



**Integrated intelligent LEARNING environment for
Reading and Writing**

D2.3.3 – Exploitation and Business Plan



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1. Executive Summary

Integrated Intelligent Learning Environment for Reading and Writing (iLearnRW) is a 3 year project aiming to evolve from traditional assistive software which uses a computer simply as an alternative to pen and paper towards developing next generation learning software which uses a computer system to facilitate the learning process for children with dyslexia. The exploitation plan presents the expected and delivered outcome of the iLearnRW project in terms of scientific knowledge and exploitable results, and how these are delivered to the audience.

The iLearnRW solution is tablet-based software that will support and motivate children with dyslexia with their reading and writing. From the children's perspective, the iLearnRW prototype consists of a pair of tablet applications: A "Serious Game" and a "Reader". The Game encourages a child into literacy activities which aim to improve the child's skills that are related to dyslexia. The Reader is an application which allows the child to load a document and display it in a way that facilitates his reading experience.

The iLearnRW exploitation plan has focused on identifying the key ingredients for market success in the UK Primary and Secondary education markets. The commercial and academic partners have worked together to develop the value proposition and implementation strategy to ensure full benefit can be derived from the project work.

The competitor analysis (Section 5) identifies two groups of solutions; tools to improve reading and writing productivity and tools to improve learners' literacy skills. Opportunities exist to bridge the gap between the two solution types. The competitor analysis also identifies trends in the market including the increasing use of subscription pricing models and the availability of applications across different platforms. These trends are supported by the market analysis (Section 6) where stakeholder requirements are identified, including the use of the solution at school and at home which requires access across a diverse range of platforms. A SWOT analysis is used to identify barriers to entry, which include the high cost of sale into Primary and Secondary Schools, competitor brands and feature sets being well established and increased costs based on the requirement for a multi-platform solution.

The commercial strategy (Section 7) delivers a value proposition of combined literacy support through iLearnRW Games and productivity gains through iLearnRW Reader at school and at home. This is supported through a 'freemium' pricing model, offering schools 12 month subscriptions to iLearnRW Reader for £1 per student and iLearnRW Games for 25p per student. Sales forecasts and projected costs are based on commercial objectives of 7.5% market share of Primary schools and 15% market share of Secondary schools by Year 5. The Financial plan (Section 8) identifies a payback period of 4.77 years from release with an 8% Return on Investment by the end of Year 5.

2. Introduction

Integrated Intelligent Learning Environment for Reading and Writing (iLearnRW) is a 3 year project aiming to contribute towards a move away from traditional assistive software which uses a computer simply as an alternative to pen and paper and towards developing next generation learning software which uses a computer system to facilitate the learning process for children with dyslexia.

The aim is to develop next generation tablet-based software that will support and motivate children with dyslexia with their reading and writing. The software will incorporate an assistive reader, providing tailored reading support as well as literacy-based activities targeted at each child's specific difficulties. It will also incorporate a learning game providing further opportunities for children to practice specific areas of reading and writing within a fun and engaging game environment.

The purpose of this document is to provide details relating to the market and business opportunities for iLearnRW, setting out how the participants will exploit the results of the project. The iLearnRW exploitation plan identifies market conditions (Competitors, SWOT, stakeholder requirements) to identify the key ingredients for market success. The document outlines a business model to ensure full benefit can be derived from the project work. Since commencing the project, the commercial partner within the consortium Dolphin Computer Access Limited (DCA) has expressed an interest in commercialising the project outcomes and each consortium partner has specified their commitment to take advantage of both the knowledge acquired throughout the project and its tangible results.

The iLearnRW fully operational prototype addresses the need for schools to manage the varying literacy issues amongst students. At present, attempts to address these issues are restricted to intensive one-on-one remediation. Many schools incorporate Guided Reading sessions in their general literacy instruction but these are frequently not suitable for children with specific learning difficulties. Our research indicates that it is difficult for even an experienced special needs teacher to accommodate more than two children during any reading session. Our hypothesis is that with the iLearnRW programme it will be possible for schools to have effective teaching across a class with at least ten students per teacher as well as simulate guided reading during independent study. This will allow students with dyslexia an opportunity to improve their reading, helping them to engage with instruction materials on a par with peers and provide an aid to (support) teachers to deliver cost effective remedial and developmental reading classes.

2.1. Scope

This document defines an initial plan for exploitation. The scope is limited to defining a framework for exploitation activities rather than providing concrete plans, as these will need to remain flexible to market turbulence prior to commercial availability.

2.2. Relationship to other tasks

The project exploitation plan developed in Task 2.2 and presented in this deliverable D2.3.3 will guide the project exploitation activities after project completion. Exploitation encompasses marketing and depends, in part, on dissemination and so there will be natural interaction between the exploitation activities planned in this deliverable and the dissemination activities planned in Task 2.1

This deliverable draws on the outputs of WP3 – Requirements Analysis and Specification and the validation activities of WP7 – Evaluation- will provide key inputs to the exploitation plans and activities.

3. Objectives of the Exploitation and Business Plan

The objective of the Exploitation and Business Plan is to design the most appropriate plan for an effective commercialization of iLearnRW solution in UK Primary and Secondary school markets.

The key business objectives of the iLearnRW project are:

- Identify primary and secondary competitors
- Analyse the current market situation in order to identify potential customers.
- Develop a market hypotheses and pricing model
- Consolidate an image of quality and innovation associated to the potential future product, by the use of the Dissemination Plan & activities results.

4. iLearnRW Research Prototype overview

The iLearnRW solution is tablet-based software that will support and motivate children with dyslexia with their reading and writing. The software will incorporate an assistive reader, a text classification tool, user profiling and personalized content presentation, access to an online resource bank offered through a web page to users as well as including games that provide further opportunities to practice specific areas of reading and writing within a fun and engaging environment.

