



Ross Buffington

Marketing Plan: **Sniffica**

I. Company Description

The Business

Through this project, I will be focusing on marketing for a startup business that makes computer applications for the iPhone. Specifically, I will be focusing on marketing the first of my iPhone apps, known as Sniffica. Honestly, I've focused very little effort on the business end of selling iPhone apps because I have been spending all of my time actually developing the applications and because do not consider myself to be a very business savvy individual. However, this semester (especially the past month), as Sniffica comes closer and closer to completion of version one, I find myself becoming more interested in ways to create buzz around iPhone applications. Therefore, I am looking forward to spending time on this project, as it will give me a much better feel for the business and marketing side of software development in the context of the iPhone.

The Application: Sniffica

Sniffica is designed to allow a user to scan their surrounding areas for Wireless Network Access Points and then plot these networks on a geographical map. There are two primary purposes for the application. First, it allows "normal" people to survey the WIFI in their surroundings and determine where the best places to sit and do work would be. Second, the app allows Network Administrators the ability to locate Rogue Access Points, which interfere with their networks. An administrator can then take the necessary actions required to shut down these networks.

II. Business Mission

As an independent developer, my primary mission is to create custom software solutions to solve the needs of our world. I intend to use my skills and resources to impact the life of the average technology consumer in the USA, grow my business, and use business profits to impact the rest of the world in a positive way. In the end, my hope is to develop a business that is known on a global scale for both developing great software and increasing the standard of living in lesser privileged parts of the world.

III. Marketing Objective

The marketing objective for this project is to establish my name as a legitimate source for high quality iPhone software. When people use a product of mine, their experience should be positive, the product should be ascetically pleasing, easy to use, and provide the functionality that the user expects when purchasing it.

Objective Metric: Finish the application by April 30, 2009

To accomplish this objective, I must work diligently to complete Sniffica before the Belmont Undergraduate Research Symposium presentation date of April 30, 2009. I will then present this application to my peers and professors and begin accepting feedback on the application. There will then be a short period of reworking the app to increase positive user experience before it is submitted to the iTunes App Store.

Objective Metric: Generate (+) User Feedback / Minimize (-) Reviews

To accomplish this objective, I will send iTunes gift cards to a select group of individuals so they can buy my application and review it. Additionally, I will seek out beta testers to review the application before its release and generate positive feedback online (Blogs, Tech Websites, etc).

IV. Situational Analysis

Industry Analysis

Trends

Currently, the market for iPhone applications can be broken down into two categories: Games and Utilities. Utilities are applications that help a user manage aspects of their life (schedule, contacts, to-do lists, etc.). While games seem to be making the most money right now, they are also much more difficult to develop. Sniffica is a utility application. These apps target a smaller audience and satisfy more specific needs.

Competition

Now, if we take a look through the iTunes App Store, we see that there are very few applications devoted to WIFI in general. Of these applications, only ONE has the ability to plot coordinates of networks. This application plots small triangles representing networks onto a graphical "radar" with the corresponding network names above each point. The people who were most critical in their review of this application complained of high price (\$2.99), inability to connect to networks within range, and the lack of detail in the radar. On a side note, reading these reviews made me pretty angry because people have no idea how much work goes into making an app for the iPhone, especially one like Sniffica's competitors.

I think it's safe to say that we don't have a ton of competition when it comes to Sniffica. Pricing the application will be key, however. Therefore, I would recommend charging \$0.99 for Sniffica. Furthermore, my application currently does not have the capability to connect to displayed networks (which was one of the most despised aspects of the other application). Therefore, it would be beneficial to add this functionality before Sniffica is submitted to the App Store.

Customer Profile

The standard Sniffica customer will either be a business professional who's job includes maintaining wireless networks or a more ordinary consumer who is simply curious about their wireless surroundings. The Network Administrator will have a much better idea of what they are looking for in Sniffica and will generally provide the best feature request feedback. The ordinary user will provide the best feedback pertaining to how I have chosen to market and describe the application. According to my past experiences with the App Store, ordinary users tend to be slightly retarded and average an age of approximately 12 years old. By making the application cost money, I hope to dissuade many people, who don't understand Sniffica's purpose, from purchasing it.

SWOT Analysis

The SWOT analysis provides me with an understanding of the current market as well as a realistic look at my abilities as a developer and business leader.

