

國立政治大學商學院國際經營管理
英語碩士學位學程

International MBA Program

College of Commerce

National Chengchi University

碩士論文

Master's Thesis

論文題目

iChina Forum Business Plan

iChina Forum 企業計畫

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中華民國一百年五月

May 2011

論文題目

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iChina Forum Business Plan - Abstract

It has been said that the XXI century is the century of people; social media, web2.0 applications and other technology breakthroughs have made the world every single day a smaller place.

iChina forum takes advantage of all available existing technology to provide seasoned China experts with a platform that help them share their knowledge with the world. Our purpose is to enhance the mutual understanding between east and west towards and harmonic future.

This business plan explains how through the use of open source development tools, a network of partnerships and social media marketing a low cost internet startup is possible.

Keywords:

Internet, China, Experts, Network, Web2.0, Social Network, Video Streaming, Business.

By

Daniel Herrera

Dedication

To God who makes everything possible from the eternal dance of planets and stars to the wonders of technology, to my mother and my father who gave me the gift of life and more important the values to guide me through the journey, to my brother and my sisters the columns of my life in so many different ways, to my people in Guatemala who struggles every day to build a better future for the coming generations, to Taiwan's ICDF for giving me the opportunity to know better my potential, to my classmates and professors at NCCU and specially to the wonderful people of Taiwan the beautiful island to which I own many of the best things in my life. "nothing comes too early, nothing comes too late, there's no time but eternity, nothing happens by chance".

Daniel Herrera



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I. Introduction

iChinaForum is a network of seasoned China experts with decades of success, sharing practical hands-on lessons from the front lines of Greater China who presents to the world the real face of a rapidly changing China. We present candid views and inside knowledge on current trends in China from Chinese and international direct participants.

The interest of people around the world towards China and its culture has grown exponentially in the last decade following China's increasing prominence in the global scene. The number of foreign students enrolled in Chinese institutions whether in short term programs, studying Chinese language and even pursuing degrees reached 240,000 in 2009 according to figures from the Chinese Ministry of education, of these students at least 20,000 were American nationals and this is just one fifth of the 100,000 students that educational authorities in the US and China had established as the goal for the next four years.

Our business model involves providing through our platform a way for the general public to have access to presentations and written materials prepared by our network of experts, the resources to perform this function would be provided by a group of sponsors and advertisers and most of the needed promotion would be carried out through the websites of our network of partners and would be focused in increasing our ranking in internet search for certain keywords.

After our market research we have discovered that a concept like ours is not existent in the market and we expect that with a raising demand our website would grow in popularity very fast, we are asking you to join us in fulfilling our mission and taking the chance of being part of this adventure in the virtual China.

II. Company Description

The Need

Coverage about China in the western mainstream media is often limited to a handful of themes, including (i) Human Rights, (ii) Natural Disasters, (iii) Economic Growth, (iv) Taiwan/Tibet/Xinjiang, (v) Scandals, (vi) Sino-US Relations and (vii) Large Events (Olympics, World Expo). These provide viewers a very narrow view of the long term transformations China is undergoing, which is further hindered by short-term changes in foreign public opinion, as well as political and corporate agendas.

We have identified a clear need to provide objective and unbiased information about China beyond these recurring themes. We want iChinaForum to exist between the cheerleaders and the bashers, presenting the raw and unfiltered views and perspectives of insiders with decades of on-the-ground experience, rather than foreign observers passing by the region.

Who We Are

iChinaForum is a network of seasoned China experts with decades of success, sharing practical hands-on lessons from the front lines of Greater China.

What We Do

iChinaForum presents to the world the real face of a rapidly changing China. We present candid views and inside knowledge on current trends in China from Chinese and international direct participants. We do this through online interviews, live events, customized programs and publications, as well as traveling exhibitions.

iChinaForum provides sharper insight, foresight, and hindsight, on China's progress, growth and evolution.

By focusing on the changes in China, we act as a prism to provide a richer, broader perspective of China's progress than just a narrow "economics only" approach.

Our Approach

China's transformation in the last three decades has been fundamental and rapid. The impact of these changes is evident across a broad spectrum of society, both in China and around the world.

While much worldwide attention has focused on China's economic growth, we focus on manifestations of the changes and on the people who are making important things happen today in China for a better tomorrow. While some of our focus is economic, we include a broader range of people who are engaged actively in supporting positive developments in China's journey to the future.

We strive to deepen understanding and increase awareness of China's transformation in order to convert that awareness into positive action.

Our Mission

- To support the peaceful and balanced development of the rapidly evolving Greater China market
- To provide platforms and events to share the knowledge needed to establish, operate and grow successful:
 - Cross-border businesses into China

- Outbound Chinese business to the world
- People-to-people exchanges and initiatives
- Community programs and organizations
- To highlight the human face of China, and how China's lessons can benefit, assist and inspire others around the world.

Our Experts

- Leading executives and entrepreneurs
- Well-known scholars, opinion makers, and thought leaders
- Seasoned consultants and professionals
- Leaders from people-to-people community groups
- Individuals and organizations delivering front-line perspectives from China

III. Marketing Plan

3.1 Market Analysis

The demand of western audiences for China-related information has grown exponentially in the last decade. This is evidenced by increased commercial activity between China and western nations, as well as the growing interest of foreign students to live, study and work in China.

Foreign direct investment (FDI) into China reached a full-year record of \$105.7 billion in 2010¹. China is also the number one creditor of the United States, holding a whopping \$892 billion².

Furthermore, the number of foreign students enrolled in Chinese institutions, whether studying Chinese language or pursuing university degrees, reached 240,000 in 2009³. Of these students, at least 20,000 are American nationals. This number is just one fifth of the 100,000 student goal that educational authorities in the US and China have established for the next four years. This final objective as well has been supported by private sector pledges in the order of the US\$2.25 million⁴.

