Business Plan

"MAYA" An Online Platform for live streaming and gaming in

India

Master Thesis

Geneva Business School

Master in Business Administration Major in Sports Management

and Marketing

Submitted by:

Abhishek Borikar

Supervised by:

Gregory Shields

Barcelona, Spain

Date: [02/01/2021]

Word count: [13108]

Table of Contents

Declaration of Authorship

"I hereby declare:

- That I have written this work on my own without other people's help (copy-editing, translation, etc.) and without the use of any aids other than those indicated;

- That I have mentioned all the sources used and quoted them correctly in accordance with academic quotation rules;

- That the topic or parts of it are not already the object of any work or examination of another course unless this has been explicitly agreed on with the faculty member in advance;

- That my work may be scanned in and electronically checked for plagiarism;

- That I understand that my work can be published online or deposited in the university repository. I understand that to limit access to my work due to the commercial sensitivity of the content or to protect my intellectual property or that of the company I worked with, I need to file a Bar on Access according to thesis guidelines."

Date: 04/01/2021

Name: Abhishek Borikar

Acknowledgments

List of Abbreviations

UI   User Interface

UX   User Experience

KPI   Key Performance Indicator

BIF   Broadband India Forum

CEO   Chief executive office

R&D   Research and Development

BCG   Boston Consulting Group

SDK   Software Development Kit

API   Application Programming Interface

CSF   Current Success Factors

OTT   Over The Top

USP   Unique Selling Proposition

SEO   Search Engine Optimization

Executive Summary

Streaming videos online is a unique way to interact in this modern world. The

advancement and proliferation of new technologies within India has given a chance to

a variety of new platforms for streaming media content. Streaming does not require

traditional broadcasting methods on the other hand it allows the audience to engage

and interact on a personal level with their favorite streamer or gamer as it also acts as

a new type of Social TV (Edge, 2013). The platform which I am proposing with an

initial investment of Rs. 4,500,000 that is 50,734.28 Euros will render online service

especially for streaming/broadcasting and watching live or recorded/edited video of video gameplays and artistic streams which includes dancing, singing, rapping, playing instruments, painting, etc. In addition to the platform for engaging the audience, regular tournaments will be held where streamers can participate and win exciting prizes. To make all these possible investments from a venture capitalist and some family borrowing will help the business to assemble a team of 2 Developers, 1 UI/UX Designer, 1 Accountant, and 1 Marketing to help the business to establish. Lean Management style will be practiced for the smooth functioning of the business and everyone works collaboratively to achieve the desired organizational goals. According to the assumptions and data analyzed from the market research, the financial projection shows the company is profitable after the second half of the second year where the monthly break even amount is estimated at Rs. 329,156.55 and the yearly break even amount is estimated at Rs. 3,949,878.82.

This ongoing pandemic was a game-changer moment in the live video streaming industry and according to (Keelery, 2020) it is estimated to reach upto US$ 1,223 Million by this year with the viewership of more than 66.7 Million. Even to grow more in the coming future, which gives my platform an additional benefit and the primary research shows there is a lot of space for new video streaming platforms to enter even though it is highly dominated. The business specializes in creating a community around our streamers by adding special chat rooms, hosting tournaments, and adding digital currency especially for the platform called 'SCRIP". Streamers can earn full-time by streaming averagely 3-4 hours a day.

Business Development strategy consists of the factors, understands the competitive landscape of the market, helps to choose KPI's, develop long-term customer

relationships, implement customer feedback, keeping your website content and user interface fresh, and to speed up the response time (McCarthy, D., 2020, June 08).

Vision: To create and develop a platform for gamers and artists to showcase their talent and help them to grow.

Mission: To convert passion into a profession.

Core Values: Shared vision over coordination, creating community, experimentation, a commitment not compliance, creators first.

Short-term goals: To increase brand image and awareness

Long-term goals: To let consumers be engaged on a platform, improvise and upgrade the technology according to the demands.

1. Business Overview

Being a gamer back in India, I encountered two main problems:

1. Level of competitiveness of gaming in India is less and the solution to this problem is my platform 'MAYA', where Rs. 3,000,000 will be used as an initial investment and Rs. 1,500,000 savings for the development of the platform (website+app). I believe that my platform will create excitement amongst the upcoming gamers who want to pursue gaming professionally and also for artists who want to stream content and pursue it professionally.

2. Although the emergence of technology is one side of the coin the other side has a lack of internet connectivity within India which creates a void for this business to sustain there is good news. In an interview with NDTV, Mr. TV Ramachandran, President of, Broadband India Forum (BIF) said, "Thanks to Reliance Jio, the video streaming market in India has exploded with 65% of video consumption from rural India that has only 40% internet connectivity. So according to him, the habits of people are changing and people are turning to video-on-demand platforms like Netflix and Hotstar which are online digital broadcasting platforms. Ironically, most of the consumption is coming from rural parts of the country because of the cheap data plans provided by Reliance Jio, and the proliferation of mobile phones also becomes a major boost. Due to Reliance Jio's cheap data plans, India has emerged as a country providing mobile data plans at the lowest rate and good customer support.

So the demand for online streaming in India is growing exponentially and the supplier has to find its niche like gamers for example and provide just video content with proper quality. It is not only gamers who can stream but also the Sporting events,

eSports competition, artists, which can stream online. Although the main focus here will be on gamers as I also want to uplift the Indian gaming community. For the gamers and artists, the platform will host tournaments so that the competitiveness factor stays in frame and it will be a great chance for everyone to know people within their industry for networking.

A platform built for them to showcase their talent in front of viewers and also an opportunity to earn through it. It also opens the door for merchandising companies to invest and advertise their products by endorsing via streamer or gamers on this platform. As in any social media platform, the user has to fill in his/her name, choose viewer or streamer, choose profile image, and a short description for signing up into the platform. To help to grow Indian gaming communities and competitiveness, especially for the gamers, my platform will auto-create or find matches for them with best and lowest pings, track their record and give them a good display of it plus besides a separate column for upcoming tournaments, fixtures, news within eSports in it. It is a multi-sided platform in which you have to decide which role you want to play, there are streamers, viewers, and stakeholders interacting with each other at the same time. There will be a lot of ways to access the platform through a Computer, Mobile & Tablets, Xbox, Playstation, Google Chromecast. Main revenue generation for the business will be by paid subscriptions from members and from the user earnings where the business can charge the user for exclusive chat rooms and for ads to place on their channel. Account-holders will be notified about the handoffs and will see value in the transition. Customer's information will be the utmost responsibility and no data will be shared without processing and requesting (Andris A. Zoltners, PK Sinha & Sally E. Lorimer, 2018). The business is based on a Freemium model where a customer can use or see most of the content for free but have to pay some fee for

premium content. In 2006 New York venture capitalist, Fred Wilson explained his favorite business model as:

"Give your service away for free, possibly ad supported but maybe not, acquire a lot of customers very efficiently through word of mouth, referral networks, organic search marketing, etc, then offer premium priced value-added services or an enhanced version of your service to your customer base." (Erlend Vihovde Reime. 2011, 11.)

Important features for a startup live streaming platform (Varaksina, 2020):

Content Copyright: To protect the user's content from getting downloaded in the form of unsecured files, the platform will have a license agreement. Failure to protect the content from getting pirated can result in a heavy lawsuit from the original content creators. For example, if users see your content on other pirate sites or torrents then you might lose viewers.

Modernization: Report button will be added in a platform for users to ban or report content or other users who are involved in scams, offensive content, copied content, or which infiltrates other's rights and privacy.

Video Quality: The content needs to be rendered in different bit rates and resolutions depending on the user's bandwidth and connection for which the platform will use HLS protocol and several alternatives to provide content through a server that can adjust the quality of video streaming according to the quality of user's bandwidth.

Servers & Storage: Initially the storage will be low as the company is trying to make it visible in the market but as soon as the company gets the grip the content storage capacity will be increased and the server quality too can withstand high loads.

Age restrictions: Swearing is considered normal while gaming as the excitement is always top-notch so age restrictions will be mandatory for such content, which will be displayed below their content.

Prototype: Please click on the link below to visit my Product (Website+App)

https://leanchangehealthan.wixsite.com/my-site
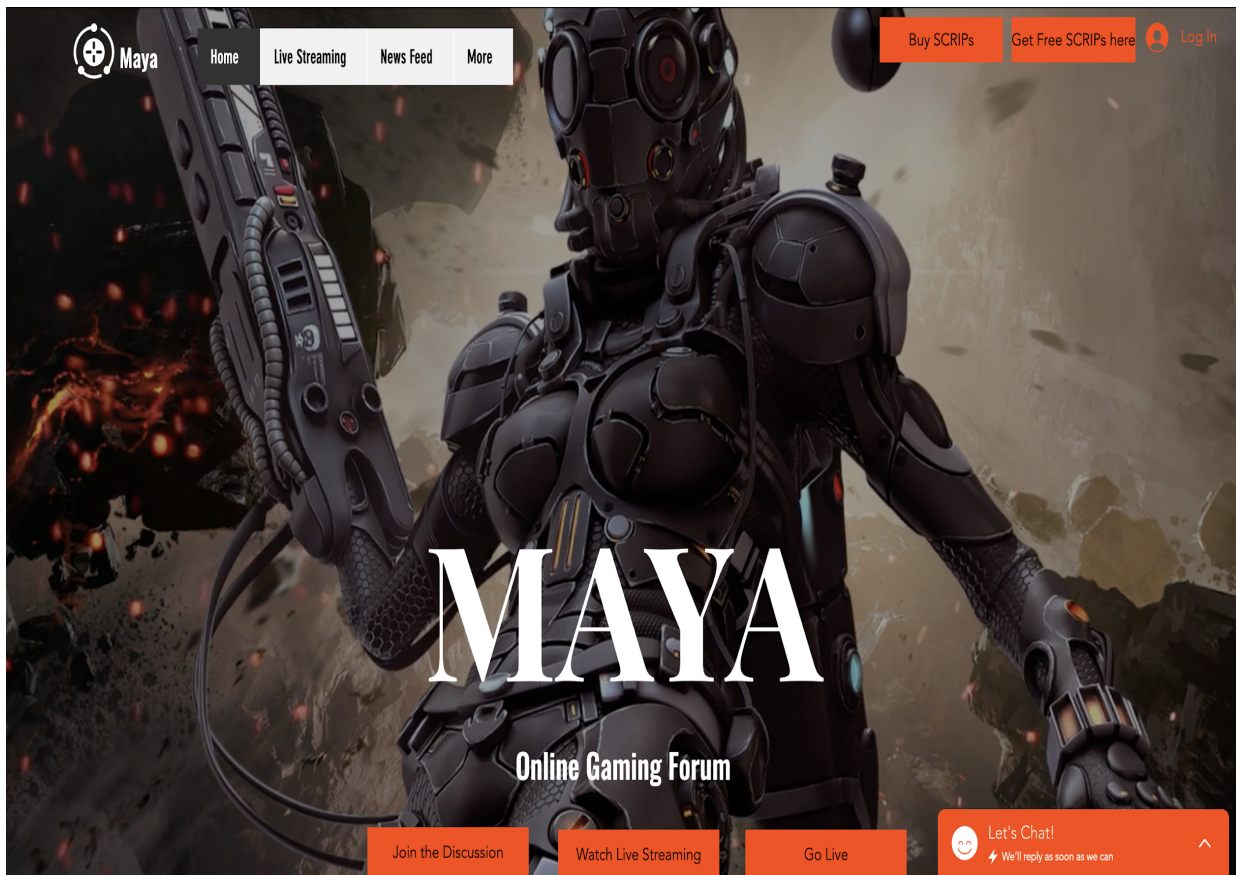
Exhibit 1

2. Market Research and Analysis

2.1 OBJECTIVE:

The objectives of my market research were to understand the perception, behavior, and attitude of the consumers related to online streaming and gaming also how do they experience gaming and art in India, the brand image of the competitors, and is my business idea viable in a current market.

2.2 METHODOLOGY:

Primary and Secondary methods are used for the data collection process. The context-

related data will be tailored to the problem of my platform to solve. Primary data has been collected by sending a survey to individuals in a Google form via Whatsapp, Instagram, Gmail, Messenger which included 13 close-ended questions and 1 open-ended question. The respondents were asked to share the survey with their friends. Whereas the secondary data is gathered from journals and websites. In Primary research, the quantitative and quantitative data received from the survey will be analyzed with the help of pie charts and bar diagrams.

2.3 SAMPLING

SIZE: My sample size is 112. I had surveyed 112 samples, which are sorted into 79.5% of males and 20.5% of females who use online streaming services.

SAMPLE SPACE: The sample space of our market research of 112 men and women, belonging to different places, gender, age, and occupation.
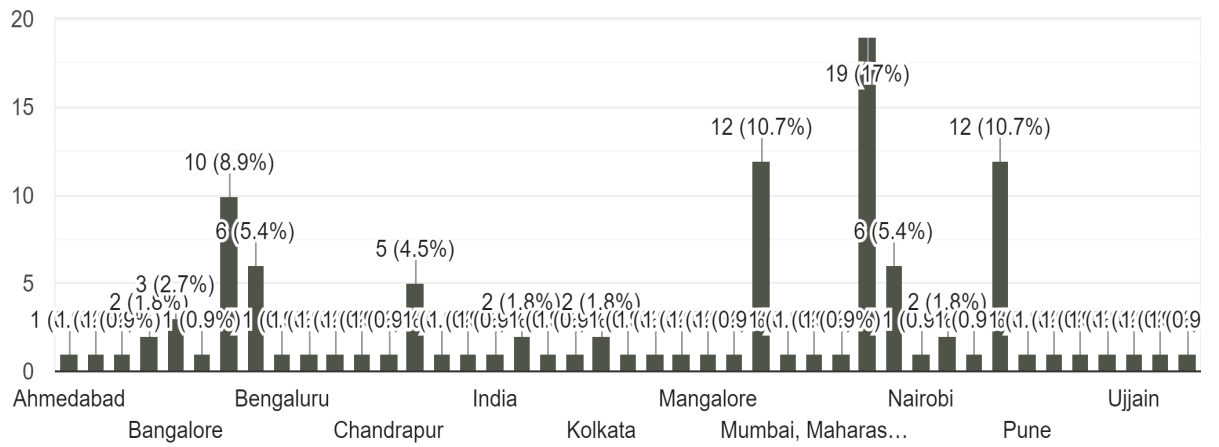
2.4 DEMOGRAPHICS & INFORMATION OF RESPONDENTS:

For the subjects to the demographic study area, there were four inquiries asked, which includes the place, gender, age, and occupation.

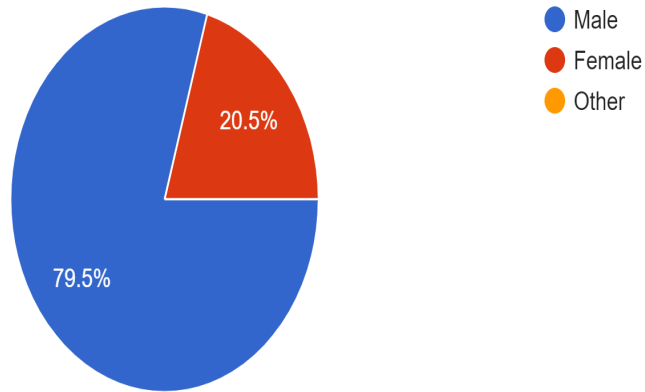### 2.4.1 Place:

City

112 responses

Figure 1.1

As seen above, Figure 1.1 displays the different places in India and the number of

respondents from there. For example, out of 112 respondents, 10 (8.9%) were from

Bangalore.

2.4.2 GENDER:
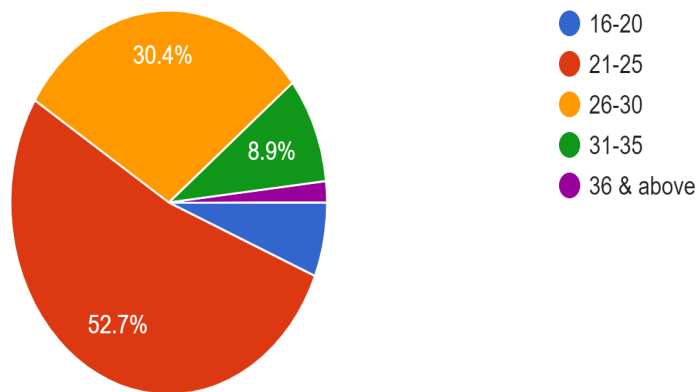
Gender

112 responses

Figure 1.2

As seen above, Figure 1.2 displays the gender distribution of respondents in this research. Most of the respondents were Male with a percentage of 79.5% or 98 respondents whereas the minority were females with a percentage of 20.5% or 24 respondents.

2.4.3 AGE:

Age

112 responses

Figure 1.3

Figure 1.3 represents the age group of the respondents, majority of the respondents

falls under the 21-25 age group with a percentage of 52.7% or 59 respondents. The

minority of respondents falls under the age group of 36 & above with only 1.8% or 2

respondents. The age group of 26-30 comes second with a percentage of 30.4% or 34

respondents. The age group of 31-35 is third with a percentage of 8.9% or 9

respondents and followed by the age group with only 6.3% or 7 respondents are 16-20

which is fourth in the ranking.

