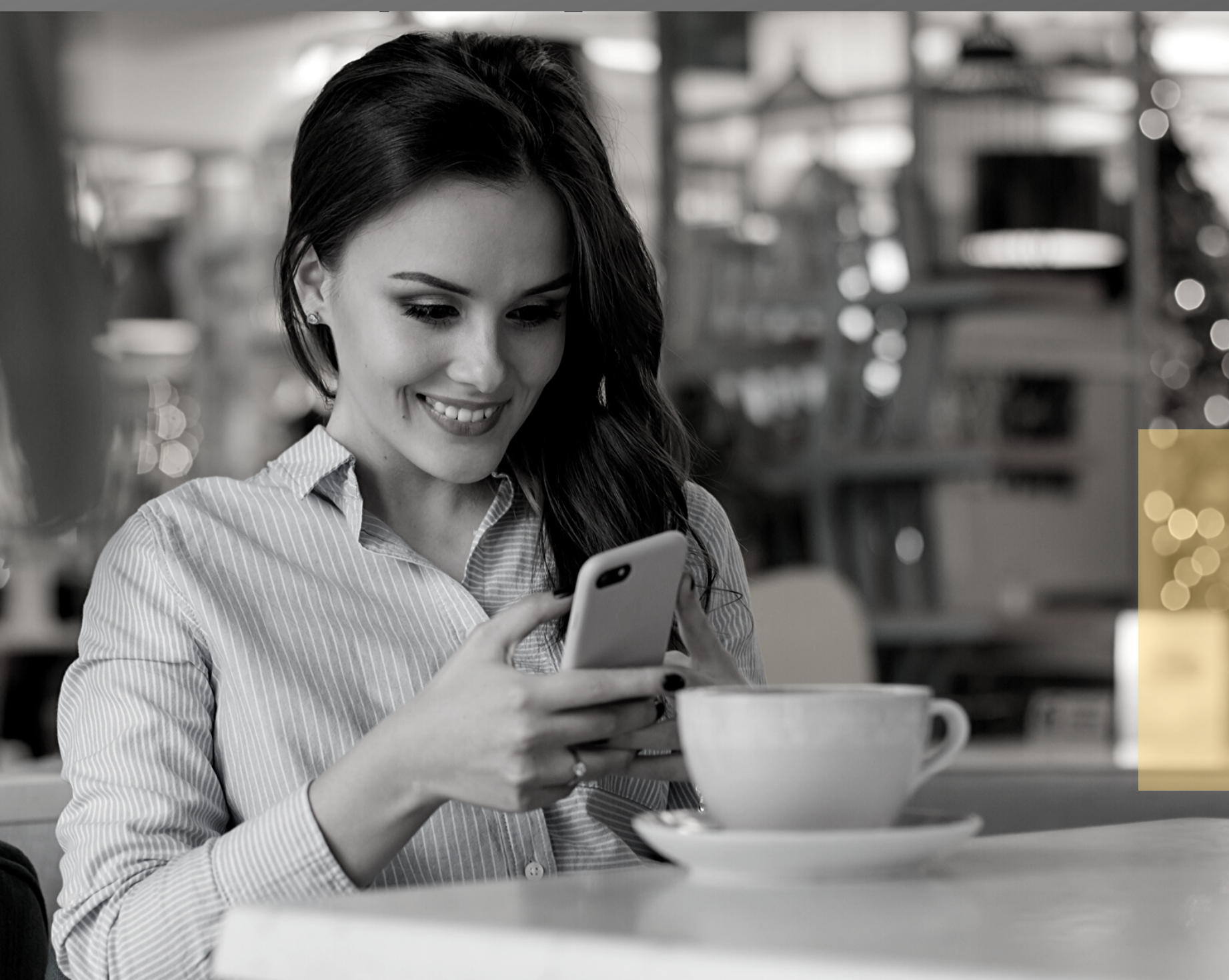




Wanna debate, fight fate, feel great ? Find a

m8!



Business Plan



Preface

Modern societies and the increasing amount of digital activities leads people to less social contact in real life. Through a screen, it is harder to build strong relationships. This is definitely a factor of loneliness, isolation and anxiety.

