



# **MAD HUNT**

## **FINAL YEAR PROJECT**

### **1<sup>st</sup> FINAL REPORT**

#### **SUPERVISOR**

Mr. Kashir Asghar

#### **GEC MEMBERS**

Ms. Fatima Zaheer

Mr. Bilal Ahmed Chohan

#### **GROUP MEMBERS**

Ali Suleman

Mohtashim Bin Ayub

Roshaan Gul

Syed Shan Naqvi

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## 1. EXECUTIVE SUMMARY

Mad Hunt is a social application that engages users in outdoor activities and connects them with places and people by incentivizing them with monetary rewards. It works on the model of Pokémon Go encouraging users to explore their environment but unlike Pokémon Go, the Mad Hunt users catch prizes and rewards in the form of discount vouchers as part of offers by a number of brands.

When we came on board with Mad Hunt as our final year project, the product was not doing well in terms of user retention as their active users were actually quite a few although the application was launched 1 year ago and the Mad Hunt team conducted different university events as well. We started working that includes the preliminary research and industry analysis at start followed by the problem identification. We then specifically focused on studying the user behavior analyzing what the user wants and what the product offers and then later identified the possible lucrative segments to be targeted. Finally, the project ends with its Communication plan followed by the Pilot launch on 14<sup>th</sup> Aug'17, its Activation and Evaluation.

## 2. BUSINESS MODEL

Mad Hunt is a Multi-sided Platform Application employing both the business models i.e. B2C and B2B, connecting users and businesses on a single platform and hence allowing them to meet through its application/user interface creating a cross-side network effect. The application is tapping B2C market by encouraging them to explore their surroundings and incentivizing them with rewards, in the process whereas it is tapping the B2B market by offering different partnership models to them and displaying their contents and rewards in return.

The Application will be wholly dependent on the revenues being generated by the brand related content, activities/promotions and different discount offers i.e. the brands that are interacting and are actively posting promotions and discounts etc. through the application to the final users. The scavenger hunts can be created for the general public or for a specific targeted audience as per the requirement and would be monetized on the basis of their scope and reach.

The pricing is the most strategic factor as it is to be carefully aligned with the product positioning and is the source of generating revenue. The pricing model is basically an impression, clicks and engagement based model similar to Facebook. There will be charges for the custom content as well. The model will be explained later in the Financials section.

## 3. COMPETITORS ANALYSIS

The App basically encourages user to go for outdoor activities and incentivizes them in return by offering different discount offers. It provides the digital scavenger hunt, which is the experience users go through. The App faces competition on different fronts directly and indirectly which are as under.

The discounts are provided by two categories of platforms:

- 1. Online shopping & Food delivery:** These platforms include the Daraz, Kaymu and EatOye etc. It appears that the local competitors are providing more value in that the customer can claim and redeem discounts sitting at his home. Mad Hunt, however, offers similar discounts but the customer has to get out of his home and move around to claim them.
- 2. Dedicated discount platforms:** There are platforms solely dedicated to discounts e.g. Disconto, Dealsmash and Dealtoday etc. Such platforms are essentially generating a pool of potential buyers of products looking for discounts, and then letting the brands laser target them through specified offers.

On the experience front, there are several apps already working in the arena but the biggest competitor is Pokemon Go as our App works on the same model:

- 1. Pokémon Go:** Essentially the innovator of experience, Pokémon Go took the world with a storm in July 2016 and made hundreds of millions of users all around the globe and got to become the latest fad.

It is a game that blends the real and digital worlds, tasking players with exploring their neighborhoods to find creatures and treasure for in-game use. Just days after being released in the U.S., Go was seemingly everywhere even its international rollout had been paused as its developer struggled to deal with the intense server demand.

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Go offers an interesting phenomenon over most games in a way that players must set off and move around their physical world. But beyond that, once you encounter a Pokémon in, Go switches into capture mode and gets more intense after few hours when players are able to lay claims to virtual real-life landmarks where creatures can battle one another for supremacy.

The Pokémon itself plays an instrumental role towards fueling this fire. Millennials felt considerable nostalgia for Pokémon, which had its heyday since their middle school age. Younger kids, meanwhile, were still discovering and loving it for the first time. It remains the third-best selling game series ever, behind Mario's many iterations and *Tetris*. It's also possible that because *Go* forces players outside, they're more visible than people enjoying the indoor computer games. By plan or by coincidence, *Go*'s release was very well-timed as the summer months offers the best weather for getting out of the house and exploring on foot. School, meanwhile, were off for holidays, giving younger kids a plenty of free time.

- 2. Snatch:** This is the closest competitor to Mad Hunt. It works on the same model: Discounts based on augmented reality based scavenger hunt. Based in UK, Snatch have cleverly branded them and created relevance in each activity that they perform.

Snatch is a free to play, virtual treasure hunt. It lets the user grab parcels hidden around you virtually, and then protect them from others who are trying to snatch from you. A user could win a free holiday, tickets to a gig, rewards and even hard cash just by stepping outside your door.

The idea behind the App is that when a person finds a package in surroundings, it starts a timer and a person has to hold it until the timer reaches zero. If he is still holding it, a person wins whatever is inside it. If a person snatches someone else's then he continues on another's remaining timer. Thus, in short it creates a sense of ultimate competition among players that remains the reason for its popularity.



## 3.1. DISCOUNT APPS ALL OVER THE WORLD

Shopping is easier now more than ever. Any potential customer can check for the latest prices, availability of products, comparison of prices, special promotions, discounts, reviews and lowest prices on his/her smartphone and can save time, trips and money by going through the grocery list quick and easy.

Some of these apps even reward its user for being an avid shopper and lets you join forces with other savvy shoppers to find the best prices and latest deals. With the availability of discount-finding apps on the market, there's no reason to pay full price for just about anything these days. Our preliminary industry research made us focus on going through the best discount apps available all around the world, some of which are explained as under:

1. **GOOGLE SHOPPER:** It provides information like prices, reviews, videos and more of millions of products right on your smartphone, recognizing them via barcode, voice, text search or even cover art. You can easily make the best purchasing decision by comparing prices in different online stores.
2. **DECIDE:** It gives you product recommendations and allows you to set price alerts on products you are watching, while searching sites and local stores for price comparisons. At the same time, you can check out product ratings and reviews from other users.
3. **RETAILMENOT:** Punch in the store where you're shopping and the app will come up with a list of in-store and online discounts you can use. You can redeem in-store coupons right from your phone, save and share coupons with others, and get deal and expiration alerts so you never miss a sale. If you want, the app will also alert you whenever you are in the vicinity of a good deal.

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4. **SNIPSNAP:** If you're still into coupon clipping the old fashioned way, you can at least give your coupon binder a rest. With SnipSnap, you can take a picture of a printed coupon and save it to your phone. You will be notified when you're in a store with a coupon that you saved. You can also follow coupon bundles that friends and family have saved.
  
5. **GROUPON:** Groupon has moved away from just being a cheap way to get a meal. These days, you can browse deals on everything from vacation packages to bedroom furniture. And you rarely have to show up to a business with a printed Groupon in hand — with the app, you can either have items shipped directly to you (without having to visit a third-party site) or download a voucher to redeem in stores.
  
6. **REDLASER:** If you're into "showrooming," RedLaser is amazing. Just wave your smartphone in front of any item's bar code. The app scans websites and nearby stores to tell you if there are lower prices at other locations. You can also purchase right from your phone and have items shipped or ready for in-store pick up. As a bonus, you can scan a food product and come up with a list of allergens to beware of.
  
7. **GOODZER:** Goodzer's free app is like a personal shopper in your pocket. If you've got your eye on a certain product, just punch it into the app (the database contains info on more than 2 million items) and it'll spit out a list of nearby stores that carry it. You'll get the price, availability and directions to the shop as well.
  
8. **CARDSTAR:** Get rid of the dozen store rewards cards dangling from your keychain with the CardStar. Once you've got your cards loaded onto the app, you can access them right from your phone. Just show the cashier your barcode at the check-out and they'll scan them like the real thing.

### 3.2. DISCOUNT APPS IN PAKISTAN

Due to busy lives, everyone needs an app which not only shows best deals offered but also sorts them in accordance with one's requirements and location, hence making a life a lot simpler. There are various discount apps being used by customers across Pakistan, some of which are described as under:

1. **PEAKABOO:** It is a location-based app which acts as a business directory and shows all deals and discounts offered by businesses. When you login, you have different tabs on the home screen for different business sectors like food, lifestyle, entertainment and health among others. Users can look through specific sections or choose all outlets open at any given moment. Every time a new deal is offered by a business, the app will send a push notification to let you know. Besides offering deals and discounts.
2. **ONTHEGO:** The mobile app is an excellent concept that offers Location based shopping deals at the convenience of your smartphones. Launched initially for Karachi and with plans to expand gradually into other services as well, the app is making localized content readily available for the Pakistani audience. You can also view distance and map for nearby outlet.
3. **DISCONTO:** This location based mobile app brings fresh deals from your favorite stores in real-time. Customers can go to any of their favorite stores on Disconto and avail the discounts and promotions by just 2-clicks on their smart phone. Best thing about this app is that it saves time & money very seamlessly.
4. **FOODPANDA:** Fuss-free online food ordering app from dozens of the best restaurants located in major cities of Pak. The app allows users to browse nearby restaurants and their menus, order and get it delivered to your place It actually frees you from the hassle of placing an order by phone. The app also mentions the minimum order amount for delivery from each restaurant, delivery fees (if any), estimated delivery times as well as users reviews about the restaurants.

## 5. MARKET ANALYSIS

### 5.1. B2C

According to World Bank, Pakistan's 67% population is using mobile phones. As per the Pakistan Telecommunication Authority (PTA), Pakistan has almost 140 million mobile phone subscribers. Moreover, with the introduction of 3G in 2014, the smartphone users are using internet on the go. According to PTA, there are 42 million 3G/4G subscribers in Pakistan as of 2017.

According to a Florida based mobile app development firm Grappetite, 72% mobile phones in Pakistan are smartphones. Also, 77% of all mobile phone users in Pakistan are between the age bracket of 21 to 30. Furthermore, 84% smartphone users in Pakistan are using free apps, while only 16% buy paid apps.

