





Letsqube

**A master thesis
by Biniam Assegid Kebede
MID 2018**

PHILOSOPHY

I aspire to be a designer who works with people and creates value by materializing thoughts and theories through experiences.

I believe empathy fuels design and design is a vehicle for innovation. Empathy-driven design and innovation requires testing ideas with people, distilling insights, and proposing better solutions than what is currently available.

Great design isn't permanent, but rather a continuous process where solutions evolve as human needs and business contexts change.

CONTENTS

What, How, Why	6
Multicultural insight	10
The experiment	12
External research	22
Busines plan competition	26
Conclusion	30

WHAT

Letsqube is a platform that enables groups of friends to easily collect and pool money towards communal events, gatherings, and purchases.

HOW

Individuals find their friends on Letsqube and then agree on a budget for an event, gathering, or group purchase.

Letsqube handles the finances by automatically debiting a set amount from a user's bank account on a predetermined schedule.

Letsqube encourages people to get together, provides accountability and a schedule for contributions, and handles the finances in the background so that groups of friends can focus on enjoying their time together.

WHY

Making time to get together with friends regularly is hard enough, money shouldn't be an obstacle. Letsqube enables gatherings that people can commit to, contribute to, and look forward to.

CHILDHOOD HOME



MULTICULTURAL INSIGHT



Letsqube's roots are in Ethiopia, where I was born and raised. Growing up, I saw a lot of parties being hosted at my parent's place. It wasn't unique because our neighbours did it too. What was unique was these parties were for really close friends and family. The way these parties were organized was by traditional practices like "Mahiber."

Mahiber

Mahiber is merely a traditional event planning for parties between close friends and neighbours. It's a prevalent practice and even more familiar with women who are married and have kids. The way it works is simple: group friends decide on how often they want to get together and draw a lottery to determine who and when the party will happen.

Example

12 neighbours get together and decide to start a Mahiber group. Every month, 1 out of the 12 friends hosts a get-together lunch/dinner at his or her place. With this simple agreement, the neighbours, not only will have a valuable and real-life interaction in the process but will also become closer as friends and trust between them grow.

Equb

I also watched my parents and neighbors support each other when one needed monetary support in their circle by doing "Equb." Equb is an example of a traditional money pool where close friends and family agree to come together, decide to invest an agreed amount of money for a defined period. Generally, the specified period gets determined by the number of people involved in the group.

Example

Five friends get together and decide to start "Equb," a group saving pot. They choose to deposit \$300 every month for five months. Then they draw a lottery to determine who should get the first draw of \$1500 (technically \$1200) from the pot. One out of the five friends needed the money urgently, so the group decides to have that person be the first drawer from the pool and the rest go according to the lottery.

The person in the example was me. On September 2017, I used the \$1000 to partially pay for my first instalment of tuition here at RISD. I used the remaining amount for expenses in my studio. The other four people in the group were my Ethiopian friends who knew how "Equb" works.

My experience with my led me to assume that the concept of "Equb" could be valuable for people who live in the US because it worked for my friends and me. So, I tested this idea by designing an experiment. I reached out to family, friends, and friends of friends to participate in my experiment.

THE EXPERIMENT



The experiment involved 24 people and six people per group. Everyone also had to download Venmo, but most people already had one.

Group 1

Group one was made up of my Ethiopian friends who were aware of the concept of Equb.

Group 2

Group two was made up of my friends from undergrad that all lived in Houston and never heard of this concept.

Group 3

Group three was made up by my family members, and one of the participants was recruited by my sister in law to be, and I never had seen or met him (friends of friends). All of them were aware of the concept of Equb but never had participated.

Group 4

Group four was made up of six lovely ladies from my studio. They neither had never heard of the idea nor been involved in one.

I decided on the deposit amount to be \$10 and the sequence of the deposit to be on a weekly basis. Since there were six people in the group the experiment was six weeks long. I used a "wheel of fortune" that I designed to determine the orders of who gets the money. I then shared the rules, so they know when and to whom to send the \$10 to.

