

Report On

**Analyzing Intermediaries that Determines Purchase Behavior
of iPad Users for Digital Products within iPadOS Applications:
Consumer Study for Lettre.app**

By

Saif Ahmed
20304093

An internship report submitted to the BRAC Business School in partial
fulfillment of the requirements for the degree of
Bachelor of Business Administration

BRAC Business School
BRAC University
February, 2024

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Declaration

It is hereby declared that,

1. The internship report I am submitting is my own unique work that I completed while studying at BRAC University.
2. The report does not include any content that has been previously published or authored by a third party, unless it is properly cited with complete and exact referencing.
3. The report does not include any content that has been approved or presented for another academic qualification at a university or any other educational institution.
4. I have duly recognized all primary sources of assistance.

Student's Full Name & Signature:

Saif Ahmed
20304093

Supervisor's Full Name & Signature:

Ms. Takmilla Tabassum
Lecturer, BRAC Business School
BRAC University

Letter of Transmittal

Ms. Takmilla Tabassum
Lecturer
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report

Greetings,

I am gratified to submit my internship report named as "Analyzing Intermediaries that Determines Purchase Behavior of iPad Users for Digital Products within iPadOS Applications: Consumer Insights for Lettre.app". Working under a North American Startup like CheeThee LLC has introduced me with a valuable opportunity to acquire knowledge and experience in the operations and procedures of a foreign tech company. The insights and skills gained during my internship are certain to benefit me greatly in my future pursuits.

From a practical standpoint, I dedicated myself wholeheartedly to this project with the aim of achieving its objectives. I sincerely hope that my endeavors prove successful.

Best regards,

Saif Ahmed
20304093
BRAC Business School
BRAC University
Date: 20th February, 2024

Non-Disclosure Agreement

The confirmation is hereby established by CheeThee LLC to the assigned student, Saif Ahmed (20304093), enrolled at BRAC University with the motive of an internship.

Throughout the entire internship, I will have the opportunity to access the "confidential information" and will be acquainted with all the internal marketing assets and protected policies.

Student's Full Name & Signature:

Saif Ahmed
20304093

Supervisor's Full Name & Signature:

MD. Abu Shaer Reaz
Founding Head of Product Marketing
Lettre.app

Acknowledgement

I extend my sincere gratitude to Ms. Takmilla Tabassum and Ms. Tania Akter, whose exceptional guidance proved invaluable in shaping this internship report. Special thanks to MD Abu Shaer Reaz, my supervisor, for his outstanding mentorship and support. I am also thankful to CheeThee LLC and its entire team for their enthusiastic assistance. Lastly, heartfelt appreciation goes to my parents and to those who remained close to me for their unwavering support throughout my journey of undergraduate study.

Abstract

This report is a representation of my successful completion regarding a three-months internship program under CheeThee LLC. I served as a product marketer along with a few designs related responsibilities for product marketing sector. Lettre.app is an iPad exclusive product from a North American tech company named CheeThee LLC. The objective of this report is to recognize the evaluative process of the iPad users while attempting to purchase digital products or participating to in-app purchases within apps. The primary concern is to provide insights regarding the prices of digital offerings by Lettre.app and offer a comprehensive understanding towards iPad users.

In order to accomplish the aim and effectively conduct the research project, I have been able to utilize a proper combination of primary and secondary sources. About primary sources, all the information and data were collected through the method of convenience sampling. In my study encompassing 45 participants, the predominant age group of iPad owners to be within the 21-25 age range, with a majority being students. A notable insight is majority of the users owns the complementary product named Apple Pencil that enhances the overall user behaviour toward iPad experience. Almost all users conduct in-app purchases, with their decisions influenced by moderately priced digital products or in-app services/products that cater to specific features.

AppStore and other platforms alike contain user reviews that associates a vital role to guide users in terms of enhancing the decision-making process for paid applications. The analysis indicates about an enhanced post-purchase experience and additional value-added benefits which the are core motivators for in-app purchases and paid applications.

According to the findings from this study, Lettre.app is suggested develop a targeted marketing campaigns and separate digital collectible items in order to attract students. In addition, incorporating event-based souvenirs and contests can strengthen user experiences. Implementing affordable stamp options as an effective penetrative pricing strategy might be attractive to the majority of users interested in making moderate investments in digital products.

Keywords: “Agile”, “Internship”, “Productivity”, “Digital”.

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List of Acronyms

LLC – Limited Liability Company

Part 1

Overview of The Internship

1.1 Student Information

Name: Saif Ahmed

Major area: Marketing

Minor area: E-Business

Bachelor in Business Administration, BRAC Business School

1.2 Internship information

1.2.1 Employment Details

Organization Name: CheeThee LLC

Address: 1007 N Orange St. 4th Floor Ste 1382, Wilmington, DE, 19801

Period of working: 24th August 2023 – 24th November

Department of Internship: Design and Marketing, Marketing & PR, Lettre.app

1.2.2 Supervisor Details

Name of the Supervisor: MD. Abu Shaer Reaz

Designation of the Supervisor: Founding Head, Product Marketing Division

1.2.3 Job Description & Responsibilities

My internship at CheeThee LLC from 24th August 2024 spanned a transformative period by concluding on 24th November, 2023. During this assigned timeframe, I had the opportunity to accrue professional experience under the versatile guidance of MD. Abu Shaer Reaz. With his best possible support and mentoring assistance, I have gained much informative and dynamic aspects of product marketing throughout my internship period.

The role focuses on theoretical learning, providing a hands-on experience that facilitated active contributions to the organization's success through the undertaking of the ensuing responsibilities:

1. Associate with the creation of marketing campaigns and strategies:

- Associate with campaign ideas during brainstorming sessions.
- Deliver valuable inputs in discussions to enhance overall campaign effectiveness.

2. Collaborate with ideating and designing promotional contents:

- Work closely with the design team to provide visually appealing and brand-consistent promotional materials.
- Provide suggestions for visually appealing and brand-consistent content ideas.

3. Participate in the constant improvement of marketing analytics and consumer research.:

- Use marketing analytics to interpret marketing data and generate insights.
- Prepare findings and report from user feedbacks to the marketing team with recommendations.

4. Abide by all company rules and policies:

- Efficiently respond to any queries or issues raised by team members regarding compliance by ensuring transparent communication.

- Attend trainings to stay updated on policy changes.

5. Generate essential contents/assets:

- Provide visual elements such as social media contents

- Collaborate with content creators for in-app elements.

The “work from home” opportunity offered me to effectively fulfill all the obligations listed above for the organization's first product, "Lettre.app.". This experience not only widened my perspective but also helped me to gain practical skills that will undoubtedly prove valuable in my further career progress.

1.3 Outcomes from the Internship

1.3.1 Contribution of the Student:

During my internship at CheeThee LLC, I was able to exceed the stated responsibilities with my contributions. These are the following key aspects of my contributions:

1. Crafting Social Media Contents along with in-app and print-ready assets:

- Able to provide visually appealing in-app elements like stamps with a view to enhance the user interface.

- Involved in curating social media contents and print-ready elements for a compelling brand presence across multiple platforms.

2. Community Interaction:
 - Executed multiple community management and engagement activities across multiple forums and platforms.
 - Contributed in user acquisition initiatives through community engagement in different online platforms.

3. Assisted in multiple Promotional Activities across various platforms:
 - Able to provide aids for promotional campaigns across diverse platforms and online news sites.
 - Involved in the development of generating effective leads from social media traffic.

4. Involvement in tactics for progressive growth:
 - Collaboratively worked with by synchronized strategic initiatives aligned with growth objectives.
 - Consistently engaged in interactive sessions discussing effective and new ideas for app growth.

5. Active contributed during Product Hunt launch:
 - Played an active role at the launch Lettre.app on Product Hunt, a prominent platform of exploring and sharing all the latest digital products.

6. Maintaining active presence in social media platforms and Search Engines:
 - Able to implement effective strategies directed by line manager to enhance the app's presence on search engines and contribution to increasing brand awareness.
 - Proficiently maintained progressive presence of Lettre.app through social media platforms, ensuring regular and engaging contents.

All the above-mentioned contribution demonstrates my commitment toward completing assigned responsibilities and active participating in the development towards multiple aspects of the company. Every single activity was designed to improve the overall experience for users, broaden the app's target audience and contribute to its overall success in the highly competitive digital world.

1.3.2 Benefits of the Internship

My internship at CheeThee LLC has been an enriching phase of growth of personal and professional development with numerous benefits beyond gaining theoretical knowledge. These are the some of the core benefits I have been able to gain from this internship:

1. Working remotely for a North American organization:

An opportunity to work in a complete remote environment has offered me to witness a firsthand experience of remote working culture. Working with CheeThee LLC's regionally diverse workforce with proper flexibility in my approach has broadened my understanding of how tech business function plans from regional to global scale.

2. Increased proficiency in managing Dynamic and Evolving Functions:

Through performing various functions within the organization, the internship provided me the chance to develop and enhance my versatility and skills. I was able to master a broad range of fundamental tasks in the realm of product marketing by going through different sets of organized processes.

3. In-Depth Knowledge in Product Marketing:

With an opportunity to get deep understanding of the complex field of product marketing, I have witnessed the strategic aspects of a tech startup in a fast-changing industry. With this practical learning opportunity, I have been able recognize my ability to comprehend and appreciate the challenging correlation between various marketing strategies.

4. Recognizing Product Hunt:

During my internship, my line manager introduced me to an innovative platform known as Product Hunt, which has given me a thorough understanding of the digital product sector. By understanding Product Hunt, I have been able to gather unparalleled insights of emerging trends and effective strategies for promoting products in digital sphere.

5. **Fostering better Communication Skills via Community Management efforts:**
Engaging in community management responsibilities significantly enhanced my proficiency in communication. Through active engagement in multiple online platforms, I have established robust interpersonal skills, allowing me to form meaningful connections with individuals.

6. **Collaborative Coordination with Professionals:**
My internship experience through participation in inter-departmental collaboration with professionals proved to be an essential learning experience to appreciate. Working with individual professionals gave me a holistic understanding of how different functions collaboratively put efforts for business growth.

This internship taught me a lot of practical skills and knowledge that will shape my career. My education has made me a flexible and adaptable worker for the changing business world.

1.3.3 Obstacles During Internship

I had to learn a lot of new things about product marketing as part of this dynamic role. The terminology and the corresponding duties were unfamiliar to me and I found them to be very challenging. I also had to deal with the complexities of product marketing procedures, especially for a digital product that was designed for a specific group of customers. It was not easy to understand the needs and preferences of the product's intended end users, especially when I had to interact with them on online forums. However, I was lucky to have a supervisor who gave me clear and helpful instructions, which helped me grasp the responsibilities of my role faster. He was very supportive and guided me through the learning process. I also had to cope with the changing nature of the role, which required me to be flexible and adaptable. I had to keep up with the latest developments and the ongoing tasks that were assigned to me. However, after a few weeks, I became more comfortable and confident with the role and its challenges.