From the children's perspective, the iLearnRW prototype consists of a pair of tablet applications: A "Serious Game" and a "Reader". The Game engages a child into literacy activities which aim to improve the child's skills that are related to dyslexia. The Reader is an application which allows the child to load a document and display it in a way that facilitates his reading experience. The Reader can be considered an "auxiliary" application compared to the Game which is the primary avenue by which the iLearnRW prototype system aims to improve the children's skills.

For the teachers/tutors/experts' perspective, the iLearnRW prototype also consists of a set of web applications which handle administration issues ("creation of students") as well as reporting issues (for example, details of the children's usage of the iLearnRW system).

4.1. Solving a problem

In the classroom, the iLearnRW prototype will act as a cost effective supplement to one-to-one literacy tuition. Traditional Guided Reading sessions are limited for two reasons: the specialist knowledge required by the literacy instructors and the one to one nature of instruction. Once iLearnRW is in place, a teacher will be able to run Guided Reading sessions with up to ten special needs children in attendance. The technology solution will provide detailed guidance and suggest next steps that will cumulatively replicate a bespoke improvement programme.

Having a good solution is not sufficient to win market share, the successful solution will also address key learning objectives. Typically the process will:

- initialise a profile for the student based on initial interactions and teacher input if available;
- present guidance and learning activities to the child based on an understanding of their needs constantly updated through continuous interactions with the system
- offer a system of game-like rewards to motivate the student to read more, improve their skills and continue to work on the foundations of literacy;
- Provide feedback on student progress to the teacher to enable additional intervention by the teacher based on information about the child not available to the system; this will mean significant time savings for the teacher without sacrificing their input; schools will be able to better allocate their specialist resources and empower non-specialist teachers to better support dyslexic students' literacy needs.

4.2. Unique differentiation

There are no current solutions available which focus on both improving literacy skills and improving productivity with reading in the classroom. iLearnRW's next generation learning software uses a computer system to facilitate the learning process for children with dyslexia and improved productivity through Guided Reading. By offering an inclusive approach to target specific difficulties this offers a broader solution to tackle literacy.

4.3. Hardware/Platform

There are many assistive hardware technologies and general-purpose hardware technologies in use in education. By considering the range of features and facilities that these different technologies provide we can select a hardware platform for the ILearnRW application, which both fits within existing practices within schools and will provide an appropriate platform for using the software features we intend to develop.

4.3.1. Tablets

Tablets have a number of advantages over reading on other platforms. The digital nature of the reading technology means that custom features (such as text highlighting) can be included to assist in an individual's comprehension of a particular book, without the investment of large amount of effort necessary to customise a paper-based book. A tablet can also commonly be used to play games on, something that integrates well with the engagement and gaming elements of the iLearnRW project. It is of note that much of the current interest in tablets and e-readers is aimed at using this technology within mainstream schools. The same benefits apply for SEN alongside other additional benefits. The fact that the introduction of tablets into education would benefit both SEN and mainstream children means that tablets could serve as a significant driver of inclusion rather than isolation.

4.3.2. Platforms

While the iPad has become synonymous with tablets as a founding device in the modern incarnation of the category, android-based devices are making inroads into the tablet market, especially within schools. The project's survey of evaluation participants' ownership of mobile technologies showed a definite predominance of Android-based tablets. This is due to several factors including the lower price of android tablets, a greater variety of form factors (including devices with pen input or 7 inch screen size) and flexibility in the deployment of applications (including the initial investment necessary for development). Windows 10 offers increasing compatibility between laptop and tablet devices, helping to connect the reading and writing experience. Overall people expect interoperability across devices, regardless of whether they

are using iPads, Android or Windows 10 devices. Added to this, more students are coming to schools with their own devices, resulting in an untamed platform environment. Consequently we have decided that it would be unwise to approach the market without a range of platform solutions

Given that many people (9% according to a recent study by Book Industry Study Group, 2012) also report using phones as their primary reading device, there is not necessarily a technological barrier to the iLearnRW software being available on phones. This is significant given our stated aim of integrating our intervention in existing practices. As the trend of increasing the default screen sizes of smart phones continues, such compatibility could have a longer-term advantage.

5. Competitor Analysis

A number of competitor solutions offering reading and writing support to dyslexic students are outlined below:

5.1. TextHelp Read & Write:

TextHelp are the market leaders in the UK and the States, with feature-rich solutions covering almost every requirement of people with dyslexia. Features include; spell checking, word prediction, voice input, picture dictionary and more. Due to the high level of features, the product can be difficult to learn. The product focuses on reading and writing using a computer as an alternative to pen and paper and is available on Windows, Apple MacOS, Apple iOS, Android and as a plug-in for the Chrome browser for Google Docs. Individual licenses for Windows are targeted at Higher Education funding channels (Disabled Student Allowance) with a comparatively high price point of £320. Apps on iOS and Android are available for £20. However, TextHelp have grown rapidly in the US using a 'Freemium' model of the Google version in education, upgradable to include premium features as an annual subscription. The subscription to the Google version also includes free access to app versions on iOS and Android.

5.2. ClaroRead

ClaroRead is a reading and writing tool developed in the UK and sold widely throughout Europe with a good dealer base. The product comes as Standard, Plus and Pro editions and is feature-rich including text to speech, word prediction, spell checking, OCR scanning and more. Claro's primary target is education, selling site licences as well as individual copies. Site licenses are available for Windows and Mac based on the number of students (£1,995 for 1,000 – 5,000 students). Cloud version priced as annual subscription on a per scanned page basis (£1,595 per year for 10,000 pages, plus £600 per year for an additional 5,000 pages). Series of iOS apps available from free - £10.