Problem statement

Traditional social media platforms can create a pattern of isolation, loneliness and anxiety, especially in urban areas, due to the absence of physical social interaction and difficulty in meeting people, specifically the first physical interaction.



Loneliness

is a state of being where one feels a shortage for relational intimacy. It is therefore both a physical and an emotional state of being. It has been connected to social anxiety, self-esteem, social support, and depression (Twenge, Spitzberg and Campbell, 2019).

Between 2010 and 2017 loneliness increased for all demographic groups in the US. It's a clear increase, though small, it's significant and alarming considering the short time span (Twenge, Spitzberg and Campbell, 2019). A report from the French national statistics agency from 2019 stated that one person in ten in France suffers from isolation. These people had at best had contact with one person over the last month, including phone calls and text messages (Fitzpatrick, 2019).

In a study by Prievara, Piko, and Luszczynska (2019), they looked into the effects of internet on teenagers and adolescence, age 14-24. The study found that problematic internet use (PIU) "was directly related to a higher need to belong, higher shyness, and higher loneliness." (Prievara, Piko and Luszczynska, 2019). Meanwhile the study also showed that the subjects perceived level of social support was indirectly associated with PIU. In the study the authors conclude that the "data indicate that social support from the offline environment can be a protective factor against PIU, emphasizing the important roles of friends and family." (Prievara, Piko and Luszczynska, 2019).

Phu and Gow (2019) conducted a study focusing on the impact of Facebook on happiness and loneliness. They found that a higher number of Facebook friends was correlated with lower loneliness. However, they also found that the more persistent usage of Facebook, was associated with stronger and more feeling of loneliness.

To young adults and teenagers today, in many countries, being able to access their smartphones and internet is essential. They spend hours online every day, on social networking sites (social media), and their lives are being increasingly influenced by these websites and apps (Prievara, Piko and Luszczynska, 2019; Phu and Gow, 2019). This has influenced the interactions of adolescence in recent years, as the time spent on the internet has more than doubled for the adolescence age group between 2006 and 2016 (Twenge, Spitzberg and Campbell, 2019).

Hence, loneliness is an increasing issue, and the internet and smartphones is rather emphasising this than counteracting it. There are many issues related to this, one of the main ones is the difficulty to make new friends, especially as we grow older. The first physical interaction with a potential new friend is difficult for many reasons. Who can we talk to, where can we talk to them, do they want to speak with us, and is this person a potential friend? To fight loneliness it's just as important to make new friends as to keep old ones. In order to do so, people must dare to commit to the first physical interaction.

Triggers of the problem

The first physical interaction can be difficult for many different reasons.

By specifying some of reasons, or triggers of this problem, we can work to help people overcome them.

■ Environment triggers :

Environmental triggers are connected to the physical environment a person is in. It can refer to a new context or new physical environment where the person does not have established friends yet. For example, when a person moves to a new area, city, or country.

In these situations it can be difficult to meet new people. It is difficult to start conversations with new people, and find people to take contact with. Even if one succeeds in this aspect, it is not certain that the people you meet are interested in being a friend with you. They might already have their own friends, their own interests, or simply busy schedules.

It is difficult to know where to search for new friends and contacts in any environment. Therefore environment triggers the problems.

■ Personnal triggers :

Personal triggers relates to the individual themselves. A person might be shy, or suffer from social anxiety. It may also include social aspects, how to act with people from another culture, language barriers, or simply that in one culture individuals are not as open as in another.



General market approach

According to Deloitte cabinet's study entitled "The App Economy in France: Market Study of Mobile Applications and their Contribution to the French Economy", the economy of applications represented 22.6 billion euros, nearly 15 times the gross income from cinema in France. 8,788 firms are active on the mobile applications' market in France, while it employs more than 230,000 people. These constantly growing figures are expected to increase exponentially with the emergence of the Internet of Objects and the modification of users' behaviours in many domains. Mobile applications are one of its most important factors.

Nowadays, dating via social media has taken a significant role and applications like Tinder and Toot Sweet have witnessed an outstanding success. These new generation applications allow for facilitated relationships and outings. Consequently, online dating websites, confronted to a fall in their users, have seen their development impacted. Thus, we witness a true technological migration of users favouring the mobile format.