1.3.4 Recommendations

Working as a remote intern, like I did, is a great chance, especially with the crazy traffic situation in Dhaka's city area. It also helped me meet my family's everyday needs and maintain a good harmony between my personal and professional life, besides the career advantages it gave me. To pursue a career in digital product marketing or product management, it is crucial to possess a thorough comprehension of the diverse array of tasks associated with these occupations. Acquiring the requisite expertise and staying current with the ever-evolving realm of digital product development are crucial measures for attaining success.

Part 2

Overview of the Organization



CheeThee LLC



Lettre.app

An innovative communication experience designed for iPad.

CheeThee LLC's first-ever product

2.1 Introduction & Overview

Established on January 4, 2023, CheeThee LLC is a tech company based in United States dedicated to craft consumer-grade digital products. Fueled by the belief that technology should be universally accessible, CheeThee LLC's overarching goal is to create innovative and user-friendly software for the general public, demonstrated by their first product named Lettre.app.

Lettre.app was announced live on AppStore at 9th October, 2023. It seeks to elevate the caliber of interpersonal connections by introducing purposeful communication—a digital concept that melds the timeless values of hand-written letters with the joy of digital collectibles.

The digital stamps as collectibles extend beyond mere decoration; they function as digital collectibles doubling as digital postage. People can use these stamps to pay for postage when they send a letter, so they're a kind of in-app financial resource. When a user sends a stamp to another user, title changes hands and the sender no longer has the stamp in their collection. Recipients can use the same stamp, but once depleted, users need to purchase more from the digital store. Lettre.app has a dedicated feature of communicating with penpals. It lets people to connect with strangers from different regions around the world by sending letter anonymously which costs only one stamp. Lettre.app is currently in the process of developing a dynamic marketplace that will allow users to conveniently purchase, sell, or exchange entire stamp collections.

Mission: Pioneering a fresh realm of intentional and profound communication tailored for the Apple iPad. Engage in letter writing, gathering stamps, and forge pen-pal connections spanning the globe.

Vision: Rekindling the allure and personality of traditional letter writing within the digital landscape, with the overarching aim of nurturing meaningful connections that transcend cultural and generational boundaries.

2.2 Organizational Structure of CheeThee LLC

CheeThee LLC chose to implement a horizontal organizational structure due to its ability to operate transparency and a flat management hierarchy. Moreover, the corporation maintains an

organizational culture that prioritizes excellence and promotes collaboration with transparent teamwork among its employees. This structure offers individual members to be more committed and aims to increase productivity. The team is primarily driven by the desire to improve user experience and disrupting the conventional methods of digital communication which are already in use.

Lettre.app team follows an agile leadership strategy that prioritizes the servant-leader model, where CEOs prioritize the needs of their staff and promote collaboration. They foster adaptability by supporting for iterative and incremental advancement to the rapid changes of current market conditions. An essential element is to sustain open lines of communication and deliver constant feedback to all relevant members. Usually, agile leaders encourage their teams with authority by cultivating a culture that values innovation and embraces calculated risks while prioritizing the primary objective of delivering value to users. Continuous acquisition of knowledge and progress are fundamental accessories, and leaders must possess a firm belief on the ability of their teams while equally prioritizing the general well-being and motivation of the members in a team. As a result, a leadership style that is both dynamic and responsive has made an appearance, which is closely associated with the principles of agile management in the quickly changing technology sector.

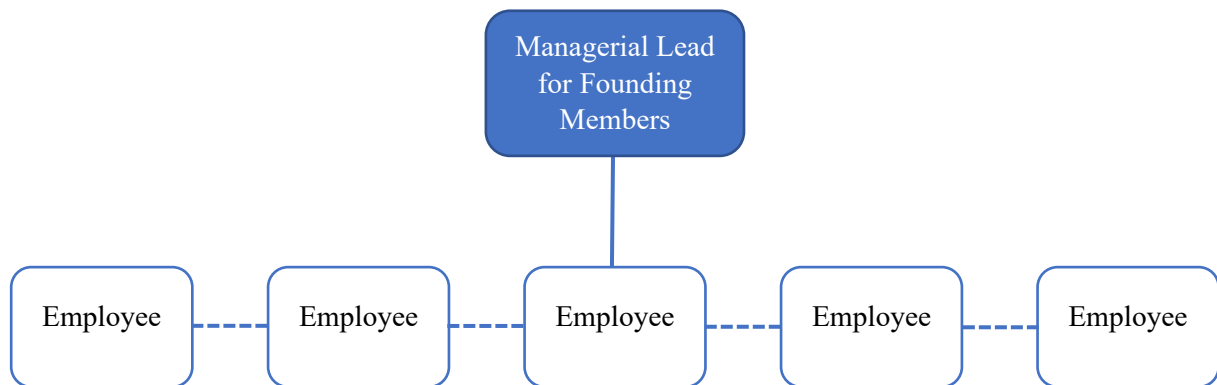


Figure 1: Organizational structure featuring agile management

Agile Management Structure: Individuals often juggle multiple responsibilities and collaborate closely to accomplish tasks in a flat organizational structure. The process of making decisions is mostly dependent on collaborative group efforts which characterized by regular meetings, quick iterations, and a solid commitment of being flexible. Everyone in the company has a say

in planning and reviewing things, and they make sure that all ideas are heard and valued. The system helps them to be flexible and quick, so they can keep up with the changes in the market and what the users want.

Cross-Functionality: Everyone in the company works together on different parts of the product development. The Lettre.app team has people like engineers, designers, and product managers, who cooperate to make the product's vision come true and match the company's goal. This way, they learn from each other and get a better understanding of the product.

Flat Hierarchy: CheeThee LLC has a flat structure and makes decisions based on what everyone agrees and suggests. No matter what role they have, each person is welcome to share their opinions and ideas about the product's overall design.

Flexibility: CheeThee LLC is designed to maximize adaptability, enabling the team to be responsive with new information, industry trends, and user feedback. The use of agile approaches throughout development allows for quick adaptation to changing situations. Team members in such flat organizations are more versatile as they can easily transition to different roles as required.

2.3 Management & Marketing Practices

2.3.1 Internal Management

CheeThee LLC embraces an open-minded leadership style and adopts a horizontal organizational structure. The company prioritizes on recruitment, leveraging both internal and external networks or referrals. In the event that recommendations do not provide satisfactory results within a specific timeframe, we make job vacancies known to the public. Individuals applying for vacancies or those recruited through recommendations within the company are evaluated on the basis of their resumes and portfolios. Once the reviews are concluded,

candidates have the opportunity to engage in an online interview with the head of the founding members. Implementation of the following practices is carried out by the management:

- Prospective applicants regarding the vacant post requires training under the guidance of the founding members, acquiring knowledge of their responsibilities. Upon completion of a 60-day probationary term, successful candidates are offered employment. Contractual applicants receive a concise description of specific tasks and obligations to help them quickly adjust and participate. Individuals who are employed on a contractual basis for specific projects carried out by CheeThee LLC or Lettre.app are not subject to probationary periods.
- These applicants are assigned duties and are required to report their progress to their supervisors during the work-in-progress stages. Employees undergo a quality evaluation process to obtain feedback and have their work assessed.
- If their performances are commendable, employees are recognized through favorable endorsements from their managers. Nevertheless, if the candidates' performances are deemed poor, they are offered ample training and tools to overcome the issue. The organization demonstrates consideration for its employees by providing candidates with the option of flexible work hours.

2.3.2 External Management

External management practices refer to activities conducted outside the firm. External management strategies differ from internal management practices in that they necessitate external focus and attention. CheeThee LLC, being a technology-driven business organization, encounters numerous external elements that impact its performance and potential. CheeThee LLC implements several external management principles, including:

- Regular surveys and tests are conducted by CheeThee LLC to gather insights from users of Lettre.app and other digital goods. This helps the company understand their preferences, needs, suggestions, and areas of dissatisfaction, with the aim of improving the product.

- Monitoring the technological landscape for any changes, such as the introduction of updated software, hardware, or operating systems, that may affect the compatibility, performance, or security of the digital product, and making necessary revisions.
- Safeguarding users' confidential information and data through the establishment and execution of a comprehensive data privacy and security protocol, while strictly complying with relevant legislations such as the General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA).
- Advocating for Lettre.app along with the company's mission and principles via multiple platforms, including social media, blogs, podcasts, and newsletters. In addition, the task involves responding to requests, feedback, and scrutiny from the general public and the media.

2.3.3 Marketing Practices

The organization employs a multitude of marketing tactics in order to proficiently market its products to its designated target population. The marketing strategies of CheeThee LLC are tailored to the users of Apple Pencil who are the unique target audience for Lettre.app and primarily utilize iPads. The user demographics primarily consist of individuals aged 10-60 years old, who are more or less tech-savvy and fall into categories such as kids, artists, students, and professionals. Individuals who derive pleasure from reading, writing, engaging in paper-based hobbies, exchanging seasonal greeting cards, favoring long-lasting relationships and considering writing as a form of therapy, avid readers and writers would find this product highly attractive. Executions of several marketing practices are mentioned below:

- CheeThee LLC engages in various marketing methodologies, such as creating and sharing engaging and advertising material on Instagram. This includes social media posts, videos, stories, and reels. The primary objectives of these activities are to demonstrate the features and advantages of Lettre.app, share user testimonials and reviews, and engage with followers.

- Utilizing customer feedback surveys and user testing sessions, we employ the acquired data and insights to execute focused and customized advertisements on Facebook and LinkedIn.
- Participating in and actively contributing to relevant online communities and platforms, including Reddit, Quora, Medium, and Product Hunt, to enhance visibility and gain possible leads for Lettre.app. This also involves addressing inquiries, offering assistance, and establishing trust and credibility with the intended audience.
- In order to boost Lettre.app and provide exclusive discounts and giveaways, as well as to generate positive recommendations and referrals, we are forming collaborations and partnerships with influential individuals such as bloggers, public figures and media outlets who have a substantial and dedicated audience in the fields of technology and writing.
- The company uses different analytics tools like Meta Business Suite, Instagram Insights, Product Hunt analytics, and Mixpanel metrics to see how well the marketing campaigns and activities are working and what kind of impacts are generating. This assessment assists in determining the conversion rates, pinpointing areas of improvements and lacking, and developing marketing tactics accordingly.

