Kept

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Introduction

Kept is a fun and effortless way for couples to both record their past and plan their future. On one hand, Kept is a mobile micro-journal that allows two people in a relationship to collaboratively and effortlessly record their past memories together. On the other, Kept provides a place for couples to jot down future date ideas, and assists their planning with personalized recommendations.

Back at the OAP, we presented Kept as solely a mobile micro-journal. From interviewing and surveying over 100 couples, we found 50% of females and 35% of males were unhappy with their current method of storing memories, so we were convinced Kept would be solving
a real need. Our business model was limited though - we planned to make money through selling Kept on a freemium model, with an ad-free paid version and a free version, with ads.

We needed to think bigger. So, we interviewed another 20 couples soon after the OAP, to find out what other problems couples have. One common complaint they had was doing the same activities together over and over, and rarely going on original, exciting dates. There were two main underlying causes of this: some couples stumble across interesting possibilities for dates, but fail to write them down and consequently forget them; other couples make bucket lists of dates they would like to go on, but do not take the effort to make specific plans.

To solve this problem, Kept provides “bucket lists” where couples can easily jot down future date ideas whenever they think of them, and assists their planning by drawing on the couple’s past experiences and future plans to make personalized recommendations of products and services catered towards couples.

**Business Model and Partners**

Expanding Kept to include a recommendation engine allowed us to develop a more solid business model with a larger, more sustainable revenue stream. Instead of selling a freemium application, we now plan to use Kept’s recommendation engine to provide lead generation for businesses that cater to couples. These businesses include ones in the wedding industry, photo-printing companies, local date venues, and date-friendly online services such as Netflix and Fandango.

To estimate our potential revenue from lead generation, we took a look at the affiliate programs of these types of businesses. Companies like TinyPrints and Mixbook, that sell customizable greeting cards, photo books, and similar items, offer commission rates of 10 to 15% per sale; wedding favor and wedding dress sellers offer rates of up to 20% (with an average order size of well over $100); and Fandango offers 10 cents per movie ticket purchase and $2 per order of Fandango bucks [1-4]. Based on these numbers, we estimate our average revenue per user will be at least $5 per year. At any point in time, there are approximately 70 million people in the US who are in relationships and have smartphones [5-7]. Capturing just 10% of this population will result in an annual revenue of $35 million.
We plan to make Kept attractive to potential partners by first gaining a sizeable user base. Then we will target one industry first, likely photo-printing companies since they will appeal to the greatest variety of couples using Kept, who already have photos and memories stored on the application and would likely appreciate the convenience of being able to print photos, scrapbooks, and such, straight from Kept. Once we obtain partnerships with one or more companies within the photo-printing industry, we can prove the success of Kept in creating lead generation for these companies, and then use that success to more easily obtain partnerships with wedding industry companies and date-friendly online services. Finally, we will use channel partnerships to reach out to local date venues, since reaching out to these places individually would be expensive, and not particularly lucrative.

Sales and Marketing Strategy

Gaining a strong, engaged user base is key to the success of Kept, since without active users, we will be unable to create revenue through lead generation. We will avoid relying on advertising to acquire this user base, since it is costly and unsustainable. Instead, we plan to focus on content marketing, using Tumblr and Pinterest for example. As mentioned above, through our surveys and interviews, we found Kept naturally appeals to females, and we plan to use this to our advantage. Thus, the goal of our marketing strategy is to become a valued part of online communities of women. Nowadays female consumers are driving e-commerce on sites such as Groupon, Etsy, and Chegg, which makes us optimistic that our monetization strategy of lead generation will be especially effective on female users [8]. Thus, creating strong, positive online personas on networks that women are on is very important for Kept.

Fortunately, love, relationships, and weddings are already popular topics among females on sites such as Tumblr and Pinterest [9-11]. Kept’s goal is to join and contribute to the existing community on these sites, rather than just market itself. On Kept’s Tumblr blog (at blog.projectkept.com), we post not only updates about our progress on the product, but also relevant quotes and images that align with Kept’s cause of enriching relationships. So far we have a small following of people from all over the world, with positive feedback.

Pinterest is another ideal platform for Kept to reach women. Nearly 70% of Pinterest’s over 10 million users are women, and the Pinterest community is active: on average, Pinterest
users spend about 16 minutes on the site - four minutes more than Facebook [12]. On Kept’s Pinterest, we will post bucket lists of date ideas, gift ideas, and cute quotes. Getting user engagement through our Pinterest page is an easy way to publicize Kept, and if users like the general recommendations we post, they will be more likely to download Kept and try it out themselves.

Initially, we will create Kept for iPhone and Android. Almost three-quarters of Americans with a smartphone have either an iPhone or an Android phone, and over 80% of mobile application downloads are on one of the two platforms [13]. After gaining a user base on these two platforms, we will expand to developing Kept for other types of smartphones.

**Risks**

Back at the OAP, market risk was one of our greatest concerns. Kept’s success depends on several key hypotheses about the market, so we ran some experiments to test them. One key hypothesis was that couples would record their memories consistently and write down things they wanted to do together in a bucket list, if they had an easy way to do so. We first tested this with paper prototypes, by handing out tiny Moleskine notebooks to five Stanford couples, one per person. Each Moleskine was split into a “Memories” section and a “Bucket List” section. After a week of using the Moleskines, all ten people wrote in both the memories and bucket list sections, though some preferred one over the other. All five couples agreed the Moleskines were a much easier and more fluid way of keeping track of memories compared to what they had been using previously, and they thought using a mobile application would be even easier.

To further test this hypothesis, we built a simple website with one main feature - the ability to add text-only memories - and invited couples to use it. We made the site simple so we could set it up quickly, but unfortunately it was too simple, and couples were not motivated to use the site. One useful takeaway from this, though, is that we realized couples liked being able to edit each other’s posts. Especially for couples in which one person writes more often than the other, it was useful to be able to write add-ons and comments to existing memories.
We also tested whether users would appreciate the recommendation engine aspect of Kept. When we collected couples’ Moleskines, we asked them a couple of questions about what types of restaurants, movies, and date activities they enjoy. Based on their answers, we recommended related activities they might be interested in doing. All five couples rated the service’s usefulness an eight or nine, out of ten. They loved the recommendations because they were free and no extra work for them.

After validating some of our key hypotheses about the market, currently our greatest concern is technical risk. Providing couples with useful, relevant recommendations requires cutting-edge data mining and machine learning techniques behind-the-scenes. To minimize this risk, we would need round A funding, which we would spend primarily on acquiring technical talent.

Team and Funding

Of course, we are not ready for round A funding yet. Instead, we have applied to summer programs at Highland and Lightspeed, so we can work on Kept fulltime this summer. To make Kept a success, our team needs talented mobile application designers and developers to create a beautifully-designed, easy-to-use mobile application; data mining and machine learning experts in charge of building and improving the algorithms behind Kept’s recom-
mendation engine; and business and sales people to manage marketing, as well as acquire and maintain partnerships with companies we can provide lead generation for. We will initially recruit team members on Stanford’s campus, through our connections with fellow students. It may be difficult to find students with the data mining and machine learning expertise we require though. Once we acquire round A funding, Kept will have the credibility to hire people from industry with more experience in these areas.

Summary

In the near future, couples will be able to enrich their relationship through recording the past and planning the future together, with a single application: Kept.
References


