

RostraCore

Transforming Security Workforce Management in South Africa

Executive Business Overview

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Author Background: Former CEO, 3x Unicorn Exits (SaaS, B2B Vertical Software)

"In 2015, I built and sold a workforce management platform for \$1.2B. The security industry is ripe for disruption—it's a R50 billion market still running on Excel spreadsheets and phone calls. RostraCore is positioned to capture 15% of this market within 5 years."

Executive Summary

The Opportunity

The South African private security industry employs **600,000+ security guards** across **10,000+ security companies**, generating **R50+ billion annually**. Despite this scale, 87% of security companies still manage rostering, payroll, and hiring using **Excel spreadsheets**,

WhatsApp, and paper forms.

This operational inefficiency costs the industry an estimated **R2.3 billion per year** in:

- Overtime violations and fines: R850M
- Administrative overhead: R920M
- Hiring delays and turnover: R530M

Our Solution

RostraCore is an intelligent workforce management platform purpose-built for South African security companies. We automate the three most painful operational processes:

- 1 **Rostering & Scheduling** - Generate PSIRA-compliant rosters in 60 seconds (vs. 4 hours manually)
- 2 **Payroll Management** - Eliminate overtime violations with built-in compliance checks
- 3 **Marketplace Hiring** - Access 10,000+ PSIRA-verified guards, hire in 48 hours (vs. 2-4 weeks)

Traction to Date

- **150+ security companies** signed up in beta
- **10,000+ guards** actively managed on the platform
- **R15,000 average monthly savings** per customer
- **80% time saved** on administrative tasks
- **18.9% conversion rate** from free trial to paid (industry avg: 10%)

The Ask

We're raising **Series A funding** to:

- Scale customer acquisition (0.2% → 5% market penetration)
- Build mobile-first experience (43% of users on mobile)
- Expand into adjacent markets (facilities management, cleaning services)
- Achieve profitability by Month 18

Target raise: R25M - R35M

Valuation: R180M - R220M

Use of funds: 60% sales & marketing, 25% product, 15% operations

Market Opportunity & Pain Points

Industry Overview

South Africa's Private Security Industry:

- **R50+ billion** annual revenue (2024)
- **600,000+** registered security guards (PSIRA)
- **10,000+** registered security companies
- **15% CAGR** over past 5 years
- **Highly fragmented:** 78% of companies manage <100 guards

Regulatory Environment:

- PSIRA (Private Security Industry Regulatory Authority) - Mandatory compliance
- BCEA (Basic Conditions of Employment Act) - Strict overtime regulations
- POPIA (Protection of Personal Information Act) - Data privacy requirements
- Minimum wage regulations - Enforced with steep penalties

Critical Pain Points

Based on 200+ customer interviews and field research:

Pain Point #1: Manual Rostering (96% of companies affected)

The Problem:

- Security managers spend **4-6 hours every Friday** creating next week's roster
- Process involves: Excel spreadsheets, phone calls, WhatsApp groups, paper forms
- Must manually check: guard availability, PSIRA registration, overtime limits, skill requirements, shift patterns

The Cost:

- **20-25 hours/month** of highly-paid manager time (R250-300/hour)
- **R5,000-7,500/month** in direct labor cost
- Frequent errors leading to uncovered shifts and overtime violations

Real Customer Quote:

"Every Friday is a nightmare. I have 85 guards across 12 sites. By the time I finish the roster, I'm already getting calls about shift swaps and last-minute changes. Then I have to start all over again."

— Johan van Zyl, Operations Director, SecureGuard Solutions (85 guards)

Pain Point #2: Overtime Violations (82% of companies affected)

The Problem:

- BCEA mandates strict overtime limits (10 hours/day, 45 hours/week + 12 overtime)
- Manual tracking in Excel leads to calculation errors
- Violations result in **R10,000-R50,000 fines** per incident
- Department of Labour increasingly aggressive with enforcement

The Cost:

- **R15,000-R45,000/year** in fines per company (average)
- **R850M industry-wide** in unnecessary penalties
- Damage to PSIRA rating and company reputation

Real Customer Quote:

"We got hit with a R35,000 fine because one guard worked 2 hours over the limit for 3 weeks. Our Excel tracking didn't catch it. That's more than our entire monthly software budget."

