

Business Plan Report- SI 694

Project

tagVID

video that you can click

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Executive Summary

What is tagVID?

tagVID is a video product tagging website where users can come and look at as well as buy the products that they come across while watching videos. Users can also create their own accounts to start tagging products and commenting on videos and products.

How does the website work?

The website serves as the middle person between users, media producers and product sellers. It provides search function for users to select goods. It also provides opportunities for sellers to advertise their products. This is a reciprocity relationship. On the one hand, the more products users tag, the more opportunities for sellers to advertise based on the tagged products. On the other hand, the more detailed information the sellers provide, the more options users would have.

Moreover, due to the media type the website provided, users have a high investment in both time and emotion. They would spend lots of time on watching video as well as tagging the products they like. Their action is self-motivated. Users voluntarily contribute to the tags and comments on videos. Thus revenue can be tied to contextual advertising that is generated by users themselves.

Besides, the website also acts as an infomediary model. It collects tagging information as well as other information generated by users. The data can be carefully analyzed and used to target marketing campaigns. For example, based on the categories of tagging, we can conclude which kind of accessory is the most popular in a particular season, and then eventually develop an analytical model to predict the next big fad or fashion season. This can be very valuable in predicting the trend of the fashion market.

Target Market

We can safely divide the users of this website into four different segments:

1. Buyers
2. Sellers
3. Collaborators
4. Others

Buyers

Buyers are the kind of users who would actually use the website to purchase products. They would be people looking for the latest trends in fashion and what the people of fashion believe in. They could be categorized as:

- Fashionistas: These are die-hard fashion believers, always up-to-date with the latest scarves and shoes in styles. They don't like to settle for anything less than the best and the latest.
- Celeb fan Clubs: These are the ones who love to live the reel life. They want to emulate their reel life heroes in real as much as they could. They are always looking for things that their stars use.

Sellers

Sellers are the retailers/brands who would like to leverage this platform to reach out to a broader audience. They could be basically of two types:

- Original Retailers: The brands that are originally featured in the videos. For example, if a character in "Gossip Girls" is wearing a pair of Aldo boots, then Aldo might be interested in tagging its product information in the video and feature it on the website.
- Imitation Retailers: The brands that do not feature in the video originally but want to showcase their products that are similar to the ones featured in the video.

Collaborators

Collaborators form the crux of this product. They are the real contributors to the content of the website. These people share their knowledge and experience of the products and enrich the website by tagging products on the videos.

Others

Some people might just be interested in observing the popularity trends of fashion amongst the general public. This might consist of designers, market researchers etc. They will be the most passive users of the website.

Competitors

From studying the various products in the market, we have understood that product placement through videos is a very common concept. But, there are various unique competitive advantages that we have over them. Two of the major competitors are discussed below:

1. Brandfame: <http://www.brandfame.com/>

This is a marketplace connecting brands and producers. They facilitate the connection between video producers and advertisers and provide them a common platform to interact amongst themselves.

Competitive Advantages

Since the information about the products comes directly from the brand, it is always authentic and accurate in terms of the availability, price and other details.

Competitive Disadvantages

- They do not have a single platform for video sharing, making it difficult for the users to access all information at a single point.
- They do not allow users to search for all videos that feature a single product or product type. Since all these videos are scattered throughout different websites, the user will have to look through all websites individually in order to find all possible featurings of a particular product.
- All information is produced by the retailers/brand, hence it might be a little biased and fail to provide a 3rd party opinion.

2. Overlay.tv: <http://overlay.tv/>

This website aims at helping “online retailers create, manage and deliver interactive video experiences to drive traffic, increase conversion and engage shoppers.”

Competitive Advantages

They allow clients to have a clickable area on screen, which the users can click to directly buy the product online.

Competitive Disadvantages

- They only allow the retailers to produce videos, user generated videos can not be used to placing products.
- They do not facilitate comparison of similar products from different brands

- All information being generated by the retailers, a little bias might be introduced, but there is no provision of getting a 3rd party opinion to minimise the bias.

Revenue Stream

We have identified three main sources for generating revenue in the website, advertising, selling aggregated user data and product referrals.

Advertising

- Allow companies to tag specific videos with their products and promote them by providing links to their respective websites or promotion sites
- These videos will not only help in generation of more tagged content and products but will also generate money for sustaining the website.
- Employ a featured videos section similar to YouTube (optional)

In addition to placing promoted videos in the website, companies can be an additional amount to have their videos featured in the main page of the website. Similar to youtube the home page will be a mix of promoted videos and top viewed (popular) videos. For the feature videos section we will charge a per view price from the advertisers.