5.3. WordQ

WordQ is a word prediction tool developed in Canada. The product is not as fully featured as other competitors, but focuses on essential word prediction functionality. WordQ is not widely known in the UK and focuses on reading and writing for people with dyslexia using a computer as an alternative to pen and paper. The product is available on Windows, Mac and iOS. The Windows version priced at £167, with iOS version available for \$25.

5.4. Dolphin SaySo

Developed by Dolphin Computer Access Ltd. SaySo is a reading and writing toolbar for people with dyslexia, offering support for reading documents and web pages and spell checking. SaySo

also includes the ability to find, download and read accessible curriculum texts from national educational libraries such as Load2Learn in the UK and BookShare in the US. The program is available for Windows only, priced at £159 for individual licences, £1,500 for Primary schools and £2,500 for Secondary schools.

5.5. Clicker

Clicker 6 is a child-friendly writing tool that enables pupils of all abilities to significantly develop their literacy skills. Features include word processing, text to speech and word predictions. Individual licences available for Windows and Mac for £180, and a school site licence available for £1,995. Individual iPad apps available for forming sentences, connecting words, writing docs and reading books, all priced at £23.49.

5.6. Ginger

US-based text correction tool claiming to correct up to 95% of common mistakes of people with dyslexia. Focus on reading and writing for people with dyslexia using a computer as an alternative to pen and paper. The primary target for Ginger is individuals, with school licences also available. The product is available for Windows, Mac, iOS, Android and web browsers and is sold as a subscription to individuals priced at \$61 per year for basic features and \$111 per year for premium features.

5.7. Nessy Reading

Reading, writing and spelling support for children with dyslexia, Nessy develops the foundations of literacy for ages 5-11. Although the product specialises in developing learners with dyslexia, the program also delivers foundation skills for all learners through the use of word games. Skills include: phoneme identification, blending and word recognition, rhyming and syllable division and student reports for teachers to track progress. The program is available on Windows, Mac, with separate games also available for iOS and Android. Windows licence available for £1,000 per year based on 400 students. Apps priced from free to £3.99.

5.8. Competitor summary

The market for reading and writing solutions for people with dyslexia is becoming more and more proliferated. The current competitor environment can be categorised into two clear groups:

1. Productivity tools using text-to-speech to assist with reading and writing (e.g. Read&Write, ClaroRead, SaySo, Clicker etc.)
2. Tools to assist with learning to read (e.g. Nessy Reading).

Opportunities exist for a solution to bridge the gap between these two categories, offering support for literacy and productivity. This can be achieved by utilising the reading functionality available in the productivity tools, as well as building literacy skills through games.

Additional opportunities exist for a solution which actively supports teachers in the classroom. Technology which can profile student's specific literacy strengths and weaknesses will empower teachers to apply appropriate learning strategies and support more learners with dyslexia simultaneously.

Other points to consider in positioning iLearnRW against competitor solutions include:

- The availability of apps provides a “foot in the door” at no or relatively little cost for TextHelp, Claro, WordQ, Clicker and Nessy.
- Competitor solutions offer schools great flexibility in their deployment, with options available across different platforms; Windows, Mac, Android, iOS and web browsers.
- School-wide price points of competitor solutions (e.g. ClaroRead, SaySo, Clicker) trends at around £2,000 area, with many competitors moving toward subscription-based pricing models (e.g. TextHelp, Claro).

6. Market Analysis

The market analysis is based on an assessment of the Primary and Secondary education markets in the UK.

6.1. Market size

There are more than 17,000 primary schools and 4,000 secondary schools in the UK, supporting four million pupils in each category. In school age groups alone, 800,000 learners are affected by dyslexia. Besides the unwieldy number of primary and secondary schools, there is increasing decentralisation as academy status becomes more popular. By the end of 2014 there were 4,548 academies in England; a number which has grown from 465 in 2011 (Source: gov.uk).

Furthermore the ratio of teaching assistants is increasing annually, up by 6% in the last year alone and now representing a 1:2 teacher ratio in state schools, compared to 1:8 in private schools (DoE annual workforce survey). The departure from LEA control and move towards lower grade staff suggests a further dilution of knowledge and a greater demand for reliable teaching resources to address the needs of SEN pupils across the UK.

6.2. SWOT analysis

The following SWOT analysis identifies a number of strengths and weaknesses of the prototype solution, plus opportunities and threats presented by the UK Primary and Secondary education markets.

6.2.1. Strengths:

- **Reducing classroom barriers:** The iLearnRW prototype is targeted specifically on the activities that take place in the classroom (e.g. Guided Reading). This reduces barriers to adoption in schools as classroom teachers do not need to change their everyday practices to accommodate iLearnRW.
- **Increasing learner motivation:** Students remain motivated to learn through educational games delivered alongside the accessible Reader
- **Enabling productive teaching:** iLearnRW Reader enables teachers to save time and support more students with Guided Reading activities.
- **Delivering access to learning materials:** Dolphin's relationships with talking book libraries (e.g. Load2Learn) and potential relationships with educational publishers streamlines access to curriculum materials for teachers and students

6.2.2. Weaknesses:

- **Lack of international scalability:** iLearnRW is subject to High localisation costs due to a large part of the product (games, user profiling etc.) being language specific. Localisation will therefore include re-development of the

Reader and Games to meet the local language syntax as well as translation of the user interface. Initially therefore, iLearnRW will only be exploitable in English speaking territories.

- **High development costs:** iLearnRW is currently in prototype phase. The product requires a high cost of development, with the expected time to market in the region of two years (September 2017).

