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# IACBE CASE STUDY COMPETITION

Presented by Cologne Business School

Live business case:  ClassPulse

New Orleans, 18 April 2018

## Meet The Team

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# ClassPulse Identified the Need for Actionable Feedback from Students to Professors with the Goal to Increase Effectiveness ...






## ClassPulse in a Nutshell



### ClassPulse Mission

“A better way to get student feedback.”

### ClassPulse Features

-  Performance Dashboard
-  Instant Polls and Comments
-  Instant Student Feedback
-  Tracking Student Engagement
-  Multiple Private Classrooms



### ClassPulse USPs



# ... However, the Concrete Approach to Create Value With Your App is Ambiguous

## ClassPulse's Directions

### B2C

- Describes a strategy where a company provides goods or services for consumers
- Selling and marketing to professors
- **Key Users are Professors**



Main Interest lies in receiving **Feedback** and improving their own Classrooms



### Feedback

Focusing on Feedback will lead to ClassPulse's B2C orientation

### ClassPulse



### Analytics

Focusing on Analytics will lead to ClassPulse's B2B orientation

### B2B

- Describes a strategy where a company that provides goods or services for companies
- Selling and Marketing to Universities
- **Key Users are Universities**



Main Interest lies in creating and having **Analytics** to track and compare all Classrooms

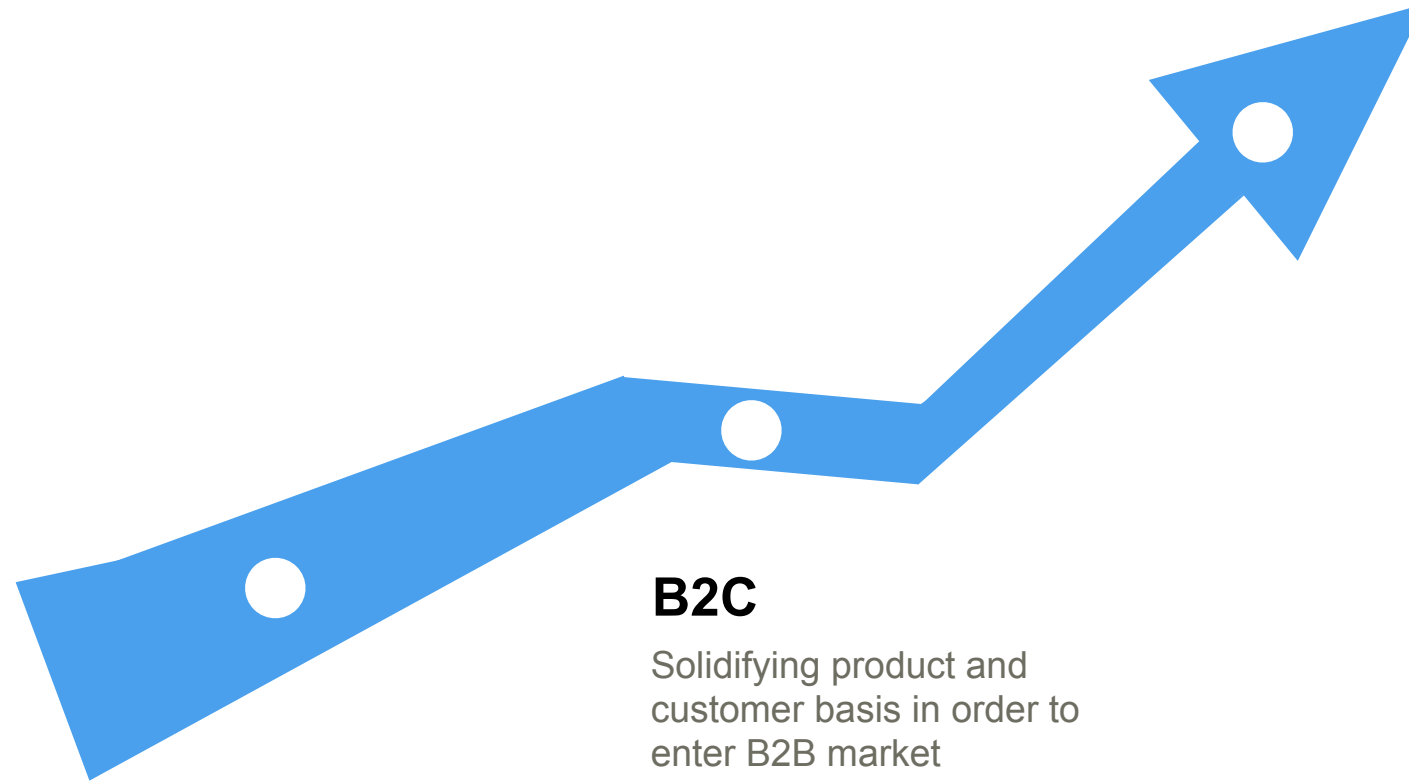


# A Profound Preparation for the B2C Market Sets the Basis to Enter the B2B Market

## The Future Way to Success

### **ClassPulse**

Building foundation to enter B2C market with focus on Feedback



### **B2C**

Solidifying product and customer basis in order to enter B2B market

### **B2B**

Final Stage is the B2B market with strong competitive advantage and clear future visions

# Several Aspects of ClassPulse's Product and Factors Influencing it Need to be Considered to Enable the Implementation of the Approach