In order to quench this thirst for China-related knowledge, western audiences have turned to the Internet in droves. The table below shows a sample of the most popular China-related keywords and their search volumes:

¹ Beijing (AFP), Foreign investment in China hits record in 2010, http://www.google.com/hostednews/afp/article/ALeqM5h6kb_udj1QYwHMCAsl2g7Q1mxsWg?docId=CNG.55c507d303160fbb5de1b214b3d1c635.1e1, (Feb 17, 2011)

² Stonebtb.com, China - US No. 1 foreign creditor, http://www.stonebtb.com/news/Global_Trade/15263-China-US-No-1-foreign-creditor.shtml, (Nov 20,2008)

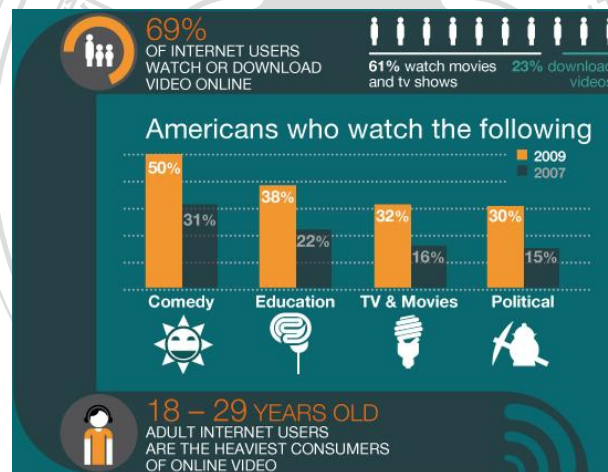
³ Xinhua news agency, China looks to attract more foreign students, http://news.xinhuanet.com/english2010/china/2010-09/28/c_13532971.htm, (Sep 28, 2010)

⁴ Chen Jia and Lu Chang (China Daily), American students chase China dream, http://www.chinadaily.com.cn/china/2011huvisistsus/2011-01/21/content_11892607.htm, (Jan 21, 2011)

Keyword	Google Global Monthly Searches	Google Results	Amazon Books Results
China	37,200,000	1,290,000,000	131,823
Made in China	823,000	354,000,000	1,524
China Business	450,000	79,500,000	28,517
China Language	201,000	27,000,000	4,606
China News	201,000	89,600,000	844
China Trade	135,000	24,500,000	3,788
Chinese Culture	110,000	15,100,000	3,624
China Manufacturers	90,500	21,100,000	2,732
Jobs in China	60,500	221,000,000	91

3.2 Our Strategy

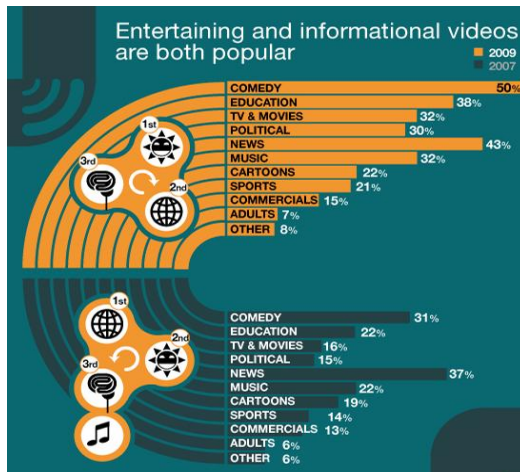
Internet video is a major global trend of our time. Considerable percentage of internet traffic is related to uploading, watching or downloading video content which in many cases is self created and posted on virtual communities, like YouTube⁵.



Internet video resources are not only means of entertainment or self-expression for their authors they are becoming important sources of information. The most important news agencies are increasingly including online videos as part of their coverage and people is getting use to rely on online video as a source of information⁶.

⁵ The Blog Herald, History of Online Video, <http://www.blogherald.com/2010/10/27/history-of-online-video/> (Oct 27, 2010)

⁶ Idem



China is the country with the largest number of internet users in the world (1,330,141,295 according to 2010 estimations)⁷ and of course is part of the global trend towards web2.0 (“web applications that facilitate participatory information sharing, interoperability, user-centered design, and collaboration”)⁸, a number of equivalents of the most popular web2.0 services in the west has flourished in China in the latest years⁹.



⁷ [www.internetworldstats.com, top 20 countries with the highest number of internet users, http://www.internetworldstats.com/top20.htm](http://www.internetworldstats.com/top20.htm), (Jun 30, 2010)

⁸ [www.techpluto.com, Core Characteristics of Web 2.0 Services, http://www.techpluto.com/web-20-services/](http://www.techpluto.com/web-20-services/), (Jun 10, 2009)

⁹ Thomas Crampton, Social Media in China and across Asia, <http://www.thomascrampton.com/china/china-social-media-evolution/>, (Mar 03, 2011)

The huge user base that the Chinese internet market offers has brought a high and sustainable growth to some of this websites, in the area of web video the site Youku increased its ad revenues 15-20% in 2010 and started this year making efforts to invest in new content¹⁰.

It could be said that a lot of books have been written about China's history, business environment, negotiation style and culture, as well there are a lot of blogs about China in English but the production of video resources about China is rather limited qualitatively and quantitatively and that is the blue ocean that we aim to sail.

3.3 Political, Economic, Social and Technological (PEST) Analysis

<p>Political</p> <ul style="list-style-type: none"> • Censorship • Chinese authorities are gradually opening their mindset towards mass media. 	<p>Economic</p> <ul style="list-style-type: none"> • Economic downturns affect online ad revenues considerably
<p>Social</p> <ul style="list-style-type: none"> • Online video is growing everywhere • Expectation for content to be free • People follow influencers and our experts are influencers in their respective area. 	<p>Technological</p> <ul style="list-style-type: none"> • Bandwidth (YouTube, CDN) • Great Firewall • Social Networking: Sharing vs. Searching • Traffic Leakage

¹⁰ Yahoo finance, Youku.com statistics, <http://finance.yahoo.com/q/ks?s=YOKU>, (May 18, 2011)

Political Factors

- Censorship
 - ◆ We are not interested in controversial topics. Those are covered in mainstream media
 - ◆ Because our experts have decades of experience, we trust them to handle delicate issues in a way that fosters discussion but does not antagonize
 - ◆ We understand that many of our experts, as well as potential partners and advertisers live in China. We do not want them to get into trouble
 - ◆ All user-generated content will be carefully moderated.

Technological Factors.

The technology on which our platform is built is based completely on open source resources this strategy have helped us greatly to reduce our costs. The risks that we face on the technology side are related to the limited capabilities of our current servers that could become insufficient if the site becomes popular very quickly, on this matter we have considered acquired content distribution network services (CDN) from a Chinese and an American provider this strategy will allow us to cope with an exponential demand if that is the case.

3.4 Competitor Analysis

After conducting extensive market research, we have discovered that there is a very limited number of direct competitors in our selected niche (video-focused business/social-sector information about China). In order

to make this analysis more useful, the table below includes several websites that do not provide information in the same format, but partially compete for the same audience. It is important to note that even though we are listing these websites as competitors, this sector is highly cooperative and eventually they could be considered as partners.