This data is insightful in that it tells a lot about the Pakistani consumer in terms of mobile phone usage. When 3G usage is increasing day by day, all brands are moving towards making apps for themselves. Pakistani market is ripe for an innovation in the app industry, and in gaming Pakistan has not yet been able to achieve groundbreaking success at all as yet.

Considering the market, our analysis is that the most lucrative target for Mad Hunt is the smartphone user between 21-30. The best thing about Mad Hunt is that even the low budget users (44% users spend less than RS.300 on their phone per month) would be interested in using the app since there are no in-app purchases or advertisements, and on top of it, the app offers discounts on various brands.

Finally, 42 million people are using the internet on the go through 3G, which means moving around for solving clues is feasible for the Pakistani audience.

## 5.2. B2B

According to Prof Dr Noor Ahmed Memon, consumers are spending 42% of their monthly salary on average on food. Eating habits of the locals in Pakistan are increasing by 21% annually, and the food industry is growing by 20% annually. The effects of the unprecedented growth of the food industry can be witnessed specially in Islamabad – small city with significant population with substantial spending power. Restaurants are popping up very quickly, but are also closing down quickly. The new restaurants fail to engage customers because they are more inclined towards the older, tried and tested brands. This puts the new restaurants off business sooner than they could grab a sizeable audience.

In such situation, restaurants resort to means like discount offers and promotions to meet the bare minimum: increase footfall and generate trial. Once the restaurants are able to get people to try their products, they can expect people to return if the audience likes it there. But the biggest issue restaurants face is getting audience even with discount offers. This dilemma calls for discount applications like Deal Today, Deal Smash etc. and food delivery apps like FoodPanda, SuperMeal etc. This way, a central hub is created, where all the restaurants (new and old) can be found. But once again, if the user is given the option (whether online or otherwise) he/she might display similar behaviors regarding the choice of restaurant. In this case, some restaurants differentiate themselves by offering food late at night; some offer unusual cuisines and some focus on the niche by incorporating experiential elements into their ambiance e.g. Hard Rock café, Burn Out café, Harry Potter café etc.

The value Mad Hunt offers to such brands is unique and would overcome all the issues discussed above because:

1. Users cannot choose the brand for which they will get a discount voucher for; hence the problem of food delivery apps is solved.
2. Once they will move around and work hard enough for it, they will be more motivated in redeeming that offer, hence will increase the footfall of customers inside the eatery

## 6. PROBLEM IDENTIFICATION

When we embarked upon the project, the app had witnessed 750 downloads since its launch in August 2016, but only 10% of that number was retained. This showed that the customer is not finding the app valuable enough to keep it installed in his/her phone.

The management of Codistan was just focused upon the push based approach and there was an underlying belief that the only way to make it work is to inform more and more people about it. It took us some time to realize this but this approach could clearly not work, because no matter how many downloads we bring in, they are not going to stay and statistics are stark about it.

Therefore, we recognized that the main problem is user retention and we had to do something about it. Then the next step was to identify the source of the problem. For that, we decided to first examine the segments that the app claimed to serve. The Codistan management defined the following 3 segments:

1. Shopaholics
2. Fitness freaks
3. Tourists

However, what were initially thought to be 3 segments, were actually 2 because our target market was not shopaholics, fitness freaks or tourists, but fitness freaks that are also shopaholics and tourists that are also shopaholics. This was because people would use the App for either experiencing the surroundings or getting discounts on brands. Basically these are the two values that the app provides in its current form and our ideal segment is the one that is looking for both of these values.

Not only does this identification minimize the number of segments, but also it makes it a much more difficult job to recognize whether or not a person belongs to that segment. The new segments basically are not singular behaviors but a combination of behaviors. Next, we decided to examine the segments in detail, and understand their lifestyle to realize what could be

improved in the app to ensure user retention. One thing was very clear to us: we did not aim to change the behavior of the customer at any point. We just wanted to understand the behavior, so that we could change our app according to it.

## 6.1. SURVEY

For starters, we needed the statistical data of how sizeable the two segments in conjunction were. We had to find out the conjunction of the behaviors we had identified as our target market. For that we had to find out how many of the fitness freaks and tourists are shopaholics. We conducted an online survey using Google Forms. We considered 100 responses, out of 112, considering the geographical location and seriousness of the responses. Some of the questions asked in the survey are as under:

1. Do you use a fitness app in your phone?
2. How much are your shopping decisions dependent upon discount offers?
3. How often do you go out for the ONLY purpose of exploring your city?

We were working with the following assumptions:

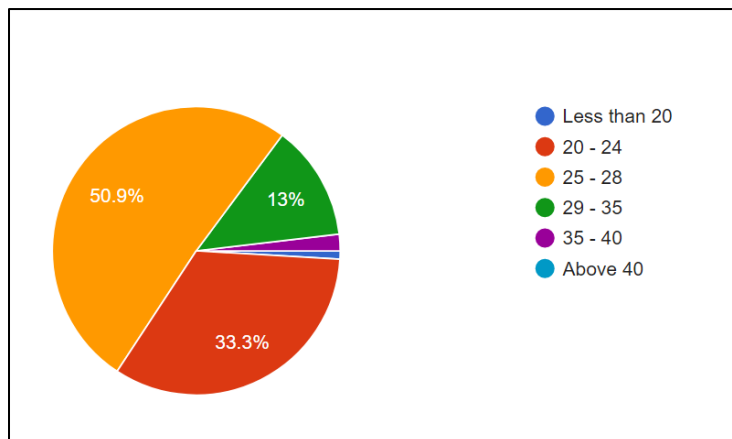
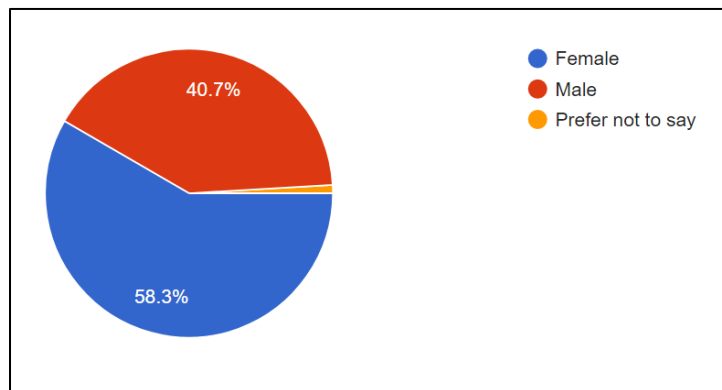
1. If a potential consumer has a fitness app in their phone, then they can be a direct target audience of Mad Hunt
2. The value we are selling to shopaholics is the discounts. So, merely being addicted to shopping doesn't warrant a customer, but also having a major interest in discounts does.

The response to the first two questions would determine how much is the behavior of fitness freaks correlated with that of shopaholics. The response to the second two questions would determine how much is the behavior of city explorers or local tourists correlated with that of shopaholics.

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## Statistics

Sample size: 106

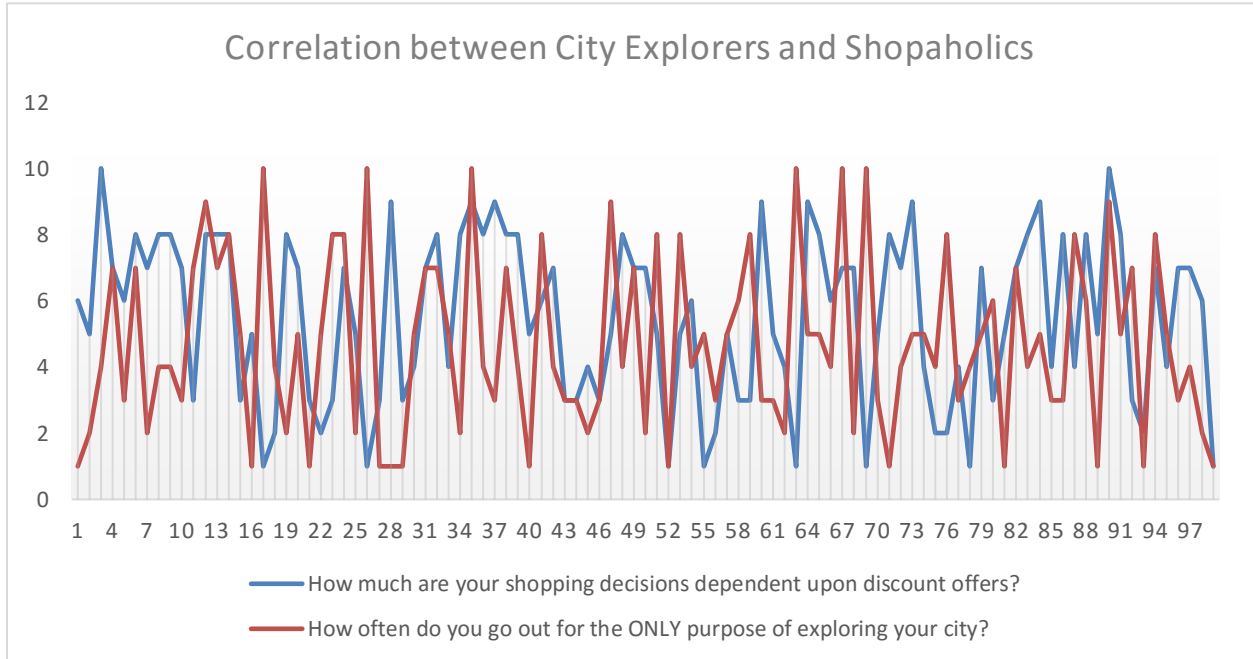


Sr. No.	Attribute	Number
1	Fitness Freaks	34
2	Local Tourists	32
3	Shopaholics	51
4	Fitness Freaks that are Shopaholics	21
5	Local tourists that are Shopaholics	16
6	Local tourists that are fitness freaks that are shopaholics	11