2.4.4 OCCUPATION:
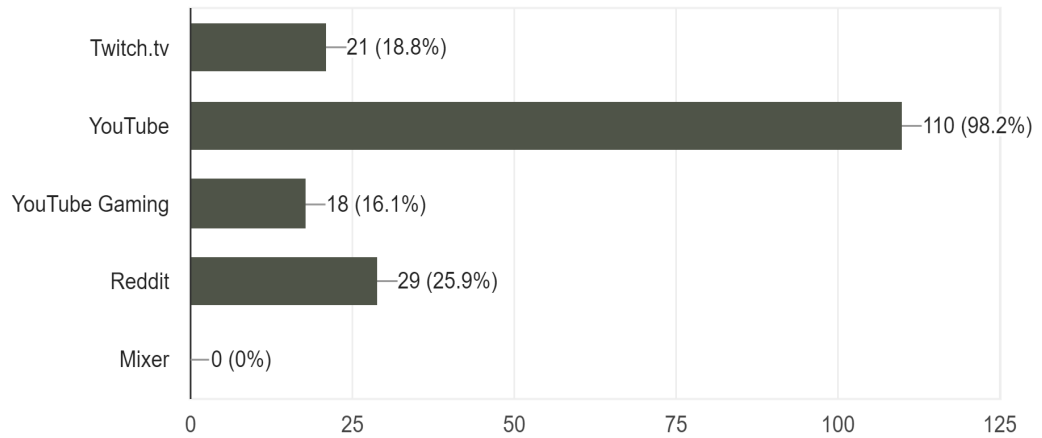
Occupation

112 responses
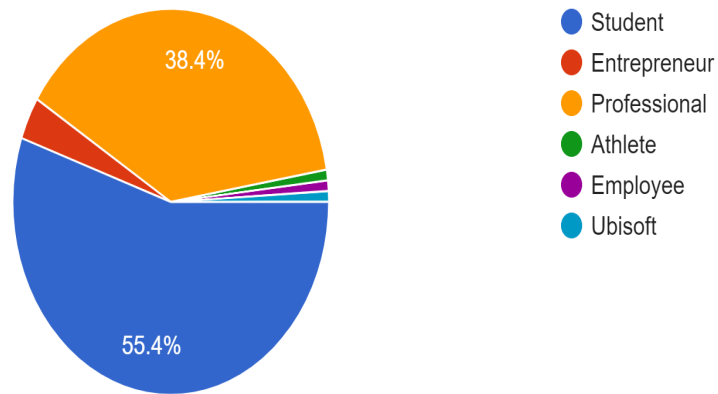
Figure 1.4

As seen in Figure 1.4, the larger part of respondents were Students with a percentage of 55.4% or 62 respondents, the second larger part is of Professionals with a percentage of 38.4% or 43 respondents. Entrepreneur comprising 3.6% or 4 respondents.

2.4.5 USAGE OF ONLINE PLATFORMS:

Do you use online platforms such as:

112 responses

Figure 1.5

The above figure demonstrates the usage of already existing online platforms,

majority of the respondents that is 110 or 98.2% use Youtube while none of the

respondents use Mixer, whereas the percentage of 25.9% or 29 respondents use

Reddit as second favorite, Twitch.tv with the percentage of 18.9% or 21 respondents

at third followed by Youtube gaming with the 18 or 16.1% of the respondents.

2.4.6 HOW OFTEN DO THEY USE IT:

How often do you use it?

112 responses

Legend:
- Once a week
- Alternate days
- Every day
- Addicted (like me)

58% 14.3% 7.1% 20.5%
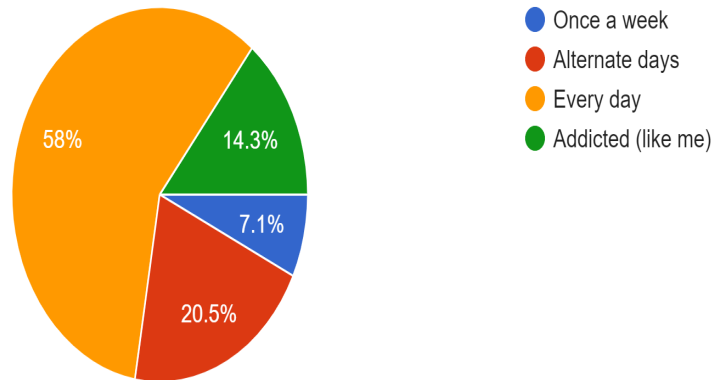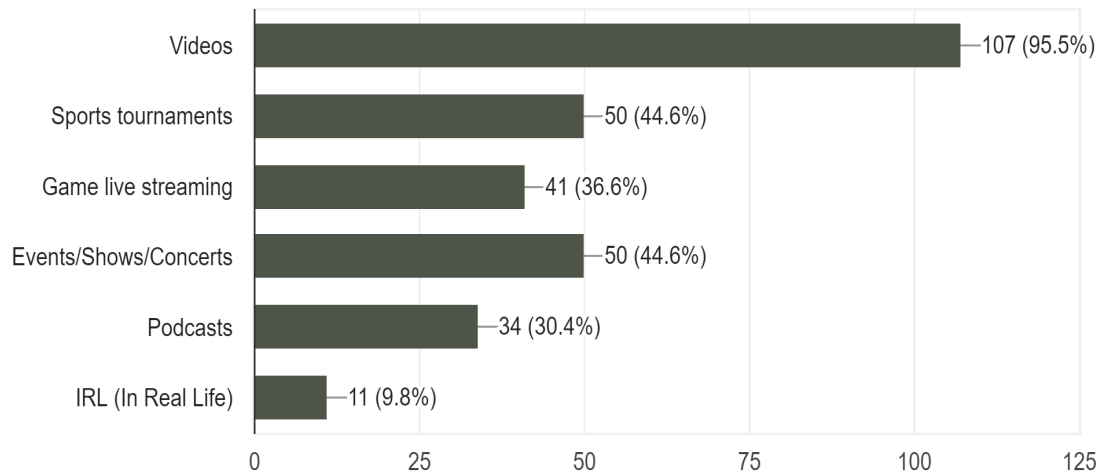
Figure 1.6

As seen above, with the majority 59% or 65 respondents use online platforms of their choice every day and 7.1% or 8 respondents are in the minority who use online platforms once a week. 20.5% or 23 respondents use online platforms on alternate days followed by 14.3% or 16 respondents who are addicted to the online platforms just like me.

2.4.7 WHAT DO THEY WATCH:

What do you watch?

112 responses

Videos	107 (95.5%)
Sports tournaments	50 (44.6%)
Game live streaming	41 (36.6%)
Events/Shows/Concerts	50 (44.6%)
Podcasts	34 (30.4%)
IRL (In Real Life)	11 (9.8%)

Figure 1.7

Based on figure 1.7, 95.5% or 107 respondents watch videos on the online platforms
of their choice, whereas only 9.8% or 11 respondents watch IRL on online platforms.
Sports tournaments and Events/Shows/Concerts have a tie with 44.6% or 50
respondents like to watch both. Followed by 36.6% or 41 respondents watch game
live streaming and 30.4% or 34 respondents like to watch podcasts.

2.4.8 CONTENT DELIVERED IN THEIR NATIVE LANGUAGE:

Does any online platform deliver content in your native language?

112 responses
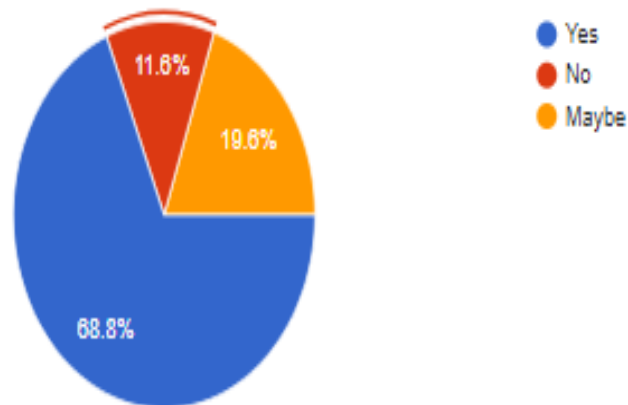
Figure 1.8

Based on figure 1.8, the majority of respondents that is 77 or 68.8% of the

respondents agreed and responded Yes as there is content available in their native

languages, whereas the minority said No with the percentage of 11.6% or 13

respondents and 19.6% or 22 respondents were unsure about the content in their

native language.

2.4.9 HOW THEY FEEL ABOUT CONTENT DELIVERED IN THEIR

NATIVE LANGUAGE:

How do you feel about the streaming content provided in your native language?

112 responses
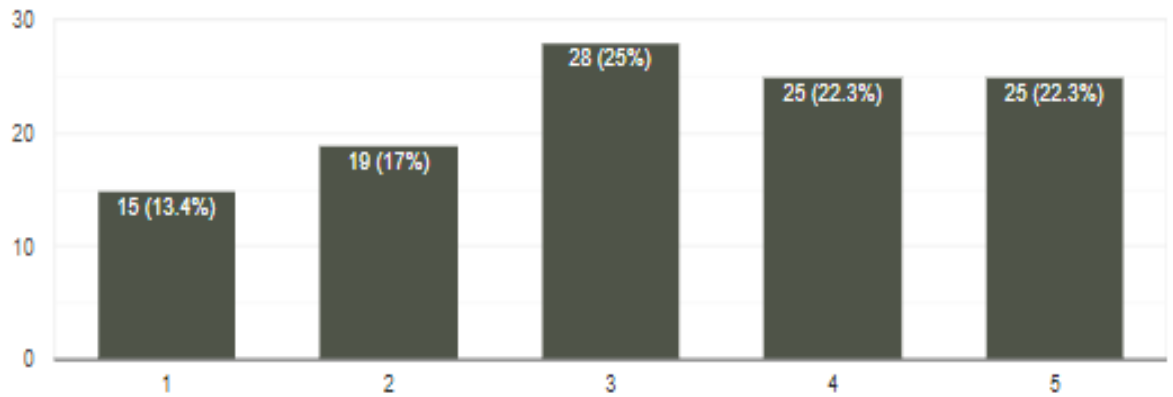
Figure 1.9

Figure 1.8, shows on a scale of 1-5 how the respondents feel about the content delivered by the online platforms of their choice where 1 means does not matter and 5 means it's important & comfortable. 22.3% or 25 respondents feel it's important to get content delivered in their native language as they graded 5 whereas the percentage of 13.4% or 15 respondents do not care if the content is in native language as they graded 1. 25% or 28 respondents will also be considered as feeling important about content in native language as they graded 3.

2.4.10 SUBSCRIBED TO ANY ONLINE PLATFORM:

Have you subscribed or donated to artistic/gaming live streams.

112 responses

- Yes
- No
- Maybe

73.2%

22.3%
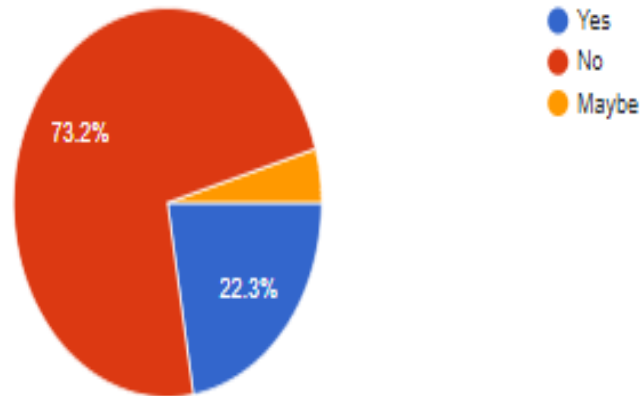
Figure 1.10

As seen above, figure 1.10 shows the respondents who responded YES to any

subscription are 22.3% or 25 respondents of artistic or gaming live stream on any

platform, whereas the respondents who responded NO are 73.2% or 82 to any gaming

or artistic live stream, and 4.5% or 5 respondents don't know whether they subscribed

or not.

2.4.11 IF THEY WATCH OR PLAY ANY COMPETITIVE

PC/MOBILE/CONSOLE GAMES:

Do you play or watch competitive PC/Mobile/Console games?

112 responses

- Yes
- No

44.6%

55.4%
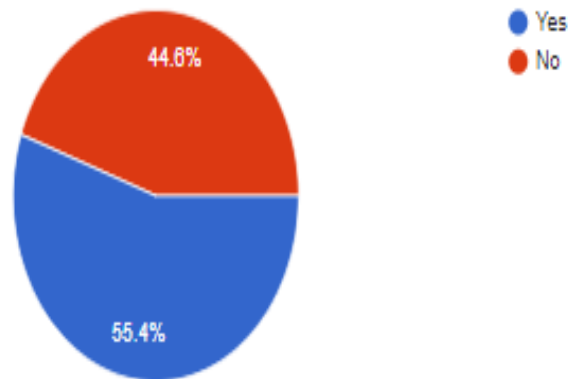
Figure 1.11

Based on figure 1.11, it shows the respondents YES are 55.4% or 62 who watch or play competitive PC/Mobile/Console games online. Whereas the respondents NO are 44.6% or 50 who don't watch or play any competitive PC/Mobile/Console games.

2.4.12 RATE THE COMPETITIVENESS OF GAMING/ART IN INDIA:

How would you rate the competitiveness of gaming/art in India?

112 responses
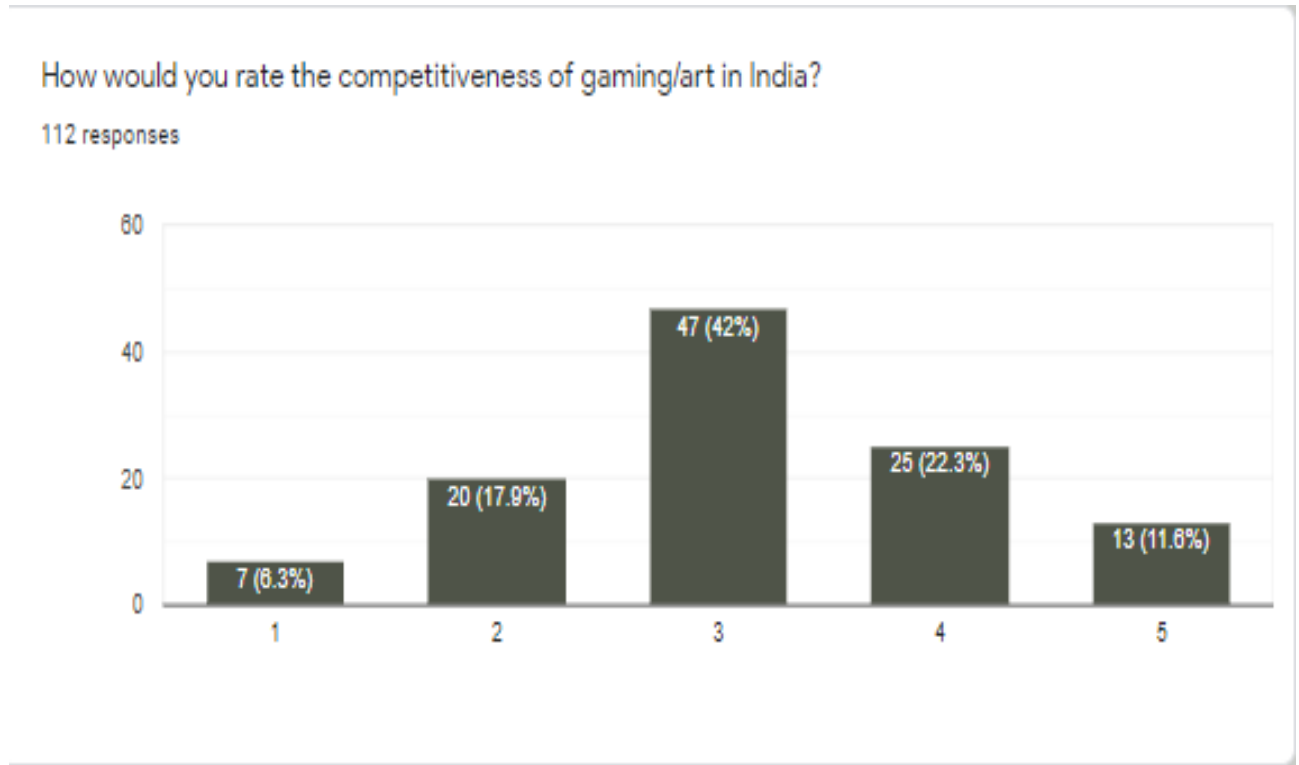
Figure 1.12

As shown above, the figure 1.12 states that the majority of the respondents with the percentage of 42% or 47 respondents feels the competitiveness of gaming and art in India is average so they graded it 3, whereas only 6.3% or 7 respondents feels that the competitiveness of gaming and art in India is poor so they graded it 1. The figure also shows that 11.6% or 13 respondents strongly believe that the competitiveness of gaming/art in India is harcdcore and up there, followed by respondents with the percentage of 22.3% or 25 feels the same so they graded it likewise.