General market approach (2)

Furthermore, according to Statistica's study "Online Dating Websites in France – Typology of Dating Websites and Applications' Users" published in 2018, 24% of French women between 25 and 34 years old, and 26% of French men have already used a dating website or application. The market is booming, over 2,000 applications are accounted for as we stand.

That being said, it is imperative to choose the right mobile platform in order to maximise its results and audience. On the global OS market, Android is the uncontested leader. Indeed, Android (Google Play) represents 85% of market shares, followed by iOS (Apple Store) representing 14.3% of market shares and Windows OS (Windows Phone) totalising 0.4% of market shares and, finally, BlackBerry OS (BlackBerry) with 0.1% of market shares

A similarity to online dating

The online dating market is aimed at an extremely vast population. Of course, children are not concerned but adolescents, adults and seniors look into the online dating market.

Futures possibilities to evolve

Our idea is to exploit at best the Parisian market to then duplicate the model to other large cities in France and internationally.

Targeting and attracting everyone

M8's targeting is all the more interesting in that it seeks at attracting everyone, regardless of gender, origin, age, religion, interests, etc

A diversity of users

Demand is very diversified and in constant evolution. M8 is geared towards several user profiles as well as professionals. From the Parisian to the business traveller, the tourist to the exchange student in Paris, everyone can use this service, available in French and in English.

Offering a diversity of activities

We look into the market of culture and entertainment at large: evenings, concerts, shows, restaurants, expositions, etc.

Targeting +18yo

Digital component of our firm creates a natural segmentation of the customer base, aged between 18 and 34 years old.

	Products	Market	Implementation	Strengths	Weaknesses
Tinder	Dating app	Mobile application, Dating	Worldwide: 196 countries	Market leader: 110,000 users Free access Tinder Gold : fee- based offer 4 million users Most cost-effective application of 2019	Security (harassment, abuses, etc.)
Toot Sweet	Application using geolocalisation to suggest outings and entertainment	Mobile application Leisure Tourism	France	200,000 users in 2018 Free access Large diversity of themes and offers Personalization via a learning machine Investors' trust: fundraising of 1.1M euros in 2018	Only available in Paris and Lyon Slow updating mechanism Bugs

Competitive advantages



■ **Combination**

Mobile application on the market of “matching”, leisure and tourism

■ **Friendly**

Aimed at friendly social get-togethers

■ **Quick**

Instant discussion service and segmentation of users based on users' centres of interests





Our legitimacy as students

As students, we have all experienced, once in our life a moment when we felt lonely and had trouble meeting up with new people: this could have been during our first day at university, throughout our exchange years, or even during a classic class at SciencesPo. We have all felt too shy at some point, not brave enough to make that first move to get to know people, break the physical barriers that prevent a lot of people from getting out of their loneliness. We have all been through it. And we didn't like it. That's why we feel legitimate and confident in this project that would have been of great use to us during our past experience.

Our mission

Our mission is to help as many people as possible and ensure they get out of their lonely routine for good, that they will get to meet new people, enjoy it, build long-term friendship (and more). We aim at solving the general loneliness and bubble that social medias and technology may have created. To do so, we want to fight fire by fire and use technology to reverse the mechanism of people closing themselves to real physical interactions.



Our vision

We have a general vision: ensuring people don't feel lonely anymore and have at least a mean to help them get out of it. We offer a service where they can meet people that will match with them. We know that not everyone will get along with everybody. However, our goal is to create friendships and make sure at least one person has their someone they can trust and rely on. It might seem a bit optimistic, but if people can find love online, why can't they create true friendships?





1. Trust

2. Respect

3. Mindfulness

4. Kindness

5. Courage

6. Amusement

m8 to find friends

In order to combat the difficulties of the first physical interaction and loneliness amongst adolescence, we are proposing an app, m8 (mate) to find friends.

A free app offering discounts

The in app discounts are personalized and do function as a form of advertising for the partner firms, more on this under “Offers and incentives”. Customers are offered discounts when buying things through the app, part of the discount offered by the partner firms will be taken as revenue by the app.

