

Guide for Cyber Café, CSC and eCommerce Service Retailer

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Chapter 1: Introduction

“India Model” for internet has value for money and works effectively on “what-is-used-shall-only-be-paid-for” basis as disposable income is in accordance only. Cybercafés/Common Service Centers in India are true examples of “Access to Internet within India-Pricing-model” i.e., Rs. 10/15/20 per hour.

However, the common perception today is that Cyber Cafes are on the verge of decline and this business has no future. This fact is further substantiated by slow growth of Internet in India, the falling customer base, shrinking revenue and apathy of the Government towards this sector.

Despite all these challenges, more than 36% of Indians still access internet from Cyber Cafes thereby, making them a crucial stakeholder in the Internet Ecosystem of India.

Studies also indicate that Cyber Cafes are regularly frequented by people between the age group of 15-24 years and about 40% of the Cyber café users are working professionals. Moreover, being open for long hours, seven days a week and their convenient location in the neighborhood makes Cyber Cafes easily accessible to one and all.

All these aspects present a silver lining to this industry. With a bit of vision, focus on eGovernance-27 Mission Mode Projects, customer insight, support and guidance, Cyber Cafes can easily transform from a mere browsing point to the most happening place in the neighborhood where people of all ages and walks of life come in to avail the services – be it birth certificates.. education.. travel.. utility.. entertainment.. financial products or other Civic amenities.

Providing a comfortable ambience, installing Café Management Software, security system, legal software etc. will help to make the Café ‘Safe and Secure’, reduce pilferage, make it easier to manage the Café and most importantly, legal.

Increasing the service offerings of the café by introducing education services (Computer learning, English speaking, Tutorial services, distance learning), e-Governance services, Travel Services, Utility services (bill payments), Drop and Pick Service (courier services) etc., will help in increasing the café walk-ins, ARPU per user and PC utilization.

We at CCAOI are committed in our endeavor to provide the Cyber Café/CSC fraternity with a platform where information and solutions on the latest developments, services and best practices for the Cyber Cafes are available, thus helping the fraternity to grow and prosper and thereby, helping to increase internet penetration in India.

Chapter 2: How to Run a Successful Cyber Café

The best way to make your business successful is to deliver value to your customers while reducing your operating costs, which would increase your profitability potential. By focusing on the needs of your customers and consistently meeting their expectations, you can ensure that your customers choose to return to you again and again.

We would be sharing a few aspects which are important for your Cyber Café to be successful.

A. Café Hygiene

First and foremost, as a Cyber Café owner you need to take care of the Café Hygiene. A neat, clean and comfortable café would attract more customers. Ensuring proper cooling, comfortable chairs and good lighting inside the café will ensure that your customers stay there for a longer duration and you earn more.

The café exterior should be well maintained and must present an air of safe and secured environment where anyone can walk in.

B. Hardware Hygiene

Every customer walking into your Café expects that the computers and the Internet connection should be up and running without any disconnections. If either goes down, you not only lose money but also perhaps an existing/potential customer. Thus, the success of your café depends, to a great extent, on fully functioning PC's along with a reliable Internet connection.

Hardware Protection

It is necessary for you to ensure that your hardware is resilient to viruses, malware threats, spam, spyware, phishing attacks and other intrusions. Having genuine software on your systems can help you get the latest updates and supports.

You can further protect your hardware by:

- Installing a firewall, antivirus and antispyware program on all your computers.
- Configuring your computers to automatic download and installing updated security software.
- Regularly removing temporary files and scanning all your systems for viruses.
- Blocking malicious Web sites from your systems.
- Periodically deleting the history and cookies from all your machines.

Providing proper software, hardware and accessories in the Cafe

Your budget definitely determines the set up of your business, but there are some standard

basic requirements (of hardware, software and accessories) for running a café.

Ideally each computer in the café should be equipped with the following:

Software

- A genuine Operating System Software like MS Windows would provide you security and reliability.
- Having the commonly used software like Licensed Microsoft Office or any equivalent open software helps you to attract more customers and cater to their different needs.

