The Bristol Group

Legal Disclosure

ECnow.com

⇨ The Value Framework™ and advice given by Mitchell Levy, ECnow.com, Inc. and/or CEOnetworking is to be used at your own discretion. No liability will accrue from any comments, thoughts, ideas, advice and recommendations contained in this document or given in person.

High-level The Bristol Group Analysis via the The Value Framework™

$\Rightarrow$ V = Value Created = (PTPi)S³
  = MS³ ™

$\Rightarrow$ M = Model = (PTPi)

  $\Rightarrow$ P = business Process

  $\Rightarrow$ T = Transaction type

  $\Rightarrow$ P = Participant

  $\Rightarrow$ i = influences

$\Rightarrow$ S³ = Strategy³ = Deploy, Manage and Evolve

PROCESSES **TRANSACTIONS**

Model

PARTICIPANTS

INFLUENCES

DEPLOY

Strategy

EVOLVE **MANAGE**

Table of Contents

ECnow.com
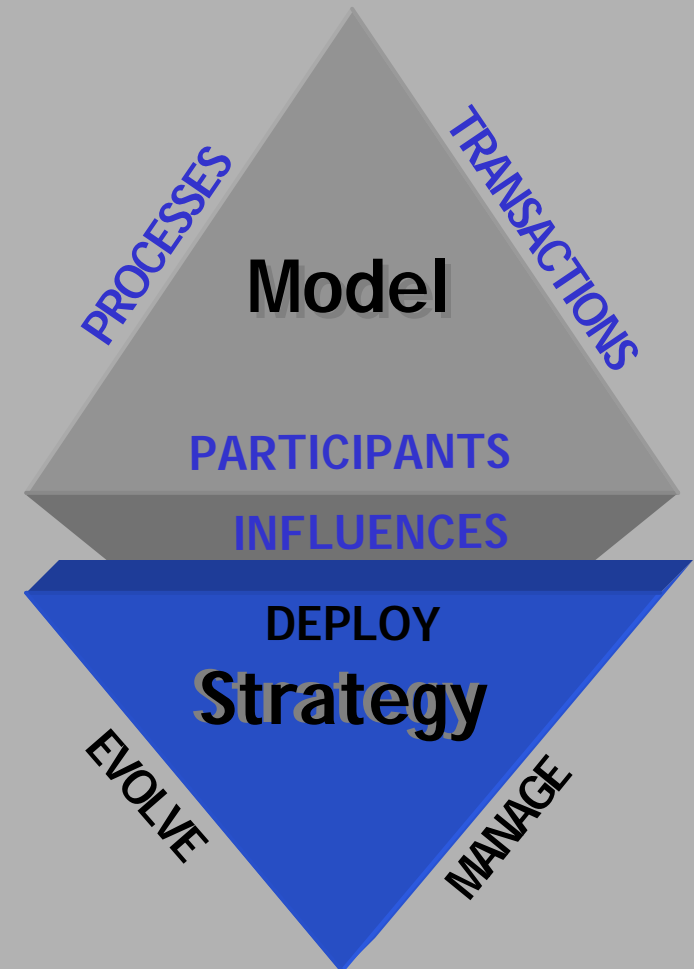
30-Second Pitch

Analyzing The Model(s)
⇨ *Business Processes*
⇨ *Transaction Types*
⇨ *Participants*
⇨ *Influences (internal & external)*

Analyzing the Strategy
⇨ *Deployed*
⇨ *Managed*
⇨ *Evolved*

Recommendations

The Bristol Group – 30 Second Pitch

We provide a value-oriented phone system for organizations of all sizes. It's easier to install, easier to use, and offers more features at the usability level than legacy phone systems. Qphone leverages your existing investment in your company's data network to provide phones as a network service like e-mail.

The Bristol Group - Processes

ECnow.com

Model

TRANSACTIONS

- Discover
- **Interact**
- **Transact**
- **Satisfy**

PARTICIPANTS

PROCESSES

INFLUENCES

DEPLOY

Strategy

EVOLVE

MANAGE

$$V = MS^3 \text{ ™}$$

⇨ The Bristol Group is **not known** for Qphone today

  ⇨ Will be discovered by getting sites going to validate the product, getting traction, and making it usable