## 6.1.1. TOURISTS & SHOPAHOLICS

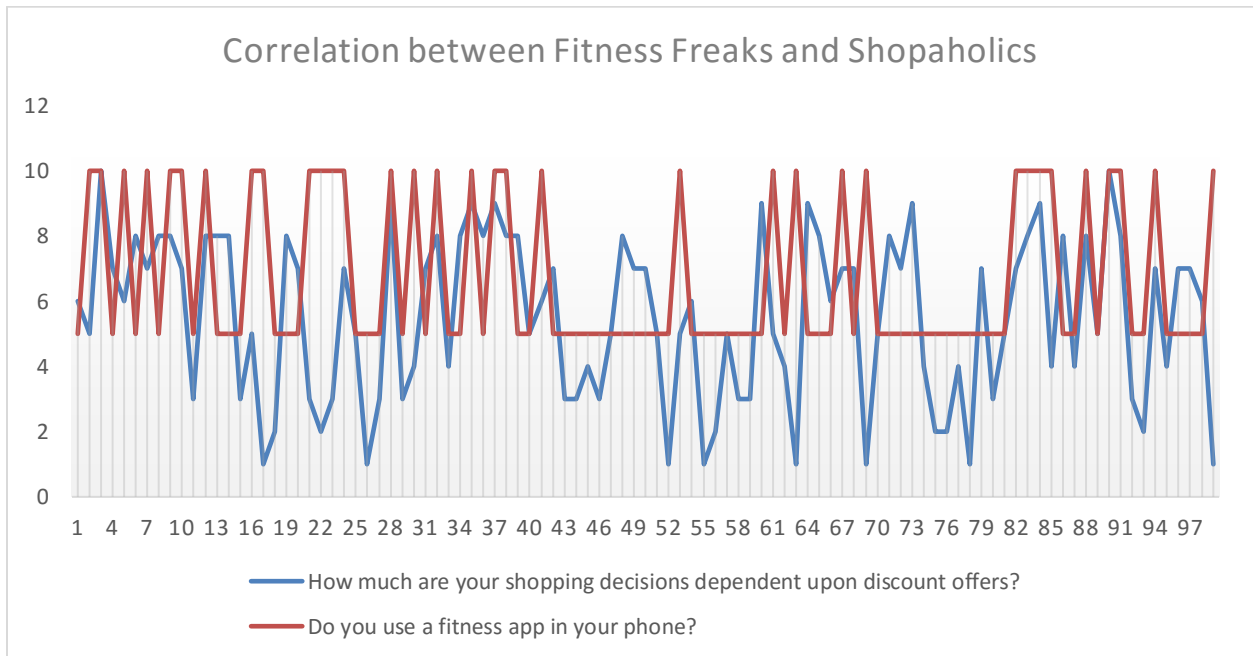
The response of the first two questions was considered for 100 participants. The correlation is shown graphically below.



The graph itself does not look very promising in terms of correlation among the two quantities. Mathematically the correlation amounted to 0.00023 which is clearly negligible. Hence, the question of how sizeable the segment consisting of shopaholics and city explorers is, was answered and in negative.

## 6.1.2. FITNESS FREAKS & SHOPAHOLICS

Correlation between the two behaviors is displayed graphically as under.



The question “Do you use a fitness app in your phone” received Yes / No responses. To form a correlation with a numeric quantity (degree to which a shopping decision is depended upon discount offers), these responses were converted to numeric form, with 5 meaning “No” and 10 meaning “Yes”. The mathematical correlation was calculated to be 0.16 which does not guarantee a minimal correlation. To explore further, we decided to interact with the potential users directly.

## 6.2. INTERVIEWS

From the initial surveys, we figured out that our basic segmentation was flawed at least in one aspect: local tourists and shopaholics. However, there was some hope in the other segment we had identified: fitness freaks and shopaholics.

Hence the next step was to dig deeper into the segment that still had some chances of becoming our target audience. For the purpose, we decided to personally get in touch with the

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people who constituted the target audience. Following table outlines the number of people interviewed and their respective locations.

City	Number of people interviewed
Rawalpindi	2
Islamabad	4
Karachi	2
Lahore	3
Multan	2
Faisalabad	1
<b>Total</b>	<b>14</b>

Participants were identified pre interviews as fitness freaks. During the interviews they were asked questions about their fitness preferences and the mobile apps they use. Finally they were inquired if they would like to go out and explore the surroundings and also shop on discounts. Out of 14, 4 people were of the view that shopping for discounts is something that they cannot relate to. 12 out of them were appalled by the idea that a fitness freak would want to roam around just for the sake of fitness. 5 found it hard to grasp the concept of the app, specifically designed for fitness freaks.

This way, our second segment was nullified too. Now we were left with just the idea and the technology, with no people to sell it to. Knowing that the best source for understanding the customer is the customer himself, we decided to study what the customer has to say about the product. We were working under the assumption that once you transform the product according to the customer's taste, you will get retention.

## 6.3. FOCUS GROUP

Since all our assumptions about market segments were discarded, we then needed to find new segments to sell the product to. For this, we decided to conduct a focus group exercise to ask people belonging to different walks of life what they think of the technology and if they would be interested in using it.

We took care to invite volunteers with as dissimilar lifestyles as possible, so that most valuable input is recorded. The activity took place inside NUST Business School, Class Room 1. The number of participants was 9 and the following disciplines of study were represented:

1. Engineering
2. IT
3. Teaching
4. Training and Development
5. Business Studies
6. Linguistics
7. Literature
8. Philosophy

The purpose of the exercise was very diverse: to come up with a segment that would be interested in using the product. Furthermore, we were also looking for ideas to make the app more user friendly. We started off the activity by asking for the volunteers' interests and hobbies so that we can identify the psychographics of the people who are interested in the app, towards the end of the focus group.

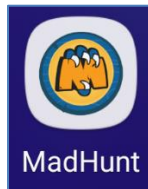
The new segment was identified (the cousins) i.e. the people will play if their friends/cousins are playing it, as influenced by the group behavior. Another finding emerged that people should not move a lot to get a clue. There should be habit based clues or time bound clues and you should have the option to choose your discount brand. Furthermore, many of the participants were of the view that the gameplay should induce some competition among the players.

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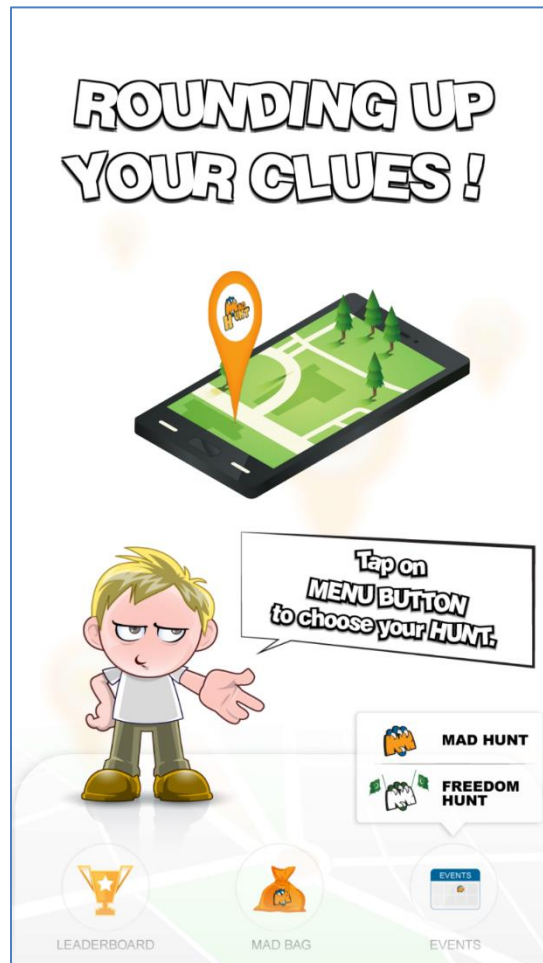
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## 6.4. APP'S FLOW WITH SUGGESTED CHANGES

1. Upon installation, the icon of the app appears as shown below.

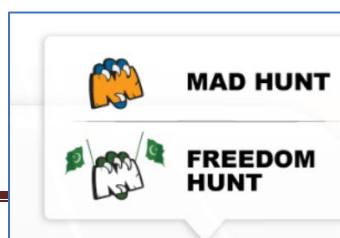


2. When user taps on it, the app opens and the following screen is displayed.



3. It is necessary that internet and GPS both are working on the device while using the app.

User may select any of the options to play: **Mad Hunt** or **Freedom Hunt**.

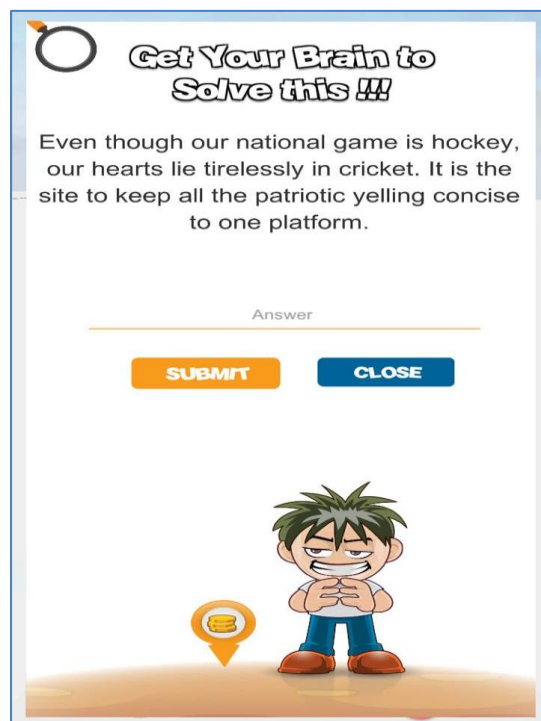


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4. Upon selection, the next screen is populated as shown below:

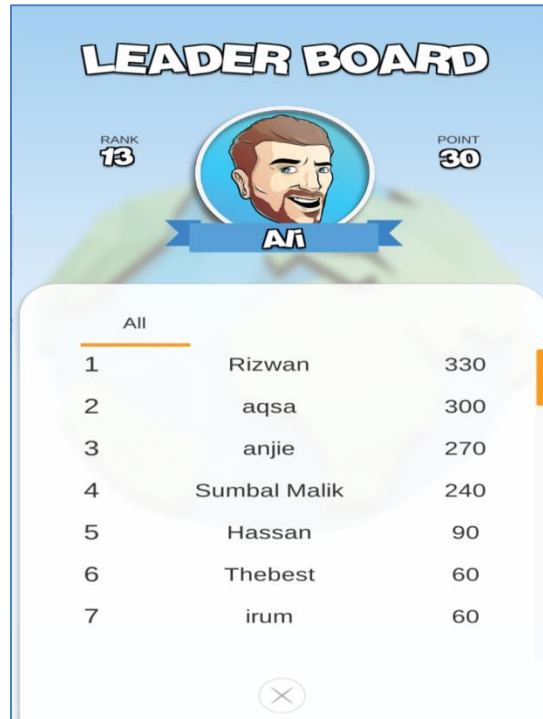


5. When user taps on a clue (golden pointer), the app populates the distance in steps from user's location to the clue. User can walk towards the clue and then tap on the it to get a question as shown below.