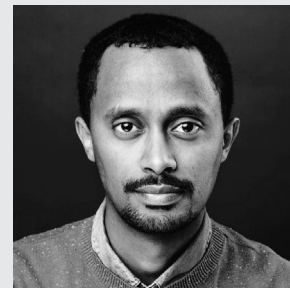
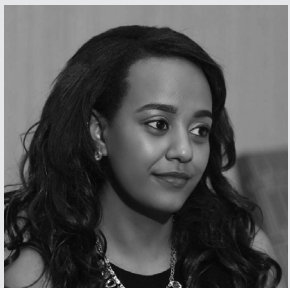
I created a group message for each group to remind people whose turn it is every week. It made it easier for the participants to remember their but also built a place for communicating with each other as a group.

Also, I also wanted to test the concept of "Mahiber." To do this, I requested everyone to send me \$2 every week. After six weeks, the \$2 deposit accumulated to 72\$. This money stayed in my Venmo account, and the agreement was to use the money for an end of the cycle get together between the participants hence "Mahiber."

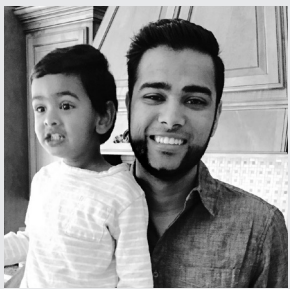
Six weeks later, everyone had made their money back, and I had \$288 (\$72 X 4) in my Venmo account. The participants took the lead in deciding where when they wanted to get together. On the day when the group came along, I sent back the \$72 to the group members. The \$72 sponsored the celebration at the end of the cycle. Some went for dinner, some went for drinks, and some got together at one person's house and ordered food.

Across the board, the end of the cycle was a huge success! Everyone had a good time and enjoyed each other's company and wanted to do it again.

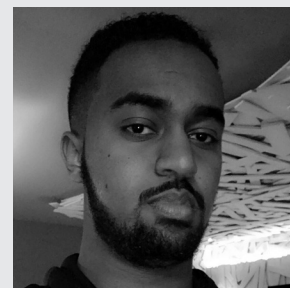
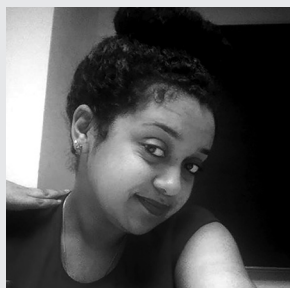
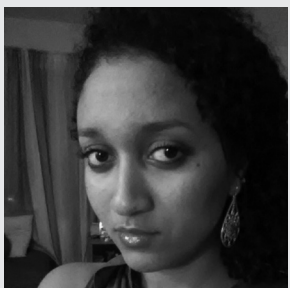
Group 1



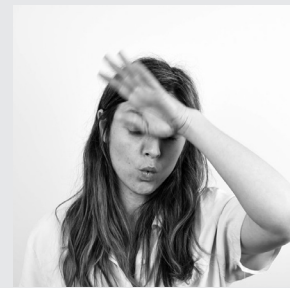
Group 2



Group 3



Group 4



Post experiment survey:

The summary of the post-experiment was simple and straightforward. People loved the fact that they were enabled to get together at the end! Yes, some people did not enjoy the part where I was nagging them in the group text messages reminding to pay every week!

Regardless, everyone had a great time, and they said they would do it again! Eureka! This a pivotal moment of my thesis! It led me to pivot to design a platform that enables future real-life interaction between friends and family.

Most of the participants said they loved it because they hadn't spent time together in a while and this enabled them and almost forced them to have a valuable real-life interaction with their friends.