  ⇨ Will go to the Isofax customer database (1000+ IsoFax customers)
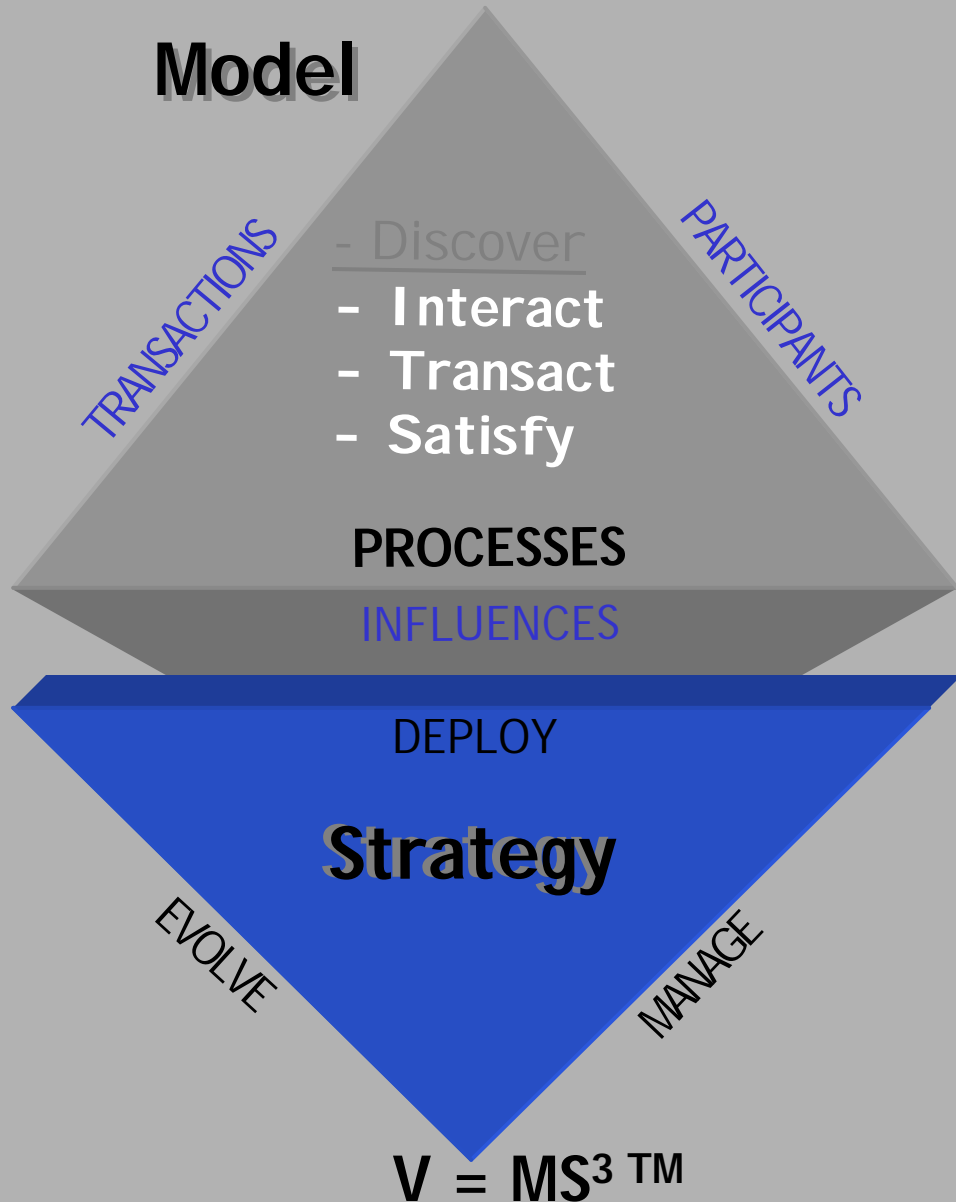
  ⇨ 4-5 leads per week via Google searches

  ⇨ Thinking about advertising during the superbowl (it's a totally horizontal product - I don't recommend that approach)

⇨ **Interaction** is good if the fits right, otherwise not

  ⇨ Been holding off potential customers (20) because we're 1-month away from running evaluations

⇨ It should be **easy to buy**, will work hard to make it easy to do that

⇨ Always good at **customer service**, did the second refund in 10 years yesterday

⇨ This is the only face of the model pyramid where all 4 components need to be done well

The Bristol Group - Transactions

Model

PARTICIPANTS

PROCESSES

– **Spot**
– **Replenishment**
– **Recurring**
- Dynamic

TRANSACTIONS

INFLUENCES

DEPLOY

Strategy

EVOLVE

MANAGE

$V = MS^3$ ™
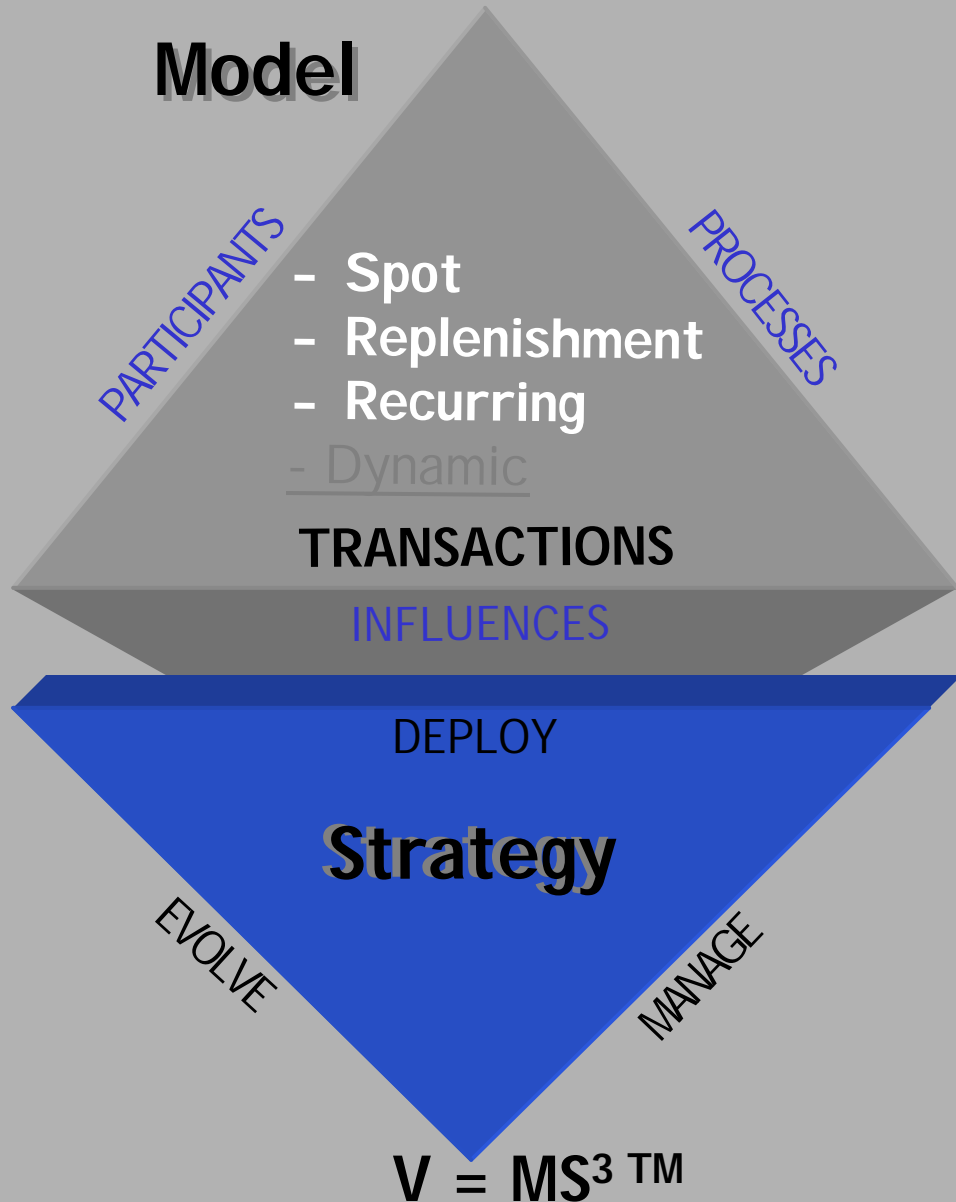
⇨ The initial evaluation of Qphone is a **spot buy** even though no money will be transacted