2.4.13 WOULD THEY WANT TO SEE GAMERS AND ARTIST ON ONE PLATFORM:
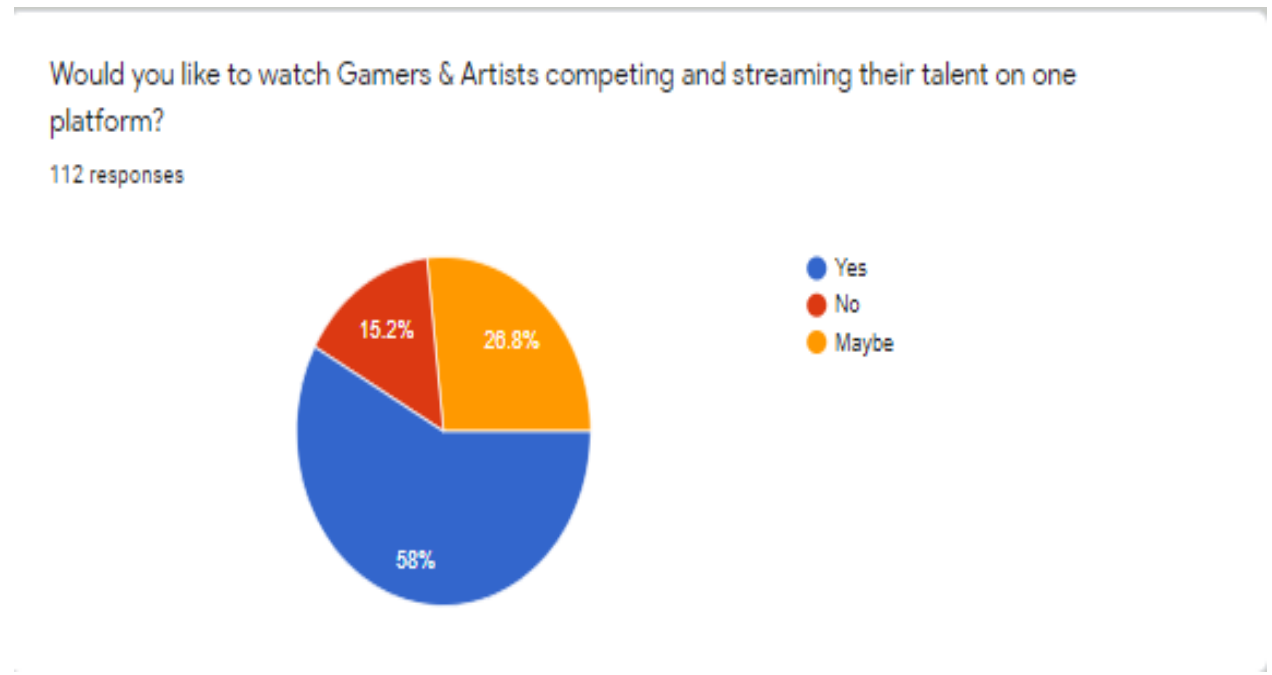
Figure 1.13

As seen above the percentage of respondents that is 58% or 65 respondents wants to see gamers and artists showing their talent on one platform so they responded Yes, whereas only 15.2% or 17 respondents said No to watch one more platform with gamers and artists. And the respondents with the percentage of 26.8% or 30 respondents are still in dilemma so said Maybe.

Although the competitors have a firm grip in the market, there is acceptance and space as more and more people are engaging with live streaming platforms. This market research is conclusive to target the niche audience in order to make this business idea profitable.

Key Takeaways: I assumed other platforms were not interested in focussing on native language content but my assumptions turned out to be false after the data

analyzed from this research, it shows the competitors are aware of the language diversity in India.

Customer Profile:

Age - 21-25 & 26-30

Gender - Male & Female

Occupation - Students & Professionals

Location - Mostly urban & developing cities

Nationality: Indian

Common Interest: Passionate about gaming or art also likes to watch or stream.

2.5 PESTLE ANALYSIS:

Political: Because the government has a clear mandate with a majority in Parliament, it is easy for them to pass bills which nowadays result in ease of governance and creates political stability for startups. The government has come up with certain programs or schemes like 'Digital India', 'Skill India' and 'Startups India' where they are allowing] new ideas to flourish by helping them economically and encouraging growth by suggesting law enforcement not to intervene in startups for three years of its initial operation but make sure the startup follows tax guidelines, trade regulations, labor laws, and company laws, it is made compulsory for the companies to strictly follow the regulations after three years. Some examples of political factors are tax exemptions and self-certification for the initial 3 years. (Dartconsulting.com, n.d)

V. K. Signh (2020) in his paper mentioned, "the startup policies of the states provide startups with a host of fiscal and non-fiscal benefits. There are loans or grants available and could you possibly apply such as:

- Self-certification in the case of some forms of statutory compliance and single window clearance

- Interest subsidies on loans

- Tax holidays in terms of tax reimbursements

  Mentoring assistance

- Product development and marketing/commercialization assistance

- Availability of land at concession rates

- Subsidies on utilities like power

- Broadband and internet connection subsidies

- Seed funding and scaling-up funding

- Infrastructure availability, like co-working space

- Reimbursement of IPR (patent and trademark) application charges

- Encouragement for startup competitions

- Preference/promotion of startups in government procurement"

Economic: If you look at the current situation of the Indian economy then due to Covid-19, it is one of the most affected nations economically and the GDP is at the diminishing rate but as the saying goes. 'where there is hope there is a way.' A special fund is entitled to startups and projects which motivate entrepreneurship with lesser interest rates by nationalized banks and also by central government schemes which will eventually help a startup to grow and become stable. (Dartconsulting.com, n.d) The exchange rate will not affect my startup as my target is only the Indian market. Examples of economic factors are of lesser interest rate and boosting economic growth.

Social: Around 60% of the population of India is young right now and out of which most of them are less than 25 years of age so the buying pattern of India is drastically

changing and there is an acceptance and penetration of new products and services in the Indian economy. Due to the problems arising at the Indo-China border, the government banned all Chinese apps plus the people have started favoring local goods/services over foreign especially Chinese goods/services. The market right now is fascinated and driven by the products & services which are innovative or involve new technology. (Dartconsulting.com, n.d) Examples of social factors are changes in buying patterns in an economy and high trends of social factors affecting the service and operations of the business.

Technological: Research & Development and technology change are linked together and they are the key to having a successful business, keeping an eye on trends and modifying platforms according to consumer demands will beat priority. Some examples of technological factors are automation, technological incentives, rate of technological change (Dartconsulting.com, n.d). "India recorded about 365 million online gamers in the financial year 2020. This number was estimated to reach 510 million by fiscal year 2022. Overall, India ranked the highest in terms of the growth in online game downloads on app stores with a growth rate of 165 percent between 2016 to 2018" (Sandhya Keelery, 2020). Also, an article suggesting ways to plan a live streaming platform mention about the new software Castasy which enables, "H264 encoder/Decoder, live broadcaster, Individual Channel Pages for Creators, on-demand content storage, admin panel, Monetization features, Integrated community. The software comes as both mobile applications and web versions and has the feature to notify the streamers" (Varaksena, 2020). Twitter/Instagram/Facebook followers as soon as he/she starts a live stream and can instantly start viewing it.

The script also features community engagement modules that will increase user interaction on the platform. The UI and UX of the software help in distraction-free

viewing of the live streams. As the owner of the platform, you get to manage the platform end to end through the admin panel" (Vinodhini V, 2020).

Legal: As stated above the startups are relieved from the law inspection for instance labor law is exempted from the labor department for the initial 3 years of business commencement, etc. which will allow ease of business and growth of the business environment. But the state laws differ which creates a hindrance for the startups. Some examples of legal factors are consumer law, antitrust law, employment law, health & safety law, etc. Maharashtra is the best state to commence a startup as Mumbai is a financial capital of India and the government is lenient with the licensing process to uplift entrepreneurship within the state by restricting legal interventions for initial 3 years of the business commencement and self-certification (Startupindia.gov.in., n.d).

Environmental: It was seen in this pandemic that the online platforms were heavily used and loaded with consumers and it was best for the gaming industry as they saw a massive hike in their revenue. If there is any natural calamity then under the environmental law and certain schemes the business is compensated. Some examples of environmental factors are climate change, pandemic, environmental law, etc. (Dartconsulting.com, n.d) For reference please see figure 2.1 from appendices.

2.6 COMPETITOR ANALYSIS:

As mentioned earlier the biggest competitors today are Youtube, Youtube Gaming, Twitch.tv, Reddit who are running the same business for nearly a decade and expanding till date. Twitch owned by Amazon is not going to affect that much as it

allows its operations in India but does not have any physical office or any engagements with the Indian streaming community whereas Youtube has made a mark in the Indian broadcasting market by upgrading the website by adding Youtube gaming, allowing viewers to watch, follow, subscribe their favorite streamer or gamer. In youtube, the user gets the advantage to not only stream on-demand content but also provide highlight reels or short videos. It was also seen that Twitch is losing its users to Youtube and Mixer. According to the report presented by Streamlabs and Newzoo, there was a shift of Twitch users to the Youtube Gaming platform at the end of 2019. Meanwhile, Twitch is losing its viewership because of its increase in non-gaming content whereas Youtube is gaining viewership on its gaming platform (Khalid, A., 2020, January 28).

Youtube and Facebook being the competitors have already changed the landscape of content production in India, Craig and Cunningham (2019) stated that the user gets the free pass to upload and view the content of his choice at any given point in time (Mehta, Smith & Kayne, Bondy, 2019, p3). Aditi Mittal, who is a first Indian female stand up comedian explains digital platforms in an interview, "I have got tons of work because of the stuff that I have put online… it's kind of a CV, a glorified video CV, on things that I have been doing for the past seven years." Whereas the comedian Atul Khatri describes it as a "digital calling cards" tool to reach out to the masses and to boost up his ticket sales for live shows. (Mehta, Smith & Kayne, Bondy, 2019, p15). Following are the top 3 competitors for my platform:

Twitch.tv: The Classic

No doubt at this moment it is the most recognized video game streaming platform with over 1.8 million average users at any given point of time which itself is an achievement. It also engages users very efficiently by adding new revenue streams

because of their subscription model being simple, flexible and good for long-term earrings. (Adshot.io, n.d) but on the other hand, as Twitch has been on the market for a long time, it estimates over 3.84 million streamers in the platform so it becomes difficult to get recognition for a new streamer if he/she does not have an existing presence in the Esports industry or on any social media platform. it also hesitates to negotiate with your contract as it works as a true corporate firm. Twitch has always been in the center of controversies, from racial comments to bigotry, which has affected their goodwill at large. (Adshot.io, n.d)

YouTube Live: The New Kid on the Block

After looking at the growth and suffering dominance from Twitch, Youtube also entered into the video streaming industry with Youtube Live. They integrated both the platforms so if you already have a youtube channel it will be easy for you to go live and stream because of an existing audience. Unlike Twitch, Youtube live is not only in gaming but also in technology, experimental content, coding, etc. (Adshot.io, n.d) It also has a subscription model where a streamer receives earnings in the form of 'Superchat' from viewers. Because of their strong R&D they are always one step ahead in any type of upgrade required and their massive audience is always hungry for content. On the other hand, being a streamer if you don't know how to promote yourself then it is very hard to get noticed, users are not habitual to the donation concept. Unfortunately, Youtube is the most blocked website in the whole world, you cannot access youtube on school or business wifis.

Reddit: The Innovative

Reddit is a platform created where a user can create, share and discuss online content, it sounds similar to other social media platforms whereas the 'discuss' option is heavily profitable for them than other online platforms. Users of Reddit are called

Redditors who discuss and explore their niche topics on Reddit; moreover, the majority of the Redditors fall under35 the age group so that it can be considered as youth-oriented. It is also a good platform for branding as it can create traffic for your website. Subreddits are the exclusive part of Reddit which allows users to do their extensive research on niche topics which opens gates for great discussions and knowledge sharing. However, for marketers it is strict, for instance, spamming marketing links will result in a ban or penalty and for every marketing answer you do, you must have 10 community-driven factual information content pieces. Though Subreddits filter information, it has its own set of rules, and if you ignore them then your content can be reported and get deleted or you can get blocked for accessing certain subreddits.

Hence, the competitors research suggests that although the giants like Yotube and Twitch.tv have a firm grip over a market, there is still a potential market to be exposed as the industry is also booming and new users are joining various online streaming platforms everyday. One more reason for my platform to sustain in this competitive market is, it takes a lot of time for new users to get recognition and attention because of the existing population on the platforms like Youtube and Twitch.

2.7 SWOT Analysis:

Strength:

- Most of the content is for free

- Easy to access

- Massive relatively new and booming market in India

- Ability to sell merchandise and advertise on the platform

- Not to quit a full-time job and still can earn like a full time

- Interaction and transaction is feasible

- More creative content and user friendly

Weakness:

- The streaming is free although there will be some paid content or subscription schemes. India is a price-sensitive market, so the premium or paid content will take time to settle

- Lack of internet connectivity

- Less literacy rate in certain parts of India

- Digital division

Opportunity:

- To be a part of government introduced schemes/programs such as Digital India, Startup India, and Made in India

- Users to get better quality content

- Great viewing experience

- Early access to content

- Nominal prices for subscription

- Covid-19 has increased online streaming video content viewership.

Threats:

- The biggest competition is from Youtube and Twitch who are already giants in the business

- Government regulations

- Data Security

2.8 INDUSTRY ANALYSIS:

Also, according to global management consulting firm Boston Consulting Group (BCG) has estimated the online video streaming market in India is going to reach $5 million by 2023. The same report says that users spent 11% more time on video streaming apps than making phone calls, texting, or browsing the web (Kanchan Samtani, 2018.) In other research that assesses the determinants influencing continuous use of live streaming services in India observed an increase in the value of OTT (Over the top) media streaming services (also known as internet streaming services) from 21.5 billion to 30 billion in 2019 in India, the main reason according to the author for this increase is a rise in internet consumption of users in India, with more than 850 million subscriptions expected till 2020 (Livemint, 2018.) Millennials or the young population aged between (22 - 37 years) that is 48 % of the Indian population have been involved in purchasing online entertainment (Sonali Singh, Nidhi Singh, Zoran Kalinich, 2020). One report confirms that on average an Indian user spends eight hours on various live streaming platforms which is far more than the average of six hours globally (Ganjoo, 2018). On a lighter note, there was an incident noted in India where a man was admitted and asked for medical treatment because of his addiction to watching online streaming content 12 hours a day to ignore his family pressure and unemployment.

The platform will also provide the users with a Software development kit (SDK) and Application Programming Interface (API) to collaborate the platform with all the devices and games the user wants to play. To put it in simple words, a bunch of users can join or connect to a game just by putting a simple command in the chat box. (Twitch.tv, n.d).

Free content with good quality can attract customers for premium content, yet at the same time giving not so much free content that the customer will lose the willingness to pay (Girish Punj, 2013). The same author mentioned in his research about youngsters is more likely to pay for online content as they are growing up in that manner whereas Older consumers on the other hand have been habituated into believing that all content on the internet was intended to be free as personified by the 2005 quote from Bill Gates (Girish Punj, 2013.) In his survey, he found that if the information value of the online content is communicated properly through channels will motivate the consumer's willingness to pay and restrict access to content. The author concluded and I quote, "The predictions from the economic theories of information search and product bundling, which suggest that search costs and bundling costs determine the amount consumers are likely to pay for online content are upheld by the current data. Specifically, the opportunity cost of time (i.e., economic time costs) does seem to affect the amount consumers are likely to pay for online content" (Girish Punj, 2013.) Another important factor is Business Development strategy consists of the factors, understands the competitive landscape of the market, helps to choose KPI's, develop long-term customer relationships, implement customer feedback, keeping your website content and user interface fresh, and to speed up the response time (McCarthy, D., 2020, June 08). A very good example of this is Twitch. tv, it records about 300-500 million viewers all across the

globe per month on their platform and in December 2016 the index reached a record-breaking of 524.4 million. These figures not only show the craze of online streaming but also impressive high profits for the owners (Twitch.com, n. d).

3. Business Canvas:

Please refer Exhibit 2 from the appendix to get a clear view of the business canvas model.

Value Proposition: "Many entrepreneurs lost out, due to never truly articulating a compelling value proposition," says **Michael Skok, VC and Forbes contributor**. "Establishing a substantive value proposition is critical if you want to start the journey from your 'idea' to building a successful company."(rocketspace.com, n.d). My platform's main value proposition is to create an online community for gamers specially to increase the current competitiveness in the indian gaming industry. Separate space for News Feed that will include all the current affairs, tournament, statistics, etc. related to Esports and Platform. Website Plug-in, SDK (Software Development Kit) will be provided to the premium subscribers that will help them to enhance their streaming interface. Introduction of a new digital currency/virtual currency especially for in-platform purchases called "SCRIP".

Customer segmentation: After analyzing the market, it is concluded that the younger generation of students and professionals from age group 21-25 and 26-30 from different parts of the country has more avid interest in technology as the difference will decrease over a while as more users will be connected to the platform so the

platform will also consider and target age group of 16-20 and generate content with age regulations. It is a multi-sided platform that includes viewers, streamers (gamers & artists), and stakeholders (advertisers, game developers, pc component developers, game journalists).

Channels: Application available on both IOS and Android. Website for desktop. Also accessible via Xbox, Playstation, Google Chromecast. Convention held for gamers and artists where fans will be allowed for meetup and the main attraction of the convention will be cosplay.