Internal Strengths

- All development resources (computer, iPhone, brain) are already in my possession

- Most of the skills required to develop are fairly easy to learn (by reading documentation on the Internet), if I don't already possess them.
- I have experience developing simple apps for the iPhone and computer software in general.
- There are no monetary costs associated with making Sniffica. Therefore, other than time, I have nothing to lose.
- The completion of Sniffica factors into the grade I will receive in my independent study class for Computer Science credit. Therefore, I am more motivated to work on it because money is not the only incentive.

Internal Weaknesses

- Thus far, the project has taken much time and I get burned out fairly easily. It will require a good amount of effort to bring this application to completion.
- It's hard...seriously!
- I am the sole developer of the application and still very green when it comes to business. So, the learning curve for development of Sniffica and the business of Sniffica is pretty steep. This means more hard work and dedication.
- Committing time to the project is difficult because I am in school and have to deal with the work from other classes. This introduces tradeoffs: get better grades or make a better iPhone App?
- I've never sold an App for money on the App Store. This introduces customer support and relationships into the equation, which adds time commitment and stress.
- While I am confident in my abilities as a programmer, I don't have a ton of experience developing full software applications. Additionally, I have little experience developing Graphical User Interfaces for applications.
- I will have to build a customer base from the ground up – since I've never sold my software before.
- Little time has been spent on business development.

External Opportunities

- If I can generate enough buzz among WIFI users in a short period of time, Sniffica may be featured on the front page of the App Store. If this happened, the sales would sky rocket. This is exactly how people make \$500,000 over night.
- By offering the application at a low price (\$0.99), people would be more likely to buy it, which would increase total sales and the possibility of the App being featured on the front page.
- No application currently exists that can plot networks on a Google Map. Sniffica does.
- By adding the ability for a user to tap a network to join it from within Sniffica, more people would be satisfied with the application. This was a major dislike among users of similar products.
- Sniffica has two target markets. The upper market (Network Admins) would see the application's functionality as much more valuable than the standard consumers. Therefore, it may be smart to separately brand Sniffica as two different products, one that plots networks and allows consumers to connect. Another that plots networks and alerts the user of interfering rogue access points.
- The market for iPhone Apps (in general) is huge right now. Apple is approaching the one billion apps sold mark.
- By giving Sniffica to a select group of reviewers, I could potentially add positive feedback and exposure to the application.

External Threats

- Alternatives to Sniffica, while there are only a few, already have a customer base.
- Software development groups can develop faster than me and have more funding and incentive to push applications out to consumers quickly.
- Other companies have more experience in development and business than I do.
- Small and targeted market for Sniffica means competition is more dangerous.
- Pricing too low may not inspire a sense of value in Sniffica. Pricing too high will push away many perspective customers.

- Bad reviews of Sniffica could lead to lower sales (iTunes reviews, Blogs, websites).
- Apple can reject the application if it does not meet their standards. In actuality, this is very likely for Sniffica, as it uses hacking techniques which break the developer agreement in order to access network scanning functionality. However, other applications have been accepted using this same functionality so Apple seems to be overlooking some cases that satisfy an important need.
- Newer versions of the iPhone Operating System beyond v2.2.1 could potentially break Sniffica. To keep customers happy, I will need to make sure Sniffica continues to function correctly as new OS versions arrive.

V. Marketing Strategy

Target Market Strategy

Since I don't have customer relationships at all yet, I will be building these from the ground up. For an iPhone application with Sniffica's features, the best way to gather customers is to get as much exposure for the application as possible. I'll use Blogs and Websites to get the word out about my product.

I will direct my marketing and sales efforts toward two distinct groups of people. One, business professionals who work in the IT field and seek the benefits of mobile support in wireless network maintenance. Two, the average WIFI user who is curious about the network coverage around them, or who just wants an easy and visual way to connect to nearby networks.

Marketing Mix

Product

My product is a computer software application for the iPhone. Since applications are bought and sold exclusively through the iTunes App Store, packaging for the product is not a factor. However, it is still important for me to develop an image and branding for Sniffica. I have chosen to pursue a slightly "grungy" look for the application's logo, basing design around a tarnished nuclear hazard symbol. My hope is that this image provides a sense of "Badass-ness" to the users. Ideally, the flashy yellow hazard symbol will attract the eyes of potential customers surfing the App Store.

Stepping back to a general company image, I will focus on sleekness, ascetics, and web 2.0 design for my web presence. The company website will host support documentation for all products and will launch during the release of Sniffica on the iTunes App Store. All information on the website will be simple and thorough. Additionally, the App Store description will keep these same properties.