⇨ Can consider a number of business models after the evaluation is complete
1. Sell the product (**spot buy**) and continue to create revenue via the support programs (**recurring**)
2. Lease the software (**recurring**) with support built in
3. Give the software away for free, charging for actual usage (**replenishment / dynamic**), or only charging if a set amount of usage occurs (**dynamic**)
    ⇨ The free service needs to have branding associated with it

⇨ Having only one transaction type on this pyramid face is a fine business model as long as it's not spot (this does not appear to be an issue BG needs to worry about)

The Bristol Group - Participants

Model

PROCESSES

TRANSACTIONS

- Consumers
- **Businesses**
- Marketplaces
- **Applications**

PARTICIPANTS

INFLUENCES

DEPLOY

Strategy

EVOLVE

MANAGE

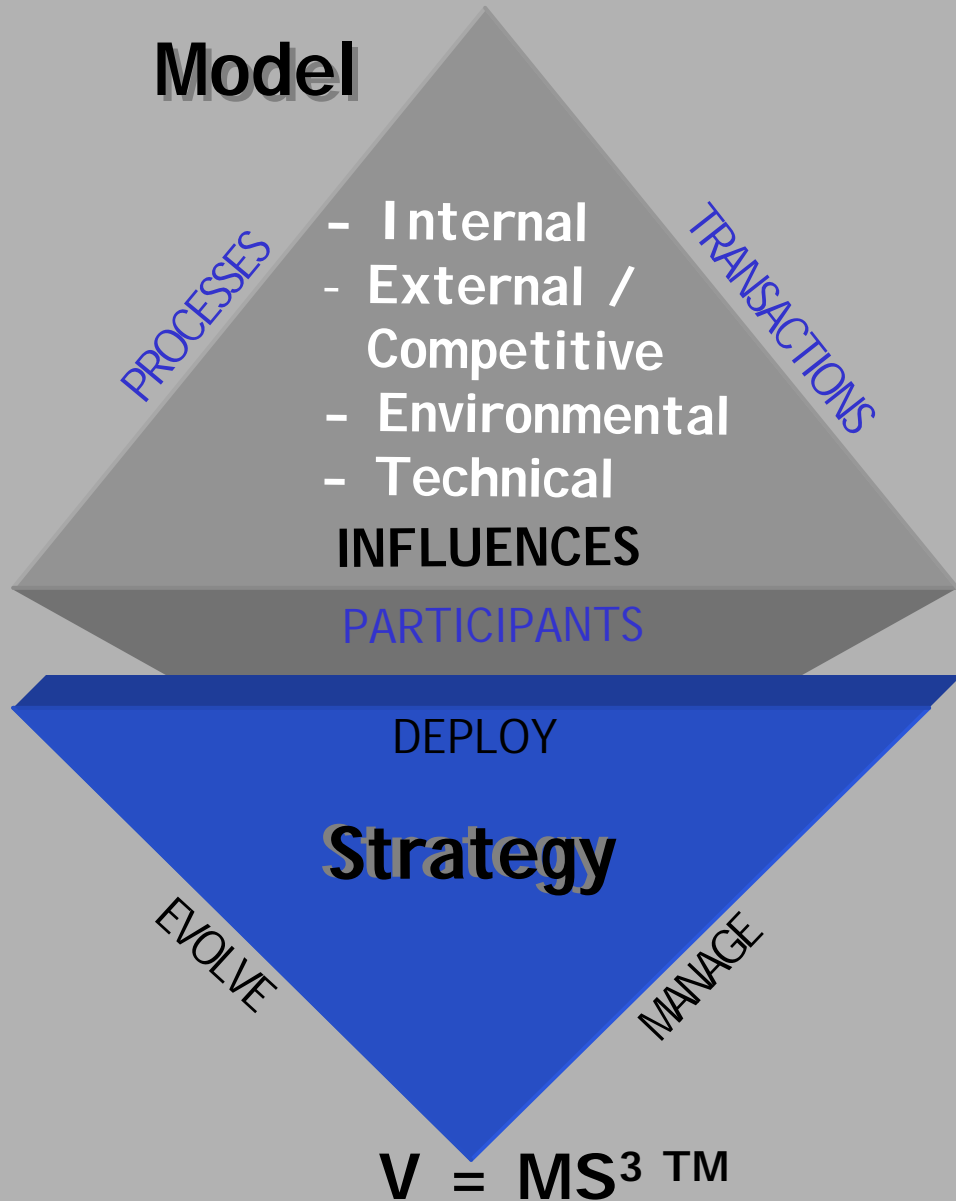$$V = MS^3 \ ^{TM}$$
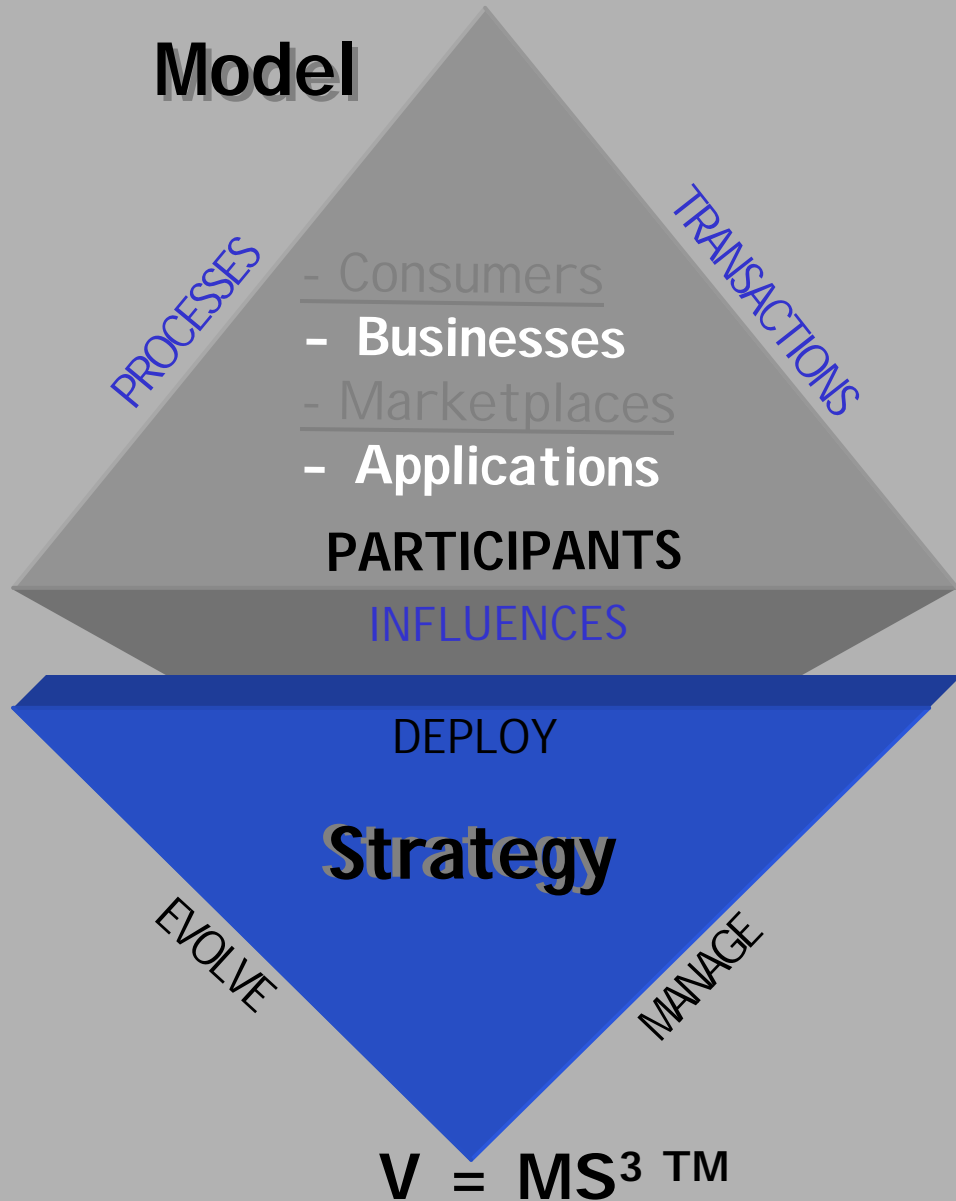
⇨ The Bristol Group sells to organizations

⇨ Could use channels to sell the product (e.g. CDW)

⇨ Could be structured in a way where the product is free (or very, very cheap), and charge for actual use or only for large volume use (**Dynamic Application**)

The Bristol Group - Influences

Model

PROCESSES

TRANSACTIONS

- **Internal**
- External / Competitive
- **Environmental**
- **Technical**

INFLUENCES

PARTICIPANTS

DEPLOY

Strategy

EVOLVE

MANAGE

$$V = MS^3 \text{ ™}$$

⇨ The Bristol Group is heavily influenced by the economy
- ⇨ Regarding investment, can't go anywhere until there are a number of clients in place (need to run lean and focused)

⇨ No well known competitors today
- ⇨ Need to look at the up-and-comers

⇨ Tried doing this a couple years ago and couldn't do it because there wasn't a sound card in the desktop, nowadays, having USB handsets have helped make this happen

⇨ Good, affordable gateways linking VOIP to the public network have only very recently become available