2.3.4 Establishing Lettre.app's Product Positioning

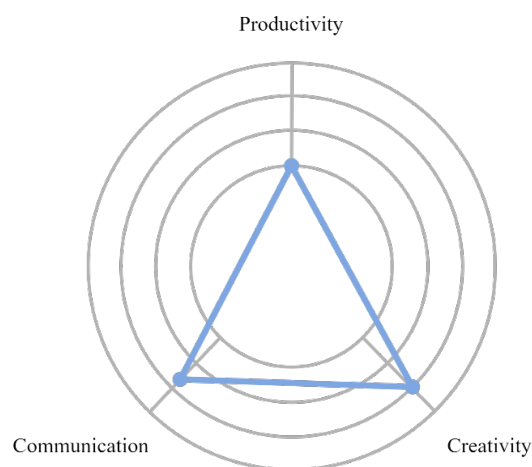


Figure 2: Visualization of Lettre.app through Product Positioning

The product “Lettre.app” distinguishes sets itself apart from other available applications by offering users with the opportunity to personalize messages through the wide range of stamps. In addition, users will be able to trade and collect from rare to limited-edition stamps with other users within this digital product. Those who find delight in the excitement and surprise of receiving a letter and wish to enhance the significance and memorability of their correspondence may discover Lettre.app to be enticing.

2.4 Financial & Accounting Practices

2.4.1 Financial Practices

Bootstrapping: CheeThee LLC uses bootstrapping, which means they use their own money instead of getting loans or investments from others when they start their business. This way, the company can be independent and self-reliant during discovery stage. The organization also pay attention to how to operate business through optimized flow of financial resources which helps to stay in control of financial aspects.

Strategic Investments: CheeThee LLC uses a systematic approach to allocate resources in marketing, talent acquisition, and software development to promote continuous growth. Marketing focuses on targeting campaigns, generating engaging content, and attracting new users. Talent acquisition involves identifying and attracting exceptional talent for key roles, including contractual recruitment and long-term retention measures. Lettre.app gains a competitive advantage by investing in technology improvements and innovation, enabling ongoing product development and enhancing the product life-cycle. By effectively allocating resources, CheeThee LLC positions itself for long-term success.

Budgeting and Financial Planning: During the bootstrapping period, efficient allocation of resources is of utmost importance for the success of the organization. Such financial planning involves essential areas such as the incorporation of new product features, advertising and corporate operations. The strategic allocation of resources aims to maximize efficiency by prioritizing operations that have the most significant impact on the company's progress.

Implementing budgetary control is crucial, necessitating a systematic strategy to adjusting budgets in accordance with performance and changing circumstances. Through this method, CheeThee LLC is able to efficiently handle limited assets while maximizing the impact of each expenditure.

The startup was founded in early 2023, so it doesn't have enough data for long-term analysis and other detailed financial information that could have been shown in this context.

2.4.2 Accounting Practices

Digital Bookkeeping: CheeThee LLC proudly maintains a comprehensive digital ledger that meticulously documents all of its financial transactions, records, employee compensation, and other pertinent information. The organization utilizes cloud-based platforms for data storage, sharing, and protection, in addition to streamlining and automating the accounting process. Among other applications and tools, the company employs Xero and Wave to manage and organize its accounting and bookkeeping tasks. By utilizing a digital accounting system, CheeThee LLC has been able to improve clarity and accuracy while saving time and money.

Digital Payment: CheeThee LLC has implemented a digital payment system that streamlines, expedites, and ensures the security of the organization's employee compensation. The organization remunerates its personnel via an assortment of systems and channels, including Payoneer, Wise, and PayPal. Additionally, CheeThee LLC remunerates its Bangladesh-based staff via Internet Banking and Mobile Financial Services (MFS), Both are remittance methods in Bangladesh, featuring incentives.

2.5 Operations Management Practices

CheeThee LLC has a distributed work framework, enabling its staff to function from diverse geographical areas and time zones. The corporation has implemented many information systems methods to optimize its business processes and accomplish its objectives efficiently. Essential practices are mentioned below:

Infrastructure for Remote Work: An extensive and secure infrastructure has been developed to support remote work, with substantial expenditures being made. Cloud-based systems and applications facilitate effortless data storage, sharing of information, and collaboration among teams. Utilizing video conferencing, email, and phone discussions enables the establishment of regular communication channels with both people and clients, thereby guaranteeing the timely and high-quality completion of projects.

Mixpanel for Analytics: The entire team utilizes Mixpanel metrics and reports to extract comprehensive product performance analytics, monitoring user behaviors, engagement, retention, and conversion from social medias and website. Insights play a crucial role in comprehending consumer requirements and preferences, discerning the strengths and weaknesses of a product, and guiding data-driven decisions for making necessary changes.

Collaboration Tools: CheeThee LLC utilizes a diverse range of collaboration tools, encompassing Figma for design modifications, Notion for comprehensive documentation, Slack for responsive updates, and Discord for organized sessions. These tools create an environment that encourages cooperation, invention, and streamlined interaction in a complete remote environment. Each of employees has the capacity to collaborate proficiently, provide insights, and cultivate interpersonal connections, hence fostering a positive and productive workplace environment through these tools.

2.6 Industry & Competitive Analysis

According to Sensor Tower, a market research firm, the iPad application market for Apple Inc. produced \$8.3 billion in 2020, indicating a 40% growth in sales compared to the previous year. This encompasses both complimentary and paid applications that provide the option to make purchases within the app; however, it does not pertain to applications that generate income through adverts or subscriptions. iPad applications constituted around 30% of total iOS app sales and were estimated to be worth \$27.4 billion in 2020.

App Store is the legal and trustworthy location to acquire iPad applications. Apple asserts that each of the nearly two million applications in the App Store must adhere to the most stringent criteria pertaining to content, privacy, and security.

Additionally, collections and stories in the App Store highlight the finest apps for various purposes. These are compiled by professionals and are modified daily. Additionally, the application provides users with access to entertaining events such as movie premieres, game competitions, and livestreams.

The market for iPad applications is constantly evolving; new applications are added, modified, or removed from the market daily. iPad application-focused websites, blogs, podcasts, and periodicals will provide users with the most recent news, evaluations, and recommendations. MacStories, PCMag, and AppAdvice are a few examples. iPad users can discover the most suitable applications for their wants, needs, and budgets at these locations.

2.6.1 Porter's Five Forces for Lettre.app

Competitive Landscape (Low): Lettre.app dominates the hand-written communication market with almost no direct competition. Positioned as a digital product facilitating purposeful hand-written communication, Lettre.app holds a unique space that is currently unoccupied by any direct competitor. The unique characteristics of this product, such as its customizable interface, the creative possibilities offered by the Apple Pencil toolkit, and the opportunity to collect digital stamps from artists across the world, combine to create a really exceptional experience that seamlessly integrates communication and creativity.

Potential New Entrants (Low): Lettre.app faces competition from potential new entrants, which depends on the attractiveness of the industry and the existence of barriers to entry. Challenges stem from a multitude of impediments, encompassing the intricate financial and technological aspects linked to application development, the accessibility of distribution channels, and the regulatory factors that must be taken into account. The app's distinctive concept, seamless interaction with Apple Pencil, and ability to cultivate a dedicated user community together contribute to its captivating allure. Yet, it is crucial to consider additional barriers, such as the limited accessibility on iPads, an unvalidated revenue plan, and the possible difficulties in maintaining user engagement.

Supplier Influence (Moderate): Lettre.app primarily uses widely accessible software development kits (SDKs) for iOS and cloud services. CheeThee LLC maintains flexibility in choosing or negotiating with alternative human resources. This factor has a minimal impact on Lettre.app's attractiveness, cost management, and quality maintenance.

Consumer Power (High): Given the abundance of other communication apps, users wield considerable influence over Lettre.app. Most users are savvy consumers who actively seek value, bargains, and new features. They are willing to switch to competing apps or negotiate for improvements from Lettre.app or its direct or indirect rivals.

Threat of Substitute (Moderate): Although there are many messaging applications that offer comparable functionality, the majority of them are not limited to the iPad. Applications such as "Slowly" and "Felt" provide distinctive functionalities, while they do not align with the objectives and additional features of Lettre.app. Being the first mover in the hand-written communication platform, Lettre.app faces limited substitute threats, as no other companies have ventured into this concept.

2.6.2 SWOT Analysis for Lettre.app

Strengths:

- This app is completely unique and has been specifically designed for the iPad. Our platform provides a refined and tranquil hand-writing experience for individuals who value purposeful and thoughtful communication.
- Users who were able to experience Lettre.app during its trial phase and continually provided constructive feedback through reviews and ratings after the official launch play a vital role as passionate advocates, promoting positive word-of-mouth.
- Among the Founding Members team, CheeThee LLC is proud to have a lead engineer who formerly worked on the Apple Pencil Team. This individual brings valuable firsthand experience of the Apple ecosystem, exceptional coding skills, and a keen understanding of Apple's upcoming features.

Weaknesses:

- The CheeThee LLC team comprises individuals from the Bengali diaspora, including two of the Founding Members who have relocated to North America. A notable issue occurs due to the lack of North American personnel, whose presence may provide important insights into client preferences and hold specialized knowledge in market-specific user acquisition strategies.
- If the company is unable to seek external finance, its current self-funded status could potentially provide future issues.
- Distinctive priority regarding CheeThee LLC's product, Lettre.app, on the iPad makes the company vulnerable to changes in consumer tastes and improvements other alternative digital products. It has the potential limit its customer base and revenue.

Opportunities:

- Considering the potential of implementing a business-to-business software-as-a-service (B2B SaaS) model as a substitute for traditional fan mail services for celebrities, there is a favorable prospect worth exploring. By integrating celebrities into the marketing of the platform, it is possible to attract their fan base and enable interactive communication. To achieve this purpose, it is possible to include superior attributes that enhance the trustworthiness of celebrity profiles.
- Through the selective development of collaborations with artists, the implementation of royalty incentives, and the prioritization of digital collectibles, a distinct opportunity emerges to actively engage consumers who possess a strong inclination towards artistic creations. This scenario presents Lettre.app with an opportunity to develop a robust platform that facilitates user participation in the exchange of digital commodities, encompassing stamps, sheets, envelopes, and several other in-app assets.
- Lettre.app has the ability to leverage the demand for meaningful communication by highlighting its penpal and dating functionalities, appealing to individuals in search of deeper relationships as opposed to the superficial and fleeting interactions that are often occurred on various social platforms.