Customer Relationship: As said, this platform will help to build connections between the user and viewer where the viewer can strengthen the relationship by donating or subscribing to his or her favorite streamers thus it gets difficult to terminate the relationship. Most of the content available for free. The content provided by the streamers will be viewed live and mostly on demand. It also encourages users community for example, a streamer can have it's own fan base and can stream specific content for them. Platform will also allow co-creation of products and merchandise to sell and purchase.

Revenue Streams: To get additional income a user has to sign a deal with a platform that will allow them to get extra money from the advertisements and subscription revenue but it will be only possible if the user reaches 100,000 number of subscribers or 3,000 daily viewers. The platform will also provide a premium subscription of 200 Rs. per month that is around 2.74 US$/month for the users/viewers to enjoy extra

services such as memes and unique emoticons, entry to tournaments, live chat privileges.

Revenue Model: The platform will use Freemium business revenue model which is described by a well-known venture capitalist from New York, Fred Wilson in 2016 in his book mentioned his favorite business model:

"Give your service away for free, possibly ad supported but maybe not, acquire a lot of customers very efficiently through word of mouth, referral networks, organic search marketing, etc, then offer premium priced value-added services or an enhanced version of your service to your customer base." (Reime, 2011, 11)
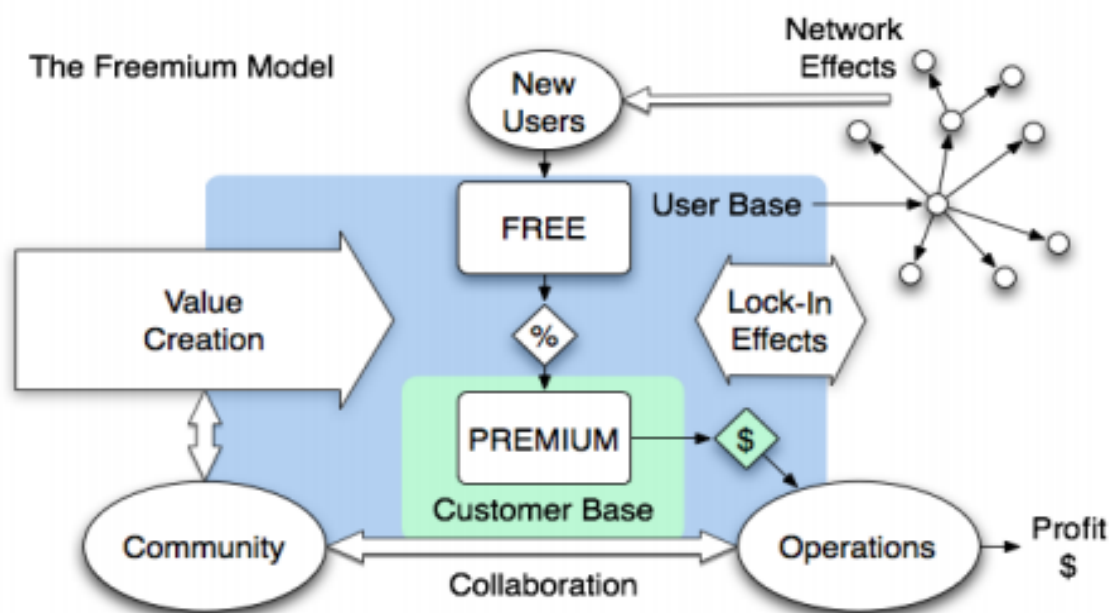
Figure 3.1 the Freemium Model (Reime, 2011)

To understand more about the freemium model we will go through its key elements one by one:

Value Proposition of Free Offer: The free service is available only to attract customers, it will be restricted over a period forcing users to upgrade.

38

Value Proposition of Premium Offer: The premium service will be available for users after they upgrade. If the company fails to provide value for premium content to the users then "the business has to pay the cost of supporting a large base of users that do not create revenue." (Reime, 2011, 31-32)

Conversion Rate: It measures how many users have upgraded themselves from free to premium users by paying and gives the business a clear idea about the premium value proposition. Conversion rate depends upon the size of the total users. A high conversion rate can still fail the business if the total users don't bring enough revenue. (Reime, 2011, 32)

User Base: "If you get ten times as many users as normal paying customers, but only one-fifth of them convert to premium customers, you still collect revenue from twice as many." (Reime, 2011, 32). Hence, the author wants to say that the size of the user base is directly proportional to the free offer value proposition and how the acquisition channels perform.

Position in Value system: The way services will be rendered and the products produced will affect the cost and therefore the profits of the business, so it is an utmost important thing to check what needs to be done in operations and how to deliver value.

User Acquisition Channels: Collaborating and sending invitations over emails and other social media platforms. The user will be given access to invite others which is effective and enjoyed by users besides it is cost-effective in terms of marketing according to the same author. (Reime, 2011, 32)

Lock-In Effects: Once a user upgrades there will be retaining features that will keep the user attached and interested in the platform. According to (Reime, 2011, 32)

"leveraging customer loyalty, customization, or network effects, are ways of increasing the switching costs of the users."

User Community: Creating or following the already existing user community which can be helpful for the company in various ways. Posting on online forums. Beta-testing is much needed to know which features will work.

Other Revenue Streams: Creating a digital currency called 'SCRIP' so the user can do in-platform purchases freely, whereas video advertising and merchandising are also the other revenue streams.

<u>**Key Resources**</u>: Licensing for user-generated content and protection, Streamer, Platform (App+Website), Partnerships, Content, Audience (viewers), Employees.

<u>**Key Activities**</u>: As competitors have a stronghold in the market, the main activity will be to increase Brand Image and develop a Strong Platform, Traffic generation, Traffic management, maintenance, Third party integrations.

<u>**Key Partnerships**</u>: Indian gaming community, Esport India, Advertisers like Game developing companies, Underground Rappers, Self-made artists like stand-up comedians, painters, dancers, singers, instrument players, etc., Publishers, Talent hunt competitions, Gaming tournaments and teams like 8-Bit, TMC, Personalities to engage masses.

<u>**Cost Structure**</u>: There will be a Rs. 200 monthly subscription for users to enable premium services. Other variables of the cost structure are as follows: Platform

development, Data centers, Marketing, Convention. The donations received from the live streaming will be kept by the streamer in the initial period.

3.1 Organizational Structure:

Following is the organizational structure used for my online platform:
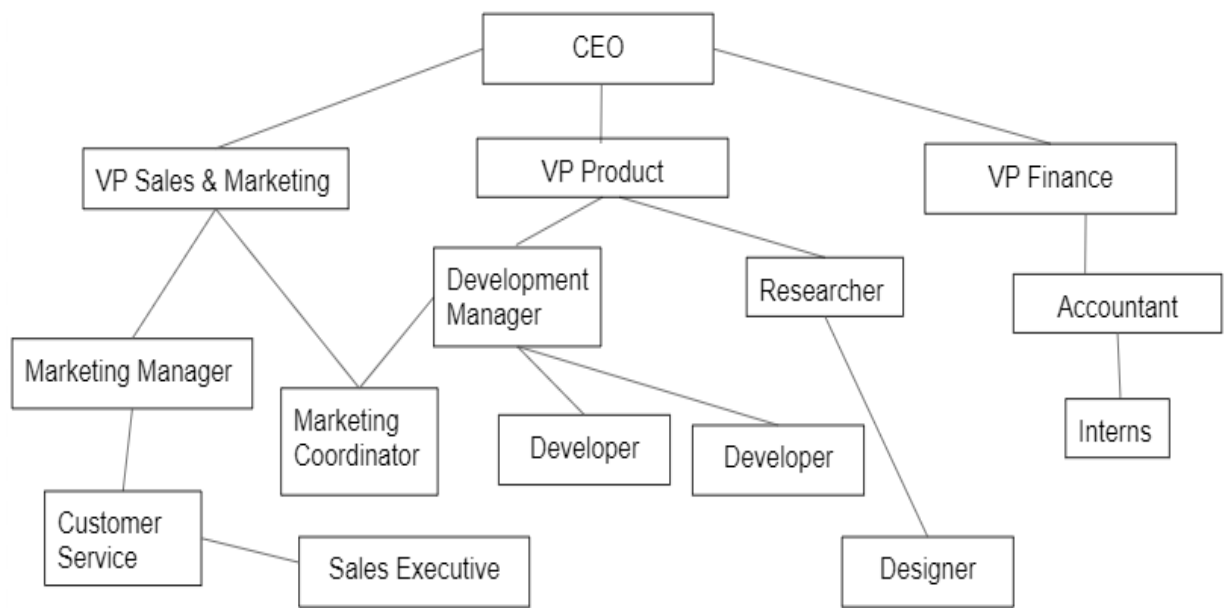
Figure 3.2 Desired Organizational Structure of my platform

The above structure represents the management hierarchy of the organization which will allow leadership to flow more efficiently for growth or change. Each department will be grouped according to its activities such as marketing, finance, developers, customer relationship, and research. Organizational structure is formulated based on a framework that will help to work effectively by allowing to choose potential leaders, maintaining harmony, and efficient problem-solving capability.

Being a startup everyone will be under one shed working closely together making communication easy amongst departments. Lean Management will be implemented in

the organization for the free flow of ideas and creativity at the same time it also prevents waste of resources which is my platform's priority. Starting with the top level of management which includes the CEO and three Vice presidents of my company specialized in their respective fields that are Sales & Marketing, Finance, and Product (App+Website). Then the middle-level management includes the Marketing Manager, Sales Executive, Accountant, Development Manager, and Researcher. Finally, the lower level management includes Customer service, Marketing coordinator, Interns, Developers, and Designer.

The roles and responsibilities of each and everyone will be decided and distributed according to their skill set. I will be the Chief Executive Officer (CEO) of the organization and under my leadership, there will be three departmental heads, Vice President of Sales & Marketing, Vice President of Product, and Vice President of Finance who will be qualified in their specializations and enough experience to help the company to grow by participating in framing business policies. The Sales & Marketing department will include a Customer Service, Sales Executive, and Marketing Coordinator which will be monitored by a Marketing Manager, their work will be to create a brand image because it's a start up and to attract customers towards the platform. Next, the Product department will consist of 2 Developers who will work under a Development Manager for the App and Website development, at the same time coordinating with the marketing department. It will also have a Researcher and Product Designer who will work together to catch up on trends in the industry and to explore new technological benefits. At last, the Finance department which includes an Accountant and Interns under him, they will take care of all the financials of the company and also help in the administration of the company.

Eventually, the company will grow and the transition will take place where the members have to accept change over time. This is properly explained by an example given in an article which says, "as your organization grows, establishing a training function for each division ensures that members of each division receive organizational training and role-specific guidance." (Tara Duggan, 2019) Problem-solving will be a group activity discussed in meetings for which Robert's Rules of Modern Meeting will be used for proper assessment and minimum misunderstanding. Following are the five Robert's rules of conducting a meeting:

1. Create an agenda

2. Achieve ideal attendance

3. Discuss meeting items

4. Vote

5. End the meeting

3.2 LEGAL PLAN:

I am going to commence my business as a Private limited company with three shareholders including myself, my sister and my father. According to the Companies Act 1956, the organization should register itself within 30 days of its commencement, after acquiring a license which is compulsory for a company to run its business under the Shops and Establishment Act. It will moderate the working conditions within the organization and preserve rights for employees related to wage payments/salary, leaves and holidays, working hours, etc. One more thing, protocols for registration, and acquiring licenses vary from State to State. (Tarun Nagi, 2017)

In general, the following are the documents that are required for registration:

1. Proof of Establishment - Electricity/Telephone Bills, any contract or lease deeds

2. PAN card (Permanent Account Number) of the Proprietor

3. Address proof of the Proprietor

4. Details of the employees

According to Maharashtra state startup policy 2018-19, license has to be renewed annually for which specific fees has to be paid, in Maharashtra state where I belong from the annual fees for renewing is Rs. 120 and it also depends on the number of employees the organization has employed, whereas the big corporations of more than 100 employees have to pay Rs. 5400 annually for renewing a license. Just like registration, protocols, and the fees also differ from State to State. (Tarun Nagi, 2019) According to Indian Contract Act 1872, all the agreements are considered as contracts if made by the free consent of parties involved in a contract, for a lawful consideration and a lawful object, and are not expressly declared to be void. The company has to follow and registered itself with 9 Labour Laws: (Singh, 2020,)

- The Industrial Disputes Act, 1947

- The Trade Unit Act, 1926

- Building and Other Constructions Workers' (Regulation of Employment and Conditions of Service) Act, 1996

- The Industrial Employment (Standing Orders) Act, 1946

- The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

- The Payment of Gratuity Act, 1972

- The Contract Labour (Regulation and Abolition) Act, 1970

- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

- The Employees' State Insurance Act, 1948.

Grant offered by the government initiative, 'Startup India':

Conditions to leverage tax exemptions for the initial 3 years under the drive initiated by the government of India 'Startup India' are: (Startupindia.gov.in., n.d)

1. The startup should not be more than 7 years from the date of commencement
2. It is registered as a Registered Partnership, Limited liability company or Private Limited Company
3. Year turn-over should not exceed 25 crores that is around 8 million US$.
4. The startup will not be considered if it is reconstructed from an already existed business.

India has not yet enacted any specific Data Protection Act but there was an amendment made in the Information & Technology Act (2000) (IT Act) to add Section 43A and Section 72A, which allows a right to get compensation for improper or disclosure of personal information without consent.

3.3 Marketing Plan Framework:

The marketing framework focuses on the data analyzed by the survey. According to my market research the dominant customer profile for my platform includes male, aged between 21-25 & 26-30, mostly students and professionals who are already engaged in any sort of online gaming.

This marketing plan will lead the company where it wants to go and guide it through the process to identify itself which is incredible value learning for a startup like mine. As it is a multi-sided platform the marketing strategy will also work as a communication bridge between the users, company & stakeholders. Also, the marketing strategy will stress optimum utilization & allocation of resources which will allow the company to use capital effectively with full potential (Nuotio Mira, 2017, p8).

The marketing plan will help me to formulate marketing strategies and also to connect each strategy back to a larger marketing operation and business goal. So the marketing team's main goal is to increase brand image among consumers and attract them to use the platform. For that, the marketing department will decide to launch a social media campaign, asking influencers and professional gamers, gamer journalists to talk about the platform on Twitter, Instagram, Facebook, Reddit, and also paid promotions on Youtube. It is also important to create a buyer's persona to determine on which channel the buyers would prefer to consume content.

The main targeted audience: Gamers, artists, and content creators, IRL (In Real Life), and users who can provide the on-demand content on the platform and earn like a full-time.

My platform will have a multi-channel marketing strategy which is inspired by a SOSTAC® planning tool created by PR Smith. It includes six main steps to form the framework: Situation Analysis, Objectives, Strategies, Actions & Control. Figure 1 will give a brief description of the SOSTAC® planning tool used to create a marketing strategy for my platform. (Chaffey & Smith 2013, 3-4; Mira Nuotio, 2017).

The first step of the planning tool is Situation Analysis which analyzes the question 'Where are we now?'. It consists of factors like Customer Insights, Customer Performance, Marketplace opportunities, Competitors Benchmarking, Brand & Commercial goals as well as SWOT and competitor analysis (Chaffey & Smith, 2013, 3-4; Nuotio, 2017, 12-13).

The second step of the planning tool is Objectives which analyzes the question 'Where do we want to be?'. It consists of factors like the vision of the company, aligning business goals, setting smart objectives, selecting proper CSF's (Current Success Factors) and KPI's (Key Performance Indicators) (Chaffey & Smith, 2013, 3-4; Nuotio, 2017, 12-13).

The third step of the planning tool is Strategy which analyzes the question 'How we get there?'. It consists of factors like segmentation & targeting customers, positioning & marketing mix (7p's), User multichannel experience, engagement and content strategy, contact strategy ((Chaffey & Smith, 2013, 3-4; Nuotio, 2017, 12-13).

The fourth and the fifth step of the planning tool are grouped which are Tactics & Actions because they analyze the same question 'What we need to get there'? and it consists of factors like allocation of resources, digital roadmaps, 90- days plans, media schedules, editorial calendars ((Chaffey & Smith, 2013, 3-4; Nuotio, 2017, 12-13).

The final and the sixth step of the planning tool is Control and it analyzes the question 'How we monitor performance'?. It consists of factors like prioritized actions, qualitative feedback, reporting platform tools, regular reviewing of the performance, recording and analyzing customer engagement (Chaffey & Smith, 2013, 3-4; Nuotio, 2017, 12-13).

"The best marketing is both invisible and transparent. By this I mean it is simultaneously subtle and honest. The fact of the matter is that, without marketing, in all likelihood, go undiscovered and unappreciated" (Mira Nuotio, 2017, 16).

Like this author, I also believe that the marketing strategy can be precise and simpler, as it covers up all the essential elements. The marketing strategy of my platform will focus on majorly: determine USP (Unique Selling Proposition), Identifying target audience, Pricing & Positioning, Distribution plan, Planning an online marketing strategy, Promotions & Partnerships. I will implement the SOSTAC® planning tool on the above-mentioned elements to describe my marketing strategy.

3.3.1 Determining USP (Unique Selling Proposition)

USP (Unique Selling Proposition) is the feature or characteristic of a product or service that distinguishes it from its competitors (Oxford.) It is also known as the key element of Branding (Entrepreneur.)