The Bristol Group - Strategy Deployed

Model

TRANSACTIONS

PARTICIPANTS

PROCESSES

INFLUENCES

DEPLOY

Strategy

EVOLVE

MANAGE

$$V = MS^3 \text{ }^{TM}$$
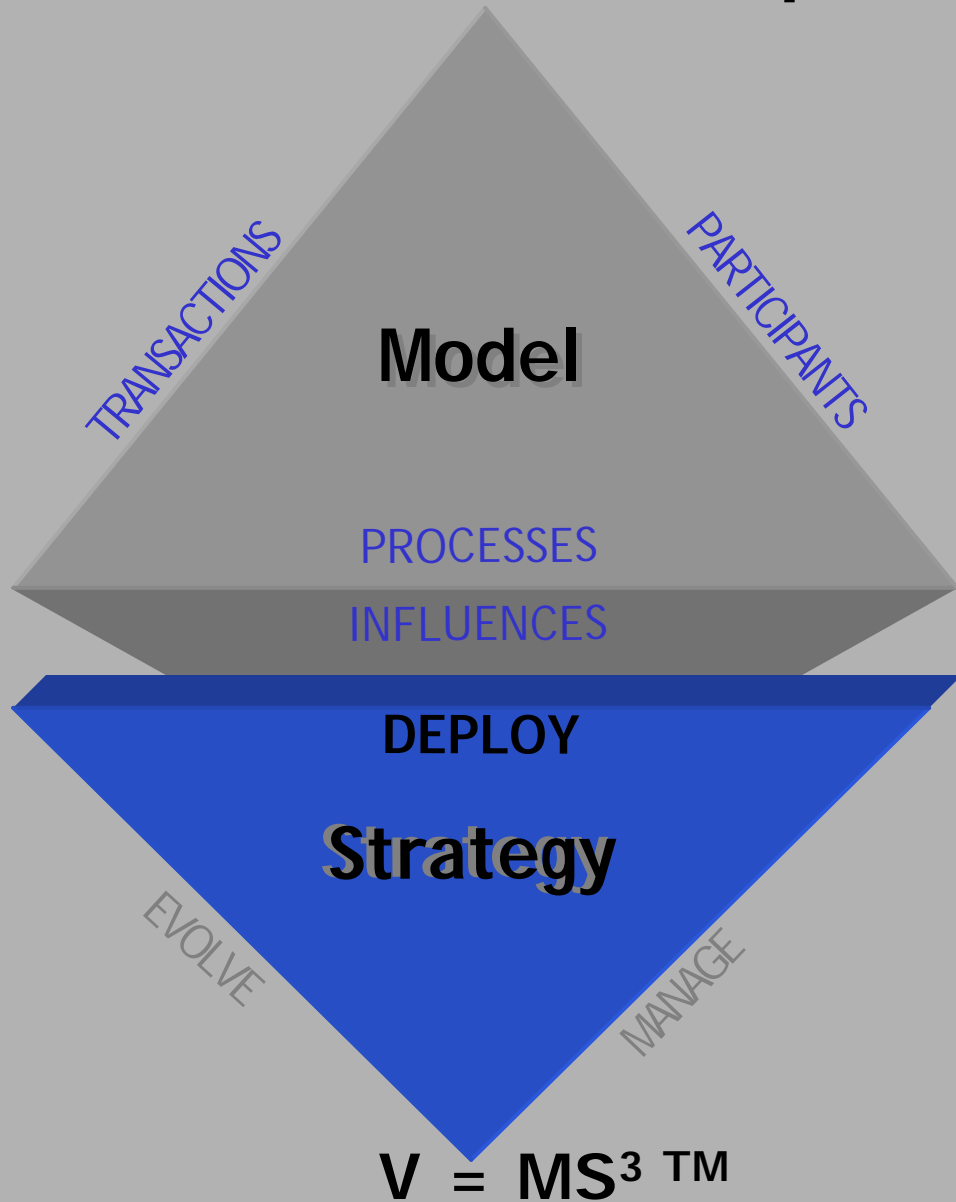
⇨ The Bristol Group has been around for 10 years, currently milking Isofax to fund Qphone development and other startup cost

⇨ Will fund the pilot programs at companies

⇨ Expected cost of ~3k per pilot (gateway and phone charge for 25-30 people)

⇨ Started to launch Qphone with an alpha release 3 years ago and pulled it

⇨ The product has been in development for a few years, was recently re-architected and was released in August '03