6.2.3. Opportunities:

- **Gap in the market:** The competitor analysis (Section 5) identifies a gap in the market for a solution which offers literacy support and productivity gains for dyslexic learners.
- **Decentralization of school budgets:** Section 6.1 outlines the growing number of schools converting to academy status. This provides market opportunities for iLearnRW whereby schools have complete control over their own SEN budgets.

6.2.4. Threats:

- **High cost of sale into education:** The cost of sale into Primary and Secondary schools is often high. Sales team overheads are high whereby on-site visits using a consultative approach are recommended to communicate the benefits of a solution. In addition, the lead time of sales into Primary and Secondary schools tends to be long due to the number of stakeholders involved in the decision making (senior teachers, classroom teachers, network administrators, parents etc.) as outlined in Section 6.3.
- **Competitor brand awareness:** Competitors in English speaking markets are well established. In particular, TextHelp and Claro have built up a strong brand reputation over the preceding years, suggesting brand equity will be difficult to establish for new entrants in the market.
- **Competitor feature sets:** Competitors have built a rich bank of features to support learners with reading and writing, including text-to-speech, OCR scanning, spell checking, word predictions, picture definitions and much more, providing significant differential from the prototype solution.
- **Requirement for multi-platform availability:** Parents and teachers decision-making for purchasing tablet computers will not be affected by the availability of iLearnRW. The tablet device will be a primary purchase decision with iLearnRW being a secondary purchase decision. Since various tablet platforms are used in schools and homes around the UK (see Section 6.3), iLearnRW needs to be available across multiple tablet platforms to ensure availability. Deployment of the entire iLearnRW solution onto different platforms will have significant implications on development, maintenance and support costs.

6.2.5. SWOT summary:

Overall, the SWOT analysis demonstrates that there is a high level of risk for a new product entering the UK Primary and Secondary education markets. The main factors are the increasing number of competitor solutions already active and trusted in the market and the high cost of entry with significant research and development needed to take a product to market. These factors suggest that it will be difficult to gain traction in the UK Primary and Secondary school markets without first making a significant loss. In mitigating these risks and minimising initial losses, it is important for iLearnRW to build brand equity in the market quickly by exploring creative routes to market.

6.3. Stakeholder analysis

Within the school system key stakeholders include students, teachers, teaching assistants, head teachers, special needs coordinators and parents. Understanding each group's requirements will ensure their needs are factored into iLearnRW's value proposition. Stakeholder needs is presented in the table below:

Stakeholder	Description of role	Requirements
Head Teachers and SENCOs	Ultimate responsibility for the provision of supporting tools for learners with Special Education Needs.	Cost-effective solution with proven results that will raise attainment and literacy levels.
Teachers & teaching assistants	Responsible for the day-to-day teaching of all learners.	Require solution that can be integrated into their classroom environment without causing disruption or major changes to their teaching methods. Often seek empirical evidence before adopting new teaching strategies in the classroom.
IT Coordinators	Responsible for the availability of technology within schools.	Require a solution that works with their current devices and network implementation.
Students	End users of the learning technology	As the end users of the solution, students require a solution that is fun and engaging. The solution also needs to be easily available for students so they can access

		the tool in the classroom and at home. Over two thirds of students have access to a tablet at home, while a third of students have access to their own device. Devices include iPads, Android tablets and to a lesser extent, Windows tablets.
Parents	Support their children with reading and writing outside of school	To help support their children with reading at home, parents require access to learning resources. For some, access to the same technology which is being used in the classroom will be preferable. Access to components of the solution for use at home needs to be considered as part of the value proposition.
Dyslexia Assessors	Responsible for the assessment of learners who are struggling with reading and writing. Also responsible for providing technology recommendations to assist learners with reading and writing.	A unique, clear, concise and empirically proven value proposition will be required to ensure technology is recommended.

The outlined stakeholder requirements pose a significant impact on the iLearnRW value proposition in the following areas:

6.3.1. Evidence-based value proposition

The stakeholder requirements identified that research evidence and proven case studies are a clear requirement for head teachers, SENCOs, teachers and teaching assistant looking to adopt new technologies and learning strategies within the classroom. It is therefore suggested that empirical research evidence and case studies supporting the adoption of the program are collected throughout the prototyping phases of the iLearnRW project, ready to be added to the value proposition. Consequently, having access to a domain expert will be vital to the success of the project.

6.3.2. Training

Adoption within the UK educational system heavily depends on how compatible the technology is with existing practices and expertise. A critical element of our strategy will be to provide training to key stakeholders across schools in the UK to demonstrate the fit of our technology with the curriculum and to support best practice implementation.

In the initial stages, the consortium will provide the domain experts, who will be invaluable to understanding customer problems, identifying solutions and creating early prototypes. Of course our consortium partners will also be heavily involved in dissemination.

As we move from prototypes to exploitation, the commercial partners will work more closely with education leaders, content holders and other advocacy groups to refine and promote the proposition.

As the project develops beyond the UK education market, it will be important to develop international content and education partners in different territories. We will also need to establish relationships with local domain experts, advocacy groups, community engagement programmes, funding agencies, etc. to establish need, develop, refine and deliver solutions. Our sales staff will be supported by support staff to offer a consultative sales experience.

6.3.3. Program availability at school and home

Our assessment of stakeholder requirements implies that teachers and teaching assistants require students to access the program at school in the classroom, while students and parents also require access to the program for use at home. As well as meeting stakeholder needs, ubiquitous access at school and home will also help to embed the program into student's everyday learning strategies.