Website	Value Proposition	Strengths	Bottom Line
<p>The China Business Network http://bit.ly/cGIVmq</p>	<ul style="list-style-type: none"> ✓ Interviews and articles on practical business topics ✓ Podcasts and Video Interviews ✓ Subscription-based directory of China professionals ✓ Fee-based event promotion 	<ul style="list-style-type: none"> ✓ Started in 2008 ✓ SEO¹¹ Friendly (domain name) ✓ Multimedia content ✓ Social media savvy promotion 	<ul style="list-style-type: none"> ✓ Most speakers would fit in our “toolkit” category ✓ Founder-focused (CBN = Christine Lu) ✓ Multimedia materials sporadically produced ✓ This is our most direct competitor

¹¹ SEO stands for Search Engine Optimization

Website	Value Proposition	Strengths	Bottom Line
<p>China Boom http://bit.ly/aiYRyl</p>	<ul style="list-style-type: none"> ✓ A multimedia research, public education, and oral history project designed to explore the question “Why did China boom?” by recording the collective wisdom of our moment. 	<ul style="list-style-type: none"> ✓ High profile experts ✓ Asia Society “Brand” ✓ Very high production values, both on videos and site. ✓ Intuitive navigation ✓ Well funded 	<ul style="list-style-type: none"> ✓ Sets the standard in terms of polish and depth of content ✓ A one-time academic project. Intended as a “snapshot”, not an ongoing effort.
<p>ITV Asia http://bit.ly/hPUfSA</p>	<ul style="list-style-type: none"> ✓ Asia-focused business news and video interviews 	<ul style="list-style-type: none"> ✓ Been on the market for several years ✓ Effective ad sales team ✓ Partnerships with conference organizers ✓ Corporate branded interviews 	<ul style="list-style-type: none"> ✓ Most speakers would fit in our “toolkit” category ✓ Content on website not written by native English speakers ✓ Very commercialized (many ads, “marketing speak”)

Website	Value Proposition	Strengths	Bottom Line
<p>China Success Stories http://bit.ly/ecgKqE</p>	<ul style="list-style-type: none"> ✓ Practical articles about doing business in China. 	<ul style="list-style-type: none"> ✓ SEO Friendly ✓ Large number of articles ✓ Very practical business advice 	<ul style="list-style-type: none"> ✓ No multimedia content ✓ Stopped producing new content in 2009 ✓ It is still a competitor because they rank well in search engine results
<p>Danwei.org http://bit.ly/14rGXj</p>	<ul style="list-style-type: none"> ✓ English translation of news in Chinese media ✓ Podcast ✓ Video ✓ Consulting Services 	<ul style="list-style-type: none"> ✓ Strong brand ✓ Founder is clearly influencer in China expat community ✓ Focused on media ✓ Very Popular ✓ Clear editorial voice ✓ Social media savvy 	<ul style="list-style-type: none"> ✓ Not focused on business ✓ Main function is aggregating and translating. ✓ This is the site most likely to become a partner (founder featured on iChina)

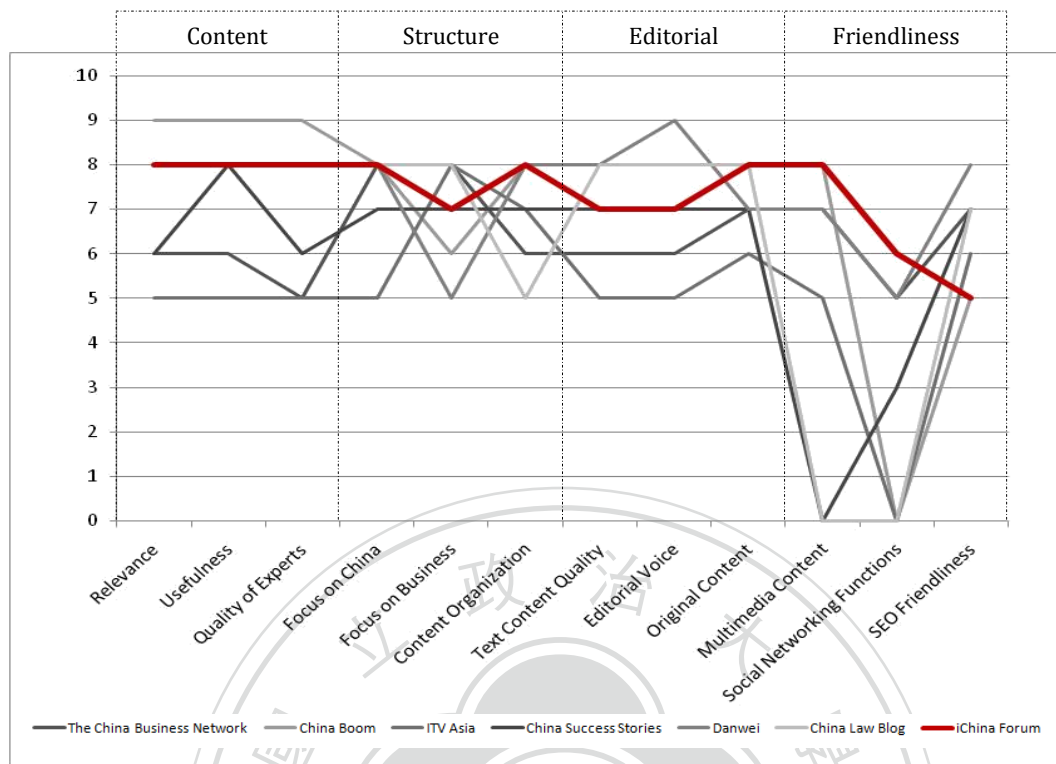
Website	Value Proposition	Strengths	Bottom Line
China Law Blog http://bit.ly/BOtg	✓ Goal is to discuss the practical aspects of Chinese law and how it impacts business there.	✓ Conversational ✓ Clear editorial voice ✓ Very knowledgeable ✓ Focused ✓ SEO friendly ✓ Social Media Savvy	✓ Best in its niche ✓ Marketing vehicle for Harris & Moure ✓ Partnerships could be developed

3.5 Positioning

After analyzing the content offerings from other outlets in this space, we have ranked them on several key metrics on a scale from 0 to 9.

	The China Business Network	China Boom	ITV Asia	China Success Stories	Danwei	China Law Blog	iChina Forum
Relevance	6	9	5	6	8	8	8
Usefulness	6	9	5	8	8	8	8
Quality of Experts	5	9	5	6	8	8	8
Focus on China	8	8	5	7	8	8	8
Focus on Business	8	6	8	7	5	8	7
Content Organization	6	8	7	7	8	5	8
Text Content Quality	6	8	5	7	8	8	7
Editorial Voice	6	8	5	7	9	8	7
Original Content	7	8	6	7	7	8	8
Multimedia Content	7	8	5	0	7	0	8
Social Networking Functions	5	0	0	3	5	0	6
SEO Friendliness	7	5	6	7	8	7	5

Based on the table above, we have built the following positioning curve.



Based on the figure above, it is clear that there is room under current market conditions for an outlet that publishes high quality multimedia content on a wide variety of China-focused topics, on a regular basis. It is also clear that the impact of such an outlet would be amplified by providing social networking tools that allow users to connect and engage our experts, as well as each other, in meaningful discussion. As evidenced in the current prototype, iChinaForum.com already ranks highly on many of the key areas analyzed and, with proper funding, other areas can be improved so our platform becomes an indispensable information source presenting the real face of China.

