thing that Person Y is interested in but there is no way to connect them, what happens then? The website becomes a magnet for spam groups and inefficient execution of event creation.

THE OUTCOME

Becoming more and more frustrated with the bombardment of e-mail and invites to events that the user no longer has interest in but cannot delete individual group based on relevance the user sets up these event invites as spam due to lack of a buffer.

CRITICAL RISKS AND CONTINGENCY STRATEGIES

Start-ups are by nature associated with higher business risk hence this section contains the various risks that we believe is associated with the business and our contingency strategies. This is especially relevant for us as HIT creates a new experience and ecosystem by venturing into uncharted territory.

We rate the risks according to the scale of 1 to 5 as follows:

1. Near Impossible
2. Unlikely
3. Notable change
4. Likely
5. Almost Certain

OPERATIONAL RISKS:

- Inability to obtain sufficient qualified psychologists to provide expertise on building an e-profile [2]
- Lack of access to great events. [3]
- Lack of access to discounted service partners [3]
- Bad or substandard user service to customer and Service Providers[4]

To mitigate these operational risks, we are looking at partnering psychologists that study the field of social media and social interaction using modern technology. We are also looking at using qualified psychologists across different countries. Being an electronic platform, we intent to leverage on modern technology to reach a global network of psychologists.

For access to more events, we will be looking for multi franchise partnerships – Groupon, Fitness Networks, Government Community Networks (e.g. People's Association in Singapore). The aim is to incentivise the organization of events to obtain the initial critical mass of service partners.

TECHNOLOGY RISKS:

- Access to sufficient social media data [4]
- Communication network for agents [3]
- Customer data leakage [3]

Currently there are available APIs from social media platforms such as Facebook allowing for a level of social media data to be extracted. We anticipate an initial hesitance from users to allow for their personal data to be extracted from their social media profiles hence in addition to automated APIs that would provide user data, we envision creating our own Intellectual Property through commissioning personality surveys and user questionnaires.

The results of these surveys will then provide the base data for the creation of an e-profile.

Our agents need access to a quality voice service provider. This is an essential component of the customer experience hence we will be looking at establishing global contracts with service providers using contracts with high service level agreements. As a redundancy plan, voice over IP technology (such as Skype) will be used.

We plan for scalability hence our initial voice service providers will be established firms (short contracts) in localised countries. As the business grows, we will then migrate towards longer contracts and service providers that can provide a wider coverage at a more cost effective level.

INTELLECTUAL PROPERTY RISKS:

- E-profile analytics [4]

There is a risk that our model of creating an e-profile for the customer can be easily replicated by competitors. Hence to mitigate this risk, we are looking at a two-pronged approach. First protection is through the submission of a intellectual property patent. Second protection is to obtain certification by psychologist associations and societies.

We plan to become the only certified platform hence this provides confidence to the end user as well as differentiation from competitors.

OPPOSITION GROUPS:

- Social media platforms [3]

We anticipate social media platforms wanting to provide or move into our business area – this is because there is relatively low barriers to entry. To anticipate this, we are looking at creating our ecosystem initially as two separate initiatives.

One initiative would be the portal front end that provides users an understanding of their social profile. The second initiative would be agent (voice led) service provider network.

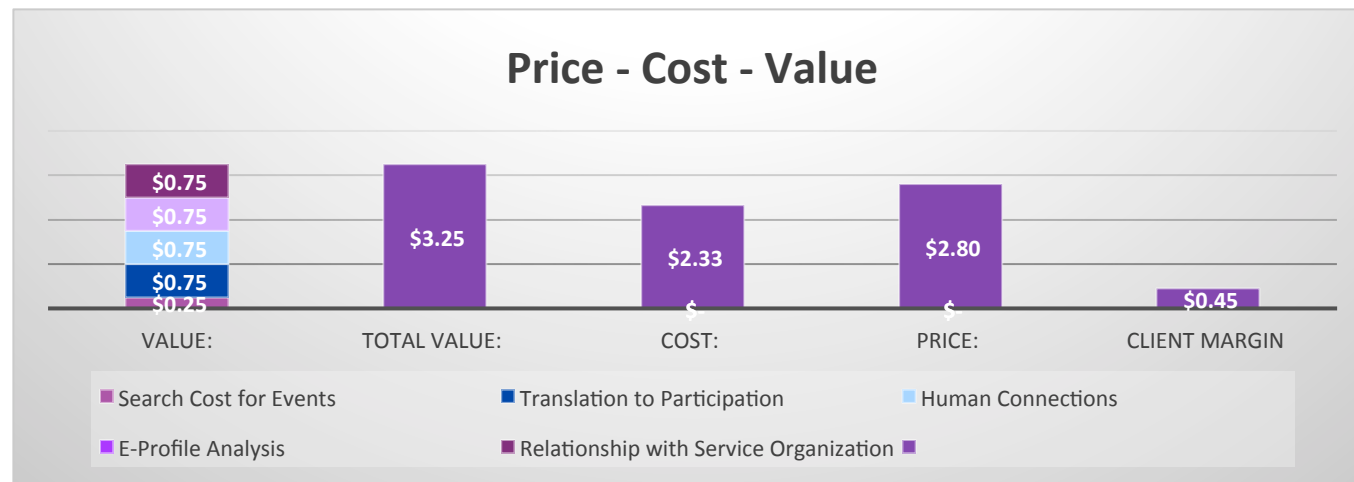
The end-to-end business model of HIT will only be apparent when both initiatives are combined in phase 2 – this is intentional as it would allow for user stickiness to be built on both sides. We look to use user led pressure on social media platforms to maintain integration with HIT (after initial set up should they look intent on replicating our business model).