Warranties for iPhone Apps are something I don't normally consider. However, Apple's website tells app users to contact their application vendors directly if they experience problems with an application. Additionally, Apple provides the following in their developer agreement:

In the event that Apple receives any notice or claim from any end-user that: (i) the end-user wishes to cancel its license to any of the Licensed Applications within ninety (90) days of the date of download of that Licensed Application by that end-user; or (ii) a Licensed Application fails to conform to Your specifications or Your product warranty or the requirements of any applicable law, Apple may refund to the end-user the full amount of the price paid by the end-user for that Licensed Application. In the event that Apple refunds any such price to an end-user, You shall reimburse, or

grant Apple a credit for, an amount equal to the price for that Licensed Application. Apple will have the right to retain its commission on the sale of that Licensed Application, notwithstanding the refund of the price to the end.

I am contractually bound to providing a warranty for customer purchases. Since this agreement means a full money back refund (where Apple keeps it's 30% commission and I have to reimburse the customer for it), we inevitably open the door to the hordes of stupid people who purchase applications without reading the specifics and then want their money back when the product doesn't do what they thought it did. A developer does not want to give refunds because they lose 30% more than the money they made from a sale. Therefore, I must be very specific in the description of the application in order to protect myself and my business profits.

Place

By hosting Sniffica on the iTunes App Store, it will be available for purchase 24/7. Additionally, the Sniffica website will be available for support documents, business inquires, and more as close to 24/7 as possible. The App Store is the only possible method of distribution for iPhone applications, which greatly simplifies this process for me.

Promotion Strategies

The ideal promotion mechanism for any iPhone Application is a slot on the App Store's front webpage, where popular or innovative applications are featured. If Sniffica were featured on the App Store, sales would increase dramatically. Therefore, I want to create a promotion strategy that helps the application get to the front page. To do this, it seems logical to create an aggressive yet relatively short advertising campaign across the Internet.

I will use the advertising services of Facebook to connect directly to my target audience. Facebook makes this incredibly simple, precise, and efficient so my money will go a long way. Additionally, I will start a Facebook Fan Club and a Twitter account for Sniffica to increase exposure across random social networks.

I will connect with a select group of individuals and have them write reviews of my application to feature on their blogs and websites. This will expose even more people to the application. Obviously, I will want to target Tech sites where most of my customers will come from.

Another possible method of advertising would be to send mail to people over LinkedIn explaining my application and myself, in hopes that they would download Sniffica if they found its functionality to be useful.

Lastly, I will launch the business/product website and submit it to search engines ahead of the App Store release of Sniffica. By doing so, Google searches such as "iphone app network wifi" will direct people to my website and expose them to the amazing and positive aspects of my business and the Sniffica product.

Apart from advertising Sniffica, I will need to work on promoting my business in general. While I haven't become a legitimate business yet, I think it will be important for me to decide on a business name and promotional slogan for use on the web. I am still undecided at this time, but one name and slogan I am currently contemplating is "Impact Software, Applications to change the world." The image I want to portray is a strong producer of high quality software that exists to satisfy greater needs of humanity.

Pricing Strategies

The most successful iPhone applications use a selling model where a simplified version of their application is released for free on the App Store, and a fully featured, pay, version is released alongside. This provides huge downloads for the limited version of the app, shooting it to the featured page, which in-turn produces more exposure for the app and more people begin to pay for and download the missing features.

As business professionals are typically willing to spend more money, I plan to release one version of Sniffica geared toward Network Administrators for a high price (\$8.99). Alongside this, I will release a version targeting the normal WIFI user for \$0.99 (Sniffica-Lite). It is my belief that this will allow me to not only generate more downloads of the advanced features of Sniffica, but also allow me to make a good bit of profit from the lower cost downloads of the application.

If I find that my sales are low during the first few weeks of business, I will reduce the price of Sniffica-Lite to free and advertise that this is a temporary sale price. This will hopefully generate more downloads, increase my popularity, and increase my chances of selling the full version of the application. Additionally, I will experiment with lowering the price of the full version if sales are lacking.

At this time, I am not considering updates to Sniffica's first version. Therefore, the cost of maintenance and updates to the software are not considered in this plan.

VI. Implementation, Evaluation, and Control

Market Research

As time progresses, it will be important for me to keep up-to-date with the changes Apple makes to the iPhone. This will allow me to anticipate when Sniffica will require updates to continue to work. Furthermore, I should monitor user feedback and any reviews of my application across the internet to make sure customers are satisfied with their purchases. This way, I can update Sniffica and add features that customers are asking for.