3.6 SWOT Analysis

Strengths	Opportunities
<ul style="list-style-type: none"> ● Content Quality (High Profile Speakers) ● Content Scope (Business, Social Sector and Other Topics Covered) ● Clean, Easy to Use Website Interface ● Content organization (easy for users to find and discover content) 	<ul style="list-style-type: none"> ● Growing global interest in China ● Popularity of social networks ● Increased audience for video content online
Weaknesses	Threats
<ul style="list-style-type: none"> ● Limited Budget ● Personnel constraints may delay implementation of additional projects 	<ul style="list-style-type: none"> ● Administrative regulations and policies towards mass media in China.

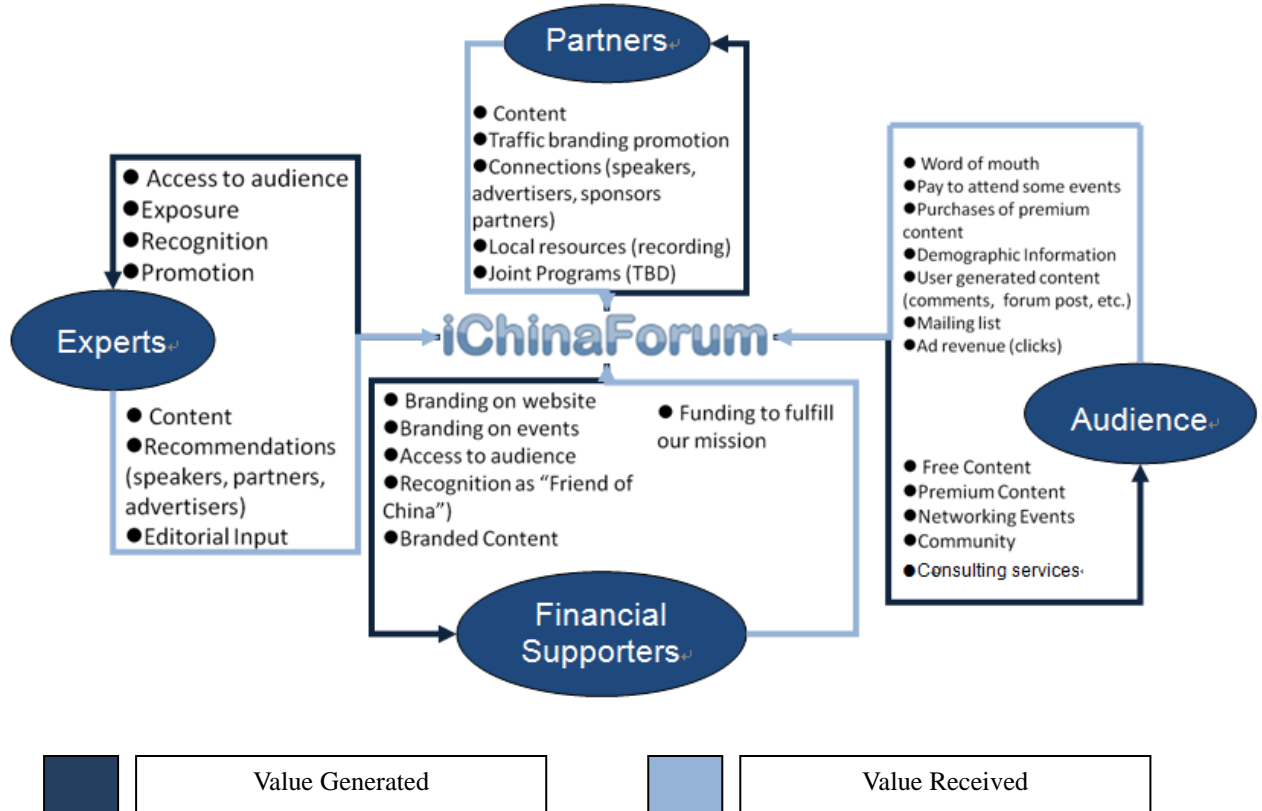
The figure below provides a representation of all the different stakeholders iChinaForum needs to manage successfully in order to achieve its mission.



IV. Business Model Analysis

The diagram below describes the value given to and received from different stakeholders. In its initial stages, iChinaForum will be mainly funded through foundation grants, user donations, and participation in affiliate programs for relevant vendors (i.e. Amazon.com). Operational expenses will be kept as low as possible by leveraging mutually beneficial partnerships with organizations that can help develop new content at low or no cost.

As our audience reaches critical mass, we will develop a demographic profile and approach advertisers, either directly or through ad agencies. In later stages events, premium content and consulting services will provide additional revenue streams.



4.1 Stakeholders

In our model we have indentified four different categories of stakeholders,

Experts

Leading voices of the industry, NGOs the academic world and even the governmental sector that are building day to day the reality of contemporary China.

Audience

We have segmented our audience with the objective to serve better their interest for content since and to allow us to have clearly differentiated profiles to target our premium content and the services and products of our financial supporters.

General Audience: People interested in understanding China from different angles (cultural, industrial, social, commercial etc.) and from the perspective of renowned experts with probed expertise in the Greater China.

Registered Users: People interested in learning about China in a interactive way by participating in our community of users.

Members: People in the business, academic or Social Sector with the need of special know how, to develop their business, academic or social projects in Greater China.

Through this segmentation strategy we pretend being able to structure different value propositions for each of the segments; our objective is that the majority of them would be part of the segment of Registered Users which would allow us to know their patterns for content consumption in order to capture a fraction of them to make them

members.

Financial Supporters

Our financial supporters would be segmented as well in three categories donors, sponsors, and advertisers.

Donors: Will be individuals or companies that share our vision and are willing to support us economically.

Sponsors: Will be leading companies from China and from abroad that would provide us with resources for the launching of our project in exchange we are going to co-produce contents with them (which will allow them to have a highly contextualized background to promote their products and services).

Advertisers: Will be companies to which we are going to provide banners, video embeddings and other forms of promotion inside our website as means for them to reaching to our audience, (our website development team will develop a way to analyze which contents has been rated and viewed by each one of our registered users, through this analytics we can target our banners directly to the kind of public that our advertisers are aiming to reach).

Partners

Our partners are also segmented in four categories:

- a. Non Governmental Organizations: Whether their objective be academic or social (they are going to provide experts as well).
- b. Academic organizations: Universities in Greater China and abroad and university affiliated organizations.

- c. Business organizations: Content producers and event organizers like TEDx, networking groups, chambers of commerce and other for profit organizations.