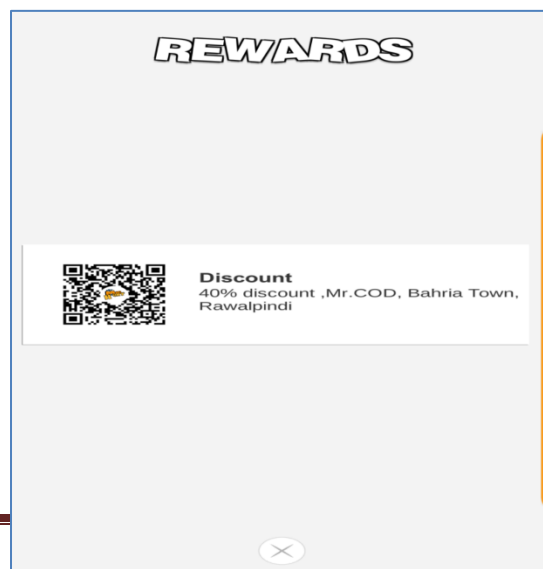


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6. When user enters correct answer, the main map screen is again populated, with the solved clue pointer turned green from golden. A discount voucher is received which can be checked by clicking the Mad Hunt icon at the bottom. In that case user will see 3 buttons to select from:
- Leaderboard: This option displays the top users of the app of the month. The criteria is number of clues solved.



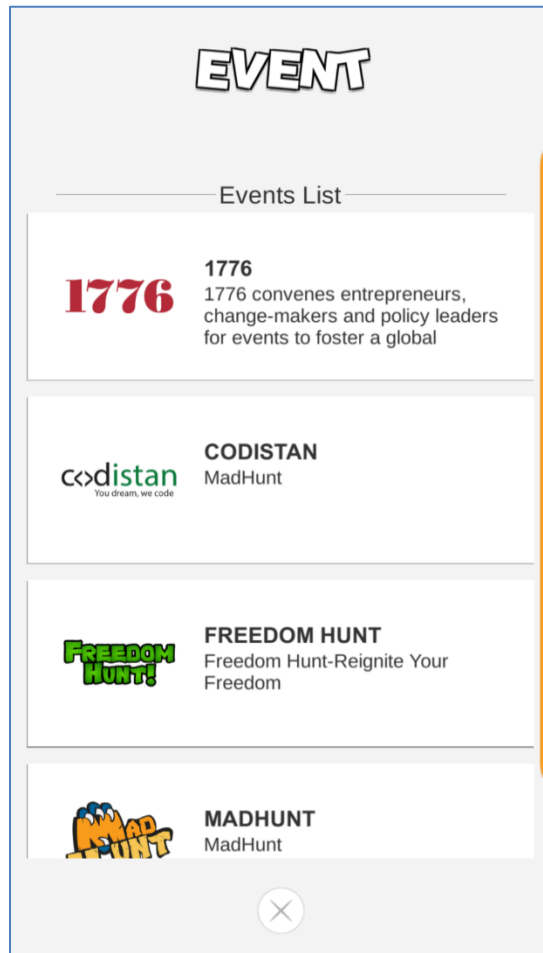
- Vouchers: This option displays the list of vouchers the user got so far in form of a list.



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- c. Events: This option displays the list of events that are related to Mad Hunt.



- 7. When the user logs in for the first time, following information is required:
  - a. Phone Number (verified automatically)
  - b. Email Address



## 7. PILOT LAUNCH

Once we had identified the key target segment and the changes we needed to implement in the app to make it profitable, we decided to conduct a pilot study to understand whether or not the intended results are being achieved. Reiterating the problem statement, we were conducting all activities to ensure user retention which was quite poor since the App's launch

Using the feedback of the focus group, we made the following major changes in the app:

### 1. **Dynamic location based clues:**

Instead of clues randomly popping out all over the city, they were made to pop up in the vicinity of the current user. This was applicable for every user.

### 2. **Steps**

The app would now tell the number of steps the user would have to walk to reach to the next clue, instead of the distance in meters which would be difficult to quantify for a layman

### 3. **Improved UX**

The new version was faster, easier to use and better responding to user's instructions.

Once these changes were made to the app, it was decided that we shall launch it again on 14<sup>th</sup> August 2017 – exactly a year after the launch of the previous version.

### 7.1. **LAUNCHING THE NEW APP**

Before the soft launch on 14<sup>th</sup> August, a marketing campaign was initiated on social media of Mad Hunt. For the purpose, 3 videos were made and posted on Facebook. The posts were boosted to engage more audience of our target segment.

### 7.2. **RESULTS**

Finally when the app was launched, not a lot of new downloads were witnessed but what we were focusing on was user retention. When this report is written (26-08-17), there are 50 active installs of the app. On 13<sup>th</sup> August, there were 35 active installs. The hopeful aspect is that no users are leaving and hence, the problem of retention is somewhat addressed.

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It is obvious that it is too soon to declare a judgment of whether the solution worked or not, and we will have to wait at least for 2 months to closely monitor not only retention but also activity user is performing. This would help us understand the experience that is driving the user to keep the app or uninstall it.

Concluding it, the final results might be awaited, but a test has been launched to identify whether or not findings from the focus group hold ground for our target segment.

## **8. BRAND ACTIVATION**

We planned a brand activation activity to generate a marketing interaction between potential consumers and the brand, to make the users understand the brand better and may relate to it. For the purpose, the biggest and the most popular mall of Islamabad was chosen: Centaurus. Following the DSA Brand Activation Model, the following analysis was made for the activity.

### **8.1. SITUATION ANALYSIS**

The day selected was Thursday and the time was 4pm till 7pm. It was done to make sure that the most customer footfall is witnessed and the activity grabs maximum benefit. 100 discount vouchers of Guilty Pleasures were preloaded into the app, considering that the brand was available at Centaurus. The location of the activity was planned on 3<sup>rd</sup> floor, near to the Guilty Pleasures outlet. Considering the fact that internet inside the mall is not very good, we also took with us an internet device. On 24<sup>th</sup> August, there was no other major event in Centaurus that could have hampered our event in any way. Some events were planned for the weekend; therefore we avoided the weekend and did the activity on Thursday instead.

### **8.2. IDENTIFICATION OF RESOURCES**

The activity was performed by 5 people, 2 among which were technical team who were there to take care of any technical difficulty that may happen on spot. The other 3 belonged to marketing team who were performing the activity. The app offers clues based on latitude and longitude only but not the height, so the same clue could be attained from any floor.

### **8.3. GOALS**

The goal of the activity was to create direct product experience regarding the app and generate as much user downloads as possible. This way, customers would get a chance to engage with the brand hands-on and interact with the product to attain the real experience of using it. The best part of the activity was that the reward in this case was not delayed. Their first interaction

with the product would warrant a reward of free voucher that they could claim right-away, hence developing positive feelings.

## **8.4. TARGET MARKETS**

We identified young shoppers who were there with friends, family or alone, because they would be more interested in getting discount offers due to their limited pocket.

## **8.5. DEVELOPMENT OF PLANS**

The plan was to grab prospective user's attention by asking if they would need a discount on Guilty Pleasures, and then proceeding to inform the procedure of availing it and about the usage of App in case of affirmation.

## **8.6. DEVELOPMENT OF EVALUATION TOOLS**

The measurable outcome was the number of downloads in a short term and the number of retained users in a long term, as there is no use of downloads as long as there are no retained users who actively use App on routine basis.

## **8.7. Results**

The final results will only be released once Google App Store releases the list of active installs and recent downloads, which will be done after a week. Without any final tangible results, it is hard to tell the effectiveness of the activity in terms of achievement of goals, but the goals of customer engagement with the brand and spreading awareness was certainly met. Photos were also taken during the activity, some of which are shown below.

## 9. BRANDING

### 9.1. SWOT ANALYSIS

SWOT Analysis is a technique undertaken by a business to identify its Strengths, Weaknesses, 'and Opportunities & Threats. The SW part comprises of the internal aspects of the business whereas the OT part comprises of the analysis of external environment in which the business operates in. The SWOT Analysis of Mad Hunt is as follows:

#### 9.1.1. STRENGTHS

1. Mad Hunt is the first of its kind app in Pakistan. The concept of augmented reality is not heard off in any game that has been made locally. Furthermore, Mad Hunt would have a First Mover Advantage in the Pakistani Market as no other business is in the market as yet.
2. Mad Hunt incentivizes the user to use the application as much as possible by providing the user with coupons and discounts which they can avail using the digital voucher generated by the application.
3. The application is free for IOS and Android users which allows the app to get a foothold with respect to downloads as the user doesn't need to think about spending money on a app which might or might not be useful for them.
4. The application has a disguised element of Exercise embedded into it, i.e. the game play is such that the user needs to explore their surroundings in order to avail the clues that lead to the discount voucher. Furthermore due to the new trend towards fitness, this element would go nicely with the fitness freaks segment.
5. The application offers customized hunts and is able to conduct large hunts on a Geo Location based setting.

## 9.1.2. WEAKNESSES

1. The application currently focuses on the discount model which would limit the growth potential of the business.
2. Mad Hunt is primarily a game that offers discounts in return of playing the game, however it may be difficult to maintain that image of the application and the app may be considered a platform for only availing coupons and not fostering any loyalty towards the game
3. The application faces some technical issues which are a deal breaker for savvy gamers, and this aspect leads to negative publicity and image for the business and for a business that relies on its user base to generate revenue it's a real ice breaker.
4. The application is only operational in certain cities of Pakistan and is not even targeting the major urban areas of Pakistan let alone the World. The application is missing out on the major chunk of its market potential due to this deficiency.
5. The application has fixed markers that have been set by the Mad Hunt team, which means that the user might have to walk/drive miles to avail a clue. The application is lacking the piece of software that would allow it to generate random clues/markers for any player where ever they turn the game on rather than having fixed location based markers.

