

# Analysis Monetize Strategy of EZ Marker Technology Product

Ilham Ramadan Pandu Setia Negara Siregar<sup>1</sup>, Putri Meuthia Pratiwi<sup>2</sup>, Cut Irna Setiawati<sup>3</sup>

<sup>1,2,3</sup>Business Administration Program Study,  
Telkom University

\*Corresponding author E-mail: [ilhamramadanp@gmail.com](mailto:ilhamramadanp@gmail.com)

## Abstract

In this era of Technology, Indonesian education needs advanced technology to support the Human Resource. In addition, According to the data is from Indonesia Cell Phone Association (APSI) Indonesia has around 55.4 million smartphone users. This fact should be used as a turning point of knowledge transformation process. Moreover, this paper discusses a new product innovation for efficient and effective online method of correcting answer sheets using android computer and website. This application is EZ Marker. Ez Marker has gone through trial processes external validation acquired in SD Negeri 02 (2 nd Elementary School) of Sukapura, Bandung, Indonesia. However, it has not had any Monetize strategy. The purpose of this paper is to find out the users' willingness to buy the product using the EZ Marker analysis theory of Freemium Model. Furthermore, the critical review and descriptive methods are required. The result of this paper will provide references of the startups in Indonesia, since the quantity of ASEAN startups is quite high as well as the users of technology. With user development analysis, we hope to fulfill consumers' needs. In the end, EZ Marker will be more acceptable to Indonesian citizens especially in the education sector.

**Keywords:** Freemium Model, Monetize Strategy, EZ Marker

## 1. Introduction

Developing startup in the 21st century led to the growth of Internet usage more easily accessible so that all the information and the various components available growing rapidly. Currently, Indonesia ranks third startup with the highest number in the world ([www.startupranking.com](http://www.startupranking.com),2016).

Technology product is one alternative that is used to help the human needs in obtaining maximum profits. In addition, According to the data is from Indonesia Cell Phone Association (APSI). Indonesia in 2015 has around 55.4 million smartphone users (APSI, 2016). This fact should be used as a turning point of knowledge transformation process. Some startup proven to be able to open a gap to generate income (Picard, R. 2009).

The majority of developers when it has managed to build an idea is not to express their creativity, ideas such as a software application or hardware required large amounts of money to build and application applications. But those funds are given for renewal an application. Updates and improvements necessary applications to provide convenience and speed as the customer's wishes. In developing these ideas, technological innovation needed to take maximum advantage known as Monetize. Monetize created through the following cycle.

1. Select the goods or services that can make money, that meaning choose a product or service that sekiranya able to generate a profit.
2. Offer a brand, that meaning offer brand desired and needed by the customer.
3. Determine the distribution of goods or services, that meaning determine the marketing of goods or services
4. Make a contract, that meaning make a deal with the customer.
5. Financial strategy and install applications with high prices, that means making marketing strategies with how customers install the application so that users get the maximum benefit.

(Robert G. Docters Michael R. Reopel Jeanne-Mey Sun Stephen M. Tanny, 2004)

Monetize the importance of technology due to less competitive in encouraging a change in strategy (Ernst & Young, 2010). Monetize also be applied in various fields such as education, health, technology and digital content. For example, in Europe launched a new technology e-cash with using monetize strategy that can reduce the problems of cash payments (David Birch, 1999). Therefore, Monetize in technology products have the urgency that need attention. Moreover Monetize indispensable in developing products based on digital technologies such as the Internet and smartphones because the technology can facilitate the development of new business models.

Moreover, this paper discusses a new product innovation is not denied Indonesia has one of the nation's work for efficient and effective online method of correcting answer sheets using android computer and website. This application is EZ Marker. EZ Marker is an applica-