Though the majority of our content would be self produced as well we have already established contacts with top content producers like TEDx Japan and Taipei, USC US-China Institute and top universities in China, Taiwan and US. The model for the partnerships would be mutual promotion in the case of other content producers and annual content production competitions in the case of the schools.



4.2 Value Delivery

A. Experts

Segment	Value	Vehicles of Delivery
1. Experts	<p>Establish themselves as a Recognized Leader in their Industry</p> <p>Share their expertise with a worldwide audience and their network</p> <p>Leverage their marketing efforts.</p>	<p>We would offer them our platform infrastructure to share their knowledge with the world</p>

B. Audience

Segment	Value	Vehicles of Delivery
1. General Audience	<p>We provide them a firsthand view on greater China business, academic and social environment directly from the people who have built or are currently modeling greater China history.</p>	<p>Interviews, documentaries and articles, which are free to all our audience across the world.</p>
2. Registered Users	<p>We would provide to our audience around the world with a platform to interact ask questions, increase their knowledge and share their perspective about Greater China, all of this by registering for free and be part of our community of registered users.</p>	<p>We would deliver this value through the social network utility attached to our platform, after filling one simple form and providing us with an email address one gets to become a registered member which gives access to post comments to our content and to post in the discussion forum and as well is the starting point to build your private china network with other users.</p>
3. Members	<p>We would give our members access to premium content tailored to their specific area of</p>	<p>We would deliver this value through special content developed by our network of</p>

	interest, as well we would offer our members special prices on iChina forum organized seminars, workshops and networking activities, enhancing their opportunity to strength their Private China Network.	experts and by our schedule of iChina forum activities, the activities would be organized (after the third year) in the main cities of Greater China and United States.
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C. Financial Supporters

Segment	Value	Vehicles of Delivery
1. Donors	Be part of our effort and be recognized by peers in our donor directory.	Donor directory to be updated periodically as part of our website.
2. Advertisers	We would offer organizations the opportunity to utilize our platform as a mean to create awareness of their product or service into our target audience in a highly contextualized manner.	We would offer this advertisement spaces in the form of embedded video ads and banners to be published in our website and as well in special cases through customized advertisement strategies.
3. Sponsors	<p>Sponsoring our platform will provided organizations with an iChina Forum scent of expertise this value could be understood from two different perspectives:</p> <p>a. International Organizations: Through their sponsoring of our platform the international organizations are able to certify to the world their China expertise.</p> <p>b. Chinese Organizations: Local Greater China organization would show themselves shoulder to shoulder with the most</p>	<p>Our sponsors would be able to create awareness about their expertise by:</p> <p>a. Custom Branded Presentation Series: A series of presentations that showcases their firm’s expertise, or how their products/services can help our audience succeed in any aspect related to business in China. Presentations in the series can feature speakers from the sponsor’s firm or suitable speakers within our community as well.</p> <p>b. Editorial Promotion: Combines traditional</p>

	<p>dynamic western pairs that they have working in China showing to the world their global scope.</p>	<p>advertisement vehicles with other subtle, context-sensitive vehicles in our blog, including guest posts and product/service reviews and recommendations.</p> <p>As both of these services involve co-creation of content and institutional endorsement, our sponsors would be selected and approved by our board and would be leading organizations which share our vision and principles</p>
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D. Partners

Segment	Value	Vehicles of Delivery
<p>1. Non Governmental Organizations</p>	<p>For NGOs we would offer a suitable platform to create awareness towards their mission.</p>	<p>We would offer them a chance to speak about their cause.</p>
<p>2. Academic organizations</p>	<p>We offer to our academic partners the opportunity to co-create content with us, and the opportunity to promote their websites through ours in the case of universities we would organize academic exchange programs.</p>	<p>We would deliver this value through co-production of content, as well we are going to promote contest on documentaries about China to be organized by our partner universities, this would provide us with a series of materials that would have a fresh perspective about China and to the students would mean a chance to go abroad and visit our partner universities in the US or to attend special events.</p>
<p>3. Business organizations</p>	<p>To our business partners we would offer the opportunity to co-organize events with</p>	<p>This would be done largely to co-organization and co-promotion of events.</p>

	them and promote those events to our network of users.	
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4.3 Revenue Generation

A. Our products

Name	Benefits
Sponsorship packages	<ul style="list-style-type: none"> ● Coproduced video series. ● Video embedded advertisements in a month and category left to the election of the sponsor (would be the only embedded advertisement in the videos of the chosen category during that month). ● Top banner presence in the corresponding category during a month. ● Editorial support in our blog for the sponsors product and services during one year. ● Constant banner presence in the sponsor category during one year.
Membership	<ul style="list-style-type: none"> ● Access to our professional generated China materials for one year. ● Discounts in the purchase of our generated products. ● Discount in the tickets for our seminars and workshops.
Video embedded advertisement	<ul style="list-style-type: none"> ● Appears at the beginning of a selected video
Premium banner	<ul style="list-style-type: none"> ● Appears at the top of the screen when the video is presented
Regular banner	<ul style="list-style-type: none"> ● Appears at the side of the screen.

B. Pricing Model

Source	Unit Value US\$		First Year Projection ¹²
Sponsorship packages	20,000		(10) 180,000
Membership (yearly)	100		(100) 10,000
Advertisement			
Source	Unit Value US\$ ¹³		
Video Embedded Ads (per Video per month)	100		(100) 10,000
Top banners (per page per month)	Base	Per Click	10,000
	80	2	
Regular Banners (per page per month)	Base	Per Click	20,000
	40	1	

Miscellaneous Income

We estimate that at least \$10,000 dollars would be generated through donations, rewards for editorial support from no sponsors and other related activities.

C. Revenue Projections

Most Likely Scenario

	Year 1
Revenue	
Sponsorships	US\$ 180,000.00
Memberships (Increasing in 0.3 Yrl)	US\$ 10,000.00
Advertisement (Increasing in 0.3 Yrl)	US\$ 40,000.00
Miscellaneous (editorial support, donations, others)(Increasing in 0.3 Yrl)	US\$ 10,000.00
Total Revenues	US\$ 240,000.00

¹² Projections according to the most likely scenario.