Threats:

- The potential dangers, including data breaches, hacking attempts, and non-compliance issues, have the capacity to compromise the private data and information of Lettre.app users. Besides, these issues possess the capacity to undermine the reputation and user confidence of CheeThee LLC and Lettre.app.
- Lettre.app's exclusive reliance on the iPad as its platform exposes it to significant risk, as any discontinuation of feature updates or production by Apple would pose a substantial threat.

2.7 Recommendations & Conclusion

Several essential suggestions include the following:

- CheeThee LLC should consider introducing new applications to enhance its investor perception and expand its portfolio of digital products. Expanding Lettre.app to the Android platform could significantly increase the user population, but it should be done with thorough research and development to maintain the quality of the user experience. Currently, Lettre.app and CheeThee LLC primarily use organic promotional activities, but implementing sponsored acquisition techniques on social networks could increase visibility and attract a larger audience.
- Lettre.app is a unique and innovative application that offers a seamless writing experience for those who appreciate comprehensive communication. However, it faces challenges such as a small user base, limited revenue, and limitations in external funding. Additionally, it is aware of potential risks of data breaches and attacks.
- Despite these challenges, CheeThee LLC is confident in its ability to overcome them and continue improving. A smart plan to capitalize on opportunities and minimize risks would be beneficial for CheeThee LLC to effectively address these problems.

Chapter 3

Project Part

3.1 Introduction

Analyzing the intricate variables influencing the decision-making process of iPad users in purchasing digital products or engaging in in-app transactions is the goal of this study. It specifically focuses on the significance of accurate pricing inside the Lettre.app framework. Lettre.app, a digital product showcasing exchangeable elements referred to as stamps, serves as the context within which this study investigates the changing terrain of iPad devices, products, and consumers across the previous decade. This advancement holds great significance as it has enabled a majority of iPad users to engage towards in-app purchases that involves digital products and their corresponding elements, benefits or features.

The composition of iPad user demographics represents a diverse range of individuals, covering from children as young as ten to as old as sixty. This represents the extensive diversity of end users utilizing iPads for various purposes across diverse contexts. Although there is variation in the Distribution of iPad users by age depending on where one looks, there appears to be a general trend that indicates iPad users lean younger than average adult users. Significantly, according to a survey conducted by Statista in 2023, it was found that 57% of iPad users in the UK belong to the age group of 20-29, in comparison to 29% of smartphone users (Kunst, 2023). Within the United States, the demographic group with the greatest proportion of iPad ownership is individuals aged 30 to 44, constituting 32% of the total. Comparatively, younger age groups, specifically 18 to 24-year-olds, account for 24% of iPad owners, while 25 to 34-year-olds make up 19%. Moreover, it has been reported that 22% of individuals aged 13-17 and 27% of those aged 18-24 in the United States had iPads, as stated by Mejía in 2023.

Given this context, the research seeks to provide Lettre.app with significant insights by examining the demographic features and purchasing behaviors of iPad users. The goal is to identify the supporting elements that can assist Lettre.app in formulating a pricing strategy for its digital components. This strategy not only addresses the existing user base but also seeks to attract potential clients through the implementation of well-researched pricing strategies.

3.1.1 Research Question

What are the aspects that influence the decision-making procedure of iPad users when obtaining digital goods or completing in-app purchases? What is the impact of user ratings and reviews on the Process of decision-making among iPad users when they acquire digital products or make in-app transactions, and how do these factors relate to broader demographic and purchasing trends?

3.1.2 Objectives to this research

The primary objective of this research project is to examine the intricate factors influencing the decision-making process of iPad users in acquiring diverse digital products or engaging in in-app transactions. The vitality of the digital ecosystem has significantly risen, emphasizing the importance of understanding the intricate factors that impact customers' decision-making. The understanding of this matter is crucial for both organizations and engineers. Through a comprehensive analysis of these traits, our aim is to identify the subtle determinants influencing the preferences of iPad users and uncover the underlying motivations driving their engagement with digital products.

The following are other study aims that are more precise:

1. To ascertain and differentiate the demographic characteristics of iPad users, including those who use the Apple Pencil and those who do not.
2. The objective is to examine the buying behavior of iPad users in relation to digital products.
3. To discover the value-adding benefits that iPad users acquire through the acquisition of digital products or the execution of in-app purchases.
4. To analyze the effect of reviews on consumers' ability to make well-informed choices when buying digital products or in-app transactions.

3.1.3 Significance of the study

The primary focus of this study is to discover important data regarding the purchasing tendencies of iPad users in the realm of digital products. The pursuit of this endeavor holds great promise for the professionals involved in product development and management who are seeking to improve their pricing strategies. The abundant data generated by this study is a valuable resource, offering app development companies the necessary tools for thorough user analysis. When it comes to the iPad, the discoveries made in this study might be applicable to other platforms that provide paid digital products or in-app purchases. The study's impact goes beyond just the limited use of iPads, providing a broad perspective that might be able to inform tactical decisions in other sectors of the digital product industry.

3.2 Research Methodology

Design of Research (Quantitative): The quantitative research approach is appropriate for this study as it effectively emphasizes the research objective. The process of quantitative research directly associates to the analysis of numerical data to look over research questions and supportive objectives. Through the application of this methodology, researchers can scrutinize quantitative data inputs, a quality that suits the objectives of this study, which revolves around understanding the decision-making behaviors of iPad users in acquiring digital products and making in-app purchases.

Method of Sampling (Non-Probability Sampling): As a non-probability sampling method, convenience sampling proves beneficial by allowing researchers to select participants based on their convenient accessibility and proximity. This method allows researchers to obtain data from a readily available population, which is useful when time and money are limited. Since participants self-select, convenience sampling may introduce bias, but its practicality and efficiency in the research process usually outweigh it. This strategy allows researchers to learn about iPad users' thought process that influence their decisions, even if the sample does not represent the full user population. This methodological technique maximizes study practicality while considering research goals and resources.

Procedure of Data Collection: For the collection of primary data, an online survey was employed via Google Forms, selected for its easy accessibility and user-friendly interface. A carefully developed survey tool was employed to gather crucial demographic information, buying behaviors, post-purchase insights, and opinions regarding digital products and in-app purchases. The collecting of secondary data was successfully achieved by accessing and leveraging up-to-date sources on the internet.

Sample Size: The study includes a sample of 45 people, who are divided into age range of 15 to 40 years old and above. Every person is identified as an iPad user within this age group, reflecting a broad spectrum of individuals utilizing iPads and fostering inclusivity across all life phases. The choice to incorporate a broad spectrum of age groups that make use of iPads is based on the diverse demographic makeup of this user group, encompassing young students all the way to adults in their years of retirement.

Data Analysis (Descriptive): The study involved an online survey and descriptive data analysis using descriptive statistics to gain a comprehensive understanding of the factors influencing iPad users' buying choices. The methodology involved organizing content within a well-defined framework, allowing for coherent exposition and integration. This comprehensive analysis enhances comprehension and facilitates strategic decision-making regarding the use of digital products on the iPad platform, providing a clearer understanding of the complex factors influencing iPad users' purchasing decisions.

Ethical Considerations: The study's procedure will strive to conform to ethical norms, embracing informed consent, confidentiality, and data security. Ensuring that the elements within the sample size are provided with information about the goal of the study, with a particular emphasis on the voluntary nature of their involvement, and guaranteeing the confidential treatment of their responses, is crucial for maintaining compliance with ethical research standards.

Constraints:

- **Limited Insight into the US Market:** Performing a survey in Bangladesh might provide a limited insight into the dynamic patterns, intricate market dynamics, and unique contextual factors specific to the North American region.
- **Sampling Bias:** Sampling bias arises when the individuals selected for a study inadequately represent the broader community from which they are chosen. The result has the potential to yield skewed or non-representative outcomes, as the selected sample might not accurately mirror the full range of diversity present in the overall community.

3.3 Literature Review

The iPad, pioneering the modern tablet market in 2010, was envisioned as a bridge between smartphones and PCs, offering users a versatile mobile platform. Apple's diverse lineup, encompassing the standard iPad, iPad Mini, Air, and Pro, all running the latest iPadOS 17, has proven highly lucrative, generating over 31.8 billion USD in revenue for the company in 2021 (Statista). This represents a significant 9% of Apple's global income (Lariccha, 2023). Recent statistics highlight a resurgence, with Q2 2023 witnessing Apple shipping 10.5 million iPads globally, attributed to new model releases (iGeeksBlog, 2022). Market dominance is evident, with the iPad capturing 37% of global tablet shipments in Q1 2021, leaving Samsung at 20% (Mehak, 2022). Its impact transcends mere consumer electronics, extending to education, healthcare, entertainment, and business.

The iPad app ecosystem, encompassing iPad-specific and cross-compatible iPhone apps, was valued at 15.7 billion USD in 2020 (Businesswire). Projections anticipate a CAGR of 10.4%, propelling the market to 25.7 billion USD by 2025. This remarkable growth stems from a burgeoning user base, a vast and diverse app library, immersive app experiences, and the increasing appeal of in-app purchases and subscriptions. Global in-app purchase revenue for iOS apps reached a staggering 72.3 billion USD in 2020, with a projected CAGR of 10.5%, leading to a projected 118.8 billion USD by 2025 (Curry, 2023). Global ARPU for iOS app in-purchases also demonstrates a healthy upward trend, reaching 53.4 USD in 2020 and projected to climb to 68.6 USD by 2025.

User reviews significantly influence purchasing decisions for high-end iPad apps. Positive reviews act as social validation, boosting trust and app credibility (Gefen, 2002). They offer valuable insights, guiding users towards informed choices (Chen et al., 2015). However, negative reviews, often more readily shared, can distort perceptions and lead to biased evaluations.

Statista's 2023 data reveals a striking trend: nearly 1.7 million iPad apps are priced below \$1, with 17,000 falling within the \$1-\$2 range. This emphasis on affordability caters to a broader audience. However, complex apps, particularly those offering professional-grade tools or photo editing functionalities, may command significantly higher price tags, reaching \$9-\$10 or even more (Statista, 2023). The pricing of an app ultimately depends on its category, target audience, and complexity, leading to significant variations in the market.

3.3 Insights & Evaluation

The extensive online survey utilized a questionnaire administered through a Google Form. The questionnaire was divided into three distinct sections: a demographic segment, a device-specific element, and a purchase segment. With a total of 45 replies and taking into account potential limitations based on geographical regions, a comprehensive analysis of the findings will be presented in the subsequent parts.