The Bristol Group - Strategy Managed

Model

TRANSACTIONS

PARTICIPANTS

PROCESSES

INFLUENCES

DEPLOY

Strategy

EVOLVE

MANAGE

$$V = MS^3 \text{ }^{TM}$$
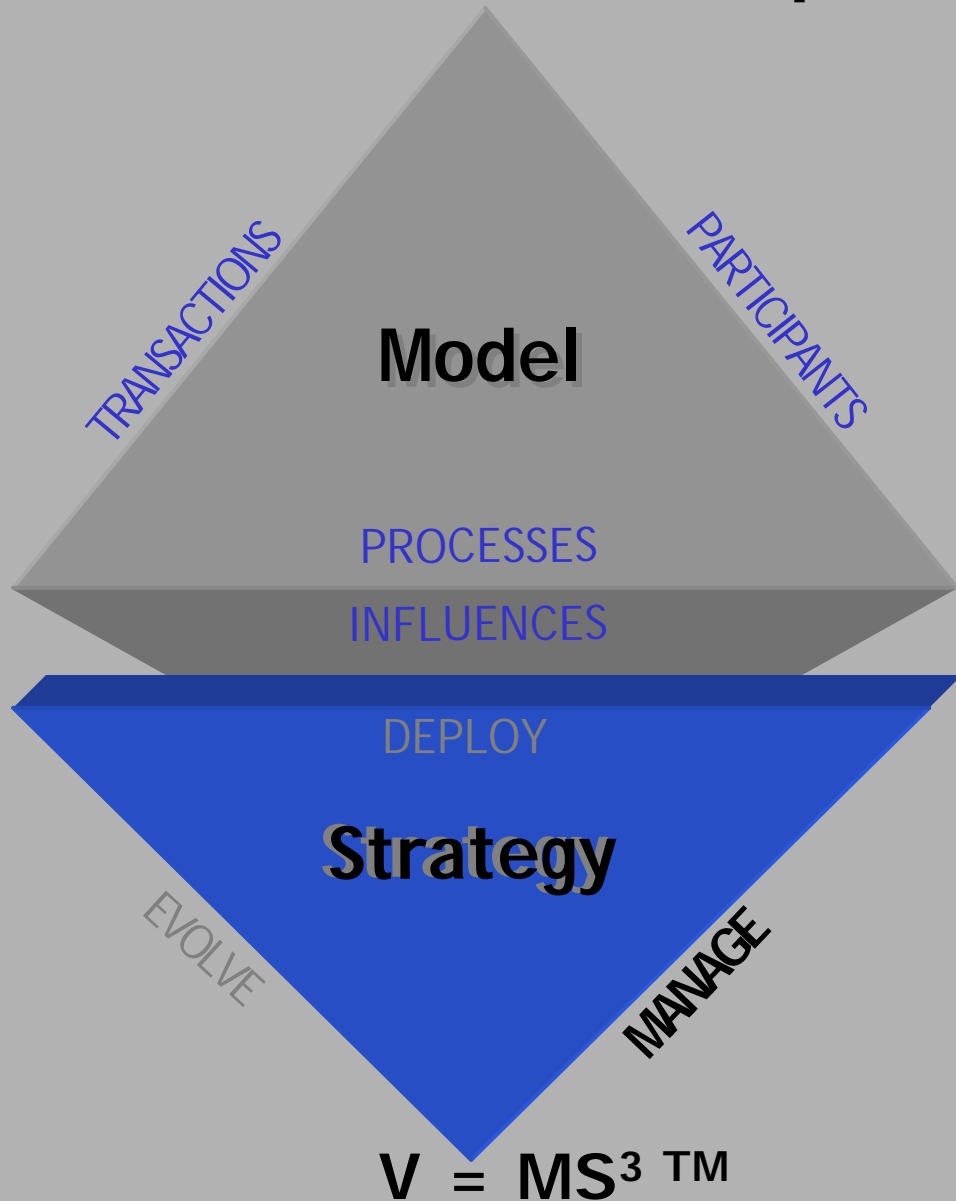
⇨ Want 3-4 places using the product to augment their existing services within 6 months (not looking to replace the existing infrastructure today)

  ⇨ Schools might be a good place to approach (because they are broke, they might try a free eval)

⇨ Under committing resources right now

⇨ There is no "real" strategy managed here:

  ⇨ No business plan, no go-to market strategy, Web site needs work, no budget identified for the evals or marketing, etc.