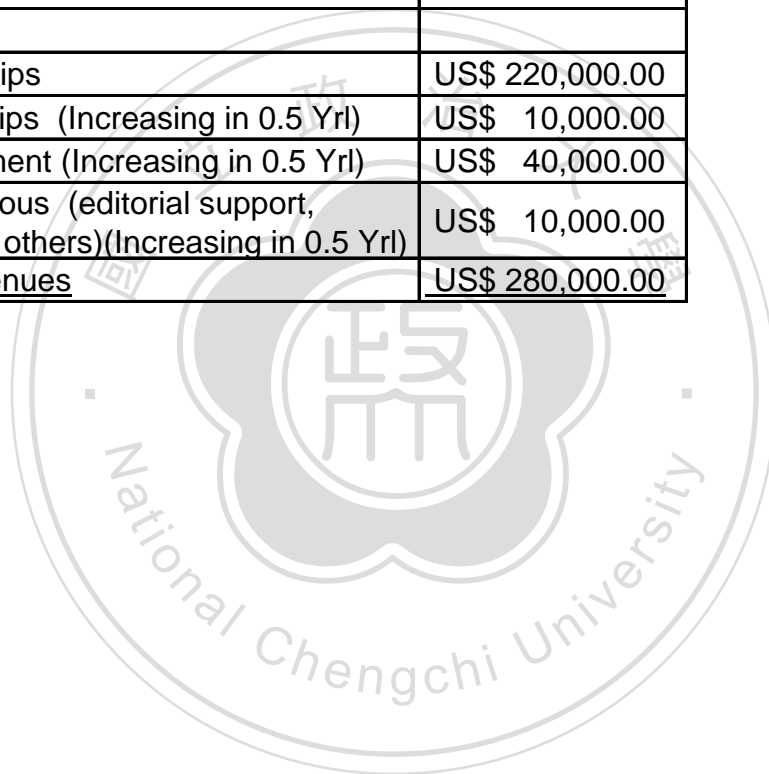
¹³ All the prices in this section are approximations since in actuality are subject to change according to the traffic generated by the videos and the pages in which the advertisements are shown.

Conservative Scenario

	Year 1
Revenue	
Sponsorships	US\$ 160,000.00
Memberships (Increasing in 0.2 Yrl)	US\$ 5,000.00
Advertisement (Increasing in 0.2 Yrl)	US\$ 25,000.00
Miscellaneous (editorial support, donations, others)(Increasing in 0.2 Yrl)	US\$ 10,000.00
<u>Total Revenues</u>	<u>US\$ 200,000.00</u>

Optimistic Scenario

	Year 1
Revenue	
Sponsorships	US\$ 220,000.00
Memberships (Increasing in 0.5 Yrl)	US\$ 10,000.00
Advertisement (Increasing in 0.5 Yrl)	US\$ 40,000.00
Miscellaneous (editorial support, donations, others)(Increasing in 0.5 Yrl)	US\$ 10,000.00
<u>Total Revenues</u>	<u>US\$ 280,000.00</u>



V. Operative Plan

5.1 Phase One-Prototype-Progress-98%

Phase One- Prototype	Time Frame (Months)								
	1	2	3	4	5	6	7	8	9
Activities:									
First sponsor agreement	█	█							
Concept design	█	█							
Dataflow design	█	█							
Website sketches design	█	█							
Graphic features design	█	█							
Definition of Channels and Themes	█	█	█						
Contact first batch of experts	█	█	█						
First partnership agreement			█						
Production of first round of presentations			█	█	█	█			
Publish first round of videos			█	█	█	█	█		
Start beta testing (site available through private invitation)							█	█	
Debugging							█	█	
Launch									█

Objectives	Key Stakeholders
<ol style="list-style-type: none"> Finalize primary website design Have a working prototype Create awareness about the site in expert circles Interview first round of iChina experts. 	Experts: Seymour and Audrey Topping Michael Chinnoy

5.2 Phase Two-Launch Promotion

Phase Two-Launch Promotion	Time Frame (Weeks)								
	1	2	3	4	5	6	7	8	9
Eliminate Password	■								
Press Release		■							
Partner Outreach			■						
Blogger Outreach			■	■					
Traditional Media Outreach					■	■	■	■	
Announcement to Pamirlaw Mail list									■

Objectives	Key Stakeholders
<ol style="list-style-type: none"> 1. Create awareness about the site in the target audience. 2. Recruit new sponsors while increasing progressively the revenue coming from ads, premium content and memberships. 	<p>Bloggers: Danwei, CDT, China Hearsay, Tw Blog.</p> <p>Partners: USC, Taipei Chambers, Friendly NGOs.</p>

5.3 Phase Three: Post-Launch Ongoing Activities

On-going activities
<ol style="list-style-type: none"> 1. Speaker recruitment 2. Promotion in social media 3. Video production 4. Partner recruitment 5. Sponsor recruitment 6. Audience demographic analysis 7. Ad sales

5.4 Phase Four: Future Activities (To Be Prioritized and Scheduled)

Activities to be defined	
1.	Events (first user meet up)
2.	Premium content
3.	Joint programs with partners (university exchange)
4.	Blog
5.	Podcast
6.	Social network features



VI. Resources Needed by Activity

6.1 Content production

Human Resources		
Qty	Position	Function
3	Content Coordinators (one for each city, BJ,TPE,SH)	a. Draft the question for the interviews b. Conduct the interviews c. Program the interviews schedule
1	Full time video editor	a. Produce the final videos
1	Copy writer	a. Write all the wording needed by the site including promotion materials and official communications
Freelance Personnel		
3	Freelance camera operators (one for each city)	a. Film the interviews
	Freelance video editors (according to demand needs)	b. Edit and render final versions of the videos
	Freelance translators (according to demand needs)	c. Translation and subtitles

Physical Resources		
Qty	Equipment	Function
3	Regular computers	Content coordinators and copy writer workstations
1	Heavy duty computer	Video editor working station
3	Video cameras	Video production
3	Tripod	Video production
3	Lightning sets	Video production

6.2 Website Management

Human Resources		
Qty	Position	Function
1	Web developer	a. Develop the data management capabilities of the site b. Perform routine updates.
1	Graphic designer	a. Design all the graphic elements of the site and marketing materials

Physical Resources		
Qty	Equipment	Function
2	Regular computers	Workstations

6.3 Administrative

Human Resources		
Qty	Position	Function
1	Executive director	Coordinate the activities and execution of the whole project
1	Communication and Marketing manager	a. Partner and expert and sponsor recruitment b. Define co-creation of content and editorial support strategies c. Enhance the promotion of the site (virtual and conventional)
1	Sales representative	a. Manage advertisers accounts b. Manage donor directory c. Manage member accounts
1	Executive assistant	a. Routine clerical task b. Basic accounting task
Physical Resources		
Qty	Equipment	Function
4	Regular computers	Workstations
Common resources		
Qty	Real estate	Function
3	Furnished office spaces	Headquarters and two branches