3.3.1 iPad user's demographics

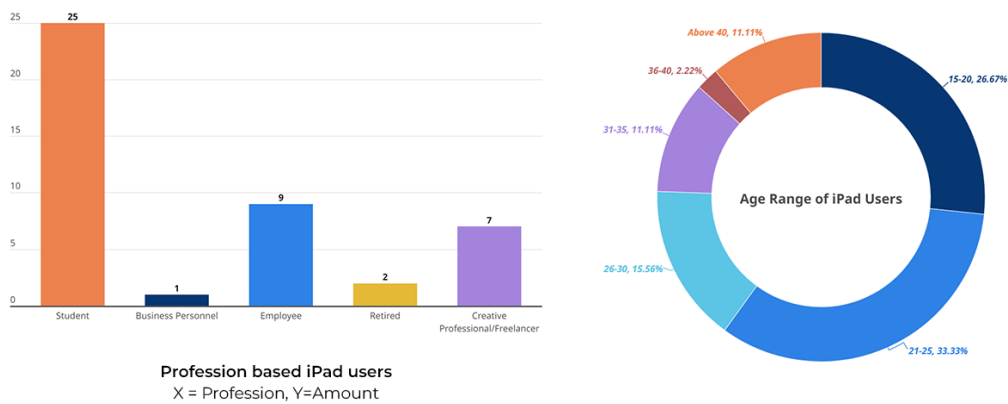


Figure 3: Graphs depicting iPad users across age groups and profession.

Two graphical representations illustrate the age distribution of iPad users based on their professions.

Age Distribution: The predominant age demographics among those who use an iPad is between the ages of 21 and 25 old, totaling 33.33% of the entire user population. Subsequently, the demographic of individuals aged 15-20 years old emerges, constituting 26.67% of the user base. The user distribution is influenced by several age groups, specifically those between 26 and 30 years old, between 31 and 35 years old, and above 40 years old, which account for 15.56%, 11.11%, and 11.17% respectively. Furthermore, it is worth noting that the demographic segment consisting of individuals aged 36-40 years old accounts for a measly 2.22% of the total iPad user base.

Occupational Analysis: The student demographic constitutes the most significant proportion of iPad users, accounting for 33.33% of the overall user population. Users in the business sector make up 26.67% of the total, whilst those in the creative industry and those who work as freelancers represent 15.56%. Additional occupations encompass those employed in administrative roles (11.11%), individuals who have retired from their previous employment (11.11%), and individuals involved in a wide range of professions (2.22%).

iPad users are predominantly individuals in occupations requiring higher education levels and/or substantial income, given the higher cost associated with iPads. Moreover, iPads frequently serve both educational and professional purposes, emphasizing users' prioritization of value and their preference for products that aid in goal achievement.

3.3.2 Findings related to iPad device & Apple Pencil

Do you use iPad with Apple Pencil or not?
45 responses

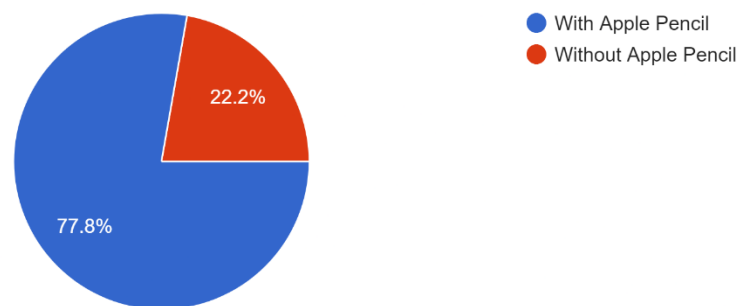


Figure 4: User counts of Apple Pencil owners.

The provided pie chart serves as a visual representation of the extent of which iPad users have embraced the Apple Pencil, revealing a noteworthy acceptance rate of 77.8%. The significant number highlights the Apple Pencil's position as a beneficial addition, significantly enhancing the iPad experience for a considerable number of users. In order to support this rate of acceptance, here are multiple factors that contribute to the widespread popularity of utilizing the Apple Pencil combined with an iPad:

- **Enhanced Creativity:** The inherent and instinctive attributes of the Apple Pencil are specifically designed to accommodate tasks like as drawing, sketching, note-taking, and document annotation. Therefore, it holds a particular allure for professionals, artists, and students operating within the creative domain.
- **Improved Productivity:** The extensive range of functionalities by Apple Pencil facilitates the smooth completion of various tasks such as note-taking, document

annotation, and photo editing. Hence, it significantly enhances productivity for persons in professional and educational environments.

Even though the Apple Pencil is commonly utilized, there are some specific concerns that prevent some iPad users from buying an Apple Pencil:

- Pricing of Apple Pencil: An additional cost is associated with the Apple Pencil may serve as a hindrance for certain iPad users.
- Bare minimum purposes: The Apple Pencil may be perceived unnecessary by certain users whose iPad usage only involves basic activities like internet browsing or consuming content.
- Alternatives: Some individuals may have a preference for utilizing different styluses or perhaps their fingers to engage with their iPad.

As a result, the data highlights the Apple Pencil's popularity as an add-on for iPad users seeking to enhance accessibility, productivity, or creativity. However, it is important to recognize that there are circumstances in which its utilization may not be perceived as important by the user.

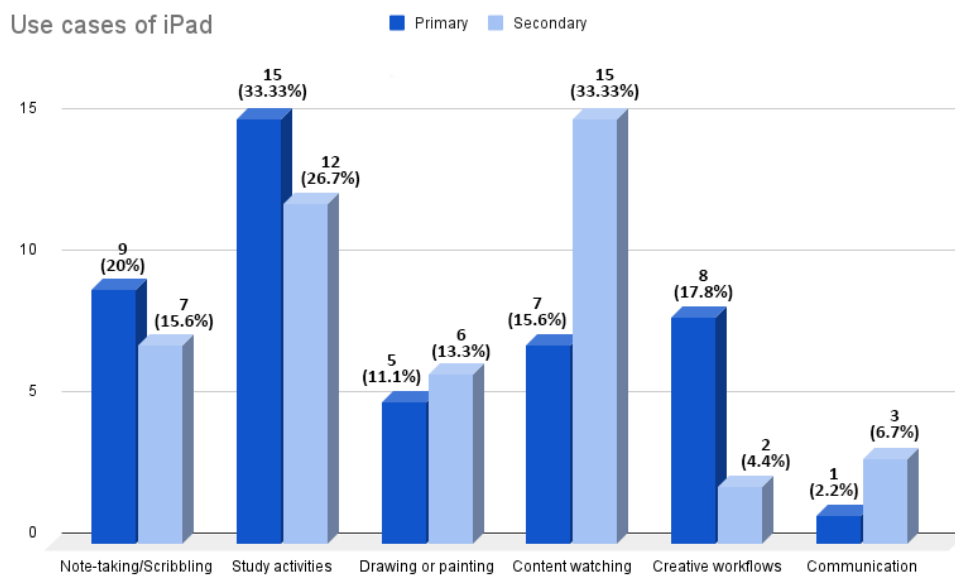


Figure 5: Use cases of primary and secondary choices of Apple Pencil

The bar chart provides a visual depiction of the distribution of iPad users according to their primary and secondary usage choices. Primary use cases denote the prevailing and essential

rationales for employing an iPad, whereas subsidiary use cases indicate less significant motivations.

The deep blue bars depict the percentage of individuals who own iPads and are involved in primary use cases. The three most prominent use cases are as follows: study activities (33.3%), note-taking/scribbling (20%), and creative workflow (17.8%).

The light blue bars represent the percentage of iPad owners utilizing their devices for secondary reasons. The three main secondary use cases are content watching (33.3%), study activities (26.7%), and note-taking/scribbling (15.6%).

The chart highlights a significant preference among iPad users for educational and creative pursuits. This inclination can be attributed to the iPad's suitability for such activities, aided by its expansive screens, powerful CPUs, and a diverse array of available applications.

Upon careful examination of the primary usage, productivity and creativity-related activities emerge as the most popular, while secondary use cases are dominated by communication and entertainment-related purposes.

It's quite important to recognize the miscellaneous nature of iPad usage, where individuals often employ their devices for various purposes. For instance, a student may utilize their iPad for study-related activities but also engage in content consumption. Similarly, an innovative expert could utilize the iPad for artistic processes and communication requirements such as live client encounters.

Essentially, the bar chart offers a thorough summary of the principal and secondary ways in which iPads are used, demonstrating the device's versatility across a wide range of applications, customized to suit individual requirements and tastes.

Purposes of Buying Apple Pencil

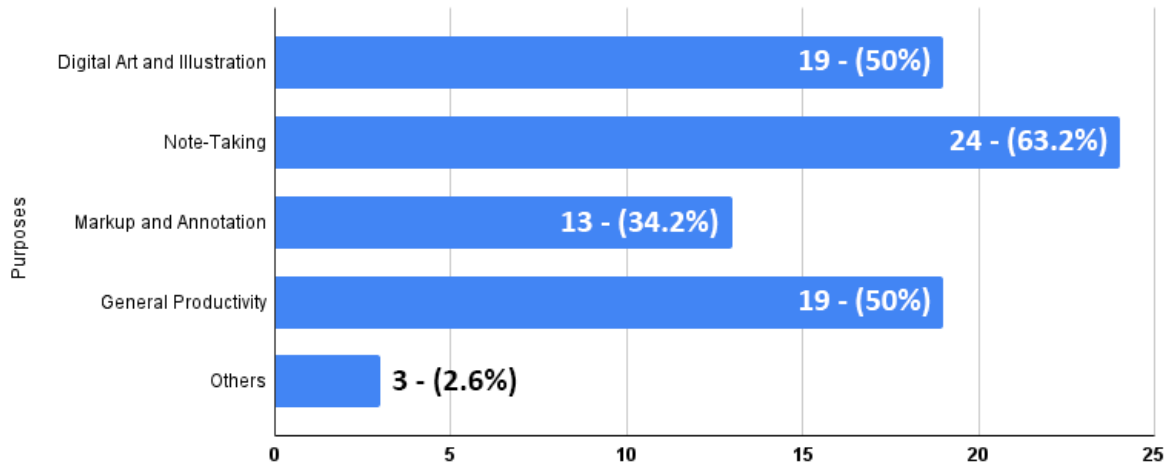


Figure 6: Reasons of owning an Apple Pencil

The bar chart above illustrates the distribution of people who have bought an Apple Pencil for various purposes, including drawings, note-taking, annotations, general productivity, and other various uses.

Approximately half of consumers are primarily driven by the desire to get an Apple Pencil specifically for the purpose of engaging in digital drawing and illustration. Approximately 63.2% of users utilize the gadget for the purpose of note-taking, so establishing it as the second most commonly seen utilization. Moreover, it is worth noting that a significant proportion, namely half, of the customers employ the Apple Pencil for various tasks related to general productivity, thus highlighting its notable utility. Markup and annotation are extensively utilized, with a significant portion of users, specifically 34.2%, adopting this tool for these specific goals. 2.6% of users have unspecified intentions.