## Agenda

### 01 Markets

Analysis of potential customer segments, competitors and their business models

### 02 Product

Key features ClassPulse needs to develop to take on their competitors

### 03 Strategy and Pricing

Recommendations to best capture potential customers

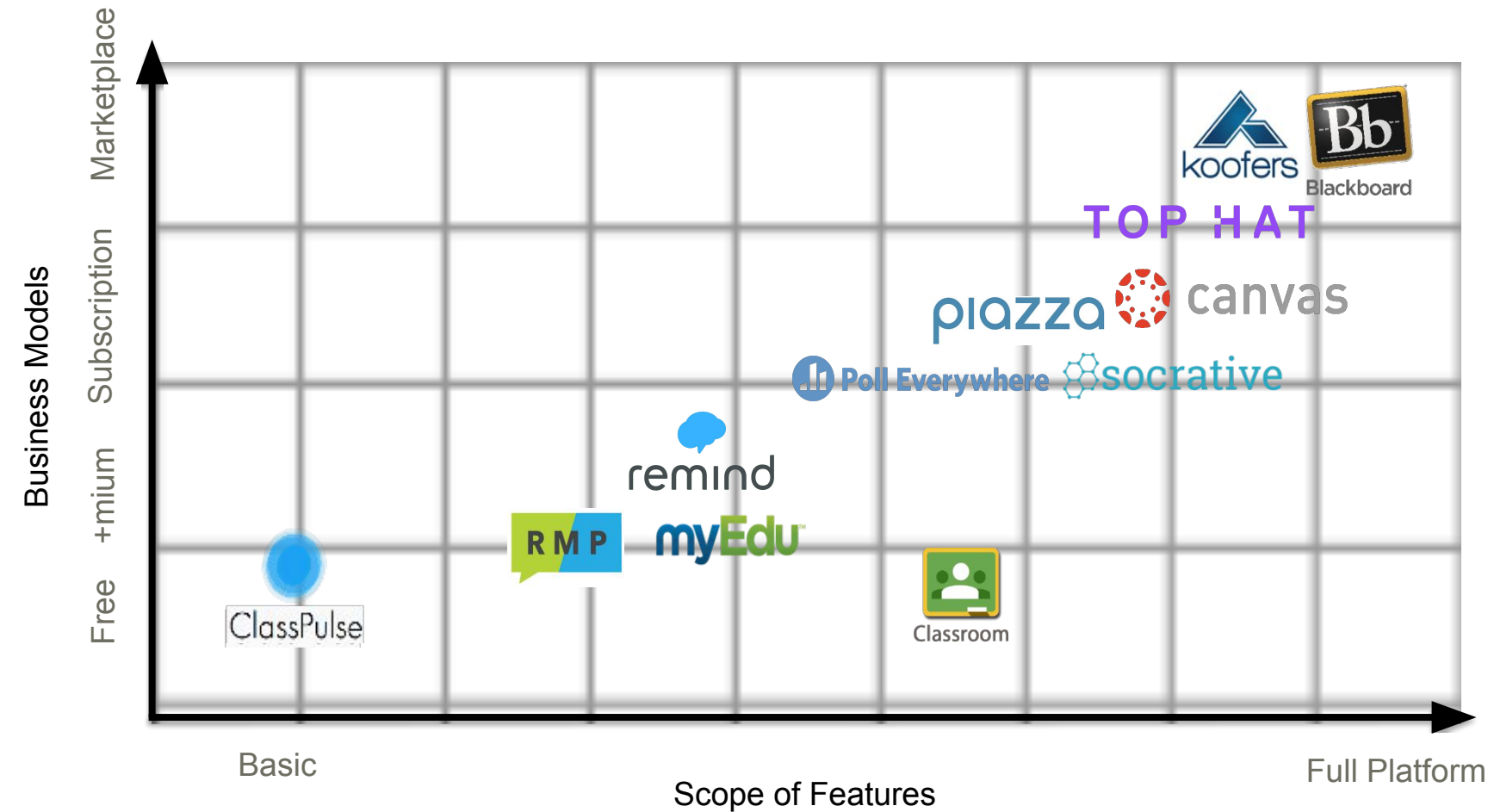
### 04 KPIs and Recommendations

Next steps for ClassPulse and how their success should be tracked and main future recommendations



# The Current Market Position of ClassPulse Needs to be Improved to Build Competitive Advantage

## 01 Markets | Competitor Landscape



### Higher Education Institutions

Use as overall online, real-time feedback method to measure performance



### Professors

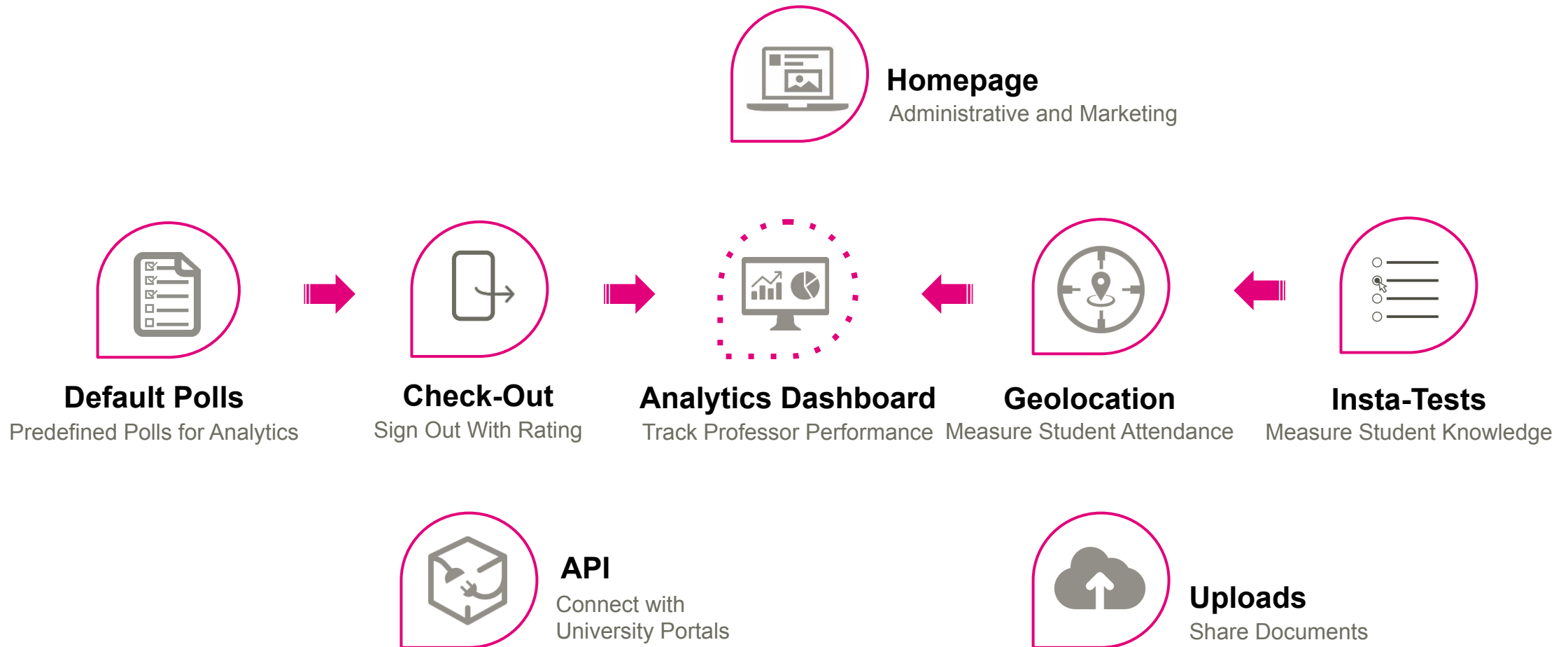
Use as online, real-time feedback method for individuals

Source: Own compilation, 2018



# Targeted App Features Need to be Developed to Meet Market Needs and to Create Long-Term Value For ClassPulse Users

## 02 Product | Feature Suggestions



Source: Own compilation, 2018



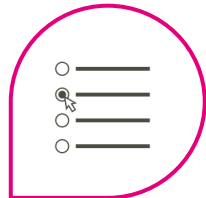
# These Top Three Features Should be Developed by ClassPulse First, as They Meet Customer Needs and Deliver Analytical Value