Growth

While I neither foresee nor intend my business to grow larger than just myself within the next 5 years, it is important for me to consider what to do if the workload required of me becomes too much. If this is the case, I intend to hire contracted labor to handle less sophisticated tasks, such as developing and maintaining graphics, websites, etc.

Additionally, I will most likely employ the services of an Internet marketing company if Sniffica or other future applications become popular. Once I make enough revenue to afford better marketing solutions, it will benefit me to cut this piece out of my own role, and free me to focus on designing new applications.

I will host the company and product websites through my current hosting provider, who has very good service, allows me complete access to my server space, and provides hosting at no cost. Obviously, as bandwidth consumption increases and I begin making money, I will reimburse the host for my share of their resources.

Tackling the Four P's

In regards to my product, I have developed the Sniffica logo, and I am almost finished with the application. After this, the only remaining factors will be the application documentation, help documents, and website. I will implement a template solution for the website in order to minimize the amount of time spent developing it and stick to a very simple web 2.0 look and feel. My remaining efforts will focus on writing clear and detailed descriptions of the product, features, and common tasks. This will help to protect me from refunding purchases.

Once Sniffica is finished, I can place it on the App Store after it has been approved. The approval process takes 1-2 weeks so I should factor this into important dates such as website launch day. I plan to have a working beta version of Sniffica by April 30, 2009 to present at the Belmont Undergraduate Research Symposium.

To handle promotion of Sniffica, I will need to register with Facebook's advertising system and decide when to start my ad campaign. This will come after I have Sniffica in beta testing.

Pricing will start at \$0.99 for Sniffica-Lite and \$8.99 for Sniffica. Once my ads and website launch, I will analyze my sales to decide if altering the price of my application will promote sales.

Financial Considerations

Total Start Up Cost: \$350.

- \$100 for Apple iPhone Developer Certification
- \$250 Advertising & SEO

If I assume that I will make \$1000 in the first month of sales, I will make the initial investment of \$250 dollars into advertising. This includes search engine optimization and Facebook ads. Because I am a bit unsure of the market for Sniffica and this is my first non-free application, I don't want to jump in too quickly. Over the first month of sales, I will continually reevaluate my approach and add money to the marketing campaign if it seems to be working positively.

Sales Projections: Sniffica

Quantity Sold	Total Revenue (After Apple Cut)	Projected Loss - 10% Return Rate
10	\$62.93	\$8.99
100	\$629.30	\$89.90
1000	\$6,293.00	\$899.00
10000	\$62,930.00	\$8,990.00

Sales Projections: Sniffica-Lite

Quantity Sold	Total Revenue (After Apple Cut)	Projected Loss - 10% Return Rate
10	\$6.93	\$0.99
100	\$69.30	\$9.90
1000	\$693.00	\$99.00
10000	\$6,930.00	\$990.00

Controls

To Do List

- Finish Application Development
- Beta Test and Rework Application
- Generate Positive Blogger/Website Reviews
- Submit Sniffica to the iTunes Store
- Create Product Website and Business Website
- Purchase Advertising from Facebook
- Create Facebook and Twitter Presence for Sniffica
- Launch Sniffica and Advertising Campaign upon acceptance into App Store (2-wk buffer)

Timeframe

Sniffica should be in beta testing shortly after April 30, 2009. I will allow one week of testing during which time I will develop detailed documentation for the public as well as create the necessary websites. Next, I will spend one final week making changes based on tester feedback and preparing my source code for Apple approval. I will then submit the application to Apple and finalize any unfinished website development for Sniffica. Assuming the previous steps go according to plan (they never do!) I will launch my application and advertising campaign on or around June 1, 2009.

VII. Summary

I have created a plan for marketing my first non-free iPhone Application. Primarily, I intend to finish my application and sell in on the iTunes App Store for \$0.99 (Sniffica-Lite) and \$8.99 (Full Version). I have chosen this strategy based on an analysis of my target customers and the current market for this type of iPhone Application. Additionally, I will employ the use of search engine optimization and social network advertising to get the word out about my product.

While the competition I face is light, it is important to keep in mind that satisfied customers are vital to the growth and spread of Sniffica. I plan to be very thorough and detailed when describing the product online, in hopes to deter ignorant consumers from purchasing my application and then asking for a refund.

By sticking to this marketing plan and adapting along the way, I believe my product will be much more successful. I now have a much better understanding of the market that I'm going into, and with this understanding, I can make better decisions for my business.