— Thandi Khumalo, MD, SecureNation (120 guards)

Pain Point #3: Slow, Expensive Hiring (91% of companies affected)

The Problem:

- **2-4 weeks** to find and hire qualified guards

- Process: Post job → Sort applications → Verify PSIRA → Interview → Background check → Onboard
- High turnover (30% annual) means constant hiring pressure
- No centralized database of PSIRA-verified candidates

The Cost:

- **R2,000-R3,500** per hire in advertising and processing
- **Lost revenue** from unfilled positions (avg. 6 days per opening)
- **Client churn** due to slow response times

Real Customer Quote:

"A client calls needing 3 guards for a new contract starting Monday. It's Thursday. I can't deliver. I lose the contract. That's R45,000/month in recurring revenue gone."

— Pieter Botha, CEO, Elite Security (200+ guards)

Pain Point #4: Payroll Errors & Disputes (67% of companies affected)

The Problem:

- Manual calculation of hours, overtime, night shift differentials, public holidays
- Frequent disputes with guards over pay calculations
- Time-consuming reconciliation process
- Integration challenges with accounting software (Sage, Pastel, Xero)

The Cost:

- **R3,000-R5,000/month** in payroll processing time
- Employee dissatisfaction and turnover
- Compliance risks with SARS and UIF

Pain Point #5: No Real-Time Visibility (89% of companies affected)

The Problem:

- Can't answer basic questions: "How many guards are working right now?" "What's our overtime spend this month?" "Which sites are understaffed?"
- Information scattered across Excel files, WhatsApp chats, paper forms
- Reactive management instead of proactive

The Cost:

- Poor decision-making
- Missed optimization opportunities
- Inability to scale operations

Total Addressable Market (TAM)

Bottom-Up Calculation:

| Segment | Companies | Guards/Company | Annual Value/Company | Market Size |
|--------------------------|---------------|----------------|----------------------|---------------------|
| Small (5-25 guards) | 6,500 | 15 avg | R6,000/year | R39M |
| Medium (25-100 guards) | 2,800 | 60 avg | R12,000/year | R33.6M |
| Large (100-500 guards) | 600 | 250 avg | R30,000/year | R18M |
| Enterprise (500+ guards) | 100 | 1,500 avg | R100,000/year | R10M |
| Total TAM | 10,000 | - | - | R100.6M/year |

Serviceable Addressable Market (SAM): R60M (companies with 25+ guards who can afford software)

Serviceable Obtainable Market (SOM): R9M (15% of SAM, Year 3 target)

Market Validation:

- Interviewed 200+ security company owners
- 76% said they would "definitely" or "probably" pay for this solution
- Average stated willingness to pay: R850/month (we charge R499-R2,499)
- 91% currently spend R0 on workforce management software

Our Solution

Platform Overview

RostraCore is a cloud-based, mobile-first workforce management platform that automates the three core operational workflows for security companies:

- 1 **Intelligent Rostering** - AI-powered roster generation in 60 seconds
- 2 **Compliance Management** - Built-in PSIRA, BCEA, and POPIA compliance
- 3 **Marketplace Hiring** - Access to 10,000+ PSIRA-verified candidates

Core Technology:

- Next.js 14 (React) frontend - Progressive Web App (PWA)
- FastAPI (Python) backend - High-performance REST API
- PostgreSQL database - ACID-compliant, scales to millions of records
- Deployed on Vercel (frontend) + Railway (backend) - 99.95% uptime SLA
- Mobile-first design - 48px tap targets, works on R500 Android phones
- Offline-capable - Critical features work without internet

Why We Win:

- 1 **Vertical Specialization** - Built exclusively for SA security industry (not generic workforce software)
- 2 **Regulatory Expertise** - PSIRA, BCEA compliance built-in (not bolted on)
- 3 **Mobile-First** - 43% of users on mobile, designed for cheap Android phones
- 4 **SA-Specific** - Bilingual (EN/AF), PayFast integration, local data storage
- 5 **Network Effects** - Marketplace creates liquidity (more guards = more value for companies)

Product Features

Module 1: AI-Powered Rostering

Problem Solved: Reduces rostering time from 4-6 hours to 2 minutes

Key Features:

1 **Auto-Generation**

- Input: Sites, guards, shift patterns, date range
- AI optimizes for: PSIRA compliance, overtime limits, guard preferences, skill matching
- Output: Complete roster in 60 seconds
- **Time saved:** 95% (4 hours → 4 minutes)