## 02 Product | Mock-up Dashboard With Most Important Features



### Geolocation

Measure student attendance through proximity tracking of logged-in devices



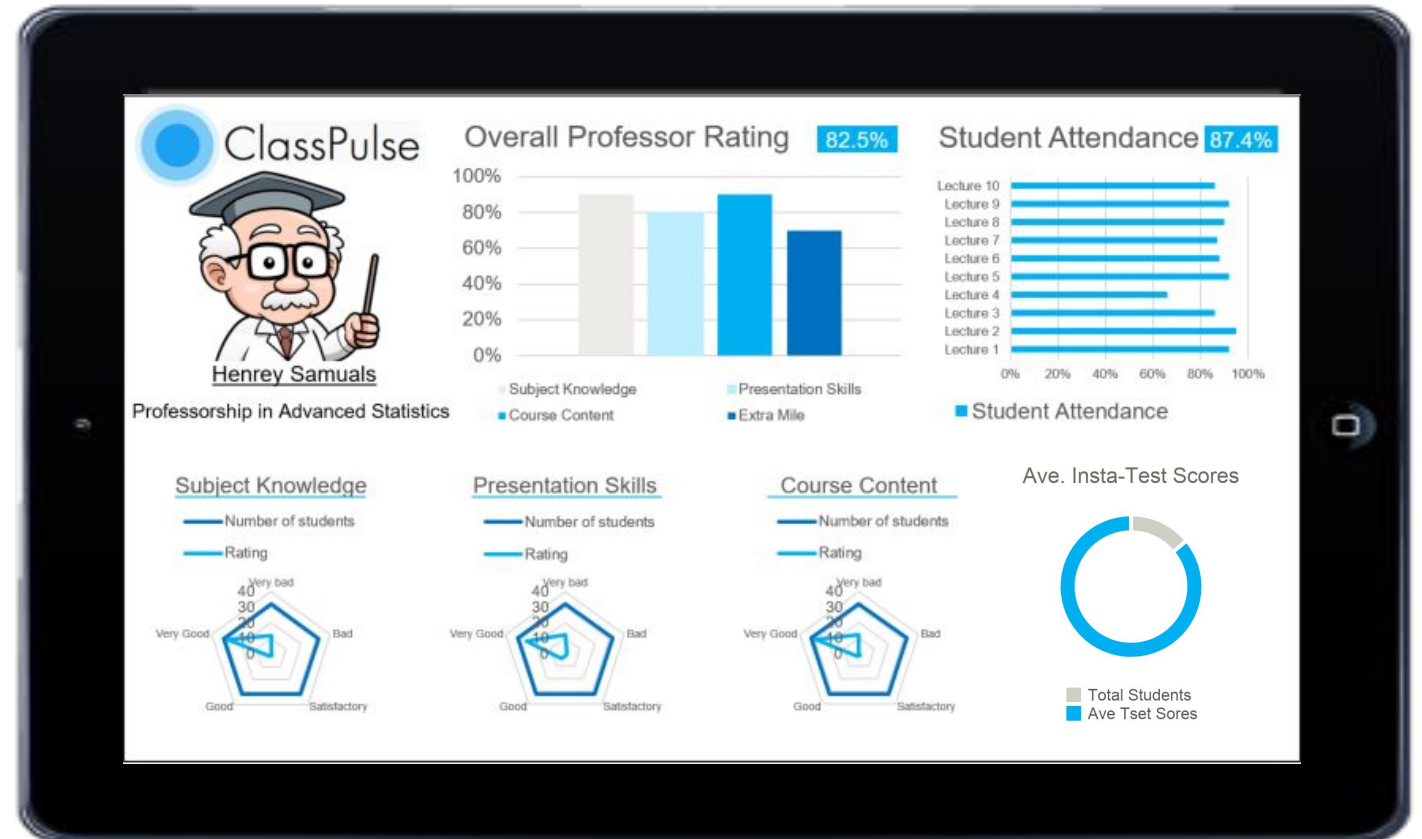
### Insta-Tests

Short multiple-choice tests to measure student knowledge and performance



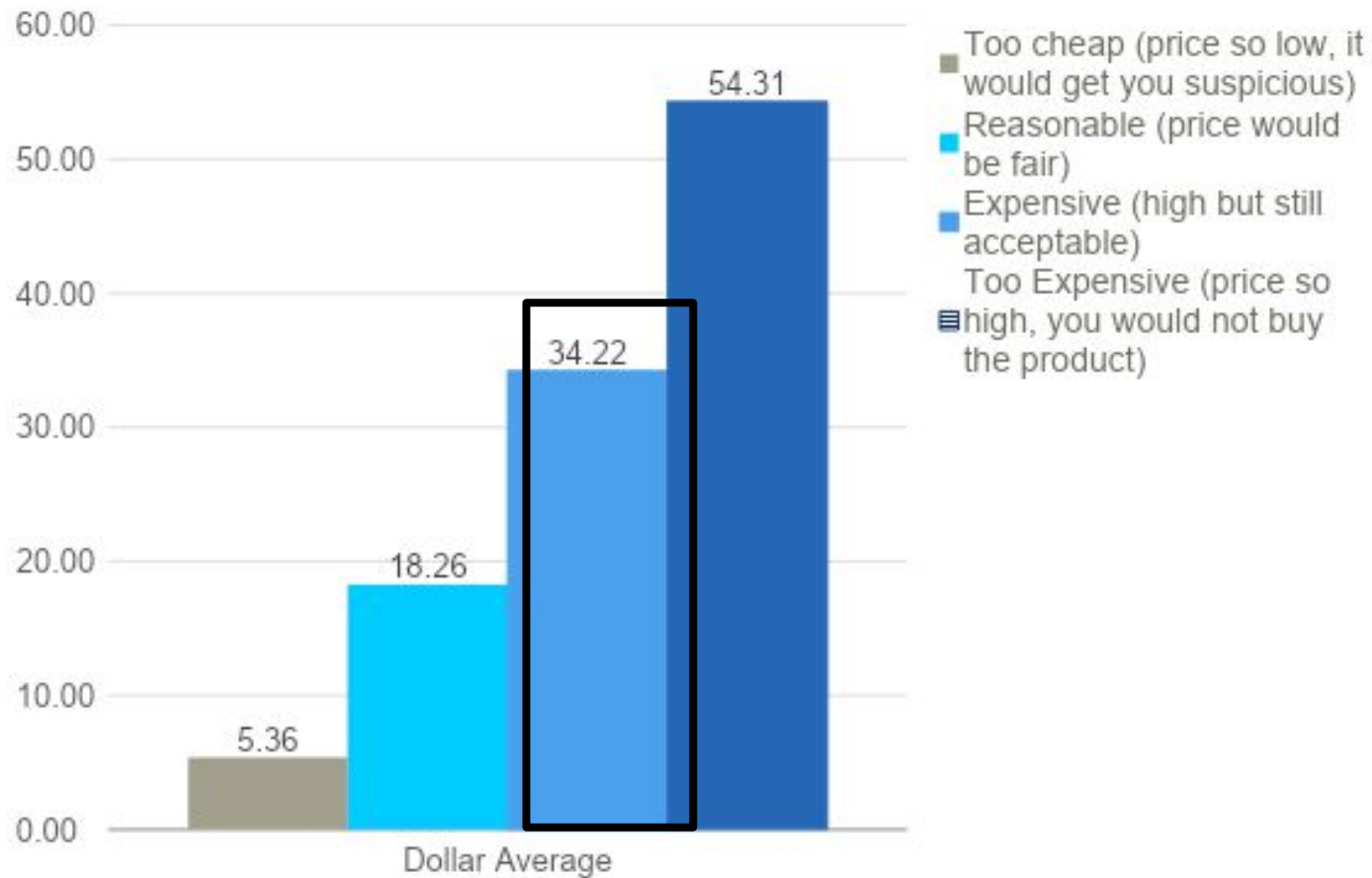
### Default Polls

Predetermined questions to more accurately measure professor's performance



# At CBS, a Van Westendorp Analysis was Conducted and Identified Promising and Realistic Price Ranges for ClassPulse's B2C Pricing

## 03 Strategy and Pricing | Pricing Approach



- **Value-Based** pricing strategy to extract **maximum willingness-to-pay**
- No price-range suggested to achieve **unbiased results**
- **45 Professors and Lecturers** answered the Survey
- Prices are **per semester**
- Results **only** for ClassPulse's present app
- Additional features create **additional value**