In comparison to the iPad, the Apple Pencil can also serve many functions that may overlap. As an illustration, an individual who purchases an Apple Pencil with a primary focus on digital drawing and illustration might also utilize it for the purpose of note-taking. Similarly, an individual who acquires an Apple Pencil with the intention of improving overall efficiency might also employ it for the purposes of highlighting and annotating.

3.3.2 Findings related to App Purchase

On average, how frequently do you engage in in-app purchases on your iPad?

45 responses

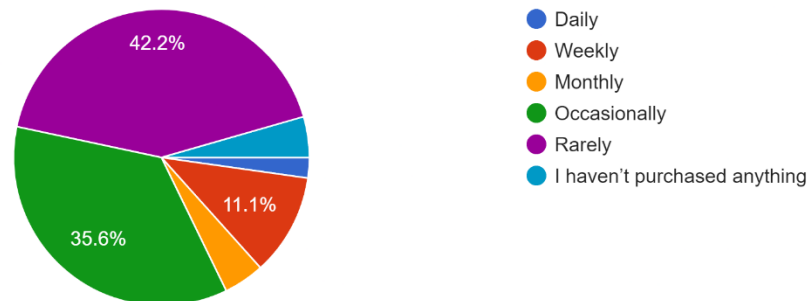


Figure 7: Participation rate of in-app purchases.

The figure above demonstrates the frequency of in-app transactions made on an iPad device. The category labeled as "Rarely" comprises the largest proportion of the pie chart, making up 42.2% of the total. The "Occasionally" category follows with a percentage of 35.6%, while the "Weekly" category accounts for 11.1%. The percentages for both the category "monthly" and the category "I haven't purchased anything" are equal to 4.4%.

Numerous possible reasons can be given for the fact that a large portion of iPad users conduct in-app transactions every two weeks or once a month. An interesting reason could be that a lot of people use their iPads mostly for games, and many of these games offer in-app purchases for extra features. Another potential scenario is that individuals may utilize their iPads for employment or educational purposes, potentially resulting in in-app acquisitions for additional functionalities or subscription offerings.

In addition, it is important to highlight that the pie chart lacks precise information regarding the many types of in-app expenses that people are involved in. The vast majority of the in-app purchases are most likely made up of little transactions, such as buying a small quantity of virtual currency in a game or subscribing to certain services offered by productivity apps like Notability and Evernote.

Overall, this trend can be ascribed to the wide array of in-app transactions available, together with the reliance of certain popular programs and games on in-app purchases as their primary source of revenue.

How often do you purchase digital products on your iPad?

45 responses

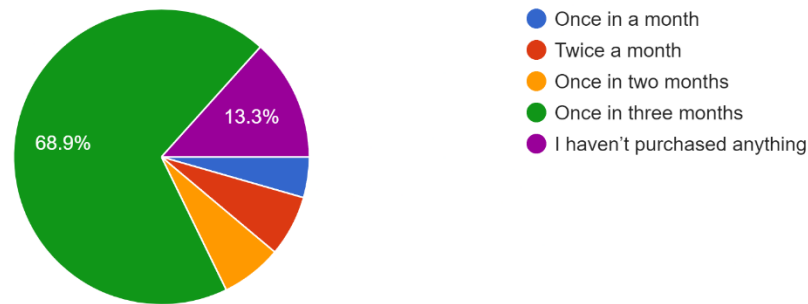


Figure 8: Acquiring rate of digital products for iPad.

The provided pie chart illustrates the distribution of individuals who make purchases of digital items on their iPad at different time intervals. The category "Once in three months" dominates the pie chart with a significant proportion of 68.9%, while the category of "I haven't purchased anything" follows closely behind with a share of 13.3%. The occurrence rate of "Twice a month" along with "Once in two months" is equivalent, happening every two months. Both exhibit a 6.7% rate. Conversely, the frequency "Once in a month" demonstrates the most minimal rate of 4.4%.

Numerous individuals regularly purchase digital items for their iPads on a monthly basis, and this phenomenon can be attributed to a variety of factors. One potential factor contributing to this upward tendency may be the extensive utilization of iPads for leisure activities, such as gaming, movie watching, and music streaming. Regularly acquiring these digital things, whether through personal ownership or subscription agreements, results in a monthly trend in consumer purchasing behavior.

An example of such a situation is a significant percentage of individuals using their iPads for work or educational activities. Similarly, it is possible to obtain a regular charge for digital assets, such as educational programs or cloud storage services.

While there are acquisitions that may incur minor costs, such as acquiring cost-effective software or subscribing to online news sites, it is also plausible that select individuals partake in more substantial transactions. This may additionally entail acquiring essential things, such

as newly released video games or top-notch software programs for art or design, such as Procreate and Affinity Designer.

In summary, the pie chart shows that iPad users frequently acquire digital goods due to the wide range of content and lucrative in-app purchases for popular apps and games, despite occasional infrequent need for paid digital items.

Are free apps for iPad incapable of meeting your specific user experience needs?

(45 responses)

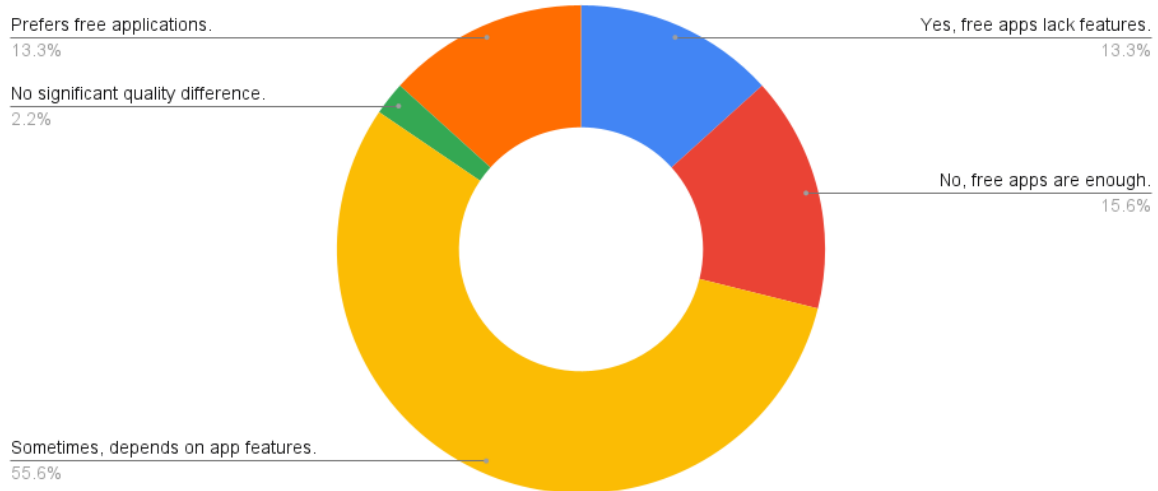


Figure 9: Meeting user experience needs through free apps

The data presented in the pie chart reveals that a significant proportion of respondents (55.6%) hold the belief that the capacity of free applications to fulfill their specific user experience requirements is contingent upon the individual app and its functionalities. The research suggests that customers demonstrate selectivity in their selection of free apps and are willing to invest in items that offer valuable features or capabilities.

The idea that free applications are adequate to meet their needs is supported by 15.6% of the participants, making it the second largest group. These findings indicate the presence of a substantial portion of the market that is predisposed to utilize free software, albeit without certain functionality or features available in paid applications.

A viewpoint held by 13.3% of the individuals, comprising the third-largest sector, is that applications that are free often do not match their criteria. It appears that there is a considerable

segment of the market that is eager to invest in products that provide a better user experience than free applications.

A minority of those in the survey (2.2% and 13.3%) believes that there is no significant contrast in quality within free and premium applications, and they favor free apps, respectively. The data suggests the existence of a unique market segmentation that demonstrates limited care for the quality of apps or is only focused on acquiring the most favorable offer.

Overall, the pie chart illustrates the existence of a diverse spectrum of viewpoints among iPad users on the overall worth of free products. According to the feedback from most participants, the extent to which apps for free can meet their individual needs depends on the particular program and its characteristics.

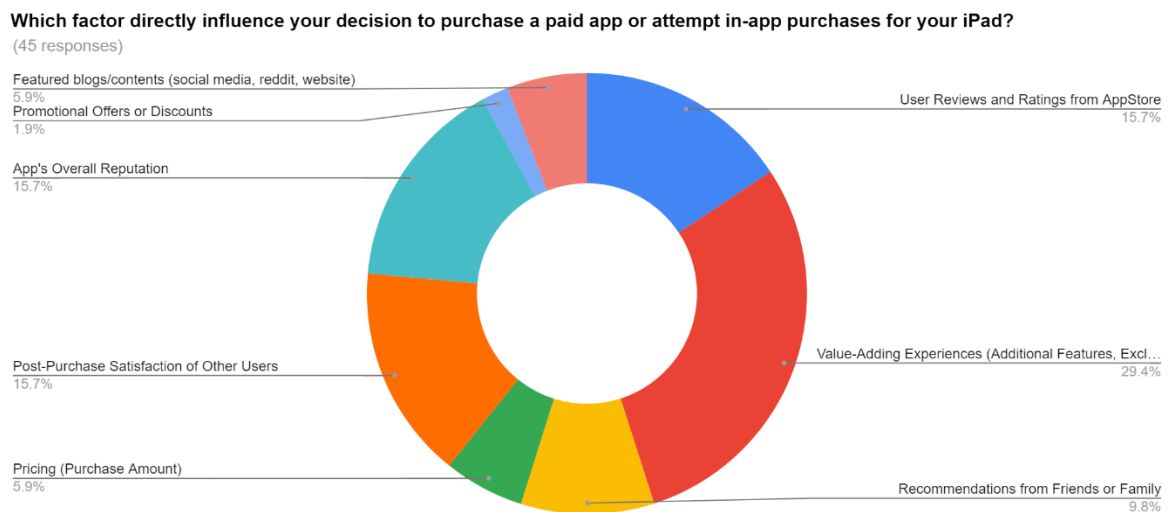


Figure 10: Key drivers for paid apps or engaging into in-app transactions

The presented graphic illustrates the results about various factors that impact the process of decision-making of iPad users in regards to buying paid applications or implementing purchases via apps. The data indicates that a significant proportion of participants, specifically 33.30%, opt for experiences that offer added value. This highlights the appeal of additional features and exclusive material.

As an example, factors like customer reviews, post-purchase satisfaction, and the general app reputation collectively contribute to 17.80% of the overall score. This exemplifies the

importance of peer endorsement and the overall perception of an application in shaping user preferences.