VII. Financial Plan

7.1 Cost Structure

Fixed Asset Requirements			
Item	Price	Quantity	Total
Office Furnishings	US\$ 6,000.00	1	US\$ 6,000.00
Camera (SH+BJ+TPE)	US\$ 537.00	3	US\$ 1,611.00
Lighting (SH+BJ+TPE)	US\$ 62.07	12	US\$ 744.83
Lighting Stand (SH+BJ+TPE)	US\$ 10.00	12	US\$ 120.00
Microphone (SH+BJ+TPE)	US\$ 14.37	12	US\$ 172.41
Tripod (SH+BJ+TPE)	US\$ 100.00	3	US\$ 300.00
Desktop Computers	US\$ 585.00	9	US\$ 5,265.00
Heavy Duty Computers (TPE)	US\$ 647.00	1	US\$ 647.00
Software (TP+SH+BJ)	US\$ 2,730.00	1	US\$ 2,730.00
Sub Total			US\$ 17,590.24

Operative Cost		
Administrative cost	Monthly Cost	Yearly Cost
Office Space Taipei (HQ)	US\$ 800.00	US\$ 9,600.00
Office Space Shanghai	US\$ 900.00	US\$ 10,800.00
Office Space Beijing	US\$ 700.00	US\$ 8,400.00
Utilities bill Taipei (HQ)	US\$ 100.00	US\$ 1,200.00
Utilities bill Shanghai	US\$ 100.00	US\$ 1,200.00
Utilities bill Beijing	US\$ 100.00	US\$ 1,200.00
Stationary and office materials (TPE,BJ,SH)	US\$ 50.00	US\$ 600.00
Equipment maintenance	US\$ 50.00	US\$ 600.00
Sub total		US\$ 33,600.00
Human Resources	Monthly Cost	Yearly Cost
Executive Director	US\$ 3,000.00	US\$ 36,000.00
Public Relations and Marketing Manager	US\$ 2,000.00	US\$ 24,000.00
Sales Representative	US\$ 1,000.00	US\$ 12,000.00
Executive Assistant	US\$ 1,000.00	US\$ 12,000.00
Content coordinators (TPE,BJ,SH)	US\$ 4,500.00	US\$ 54,000.00
Web Developer	US\$ 2,000.00	US\$ 24,000.00
Graphic Designer	US\$ 2,000.00	US\$ 24,000.00
Copy writer	US\$ 2,000.00	US\$ 24,000.00
Sub-total		US\$ 210,000.00
Freelance Personnel	Monthly Cost	Yearly Cost
Freelance cameramen	US\$ 1,000.00	US\$ 12,000.00
Freelance video editors	US\$ 1,000.00	US\$ 12,000.00
Freelance translators	US\$ 500.00	US\$ 6,000.00
Sub-total		US\$ 30,000.00
Total		US\$ 273,600.00

Investment Need First Year: US\$ 291,000.00

7.2 Income Statements until Horizon

Most Likely Scenario

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue					
Sponsorships	US\$ 180,000.00	US\$ 200,000.00	US\$ 220,000.00	US\$ 240,000.00	US\$ 260,000.00
Memberships (Increasing in 0.3 Yrl)	US\$ 10,000.00	US\$ 13,000.00	US\$ 16,900.00	US\$ 21,970.00	US\$ 28,561.00
Advertisement (Increasing in 0.3 Yrl)	US\$ 40,000.00	US\$ 52,000.00	US\$ 67,600.00	US\$ 87,880.00	US\$ 114,244.00
Miscellaneous (editorial support, donations, others)(Increasing in 0.3 Yrl)	US\$ 10,000.00	US\$ 13,000.00	US\$ 16,900.00	US\$ 21,970.00	US\$ 28,561.00
Total Revenues	US\$ 240,000.00	US\$ 278,000.00	US\$ 321,400.00	US\$ 371,820.00	US\$ 431,366.00
Expenses					
Lease office spaces	US\$ 28,800.00	US\$ 28,800.00	US\$ 28,800.00	US\$ 28,800.00	US\$ 28,800.00
Utilities	US\$ 3,600.00	US\$ 3,600.00	US\$ 3,600.00	US\$ 3,600.00	US\$ 3,600.00
Stationary and office materials (TPE,BJ,SH)	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00
Equipment maintenance	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00
Depreciation (Five years direct method)	US\$ 33,600.00	US\$ 33,600.00	US\$ 33,600.00	US\$ 33,600.00	US\$ 33,600.00
Salaries	US\$ 210,000.00	US\$ 210,000.00	US\$ 210,000.00	US\$ 210,000.00	US\$ 210,000.00
Freelance Personnel	US\$ 30,000.00	US\$ 30,000.00	US\$ 30,000.00	US\$ 30,000.00	US\$ 30,000.00
Total Expenses	US\$ 240,000.00	US\$ 240,000.00	US\$ 240,000.00	US\$ 240,000.00	US\$ 240,000.00
Operative Income	US\$ -	US\$ 38,000.00	US\$ 81,400.00	US\$ 131,820.00	US\$ 191,366.00
Corporate Tax	US\$ -	US\$ 6,460.00	US\$ 13,838.00	US\$ 22,409.40	US\$ 32,532.22
Net Income	US\$ -	US\$ 31,540.00	US\$ 67,562.00	US\$ 109,410.60	US\$ 158,833.78

Worst Case Scenario

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue					
Sponsorships	US\$ 160,000.00	US\$ 180,000.00	US\$ 200,000.00	US\$ 220,000.00	US\$ 240,000.00
Memberships (Increasing in 0.2 Yrl)	US\$ 5,000.00	US\$ 6,000.00	US\$ 7,200.00	US\$ 8,640.00	US\$ 10,368.00
Advertisement (Increasing in 0.2 Yrl)	US\$ 25,000.00	US\$ 30,000.00	US\$ 36,000.00	US\$ 43,200.00	US\$ 51,840.00
Miscellaneous (editorial support, donations, others)(Increasing in 0.2 Yrl)	US\$ 10,000.00	US\$ 12,000.00	US\$ 14,400.00	US\$ 17,280.00	US\$ 20,736.00
Total Revenues	US\$ 200,000.00	US\$ 228,000.00	US\$ 257,600.00	US\$ 289,120.00	US\$ 322,944.00
Expenses					
Lease office spaces	US\$ 28,800.00	US\$ 28,800.00	US\$ 28,800.00	US\$ 28,800.00	US\$ 28,800.00
Utilities	US\$ 3,600.00	US\$ 3,600.00	US\$ 3,600.00	US\$ 3,600.00	US\$ 3,600.00
Stationary and office materials (TPE,BJ,SH)	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00
Equipment maintenance	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00
Depreciation (Five years direct method)	US\$ 33,600.00	US\$ 33,600.00	US\$ 33,600.00	US\$ 33,600.00	US\$ 33,600.00
Salaries	US\$ 210,000.00	US\$ 210,000.00	US\$ 210,000.00	US\$ 210,000.00	US\$ 210,000.00
Freelance Personnel	US\$ 30,000.00	US\$ 30,000.00	US\$ 30,000.00	US\$ 30,000.00	US\$ 30,000.00
Total Expenses	US\$ 240,000.00	US\$ 240,000.00	US\$ 240,000.00	US\$ 240,000.00	US\$ 240,000.00
Operative Income	-US\$ 40,000.00	-US\$ 12,000.00	US\$ 17,600.00	US\$ 49,120.00	US\$ 82,944.00
Corporate Tax	-US\$ 6,800.00	-US\$ 2,040.00	US\$ 2,992.00	US\$ 8,350.40	US\$ 14,100.48
Net Income	-US\$ 33,200.00	-US\$ 9,960.00	US\$ 14,608.00	US\$ 40,769.60	US\$ 68,843.52

