

SPOTCRAFT

[Mikel Beroiz](#), [Carlos Conejero](#) and [Íñigo de Luís](#) became friends and started to work together during several courses in their MBA at IE Business School in 2008/09. Once graduated, they decided to become entrepreneurs and pursue a common project, based on the uprising social web: a place where people could share opinions about products that they either had or wish to have. During their MBA, they interviewed several professors, industry leaders, innovation managers, etc. until they felt their idea was polished and ready for development. Both Carlos, an industrial engineer, and Mikel, an economist, decided to work full time for the project, whilst Íñigo, a telecom engineer, took another job as an online marketing manager for Zinkia, an entertainment company. Together, they incorporated [Spotcraft](#) in April 2010.

They designed an application, named as MyProducts, that would try to help users to get to know, recommend or get recommendations about certain products from people in their social environment, people that could either have those products (therefore adding qualified and valuable opinions about them according to their experience), or wish to have them (providing an idea about the popularity or desirability of the product). It is not about providing plain, aseptic recommendation obtained from a program, but to generate a very active community of people sharing opinions, hints, ideas and experiences about the products they buy or they are interested in buying: a place for self-expression where each user could graphically represent his or her preferences about those products, include brief (140 characters) comments about them, and help others in making purchasing decisions. The idea was to become the ideal place to get references from friends and acquaintances to make up one's mind before purchasing a certain product.

Their first problem was how to build the application: none of them had a significant background in programming, so they decided to circulate a request for proposals among different companies. One of them, a communications agency called [DNOiSE](#), put together a project including the development of the application, the design of the user interface and several other communication items, and became the preferred option. Later on, during the negotiations, they committed to lower the price significantly by taking a 10% stake in Spotcraft.

The development phase begun in May 2010, and was expected to yield a first beta version by mid-July. The idea was to follow the success of applications such as MySpace Music (five million unique users monthly), where users can upload their favorite music, share it with other users in their social network and recommend the best songs or videos; or "Cities I've visited", an application from TripAdvisor where users can list the cities they have visited and want to visit, and they get recommendations, advice, insights and hints from other users. The TripAdvisor app could be added to a user's profile in social networks such as [MySpace](#) or [Facebook](#), and had twelve million unique users per month.

Besides getting your general opinion and ideas for the project, our entrepreneurs would like to get your insights on a number of decisions (feel free to answer the questions one by one, all together or any way you want):

1. How do you envision the business model for such an application?
2. Which categories of products would you start with? Which ones would you like to open or explore later on?
3. What do you think about the DNOiSE decision? External development model (even when they participate in the company) or trying to hire and build a small internal team of developers?

4. Which route do you think Spotcraft should follow? A full developed web application with its own login system and social network? A fully integrated Facebook application? A web application connected with Facebook using Facebook Connect? A combination of these options? How would you prioritize the development?
5. Would you host the application in a static server, or in a cloud system such as Amazon? Why would you choose one option or the other?