Personnality testing

Pair users according to similar interests and promote the best type of activities, events, and discounts to each individual, an interest-/personality test will be conducted. Also possible to choose a budget.

It is meant to give the users an insight in what they actually like to do and their personality type (to get to know themselves better).

In-app promotions

In app promotions, in the form of discount rewards. It will be done through partnerships with firms, and can include anything from entry tickets to museums, to discounts for a coffee or a gym class.

Local events and meetings

Local events and meetings. There will be a large focus on meeting people in your geographical area, in order to help people build connections and hopefully friendships with the chance of lasting long term.

Interests groups

The app will also feature special interest groups, for individuals that know what they want to do but not with who. The basis for this is that we believe it's easier to connect with people of similar interests, and also this way there is (once again) an incentive to engage in that first physical meeting.

Season events

Season events, will be promoted on the app, as well as some promotions having a time deadline, trying to make the physical interactions to happen, and not be pushed off on the the future.

Highlighting specific interests

Individuals specific interests would be taken into account in the app, building on the personality and interests testing. Giving users the opportunity to share playlists, decide to go to concerts, fashion shows, and so on.

Group trips

Long term the app would involve promotions for group trips as well. These trips would involve travels, festivals, and so on. People would be able to sign up in order to meet people that are going to the same event before the beginning of the event, or simply to have an arranged travel together to the venue.



Types of events

The app is meant to feature events, promotions, and activities fit to as many people as possible. This includes but is not limited to:

- Tickets to sport events.
- Pass to gym classes, climbing gyms, obstacle courses, and other physical activities.
- Concerts
- Jamming sessions, playing instruments together.
- Restaurants and cafés
- Museums
- Book clubs, and discounts at bookstores.
- Trips

ID check

Before a user can make plans and sign up for events. Verification of the e-mail address, 2 compulsory pictures, and informations from a valid ID card.

Safety instructions

Before going on their first event or meet with someone for the first time, users will receive safety instructions, ex. of these are: meet in a public place, don't get into someone's car, and make sure other people know where you are.

Terms and agreements

Before going on their first meeting or event the users should also sign the terms and agreements, which include the rules for the meetings. These are according to law, no harassment, discrimination, or other illegal acts.

Complaint system

These will also be a complaint system. If a user had an uncomfortable experience, or in any way felt unsafe, he or she will be able to report in through the app. The administrators will then be able to flag the user causing the discomfort and make a decision of whether the person can continue to use the app or not.

Safety button

We wish to implement a "safety button" inside of the app. If during an encounter someone does not feel safe, the user can press the button and the phone will from then on be tracked. The person will also be getting information about how to contact the police through this function.

Private information

Users private information will be handled with care:

- Other companies will not be allowed to access the users private data.
- Users data will not be sold to other firms.
- Promoted (discounted) products and events will be targeted, in order to help people find the best deals for themselves, and enable the largest incentives for people to meet. The companies allowed to advertise in this way will be subject to scrutiny and all firms will not be accepted.
- In accordance with GDPR all users will be able to access the data we have on them, and ask to be deleted from our records. In accordance to the law all other laws and GDPR will be followed.

Fundings

The funding of the app will primarily be done by investors and through partnerships with firms in the area. There will be no full on ads in the app, however app users are offered discounts, which are personalized for them and functions as a form of advertisement for the partner firms. The partner firms pay for this advertisement by offering discounts when a purchase or booking is made through the app. Part of the given discount is given to the customer, and part of it is collected as revenue by the app to maintain and develop the app.

Technology

The app would work on all smartphones : IOS, Android, Windows. It would be based on a map. It would use the location of the user to show the places to visit around : museums, exhibition, concerts, and also free places to hang out : nice cafés, parks, monuments. The app would also locate the other users on the map, and their plan for the day. For example, the user A could see that another user B has posted that he will be at Musée d'Orsay at 4pm. Then, the user A could easily check the personal profile of the user B, see if their personalities could match according to their common hobbies or interests. He could even send user B a message. Then, user A could decide to "Join" the encounter organized by user B, as well as other users if they are willing to.



