

TWO PAGER: 4Bit

WrapTOR

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Elevator Pitch:

Young professional males use WrapTOR to save time, money and effort on long-distance gift giving. Our tailored gift recommendation engine uses Big Data to suggest the perfect gift for your friend. At the click of a button, we will deliver that gift to your friend's door. You don't even need their address.

Customer Problem:

Digital networks have made it easy to keep tabs on long distance friends and family, but humans will always yearn for a physical way to connect. In today's busy world, young male professionals aren't sending their overseas friends gifts, but it's not because they don't care. It's because current options require too much time and effort. Giving gifts is too much effort.

Your Solution – Product / Service:

WrapTOR takes the pain away from long distance gift giving by providing an easy and cost effective gifting service. When you sign up, you tell us what friends you would like to send gifts to. Using a proprietary algorithm, WrapTOR scans your friends' information, likes, location, etc and matches them to unique gift ideas from our network of suppliers, based on how much you would like to spend. When those friends have a birthday approaching, WrapTOR prepares a personalized gift and prompts you to send it to them. WrapTOR is a convenient solution that yields a physical gift in a digital world.

We tested this solution and launched a survey that received 146 submissions validating our hypothesis. We then launched a website and gained 29 signups in just 5 hours. Facebook ads received between .5%-.9% CTR – far higher than the average of just .36%, giving us some excellent data validation points on both the pain and the best demographics.

Market Size and Opportunity:

There are 3,200,000 employed male university graduates between the ages of 25-30 in the United States, who are either living away from home or had friends and family living away from them. Our Facebook click through data proved that this market segment is the best initial target, with the highest level of interest. Survey data from our target market revealed that 85% of men do not buy gifts for overseas friends and family because current options are too complicated and costly. Initial conversations with our target market showed us that this demographic have disposable income, are prepared to spend approximately \$30 per gift and would send 2-3 gifts per year.

Total addressable market: 3,200,000 Customers @ 3 gifts per year @ \$30 = \$288,000,000.

3 Year Forecast: We believe we can acquire 7.6% of this market in three years = \$22,000,000.

Competitors:

Numerous gift-giving ideas and businesses exist, but none solve the problem of making quality gift giving as simple, easy and effortless as WrapTOR by eliminating the manual process. One such example is Amazon, which enables users to setup birthday reminders and wish lists, however users must still manually browse, select a product, and organize shipping. This doesn't solve the problem of tailored recommendations and 1-click purchasing. Another attempt was 100 Foxes, which tried to help men choose gifts. However the process was lengthy, un-automated, and only allowed shipping within Australia – they have recently pivoted to targeting children.

Competitive Advantage:

WrapTOR's competitive advantage is our proprietary algorithm, which uses computer learning to build tailored gift recommendations for users based on demographics, locations, gift trends, and Facebook likes. Over time our database will become increasingly accurate, creating a valuable, intelligent and protectable IP that competitors late to the market will be unable to replicate.

How Will You Make Money / Business Model:

Wraprotor will take a 20% margin on items sold through our system – this will be an affiliate % with supplier partnerships. Wraprotor will gain regular repeat sales from customers and will introduce a subscription service in the next iteration.

Sales / Distribution Model:

Sales will happen when our users purchase gifts through the platform to send their friends. We will take payment and use our partners' distribution networks to deliver the goods.

Marketing Strategy:

Initial promotions will be through Facebook, Google Adwords and App advertising to most effectively reach our initial target market. Promotions addressing key concerns around gift giving have proven successful and will be optimized with A/B testing. Positive brand experiences associated with receiving gifts will positively position the Wraprotor brand in potential new user's minds. Huge opportunities with user onboarding through emails to receivers of gifts also exists, thus creating a **viral user acquisition** model. Users who receive gifts will be carefully nurtured until they either send a gift to someone or unsubscribe.

Why Your Team?

- **Ky Hacker** – CEO - Background in investment banking, big data, and sales. Current Sales Director for NZ startup, IndieReign which has raised over \$4m to date.
- **Anna Powell** – Marketing Director - Current Marketing Manager at IndieReign, Anna has a background in market analysis, social media marketing, email marketing and customer development.
- **Allesia Weir** – Creative Director – Allesia is currently a UI designer at IndieReign, and has 4+ years specialising in user interface design .
- **Daniel Pickering** – CTO –5+ years of development experience creating applications for web and mobile. Experience in NZ's top dairy-tech firm, LIC, and Enlighten designs.

Financial Summary:

Cash Flow Summary			
	YEAR 1	YEAR 2	YEAR 3
Net Operating Cash	-\$124,848	-\$136,978	\$3,567,551
Net Investing Cash (Capex)	\$0	-\$6,800	-\$6,800
Net Financing Cash (Funding)	\$125,000	\$150,000	\$0
	\$152	\$6,222	560,751

Financial Performance (Operating) - Cash Flow Basis			
	YEAR 1	YEAR 2	YEAR 3
REVENUE	\$40,762	\$967,108	\$22,531,754
DIRECT COSTS	-\$32,610	-\$773,686	-\$18,025,403
GROSS PROFIT	\$8,152	\$193,422	\$4,506,351
OVERHEADS	-\$133,000	-\$330,400	-\$938,800
EBITDA	-\$124,848	-\$136,978	\$3,567,551