The USP of my platform is the essence of it and why anyone would consider using it. "It is distinctive because there is no other platform right now in India which offers the same selling proposition with such priority to gamers and artists and helping them to lay foundations for their ambitions, meaning its purpose is compelling for people to buy it and use it."

Situation Analysis: 'Where are we now?'

I can sell my platform in one line which is satisfactory and reasonable for a startup, required changes will be done in the platform to acquire USP.

 Objectives: 'Where do we want to be?'

The platform needs to be extraordinary because of the existing competitors like Twitch.tv and Youtube gaming, whereas my USP will try to penetrate the existing as well as open new opportunities in the market, as I will also take advantage of the

content in diverse languages in India to include in my platform so that the user will feel more comfortable and relatable.

Strategy: 'How do we get there?'

Keeping only 3 simple strategies:

1. Observing one's surroundings

2. Brainstorming outside the box

3. Asking experts within the society

Tactics & Actions: 'What do we need to get there?'

It is a good sign that the USP is determined in the early stages of the development of the platform and for that, the team should conduct regular meetings and set up a team calendar to acquire the platform's USP. For example: looking for a guy suitable for UX development of the platform online or asking people for feedback.

Control: 'How do we monitor performance?'

In the end it's all about enjoyment and entertainment and considering the future market which looks volatile, things must be kept simple. A short and simple survey including gamers, artists, stakeholders, and users will be taken and questions in the form of feedback will be asked to check if the USP can sustain itself in the market.

3.3.2 Identifying Target Audience:

Targeting everyone will be a waste of resources and time and that too a market like India is simply unachievable. Therefore the USP and the targeted audience will be the younger population. It is common that mostly, people at first find their target audience and then try to frame the idea likewise, but in my case, the idea is generated

beforehand and then the targeted audience is decided accordingly. By understanding the function and concept of the platform will allow the company to outline targeted customers (Nuotio Mira, 2017, 20).

Situation Analysis: 'Where are we now?'

The USP and targeted audience is related together. To look after the accurate profiling and segmenting of customers according to their role and interest in the platform.

Objectives: 'Where do we want to be?'

"The main objective will be to understand the demographic and psychographic profile of targeted customers"(Nuotio Mira, 2017, 20.) In short customer segmentation as well as understanding their interest and expectations from the platform like mine.

Strategy: 'How do we get there?'

To understand the targeted audience more effectively following questions must be asked:

1. Who influences them?

2. Who has a buying decision?

3. Who the end-user will be?

4. Asking for an experience of the people on similar platforms.

5. Logically, who would buy or use my platform?

Tactics & Actions: 'What do we need to get there?'

For this compiling and analyzing similar platforms like Youtube gaming and Twitch.tv is required. This can be sales figures or demographics which can be

compared to get an idea of the actual market or it can also be collected manually
(Mira Nuotio, 2017, 20-21.)

Control: 'How do we monitor performance?'

Many tools are there in the market currently which will be helpful to monitor targeted audiences, for example: Google Analytics, Twitter analytics, Instagram Iconosquare, Facebook Insights which can lead the company to estimate its KPIs (Key Performance Indicators). And it is always exciting to know our niche customers who follow us before having any social presence who visit websites or download the app from the development stage (Mira Nuotio, 21).

3.3.3 Pricing & Positioning:

The Freemium revenue model will be used for my platform. So the content and the creator have a bigger role to play here. The actual rates an advertiser pays varies, usually between $0.10 to $0.30 per view, but averages out at $0.18 per view. On Average the Youtube channel can receive $18 per 1,000 ad views. This equates to $3 - $5 per 1000 video views (Influencer Marketing Hub, 2020). And there will also be in-app or website purchases, premium features, prices defined, and affects positioning. As my app will allow most of the content for free initially to attract more customers.

Situation Analysis: 'Where are we now?'

As mentioned most of the content will be available for free and follow a subscription model so the transactions per product or service will differ considerably, it will mostly be based on how the user had an experience while being active on the platform and how worthy it is.

Objectives: 'Where do we want to be?'

Recording and analysing the different prices and positions until the company hits the maximum selling price but at the same time comfortable and affordable for users to pay. This can only be done after the website and app development and when actual purchases start to begin.

Strategy: 'How do we get there?'

Comparing the prices demanded by the competitors right now in the market. Asking relevant questions to the existing users of those platforms to determine the reasonable price range and helping to attract customers. Setting different prices initially to find a profitable price.

Tactics & Actions: 'What do we need to get there?'

Extensive research, a compilation of customer data. and analyzing competitor's pricing to determine the platforms price and positioning. Data sources such as SteamSpy can help to understand the market. It needs to be done very carefully as no vague price changes can be made.

Control: 'How do we monitor performance?'

Monitoring the performance of a set price can be done while development or after launch when the game is officially on the market. Comparing actual sales figures to the goals and KPIs set in Objectives will express whether the pricing and positioning are effective (Mira Nuotio, 2017, 22).

3.3.4 Distribution Plan

My platform will have a distinct customer base, mostly younger population and a special focus will be on gamers who are ambitious and determined but there will be certain crossovers, so reaching out to the masses will be a priority. The platform will be available for all the operating systems, the aim is to make it subtle & simple for everyone and try to target a niche audience (Marchand & Hennig-Thurau, 2013, 143-145; Mira Nuotio, 2017, 23). Channels of distribution for the platform are Own website, Play store, App store, Console, Google Chromecast, QR scan.

Coupons & offers will be given according to the seasonal trend as it gives a good UA (user acquisition) and for these giveaways, famous Indian YouTubers, Gamers, Streamers will be approached (Mira Nuotio, 2017, 24).

Situation Analysis: 'Where are we now?'

This will take a while to happen as the platform is still a prototype and not being sold yet. It needs to be developed in a way to be distributed through the above channels.

Objective: 'What do we want to be?'

1. To reach out to people and try to make a brand image via channels, make the platform interesting enough to keep customers engaged.

2. Offers will be distributed with planning as it boosts the sales and revenue (Mira Nutoio.)

Strategy: 'How do we get there?'

1. Creating my platform according to all distribution channels requirements.

2. Offers will be given according to seasonal trends and used as a marketing tool to keep customers engaging (Mira Nuotio, 2017, 24).

Tactics & Actions: 'What do we need to get there?'

In-depth research of the market and all the distribution channels, including their commission and policies is required.

Control: 'How do we monitor performance?'

As the platform is on various channels the difference between their sales and figures will determine which one is more effective, the same goes with offers (Mira Nuotio, 2017, 26).

3.3.5 Planning an Online Marketing Strategy

While researching I came across this unique and effective online marketing strategy, 'The 5C's of Content Marketing', which suits my platform. "The 5 C's are Channels, Content, Control, Correct & Cultivate. Other key components are website search engine optimization, paid online advertising strategy, strong social media campaign" (Mira Nuotio, 2017, 26).

Channels: Instagram, Facebook, Reddit, Twitch.tv, YouTube, Twitter, Spotify, many other social media platforms.

Content: It will be made according to the channel used, in the case of twitter the content should not exceed 140 characters, also for Instagram and Facebook it is more about hashtags (Mira Nutoio, 2017, 26).

Control: SOSTAC® marketing toolkit will take care of it (Mira Nuotio, 2017, 26).

Correct: It is a one-step after control for any business, where you have to measure whether a strategy is working and which needs more effort, it is an important part to know your niche customers (Mira Nuotio, 2017, 26).

Cultivate: "Channels and their respective follower or fan bases must be maintained and nurtured to help them grow. This is done by being consistent in posting and responding, as well as honing and perfecting the content produced to suit the various audiences. It takes a lot of time and dedication to build an online community, and although it is 27 not directly the most effective part of the general marketing toolkit when it comes to increasing revenue, it is massively important in terms of brand image, credibility, customer service, and customer relationship management" (Mira Nuotio, 2017, 26-27).

SEO (Search engine optimization) for my website will be used for the following purpose:

"Quality of traffic: You can attract all the visitors in the world, but if they're coming to your site because Google tells them you're a resource for Apple computers when you're a farmer selling apples, that is not quality traffic. Instead, you want to attract visitors who are genuinely interested in the products that you offer. Quantity of traffic: Once you have the right people clicking through from those search engine results customize pages (SERPs), more traffic is better. Organic results: Ads make up a significant portion of many SERPs. Organic traffic is any traffic that you don't have to pay for" (MOZ.com, 2020).

Forms of the low budget advertising: (Mira Nuotio, 2017, 27).

1. Social media Ads and limited time-banner ad

2. Posting on Facebook and Twitter

3. Banner advertising on Reddit

4. Google Adwords

Situation Analysis: 'Where are we now?'

The platform is still in the development stage, but a team has been set up to generate content for social media marketing campaigns.

Objective: 'Where do we want to be?'

To create a low-budget social media campaign which can create a word of mouth and people start visiting our websites and app. To keep them engaged and attentive to the platform, the use of paid advertising will be done (Mira Nuotio, 2017, 28).

Strategy: 'How do we get there?' (Mira Nuotio, 2017, 28).

1. The 5C's of Content Marketing

2. SEO (Search Engine Optimization)

3. Forms of paid advertising

Tactics & Actions: 'What do we need to get there?'

There should be coordination between departments, especially the development and marketing team in this campaign.

Recording data from SEOs regularly.

Management tools like "Hootsuite which allows you to customise your dashboard which allows you to add or remove certain streams including scheduled messages, likes, mentions and many more" (Mira Nuotio 2017, 27).

Controls: 'How do we monitor performance?'

To analyze and interpret all the data recorded from SEO's and Google Analytics (Mira Nuotio, 2017, 27).

3.3.6 Promotions & Partnerships:

Convention: A convention will be held physically at a venue, where individuals or groups of gamers and artists will be called to perform their talent and fans will also be

allowed keeping the pandemic restrictions in mind. The number of people will be minimum but people can participate via online. Cosplay competition will be the prime attraction of the convention.

Partnership: "Forging and maintaining fruitful partnerships is a big part of running a company and should be started as early as possible." (Santos 2015; Mira Nuotio 2017, 35). For my platform, these partners are typically game journalists, game promoters, social media influencers, alternative sales platforms, YouTubers, and Twitch streamers"This details the collaboration and partnership agreements a company makes with influencers, publications or organizations, gain visibility, expanding reach, growing the fan base and ultimately, to increase sales. The main components to this part of the job are finding contacts, organizing and cataloging contacts, contacting them and finally, maintaining the relationships" (Sebellin-Ross 2013, 1-3' Mira Nuotio, 2017, 35).

Situation Analysis: Where are we now?"

Looking for reliable & popular partnership and promotional opportunities, also keeping an eye on what competitors are doing (Mira Nuotio, 2017, 39).

Objective: "Where do we want to be?"

Successfully partnered with 4-5 companies within 3 months of the business opening.

Strategy: "How do we get there?"

To create content and gather attention in the market so that the partners also attract to the platform and once they are in, the platform will take a giant leap.

Keep on networking with the people in the industry for knowledge addition and pitching for the partnership with the potential clients like PC and mobile phone

accessories developers, game developers, professional gamers and streamers, energy
drink companies, etc.

Tactics & Actions: "What do we need to get there?"

One person will be scrutinizing and networking with the best and potentially driven
partners and create a database which will allow him to keep track of them and save
time plus efforts (Mira Nuotio, 2017, 39-40).

Control: "How do we monitor performance?"

To keep a track of objectives meeting the deadlines and also take feedback from the
people within the industry.

3.4 Prospective Contribution & Limitations of my business:

The most significant contribution which my video broadcasting/streaming platform
will have is becoming a part of a vision and the programs created by our Prime
Minister under "Digital India" and "Skill India". Secondly, it will be a multi-sided
platform, which means the consumer, service provider, and the stakeholders can
interact freely and transactions can be done simply and securely. Moreover, the
participants can advertise and target customers, gain customers, and can also predict
future possibilities and analyze opportunities. The major contribution will be allowing
users from sub-urban or rural to showcase their talent without any discrimination
which will increase connectivity as the population lives in these parts of the country.
Earlier the focus will be more towards gamers for good user-generated content which
in return will draw attention and uplift the Indian gamers and community at large. As
there is not so much information or research available related to my business, it will
provide beneficial information for future researchers in this field.

The biggest limitation for my platform is current internet connectivity in India, which my research will try to mitigate and solve. Second, the streamers need to have upgraded systems or mobile phones to stream without any fluctuations or lagging. Third, according to me the mindset of people is shifting but at a diminishing rate towards perceiving streaming or gaming as a career. Limitations related to my survey will be availability and response time from the present streamers and gamers in India to generate legit data. There is also one issue of having few previous studies available for me to gather information and contemplate data. Even though I analyzed data generated from let's say 100 people in a form of a survey, still it will be difficult to apply the same results for the whole population, that too a country like India.

4. Financial Analysis:

"This is what will tell you whether the business will be viable or whether you are wasting your time and/or money," says Linda Pinson (2008), author of Automate Your Business plan for windows and Anatomy of a Business Plan.To get a full overview of the financial plan please go through the link given below:

https://docs.google.com/spreadsheets/d/1grAlBSm5k-n_U5VJmyc0roDHl8_JkPmO/edit#gid=821624553

Funding & Requirements:

First and foremost to start off our business we need to seek investment from venture capitalists and family members. Showing them how the company will grow and give

them an exit strategy. These strategies are typically dynamic and flexible, adaptive to changes according to prevalent business and economic scenarios.

According to our assumptions based on the market research, it projects that the business is expected to sustain and grow over the next three years. The business will commence with the investment of Rs. 4,500,000 which includes 3,000,000 from the venture capitalist and 1,500,000 from the 2 family members (Sister and Father) by April 21. The investment will be used to purchase equipment such as desktops and other initial operating expenses. The projected financial statements are based on general accounting principles, and also based on some assumptions and estimations. Here, for the long term assets, a straight-line depreciation method is used for calculation.

Exit Payback strategy:

The company can give an exit for this investment within three years by a dividend of excess profits. Over the years, the increase in the profits accumulated by Sales revenue can provide funds to repay the investors.

Conclusion:

Based on our financial projections, I feel that an investment in my platform will be a profitable business investment. In order to start the business, I am asking for Rs. 4,500,000 as soon as possible.

4.1 Break-even point:

Figure 4.1(a) Break-even Analysis

Breakeven Analysis Year 1	
Prepared By:	**Company Name:**
Abhishek Borikar	Maya
Gross Margin % of Sales	
Gross Margin	₹2,000,800.00
Total Sales	₹3,340,000.00
Gross Margin/Total Sales	59.90%
Total Fixed Expenses	
Payroll	₹1,080,000.00
Operating Expenses	₹1,286,142.86
Operating + Payroll	₹2,366,142.86
Breakeven Sales in Rupees (Annual)	
Gross Margin % of Sales	59.90%
Total Fixed Expenses	₹2,366,142.86
Yearly Breakeven Amount	₹3,949,878.62
Monthly Breakeven Amount	₹329,156.55

Figure 4.1(b)

"If your business is viable, your overall revenue will exceed your overall expenses, including interest." (Pinson, Wasserman, E. n.d.). This analysis will help me attract potential investors which in my case will be registering into the Skill India program. The break even sales level represents the number of units that must be sold in order to break even. This means revenues are equal to expenses, any unit sold beyond this quantity will allow the company to generate net income. Here I assumed the total fixed expenses to be Rs. 2,366,142.86 per year which includes payroll, utilities insurance, and other operating expenses. Sale of 1200 units of subscriptions for minimum Rs. 2,366,142.86 per month to break-even, according to my assumptions.