Source: Own compilation based on Nagle, 2010

# In Order to Meet the Distinctive Needs of Professors, Three Different Pricing Strategies Should be Developed for the B2C Market

## 03 Strategy and Pricing | Suggested B2C Pricing Bundles

### Basic Version

- 1 Course
- 1 Default-Poll
- + Add. Features

★ Free

### Plus Version

- 3 Courses
- 2 Default-Polls p / Course
- 2 Insta-Tests
- Exit Tickets
- Live-Dashboard
- + Add. Features

★ \$20

### Premium Version

- Unlimited Courses
- Unlimited Default-Polls
- Unlimited Insta-Tests
- Premium Exit Tickets
- Premium Live-Dashboard

★ \$35

Source: Own compilation, 2018

# Based on the Van Westendorp Analysis, the Estimated Revenue Forecast Provides a Profitable Revenue Generation

## 03 Strategy and Pricing | Revenue Forecast for B2C Approach

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Source: Own compilation, 2018

# Based on the Van Westendorp Analysis, the Estimated Revenue Forecast Provides a Profitable Revenue Generation

## 03 Strategy and Pricing | Revenue Forecast for B2C Approach

|                                 | A – Basic Version<br>FREE | B – Plus Version<br>20\$ | C – Premium Version<br>35\$ |                    |
|---------------------------------|---------------------------|--------------------------|-----------------------------|--------------------|
| <i>Propensity to choose ...</i> | <b>68%</b>                | <b>23%</b>               | <b>9%</b>                   | <b>TOTAL</b>       |
| 2018 Users                      | 1,023                     | 346                      | 135                         | 1,505              |
| <b>2018 Revenue</b>             | \$0                       | <b>\$6,923</b>           | <b>\$4,740</b>              | <b>\$11,663</b>    |
| 2019 Users                      | 9,124                     | 3,087                    | 1,208                       | 13,419             |
| <b>2019 Revenue</b>             | \$0                       | <b>\$123,480</b>         | <b>\$84,560</b>             | <b>\$208,040</b>   |
| 2020 Users                      | 81,357                    | 27,518                   | 10,768                      | 119,643            |
| <b>2020 Revenue</b>             | \$0                       | <b>\$1,100,720</b>       | <b>\$753,760</b>            | <b>\$1,854,480</b> |

Source: Own compilation, 2018

# Internal KPIs ClassPulse has to Implement to Measure the Development of its Application

## 04 ClassPulse's KPIs | Key Performance Indicators

### Customer Acquisition Costs

The customer acquisition costs (CAC) represent the costs to acquire a new customer



### Customer Loyalty

Purchasing questions like, "How likely are you to (continue)(increase)(purchase different) products from X Company?" are the best indicators of growth through customer loyalty



### Retention

"Retention is one of the biggest challenges of mobile apps today, as 65% of people stop using them three months after install" (Appboy)



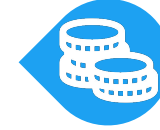
### Active Users

Monthly active users (MAU) or daily active users (DAU) are key users



### Average Revenue per User

Average revenue per user (ARPU) indicates the value of an individual to your app business. As we propose 3 bundles, it needs to be tracked how many users buy which bundle



### Acquisition

Looking at the long-term performance of the acquirer in comparison to a benchmark



# ClassPulse Needs to Accomplish Different Steps to Strengthen its B2C Market Position and to Minimize B2B Entry Barriers

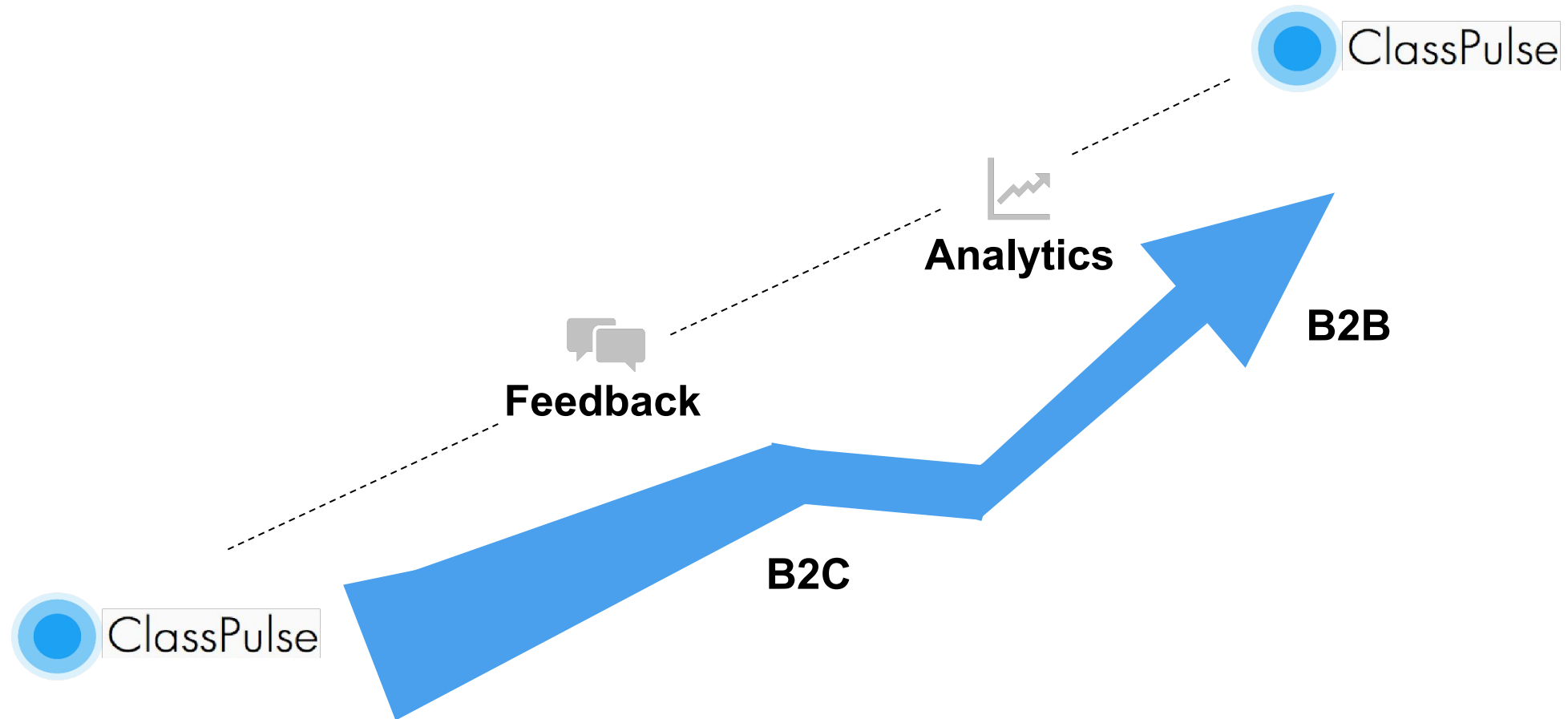
## 04 Recommendations | Next Steps





# ClassPulse can Create Value Through Focusing on Key Feature Areas at the Right Moment Through the Right Strategy

## 04 Recommendations | ClassPulse's Clear Direction





# THANK YOU

And a special thanks to:



# Reference List of Internal & External Analysis

## Bibliography

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**Drell**, L. (2013). *9 Mobile App KPIs to Know*. Received 12/03/2018 from <https://mashable.com/2013/09/04/mobile-app-metrics/#2fQskWZg.mqz>.