The Bristol Group - Strategy Evolution

Model

TRANSACTIONS

PARTICIPANTS

PROCESSES

INFLUENCES

DEPLOY

Strategy

EVOLVE
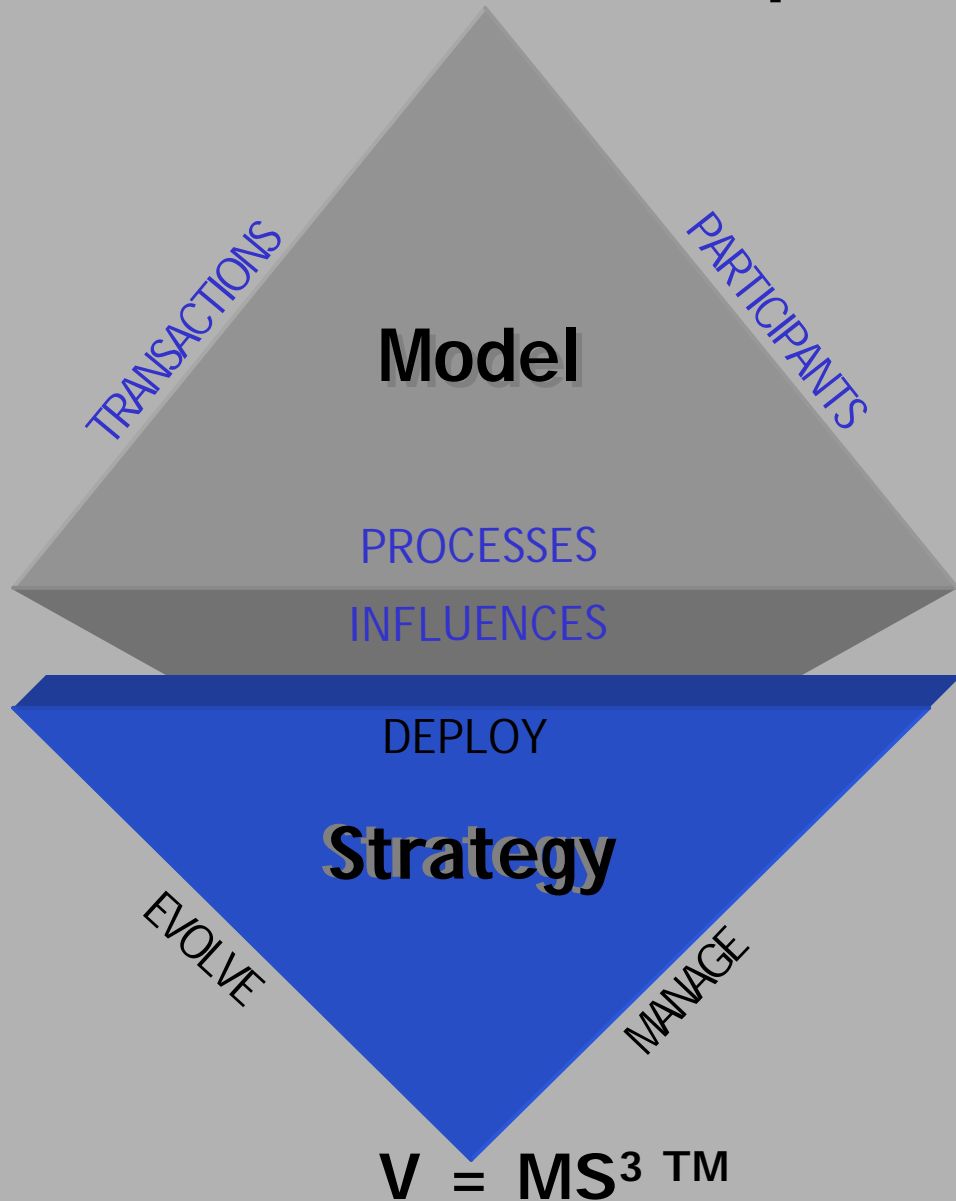
MANAGE

$$V = MS^3 \text{ ™}$$
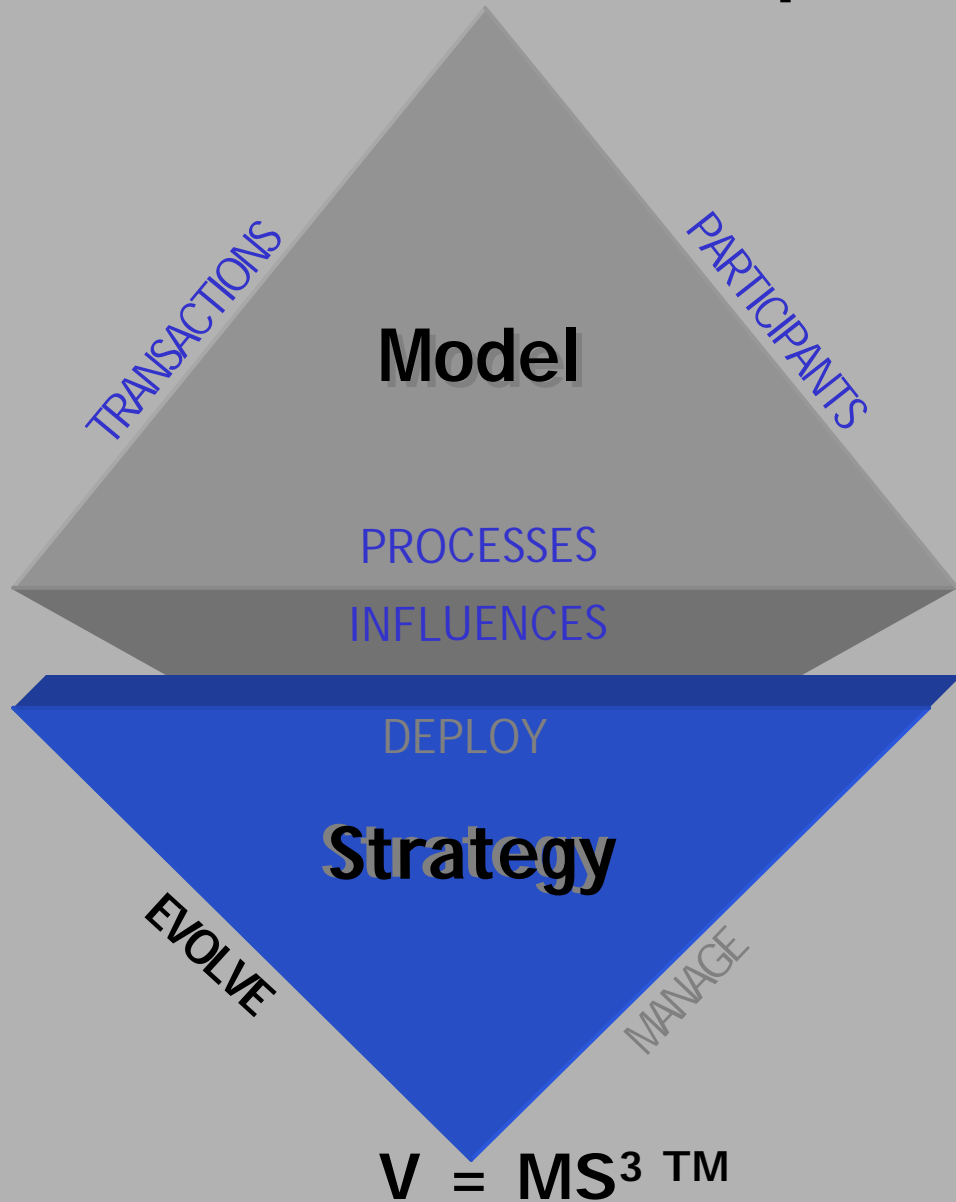
- ⇨ The Bristol Group might change its name to the product name
- ⇨ Might seek to be acquired and/or get VC funding
- ⇨ Will evolve based on success states of where the company moves