Product Referrals

For all the products placed in the website through tagging videos we will ensure that a product referral percentage is allotted to the us. This will be ensured either by making deals with product retailer websites or by using existing product referral programs like Amazon Associates.

User Aggregated Data

The usage statistics of the website will be a lucrative source of revenue if analyzed and marketed properly. The in demand products can be identified, in a promoted video the product click through and buying statistics will be of great value for the promoter. So building a web analytics interface for the promoters and charging them a subscription fee for this will generate revenue for the website.

Business Model

The website's business model is a combination of three: brokerage model, community model and infomediary model.

Brokerage Model

Brokers are market-makers: they bring buyers and sellers together and facilitate transactions. Brokers play a frequent role in business-to-business (B2B), business-to-consumer (B2C), or consumer-to-consumer (C2C) markets. Usually a broker charges a fee or commission for each transaction it enables. The formula for fees can vary.

Community Model

The viability of the community model is based on user loyalty. Users have a high investment in both time and emotion. Revenue can be based on the sale of ancillary products and services or voluntary contributions; or revenue may be tied to contextual advertising and subscriptions for premium services. The Internet is inherently suited to community business models and today this is one of the more fertile areas of development, as seen in rise of social networking.

Infomediary Model

Data about consumers and their consumption habits are valuable, especially when that information is carefully analyzed and used to target marketing campaigns. Independently collected data about producers and their products are useful to consumers when considering a purchase. Some firms function as infomediaries (information intermediaries) assisting buyers and/or sellers understand a given market.

Privacy Policy

What information are we collecting?

We collect personal information when a user creates a user account with our website to use extended services like uploading videos and posting unlimited comments. When a user registers, we ask for full name, email address, age and certain optional information such as gender, product preferences, friends groups.

We collect all the tags, comments and other website activity that a user performs. We also collect the videos that a user uploads on our website and the associated tags and comments. We may also collect certain non-personally identifiable information when you visit our web pages or use our services, such as the type of browser and operating

system you are using, your IP Address and your Internet service provider, and location-based information. We may collect some server log based information like sessions and cookies

We will also collect information about the product purchase links that you will access from our website, for example, if you go to Amazon product purchase page by clicking on a link from our website, that data will be recorded and stored by us.

How we use this Information?

When you register and create your own account profile, we will use your personal information to operate, maintain, and provide you with personalized and customized features and options based on your past website activities. We will use the content generated by users to develop aggregation metrics and analytics for predicting product purchase behavior and patterns and we may also share/sell this information to the companies (third parties) for further use.

We may use cookies, clear gifs, and log file information to: (a) remember information so that user will not have to re-enter it during his/her visit or revisit to our site; (b) provide custom, personalized content and information; (c) monitor aggregate metrics such as total number of visitors, pages viewed, etc.

Information you share publicly online may be shared or used in ways we cannot and do not control in any way. Such information might include information you share online through comments, tags, emails or within your public profile, etc. We will not be responsible for securing any such information and it will be completely at the user's own risk.

Third-party Policy and Privacy Options

As the users will be sharing information on Facebook and Twitter, the privacy options and policies of these third parties will hold in such cases. Users should consult the respective privacy policies of these third-parties for details.

As we will be tracking user's product purchase activities on the website and may be selling it to other reputable third parties for further use, those third parties (companies) might contact our users related to their website activity. This is an optional (opt-in/ opt-out) service and a user can opt-out of it by modifying his/her privacy setting accordingly.

Data Retention Policy

Till the user has an active account with us, we will retain all the above mentioned information with us. We might get rid of videos uploaded by users which do not receive any visits or tags or comments for a period more than 12 months.

Users can change their account information or deactivate their account at any time. However, please note that user's identification, and contact information, along with tagged information, video content and comments will remain in our records.

Changes in this Policy

We may occasionally update this Privacy Policy. When we do, we will also revise the "last updated" date on the Privacy Policy. Please revisit this page to stay aware of any changes. Users continued use of the our site constitutes their agreement to this Privacy Notice and any future revisions.

Extension to Information Access:

While we currently do not charge any fee to create an account at this time, we reserve the right at any time to charge fees for access to new content or services or to portions (or all) of the existing Website or Service. If a user would like to obtain a paid account, we will ask for his/her billing address, phone number, and credit card information. Consistent with this policy, we will take steps to secure this information and access the information only for matters related to payment processing. Payment information will not be shared with others unless or except in connection with processing of payments and if so, subject to strict confidentiality obligations.

Commitment to Security

We will put in place appropriate physical, electronic and managerial procedures to safeguard and help prevent unauthorized access, maintain data security and correctly use the information we collect.