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**Simon**, H. (1998). *Preismanagement kompakt*. Gabler: Wiesbaden.

**Simon**, H., Bilstein, F. F., Luby, F. (2006). *Manage for Profit, Not for Market Share: A Guide to Greater Profits in Highly Contested Markets*. Brighton: Harvard Business School Press.

# Back Up

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# Market Competitors Have Implemented More Features Than ClassPulse

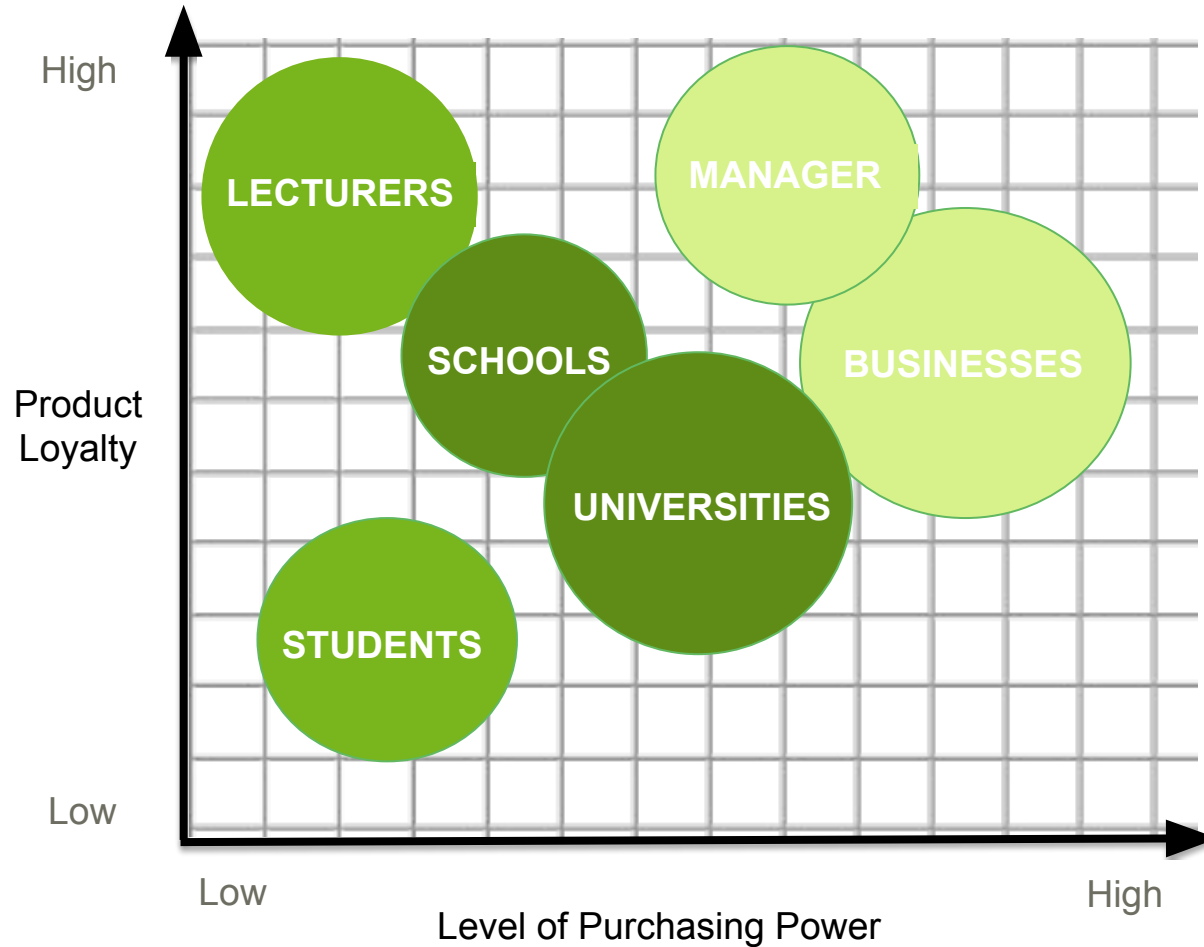
## External Analysis

| Product                     | Benchmark  | Direct Competitors |             |         |         |         |            |          |              |                  |         |            |         |
|-----------------------------|------------|--------------------|-------------|---------|---------|---------|------------|----------|--------------|------------------|---------|------------|---------|
|                             | ClassPulse | RMP                | pick a prof | myEdu   | Uloop   | fastweb | TOP KAT    | Handmade | EdiBaryatara | Google Classroom | remind  | koolara    |         |
| <b>Availability</b>         |            |                    |             |         |         |         |            |          |              |                  |         |            |         |
| Desktop                     | No         | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| App                         | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | No       | Yes          | Yes              | Yes     | Yes        | Yes     |
| Local or International      | Local      | Int.               | Int.        | Int.    | Int.    | Int.    | Int.       | Local    | Int.         | Int.             | Int.    | Int.       | Int.    |
| <b>Bus. Model</b>           |            |                    |             |         |         |         |            |          |              |                  |         |            |         |
| Free version                | Yes        | No                 | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| Free trial Period           | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | No               | No      | No         | Yes     |
| Freemium                    | Not yet    | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | No               | No      | No         | Yes     |
| Subscription                | Not yet    | No                 | Yes         | Yes     | Yes     | Yes     | Yes        | No       | No           | No               | No      | No         | Yes     |
| Selling data                | Maybe      | No                 | N/A         | N/A     | N/A     | N/A     | N/A        | N/A      | No           | No               | No      | No         | N/A     |
| Advertising Internal        | No         | No                 | No          | No      | No      | No      | No         | No       | No           | No               | No      | No         | No      |
| Advertising External        | Maybe      | No                 | No          | No      | No      | No      | No         | No       | No           | No               | No      | No         | N/A     |
| Cancellability              | Anytime    | Anytime            | Anytime     | Anytime | Anytime | Anytime | Sub. Based | Anytime  | Anytime      | Anytime          | Anytime | Sub. Based |         |
| <b>Features</b>             |            |                    |             |         |         |         |            |          |              |                  |         |            |         |
| Dashboard                   | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| Questions                   | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| Comments                    | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | No       | No           | Yes              | No      | Yes        | Yes     |
| Polls                       | Yes        | Yes                | No          | Yes     | No      | No      | No         | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| Scale Rating System         | No         | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | No           | No               | No      | Yes        | Yes     |
| Editing                     | No         | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | No           | No               | No      | Yes        | Yes     |
| Different professors        | No         | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| Different schools           | No         | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | No           | No               | No      | No         | No      |
| Different courses           | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| View/block students         | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | No           | No               | No      | Yes        | Yes     |
| Multiple entries            | No         | Yes                | No          | Yes     | Yes     | Yes     | No         | No       | Yes          | Yes              | Yes     | Yes        | Yes     |
| Add/remove course admin     | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| Exporting of data           | No         | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| Uploads                     | No         | No                 | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| <b>Other Features</b>       |            |                    |             |         |         |         |            |          |              |                  |         |            |         |
| Selling textbooks           | No         | No                 | No          | Yes     | Yes     | Yes     | Yes        | No       | No           | No               | No      | No         | Yes     |
| Scholarships                | No         | No                 | No          | Yes     | No      | Yes     | No         | No       | No           | No               | No      | No         | No      |
| Housing                     | No         | No                 | No          | Yes     | Yes     | Yes     | No         | No       | No           | No               | No      | No         | No      |
| Student Loans               | No         | No                 | No          | Yes     | Yes     | Yes     | No         | No       | No           | No               | No      | No         | No      |
| Job opportunities           | No         | No                 | No          | Yes     | Yes     | Yes     | Yes        | No       | No           | No               | No      | No         | Yes     |
| Marketplace                 | No         | No                 | No          | No      | No      | No      | Yes        | No       | No           | No               | No      | No         | No      |
| Class notes                 | No         | No                 | No          | No      | No      | No      | No         | No       | No           | No               | No      | No         | Yes     |
| <b>Security</b>             |            |                    |             |         |         |         |            |          |              |                  |         |            |         |
| Anonymity                   | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| Data protection             | Minimal    | Minimal            | Minimal     | Minimal | Minimal | Minimal | Minimal    | Medium   | Minimal      | Minimal          | Minimal | Minimal    | Minimal |
| Password protection         | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| <b>Notifications</b>        |            |                    |             |         |         |         |            |          |              |                  |         |            |         |
| Push                        | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| Email                       | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| <b>Social Communication</b> |            |                    |             |         |         |         |            |          |              |                  |         |            |         |
| Facebook                    | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | No               | Yes     | Yes        | Yes     |
| Twitter                     | Yes        | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | No               | Yes     | Yes        | Yes     |
| Instagram                   | No         | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | No       | Yes          | No               | Yes     | Yes        | Yes     |
| Pinterest                   | No         | Yes                | No          | No      | Yes     | No      | No         | No       | Yes          | No               | Yes     | Yes        | Yes     |
| SnapChat                    | No         | Yes                | No          | No      | No      | No      | No         | No       | Yes          | No               | No      | Yes        | Yes     |
| Blog                        | No         | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | Yes              | Yes     | Yes        | Yes     |
| LinkedIn                    | No         | Yes                | Yes         | Yes     | Yes     | Yes     | Yes        | Yes      | Yes          | No               | Yes     | Yes        | Yes     |