## 9.1.3. OPPORTUNITIES

1. The internet infrastructure of Pakistan has developed significantly in the recent past. The launch of 4G technology in Pakistan has been a real game changer. The availability of fast internet connection is the very essential requirement of the application since the application requires the user to be on the go while playing the game. Furthermore the data packages are quite reasonable and are in the affordable limit of majority of the population.
2. Mad Hunt could widen its scope from being just a game play that provides coupons in response to being an app that gives you what you want, for example the app could have a different module for fitness freaks that would allow them to gauge their fitness and accordingly allow them to avail coupons for say a restaurant that offers healthy food or a brand that sells sports wears.

3. The government of Pakistan has been very progressive in promoting tech startups and as a token of that progressiveness the new budget passed in 2017-18 allows tech start-ups to be exempt from tax for three years

## 9.1.4. THREATS

1. Mad Hunt is based loosely on the model of Pokémon Go so there is a possibility that once the application gets a name for itself in Pakistan, there are spinoff versions of the game available which might have the potential to knock Mad Hunt off its own turf.
2. The political instability of Pakistan may deter the growth rate of the application. The recent court verdict in which Ex-Prime Minister Nawaz Sharif was deemed unfit to be Prime Minister of Pakistan had a negative effect on the businesses in Pakistan as was shown by a 700 point slip in the KSE100 index; any such incidences would have a negative impact on the operations of the business.

## 9.2. CONSUMER BASED BRAND EQUITY MODEL

We conducted interviews with active Mad Hunt users to gather information about the consumers' understanding about the brand. The sample size was 3. Their information is tabulated below:

Sr. No.	Gender	Location	Age
1	Female	Islamabad	23
2	Male	Islamabad	18
3	Female	Islamabad	24

From the findings of the interview, we developed a Consumer Based Brand Equity Model as discussed by Keller (1993).

1. **Salience:** Users were well informed that the product is in entertainment industry.
2. **Performance:** Two out of three users complained about the bugs and malfunctions within the app.

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- 3. Imagery:** All users played the app in groups of cousins, so they had positive memories associated with the experience.
- 4. Judgment:** The users do not rate the brand very highly on quality or credibility.
- 5. Feeling:** The feeling linked to the app is fun.
- 6. Resonance:** Users do not stick to the app due to loyalty to brand; they find no attachment.



The brand has strong awareness among its consumers and they are even able to identify with it. Interestingly, imagery is also considered to be high by the users, but the brand lags on the level of performance because of the lack of taking constant user feedback and improving the functions, hence bad service quality. Due to bad performance, credibility is low and hence the brand is rated low on Judgment. Due to the fact that the users play the app with their close friends and cousins, the brand has been able to generate positive memories but that is just due to the nature of the product, the brand has not done much to earn that. The brand is not yet on Resonance level, which will be created to constant user engagement through multiple mediums, till the brand enters user's life and becomes a significant part of it.



## 9.3. BRAND BOOK

### 9.3.1. LOGO



Aspect Ratio: 59 / 50

Displayed above is the Mad Hunt logo. The lowest accepted aspect ratio is 59 / 50, which is the ratio of width to the height of the logo. Four colors are used in the logo: Black, Blue, Yellow, Orange. Their color codes in RGB are shown.

### 9.3.2. LOGO PLACEMENT

The logo must always be placed with a certain amount of gap from all other text and design. The gap is defined by the “H” of Mad Hunt logo. Instead of stating the exact dimensions (which will definitely change according to the dimensions of the logo itself), using the “H” is suggested so that the criteria could be generally applied to all cases. There has to be an “H” worth diagonal distance between the logo’s “M” and another text/design on top. This “H” on top will not only determine the distance from top, but also from the left. The same “H” starting from the bottom of the logo’s “H” determines the amount of minimal distance that needs to be kept from the bottom. For the left, the “H” starting from the end of “T” on the logo determines that distance. The concept has been illustrated below.



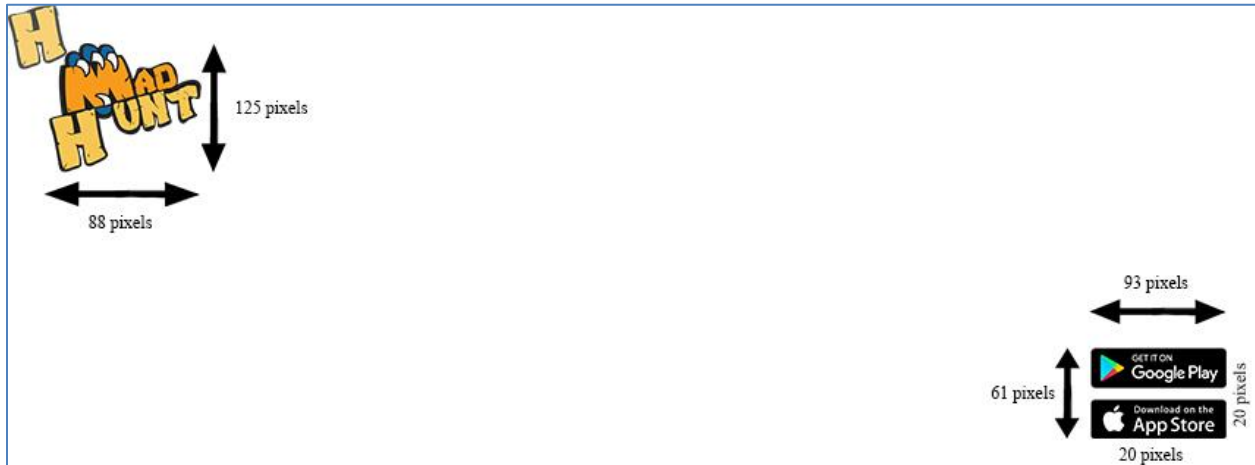
### 9.3.3. FACEBOOK COVER

When we took over the project, Facebook cover photos of Mad Hunt displayed logo on right top and the App Store logo on left bottom. Furthermore, the logo size was different on each cover.



We standardized the logo size of the logo to 88 by 125 pixels. Moreover, we moved the App Store logos to the right of the image so that if someone puts the cover photo up their profile, the logos are not hidden by the Display Picture.

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We also standardized the dimensions of the app store logos to 93 by 61 pixels. The distances from the right boundary and bottom boundary are decided to be 20 pixels each. The distance of the logo from the top boundary and the left boundary is determined by the H of the logo as discussed above.

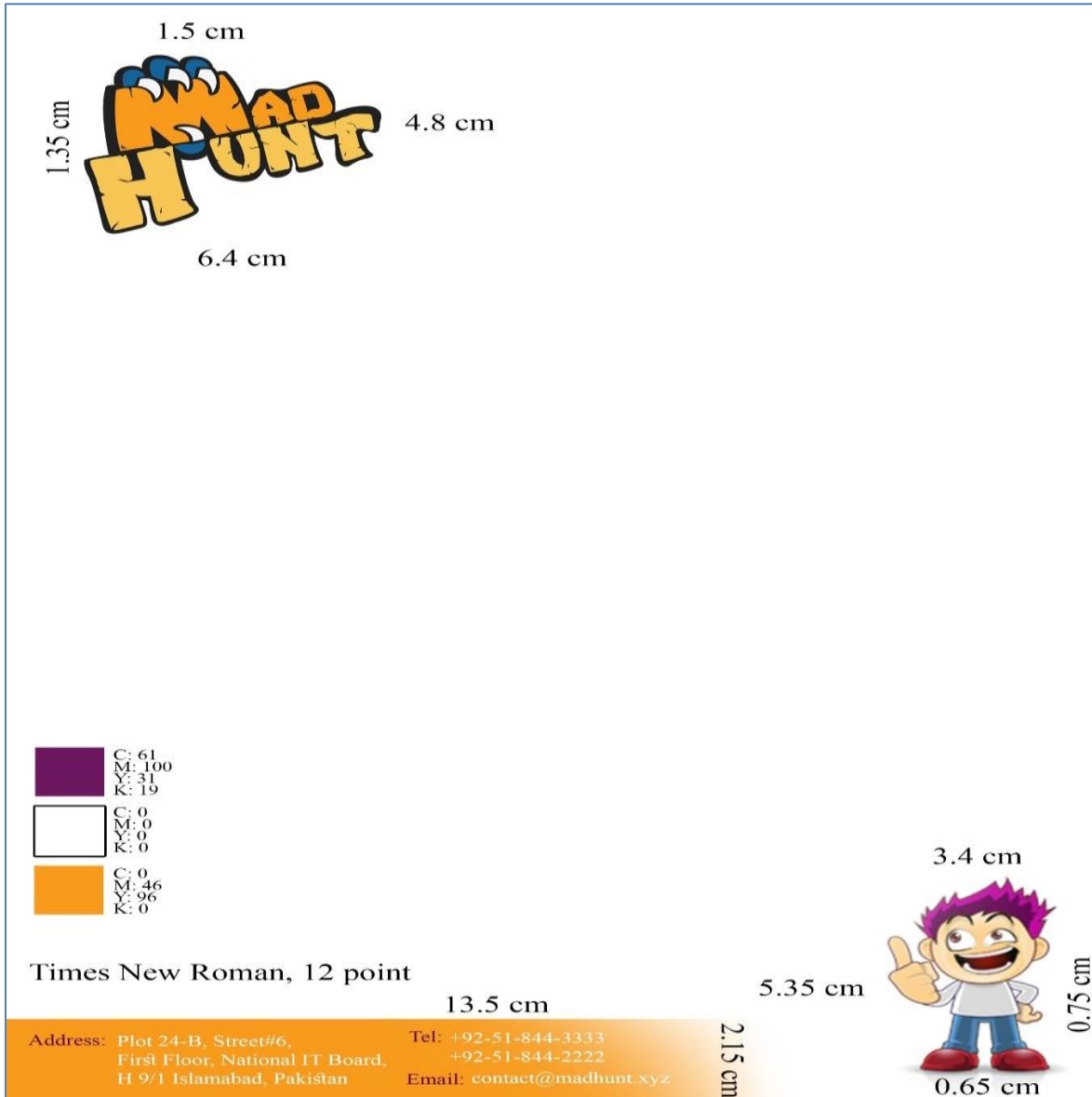
## 9.3.4. FAVICON

The favicon to be displayed on the website tab is the clawed “M” as in the logo:



## 9.3.5. LETTERHEAD

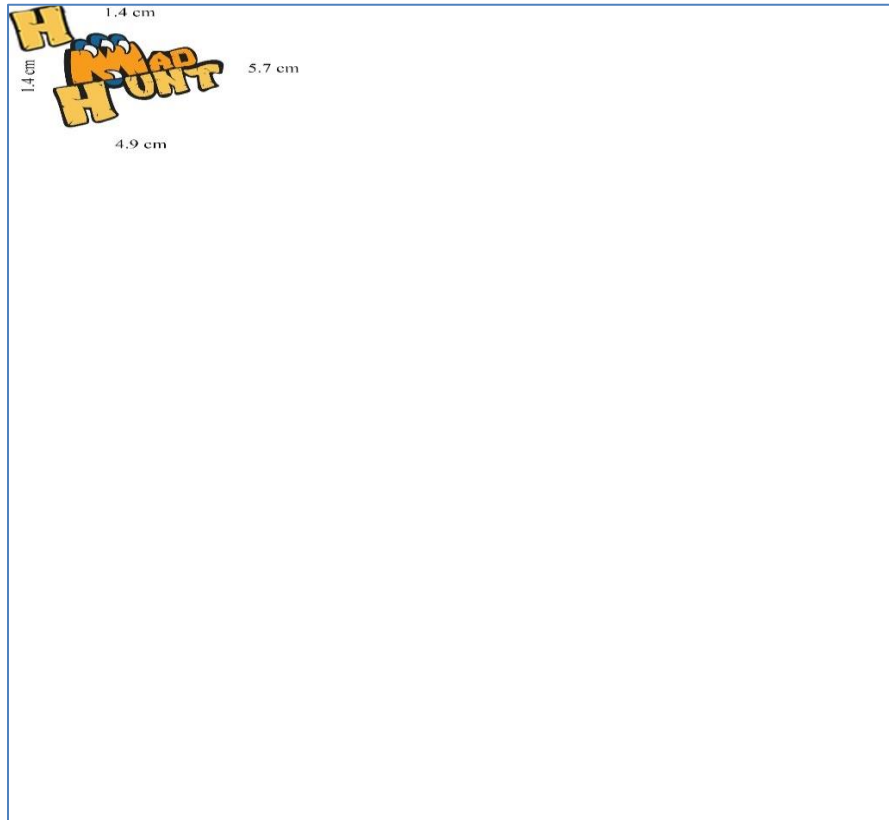
The letterhead displays the logo on top left as well as the standard avatar for Mad Hunt on bottom right. The colors and dimensions are displayed below along with the letterhead sample.



## 9.3.6. A3 POSTER

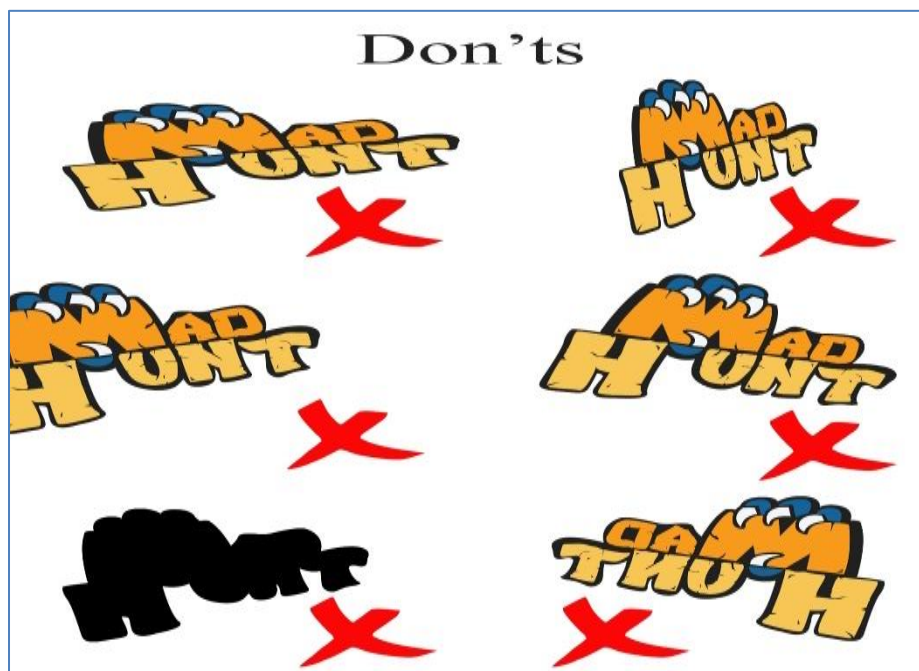
The A3 poster sample is shown below with the dimensions. The logo is placed on top left with a separation from the boundaries as per the "H" in the logo.

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## 9.3.7. DON'TS

The logo cannot be mishandled in the following manners.



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The aspect ratio cannot be changed. The logo cannot be cropped or skewed, or color overlaid.

## 9.3.8. VARIATIONS

The variations allowed for the logo are only in 2 forms currently:

1. Black and White (Printing)



2. Green (Independence Day): The same logo with green color and Pakistan flag.

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## 10. FINANCIALS

### 10.1. CUSTOMER ASSUMPTIONS

The beta phase of the application was launched on 14<sup>th</sup> August 2016 and in a span of a year Mad Hunt has been able to generate 700 downloads. The final version of the application has been launched on 14<sup>th</sup> of August 2017. The launch was followed by a mall activation which was conducted in Centaurus mall, and after a successful Mall activation we assume that the application would generate additional downloads.

We believe that the total downloads would be around a 1000 by the end of the month of September and would increase from there on out. The estimated downloads are as follows.

User Growth Assumptions	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	2018-19	2019-20	2020-21	2021-22
Users	1000	1000	1000	1500	1500	1500	1500	2000	2000	2000	2000	3000	50000	135000	230000	355000
Customized users	1	1	1	1	1	1	2	2	2	2	3	3	45	100	230	400

Furthermore the expected customer usage and customized scavenger hunts are as follows:

User Growth Assumptions	2018-19	2019-20	2020-21	2021-22
Users	50000	135000	230000	355000
Customized users	45	100	230	400

The Customized hunts are further divided on random bases as follows:

Content Package									
SR. No.	No. of Clues	Charges (PKR)	content development	costs	2017	2018	2019	2020	2021
1	1	500	25000	7500	7	3	12	30	82
2	25	10000	25000	15000	6	18	58	105	153
3	50	17500	50000	40000	4	17	24	64	105
4	100	30000	100000	60000	3	7	6	31	60
Total Number of Orders					20	45	100	230	400

## 10.2. PRICING MODEL

The pricing model of for the business would be based on the requirements of the customers and as such we devised two pricing models i.e. Standard Pricing Model and Made to order Pricing.

### 10.2.1. STANDARD PRICING

The Standard Pricing Model would be followed by regular business partners of Mad Hunt on the following Bases.

Pricing Model						
Sponsors Positions	Impressions Per Session	Click (PKR)	Engagement(PKR)/ 30 sec	Rev/1000 Impressions	Rev1000/ Clicks	Rev /1000 Engagements
Markers	0.1	0.3	0	100	300	0
Clues	0.2	0	.5	200	0	500
Location Pointers	0.5	1	0	500	1000	0

The pricing model is loosely based on how Facebook and it's likes charge their customers. The main difference b/w our and Facebook modes is that we would be charging customers on the basis of number of markers we display for them, the number of clues that would be displayed for the customer, the location at which the pointer is being placed in comparison with the number of impressions displayed to the customer, the number of clicks the customer places on a particular brands marker and the number of engagements that the customer gets involved in. Based on the above mentioned pricing model we estimate that the average revenue generated per user would be PKR 1500 per month.

### 10.2.2. MADE TO ORDER PRICING

This model would be used by the business partners who desire a unique/customized scavenger hunt for their business. The scavenger hunt would require a specialized content for the specific business partner.



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The following packages would be available to the business partners:

Content Package			
SR. No.	No. of Clues	Charges (PKR)	Development costs
1	1	500	7500
2	25	10000	15000
3	50	17500	40000
4	100	30000	60000

## Platinum Partner

- Pricing: Rewards greater than 5 Million
- Content Charges:100,000
- Pricing Factor: Sr. No. 4
- Branded Event as X Brings Freedom Hunt
- Exclusive Placement of Content
- Map showing at least one branded Clue to every user all the time
- All Marketing of the event will be done in Collaboration
- Location Fixed Content

## Gold Partner

- Pricing: Rewards greater than 2.5 Million but less than 5 Million
- Content Charges:50,000
- Pricing Factor: Sr. No. 3
- Exclusive Placement of Content
- Map showing at least one branded Clue to every user per hour of engagement
- Positioning in Marketing Campaign of this Hunt
- Location Fixed Content

## Silver Partner

- Pricing: Rewards greater than 1 Million but less than 2.5 Million
- Content Charges:25,000
- Pricing Factor: Sr. No. 2
- Placement of Content
- Map showing branded Clues at different stages
- Rewards Placed as well
- Positioning in Marketing Campaign of this Hunt

- Location Fixed Content

## **Bronze Partner**

- Pricing: Rewards less than 1 Million
- Content Charges:25,000
- Pricing Factor: Sr. No. 1
- Placement of Content
- Map showing branded Clues at different stages
- Positioning in Marketing Campaign of this Hunt

Based on the above mentioned pricing packages we estimate that we would get 6 business partners onboard with customized hunts. Furthermore we already have Jazz onboard with a customized

## **10.3. PROFIT AND LOSS STATEMENT ASSUMPTIONS**

### **10.3.1. REVENUE ASSUMPTIONS**

The revenue would be generated on two fronts i.e. on the basis of the number of users on the application and the second source of revenue would be from customized scavenger hunts. The assumption for the number on the application have already been explained in the report, furthermore we assume that on average we would generate PKR 150 per user per month.