SWOT Analysis

Strengths

Accessibility (on a smartphone, instinctive)
Originality of an app that combines encounters and cultural activities, discounts help attracting user

Weaknesses

Not suitable for all people (elderly, people from rural areas)

Opportunities

Sponsorships with urban cities for big events/important exhibitions
Possibility to extend the app worldwide and help the travelers finding friends abroad

Threats

Difficulties to be promoted and build a strong users community
Threat of other platforms already existing

Marketing strategy

Segmentation

We are using a geographic segmentation, implementing the app in major cities. Our target market will be inhabitants of urban and global cities. We specifically target the millennials (18 to 34 years old), as the use of a smartphone is needed, and as the people of this age are very connected on social medias, and digital devices already.

Brand position

An intermediary between a social media of location like Snapchat, an encounter platform like Tinder and an urban activity founder like Fever. Offering a complete app, gathering the qualities of the others&goes beyond. Positioning ourselves in a ethical way&customer satisfaction - oriented strategy. We will not use our clients' data as a source of revenue. Safe&inclusive, not discriminating any community. Implementing security checks, and a surveillance of the user accounts by our staff.

Brand purpose

Our brand purpose is to connect people in real life, without rejecting digital technologies that are so useful nowadays. With a first contact on the app to make people comfortable, we want to help organizing real life encounters, promoting cultural activities to break the ice and create link.

Media monitoring

The communication director and her team will be in charge of a media monitoring. Assuring the presence of the brand on all the important social media (Facebook, Instagram, Twitter, LinkedIn, YouTube), they will communicate and promote our product. Paid advertisement on social medias.

Push-marketing

We would start by a push-marketing strategy, promoting and communicating a lot about our brand, in order to make a lot of noise. We expect to become a reference in the market of network apps, to they rely on pull-marketing and our brand reputation.

Search

By developing our online presence, we will intend to be well placed in the "Search", on Google as well as on the App Store and Google Play, and would rely on good customer ratings. AdWords campaigns

Product placement

They also consider partnership with YouTubers for product placement. We will target YouTubers that promote travels, cultural activities and social life on their channels, in order to target their communities that might be interested by our apps. For example, photographers, videomakers, travellers, vloggers, urban explorers, etc. They will have to use our app during one of their YouTube videos, showing how it works, the benefits that people can get of it, and invite people to subscribe for free.

Public relations and affirmation of brand identity

Interactions with customers on social medias will provide us good feedback and a good brand reputation. We will communicate respecting our brand values. The yellow color we use symbolizes friendship. We will highlight diversity of profiles and inclusive contents.

Beneficiaries

- The users of the app, who increase their physical interaction with others.
- Enterprises that collaborate with us, who get more customers, social media interaction, and increased number of reviews.

Incentives for users

- Firms to collaborate with for discount.
- Collaborate with personality and interest testing firm, ie “16 personalities”.

Tech partners

- Programming agency/app developer.
- Ways to store people’s personal information (all in accordance to GDPR).

Legal partners

- Legal/judicial help.
- Write guidelines for users.
- App to identify users for user safety.

Our team

- **CEO : Vendela von Fluck**
- **CFO : Antoine Guéneau**
- **COO : Léopoldine Bauer**
- **Com' & marketing director : Maéva Fleury**
- **Sales & administration director : Awa Mbengue**

Financial plan

App Stores reduce transaction, research and production costs for application developers and their users by making available to developers a complete platform ready to use (hosting, download management, payments, etc.) as well as a unique booth allowing users to discover new services and applications. Furthermore, the existence of platforms encourages entry into the market of application developers, in particular small structures. Conversely, the value and innovation of smartphones is enhance developers' creativity.

Application development

Management interface, web design

Cost : 5,000 – 10,000 €

Wage bill

Community Manager: 19,000€ /year

Support service (two employees):
38,000€ /year

Marketing responsible: 30,000€ /year

Web marketing

iOS: 80 €/year

Android: unique payment of 20€

Advertisement campaign

AdWords campaign: Adjustable (0 – 1,000€)

Paid advertisement on social media:
Adjustable (0 – 2,500 €)

Maintenance

15 to 20% of the application's yearly price: 1,000 – 2,000€

Additional costs

Adjustable

TOTAL :

110,000 – 150,000 €

Return on investment analysis

Venture capital

The first year, ad revenues won't be enough to generate profits. Therefore, we will have raise money from VC firms. Expectation : 50 000.