Group 02



Group 03



Group 04

EXTERNAL RESEARCH



Half way through to my thesis, I started to investigate and do external research. I wanted to find out how current technology products are affecting people's behaviour and how Letsqube could intervene. In the process, I also stumbled up on a research on happiness and value of close relationships that helped me pivot to a grand mission. A mission to enables groups of friends to easily get together as a group. It became all about the people.

On Happiness and value of close relationships

We are social species, and that isn't any surprise to anyone. What's surprising is the fact that embracing close relationships impacts our health and well-being. Robert Waldinger, Director of the most interminable research on happiness, has proved that "embracing community helps us live longer, and be happier."

Robert said "Taking care of your body is important, but tending to your relationships is a form of self-care too. That, I think, is the revelation." It almost seems that old traditional real-life interaction interventions globally were formed in response to this revelation. I don't think this would be as much of a surprise to the person who lives in a small village in Ethiopia. It's not for any other reason but a difference in context.

A person who lives in the US is accustomed to a particular way of living life than a person living in a small village in Ethiopia. My personal outsiders' insight is the fact that people are more private and less social in the US. It's not because they lack social skills, but they are inherently accustomed to a more private lifestyle. Of course, work, school and in recent years, social media products and other technology products factor in.

Effects of technology

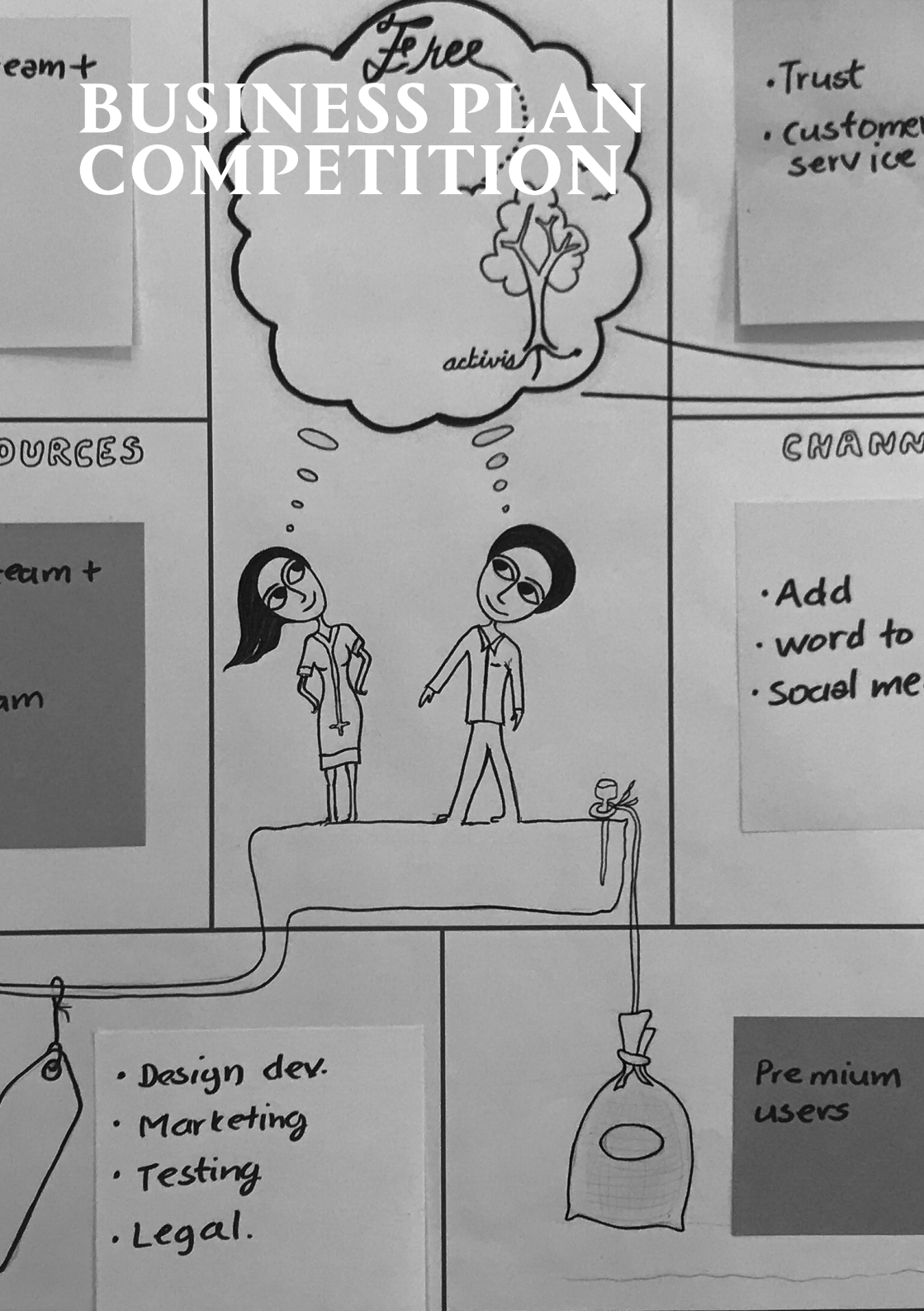
Technology has revolutionized how we live and changed many parts of our life for the better. A research done by William McCoy on positive results of education showcases the positive impact of technology, especially in the education sector. Of course, there are so many other positive effects as well.