Personal connections and recommendations from relatives or close friends have a significant impact (11.1%), underscoring the significance of interpersonal relationships in the decision-making process. When it comes to the economics, pricing has a relatively insignificant role in decision-making, representing only 6.7%. This exemplifies the significance of cost for certain individuals, without having general applicability.

At a threshold of 2.20%, the significance of special deals or discounts diminishes, suggesting that these incentives have negligible impact on the decision-making process for the majority of individuals. Concurrently, a notable 6.70 percent of participants draw inspiration from content curated from well-known blogs or internet platforms.

Ultimately, these findings suggest that iPad users take into account a variety of factors, such as features, cost, credibility, social connections, and well curated information, when forming their judgments. This particular variant exemplifies the complex interrelation of various elements within the digital domain, offering useful perspectives for producers and organizations aiming to comprehend the preferences of iPad users and meet their requirements.

What is your usual spending range when purchasing paid apps or making in-app purchases for your iPad products? (Please provide an approximate range, whether you haven't made purchases yet or plan to do so in the future.)

Do not include your media streaming subscription rate

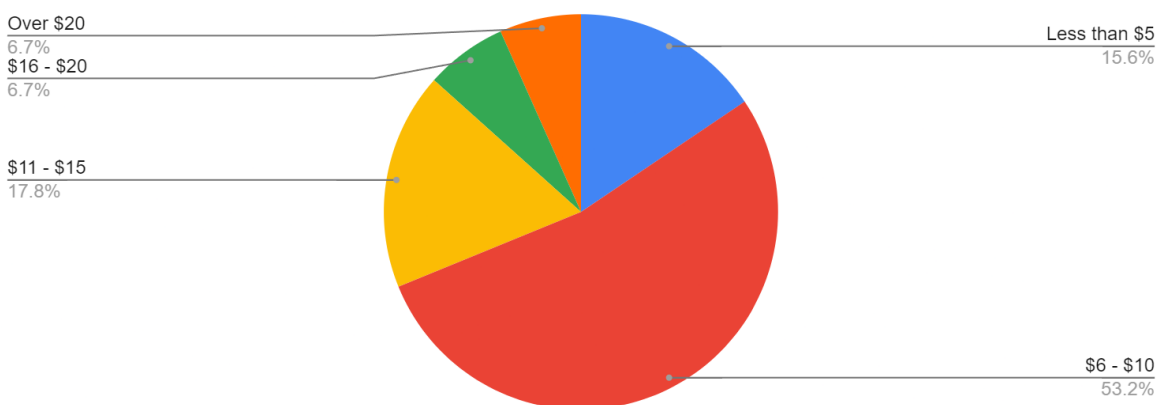


Figure 11: Range of expenditure on digital goods/in-app purchases

The pie chart offers a graphical depiction of the varied spending patterns related to in-app purchases and paid applications on the iPad. Significantly, the most substantial segment of the pie, accounting for 53.3%, is situated between \$5 to \$10 spectrum. Subsequently, there is a notable correlation with outlays ranging from \$11 to \$15, constituting 11.1% of the total, and those below \$5, which comprise 15.6%. Each of the remaining parts holds a share of 6.7%.

The occurrence of expenditures between \$5 and \$10 among iPad users, as depicted in the pie chart, can be attributed to the abundance of top-notch programs and in-app purchases available within this particular price range. There are a number of sought-after productivity apps and games available for purchase within the price range of \$5 to \$10. Moreover, a wide array of in-app purchases, such as pre-set note-taking options, essential software assets, and additional game levels or characters, are priced within the identical range.

The second most significant segment in the pie chart consists of users who restrict their spending to \$5 for paid apps or in-app purchases. This category may include individuals with little financial resources or those who opt not to allocate substantial amounts towards applications or in-app purchases.

The third noteworthy group comprises those with a budget ranging from \$11 to \$15. This specific demographic may exhibit a higher propensity to invest a relatively larger budget towards in-app purchases or programs that are in line with their own preferences. Certain specialized software, particularly those tailored for tasks such as video editing and music production, may exceed the \$10 limit. Moreover, it is important to acknowledge that some in-app transactions, such as subscriptions to streaming services, possess the capability to surpass \$10 every month.

The other slices of the pie, each representing 6.7%, indicate a relatively smaller percentage of clients classified into various spending categories. The iPad user base can be categorized into three primary price ranges: \$5 to \$10, \$11 to \$15, and under \$5.

The wide range of spending habits demonstrated by iPad users when it comes to purchasing paid programs and making in-app purchases can be linked to a variety of factors, including financial constraints, individual preferences, and the perceived quality of the applications. Individuals have the capacity to determine their own personal limit for expenses, recognizing

that there is no definitive or improper approach when it comes to financial expenditures related to applications.

To what degree does purchasing paid apps or participating in in-app transactions contribute to the enhancement of your overall user experience on a specific iPad application? (Excluding media streaming subscriptions)

45 responses

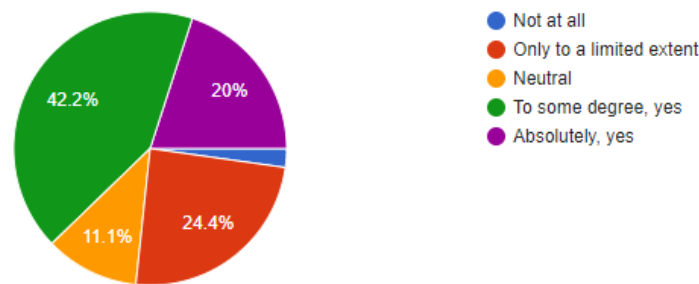


Figure 12: Elevating user experience through paid apps

According to the data presented in the pie chart, it is evident that a substantial majority of participants (76.3%) hold the belief that participating in in-app transactions or buying paid applications can significantly improve the overall user experience of a certain iPad application. These findings suggest a prevailing inclination among individuals to allocate resources towards information and features that improve the overall user experience.

The category denoted as "Absolutely, yes," comprising 20% of the overall total, represents a substantial part of individuals who possess a firm conviction in the capacity of paid applications and in-app purchases to greatly enhance the user experience. This could involve procuring memberships to streaming services, selecting ad-free alternatives, or gaining specific functionalities within any games.

The second most prominent group, encompassing 42.2% of participants, indicates that a significant proportion of consumers hold the belief that paid digital items and in-app transactions have the potential to improve their overall user experience, although not to a significant degree. This could involve users who are willing to pay a little fee to eliminate

advertisements from an application, but may be hesitant to spend a substantial amount for additional features or content.

The category categorized as "Only to a limited extent" represents 24.4% of the total within the third place. A minority of consumers maintain the conviction that paid apps and in-app purchases have the potential to enhance their overall user experience to some extent. Some users may be willing to pay a modest charge for an extra level in a video game, while they may choose not to participate in in-app purchases that offer unfair advantages or several levels.

The "Neutral" category represents 11.1% of the pie chart, while the "Not at all" category makes up 2.2%. These segments indicate that a minority of customers either fail to perceive any discernible impact of paid applications and in-app purchases on the user experience or are uncertain about the matter.

Several factors contribute to the idea that paid applications and in-app purchases can improve the user experience:

- Ad-free experience: Numerous users are inclined to remunerate for programs devoid of adverts, which have the potential to be invasive and disruptive, therefore augmenting the overall user experience.
- Additional functionalities and content: Paid applications and in-app purchases provide users with the opportunity to access supplementary features and content, including but not limited to extra levels, characters, or tools in games, as well as premium features such as cloud storage or specialized support.
- Elimination of limits: Paid programs and in-app purchases have the capability to remove constraints that are imposed by free applications, such as restrictions on lives or levels in games.
- Developer support: By contributing to the funding of paid applications and in-app transactions, developers are aided in the advancement of additional features.

The data from the pie chart above suggests that a substantial majority of iPad application users strongly believe that premium apps and in-app transactions can greatly improve the user experience. Potential factors that could influence this viewpoint encompass the preference for

a non-advertising environment, the want for additional information and features, and the imperative to remove restrictions associated with free items.

While buying any particular paid app, does user review in the AppStore influence your purchase decision?
45 responses

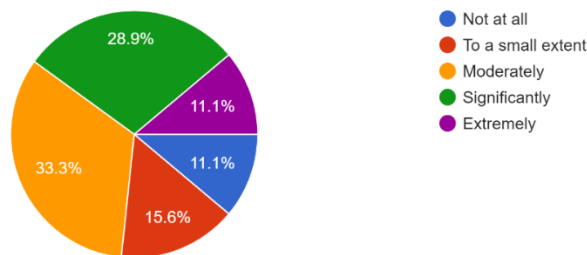


Figure 13: Impact of user reviews from AppStore

The pie chart offers valuable data regarding the percentage of customers who perceive their purchase decisions to be influenced by the acquisition of a particular premium application from the App Store. The most significant portion, accounting for 33.3%, belongs to the "Moderately" category. Subsequent to careful examination, the percentages for "Significantly" and "To a small extent" are 28.9% and 15.6% respectively. Both the responses "Not at all" and "Neutral" had an identical distribution of 11.1%.

Users may think that their decision to acquire a specific premium application in the App Store is influenced by a multitude of factors:

- The evaluations from other users provides a valuable means of acquiring insights about an application prior to making a purchase. Positive evaluations inspire trust in prospective purchasers, affirming the app's merit, while bad evaluations serve as a deterrent, dissuading users from making investments in a substandard program.
- The monetary value of an application significantly influences the process of making a decision. Users exhibit a greater propensity to acquire an application if they perceive it to provide commensurate value in relation to its cost. On the other hand, applications that are considered excessively costly or excessively cheap may encounter hesitancy from prospective purchasers.
- The app-purchasing decisions of users are greatly influenced by their preferences for specific features. An application that aligns with the intended qualities is very probable

to appeal to potential buyers. For example, an individual who desires a game with demanding levels and visually attractive graphics is more likely to buy an application that fulfills these requirements.

- The App Store ranking of an app is a critical factor that significantly influences purchasing decisions. Applications that possess higher ranks enjoy more visibility among users, hence augmenting their likelihood of being acquired. Assessments provided by the App Store itself hold significance, as showcased applications are commonly regarded as trustworthy and have been subject to thorough examination by the App Store staff.

In summary, the pie chart indicates that a significant number of consumers believe that acquiring a specific premium app from the App Store influences their likelihood of making a purchase. The aforementioned inclination is plausibly influenced by a multitude of aspects, including the meticulous examination of reviews, contemplation of pricing, predilection for particular features, and the app's ranking within the App Store.

After making a digital purchase or in-app purchase, how satisfied are you with the overall user experience with the particular application on iPad?