We also will look to engage social media platforms by integrating to them from the onset (via APIs and mobile – iOS and Android platforms)

FINANCIALS

PRICE – COST – VALUE

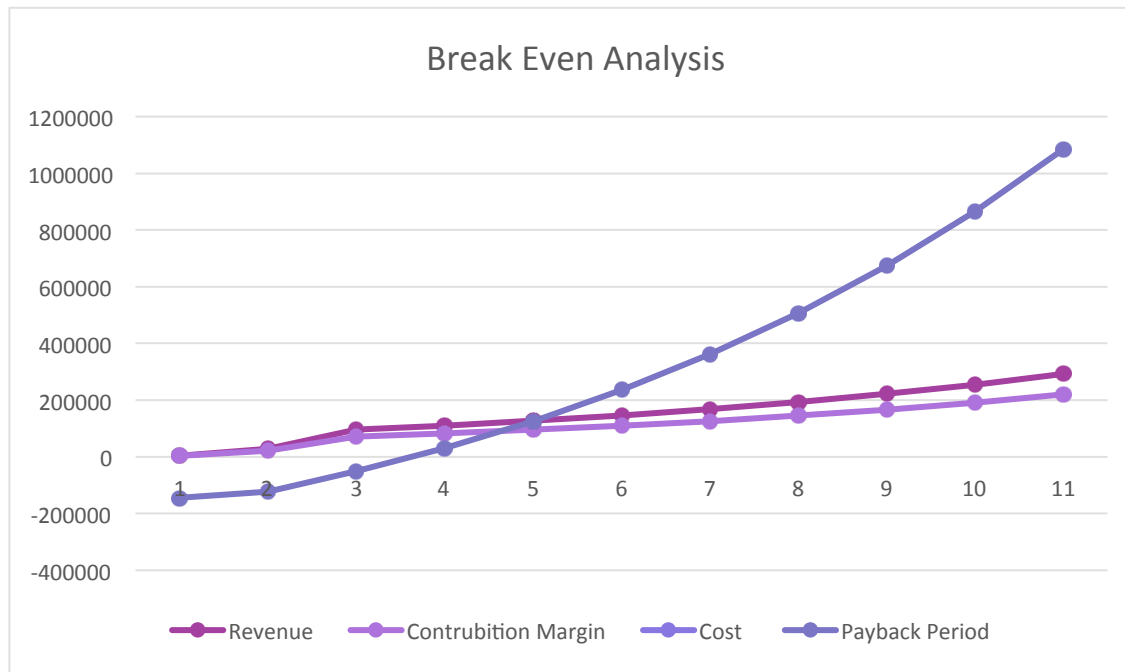
The value that HIT creates to the end user can be grouped into five categories. The first one is value created to the customer in search time. The second is the ability for the e-profile to match the user with events that he wants and would really enjoy. This value is not realized until the event takes place. The human connection adds value to the transaction and seamlessness of the organization. Previously, people could spend hours looking for events that might not match their liking.



The human connection reduces misses that occur online. The fourth value created for the customer is the translation to participation in an event. The more a customer goes to actual events the more the customer will value the service. The last, and likely the most critical piece, is the ability to offer discounts with the service organizations. The stronger these relationships are, the more that can be offered to the customer and hence the higher value that he or she realizes.

The cash flow for HIT will come from primarily two different streams, direct and indirect revenue. Our business model will be based on freemium and supplier driven revenue. Customers who want additional services will be charged for these features. The

Freemiums that we have identified as revenue sources are the psychology report, in-depth analysis and added functionality. The second piece will come from the vendors who will pay a percentage of their revenue. Both of these services will be highly dependent on the user. As seen in Chart 1 the break even analysis happens in 3.5 years. This is reasonable for a brand new business. On assumption we have, is that we will continue to grow at a 15% rate after the first three years. Additionally, much of the cost is associated with developing the backend solutions.