Furthermore we assume that we would have 1 customized hunt for each of 1<sup>st</sup> 6 months of the application, 2 customized hunts per month for the following 4 months and 3 customized hunts for the reaming 2 months of the year. For the year 2018-19 we assume that we would achieve 45 customized hunts for the whole year, for the years to follow we assume that the customized hunts would amount to 100,230,400 for the years 2019-20,2020-21 and 2021-22 respectively.

### **10.3.2. EXPENSES**

- 1. MARKETING EXPENSE:** Mad Hunt actively markets its application on Facebook. The monthly cost for this marketing campaign is around \$50, which amounts to approximately 5000 PKR.

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Furthermore every three months of the first year Mad Hunt plans to conduct Mall activation which would cost another PKR 10000.

2. **DEPRECIATION:** Depreciation method chosen for determining the useful life of the assets mainly Computers/Laptops is straight line depreciation method, while considering that the useful life of a laptop would be 5 years the Computers/Laptops would be depreciated on a 20% straight line method.
3. **WEB HOSTING:** Web hosting cost would amount to \$5 or approx. PKR 500 per month.
4. **DOMAIN COST:** The Domain cost would amount to \$5 per domain which comes out to be approximately PKR 500, Mad Hunt uses 2 web domains which would make the domain cost to be PKR 1000 per month.
5. **SERVER COST:** The application requires google maps to provide maps and geo locations for all the users of the application, and as such Mad Hunt pays Google \$250 per month for these privileges, the \$250 amounts to approximately PKR 25000 per month. The Server costs increase in the fourth year because according to the current plan the Mad Hunt hierarchy plans to launch the application in at least one other country.
6. **RENT:** Currently Mad Hunt is incubated in National Incubation Center, and as such it doesn't have any rental obligations, however the extent of their duration at National Incubation Center is due to expire in April of 2018-19 period, from there on out the rental cost per month would amount to approximately 30000 per month. From the period 2020-21 onwards the rent would increase by 200000 per month since the plan to expand to an international location would require additional office space in the desired company.
7. **SUNDRY:** Sundry Expenses would amount to PKR 10000 per month for the first 6 months and would increase gradually for the next 2 years in coordination with the growth in

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business, the sundry expenses would increase dramatically once the application has an international standing.

**8. TRAVEL:** The travel costs would amount to PKR 100000 for the first year and would increase dramatically from the 4<sup>th</sup> year onwards due to the launch of Mad Hunt across international borders.

**9. INFRASTRUCTURE:** The infrastructure cost would amount to PKR 100000 per year for the first five years of Mad Hunt.

**10. SALARIES:** Mad Hunt Currently employs 6 employees, of whom 4 are full time employees and 2 are part time. The employee titles and salaries are as follows

Employee directory		
Sr. No.	Employee Title	Salary
1	Front End Developer	50000
2	Back End Developer	50000
3	Graphic Designer	35000
4	Mobile Developer	30000
5	Testing Head	20000
6	Marketing Intern	15000

The testing head and Marketing intern are both part time employees because the testing is only to be done when a new feature is added to the application which requires testing of the new feature. Furthermore the Marketing interns are employees who are currently studying and haven't yet completed their education, hence they are classified as part-time employees.

**11. UTILITIES:** As already mentioned Mad Hunt is incubated in National Incubation Center, so they don't have to pay any utilities as of yet because NIC doesn't charge them any fee. However they would be moving out of NIC from April 2018 and would need to pay utilities, which according to our estimates would amount to about PKR 15000 per month.

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**12. TAX:** The rate at which Mad Hunt would be paying taxes would be 25%. However for the first 3 years Mad Hunt would not be paying taxes because in accordance to the new laws implemented by the government of Pakistan Tech startups are exempt for paying any taxes for 3 years after inception of this Law.

### Profit & Loss Statement For Mad Hunt 2017-18

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
	PKR	PKR	PKR	PKR	PKR	PKR	PKR	PKR	PKR	PKR	PKR	PKR
Revenue												
<b>Revenue per customer</b>	8500 0	8500 0	8500 0	1275 00	1275 00	1275 00	1275 00	1700 00	1700 00	1700 00	1700 00	2550 00
<b>Sales Revenue</b>	3000 0	1000 0	1000 0	1750 0	500	1800 0	1050 0	4000 0	4000 0	1800 0	1100 0	1850 0
<b>content development revenue</b>	1000 00	2500 0	2500 0	5000 0	2500 0	7500 0	5000 0	1250 00	1250 00	7500 0	7500 0	1000 00
Total Revenues	2150 00	1200 00	1200 00	1950 00	1530 00	2205 00	1880 00	3350 00	3350 00	2630 00	2560 00	3735 00
COGS												
<b>Content Development cost</b>	6000 0	1500 0	1500 0	4000 0	7500	4750 0	2250 0	7500 0	7500 0	4750 0	3000 0	5500 0
Gross Profit	1550 00	1050 00	1050 00	1550 00	1455 00	1730 00	1655 00	2600 00	2600 00	2155 00	2260 00	3185 00
Operating Expenses												
<b>Marketing Expenses</b>	1500 0	5000	5000	1500 0	5000	5000	1500 0	5000	5000	1500 0	5000	2500 0
<b>Depreciation</b>	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000
<b>Domain Name</b>	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
<b>Website Hosting</b>	500	500	500	500	500	500	500	500	500	500	500	500
<b>Server Cost</b>	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000
<b>Rent</b>									3000 0	3000 0	3000 0	3000 0
<b>Sundry Expenses</b>	1000 0	1000 0	1000 0	1000 0	1000 0	1000 0	1200 0	1200 0	1200 0	1200 0	1200 0	1200 0
<b>travel cost</b>	8500	8500	8500	8500	8500	8500	8500	8500	8500	8500	8500	8500
<b>Infrastructure cost</b>	8500	8500	8500	8500	8500	8500	8500	8500	8500	8500	8500	8500
<b>Salaries</b>	2000 00	2000 00	2000 00	2000 00	2000 00	2000 00	2000 00	2000 00	2000 00	2000 00	2000 00	2000 00
<b>Utilities</b>									1500 0	1500 0	1500 0	1500 0
Total Expenses	2525 00	2425 00	2425 00	2525 00	2425 00	2425 00	2545 00	2445 00	2895 00	2995 00	2895 00	3095 00

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EBIT	-	-	-	-	-	-	-	1550	-	-	-	9000
	9750	1375	1375	9750	9700	6950	8900	0	2950	8400	6350	
	0	00	00	0	0	0	0		0	0	0	
<b>tax @ 25%</b>												
Net Profit	-	-	-	-	-	-	-	1550	-	-	-	9000
	9750	1375	1375	9750	9700	6950	8900	0	2950	8400	6350	
	0	00	00	0	0	0	0		0	0	0	

### Profit & Loss Statement For Mad Hunt 2017-18

<b>Revenue</b>	
Revenue per customer	PKR 1,700,000.00
Sales Revenue	PKR 224,000.00
content development revenue	PKR 850,000.00
<b>Total Revenues</b>	PKR 2,774,000.00
<b>COGS</b>	
Content Development cost	PKR 490,000.00
<b>Gross Profit</b>	PKR 2,284,000.00
<b>Operating Expenses</b>	
Marketing Expenses	PKR 120,000.00
Depreciation	PKR 48,000.00
Domain Name	PKR 12,000.00
Website Hosting	PKR 6,000.00
Server Cost	PKR 60,000.00
Rent	PKR 120,000.00
Sunday Expenses	PKR 132,000.00
travel cost	PKR 102,000.00
Infrastructure cost	PKR 102,000.00
Salaries	PKR 2,400,000.00
Utilities	PKR 60,000.00
<b>Total Expenses</b>	PKR 3,162,000.00

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<b>EBIT</b>	PKR	(878,000.00)
tax @ 25%		
<b>Net Profit</b>	PKR	(878,000.00)

## Profit & Loss Statement For Mad Hunt 2018-19

<b>Revenue</b>		
Revenue per customer	PKR	4,250,000.00
Sales Revenue	PKR	689,000.00
content development revenue	PKR	2,075,000.00
<b>Total Revenues</b>	PKR	7,014,000.00
<b>COGS</b>		
Content Development cost	PKR	1,392,500.00
<b>Gross Profit</b>	PKR	5,621,500.00
<b>Operating Expenses</b>		
Marketing Expenses	PKR	250,000.00
Depreciation	PKR	48,000.00
Domain Name	PKR	12,000.00
Website Hosting	PKR	6,000.00
Server Cost	PKR	60,000.00
Rent	PKR	360,000.00
Sundry Expenses	PKR	200,000.00
Travel Cost	PKR	150,000.00
Infrastructure Cost	PKR	100,000.00
Salaries	PKR	4,500,000.00
Utilities	PKR	180,000.00
<b>Total Expenses</b>	PKR	5,866,000.00
<b>EBIT</b>	PKR	(244,500.00)
tax @ 25%		
<b>Net Profit</b>	PKR	(244,500.00)



## Profit & Loss Statement For Mad Hunt 2019-20

<b>Revenue</b>	
Revenue per customer	PKR 11,475,000.00
Sales Revenue	PKR 1,186,000.00
content development revenue	PKR 3,550,000.00
<b>Total Revenues</b>	PKR 16,211,000.00
<b>COGS</b>	
Content Development cost	PKR 2,280,000.00
<b>Gross Profit</b>	PKR 13,931,000.00
<b>Operating Expenses</b>	
Marketing Expenses	PKR 300,000.00
Depreciation	PKR 48,000.00
Domain Name	PKR 12,000.00
Website Hosting	PKR 6,000.00
Server Cost	PKR 60,000.00
Rent	PKR 360,000.00
Sundry Expenses	PKR 300,000.00
Travel Cost	PKR 200,000.00
Infrastructure Cost	PKR 100,000.00
Salaries	PKR 6,000,000.00
Utilities	PKR 180,000.00
<b>Total Expenses</b>	PKR 7,566,000.00
<b>EBIT</b>	PKR 6,365,000.00
tax @ 25%	
<b>Net Profit</b>	PKR 6,365,000.00