1 **Drag-and-Drop Editing**

- Visual roster grid (guard × site × day)
- Drag guards to reassign shifts
- Real-time validation (conflicts highlighted immediately)
- Mobile-optimized (48px tap targets)

1 **Compliance Checking**

- PSIRA registration verification (auto-checks expiry)
- BCEA overtime limits (warns before violations)
- Skill requirements (armed vs. unarmed, specialized training)
- Rest period enforcement (8 hours between shifts)

1 **Templates & Recurring Rosters**

- Save common roster patterns
- Auto-generate weekly/monthly rosters
- Handle rotating shifts automatically

1 **Shift Swap Management**

- Guards request swaps via mobile app
- Managers approve/reject with one tap
- Automatic compliance re-check

Customer Impact:

- SecureGuard Solutions: **4 hours** → **4 minutes** (95% time saved)
- Elite Security: **R5,800/month** saved in admin time
- Guardian Force: **Zero overtime violations** in 6 months (previously 3-4/month)

Module 2: Payroll Management

Problem Solved: Eliminates payroll errors and disputes

Key Features:

1 Automatic Time Calculation

- Tracks actual hours worked (from roster + check-in/out)
- Calculates: regular hours, overtime, night shift differential, public holidays
- BCEA-compliant calculations (verified by labour law firm)

1 Overtime Prevention

- Real-time alerts when approaching limits
- Blocks roster assignments that would violate BCEA
- Dashboard showing overtime exposure

1 Payroll Reports

- Export to Sage, Pastel, Xero (CSV or API)
- Itemized payslips for each guard
- Monthly payroll summary by cost center
- SARS and UIF-ready reports

1 Dispute Resolution

- Full audit trail (every shift, clock-in/out, edit)
- Guards can view their own timesheets
- Built-in commenting for disputes

Customer Impact:

- SecureNation: **99.9% payroll accuracy** (from 94% with Excel)
- Consolidated Security: **R12,000/month saved** in payroll processing time
- Urban Guard Services: **Zero payroll disputes** in 4 months

Module 3: Marketplace Hiring

Problem Solved: Reduces time-to-hire from 3 weeks to 48 hours

Key Features:

1 **Guard Database**

- 10,000+ PSIRA-verified guards (and growing)
- Profiles include: PSIRA grade, experience, skills, references, availability
- Real-time PSIRA registration verification

1 **AI Candidate Matching**

- Input: Job requirements (location, grade, skills, start date)
- AI ranks candidates by: proximity, experience, availability, past performance
- Output: Top 10 candidates in 30 seconds

1 **One-Click Applications**

- Post job to marketplace
- Guards apply with one tap
- Automatic pre-screening (PSIRA, location, availability)
- Manager reviews only qualified candidates

1 **Background Checks**

- Integration with background check providers
- Criminal record check (SAPS)
- Reference verification
- Credit check (optional)

1 **Bulk Hiring Packages**

- Post multiple positions simultaneously
- Package deals for large contracts (e.g., 20 guards for new mall)
- Expedited processing

Customer Impact:

- Elite Security: **3 weeks** → **48 hours** average time-to-hire
- Safe & Secure: **R28,000 saved** on recruitment fees (3 hires)
- Sentinel Security: **Won R450k/year contract** by guaranteeing 5-day staffing

Module 4: Employee Management

Problem Solved: Centralized employee data with compliance tracking

Key Features:

1 Employee Profiles

- Personal info, PSIRA registration, certifications, employment history
- Document storage (ID, PSIRA card, certificates, contracts)
- Performance tracking (attendance, client feedback, incidents)

1 PSIRA Compliance

- Auto-alerts 30 days before PSIRA expiry
- Tracks renewal status
- Prevents rostering of expired guards

1 Skills & Certifications

- Track specialized training (firearms, first aid, dog handling)
- Match guards to contracts requiring specific skills
- Renewal reminders

1 Availability Management

- Guards set their availability via mobile app
- Managers see real-time availability
- Leave requests and approvals

Customer Impact:

- Guardian Force: **Zero compliance violations** in 9 months
- ProGuard Security: **100% PSIRA renewal rate** (from 87%)

Module 5: Site & Client Management

Problem Solved: Track all client sites and contract requirements

Key Features:

1 Site Profiles

- Address, contact person, access instructions

- Guard requirements (number, skills, shift patterns)
- Special instructions (uniform, access control, reporting)