6.3.4. Available on multiple mobile platforms

The uptake of tablet computers for learning at school and at home demonstrates a changing landscape for ICT applications. At school, 71% of primary and 76% of secondary schools are making use of tablet computers in the classroom. Further, the number of tablets used in classrooms is forecast to increase from 721,000 tablets in 2015 to over 946,000 by the end of 2016. By 2020, 44% of schools are predicted to have 1:1 access to tablets in the classroom. (Source: [BESA](#))

At home, 71% UK children aged 5-15 had access to a tablet at home by the end of 2014. Plus, 34% of children have access to their own tablet and do not have to share with their parents. (Source: [Ofcom](#))

Further research from [BESA](#) indicates that a variety of tablet platforms are preferred by schools. Schools preferred tablet platform is Apple iOS (preferred by 46% of secondary schools and

57% of Primary schools), followed by Windows 8 (26% secondary, 17% Primary) and then Google Android (17% Secondary and 16% Primary). This indicates that the solution needs to be available across different platforms to fully exploit market opportunities.

7. Strategy and Implementation

7.1. Commercial strategy: Build market share

As stated in Section 5, the brand reputation of competitor solutions TextHelp and ClaroRead mean that gaining traction in the market will be difficult. In addressing this, the commercial strategy for iLearnRW exploitation is to gain market share and brand awareness quickly and use that market share to generate revenue. To deliver this strategy, a ‘freemium’ revenue model is outlined in Section 7.3.

7.2. Milestones

The exploitation of iLearnRW is dependent on meeting the following primary milestones

- **Phase 1: September 2015 – August 2017:**
 - Development of iLearnRW Reader, iLearnRW Games and iLearnRW Web Portal
- **Phase 2: September 2016 – August 2017**
 - Early adopter trials in parallel with Phase 1 development
- **Phase 3: September 2017**
 - Commercial launch

7.3. Revenue streams: 'Freemium' model

To delivering against the commercial strategy, a 'Freemium' revenue model is outlined below:

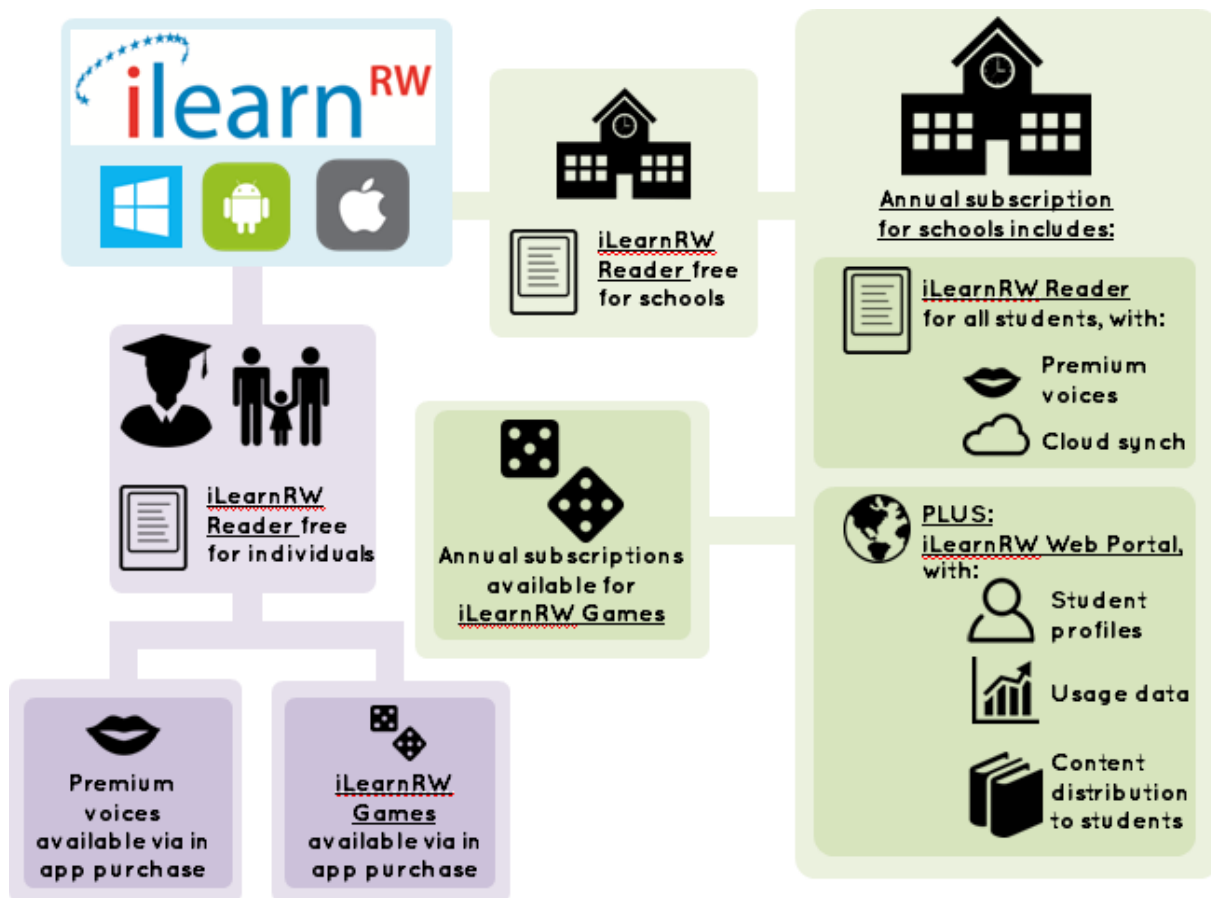


Figure 1: Proposed iLearnRW 'freemium' revenue model

7.3.1. Free access to iLearnRW 'Reader'

A restricted version of the iLearnRW Reader will be available for individuals and schools to use for free. Restrictions will include a basic voice and no access to iLearnRW Games.

