

MilleTalks.hu business plan – Capstone project

Content production and content marketing are very popular nowadays as the consumer society has had enough of traditional advertisements and commercials – they also don't want to pay for services only if absolutely necessary. They want content for free, but of course nothing is free; only, they are not the ones paying for the service. MilleTalks.hu is a website where users can consume intriguing, valuable and useful content while being part of a community. Our target users are millennial women living in cities with a growth mindset and striving to learn. They also have a large disposable income, making them a profitable segment. These millennial women are facing a market gap – there is no major website that creates its content specifically for them. This is why our content is aimed at them, just like the ads displayed on the website – which show them products for their taste, and bring us the revenue paid by advertisers. The reason why we expect these women to visit this site instead of others is that the content is high quality, not addressed by mainstream sites, the segment is well defined and unserved, there is a strong community element and the user experience will be supported by an interactive, but clean interface.

The main competitors can show pretty decent numbers targeting all Hungarian women (the largest around 40-50%), but fail to effectively reach females between 24 and 34 – they can only get to 6-7% of the 722 thousand users. The content mainly consists of online articles. The four different main topics will cover professional life, finance, psychology, self-betterment, design, culture and gastro tips and tricks and so on in a high quality fashion, possibly supported by mini research and quoting international websites. Other than articles there will be regular podcasts discussing current topics, user comments and frequently featuring guest experts. The active social media presence and the overall website mechanic will cater to community building, an essential element of modern content creation. It is planned to have regular events with round table discussions as hero content, while doing charity is one of the long-term plans.

The communication strategy revolves around Google and social media. Ads will be placed on Youtube, Google Search and Google display ads will be scattered around the internet for users whom Google's Search Engine Management system thinks our site may interest. Ads will also be present on Facebook and Instagram, and an Instagram page will also be hosted where all the social media activity will be going down. These activities will be supported by roughly \$3,400 of marketing budget per month in Year 1 and Year 2 marketing investments will be discussed after initial results. Sales is going to work fairly similarly: hosting ad placements which generate revenue. In the short run, only Google display ads are going to run on an ad-view basis, and the firm receives money based on how many page loads the site gets. The goal is to get 250,000 page views a month which can get the company

into a sales house portfolio. Sales houses have their own display ad network and run campaigns based on click through rate (when users actually click on the ad) and time intervals (these run for a determined period). This cooperation is expected to yield a steady revenue flow, and possible partnership agreements can also generate turnover.

The financial outlook is favorable on the long run only, if the site can gather a large audience. This is a market where scale really matters with visitors, as the per click or per view ad revenue is extremely low. Expected ROI is possible in at least 5 years if the website gets lots of views and finds other sources of income, but ad views in general are not enough to make this company profitable. Despite overhead costs held minimal due to home office and working with sole entrepreneur status employees (KATA), the salary costs and marketing budget exceed the revenue from main operations, so the company has to find other sources of revenue.

I've investigated possible IT investment projects for the business which are not essential for functioning, but could have added value as far as I can judge. I have ruled out big data and AI in the first round, because big data is used by Google Analytics, a platform available to any website operator using Google's display system and AI is a pretty large step in terms of financials for a new, small company. I have looked into the options of chatbot and mobile app development, as well, but found that these are not the optimal investments, either. Chatbots are spectacular and fun, but there are not many ways a content providing website could make much use of them – their most common purpose is customer service which is not as relevant in this segment as e-commerce, for instance. Developing an app is not worth it because most users would not download an app just to read something with their morning coffee, not to mention that they have to download it from the store, which is an additional trouble. Moreover, people rather use browsers to search and a website is more likely to appear in the feed. It also takes more time and money to develop for two different operating systems.

What I do find promising are Robotic Process Automation and interactive web design. RPA is a feasible option for small businesses, can be accessed as a service, and it requires no software or hardware investment as it is cloud based. My recommendation is UiPath, the most popular platform which can even be used for free for small scale professional use, but should the business exceed their limit of small scale, the annual direct cost at \$4,000 is still acceptable, with the indirect costs relying heavily on scale. However, these are very rough estimation as RPA costs are extremely hard to calculate without actually starting to work with a provider and having them assess the amount of work to be done, which will yield the indirect costs eventually.

The idea of interactive website appeals to me a lot. There are some really spectacular examples internationally and I have seen no one do it in Hungary, let alone in the content providers' segment. It

can really elevate the user experience and this is why I believe this to be one of the value propositions of this initiative. It can also build community if it involves the user in interactive scenarios, and draws the attention to the site. It helps with Google's Search Engine Optimization, because it makes users stay longer, and click longer within the website, both of which help MilleTalks.hu get a better position in search queries and Youtube ads. Mobile compatibility is also doable, keeping the spectacular elements and catering to the trend of increasing mobile web traffic. However, if users don't like the interactive interface, they can still choose to go with a traditional, neatly designed website instead. My recommendation is to minimize costs until the company turns profitable and start the IT investment once they can ensure they can safely go into financing projects like those.

I have personally learned a great deal during this project. Even though I only scratched the surface in all of the topics I have covered, I am still much more knowledgeable on all of them. I have got to know a few bits and bobs about media and how online marketing works, coinciding with IT a bit when it comes to search engine management. I have also learned how to do financial projections for sales, marketing and cost analyses – and seen how much effort goes into one single table which is displayed in a presentation. As for IT, I have never read about technological topics this much, and discovering how certain hot buzzwords work has been a very interesting experience.

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