Hardware

- **Microprocessor:** A faster processor in your computers will ensure faster speed and your customers will be able to run applications, load Web pages and download files faster.

1 GHz 32-bit (x86) or 64-bit (x64) processors will normally give your customers a good experience. Alternatively, you could choose modern processors (at least 800 MHz).
- **Hard disk drive:** Your computers should have adequate hard disk storage space to store the wide variety of software programs installed. Apart from that, there should be space for your customers.
- **Memory:** Today customers want speed and the more memory your PC has, the faster your customers will be able to retrieve files or open programs. Another advantage is that it also makes the loading time shorter and more consistent. Ideally, each PC should have a minimum 512 MB memory.
- **Monitors:** If possible, you could opt for flat screens. In most cases the preferred monitor size is 17-19 inches, though there are some instances where high-end gaming customers may be willing to pay a premium for a bigger screen.

CRT displays are a cost-effective option but they do not carry any cache, take up more room and convey less of an experience.

- **100 Mbps network card:** The network cards provide fast Ethernet speeds for your premium-grade computers. They assist in smooth file sharing, printers, e-mail and promoting Voice over IP (VoIP) as a service so that customers can call their friends or relatives at a far economical rate.
- **Video card:** The visual experience when looking at pictures, playing games or watching videos is controlled by the video card. You should choose the option that provides the best experience for your customers.
- **Sound card:** Even though you would not want to have speakers in your Cafe, having sound cards in the machines will allow customers to plug into the computer so that games, movies and music come alive or they can use VoIP to call friends or family.

Accessories

Multimedia keyboard and optical mouse: The optical mouse will make the performance more responsive and the multimedia keyboard will allow customers to access common music and

video controls from their keyboard.

C. Café Management

Your Cyber Café needs to be managed in a systematic manner and for that, you need a reliable café management software to track your day-to-day productivity, ensure secure billing and system security, and manage daily records. A good café management software will help in reducing pilferage, better management of café and instilling a feeling of trust amongst the customers that they are not being cheated.

A good Billing System should provide you with:

- Flexible billing and rental rate set-up and overrides.
- Quick updates on all computers through an administrative dashboard.
- Preinstalled reporting to facilitate better business decisions.

D. Café Surveillance/Security System

In the wake of national security, nowadays it is essential to have a robust Café security/vigilance system. A good Café vigilance system would help to easily manage and maintain records of all the customers walking in to the Cafe which in turn would help to sieve out unwanted people from the café and focus on genuine customers and give them a feeling of walking into a secured area.

Important Points to Remember

- Try to ensure that you have the same hardware configuration on all work stations as it will make maintenance and upkeep much easier and also, give a sense of uniformity.
- Keep your computers up-to-date and update the frequently used programs regularly.
- The Basic accessory requirements of a Cyber café include:
 - Printer
 - Scanner
 - Webcam
 - Headphone and microphone
 - USB memory card readers and different data cables
 - CD-RW or DVD burner
 - Uninterruptible power supply (UPS)
 - Comfortable chairs
 - High-quality lighting
 - Proper Café Cooling inside the Cafe

E. Café Promotion

The success of any marketing strategy lies in detailed planning and execution. To promote your business, apart from attracting new customers, you first and foremost need to have a solid plan

to retain and reward your existing loyal customers which, on one hand, would help in retaining them and on the other, help in creating a good word of mouth, much needed to attract customers—and differentiate yourself from your competition.

Before undertaking any kind of promotional activity, the primary task is to have a comprehensive idea of your catchment area (the area around the café from where you get your customers) and customers.

Having a detailed understanding of your catchment area (how many residential complexes, colleges, schools, hospitals, parks, markets etc.) will help you to understand and choose the exact marketing activity for the target audience and make your efforts successful.

Knowing your customers well and profiling (regulars, occasional customers, heavy users etc.) them, will help you in planning and implementing specific activities for specific profile categories and thus, increasing the success rate of your campaign.