4.2 Sales forecast:

The below chart projects the sales forecast of three years. The first year will be slower than usual as the startup will be in a development stage and struggling to become more visible in the market, from nothing to having regular subscribers. An increasing growth will be seen as the months pass. The company is profitable from the second year of its commencement. The increase in the sales forecast depicts the potential growth. My business's projected sales includes sales from subscriptions and sales

from add.
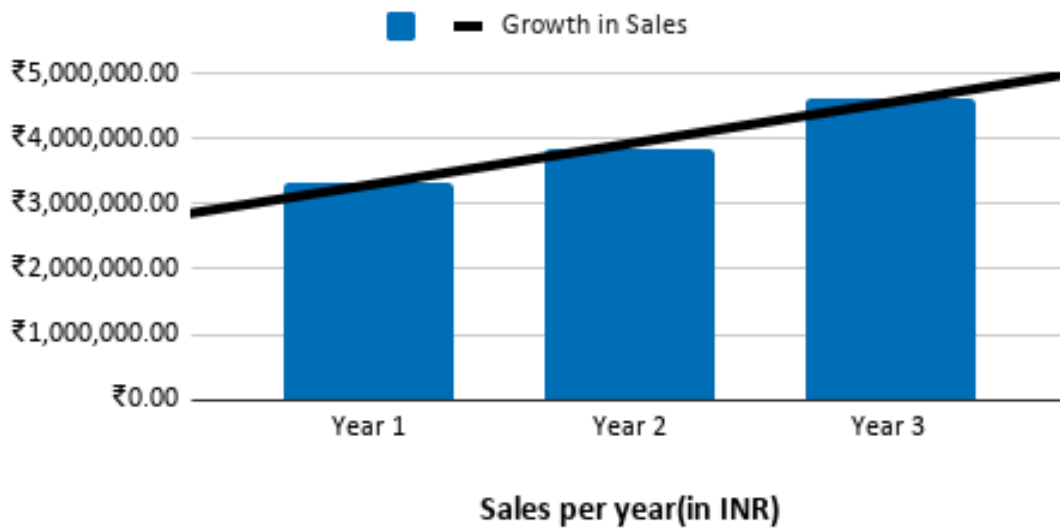
Figure 4.2 Sales forecast for 3 years

4.3 Create an Expense budget:

Here we need to estimate how much cost will it take to achieve sales which we forecasted. The company is expected to be profitable in the second half of the second year of its operations, with profits increasing over the forecast period, as the company gets settled and increases its customer base.
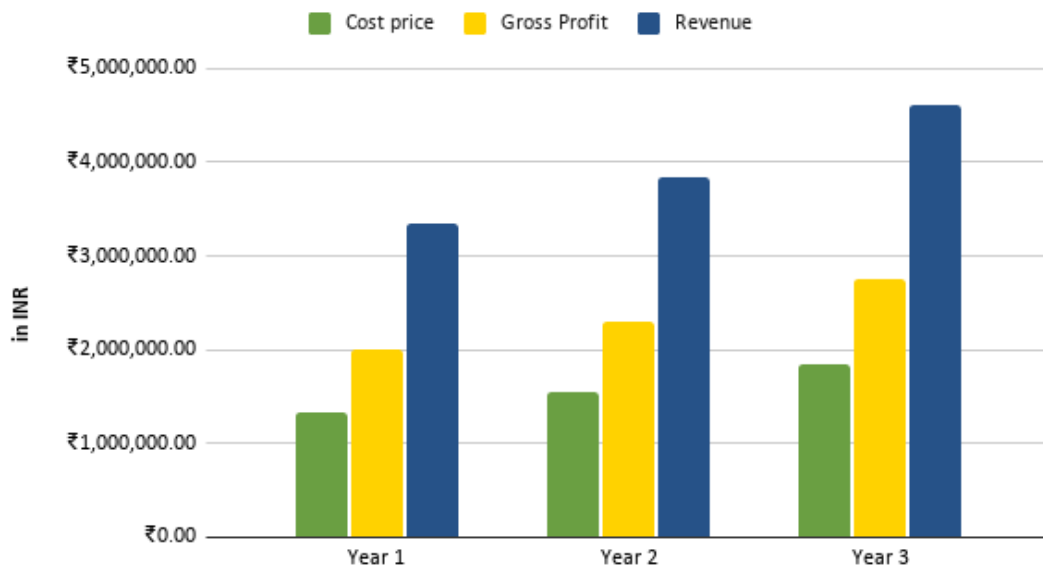
Figure 4.3 Growth/Profit over years

4.4 Cash flow statement:

The company will make sure to have enough cash on hand to meet payment

obligations and also be prepared for unexpected urgency of cash. The projections

show that the business will generate positive cash flows and enough cash reserves.

In addition to the excess cash, the company will try to invest it in deposit or certificate of deposits at bank, government securities or trading securities. One of the purposes of cash inflow and outflow will secure cash reserves for sudden contingencies.

Net Cash Flow (Monthly)
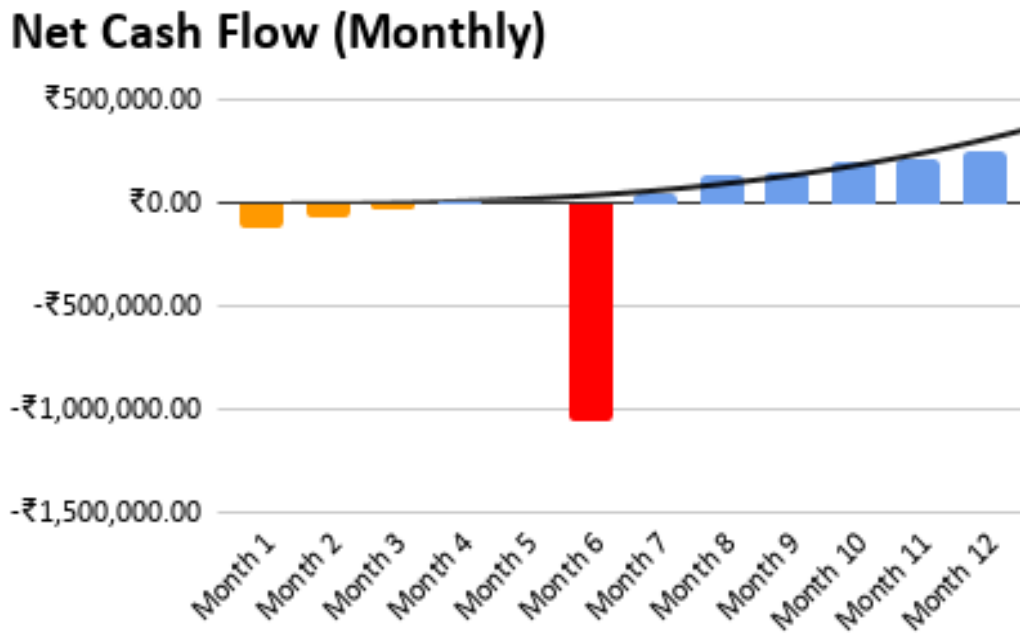
Figure 4.4 Net cash flow (monthly)

4.5 Managing Assets and Liabilities:

Assets:

ASSETS	First Year	Second Year	Third Year
Current Assets			
Cash	₹2,930,400.00	₹3,396,588.00	₹4,103,900.80
Accounts Receivable	₹130,000.00	₹169,000.00	₹213,850.00
Inventory	₹0.00	₹0.00	₹0.00
Prepaid Expenses	₹1,119,000.00	₹1,119,000.00	₹1,119,000.00
Other Initial Costs	₹0.00	₹0.00	₹0.00
Total Current Assets	₹4,179,400.00	₹4,684,588.00	₹5,436,750.80
Fixed Assets			
Real Estate -- Land	.	.	.
Real Estate -- Buildings	₹0.00	₹0.00	₹0.00
Leasehold Improvements	₹0.00	₹0.00	₹0.00
Equipment	₹180,000.00	₹180,000.00	₹180,000.00
Furniture and Fixtures	₹0.00	₹0.00	₹0.00
Vehicles	₹0.00	₹0.00	₹0.00
Other	₹0.00	₹0.00	₹0.00
Total Fixed Assets	₹180,000.00	₹180,000.00	₹180,000.00
(Less Accumulated Depreciation)	₹167,142.86	₹347,142.86	₹347,142.86
Total Assets	₹4,192,257.00	₹4,517,445.00	₹5,269,607.00

Figure 4.5(a) Assets

Liabilities & Equity:

LIABILITIES & EQUITY			
Liabilities			
Accounts Payable	₹57,600.00	₹74,880.00	₹94,752.00
Commercial Loan Balance	₹0.00	₹0.00	₹0.00
Commercial Mortgage Balance	₹0.00	₹0.00	₹0.00
Credit Card Debt Balance	₹0.00	₹0.00	₹0.00
Vehicle Loans Balance	₹0.00	₹0.00	₹0.00
Other Bank Debt Balance	₹0.00	₹0.00	₹0.00
Line of Credit Balance	₹0.00	₹0.00	₹0.00
Total Liabilities	₹57,600.00	₹74,880.00	₹94,752.00
Equity			
Common Stock	₹4,500,000.00	₹4,500,000.00	₹4,500,000.00
Retained Earnings	-₹365,342.86	-₹57,434.86	₹674,855.94
Dividends Dispersed/Owners Draw	₹0.00	₹0.00	₹0.00
Total Equity	₹4,134,657.14	₹4,442,565.14	₹5,174,855.94
Total Liabilities and Equity	₹4,192,257.00	₹4,517,445.00	₹5,269,607.00
Balance sheet in or out of balance?	₹0.00	₹0.00	₹0.00
	Balanced!	Balanced!	Balanced!

Figure 4.5(b) Liabilities & Equity

4.6 Financial Ratios:

Platform's management will closely look into key financial performance indicators, to locate the cause of any fluctuations in the indicators, and take the necessary actions. A comprehensive financial ratio analysis is prepared for three years to evaluate the financial condition and operating performance of the company.

Financial Ratios - Year 1			
Prepared By:	**Company Name:**		
Abhishek Borikar	Maya		
Ratios	**Year One**	**Year Two**	**Year Three**
Liquidity			
Current Ratio	72.6	62.6	57.4
Quick Ratio	53.1	47.6	45.6
Safety			
Debt to Equity Ratio	0.0	0.0	0.0
Debt-Service Coverage Ratio - DSCR	-3.4	6.5	7.7
Profitability			
Sales Growth	0.0%	15.0%	20.0%
COGS to Sales	40.1%	40.1%	40.1%
Gross Profit Margin	59.9%	59.9%	59.9%
SG&A to Sales	65.8%	47.2%	44.0%
Net Profit Margin	-10.9%	8.0%	15.9%
Return on Equity (ROE)	-8.8%	6.9%	14.2%
Return on Assets	-8.7%	6.8%	13.9%
Owner's Compensation to Sales	18.0%	16.4%	15.0%
Efficiency			
Days in Receivables	14.0	15.8	16.7
Accounts Receivable Turnover	25.7	22.7	21.6

Figure 4.6 Financial Ratios

5. Conclusion

In conclusion, with the amazing product display and exclusive strategic planning provided by the departments including Marketing and Finance, I can assure you that my platform can be successful and make itself stand in the business world full of competitors like Youtube gaming and Twitch.tv.

Principles like Lean Management and Design Thinking, will improve the employee's productivity over a period of time, more data related to customers will be generated launching a prototype with marketing to increase brand image will be the company's highest priority.

The numbers speak for themselves, the financial statements are proof that this industry is budding and management with the best services can make a company more profitable via sales. Furthermore, it will also be beneficial to run a business smoothly with maximum profitability.

References

Bibliography

Andris, Z. A., Singh, P. K., & Sally, L. E. (2018, June 01). What Subscription

Business Models Mean for Sales Teams. *Harvard Business Review*.

https://web.a.ebscohost.com/ehost/pdfviewer/pdfviewer?vid=7&sid=c01be973

-4936-40bd-a3ea-a8413258c834%40sdc-v-sessmgr03

Antonio, G. (n.d.). Digital Startups and the adoption and implementation of

Lean Startup Approaches: Effectuation, Bricolage and Opportunity Creation

in practice. *Forthcoming in Technological Forecasting and Social Change*,

47.

https://re.public.polimi.it/retrieve/handle/11311/1117150/457298/Ghezzi%2c

%202018%20-

%20Digital%20Startups%20and%20the%20adoption%20and%20implementat

ion%20of%20Lean%20Startup%20Approaches%20-%20TFSC.pdf

Baldassarre B., & Calabretta G. (2017). Bridging sustainable business model

innovation and user-driven innovation A process for sustainable value

proposition design. *Journal of Cleaner Production*, 28.

http://pure.tudelft.nl/ws/files/36128142/Baldassarre_et_al_2017_Accepted_ve

rsion.pdf

Edge, N. (2013). Evolution of the Gaming Experience: Live Video Streaming

and the Emergence of a New Web Community. *ELON JOURNAL OF

UNDERGRADUATE RESEARCH IN COMMUNICATIONS*, *4-2*.

http://www.inquiriesjournal.com/articles/821/evolution-of-the-gaming-

experience-live-video-streaming-and-the-emergence-of-a-new-web-

community

Gillikin, J., & Griffin, D. (2020). Advantages of Organizational Structure. *Small Business*.

how to build a compelling startup value proposition. (2020). Rocket space. https://www.rocketspace.com/tech-startups/how-to-build-a-compelling-startup-value-proposition

Investopedia (Ed.). (2019, November 1). How Twitch.tv works and its Business Model. https://www.investopedia.com/articles/investing/082115/how-twitchtv-works-and-its-business-model.asp

Keelery, S. (2020, October 16). *Number of online gamers in India from financial year 2018 to 2020, with estimates until 2022*. Statista. https://www.statista.com/statistics/1064010/number-of-online-gamers-india/#:~:text=India%20recorded%20about%20365%20million,percent%20between%202016%20to%202018.

Khalid, A. (2020, January 28). *YouTube is now the biggest threat to Twitch*. Quartz. https://qz.com/1792011/twitch-is-losing-users-to-youtube-and-other-live-stream-platforms/

Market News. (n.d.). Dart Consulting. https://www.dartconsulting.co.in/market-news/startups-india-updated-pestle-analysis-will-the-new-startups-announcements-become-a-big-bang-for-startup-in-india/

Ministry of Commerce and Industry. (n.d.). Startup India. https://www.startupindia.gov.in/content/sih/en/startup-scheme/state-startup-policies/Maharashtra-state-policy.html

Nagi, T. (2017, August 08). Obtaining Shops and Establishments Licence. *Economic TImes*. https://economictimes.indiatimes.com/small-biz/resources/startup-handbook/shop-and-establishment-licence/articleshow/59050743.cms

Nuotio, M. (2017, January 16). Indie Gaming Marketing Strategy. *A Guide for Developers*, *1*(16th January 2017), 48. https://www.theseus.fi/bitstream/handle/10024/123395/Nuotio_Mira.pdf

Punj, G. (2013, December 03). The relationship between consumer characteristics and willingness to pay for general online content: Implications for content providers considering subscription-based business models. *Springer Link*. https://link.springer.com/article/10.1007/s11002-013-9273-y

Reime, E. V. (2011). Explaining the Freemium Business Model. *Innovation & Intrapreneurship*, *1*(20/05/2011), 52. https://www.duo.uio.no/bitstream/handle/10852/12882/3/Reime.pdf

Roberts Rule of Modern Meetings, Explained. (2020). Hugo.team. https://www.hugo.team/blog/roberts-rules-of-order

7 Important Elements of a Strategic Plan. (n.d.). The balance careers. https://www.thebalancecareers.com/strategic-plan-elements-2276139

Singh, S. (2020, November 10). Assessing determinants influencing continued use of live streaming services: An extended perceived value theory of streaming addiction. *Experts Systems with Application*, *1*(10 November 2020), 16. https://www.researchgate.net/profile/Sonali_Singh13/publication/346058554_Assessing_determinants_influencing_continued_use_of_live_streaming_servi

ces_an_extended_perceived_value_theory_of_streaming_addiction/links/5fbd

eac9299bf104cf74969e/Assessing-determi

Singh, V. K. (2020, June). POLICY AND REGULATORY CHANGES FOR

A SUCCESSFUL STARTUP REVOLUTION: EXPERIENCES FROM THE

STARTUP ACTION PLAN IN INDIA. *ADBI Working Paper Series*, 25.

https://think-asia.org/bitstream/handle/11540/12108/adbi-

wp1146.pdf?sequence=1

V, V. (2020, April 23). *How to plan a Live Video Streaming business

effectively?* NINJA TALKS. https://gentleninja.com/blog/a-plan-for-your-live-

video-streaming-business/

Vakhnenko, H. (n.d.). *How to Create a Live Video Streaming Website Like

Twitch and Get Your Revenue*. Agile. https://agilie.com/en/blog/how-to-

create-a-live-video-streaming-website-like-twitch-and-get-your-revenue

Varaksina, S. (2020, October 23). *How Much Does It Cost to Build a

Streaming Website Like Twitch.tv?* Mindstudios.

https://themindstudios.com/blog/how-much-does-it-cost-to-build-a-streaming-

website-like-twitch-tv/

Wagner, T., Rose, M., & Bacarella, C. (2015, March 01). Streaming Killed the

Download Star! How the Business Model of Streaming Services

Revolutionizes Music Distribution. *Journal of Organizational Advancement,

Strategic and Institutional Studies*, *6-1*.