Source: Own compilation, 2018

# The Most Influential Stakeholder Can be Mapped through Showing Level of Purchasing Power & Product Loyalty

## Stakeholder Analysis



### Lecturers / Students

Lecturers And Students to Use ClassPulse as Online, Real-time Feedback Method



### Higher Education Institutions

Schools and Universities to Use ClassPulse as Overall Online, Real-time Feedback Method



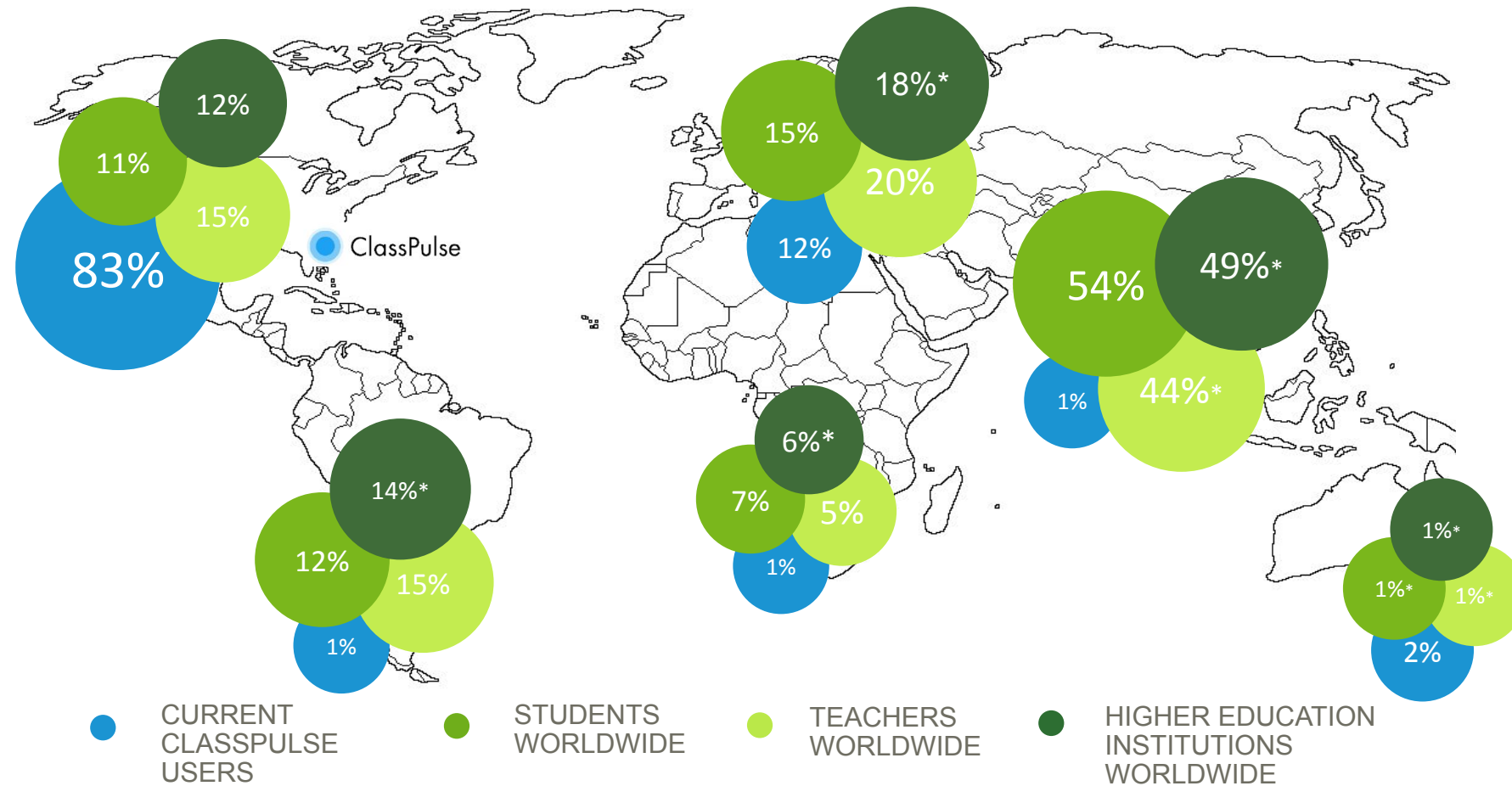
### Business World

Companies And Managers to Use ClassPulse as Online, Real-time Performance Feedback for Employees

Source: Own compilation, 2018

# The Most potential Educational Market are the Asian and the European Market

## Global Education Market Analysis



Sources: OECD, 2015; Unesco, 2015; NCES, 2018; WHED, 2018. \*own calculation based on existing data