By providing free access to the iLearnRW Reader, application usage can be monitored in geographical regions, allowing Sales teams to focus their efforts on contacting schools in the areas where application usage is highest.

7.3.2. Students and parents

For students and parents, premium voices and iLearnRW Games will be available free of charge where the child's school has purchased an annual subscription. In the event that the child's school has not purchased a subscription, in-app purchases will be available to unlock the premium voices and iLearnRW Games for students to use at home. Dolphin will incur a 30% transaction fee from the app store for in-app purchases.

7.3.3. School subscriptions

For schools, annual subscriptions will be available which include:

- Access to iLearnRW Reader for all students
- Premium voices for all students
- Cloud synchronisation of students book lists, games, reading and playing positions, scores and settings for all students on devices at school and at home
- Access to iLearnWeb Portal:
 - Administrator interface for creating student profiles
 - Web interface for monitoring student application usage
 - Ability to share school content directly with students via the Reader

Schools will also be able to purchase additional annual subscriptions to iLearnRW Games for all students to use at school and home.

7.3.4. Distribution

iLearnRW will be distributed onto school and home devices using mainstream device app markets (App Store, Google Play, Windows Store). Premium features (voices, cloud synchronisation and iLearnRW Games) are accessed by signing into the app using the personal login credentials provided by the school.

7.4. Value proposition

The value proposition offered by iLearnRW empowers students to improve literacy and reading productivity at school and at home, all for £1 per student per year:

For students:

- iLearnRW Reader empowers students with productive access to curriculum materials, read aloud with natural sounding voices
- iLearnRW Games motivate students to improve their literacy skills in an engaging environment

For Teachers:

- With iLearnRW Reader, a teacher will be able to run Guided Reading sessions with a number of children in attendance, providing cost effective supplement to one-to-one literacy tuition.
- iLearnRW Web Portal gives complete control to teachers, with data analytics to monitor student usage and progress and options to share curriculum materials directly with their learners

7.5. Building customer adoption

Initial exploitation will be structured around early adopters and early majority groups.



7.5.1. Early adopters

Early adopters represent only 10% of the target population but are crucial to the successful adoption of technology. If they are not decision makers themselves, they have strong influence over professional networks who make technology purchasing decisions.

Prior to commercial availability, in September 2016 we will provide iLearnRW at no cost to a number of targeted groups (identified in conjunction with Dyslexia Action and University College London):

- we will approach the schools who participated in the evaluation phase, who will have a vested interest in the project;
- we will selectively choose best practice schools through our professional connections such as CReSTeD schools, Dyslexia Action, and a sample of schools from Achievement for All;
- we will identify motivated teacher-students who are training to teach children with dyslexia through the UCL's MA in SpLD programme.

After refining the technology in this first step we will make it commercially available in September 2017. Our aim will be to create champions for our product, build market share based on the free version of the iLearnRW Reader, and yield proven case studies, leading to further publication of technical papers and case studies on child/parent/TA/teacher experiences.

7.5.2. Early majority

By year 4, having focused our efforts on building a database of interest from downloads of the free iLearnRW Reader and creating a core influential group of early adopters, we will have formed the necessary foundation for approaching the 'early majority'. Constituting 40% of the market, the early majority invest only when there is a mainstream market of users and the technology has been proven to deliver its benefits and to work seamlessly. It is anticipated that iLearnRW will continue to grow amongst the early majority until beyond Year 5 of iLearnRW's commercial availability.

7.6. Channels and partnerships

In the UK, Dolphin Computer Access will manage the distribution of iLearnRW. Dolphin has significant experience understanding the stakeholders in education and hope to leverage their already significant experience to short circuit the route to market.

Once we have established a working proposition through deep engagement with early adopters as set out in Section 7.5 above, we will broaden our partner relations to include Dolphin's existing school database, channel partners throughout the UK, the British Education Suppliers Association BESA and leading education solutions providers. We will draw on existing University College London connections with local authorities who advise schools on how to support children with dyslexia. We will also showcase iLearnRW in relevant commercial venues such as the British Education Training and Technology (BETT) show. This strategy is expected to also address late majority by reducing any perceived risks associated with the purchase of the technology.

As well as using partnerships to facilitate sales opportunities, Dolphin will leverage existing and develop new relationships to add value to the iLearnRW proposition. This includes:

- Existing relationships with Load2Learn, (the UK's learning accessible digital curriculum repository) to provide accessible curriculum materials to support dyslexic learners. Free to educators in the UK, the portal provides resources for learners with accessibility requirements and may significantly improve the school experience for such learners.
- New relationships with the Publishers Association to establish connections with market leading education publishers. Approximately 90 – 95% of all Primary and Secondary education content is published by the six market leading education publishers. Relationships with these publishers will aim to facilitate a standardised delivery for accessible versions of textbooks (via ePub / eduPub formats) and streamline delivery and access for learners with dyslexia through iLearnRW.

7.7. Cost structure

A complete breakdown of costs to facilitate the go to market strategy for iLearnRW exploitation is available in Appendix A. Costs are set against expected revenue in Section 7.8. Costs includes:

7.7.1. Product development costs

Including development, testing, product management, project management, market analysis and domain expert engagement, the go to market costs for Year -2 and Year -1 are estimated at £277,500 per year, accounting for the development of the proposed solution prior to commercial launch. From year 1 onward, these costs are halved to £138,750 to account for further development and maintenance to the solution.

7.7.2. Sales and marketing costs

Sales and Marketing costs initiate in June 2017 prior to commercial availability. Total for Year -1 is £45,000, increasing to £135,000 per year thereafter to support marketing campaigns and 2 field-based sales representatives delivering consultancy services to schools.