On the flip side, there are some side effects of Technology as well. Sherry Turkles' 30 years of research on the relationship between people and technology shows that "We are replacing human connection and relationships with some technology." Turkle also states that "our active presence in the digital world is reshaping our awareness of the real world — how we interact with those around us and how we view ourselves." It's alarming, and I agree with Turkle's claim that we need to draw a line and we must not let social media our physical self.

In other words, the timing is just right for Letsqube! It founded on an existing traditional practice that has worked for centuries and is still culturally practiced today. It has the potential to solve the side effects of technology by brings people together online so that they can get together offline. Letsqube aims to facilitate physical encounters, not replace.



BUSINESS PLAN COMPETITION



I participated in the 2018 student track Rhode Island business plan competition. Although I didn't make it to the semifinals, the questions below helped frame my project and fill some gaps.

Describe the business problem you are trying to solve.

It's simple; we are not spending enough time with each other. Making time to get together with friends regularly is hard and takes a lot of work to planning.

What is your solution to the problem you just described?

Letsqube is a platform that enables groups of friends to easily collect and pool money towards communal events, gatherings, and purchases.

Letsqube brings people together online so that they can get together offline. Making time to get physically together with friends regularly is hard enough, money shouldn't be an obstacle. Letsqube enables gatherings that people can commit to, contribute to, and look forward to.

What is the market for your product/service?

Millennials make up 83.1 million of the US population and are the potential early adopters. As of 2017, out of Venmo's 10 million customers, 66% are millennials that fall in the age group of 19-34 years who use it at least once a week. On average, 60% of millennials are also brand loyal, and about 42% are interested in helping companies to develop their products and services.

How will you generate revenue?

Letsqube will generate its revenue from a small subscription fee for the service and value it provides.

How will you operate?

In the early stages, I will be working on Letsqube full-time as its founder and majority of its capital will go towards software development. A small portion of the money will go towards a consultation fees with UX designers and graphic designers as needed. The group of advisors I've already established in Providence will also be instrumental for a lean operation of Letsqube at its early stage.

How would you distribute your product or service?

I will start with RISD and then move to other college student population in Providence. The power of word-of-mouth recommendations is vital, and I will campaign at these colleges to catalyse the word-of-mouth marketing and appeal to more customers. I will also use targeted Ads on social media and eventually channels with strong communities like TechCrunch to obtain more customers. After developing the app, Letsqube will also be available via the iOS app store.

What is the competition?