Depending on your catchment area and customers, you can plan a strategy to promote your business. We are discussing below a few ways to promote the business:

- **Offers:** You can run customized promotional offers for customers based on different customer profiles like special student offers, senior citizen discounts, housewife discounts etc.
- **Membership Programs:** You can launch various membership programs such as free trial memberships or family memberships for the existing customers. This will increase the loyalty of your customers and reduce churn.
- Cross-promotional advertising with other local businesses will help to get in new customers.
- Creating customized mailers, flyers and pamphlets and distributing them properly will help to bring in fresh walk-ins.
- Advertising through local media outlets — radio, local newspapers, cable and community magazines can increase your visibility.
- Offer discounts or coupons to frequent customers. You can also arrange competitions or rewards (e.g., contests like “Best Customer of the Month”) or create membership clubs for the frequent customers.

F. Great Customer Experience

A customer will keep coming to you again and again when he has a great customer experience in your café. There are various practices you can adopt to create a great customer experience. Among them the most important is to ensure that your customer feels appreciated and ensuring that they can easily find and avail the services they need and at the time they need.

A few suggestions:

- Extend your support to troubleshoot common problems with using computers and the Internet.
- Create a list of favorites on every computer's Internet Explorer browser—categorized by keywords, such as news, sports, music, films, education etc.
- List online job search engines.
- Provide a mobile charging station.
- Ensure your washrooms are clean and well kept.
- You could also provide for food and beverages in your café.

The basic idea is that by giving your customers everything they need to feel comfortable, they'll stay longer and spend more money.

Chapter 3: How to create New Earning Opportunities

To run a successful Cyber café, you need to expand your offerings beyond just providing Internet access to your customers and ensuring that your customers will spend more money with you.

By selling more products and attracting new customers throughout the day, you will be better positioned to bring in revenue from a variety of sources.

A. Increase your service offerings-Value Added Services

The more variety of services and products you offer, the more customers you would be able to attract and retain. The idea is that there should be adequate services to cater to everyone's needs. The customers coming into your café can range from first time users to gamers to media enthusiasts to students to entrepreneurs to housewives and more. More customers in the door will give you more opportunities to generate potential revenue through access fees, business products and other value-added services.

Suggested below are a few examples of revenue-generating opportunities for your business:

- **Create Password-protected Wi-Fi Zone and Hot Spots for Laptop Users:**

Providing Wi-Fi services will attract a wide range of users, from students to professionals, especially in major metros or Cafes located in high street locations who want to use their own machines.

Create a welcoming and warm atmosphere for regular customers and make them feel comfortable so that they keep coming back. You could also provide value-added benefits like software applications and encourage repeat customers by offering special daily, weekly and monthly rates/ plans.

- **Offer Computer Support:**

Besides running and maintaining your own systems, consider offering a variety of computing and consulting services for customers who have home computers or are looking to buy new ones. These services can deliver higher-margin opportunities and could include updating, data recovery, installations and configuration.

- **Business Correspondence and Presentation Services:**

You can provide easy-to-use templates and clip art to help your customers create professional-looking marketing materials such as business letters, presentations, certificates, flyers, banners, business cards etc. You could also provide the service of creating such presentations for customers and thus, opening a new earning avenue.

- **Printing, Faxing and Scanning:**

You could sell a wide range of office supplies from your café while providing basic business and

consumer services such as printing, laminating, binding, photocopying, faxing, photo editing and scanning.

- **Resume/Curriculum Vitae (CV) and Covering Letter Services:**
Many job seekers visit Cyber Cafes to access job portals. You can facilitate job searches by providing resume and cover letter templates and professional services. You can also partner with local writers or business people to offer these services (and split the potential revenue), or hire someone on your staff who can help create these documents.
 - **Event Passes and Concert Tickets:**
Sell passes or coupons for city events or concerts or even movies.
 - **Food, Beverages, Magazines and Newspapers:**
These additional items create an inviting atmosphere, encouraging customers to stay for longer periods of time.
 - **Drop Boxes and Courier Services:**
You can partner with courier services and provide drop boxes at your Internet café to extend the business services you provide.
 - **Entertainment Services:**
You can facilitate music downloads, CD burning and photo and video sharing. Sell the latest, most popular games and components along with CDs and DVDs, pen drives, memory cards and card readers.
- Important Tip: Online Value Added Services (VAS) – Relationship with One VAS Aggregator for simplified Accounting and long term relationship is important.**
- **Provide Utility Services, Travel Ticket booking services:**
Services like mobile recharge, bill payment, rail/air ticket booking can help to attract a lot of people to the Cafes/CSC and increase footfalls.
 - **Provide Online Education Services**
Online education is another killer service which can help to increase the PC usage and take care of the café/CSC lean hours besides bringing in new students.
 - **Provide Financial Products:**
Credit Card/Insurance Leads, Share Applications' facilitation etc. make the café/CSC to have more footfalls and incremental revenue opportunity.