7.7.3. Other costs

Additional costs include:

- Product Support - £20,000 in Year 1, then £40,000 thereafter to account for extra support team members required to support growing customer base
- Administration - £20,000 per year for administration of internal processes (e.g. sales order processing, operations, accounts etc.)
- Infrastructure - £30,000 per year to maintain service level agreements for online product services
- Overheads – in excess of £150,000 per year to account for employee workplace resources including building maintenance, insurances, utilities, technology procurement and more.

7.8. Sales strategy

In the UK, sales strategies will be implemented by consortium members Dolphin Computer Access. The Sales strategy will aim to convert Freemium usage into subscription sales by targeting Primary and Secondary schools in geographic regions based on downloads and usage of the iLearnRW Reader. Operationally, this involves:

- Utilising data collected from usage of the iLearnRW Reader to monitor usage in geographic region
- Focussing sales activities around schools where application usage is highest.
- Booking appointments for consultancy-based approach with each school, allowing for the personalisation the iLearnRW package for each school and completion of the sale.
- Targeting all schools in a particular area to ensure bookings and sales team activities remain productive.

7.8.1. Pricing

It is suggested that iLearnRW is available to individuals and schools as follows:

7.8.1.1. Students and parents

Offering iLearnRW Reader for free to individuals (students and parents) is an aggressive tactic to gain brand equity and market share opposed to providing a substantial revenue stream. Once the free iLearnRW Reader is downloaded onto an individual's preferred device, there will be options for in-app purchases will be available for:

- Premium voices: £10 per voice
- iLearnRW Games: £10 per game

Individual in-app purchases will not be the primary revenue stream for iLearnRW. Sales and Marketing will be heavily focused on subscription sales for schools.

7.8.1.2. Primary and Secondary Schools

Primary and Secondary schools are eligible to use the free iLearnRW Reader. However, there are significant benefits to schools signing up to an annual subscription. Annual subscriptions will be priced per student as follows:

- School subscriptions to iLearnRW Reader will be available for £1 per student per year
- School subscriptions to iLearnRW Games will be available for 25p per student per year (per game)

Prices will be set based on the total student population. Usage will be unrestricted.

Examples:

A Primary school of 300 pupils with the iLearnRW Reader and 5 iLearnRW Games will pay:

- £300 per year for iLearnRW Reader (£1 X 300 students)
- £375 per year for iLearnRW Games (5 X 25p for each game X 300 pupils)

A Secondary school of 1,000 pupils with the iLearnRW Reader and 4 iLearnRW Games will pay:

- £1,000 per year for iLearnRW Reader (£1 X 1,000 students)
- £1,000 per year for iLearnRW Games (4 X 25p for each game X 1,000 pupils)

7.8.2. Sales assumptions

The forecasts outlined in Section 7.8.3 are relative to the following assumptions:

- The average school size of Primary school is 224 pupils ([The Primary Review, 2008](#))
 - This number is rounded up to 250 pupils
- The average school size of Secondary school is between 500 and 1500 pupils ([Gov.uk](#)).
 - The exploitation plan assumes an average size of 1,000 pupils
- Each school purchases a subscription to iLearnRW Reader and 4 iLearnRW Games. Based on this assumption, each sale pertains to the following value:
 - Value per Primary school is approximately £500 per year

- Value per Secondary school is £2000 per year
- Each year, a 20% churn rate will be applied where schools cancel or fail to renew their iLearnRW subscription.

7.8.3. Sales forecasts:

Sales forecasts are based on a five year plan to achieve 7.5% market share of Primary schools and 15% market share of Secondary schools. As a subscription model is applied, sales figures are cumulative and reflect the target customer base. Table 1 identifies the unit sales forecasts to meet market share targets for Years 1 to 5, whilst Table 2 identifies revenue contribution and profit/loss for Years -2 to 5, demonstrating a Return on Investment of 8% by Year 5, and a payback period of Year 4.77 from release.

Table 1: iLearnRW unit sales forecasts and market share Year 1 to Year 5

Primary	Year 1	Year 2	Year 3	Year 4	Year 5
Number of schools at start of year	0	85	170	425	850
New Schools	106	128	361	638	744
Churn	-21	-43	-106	-213	-319
Number of schools at end of year	85	170	425	850	1276
Market Share at end of Year	0.5%	1.0%	2.5%	5.0%	7.5%

Secondary	Year 1	Year 2	Year 3	Year 4	Year 5
Number of schools at start of year	0	40	100	200	400
New Schools	50	85	150	300	350
Churn	-10	-25	-50	-100	-150
Number of schools at end of year	40	100	200	400	600
Market Share at end of Year	1.0%	2.5%	5.0%	10.0%	15.0%

Table 2: iLearnRW exploitation revenue and profit forecasts Year - 2 to Year 5

	Year -2	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Primary School Revenue	£0	£0	£37,990	£76,268	£190,396	£380,976	£571,431	£1,257,061
Secondary School Revenue	£0	£0	£80,000	£200,000	£400,000	£800,000	£1,200,000	£2,680,000
Total Revenue	£0	£0	£117,990	£276,268	£590,396	£1,180,976	£1,771,431	£3,937,061
Staff Costs	£297,500	£344,167	£315,417	£333,750	£333,750	£333,750	£333,750	£2,292,083
Infrastructure	£30,000	£30,000	£30,000	£30,000	£30,000	£30,000	£30,000	£210,000
Overheads	£148,750	£172,083	£157,708	£166,875	£166,875	£166,875	£166,875	£1,146,042
Total Costs	£476,250	£546,250	£503,125	£530,625	£530,625	£530,625	£530,625	£3,648,125
Net Profit	(£476,250)	(£546,250)	(£385,135)	(£254,357)	£59,771	£650,351	£1,240,806	£288,936
Cumulative Profit (Loss)	(£476,250)	(£1,022,500)	(£1,407,635)	(£1,661,992)	(£1,602,221)	(£951,869)	£288,936	

8. Financial Plan

8.1. Important Assumptions

The following financial plan assumes that the Board of Directors have approved the project to go ahead. In addition further analysis and scenario planning will need to take place to ensure future viability.