Best Case Scenario

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue					
Sponsorships	US\$ 220,000.00	US\$ 240,000.00	US\$ 260,000.00	US\$ 280,000.00	US\$ 300,000.00
Memberships (Increasing in 0.5 Yr)	US\$ 10,000.00	US\$ 15,000.00	US\$ 22,500.00	US\$ 33,750.00	US\$ 50,625.00
Advertisement (Increasing in 0.5 Yr)	US\$ 40,000.00	US\$ 60,000.00	US\$ 90,000.00	US\$ 135,000.00	US\$ 202,500.00
Miscellaneous (editorial support, donations, others)(Increasing in 0.5 Yr)	US\$ 10,000.00	US\$ 15,000.00	US\$ 22,500.00	US\$ 33,750.00	US\$ 50,625.00
Total Revenues	US\$ 280,000.00	US\$ 330,000.00	US\$ 395,000.00	US\$ 482,500.00	US\$ 603,750.00
Expenses					
Lease office spaces	US\$ 28,800.00	US\$ 28,800.00	US\$ 28,800.00	US\$ 28,800.00	US\$ 28,800.00
Utilities	US\$ 3,600.00	US\$ 3,600.00	US\$ 3,600.00	US\$ 3,600.00	US\$ 3,600.00
Stationary and office materials (TPE,BJ,SH)	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00
Equipment maintenance	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00	US\$ 600.00
Depreciation (Five years direct method)	US\$ 33,600.00	US\$ 33,600.00	US\$ 33,600.00	US\$ 33,600.00	US\$ 33,600.00
Salaries	US\$ 210,000.00	US\$ 210,000.00	US\$ 210,000.00	US\$ 210,000.00	US\$ 210,000.00
Freelance Personnel	US\$ 30,000.00	US\$ 30,000.00	US\$ 30,000.00	US\$ 30,000.00	US\$ 30,000.00
Total Expenses	US\$ 240,000.00	US\$ 240,000.00	US\$ 240,000.00	US\$ 240,000.00	US\$ 240,000.00
Operative Income	US\$ 40,000.00	US\$ 90,000.00	US\$ 155,000.00	US\$ 242,500.00	US\$ 363,750.00
Corporate Tax	US\$ 6,800.00	US\$ 15,300.00	US\$ 26,350.00	US\$ 41,225.00	US\$ 61,837.50
Net Income	US\$ 33,200.00	US\$ 74,700.00	US\$ 128,650.00	US\$ 201,275.00	US\$ 301,912.50

7.3 NPV Analysis¹⁴

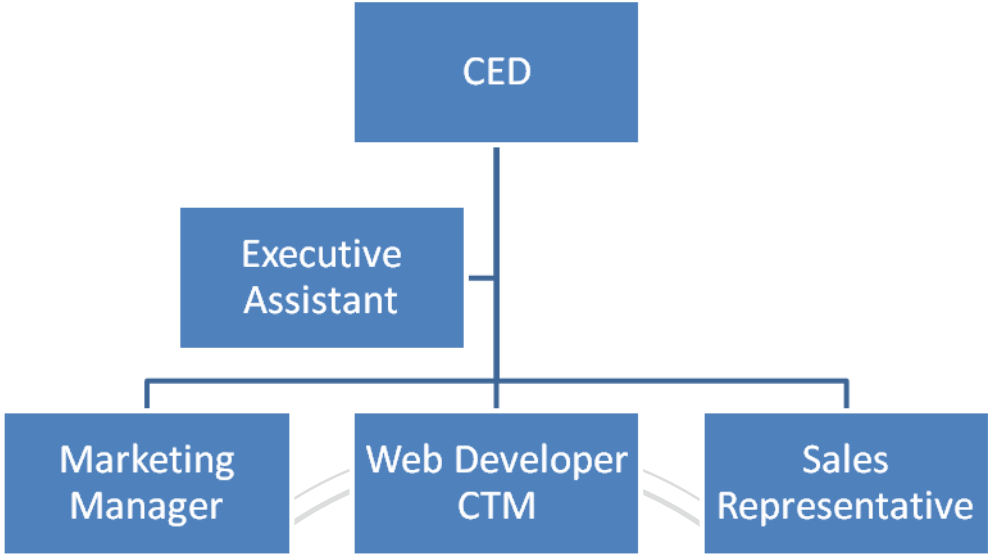
Scenarios	0	1	2	3	4	5	NPV
Most Likely	-US\$ 17,590.24	US\$ -	US\$ 31,540.00	US\$ 67,562.00	US\$ 109,410.60	US\$ 158,833.78	Most Likely
Discounted	-US\$ 17,590.24	US\$ -	US\$ 23,178.87	US\$ 42,564.57	US\$ 59,090.88	US\$ 73,539.24	US\$ 180,783.32
Worst Case	-US\$ 17,590.24	-US\$ 33,200.00	-US\$ 9,960.00	US\$ 14,608.00	US\$ 40,769.60	US\$ 68,843.52	Worst Case
Discounted	-US\$ 17,590.24	-US\$ 28,461.21	-US\$ 7,319.64	US\$ 9,203.15	US\$ 22,018.99	US\$ 31,874.20	US\$ 9,725.26
Best Case	-US\$ 17,590.24	US\$ 49,800.00	US\$ 107,900.00	US\$ 161,850.00	US\$ 234,475.00	US\$ 335,112.50	Best Case
Discounted	-US\$ 17,590.24	US\$ 33,200.00	US\$ 74,700.00	US\$ 128,650.00	US\$ 201,275.00	US\$ 301,912.50	US\$ 722,147.26
Hurdle Rate							
16.65%							

7.4 Exit Strategy

Close to the horizon period we hope to sell the stock of the venture through an IPO in the best case scenario or private offering to media companies in the other two, as an established platform the stock of our original investors would have considerably increased its value to that time.

¹⁴ Hurdle rate for the internet industry taken from <http://educ.jmu.edu/~drakepp/principles/module7/coc.pdf>

Organizational Structure¹⁵



- Board of Advisors
- Top Greater China Journalist
- Top Greater China Academicians
- Top Greater China CEOs



¹⁵ Names were omitted in this section due to the privacy policy of the project's owner.