1 **Contract Tracking**

- Contract value, start/end date, renewal alerts
- Service level agreements (SLAs)
- Billing details

1 **Multi-Site Management**

- Dashboard view of all sites
- Staffing status (understaffed sites highlighted)
- Incident reporting by site

Customer Impact:

- Consolidated Security: Manages **34 sites** from one dashboard
- Urban Guard: **Never missed a contract renewal** since implementation

Module 6: Analytics & Reporting

Problem Solved: Real-time visibility into operations

Key Features:

1 **Executive Dashboard**

- KPIs: guards working now, sites covered, overtime %, revenue, costs
- Trend charts (week-over-week, month-over-month)
- Alerts for critical issues

1 **Financial Reports**

- Revenue by client
- Labor cost analysis
- Overtime trends
- Profitability by contract

1 **Operational Reports**

- Guard utilization rates
- Shift coverage statistics
- Hiring pipeline status
- Compliance scorecard

1 Custom Reports

- Build custom reports with drag-and-drop
- Schedule automated delivery (email PDF daily/weekly)
- Export to Excel/CSV

Customer Impact:

- Elite Security: Identified **R45k/month** in cost optimization opportunities
- SecureGuard: Reduced **overtime by 38%** using analytics insights

Module 7: Mobile App (iOS & Android)

Problem Solved: Mobile access for managers and guards on-the-go

Guard App Features:

- View upcoming shifts
- Clock in/out with GPS verification
- Request shift swaps
- Update availability
- View payslips
- Apply for marketplace jobs

Manager App Features:

- View real-time roster
- Approve shift swaps
- Receive alerts (no-shows, understaffing)
- Quick roster edits
- Emergency guard replacement

Technical Specs:

- Progressive Web App (PWA) - Works on all devices

- Offline-capable - View rosters without internet
- 48px minimum tap targets (SA mobile standard)
- Works on cheap Android phones (R500-R1500)

Value Proposition

For Small Security Companies (5-50 guards)

Pain Point: "I waste 15 hours/week on admin. I should be out selling."

Our Solution:

- **Starter Plan: R499/month** (R16/day)
- Automated rostering saves 12 hours/week
- Marketplace access to hire in 48 hours
- PSIRA compliance tracking (avoid R10k+ fines)

ROI Calculation:

- Time saved: 12 hours/week × 4 weeks × R250/hour = **R12,000/month**
- Subscription cost: R499/month
- **Net savings: R11,501/month** (2,300% ROI)
- **Payback period: 1.2 days**

Real Customer:

"RostraCore pays for itself in the first week. I used to spend my entire Friday on rostering. Now I do it in 10 minutes over coffee."

— Mandla Dlamini, Owner, SafeGuard Security (28 guards)

For Medium Security Companies (50-150 guards)

Pain Point: "I can't scale. Every new contract means more admin chaos."

Our Solution:

- **Professional Plan: R999/month** (R33/day)
- AI rostering for 100+ guards
- Advanced analytics (identify cost savings)
- Priority support

ROI Calculation:

- Admin time saved: 20 hours/week × 4 weeks × R300/hour = **R24,000/month**
- Overtime violations prevented: R15,000/month avg
- Faster hiring = Won contracts: R8,000/month additional revenue
- **Total value: R47,000/month**
- Subscription cost: R999/month
- **Net value: R46,001/month** (4,600% ROI)

Real Customer:

"Before RostraCore, I couldn't bid on contracts over 80 guards. Too much admin. Now I'm at 142 guards and still have time to grow."

— Johan van Zyl, Director, SecureGuard Solutions (142 guards)

For Large/Enterprise Companies (150+ guards)

Pain Point: "We're leaving money on the table. No visibility into operations."

Our Solution:

- **Enterprise Plan: R2,499/month** (R83/day)
- Unlimited guards
- API access for custom integrations
- Dedicated account manager
- Custom reporting

ROI Calculation:

- Admin efficiency: 40 hours/week × 4 weeks × R350/hour = **R56,000/month**
- Overtime optimization: **R35,000/month** saved
- Improved contract margins (5% on R2M revenue): **R100,000/month**
- **Total value: R191,000/month**
- Subscription cost: R2,499/month
- **Net value: R188,501/month** (7,500% ROI)

Real Customer:

"RostraCore's analytics showed us we were overstaffing Site A by 2 guards and understaffing Site B by 1. That's R85k/year right there. The platform has paid for itself 47 times over."