It is assumed that of the revenue earned in one year there will be 30 days' worth that will remain outstanding at the end of the year.

8.2. Break-even analysis

According to the projections, break-even (the level of turnover required to cover overhead costs) occurs in year three. However project break-even, the point at which total costs are recovered, is 4.77 years after release.

8.3. Projected Profit and Loss

See analysis in Section 7.8.3

8.4. Projected Balance Sheet

The balance sheet below summarises the changes in assets and liabilities over the project term from the initial losses before release to generating a profit by year 5. We have assumed a relatively simple balance sheet, where all overheads are paid in the month they are incurred and sales have a 30 day delay before receipt.

	Year -2	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5
Debtors	£0	£0	£9,698	£22,707	£48,526	£97,067	£145,597
Cash at Bank	£0	£0	£0	£0	£0	£0	£143,339
Total Assets	£0	£0	£9,698	£22,707	£48,526	£97,067	£288,936
Overdraft	£476,250	£1,022,500	£1,417,332	£1,684,699	£1,650,746	£1,048,936	£0
Total liabilities	£476,250	£1,022,500	£1,417,332	£1,684,699	£1,650,746	£1,048,936	£0
Assets Less Liabilities	(£476,250)	(£1,022,500)	(£1,407,635)	(£1,661,992)	(£1,602,221)	(£951,869)	£288,936
Retained Profit (Loss)	(£476,250)	(£1,022,500)	(£1,407,635)	(£1,661,992)	(£1,602,221)	(£951,869)	£288,936

Total Equity	(£476,250)	(£1,022,500)	(£1,407,635)	(£1,661,992)	(£1,602,221)	(£951,869)	£288,936
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8.5. Financial Ratios

As noted above in Section 8.2, it will take 4.77 years from release for iLearnRW to payback the initial outlay. The aggregate profit at the end of year 5 of £288,936 represents a return of 8% on the whole investment (including sums invested in year -2 and year -1). By year 5, once the target market share in primary and secondary schools has been achieved, the net profit margin rises to a very attractive 70%. Given that the revenue model is a subscription one (but subject to churn) this should result in a sustainable business model for a further few years.

However, at this point a significant additional effort is required to scope the market. Not least, further assessment of risks will need to be conducted to ascertain the potential impact of a change in price or a difference in demand to our assumptions or indeed to the interrelationship of price and demand.

Once these relationships are better understood, further financial analysis will need to be completed, including Net Present Value, to ensure the decision to proceed is based on the most realistic appraisal mechanism possible.

Appendix A: Breakdown of costs

Year -2	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Total
Development & Testing	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 195,000
Product Management	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 35,000
Project Management	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 15,000
Market Analysis	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 17,500
Domain Expert	£ 1,250	FALSE	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 13,750
Infrastructure	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 30,000
Marketing													£ -
Sales													£ -
Admin	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 20,000
Support													£ -
Overheads	£ 12,396	£ 11,771	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 148,125
Total	£ 39,688	£ 37,813	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 474,375

Year -1	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Total
Development & Testing	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 16,250	£ 195,000



Product Management	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 2,917	£ 35,000
Project Management	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 15,000
Market Analysis	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 17,500
Domain Expert	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 15,000
Infrastructure	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 30,000
Marketing									£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 5,000
Sales									£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 40,000
Admin	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 20,000
Support												£ 1,667	£ 1,667
Overheads	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 12,396	£ 18,021	£ 18,021	£ 18,021	£ 18,854	£ 172,083
Total	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 39,688	£ 56,563	£ 56,563	£ 56,563	£ 59,063	£ 546,250

Year 1	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Total
Development & Testing	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 97,500
Product Management	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 17,500
Project Management	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 7,500



Market Analysis	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 8,750
Domain Expert	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 7,500
Infrastructure	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 30,000
Marketing	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 15,000
Sales	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 120,000
Admin	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 20,000
Support	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 3,333	£ 21,667
Overheads	£ 13,073	£ 13,073	£ 13,073	£ 13,073	£ 13,073	£ 13,073	£ 13,073	£ 13,073	£ 13,073	£ 13,073	£ 13,073	£ 13,906	£ 157,708
Total	£ 41,719	£ 41,719	£ 41,719	£ 41,719	£ 41,719	£ 41,719	£ 41,719	£ 41,719	£ 41,719	£ 41,719	£ 41,719	£ 44,219	£ 503,125

Year 2	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Total
Development & Testing	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 97,500
Product Management	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 17,500
Project Management	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 7,500
Market Analysis	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 8,750
Domain Expert	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 7,500



Infrastructure	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 30,000
Marketing	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 15,000
Sales	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 120,000
Admin	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 20,000
Support	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 40,000
Overheads	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 166,875
Total	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 530,625

Year 3	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Total
Development & Testing	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 8,125	£ 97,500
Product Management	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 1,458	£ 17,500
Project Management	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 7,500
Market Analysis	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 729	£ 8,750
Domain Expert	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 625	£ 7,500
Infrastructure	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 2,500	£ 30,000
Marketing	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 1,250	£ 15,000



Sales	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 120,000
Admin	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 1,667	£ 20,000
Support	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 3,333	£ 40,000
Overheads	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 13,906	£ 166,875
Total	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 44,219	£ 530,625

Year 4 £ 530,625
 Year 5 £ 530,625

 Total Cost £ 3,646,250