# Analyzing Potential Customer Segments Around the World Shows the Availability of Promising Market Segments

## External Analysis

| Regions       | Current ClassPulse Users |            | Student Teacher Ratio | Students           |     | Teachers          |      | Higher Education Institutions |      |
|---------------|--------------------------|------------|-----------------------|--------------------|-----|-------------------|------|-------------------------------|------|
| North America | 181                      | 83%        | 15                    | 20.950.202         | 11% | 1.766.554         | 15%  | 7.142                         | 12%  |
| Europe        | 26                       | 12%        | 15                    | 29.626.760         | 15% | 2.375.963         | 20%  | 9.853*                        | 17%* |
| Australia     | 5                        | 2%         | 14,3                  | 2.206.834          | 1%  | 151.995*          | 1%*  | 683*                          | 1%*  |
| Asia          | 2                        | 1%         | 21                    | 106.438.610        | 54% | 5.068.505*        | 43%* | 28.388*                       | 49%* |
| Africa        | 1                        | 1%         | 27*                   | 13.748.678         | 7%  | 598.336           | 5%   | 3.553*                        | 6%*  |
| South America | 2                        | 1%         | 13                    | 25.311.825         | 13% | 1.779.241         | 15%  | 7.911*                        | 14%* |
| <b>TOTAL</b>  | <b>217</b>               | <b>100</b> |                       | <b>198.282.909</b> |     | <b>11.740.594</b> |      | <b>57.531</b>                 |      |

Source: ClassPulse, 2018

Source: OECD, 2015

Source: Unesco, 2015

Source: Unesco, 2015

Sources: NCES, 2018; WHED, 2018

\*calculation based on existing data

# Especially Legal and Social Influences Could Hinder Expansion to Asia and Europe

## PESTEL Framework Considerations for Internationalization



- **POLITICAL**

- Political Stability



- **ECONOMICAL**

- Economic Stability



- **SOCIAL**

- Openness for Usage



- **TECHNOLOGY**

- Internet Availability



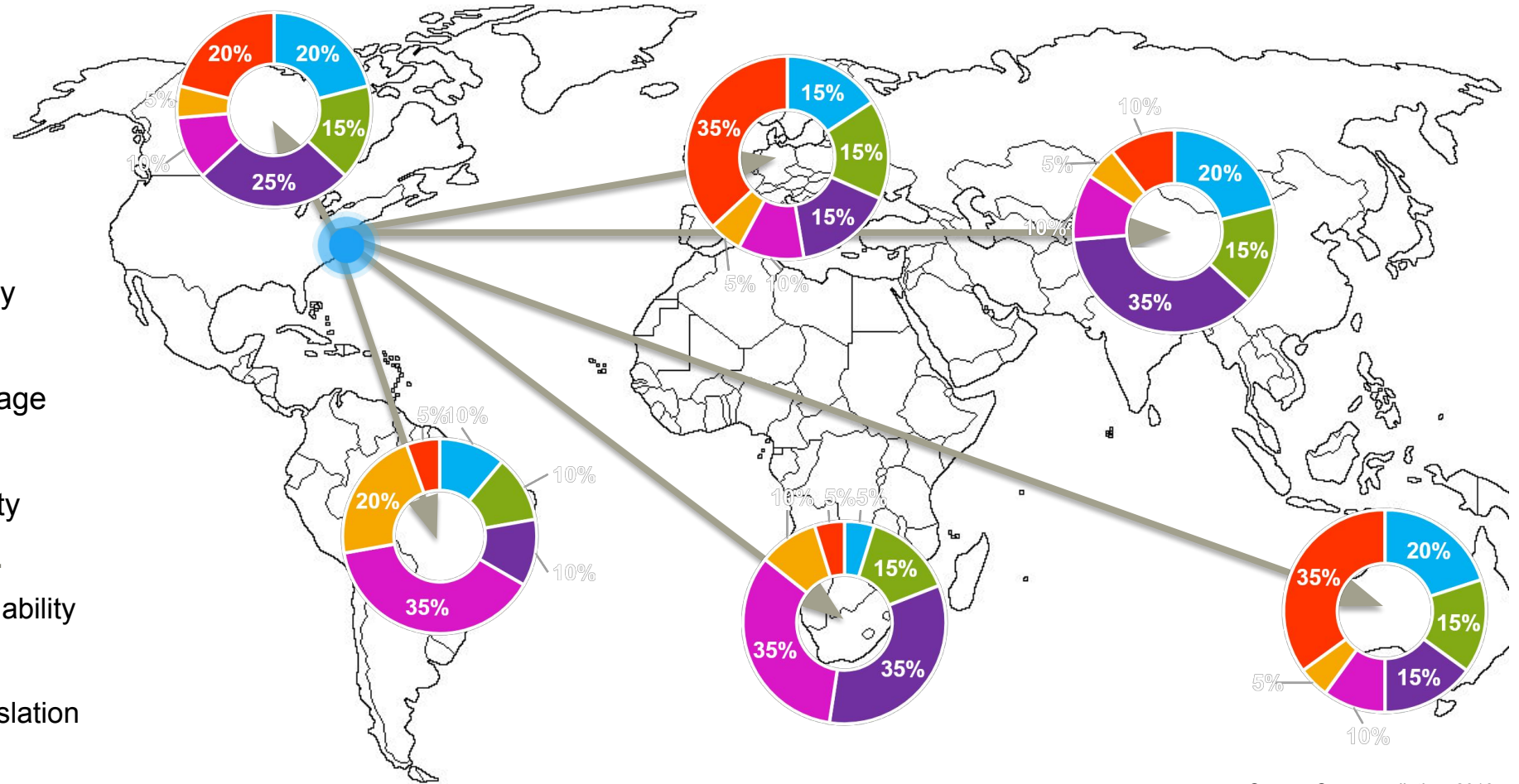
- **ENVIRONMENTAL**

- Infrastructure Availability



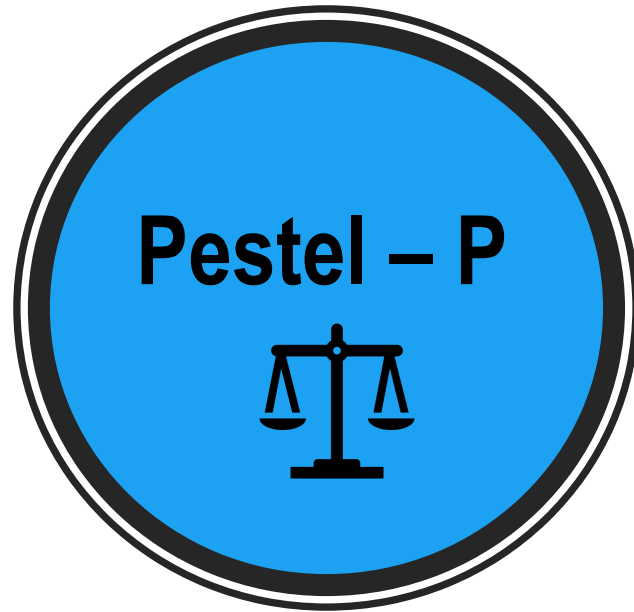
- **LEGAL**

- Data-security Legislation



Source: Own compilation, 2018

## PESTEL – Politic



- **Political Stability of developed countries (opportunity)**
  - *Relaxation of competition policies in industry as compared to heavy industries in EU and North American regions*
  - *Reliable, faster and better internet usage for the national users*

# An Opportunity for ClassPulse Might be Economic Stability of Most Developed Markets

## PESTEL – Economic



- **Economic stability of most developed markets (opportunity)**
  - *Off late spending has seen a downfall in US and rise in Asian markets due to economic growth; main reason being the credit crunch and tightening the housing loan*
  - *Increase in potential customers for ClassPulse leading to the concept of globalization*