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2587176

What is SEO? (n.d.). Moz. https://moz.com/learn/seo/what-is-seo

Appendice

Exhibit 1: Please click on the link given below to view my Product (Website+APP)

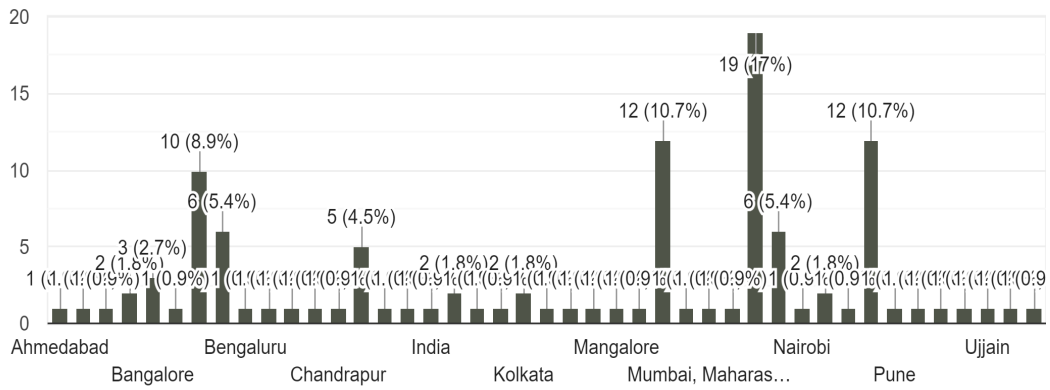https://leanchangehealthan.wixsite.com/my-site
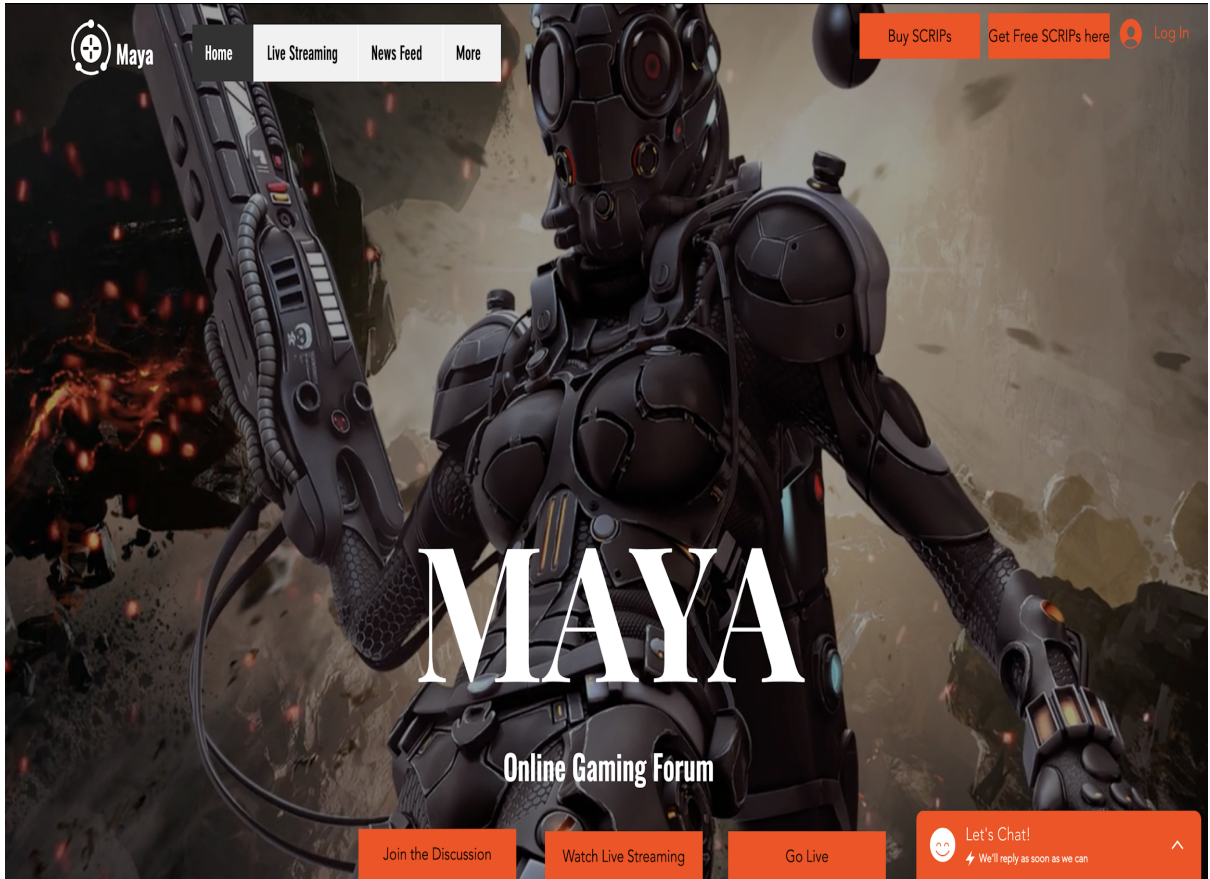
Figure 1.1 Demographics

City

112 responses

Figure 1.2 Gender

Gender

112 responses

- Male
- Female
- Other

79.5%

20.5%
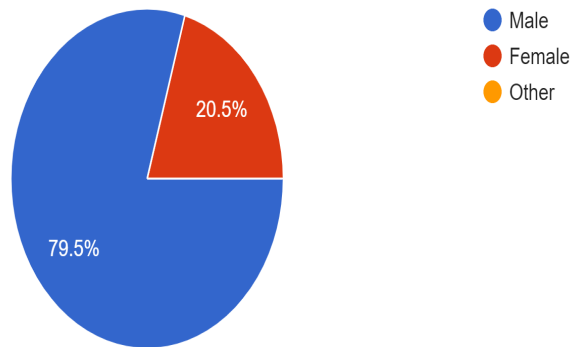
Figure 1.3 Age:

Age

112 responses

- 16-20
- 21-25
- 26-30
- 31-35
- 36 & above

30.4%

8.9%

52.7%
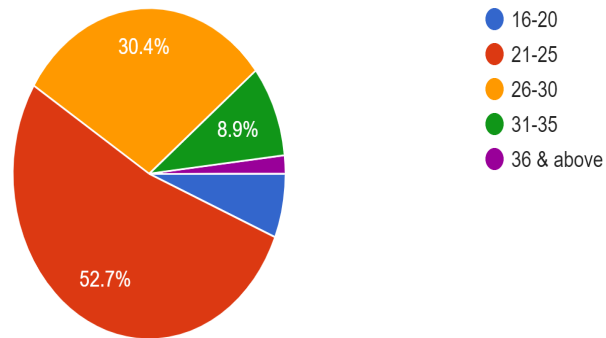
Figure 1.4 Occupation

Occupation

112 responses

- Student
- Entrepreneur
- Professional
- Athlete
- Employee
- Ubisoft

38.4%

55.4%
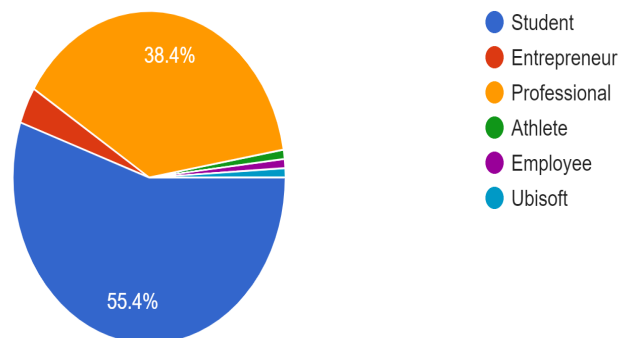
Figure 1.5 Usage of online platforms

Do you use online platforms such as:
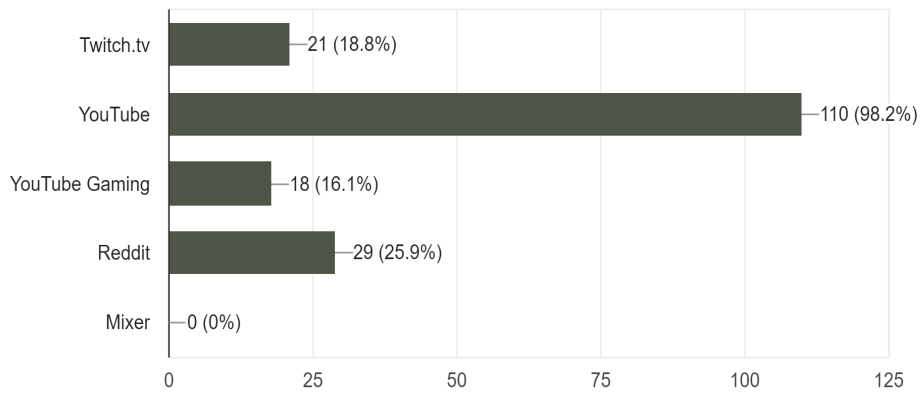
112 responses

Figure 1.6 How often do they use:

How often do you use it?

112 responses

- ● Once a week
- ● Alternate days
- ● Every day
- ● Addicted (like me)
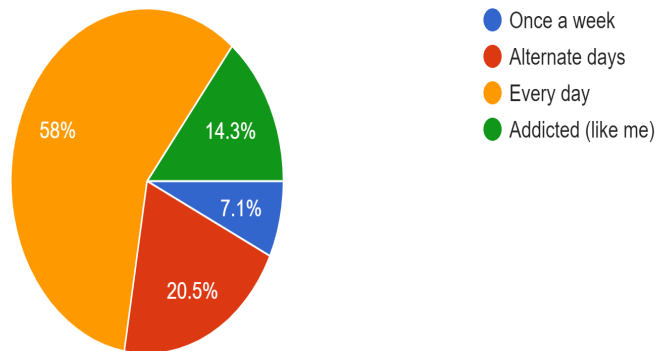
Figure 1.7 What do they watch

What do you watch?

112 responses

Videos	107 (95.5%)
Sports tournaments	50 (44.6%)
Game live streaming	41 (36.6%)
Events/Shows/Concerts	50 (44.6%)
Podcasts	34 (30.4%)
IRL (In Real Life)	11 (9.8%)
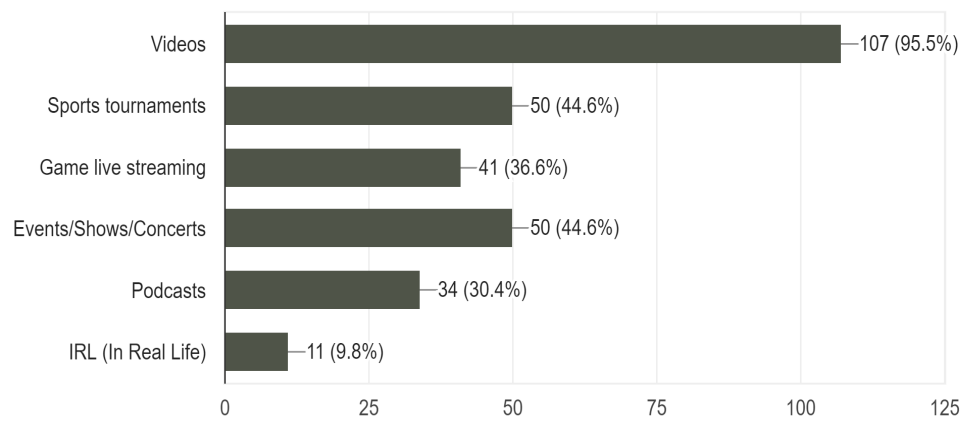
Figure 1.8 Content delivered in their native language

Does any online platform deliver content in your native language?

112 responses

- Yes
- No
- Maybe

11.6%

19.6%

68.8%
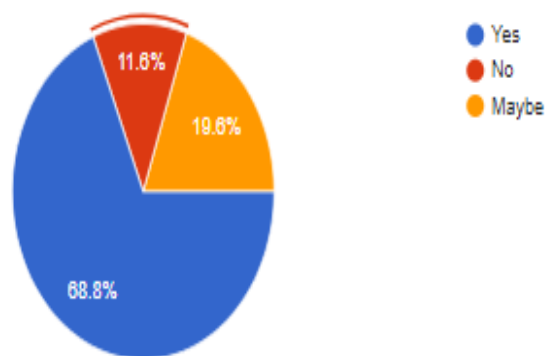
Figure 1.9 How do they feel about content delivered in their native language

How do you feel about the streaming content provided in your native language?
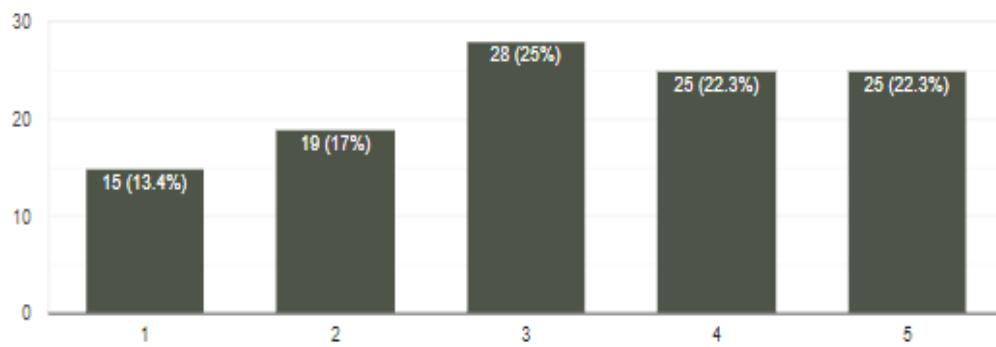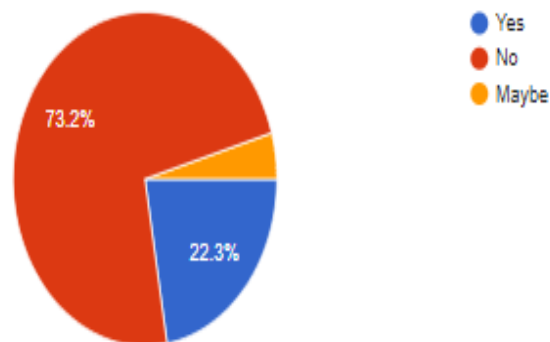
112 responses

Figure 1.10 Have you ever donated to artistic/gaming live streaming

Have you subscribed or donated to artistic/gaming live streams.
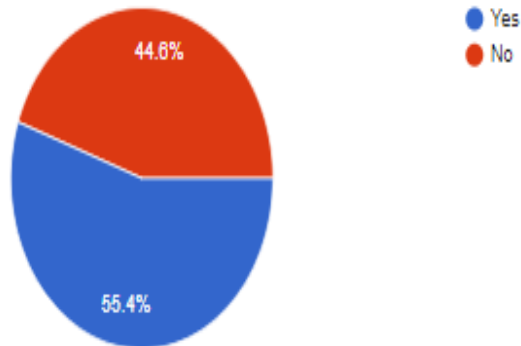
112 responses

- Yes
- No
- Maybe

73.2%

22.3%

Figure 1.11 Do you watch or play competitive online mobile/pc/console games
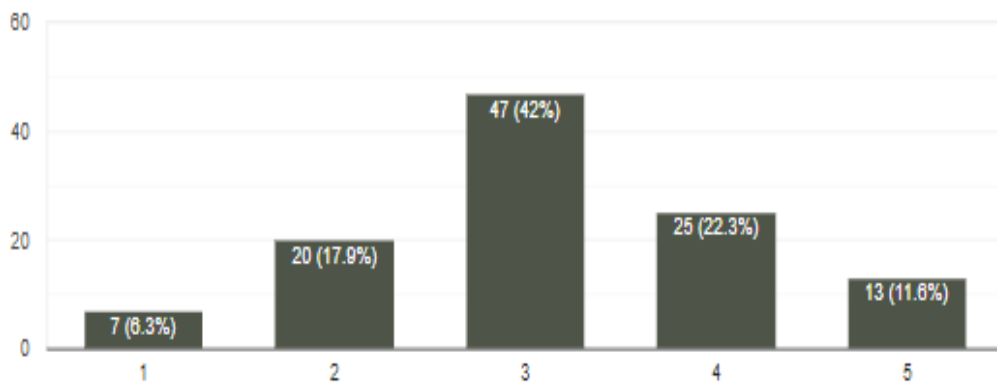
Do you play or watch competitive PC/Mobile/Console games?

112 responses

- Yes
- No

44.6%

55.4%

Figure 1.12 Rate the competitiveness of gaming/art in india

How would you rate the competitiveness of gaming/art in India?

112 responses

7 (6.3%)
20 (17.9%)
47 (42%)
25 (22.3%)
13 (11.6%)

Figure 1.13 Would you like to see gamers and artists competing and streaming

on one platform

Would you like to watch Gamers & Artists competing and streaming their talent on one platform?
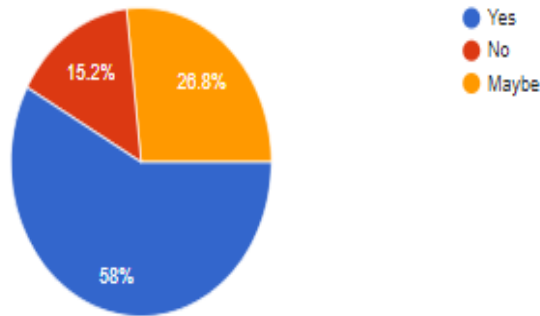
112 responses

- Yes
- No
- Maybe

15.2%
26.8%
58%

Figure 2.1 PESTEL ANALYSIS (dartconsulting.com, n.d)

PESTLE Analysis for Startups Action Plan	Years				
	1	2	3	4	5
Political factor					
Economic factor					
Social factor					
Technological factor					
Legal factor					
Environmental factor					

| Indications for the startups or company	Highly Risky	Risky	Not Risky	Good

Exhibit 2: Business Canvas Model

Business Model Canvas

Designed for: MAYA
Designed by: Abhishek Borikar
Date: 04/01/2021
Version: 1

Key Partners
Indian gaming community
Esports India
Advertisers
Independent artists
Publishers & Journalists
Talent hunt competitions
Gaming tornaments
Professionals within the industry: 8-Bit, TMC, etc

Key Activities
To develop a catchy and accessible platform
Increase Brand Image and awareness
Traffic gerneration, management
Maintenance
Third party integrations

Key Resources
Content copyright license
Streamers
Platform (Website+App)
Partners
Content
Audience
Employees

Value Propositions
Users Community
Increase the level of competitveness of gaming and art in India
Quick recognition
Content on the site can be watched live or on demand
Separate coloumn for newsfeed
Digital Currency
Website plug-ins

CHARACTERISTICS:
Newness, Performance, Customization, "Getting the Job Done", Design, Brand/Status, Price, Cost Reduction, Risk Reduction, Accessibility, Convenience/Usability

Customer Relationships
Most of the content is for free
Content on demand
Growing community
Co-creation of some products

Channels
Application on Android & iOs
Dekstop – webiste
Xbox
Playstation
Google chromecast
Physical and virtual convention

Customer Segments
Multi-sided Platform
Gamers and Artists (End users)
Age – 21 to 30
Profession – Students and Professionals
Stakeholders- Advertisers, game developers, pc component developers, game journalists

Cost Structure
There will be a Rs. 200 monthly subscription for users to enable premium services. Other variables of the cost structure are as follows: Platform development, Data centers, Marketing, Convention. The donations received from the live streaming will be kept by the streamer in the initial period.