tion that makes it easy to examination answer sheet. It currently has four features, that is free service, simplify portable testers to correct the answer sheets wherever and Whenever. Features analytical data is capable of identifying the level of difficulty of questions and students' answers results, and a robust feature that can store the data and/or duplicate the data so that the data is not easily lost. Testers will input questions and answers through the website or mobile phone. Examination can be used via mobile phone by capture pictures of answer sheet or through a scanner or the printer. In the future there will be collaboration features that can be used to share the team. Testers answer from one tester to tester and features of quick result roomates of participants can see the result directly by registration in EZ Marker and enter ID of participants without having announced through testers. EZ Marker ever do the validation in SD Negeri 02 (2 nd Elementary School) of Sukapura, Bandung, Indonesia. Innovations of business model that use EZ Marker is the latest innovation in the business model that is now being used by 67 technology products freemium models ([www.freemium.org](http://www.freemium.org)) that is freemium model. Freemium model is a business model that provides a free program to provide basic functions and attract users with the free service. After gaining a lot of users, then provide additional features for a certain fee to gain (Anderson, 2009; Lyons et al., 2012), the phenomenon, business models change from time to time because, as the rapid changing technological (Tece, 2007; Voelpel, Leibold, and Tekie, 2004). Freemium business model is used to detect the cause of the growth of technology (Osterwalder & Pigneur, 2010).



**Fig.1:** The Picture of EZ Marker App  
Source: [www.ezmarkers.azurewebsites.net](http://www.ezmarkers.azurewebsites.net), 2016

From the picture above, technology product of EZ Marker using a freemium business model for planning as a strategy to monetize the product.

Therefore, to Monetize on technology products EZ Marker Freemium model of a combination of free and premium that is more widely used by developers start up and the smartphone app to apply the business models, which gives free basic features to users later, if a user wants long-term use and value benefits more then the user must pay. this approach could give the impression of good interaction though users have to pay more to get other essential features. Free features can become ways for market to new ventures in attracting users without the cost and labor. Unfortunately, EZ Marker is still less than the maximum because of the understanding concerning freemium models have not performed the validation test. Therefore, this study refers to the analysis freemium model applied by EZ Marker products through descriptive research approach that reveals the fact and literature review.

## 2. Methodology

The paper uses descriptive method in collecting secondary data and literature studies journals and statistical data. Furthermore, the critical review by applying descriptive methods. The purpose of this paper is to determine consumers' willingness to purchase products EZ Marker using analysis monetize strategy via freemium business model. The results of this study will provide reference for startup in Indonesia because of the quantity of the startup world as well as the technology is quite high. With analysis of customer development, This paper ability to meet the needs of consumers. So, the EZ Marker technology products take the business model of Monetize through a freemium model with freemium models using limited strategies.



**Figure.2:** Framework of EZ Marker  
Source: Authors, 2016

Framework of the above, authors obtain that the EZ Marker technology products generate greater revenue by using strategies to monetize through a freemium business model is divided into three methods, namely free plan, standard plan and advance plan. The proceeds were partly given to the development of products EZ Marker, while others are becoming profit.

## 3. Discussion

Based on the framework that the authors collated, there are some parts that need to be reviewed further. An understanding of freemium models ranging from the method of calculation, the definition and the cost is still less than the product EZ Marker, both as a pioneer EZ Marker, developer EZ Marker and who analyzed monetize EZ Marker.

Some models freemium common are feature limited and time-limited software (Anderson, 2009). This study previously, have been investigating various alternatives revenue from freemium business model (McGrath, 2010; Osterwalder & Pigneur, 2010), the value and implications of the free offer is intended for the growth and profitability of youth entrepreneurship. Model feature-limited amounts involved and offer a basic version of a product with limited functionality for free, while charging a premium version additional features, such as Yahoo! offers email service for free but charge for premium services provide Mail Plus that provides additional features. In addition, Skype is an internetbased telecommunications company offering communications services in the form of text and voice messages for free, but it gives the cost to make voice calls over the phone. On the other hand, time-limited models gives freedom to the user to access the full version of the software product, but only for a limited period of time. When the free period has expired user can not use the application. For example, Adobe Photoshop CS 5 and Microsoft Office 2010 with the features for free for 60 days.

**Table.1:** Business Models of EZ Marker

\$ 0 per Month free Plan	\$ 1.2 Per 2 Months Standard Plan	\$ 7.5 per Year Advance Plan
Unlimited Scan Service Up to 500 Scanned Sheet Storage	No Advertisement Unlimited Scan Service * Unlimited Storage	No Advertisement Unlimited Scan Service * Unlimited Storage * Submit & Propose your own sheet

Source: Buah Batu Team, Imagine Cup 2016

From the table above, authors can review consists of three types of features offered by the EZ Marker technology products with different cost categories.