## Profit & Loss Statement For Mad Hunt 2020-21

<b>Revenue</b>	
Revenue per customer	PKR 19,550,000.00
Sales Revenue	PKR 3,115,000.00
content development revenue	PKR 9,675,000.00
<b>Total Revenues</b>	PKR 32,340,000.00
<b>COGS</b>	
Content Development cost	PKR 6,220,000.00
<b>Gross Profit</b>	PKR 26,120,000.00
<b>Operating Expenses</b>	
Marketing Expenses	PKR 350,000.00
Depreciation	PKR 48,000.00
Domain Name	PKR 50,000.00
Website Hosting	PKR 50,000.00
Server Cost	PKR 120,000.00
Rent	PKR 2,760,000.00
Sundry Expenses	PKR 700,000.00
Travel Cost	PKR 700,000.00
Infrastructure Cost	PKR 100,000.00
Salaries	PKR 9,000,000.00
Utilities	PKR 500,000.00
<b>Total Expenses</b>	PKR 14,378,000.00
<b>EBIT</b>	PKR 11,742,000.00
tax @ 25%	PKR 2,935,500.00
<b>Net Profit</b>	PKR 8,806,500.00

<b>Profit &amp; Loss Statement For Mad Hunt 2021-22</b>	
<b>Revenue</b>	
Revenue per customer	PKR 30,175,000.00
Sales Revenue	PKR 5,208,500.00
content development revenue	PKR 17,125,000.00
<b>Total Revenues</b>	PKR 52,508,500.00
<b>COGS</b>	
Content Development cost	PKR 10,710,000.00
<b>Gross Profit</b>	PKR 41,798,500.00
<b>Operating Expenses</b>	
Marketing Expenses	PKR 500,000.00
Depreciation	PKR 48,000.00
Domain Name	PKR 50,000.00
Website Hosting	PKR 50,000.00
Server Cost	PKR 120,000.00
Rent	PKR 2,760,000.00
Sundry Expenses	PKR 1,000,000.00
Travel Cost	PKR 1,000,000.00
Infrastructure Cost	PKR 100,000.00
Salaries	PKR 10,000,000.00
Utilities	PKR 500,000.00
<b>Total Expenses</b>	PKR 16,128,000.00
<b>EBIT</b>	PKR 25,670,500.00
tax @ 25%	PKR 6,417,625.00
<b>Net Profit</b>	PKR 19,252,875.00

## 10.4. BALANCE SHEET ASSUMPTIONS

### 10.4.1. ASSETS

1. **Cash & Cash Equivalents:** The cash and cash equivalents would be kept at the very minimum and would only be at the level which can keep the business operational, furthermore most of the finances of the business would be invested in the business building process rather than holding cash at hand.
2. **Inventory:** The inventory is minimal for an application that does most of its work online. Furthermore the application drives its revenues from an intangible product and doesn't require selling a tangible product which would need to be inventoried, hence the low inventory which would account for only the marketing props needed to actively market the application.
3. **Computers:** Mad Hunt being a tech startup requires most of its employees to have laptops to perform their daily activities. Furthermore as the scale of its operation increases the employees would increase and also the number of laptops would increase from the 3<sup>rd</sup> year onwards.

### 10.4.2. CURRENT LIABILITIES

The Current liabilities of Mad Hunt would entail Account & Notes Payable. These heads would account for all the liabilities of Mad Hunt i.e. Salaries Payable, Rent Payable, Sundry Expenses Payable, Electricity Expense Payable, Internet Expense Payable, Telephone Expense Payable etc.

### 10.4.3. EQUITY

The equity being put into Mad Hunt would be PKR 2 million in the initial phase of the application and would increase to PKR 5 Million when the application goes international because as the scope of the application widens the scope of its operation would also need to increase and as such would require additional funding. The profits once achieved would be retained at 60%, because in the initial stages the app would need to grow at a rapid pace and the 60% reinvestment in the business would be the lifeline for the business. Furthermore the remaining 40% of the earnings would be divided amongst the shareholders.

## MAD HUNT

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### Balance Sheet For Mad Hunt 2017-18

<b>Current Assets</b>	
Cash & cash equivalents	PKR 200,000.00
Accounts Receivables	PKR -
Prepaid Rent	PKR -
Inventory	PKR 15,000.00
<b>Total Current Assets</b>	PKR 215,000.00
<b>Plant, Property &amp; Equipment</b>	
Computers	PKR 192,000.00
<b>Intangibles Assets</b>	
Software	PKR 800,000.00
<b>Total Assets</b>	PKR 1,207,000.00
<b>Liabilities</b>	
Accounts Payable	PKR 50,000.00
Notes Payable	PKR 35,500.00
<b>Total Liabilities</b>	PKR 85,500.00
<b>Equity</b>	PKR 2,000,000.00
<b>Retained Earnings</b>	PKR (878,500.00)
<b>Total Liabilities and Equity</b>	PKR 1,207,000.00

## MAD HUNT

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### Balance Sheet For Mad Hunt 2018-19

<b>Current Assets</b>	
Cash & cash equivalents	PKR 300,000.00
Accounts Receivables	PKR -
Prepaid Rent	PKR -
Inventory	PKR 30,000.00
<b>Total Current Assets</b>	PKR 330,000.00
<b>Plant, Property &amp; Equipment</b>	
Computers	PKR 144,000.00
<b>Intangibles Assets</b>	
Software	PKR 1,500,000.00
<b>Total Assets</b>	PKR 1,974,000.00
<b>Liabilities</b>	
Accounts Payable	PKR 140,000.00
Notes Payable	PKR 78,500.00
<b>Total Liabilities</b>	PKR 218,500.00
<b>Equity</b>	PKR 2,000,000.00
<b>Retained Earnings</b>	PKR (244,500.00)
<b>Total Liabilities and Equity</b>	PKR 1,974,000.00

## MAD HUNT

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### Balance Sheet For Mad Hunt 2019-20

<b>Current Assets</b>	
Cash & cash equivalents	PKR 500,000.00
Accounts Receivables	PKR -
Prepaid Rent	PKR -
Inventory	PKR 50,000.00
<b>Total Current Assets</b>	PKR 550,000.00
<b>Plant, Property &amp; Equipment</b>	
Computers	PKR 96,000.00
<b>Intangibles Assets</b>	
Software	PKR 6,000,000.00
<b>Total Assets</b>	PKR 6,646,000.00
<b>Liabilities</b>	
Accounts Payable	PKR 500,000.00
Notes Payable	PKR 327,000.00
<b>Total Liabilities</b>	PKR 827,000.00
<b>Equity</b>	PKR 2,000,000.00
<b>Retained Earnings</b>	PKR 3,819,000.00
<b>Total Liabilities and Equity</b>	PKR 6,646,000.00

## MAD HUNT

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### Balance Sheet For Mad Hunt 2020-21

<b>Current Assets</b>	
Cash & cash equivalents	PKR 1,775,900.00
Accounts Receivables	PKR -
Prepaid Rent	PKR -
Inventory	PKR 100,000.00
<b>Total Current Assets</b>	PKR 1,875,900.00
<b>Plant, Property &amp; Equipment</b>	
Computers	PKR 548,000.00
<b>Intangibles Assets</b>	
Software	PKR 9,000,000.00
<b>Total Assets</b>	PKR 11,423,900.00
<b>Liabilities</b>	
Accounts Payable	PKR 750,000.00
Notes Payable	PKR 390,000.00
<b>Total Liabilities</b>	PKR 1,140,000.00
<b>Equity</b>	PKR 5,000,000.00
<b>Retained Earnings</b>	PKR 5,283,900.00



## MAD HUNT

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<b>Total Liabilities and Equity</b>	PKR 11,423,900.00
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Balance Sheet For Mad Hunt 2021-22	
<b>Current Assets</b>	
Cash & cash equivalents	PKR 1,500,000.00
Accounts Receivables	PKR -
Prepaid Rent	PKR -
Inventory	PKR 100,000.00
<b>Total Current Assets</b>	PKR 1,600,000.00
<b>Plant, Property &amp; Equipment</b>	
Computers	PKR 400,000.00
<b>Intangibles Assets</b>	
Software	PKR 16,500,000.00
<b>Total Assets</b>	PKR 18,500,000.00
<b>Liabilities</b>	
Accounts Payable	PKR 1,000,000.00
Notes Payable	PKR 948,275.00
<b>Total Liabilities</b>	PKR 1,948,275.00
<b>Equity</b>	
<b>Retained Earnings</b>	PKR 11,551,725.00
<b>Total Liabilities and Equity</b>	PKR 18,500,000.00

## **11. A WAY FORWARD**

Based upon our detailed research and analysis on different marketing aspects, we would like to give certain recommendations for future prospects. The App has the potential for success given that specific marketing strategies are followed. Moreover, we think that the App needs to introduce certain features and tailor their strategies accordingly, as described below:

### **11.1. FEATURES**

1. Based on our findings, a new segment is identified that like to hang out in a group and in the process would like to avail discount offers. We think that the feature of 'Quick to grab' should be introduced in the App thus in order to create a sense of competition among players in a game, that would ultimately create more customers' enthusiasm and buzz.
2. There should be an option of sharing coupon with friends in an App, which would play a major role in building social network and community.
3. As per our industry research of the popular Apps, the ones that give location based contents are more liked and used by customers in a long run.
4. Moreover, the online community/forum should be available in an App where users can interact, which would again plays a major role in building customers' associations with Mad Hunt and ultimately the Mad Hunt community.

### **11.2. STRATEGY**

1. The App should step into the Localized Content Industry by making location based pointers/clues. The idea can ultimately lead to a user generated contents that would definitely build a network effect.
2. Likewise, the App should digitally record the city's hidden knowledge thus in order to facilitate tourists exploring their surroundings.
3. The App can also calculate and suggest the optimum route to users according to pointers, which will eventually, serves the dual purpose i.e. facilitating user by showing the best route and side by side incentivizing user with reward.

# MAD HUNT

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4. The App can follow the model of Careem as well as Careem has really developed quite a strong hold locally by their excellent marketing and execution strategies. Just like Careem, The Mad Hunt, based on their technology, can jump across different industries as under:
  - a. Tourism industry can be the lucrative segment as Pakistan has the potential of tourism based upon its geography and there is no local App that can give localized contents for tourist facilitation.
  - b. The customized scavenger hunts for corporations can be another option as well just like the Mad Hunt is focusing on Jazz scavenger hunt among employees.

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