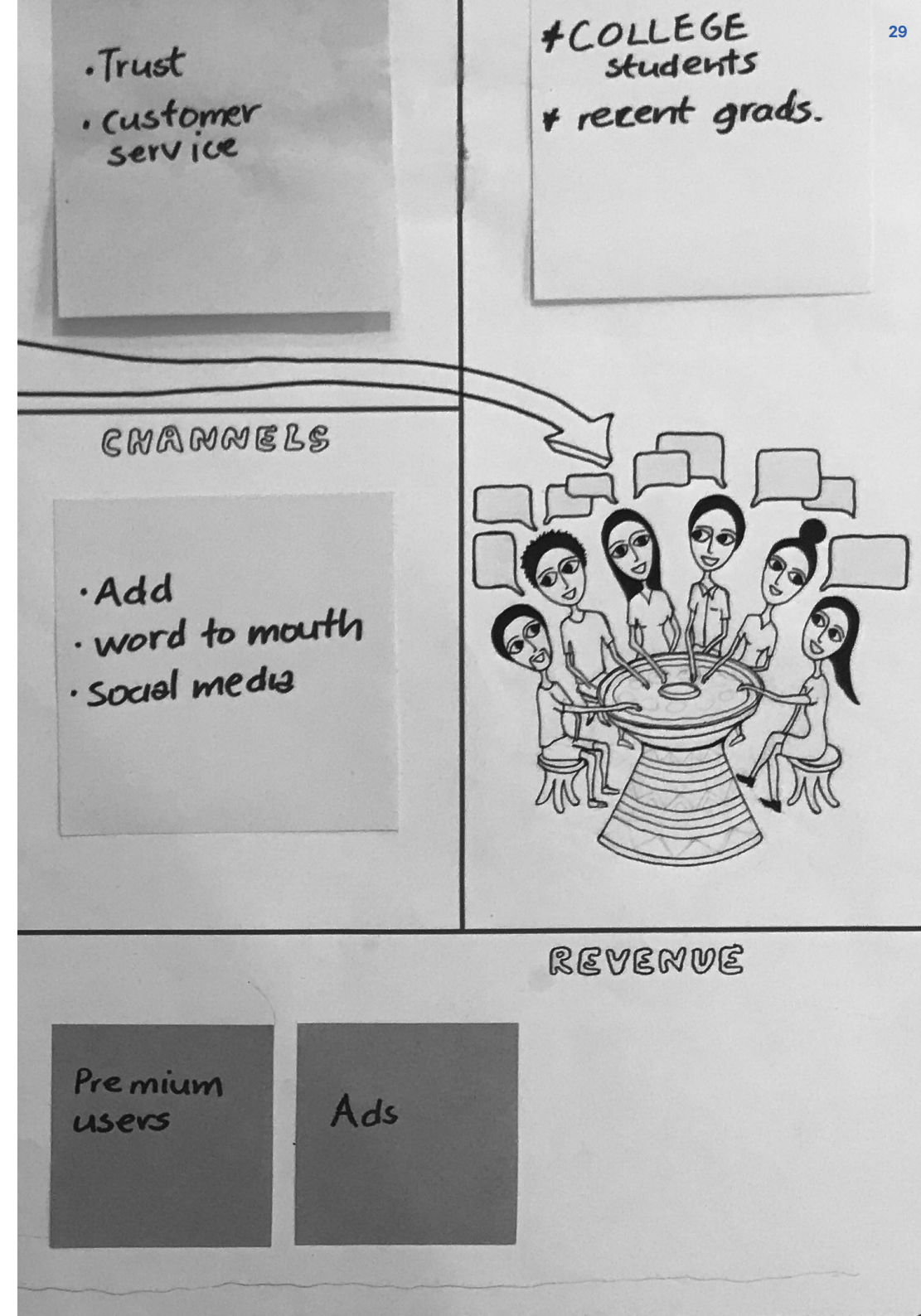
PayPal's subsidiary Venmo is the primary competitor because 66% of its customer are millennials and it provides a means to make/share transactions with friends. Platforms like Facebook and Snapcash with a high existing customer base that have adopted event planning features and also facilitate peer to peer transactions. Meet up products like Meetup app. with existing customer base that aims to connect people with shared interest are also among the top competitors.