APPENDIX

APPENDIX 1: SUMMARY FINANCING COST (FOUR YEAR PLAN)

		Financing model
Portal		
	Web Infrastructure	
	Phase 1: Data Aggregation	
	- referrals to a psychologists	
	- Social media: Facebook first	1000
	- Some standardized surveys (career, personality)	
	- Allow user to state service provider area preference	
	- web infrastructure (web front end + database + analytics)	10000
	Phase 2: Analysis	
	- Simple automated analysis (produce basic reports)	1000
	- Social media: all / according to user request or feedback	1000
	- Start e-Profile creation	10000
	Phase 3: Functionality	5000
	- User Groups	
	- Deeper psychology analysis	
	- Advanced User Interfaces	

HIT Network		
	Phase 1:	
	- Build directory of services which user can look up/search (passive)	
	- Use 1 HIT staff	1000
	- Building relationship with Service Providers	2000
	Phase 2:	5000
	- Voice recommendations / connections but no organisation or customization just referrals to Service Providers	
	- Expand Service Provider List	
	- Expand HIT agent network	
	- HIT agent User interface	
	Phase 3:	1000
	- Full service of recommendations / feedback / organization	
	- Expand Service Provider list	
	-More staff	5000
General		
	Phase 1:	
	-Market Research	

	Phase 2:	
	- CRM system (basic)	6000
	- Manual Billing	
	- Company Physical Space	36000
	Phase 3:	
	- CRM system (advanced)	2000
	- Automated Billing (here or later depending on resource)	6000
Total Cost		92000

APPENDIX 2: MANAGEMENT TEAM

IVAN CHOONG: CHIEF EXECUTIVE OFFICER (CEO)

Ivan comes from a multi-disciplined background that began in electrical and electronic engineering, into computational electromagnetics research before venturing into the fast paced world of financial services (London / Singapore). After nearly 8 years of commercial experience, he then decided to take another change of course by venturing into the world of start-ups, social entrepreneurship and performing arts before the commercial world began to call again. Following his MBA, he is now looking to continue balancing multi-disciplined work in this start up together with business development in emerging market urban development. He holds a BEng and PhD in Electrical and Electrical Engineering from the University of Nottingham, United Kingdom and a Masters in Business Administration from Nanyang Business School, Nanyang Technological University Singapore.

AKASH MAJUMDER: CHIEF TECHNOLOGY OFFICER (CTO)

Akash has extensive knowledge in the IT domain. Working with big-time companies like HDFC Bank, BSE Stock Exchange etc. he was able to implement state-of-the-art data analysis tools related to company/product portfolios. He has a background of 4+ years in the Software Development field and has worked in diverse fields related to Big Data, Cloud Computing, Application Design and Implementation as well as donned risk management roles from time to time. Traversing the best business schools of Singapore (NTU), Canada (UBC) and China (Jiao Tong), he has a broad understanding of the global market and will integrate his existing traits to continue to break new boundaries in the field of technology.

PALLAVI SONI: CHIEF RELATIONSHIP MANAGEMENT OFFICER (CRO)

Pallavi comes from a Supply chain relations background where she has extensive experience in managing suppliers and service providers. With four years of experience in business to business transactions she then proceeded to widen her portfolio in Sales where she moved from managing all supplier related costs/transactions to managing complete project cost computations in Power and Energy related sectors. She has recently also taken over Supply chain projects at F&B giant corporations as well. After being based in multiple locations including Switzerland and India, she went on to complete her MBA from IESE Business school in Barcelona, Spain.

MATHEW STENY: CHIEF FINANCIAL OFFICER (CFO)

Mathew has 5 years' experience in all thing supply chain and manufacturing with financial acumen slicker than his hair. With a Masters in Engineering and a planned Finance MBA, Mathew is looking to leverage his five years of diverse Aerospace, Defense, Commercial and Automotive leadership experiences by moving to a fast paced, customer focused, strategic oriented, quantitative intensive role at HIT.

APPENDIX 3: BUSINESS STRATEGY

Enclosed is the developed 3 year project plan of the main business components together with the exit strategy.

Goals	Phase 1 (allocate 1 yr, deliver 9 mths)	Phase 2 (allocate 1 yr, deliver 6 mths)	Phase 3 (allocate 1 yr, deliver 6 mths)
Portal	Data Aggregation and Web infrastructure	Analysis	Functionality
	- referrals to a psychologists (Value add through referral to psychologist)	- simple automated analysis (produce basic reports)	- User Groups
	- Social media: Facebook first	- Social media: multiple with user feedback	- deeper psychology analysis
	- Some standardized surveys (career, personality)	- start e-Profile creation	- Advanced User Interfaces
	- Allow user to state Service Provider area preference		
	- web infrastructure (web front end + database + analytics)		
Revenue model	Commission from referrals to psychologists for personal sessions	In-depth customized reports (premium)	Premium user functionality
HIT network	Passive network (MVM)	Active network	Full Service
	- Build directory of services which user can look up/search (passive)	- voice recommendations / connections but no organisation or customization just referrals to Service Providers	- full service of recommendations / feedback / organization
	- Use 1 HIT staff	- expand SP list (start with niche markets ex Travel, Food, Health then expand)	- expand SP list

	- Building relationship with Service Providers	- expand HIT agent network	-more staff
		- HIT agent User interface	
Revenue model	N/A	Charge to Service Providers to be part of the platform or commission on user referrals	Additional charge to user for customized service (e.g. organization of specific events) (Premium)
General	Foundation	Stabilization	Growth
	-market research	- CRM system (basic)	- CRM system (advanced)
		- manual billing	- automated billing (here or later depending on resource)
		- company physical space	
Exit strategy		Early exit	Long term exit
		- e-Profile asset web portal + database	- Patents and Intellectual property sale
		- agency network database	