Pife Business Model

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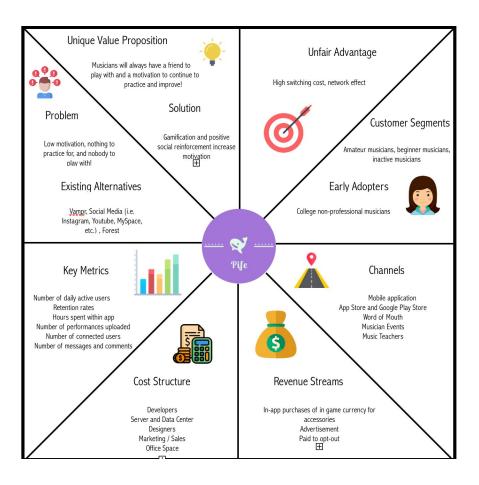


Figure 1: The Pife Business Model as developed in CS194H.

Problem

Amateur musicians have low motivation due to having nothing to practice for and nobody to play with! We discovered this problem from the extensive needfinding developed from CS 147. From that class, many musicians felt isolated during their practice routines and felt as if practicing or performing pieces for themselves slowly demotivated their musical efforts. As a consequence of said feelings, musicians felt as if practicing was a waste of time since their efforts would not be able to be showcased to a greater audience. As a result, we created Pife in order to address these concerns.

Existing Alternatives

The current array of existing alternatives either focus on one aspect of Pife's solution and/or do not focus specifically upon the amateur musician subgroup.

- **Vampr** Vampr is a platform to discover connect and collaborate with other musicians around the world. Although they do their job extremely well, (In fact, they won best app of 2017.) Vampr focuses more on addressing only the "nobody to play for" part of our problem. For more information please visit: <u>Vampr</u>.
- General Social Media Applications We would like to mimic these social media platforms in order to make sure users are "peer pressured" to consistently play music. However, they all are focused on a group more general than amateur musicians.
 - Instagram
 - Youtube
 - MySpace
- Forest Forest is a productivity app that allows users to set timers for themselves in where they are unable to use their phones for selected periods of time, and they do a great job gamifying the goals. However, they're focused on goal-setting rather than specifically motivating musicians. For more information, please visit: Forest.

Solution

Our solution for this app is that we want to be able to create a platform where musicians will always have a friend to play with and a motivation to continuing practicing and performing. We will approach this avenue with social media as a means of positive social reinforcement and gamification, as mentioned by the existing alternatives section.

Unique Value Proposition

Our unique value proposition enforces the idea that we want users to always have a friend to practice with to ultimately sustain constant motivation for amateur musicians' musical

endeavors. In particular, our unique focus on utilizing both gamification and positive social reinforcement makes it stand out from our competitors.

Unfair Advantage

The unfair advantage that Pife has is the high switching cost along with networking effects. More specifically, like most social media platforms, the app's capability to actively connect multiple users and for those users to share the app and connect other friends can create a large user base (i.e., network effect). The high switching cost comes from the fact that moving off of Pife means that the user will loose all records of previous achievements (and have to start again).

Channels

For channels of this app, we believe this app will be communicated via word of mouth, Google Play Store, Music Teachers, Musicians Events, along with many others. Music teachers and musician events are especially targeted because they provide an existing community that will encourage users to join and stay on Pife. More specifically, like the unfair advantage we hold from the networking effect, that also translates to a more successful version of channeling and communicating our app to multiple parties.

Customer Segments

For the customer segments, we specifically intend to target amateur musicians. More specifically, we believe that our first target users will fall into the niche category of nonprofessional college musicians. Since amateur is a large category, we want to be able to define amateur musician as an individual who seeks to better oneself in their musical endeavors and who has minimal musical experience (professionally, or non professionally). Since there exists a correlation between age and musicians level of skill most amateur musicians will fall under the younger user spectrum (10-25 years of age).

Cost Structure

As for the cost structures for Pife, one of the major costs will be paying developers and designers. We especially emphasize designers because creating customizable avatar accessories is critical to the revenue stream, and this requires creative brainpower. There are also server and data center costs, especially with scaling operations. In addition, we foresee major sales (i.e., in terms of salaries) and marketing costs for acquiring and retaining customers. Throughout this examination, we do assume a lean operation, so we assume no formal office space (hence, forgoing those costs).

Revenue Streams

Pife plans to obtain revenue streams in two main ways: in-app purchases and advertisements. By diversifying the business model, we can ensure

We will provide the opportunity for users to purchase in-app currency to help obtain customizable avatar accessories. This currency will be given as an award for reaching major

achievement milestones (e.g., receiving 100 coins for practicing for 30 hours in the app). This currency can be used to buy accessories for the avatar, such as an Hawaiian shirt or a lei. Thus, purchasing in-app currency can allow for users to obtain customizables more quickly.

For those who will use the application without purchasing customizable currency, we plan on obtaining revenue via advertisements. Advertisements will appear in the form of banner ads on the bottom on long-lasting screens (e.g., the practice screen) and also between screens. In addition, users can pay a subscription fee (e.g., \$3/month) to opt of out such advertising.