What is your competitive advantage and strength of your business idea?

Letsqube is founded on an existing traditional practice in Ethiopia that has worked for centuries and is still culturally practiced today. Letsqube brings people together online so that they can get together offline by using social technology to facilitate physical encounters, not replace. Letsqube aims to connect friends and family and create an authentic and meaningful interaction that further builds trust between them.

List the risks your plan could encounter:

Nothing connected to the internet is completely safe. High-Level security and data encryption are crucial. Letsqube is also aware that conflicts are bound to arise in some groups and to have a strategy to mitigate these risks is essential. Some people may and will abuse Letsqube's service for something against the will of its mission and be figuring out a plan to avoid this is also crucial.



CONCLUSION



I believe good life comes from great friendships and quality of close relationships is key to self-fulfilment.

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Acknowledgment

GOD, for everything.

My parents, for believing in me.

Nina, for being there for me and being the biggest blessing in my life.

Deyu and Bilo for the continuous moral support and encouragement.

Bill Foulkes, for helping me crystallize the value of Letsqube.

Stephanie Castilla and John Caserta, for being the best thesis advisors.

Abel Tadesse, for being a great friend, advisor, and mentor.

Jonathan Melendez and Brandon Kim, for your honest feedback and for being great friends.

Jake Moritz, for your honest feedback, for helping me turn my gibberish to English and for being a great friend.

Grad ID crew, for challenging me when I needed to be challenged and being a fantastic group.

Maria Rull, for all the GD consultation and being a great friend.

Andy Law, for forcing me to do experiments and engage people in my design process and being a great Professor.

Tim Maly, for your honest criticism and for making me a better writer.

RISD Rides drivers, for a good conversation and taking me home at 3:00 am. almost every night for the past two years.

Thank you

1. GOD
2. Assegid Kebede
3. Menbere Abebe
4. Mahaletwork Yeshitela
5. Etsubteru yeshitel
6. Kebron Yeshitela
7. Bill Foulkes
8. Andy law
9. Tim Maly
10. Rossana Somerson
11. Stephanie Castilla
12. John Caserta
13. Tom Weiss
14. Ayako Takasa
15. Ryan Bradley
16. Abel Tadesse
17. Daniel Hewitt
18. Justin Cook
19. Maria Rull
20. Cayla Gao
21. Kevin Jankowski
22. Susan Anderson
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34. Jake Moritz
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36. Jeremy Bass
37. Jonathan Melendez Davidson
38. Jong Soo Kim
39. Kanitta Chartvutkorbkul
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42. Megan Valanidas
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44. Yu-Hsing Wu
45. David Kim
46. Brynn Trusewicz
47. Tatiana Gomes
48. Jose Melendez
49. Jay simple
50. Shreyans Bhandari
51. Sushant Shivaram
52. Sibhat Dagnachew
53. Linda Dagnachew
54. Shignya Mitike
55. Luwam Tesfaye
56. Frezer Tesfaye
57. Sunny Patel
58. Dennis Patel
59. Giovanni Pena
60. Ernesto Gutierrez Jr.
61. Charlie Frank
62. Anuka Mulugeta
63. Blen Mulugets
64. Yssef Zegeye
65. Risd Rides drivers



A thesis presented in partial fulfillment of the requirements for the degree Masters of Industrial Design in the Industrial Design Department of Rhode Island School of Design, Providence, Rhode Island.

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Colophon

Letsqube
Master's Thesis

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letsqube.com

Rhode Island School of Design
Master of Fine Arts
Industrial Design 2018

Design and typesetting
Maria Rull Bescós & Biniam Kebede

Text
Biniam Kebede

A master thesis
by Biniam Assegid Kebede
MID 2018