45 responses

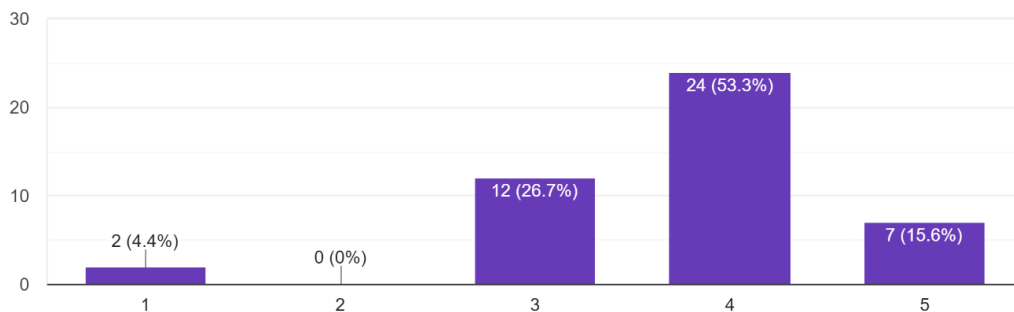


Figure 14: Levels of satisfaction with post-purchase experience

1. Very Dissatisfied, 2. Dissatisfied, 3. Neutral, 4. Satisfied, 5. Very Satisfied

The bar chart depicts the percentage of iPad users who reported satisfaction with the overall user experience after using any paid applications. A substantial proportion of individuals expressed satisfaction with the application, as evident from the ratings provided by 26.7% of the poll participants as "Satisfied" and 53.3% as "Highly Satisfied." A minor fraction of

respondents expressed dissatisfaction through this poll. specifically, 4.4% classified it as "Dissatisfied," while 15.6% classified it as "Neutral."

Several potential factors may contribute to the high level of user satisfaction with the overall user experience of the application:

- Usability: The likelihood of user satisfaction with a paid software application is higher when it possesses a user-friendly interface and intuitive navigation. User experience with free apps is often limited to a certain extent of access.
- Characteristics: People are more likely to experience satisfaction with an application that offers the specific features they are seeking. The absence of essential features or the presence of unnecessary functionalities in applications significantly diminishes user satisfaction.
- Overall quality: Users are more likely to be satisfied with an application that has a high level of quality. Users are most likely to experience satisfaction with programs that showcase flawless performance, a complete absence of errors, and a visually appealing design.

3.4 Summary and Conclusion

Based on the findings of the survey, it can be observed that the majority of iPad users fall between the age range of 21 to 25 years old, with students constituting the largest proportion of users. iPads are seeing a growing popularity among the younger generation due to its affordability and versatility in serving various purposes, including educational and professional applications. The utilization of the Apple Pencil has been observed to garner significant popularity among iPad users, as it effectively enhances their creative abilities, productivity levels, and precision in various tasks. Conversely, there exist individuals who have made the deliberate choice to abstain from its use due to its exorbitant expense or their minimal requirements. iPads were utilized for a diverse range of primary and secondary objectives, with a primary emphasis on areas such as productivity, creativity, communication, and enjoyment. A multitude of in-app purchases were conducted, with gaming, productivity, and instructional applications serving as the main catalysts for these transactions. An array of spending behaviors with varying characteristics emerged. The expenditure on paid applications or in-app purchases is influenced by factors such as budget, interest, and perceived quality. The mean expenditure by users falls within the range of \$5 to \$10. It was widely believed that paid applications and

in-app purchases would enhance the user experience by eliminating adverts, reducing limitations, offering additional functionalities, and generating revenue for developers.

The assessment of reviews, cost, features, and the app's rating in the App Store all factored into the decision-making process for users considering the purchase of a premium software. According to the majority of users, the acquisition of a certain premium application influenced their purchasing decision. Most customers indicated satisfaction with the overall user experience, attributing their enjoyment to the simplicity of use, required functionality, optimal performance, and overall quality.

The survey responses offer valuable insights on the demographic characteristics, behaviors, and purchasing patterns of those who own iPads. iPads are extensively employed for a variety of functions, including work, creativity, communication, and enjoyment, as per the statistics, which suggests that they enjoy popularity among a young and well-educated populace. Although user preferences and expenditures differ significantly, both the Apple Pencil and in-app purchases are crucial in enhancing the user experience. The iPad user base exhibits specific requirements and preferences, which may be used by businesses and developers to precisely tailor products and services to satisfy these demands. The indicated levels of satisfaction indicate that the user experience was generally positive. This underscores the importance of factors such as user-friendliness, required functionalities, and overall excellence when determining the potential level of satisfaction that consumers may derive from iPad applications.

3.5 Recommendations

Based on the survey results, Lettre.app could enhance its marketing methods by customizing them to cater to the preferences of the majority of student respondents, while also taking into account the different backgrounds of other users. Here are some suggestions:

- It is imperative to consider a multitude of elements when ensuring the accessibility of the majority of in-app purchase stamp packs. Stamp packs, ranging in price from \$3 to \$6 and including 5 to 7 stamps, present a compelling proposition in terms of cost-effectiveness, hence ensuring accessibility to a wide range of end users possessing an ability-to-pay budget. By introducing a diverse range of stamp packs featuring various themes or motifs, it is possible to

significantly boost user engagement, especially among individuals who possess a certain level of willingness-to-pay.

- Implementing creative writing contests focused on certain themes for students and other Lettre.app users can be an effective campaign to organize. Themes encompass a wide spectrum, spanning from the art of composing imaginative narratives to visionary ideas, and even the act of composing a letter addressed to a beloved sports club. Efficiently promote these contests through coordinated efforts, effectively encouraging pupils to submit their most exceptional handwritten letters or creative writings. Acknowledge and incentivize the victors by bestowing upon them distinctive attributes or emblems.
- Event-based marketing possess the capacity to effectively target a wide range of users, including students. For example, Lettre.app has the capability to provide decorative stamps and templates during Christmas season. In addition, the implementation of a "Letters to Santa" campaign might be considered, with the aim of encouraging users, particularly younger audiences, to create and send their letters to Santa Claus using the Lettre.app platform.
- An excellent social media campaign might be implemented by introducing a "Back to School" program specifically targeting the North American region. This objective can be accomplished by implementing targeted promotional bundles that provide customers with discounted or bonus stamp packages when they purchase Lettre.app. This approach promotes the utilization of the app by students for the purposes of creative expression and communication at the beginning of a new academic year. It includes specifically crafted stamps and letter templates that are in line with the back-to-school theme.

The purpose of these recommendations is to actively involve students, resulting in a widespread influence that affects all other users.

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Appendix

Factors that influence iPad consumers to buy digital products or performing in-app purchases for iPadOS applications

Kindly read the introduction

Participate to this survey only if you have iPad

Welcome to this survey about your preferences for digital products and in-app purchases for iPad. The primary objective of this study project is to explore the factors that influence the decision-making process of iPad users when it comes to acquiring different digital products or engaging in in-app purchases. Your participation is highly important for a newly launched iPad product to provide valuable insights on pricing strategy.

The whole survey has three parts: Introductory segment, Device segment and Purchase segment.

The survey will take around 3 minutes and I hope you will take the time to answer the questionnaire honestly and completely. Any information that you provide will be highly appreciated and I assure you that all information is confidential, anonymous, and will only be used for research purposes.

Introductory Segment Starts here

** Indicates required question*

1. Email *

2. Select your age range: *

Mark only one oval.

- 15-20
- 21-25
- 26-30
- 31-35
- 36-40
- Above 40

3. Select your profession: *

Mark only one oval.

- Student
- Business Personnel
- Employee
- Retired
- Creative Professional/Freelancer
- Other: _____

Device Specific Segment

4. Do you use iPad with Apple Pencil or not? *

Mark only one oval.

- With Apple Pencil
 Without Apple Pencil

5. Select your **primary** purpose of using iPad *

Mark only one oval.

- Note-taking/Scribbling
 Study activities
 Drawing or painting
 Content watching
 Creative workflows
 Communication

6. Select your **secondary** purpose of using iPad *

Mark only one oval.

- Note-taking/Scribbling
 Study activities
 Drawing or painting
 Content watching
 Creative workflows (Example: Video editing)
 Communication

7. For what purpose did you buy the Apple Pencil? (**Answer only if you have an Apple Pencil with your iPad**)

Check all that apply.

- Digital Art and Illustration
 Note-Taking
 Markup and Annotation
 General Productivity
 Other: _____

Purchase Segment

8. On average, how frequently do you engage in in-app purchases on your iPad? *

Mark only one oval.

- Daily
 Weekly
 Monthly
 Occasionally
 Rarely
 I haven't purchased anything

9. How often do you purchase digital products on your iPad? *

Mark only one oval.

- Once in a month
- Twice a month
- Once in two months
- Once in three months
- I haven't purchased anything

10. Which factor directly influence your decision to purchase a paid app or attempt in-app purchases for your iPad? *

Mark only one oval.

- User Reviews and Ratings from AppStore
- Value-Adding Experiences (Additional Features, Exclusive Content)
- Recommendations from Friends or Family
- Pricing (Purchase Amount)
- Post-Purchase Satisfaction of Other Users
- App's Overall Reputation
- Promotional Offers or Discounts
- Featured blogs/contents (social media, reddit, website)
- Other: _____

11. Are free apps for iPad incapable of meeting your specific user experience needs? *

Mark only one oval.

- Yes, free apps often fall short of meeting my needs.
- No, free apps can generally fulfill my user experience requirements.
- Sometimes, it depends on the app and its features.
- I haven't noticed a significant difference between free and paid apps in meeting my needs.
- I prefer free apps and rarely find the need for paid alternatives.

12. What is your usual spending range when purchasing paid apps or making in-app purchases for your iPad products? (Please provide an approximate range, whether you haven't made purchases yet or plan to do so in the future. **Do not include your media streaming subscription rate**) *

Mark only one oval.

- Less than \$5
- \$5 - \$10
- \$11 - \$15
- \$16 - \$20
- Over \$20

13. To what degree does purchasing paid apps or participating in in-app transactions contribute to the enhancement of your overall user experience on a specific iPad application? **(Excluding media streaming subscriptions)** *

Mark only one oval.

- Not at all
 Only to a limited extent
 Neutral
 To some degree, yes
 Absolutely, yes

14. While buying any particular paid app, does user review in the AppStore influence your purchase decision? *

Mark only one oval.

- Not at all
 To a small extent
 Moderately
 Significantly
 Extremely

15. After making a digital purchase or in-app purchase, how satisfied are you with the overall user experience with the particular application on iPad? *

Mark only one oval.

- 1 2 3 4 5
Very Very Satisfied