Revenue Streams
Additional Income from advertisekements is shared if the streamer reaches specific limits that is 100,000 subscribers or 3k daily viewers
Subscription price – 200 Rs/month = US$ 2.74/month

Activate Windows
Go to Settings to activate

Figure 3.1 The Freemium Revenue Model (Reime, 2011)
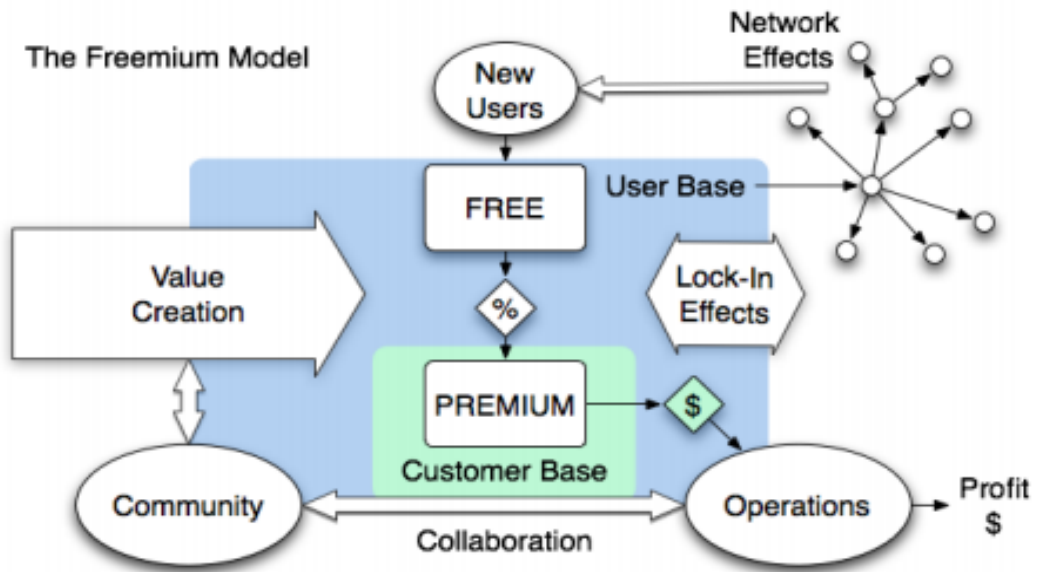
Figure 3.2 The Desired Organizational Structure of my platform:
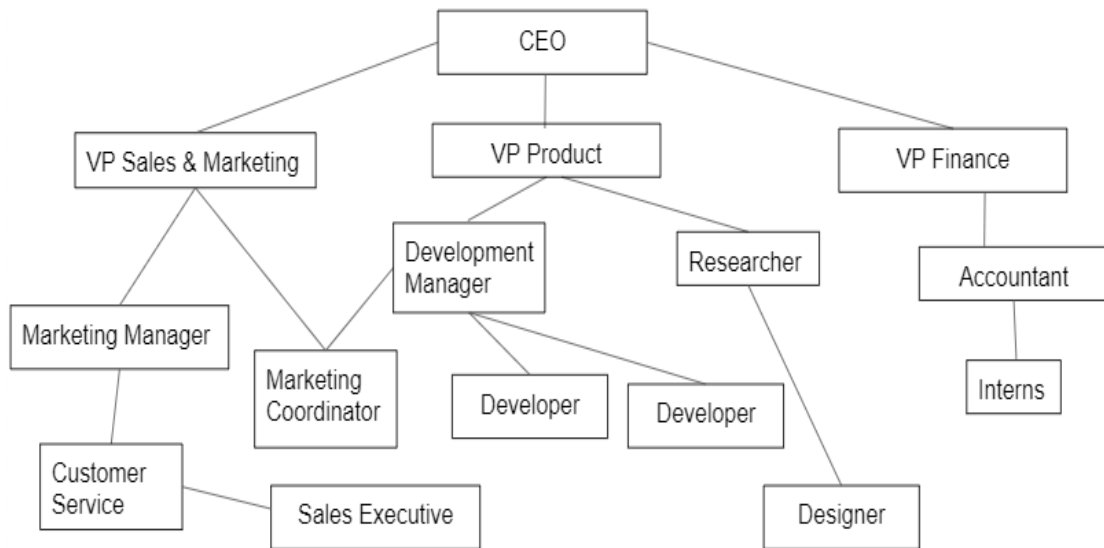
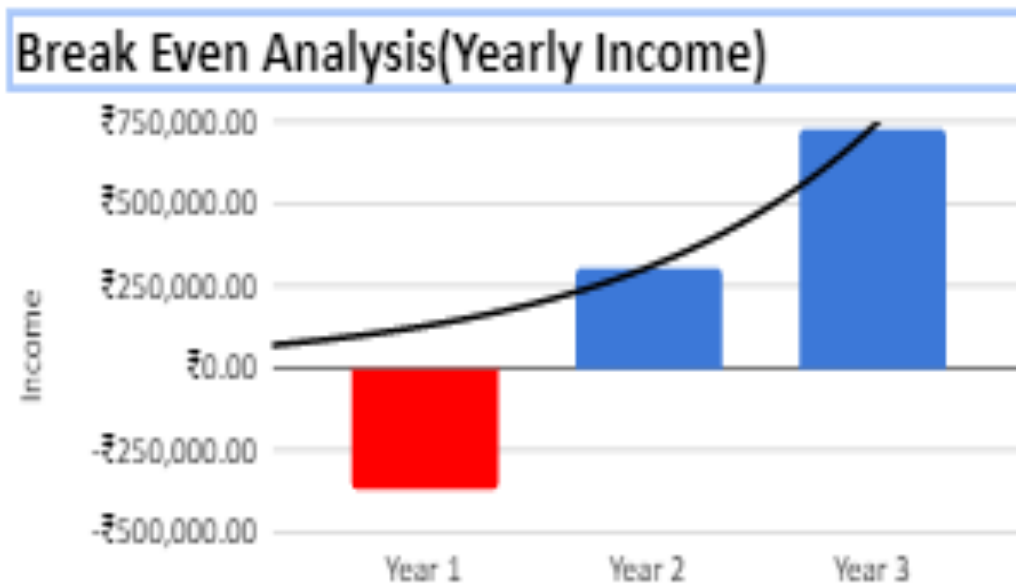**Figure 4.1(a) Break-even analysis**

Figure 4.1(b)

| Breakeven Analysis Year 1	
Prepared By:	**Company Name:**
Abhishek Borikar	Maya
Gross Margin % of Sales	
Gross Margin	₹2,000,800.00
Total Sales	₹3,340,000.00
Gross Margin/Total Sales	59.90%
Total Fixed Expenses	
Payroll	₹1,080,000.00
Operating Expenses	₹1,286,142.86
Operating + Payroll	₹2,366,142.86
Breakeven Sales in Rupees (Annual)	
Gross Margin % of Sales	59.90%
Total Fixed Expenses	₹2,366,142.86
Yearly Breakeven Amount	₹3,949,878.62
Monthly Breakeven Amount	₹329,156.55

Figure 4.2 Sales forecast for 3 years

Sales per year(in INR)
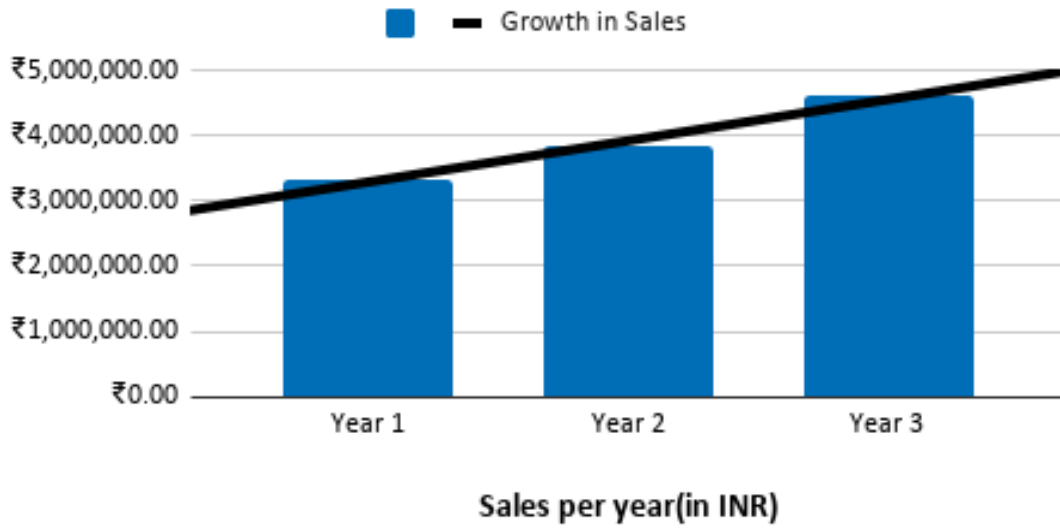
Figure 4.3 Growth/Profit over years
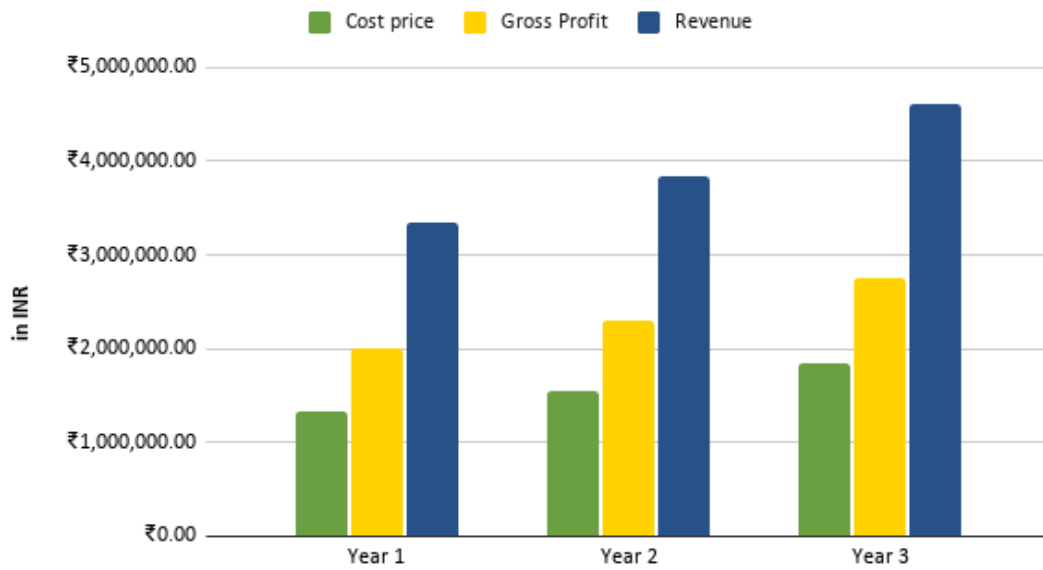
Figure 4.4 Net cash flow

Net Cash Flow (Monthly)
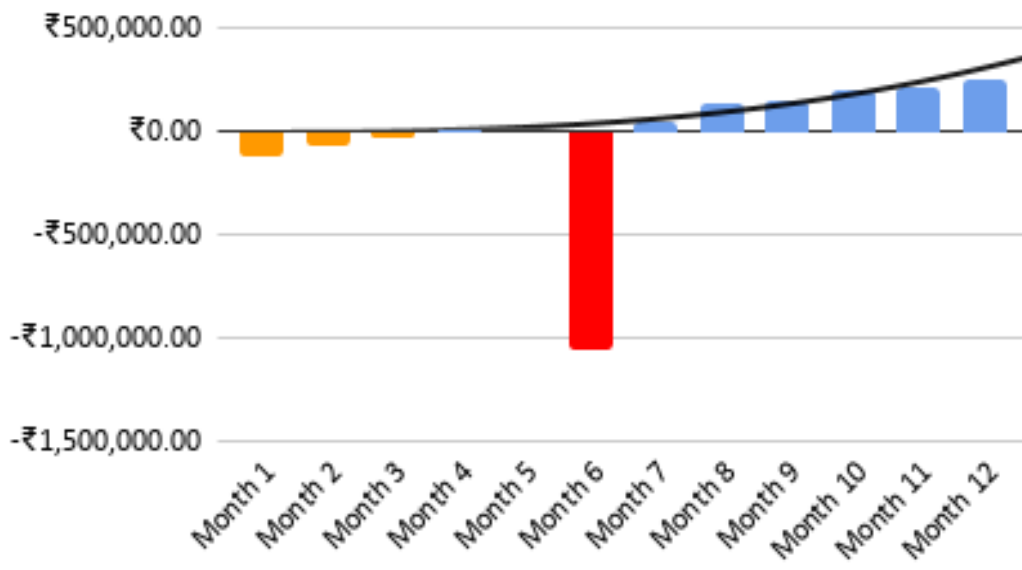
Figure 4.5(a) Assets

ASSETS	First Year	Second Year	Third Year
Current Assets			
Cash	₹2,930,400.00	₹3,396,588.00	₹4,103,900.80
Accounts Receivable	₹130,000.00	₹169,000.00	₹213,850.00
Inventory	₹0.00	₹0.00	₹0.00
Prepaid Expenses	₹1,119,000.00	₹1,119,000.00	₹1,119,000.00
Other Initial Costs	₹0.00	₹0.00	₹0.00
Total Current Assets	₹4,179,400.00	₹4,684,588.00	₹5,436,750.80
Fixed Assets			
Real Estate -- Land	-	-	-
Real Estate -- Buildings	₹0.00	₹0.00	₹0.00
Leasehold Improvements	₹0.00	₹0.00	₹0.00
Equipment	₹180,000.00	₹180,000.00	₹180,000.00
Furniture and Fixtures	₹0.00	₹0.00	₹0.00
Vehicles	₹0.00	₹0.00	₹0.00
Other	₹0.00	₹0.00	₹0.00
Total Fixed Assets	₹180,000.00	₹180,000.00	₹180,000.00
(Less Accumulated Depreciation)	₹167,142.86	₹347,142.86	₹347,142.86
Total Assets	₹4,192,257.00	₹4,517,445.00	₹5,269,607.00

Figure 4.5(b) Liabilities & Equity

LIABILITIES & EQUITY			
Liabilities			
Accounts Payable	₹57,600.00	₹74,880.00	₹94,752.00
Commercial Loan Balance	₹0.00	₹0.00	₹0.00
Commercial Mortgage Balance	₹0.00	₹0.00	₹0.00
Credit Card Debt Balance	₹0.00	₹0.00	₹0.00
Vehicle Loans Balance	₹0.00	₹0.00	₹0.00
Other Bank Debt Balance	₹0.00	₹0.00	₹0.00
Line of Credit Balance	₹0.00	₹0.00	₹0.00
Total Liabilities	₹57,600.00	₹74,880.00	₹94,752.00
Equity			
Common Stock	₹4,500,000.00	₹4,500,000.00	₹4,500,000.00
Retained Earnings	-₹365,342.86	-₹57,434.86	₹674,855.94
Dividends Dispersed/Owners Draw	₹0.00	₹0.00	₹0.00
Total Equity	₹4,134,657.14	₹4,442,565.14	₹5,174,855.94
Total Liabilities and Equity	₹4,192,257.00	₹4,517,445.00	₹5,269,607.00
Balance sheet in or out of balance?	₹0.00	₹0.00	₹0.00
	Balanced!	Balanced!	Balanced!

Figure 4.6 Financial Ratios

Financial Ratios - Year 1

Prepared By:	Company Name:		
Abhishek Borikar	Maya		

Ratios	Year One	Year Two	Year Three
Liquidity			
Current Ratio	72.6	62.6	57.4
Quick Ratio	53.1	47.6	45.6
Safety			
Debt to Equity Ratio	0.0	0.0	0.0
Debt-Service Coverage Ratio - DSCR	-3.4	6.5	7.7
Profitability			
Sales Growth	0.0%	15.0%	20.0%
COGS to Sales	40.1%	40.1%	40.1%
Gross Profit Margin	59.9%	59.9%	59.9%
SG&A to Sales	65.8%	47.2%	44.0%
Net Profit Margin	-10.9%	8.0%	15.9%
Return on Equity (ROE)	-8.8%	6.9%	14.2%
Return on Assets	-8.7%	6.8%	13.9%
Owner's Compensation to Sales	18.0%	16.4%	15.0%
Efficiency			
Days in Receivables	14.0	15.8	16.7
Accounts Receivable Turnover	25.7	22.7	21.6