Ads

We expect 50,000 users in the first year. The model of the ads will be the following : splash screens, which appear when you launch your app, and banners, which appear at the bottom of content lists and at the top of detail pages. We will use a Cost Per Click CPC ad system, which means that we will get money every time a user clicks on an ad.

We expect a conversion rate of 5%, i.e. at least 5% of our users will click on an ad every day. In general, one click pays 0.05 cents. We will therefore have $(0.05 \times 50000) \times 0.05 = 125$. Multiply by 365 = 45,625 euros.

Commission on events and discounts

The more we bring people to bars, museums, events, the more we get. Users get discount through our app and we levy a fee for each discount used by the app users.

P&L	2020	2021	2022	2023
<i>Advertising revenues</i>	46625	73000	85000	95000
<i>Fees from discounts granted</i>	10000	12000	14000	16000
Net sales	56625	85000	99000	111000
<i>Subsidies</i>	10000	10000	5000	5000
Total net revenue	66625	95000	104000	116000
<i>Operating expenses</i>				
<i>Marketing</i>	4000	4000	4000	4000
<i>Website Maintenance</i>	1000	1000	1000	1000
<i>Wages and Salaries</i>	87000	90000	93000	95000
<i>Depreciation Expenses</i>	2000	2000	2000	2000
Total Operating Expenses	94000	97000	100000	102000
Income from Operations	-27375	-2000	1000	14000

Potential partnerships

- The city of Paris
- RATP and Paris' Tourist Office
- Restaurant, cultural and entertainment establishments



Impact measure

Short term

We will first analyse the impact we have by studying the number of downloads of the app, how many users have used once, once a week, on a daily basis etc. This short term analysis is only based on figures mainly. We will obviously have a look at the first reviews we get as it is crucial that we tackle any issues we get at the beginning of the launch.

Middle term

Keeping up with the short term, we will track the downloads as well as the reviews. We will focus on how users use the app, what they've liked (what options, what deals etc.) and make sure we deliver other similar experiences to keep them happy and entertained. We can increase our impact by starting some advertisement campaigns on social networks, in the streets etc.

Long term

Our popularity should be assured and there is a less significant need to analyse the number of downloads etc. We should still have a look at reviews, to understand why people still enjoy the app, what can be improved. Start focussing on what people, magazines, websites say about us. Analyse what "external" reviews say about our app. Think about expanding it to other big cities and even to the countryside where we know loneliness is an issue as big as in capital cities, if not more.

Our ambition

As we mentioned it earlier, we want to make sure everyone has a chance to get out of their lonely routine and vicious circle that our habits can create. It's true it seems easier at first to just stay in our routine, not make any moves that could embarrass ourselves, and be reassured by our technology and social medias.

We know this is not the reality.

We want to create connections as well as experiences and why not, true friendships that will last. Our goal is to be successful in the cities we are engaged in and create true friendships thanks to our app, for our users.



Key partners

Restaurant and entertainment professionals: restaurants, bars and breweries / festivals, theatres and operas
Institutions: City of Paris, Tourism Office, RATP

Primary activities

Mobile application putting in contact people sharing similar interests and looking for outing partners
Mobile application listing available events nearby its users.

Key resources (active)

Application

Value proposition

Increase physical interaction between people
Decrease loneliness and isolation as well as side effects related to this.

Customer relationship

With institutional actors and professionals: Establish trust and confidence.
With the general public: Establish a playful tone and an environment where customers feel secure.

Cost of structure

Fixed costs: Wage bill and maintenance
Variable costs: Development and application update, marketing.

Distribution channels

IOS and Android

Sources of income

Advertisers
Partnerships/Sponsorings
Subsidies

Customer segmentation

General public but +18yo, and mostly urban areas inhabitants to start.

3 reasons to trust this business plan

- An ethical project to fight loneliness
- An idea gathering what people already love
- A motivated team !



Wanna debate, fight fate, feel great ?

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