# An Opportunity for ClassPulse Might be the Rising Openness to Use Digital Devices More Frequently

## PESTEL – Social



- **Increasing openness to use digital devices more frequently (opportunity)**
  - *Huge market available to exploit and establish*
  - *Increasing consumerism in developing countries*

## PESTEL– Technology



- **Increasing IT availability (opportunity)**
  - *Innovation of latest technologies increased broadcasting, internet access at cheaper cost*
  - *Increase in number of users of technical devices such as mobile, iPods, TV, led for increase in internet access for online usage*
  - *Rich media applications are easily available to every target group*

# An Opportunity for ClassPulse Might be the Increasing Infrastructure Availability

## PESTEL – Environmental



- **Increasing infrastructure availability (opportunity)**
  - *Rise of infrastructure leads to less environmental impacts due to internet focus*



# An Opportunity for ClassPulse Might be Increasing Data-Security Legislation

## PESTEL – Legal



- **Rising data-security legislation (opportunity)**
  - *Removes traditional legal methodologies and instate more secure and transparent legal environment*

# Possible Product Improvement Areas for ClassPulse's Current Version

## Product Improvement

| Existing Application ClassPulse –<br>Product Improvements for ClassPulse Existing Product |   |
|---|---|
| <b>Application</b>  |   |
| Delete comments   | Delete comments if someone writes inappropriate comment. Teacher could block student but if anonymous post this is not possible           |
| <b>Ease of Use</b>  |   |
| Additional student notification   | Notification when additional students join the class  |
| Course Code Sharing   | Easy sharing of the course code for example via email or whatsapp   |
| Editing   | Ability to edit message or poll after it being sent   |
| Instant actualization   | No time gap between posting and seeing the post   |
| Push notification   | Push notification (when student joins or writes comment) displayed on phone screen  |
| <b>Polls</b>  |   |
| Ease to submit Polls  | Less clicks to submit Polls   |
| Multiple entries  | Option to Reply to a poll more than once  |
| Precreating Polls   | When poll is saved for later – notification “You have shared a poll with your students”; only little info for need to unhide - misleading |

Source: Own compilation, 2018

# The Analysis of Existing Features Among Competitors Showed That There is a Variety of Features ClassPulse Should Implement

## Feature Analysis

| Feature Analysis – Additional Features ClassPulse Could Think of for B2C Market |  |
|---|--|
| APIs - integration into system  | An API to be able to "plug" ClassPulse easily into the school system or other systems  |
| Attendance  | Professors can take the student's attendance via the App   |
| Class notes/ Academic Performance   | Professors can submit and students can track their academic performance via the App  |
| Calendar  | Just for specific dates for the course - could be synchronized or exported with microsoft office or other calendars  |
| Default Polls   | Additional default polls to select from, e.g. with default answers as a/b/c; Agree/do not agree; standard default questions to "feed" information into the dash board              |
| Exit Tickets  | When Students exit the room after class, they are asked for a quick "exit ticket" where they only have to do one or two clicks to submit for example if they understood everything |
| Exporting of data   | Possibility to export data from the application (not only the analytics but also for example a conducted poll)   |
| Geolocation   | Could be used to track students' attendance but may also be used for other purposes  |
| Housing   | Option to find accommodation (accommodation platform for Student living)   |
| Instant tests   | Professor posts question, e.g. task for students to work on, then tick, correct answer; teacher gets direct feedback from student answers  |
| Job opportunities   | Availability of Jobs (like or Career Service)  |
| Marketplace   | Place to sell textbooks, notes etc. (internal eBay of sort)  |
| Scale Rating System   | Could be used for the default polls or also for the exit tickets but should be included  |
| Selling textbooks   | Textbooks sold online via the App which can be downloaded as pdf   |
| Student Loans   | Option to apply for student loans (student financing platform)   |
| Uploads   | Possibility to upload Microsoft office and pdf documents to share with students  |

| Feature Analysis – Additional Features for B2B Version |   |
|--|---|
| Analytics of Professors and Students                   | Represents analytics dashboard planned by ClassPulse for the premium version and developed further by our recommendations                                   |
| API for school system                                  | To "Plug" ClassPulse into a school's system   |
| Customized Design                                      | If B2B, university could customize the design according to their CI   |
| Different schools                                      | Option to add different educational institutes  |
| Internal Scholarships                                  | Could be used as incentive for students to use the app - give out internal scholarships or other incentives - can be adapted and administered by university |
| Personlized features                                   | Depending on university's wishes, features can be customized  |
| Scholarships   | Incentive for students to use app; cooperation with universities that give out scholarships; could be linked to student's grades                            |

Source: Own compilation, 2018

# Even if Only 10% of All Customers Opt for the Plus and Premium ClassPulse Version, Revenue for 2020 Would Still be Promising

## Worst Case – Revenue Forecast for B2C Approach

|                                 | A – Basic Version<br>FREE | B – Plus Version<br>20\$ | C – Premium Version<br>35\$ |                  |
|---------------------------------|---------------------------|--------------------------|-----------------------------|------------------|
| <i>Propensity to choose ...</i> | <b>90%</b>                | <b>7%</b>                | <b>3%</b>                   | <b>TOTAL</b>     |
| 2018 users                      | 1,354                     | 105                      | 45                          | 1,505            |
| <b>2018 revenue</b>             | \$0                       | <b>\$2,100</b>           | <b>\$1,575</b>              | <b>\$3,675</b>   |
| 2019 users                      | 12,077                    | 939                      | 403                         | 13,419           |
| <b>2019 revenue</b>             | \$0                       | <b>\$37,560</b>          | <b>\$28,210</b>             | <b>\$65,770</b>  |
| 2020 users                      | 107,678                   | 8,374                    | 3,589                       | 119,643          |
| <b>2020 revenue</b>             | 0\$                       | <b>\$334,960</b>         | <b>\$251,230</b>            | <b>\$586,190</b> |

- Since launch ClassPulse achieved to get around 350 downloads per month
- It can be expected to have a growth rate of 20% per month in 2018, 2019 and 2020

Source: Own compilation, 2018

# If 15% of All Customers Opt for the Plus and Premium ClassPulse Version, Revenue for 2019 Would Already be Promising

## MID Case – Revenue Forecast B2C Approach

|                                 | A – Basic Version<br>FREE | B – Plus Version<br>20\$ | C – Premium Version<br>35\$ |                  |
|---------------------------------|---------------------------|--------------------------|-----------------------------|------------------|
| <i>Propensity to choose ...</i> | <b>85%</b>                | <b>10%</b>               | <b>5%</b>                   | <b>TOTAL</b>     |
| 2018 users                      | 1,279                     | 151                      | 75                          | 1,505            |
| <b>2018 revenue</b>             | \$0                       | <b>\$3,020</b>           | <b>\$2,625</b>              | <b>\$5,645</b>   |
| 2019 users                      | 11,406                    | 1,342                    | 671                         | 13,419           |
| <b>2019 revenue</b>             | \$0                       | <b>\$53,680</b>          | <b>\$46,970</b>             | <b>\$100,650</b> |
| 2020 users                      | 101,696                   | 11,964                   | 5,981                       | 119,643          |
| <b>2020 revenue</b>             | \$0                       | <b>\$478,560</b>         | <b>\$418,670</b>            | <b>\$897,230</b> |

- Since launch ClassPulse achieved to get around 350 downloads per month
- It can be expected to have a growth rate of 20% per month in 2018, 2019 and 2020

Source: Own compilation, 2018