B. Increase Your Customer Base

For increasing your customer base, you have to ensure that your existing customers keep coming back and you are successful in attracting new customers with new services and offerings.

Expanding your customer base is a great way to open doors to new potential revenue opportunities. By examining different types of customer segments that you could serve, you'll be able to identify additional services you can add to help make your business more successful.

We would be discussing below a few such segments:

First-time users:

First-time users are customers who are new to computers and Internet. They would be interested to use the Cyber café to communicate with friends and family through e-mail and to access online resources. This segment is very huge and presents immense potential. You can help your first time customers develop the essential skills they need to begin computing with confidence by providing computer training and support. Doing this will benefit your business in multiple ways. Firstly, you would be able to increase your PC occupancy during weekdays when a majority of these potential customers would visit your café. Secondly, you will be viewed in the locality as a trusted advisor for these customers, capturing their loyalty and business.

You could attract the first time-users by providing:

- A comfortable, friendly environment - Many people are intimidated while learning new skills and computers can be stressful especially for the first-time users. Going out of your way to make these customers feel comfortable will motivate them to return.
- Basic computer training – learning how to use the computer and finding the basic information on Internet can help the first-time users to get started with computers.
- You can hold specific Internet training that will help the customers in taking advantage of all the services offered by Internet—being able to job hunt, communicate, pay bills, make reservations and much more.
- You could provide on-site support, with knowledgeable staff members on hand to answer questions and provide tips.
- An “A to Z” Internet café glossary of terms including abbreviations, shortcuts, Internet etiquette, applicable Cyber laws and dos and don’ts pasted before the PCs can help customers.
- You could provide your customers with a full range of online courses that teach basic computer concepts and skills.

Useful Tip:

You can organize various innovative activities to attract new comers e.g.:

- You can organize a special Internet Learning Course especially for housewives during the afternoons and show them the recipe sites or sites which would help them to assist their children for homework etc.
- You could call in the elderly people of the locality for discussions on how internet can be beneficial for them. Have a special senior citizen batch where you teach them on sites for information or of their use/interest.

Entrepreneurs & Professionals:

Today many professionals are running their businesses from their homes and corresponding

through Cyber cafés. Such people require high speed constant internet service. This customer segment can use Cyber cafés to manage all aspects of their business, whether for making business plans, communicating with clients, creating marketing materials, or carrying out a variety of business tasks such as printing, copying and faxing.

You could attract the professionals and entrepreneurs by:

- Services for professionals could include effectively setting up an office area, including high-speed Internet access and wireless printing in your Cafe.
- Provide password-protected Wi-Fi Internet connectivity that can be accessed from hot spots in your café or even from nearby home offices.
- Arrange for a professional environment where these customers can work, meet with clients and manage their business.
- Provide easy-to-use templates and clip art to help your customers create professional-looking marketing materials such as business letters, presentations, certificates, flyers, banners and business cards.
- Provide certification programs so that they and their employees can become proficient on productivity software.
- Offer printing, faxing, photocopying, laminating, binding, scanning, and other business services.
- Offer office supplies including CDs and DVDs, pen drives, memory cards and card readers.

Useful Tip:

In case needed, you could always rent laptops equipped with the latest software and Internet capabilities to help local and traveling professionals fulfill their business requirements.

Entertainment Seekers:

This segment of customers use Cyber Cafes purely for entertainment - to watch movies, download music, surf the Internet, scan-edit-share photos, e-mail friends and family, use blogs, live chat, social networking groups and video conferencing. Such customers prefer fast machines and high speed internet that enables them to quickly download a wide variety of media.