1. Free Plan (\$ 0 per month) explains that the free features even per month and is capable of printing up to 500 sheets, if it exceeds the capacity of a predetermined (> 500 sheets), the results of previous scans to be deleted automatically, in this product ads will appear on the display Marker EZ web site.
2. Standard Plan (\$ 1.2 per month), this feature has the advantage that the display advertising on the website EZ Marker does not appear. In addition, this feature provides a service scan is not limited.
3. Advance Plan (\$ 7.5 per year), this feature provides better service than the features offered, where the capacity to scan an unlimited, ad display and the examiner does not appear able to design the answer sheets as needed.

These are three features EZ Marker applying freemium model, but the application of EZ Marker less precise in understanding the differences between user and customer. So, the regarding customer validation has not been successful. For the selection of features tailored to the needs of users, but in fact Free Plan has been widely used. The main concept of freemium is the users who pay a premium to finance the users who do not pay premiums. However, some users also get financial assistance paid free version (Anderson, 2009; Dorr et al, 2010). Approximately 95% of users will use the service for free, but 5% of users will pay for premium features. The revenue is used as additional profits (Anderson, 2009). This is because the features offered on products other than Free EZ Plan Marker only as a medium to increase the customer experience in using the product. Unless capable of knowing the customer's validation freemium business models that used tailored to customer needs and/or the user.

According from the above data, the majority of users would want to use free plan because feature is free, this product also offers a capacity of 500 sheets maximum scan. Although the scan maximum capacity of 500 sheets, but if the results of the scan can be shared so there will be no significant difference in terms of service with the method Standard Plan and Advance Plan. However, the product Free Plan only applies to schools and foundations. While in accepting new employees or make assessments of employees, business entities in the form of agencies and / or corporations should use the features of the Standard Plan and Advance Plan. o, EZ Marker tries to analyze the best strategy to implement a freemium model as a strategy to Monetize EZ Marker technology products.

In determining the effectiveness of freemium models offered by the product EZ Marker, the user must specify the time period and provides free experience for the customer of his, when the customer free of charge then the user must provide limits to customers as revenue on a regular basis, but revenues actually is to the school around. products EZ Marker addressed, in terms of both front end and back end because when testing the feasibility of an application is only implemented in a few schools that SD Negeri 2 Sukapura, should the product EZ Marker requires the development of a sustainable manner into opportunities in terms of the needs of schools, government agencies, and private institutions. Therefore, EZ Marker need to market research to test the feasibility of application in 100 schools as a ways to analyze feasibility of product. Beside that, it can assess the needs and desires of the user. The purpose of the user here. The first being the teachers, after teachers test a product, they are not able to provide guidance to another teachers. The second is a user or customer, intent of customer is the schools that need an answer sheet computer was automatically (EZ Marker) because not all schools use a computerized system to check the answer sheet.

In terms of product, EZ Marker should be improved in order to compete with products that use other freemium model. One company uses a freemium model is LinkedIn. LinkedIn is one of the classic examples of successful freemium model by using a free version that allows to share and find professional profiles when they offer a wide selection of premium (www.freemium.org, 2016).

## 4. Conclusion

This paper conclude that strategies Monetize through a freemium business model by applying the feature-limited and time-limited is the best strategy in order to gain maximum advantage.

Beside that, the authors tries to analyze the best strategies that can be applied in marketing EZ Marker. EZ Marker technology products is one of the works of the nation Indonesia in the form of an application to check the results of the computer answer sheet. Freemium business model can be a strategy that can be applied in developing the EZ Marker in order to make a profit.

There are three features of the business model of innovation as a bridge in terms of EZ Monetize Marker in marketing their products, namely Free Plan (\$ 0 per month), Standard Plan (\$ 1.2 per month) and the Advance Plan (\$ 7.5 per year), where the majority of users prefer to use a method than a method Free Plan Standard Plan and Advance Plan. In developing the product EZ Marker, there are constraints when implementing strategies Monetize. Freemium business model can serve as a bridge between monetize strategy and technology products EZ Marker. Product of EZ Marker should be improved in order to compete with products that use other freemium model. The paper show that the model freemium majority of users more. From the standpoint of society, freemium business model as a recommendation of an increase in social welfare. EZ Marker focuses on Limited Freemium Model. The free trial to consumers be one way to attract the attention of customers, but it is restricted by using methods feature-limited and time-limited, so that after the free trial period ends, customers have to pay to buy it. In addition, methods of feature-limited and time-limited can be a strategy that is able to dominate the startup in Indonesia. Then, the freemium strategy must be supported by the right marketing strategy and maintenance on the application

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