The Bristol Group - Recommendations

ECnow.com

Model

TRANSACTIONS

PARTICIPANTS

PROCESSES

INFLUENCES

DEPLOY

Strategy

EVOLVE

MANAGE

$$V = MS^3 \text{ ™}$$
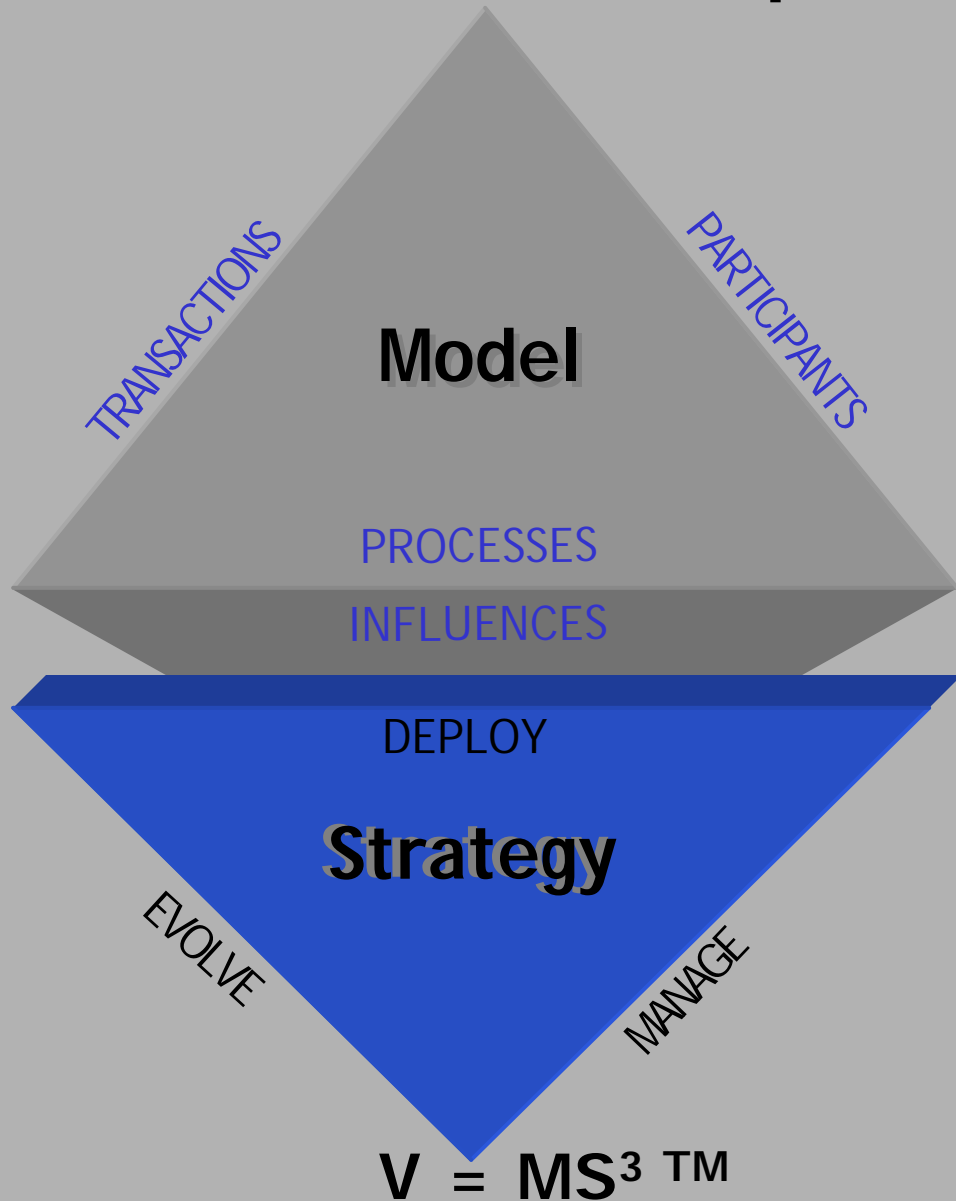
⇨ Big lack of marketing and program direction that should be addressed

⇨ Focus on getting the product ready for evals ASAP (60-70% functionality is ok)

⇨ At the same time, line up companies that will be the initial evaluators

⇨ Need to put a marketing plan together
  - ⇨ Should put a process in place for evaluations and target key accounts
  - ⇨ Create a go to market strategy
    - ⇨ Define who's the "right" fit and who's not

⇨ Explore other ways to increase exposure including a business focused newsletter/eZine, plus the techniques on this page: http://ecnow.com/Internet_Marketing.htm

⇨ Highly suggest not advertising via the superbowl

⇨ Perform a robust competitive analysis

⇨ Come up with a working brand for Qphone

The Bristol Group - Recommendations

TRANSACTIONS

PARTICIPANTS

Model

PROCESSES

INFLUENCES

DEPLOY

Strategy

EVOLVE

MANAGE

$$V = MS^3 \ ^{TM}$$

⇨ Create brochures, case studies, white papers, model for quickly determining the partial and full savings from using Qphone in a company

⇨ Eloquently document the potential three transaction models

1. Sale & Support
2. Lease
3. Give away, but charge if a certain volume is reached

⇨ Hire an outside consultant to look for an ASP that can perform the gateway function of tying the VOIP to the public gateway

⇨ The CEO is the closer of the sale (the Cash Extracting Officer) at this stage of the companies evolution, set up the sales & marketing process to harness this fact