You could attract the entertainment seekers by providing:

- Access to download of popular songs, movies, videos, ring tones, wallpapers, screen savers and software for their mobile devices.
- Easy-to-use, step-by-step instructions on signing up and using e-mail and instant messaging.
- You could always provide a collection of pre-downloaded material that you can charge the customers for, to transfer to their handsets.
- A quiet space for audio and video conferencing

- Help with photo editing, scanning and sending.

Certain resources you could provide in the café for this category of customers are:

Downloads: USB port, data cables, card reader, mobile software

Audio and Video Conferencing: Webcam, Messengers, Live services.

Photo Editing: Audio/video cables and converters, editing tools, Media Player, Real Player, or any other software like Picture Manager, Movie Maker, Visual Studio etc.

Useful Tip:

To attract freelance Journalists and Media persons, you could create a space for photo and video journalists by dedicating an area for photo editing and scanning. You can offer video editing and sending software to help aspiring journalists and filmmakers.

Gamers:

Gamers frequent Cyber cafés to play games alone or online with friends. A comfortable ambience and fast machines will induce them to stay in the café for longer hours playing games, chatting live, mailing or watching media. These customers are often gizmo freaks having the latest gadgets. Gamers are motivated by entertainment but also love the social value provided at Cyber cafés.

You could attract the gamers by providing:

- Access to popular gaming titles.
- A separate “game zone” space where gamers can get together with their friends and enjoy fast-paced gaming. This would also help in not disturbing your regular customers as the gamers are normally noisy.
- Have gaming competitions like Multiplayer Gaming Tournaments where teams can compete for prizes. Put a winner’s board up so that all can see the winners, encouraging more competition.
- Games, wallpaper themes, ring tones and screen savers of popular games that can be easily downloaded (if possible) to their mobile devices.
- Gaming workshops showcasing the latest products. You can invite local gaming software developers to come and demonstrate their products to your customers.

Resources:

Gaming Machines, Gaming devices (if there is a heavy demand)

Useful Tips:

If there is a demand in your area, you could create a space by equipping your game zone with theater effects - a large-screen TV, high-quality sound system and dedicated gaming hardware and software.

Hold gaming tournaments or competitions during late nights especially on weekends.

Ideal Gaming Machine Configuration should be:

- At least a Pentium 4 or AMD 1.8 GHz processor with 1 GB / 2 GB hard drive.
- 256 MB NVIDIA GeForce 6800 graphics card and 22-inch monitor.
- Headphones and microphones.

Students:

Students of all ages frequently come to Cyber Cafes to communicate, share ideas, research, write reports, learn new skills and search for jobs. They also access internet to keep in touch, socialize, for entertainment and to download music and movies.

You could attract the students by providing:

- Downloads of popular songs, movies, videos, ring tones, wallpapers, screen savers and software for their mobile devices.
- Resume and cover letter templates, as well as links to online job providers to help facilitate job searches.
- Access to educational software and quick links to educational Web sites.
- Offering after school Online educational/tuition courses in various subjects.
- Student discounts during off-peak hours.
- Various language interface packs (like vernacular language options) on your computers, giving students the option to learn in different languages.

Useful Tips:

You could tie-up with nearby schools to offer basic internet course or online tuition courses for their students. This would help students, without a home computer, complete homework assignments as well as learn computers.

You could bookmark educational web sites to help students find the required resources faster.

Developers:

Developers use Cyber Cafes to access the tools they need to develop comprehensive web solutions, rich interactive multimedia applications and more.

You could attract the developers by providing:

- Access to the latest developer applications, tools and updates.
- Systems and software that is supported and protected.
- Hosted community groups that bring local developers together.

Useful Tips:

You could advertise Web design and maintenance services by enlisting local developers to offer their services to your customers. By facilitating this valuable service, you will be helping (and attracting) your business customers while providing revenue for your developer customers.

You could also invite the local developers to come in and offer software development classes. This would help you to attract new and more customers.