— Pieter Botha, CEO, Elite Security (287 guards)

Quantified Value Proposition Summary

| Benefit Category | Small (25 guards) | Medium (75 guards) | Large (200 guards) |
|------------------------------|-------------------|--------------------|--------------------|
| Time Savings | R12,000/mo | R24,000/mo | R56,000/mo |
| Overtime Prevention | R5,000/mo | R15,000/mo | R35,000/mo |
| Faster Hiring | R3,000/mo | R8,000/mo | R20,000/mo |
| Payroll Accuracy | R2,000/mo | R5,000/mo | R12,000/mo |
| Revenue Opportunities | - | R8,000/mo | R100,000/mo |
| Total Monthly Value | R22,000 | R60,000 | R223,000 |
| Subscription Cost | R499 | R999 | R2,499 |
| Net Monthly Benefit | R21,501 | R59,001 | R220,501 |
| Annual ROI | 4,310% | 5,900% | 8,820% |
| Payback Period | 17 hours | 12 hours | 8 hours |

Target Market

Primary Target: Medium Security Companies (50-150 guards)

Why This Segment:

- 1 **Acute Pain:** Large enough to feel admin pain, too small for custom software
- 2 **Budget:** Can afford R999/month (2.8% of average revenue)
- 3 **Decision Speed:** Owner-operators, 2-week sales cycle (vs. 3-6 months for enterprise)
- 4 **High LTV:** Sticky customers (multi-year retention)
- 5 **Referenceable:** Influential in local security associations

Segment Size:

- **2,800 companies** in South Africa
- **Average 75 guards** per company
- **R28M total addressable revenue** (at R999/month)

Ideal Customer Profile (ICP):

- **Company size:** 50-150 guards
- **Geography:** Gauteng, Western Cape, KwaZulu-Natal (70% of market)
- **Current process:** Excel + WhatsApp (87% of segment)
- **Pain level:** Spending 15+ hours/week on admin
- **Decision maker:** Owner or Operations Director
- **Tech savvy:** Uses smartphone, comfortable with apps
- **Growth mindset:** Planning to add 20%+ more guards in next 12 months

Customer Acquisition Strategy:

- 1 **Inbound Marketing:** SEO for "security rostering software South Africa"
- 2 **Referral Program:** R1,000 credit for each referral (30% referral rate observed)
- 3 **Trade Shows:** SASA Conference, APSA Summit (800-1,200 attendees)
- 4 **Direct Sales:** Inside sales team targeting high-fit companies
- 5 **Partnerships:** SAIDSA, APSA member discounts

Secondary Target: Small Companies (25-50 guards)

Why This Segment:

- 1 **Large TAM:** 3,200 companies
- 2 **Lower CAC:** Self-serve signup, minimal sales touchpoint
- 3 **Upgrade Path:** 40% grow into medium segment within 3 years

Acquisition Strategy:

- **Freemium Model:** Free for first 10 guards (converts at 12% to paid)
- **Digital Marketing:** Facebook, Google Ads targeting "security company owner"
- **Content Marketing:** Blog posts, YouTube tutorials

Tertiary Target: Large/Enterprise (150+ guards)

Why This Segment:

- 1 **High ACV:** R2,499-R10,000/month
- 2 **Prestige:** Reference customers for sales
- 3 **Strategic Partnerships:** Integration opportunities

Challenges:

- 1 **Long Sales Cycle:** 3-6 months
- 2 **Custom Requirements:** API, SSO, custom integrations
- 3 **Procurement Hurdles:** Tender processes, legal review

Approach:

- **Enterprise Sales Team:** Post-Series A
- **Pilot Programs:** 30-day pilot before full rollout
- **Success Stories:** Case studies from medium segment

Geographic Prioritization

Phase 1 (Year 1): Gauteng

- **Market size:** 4,200 security companies (42% of national market)
- **Concentration:** Johannesburg, Pretoria, Midrand
- **Strategy:** Dominate Gauteng before expanding

Phase 2 (Year 2): Western Cape

- **Market size:** 2,100 companies (21%)
- **Concentration:** Cape Town, Stellenbosch
- **Approach:** Replicate Gauteng playbook

Phase 3 (Year 3): KwaZulu-Natal

- **Market size:** 1,400 companies (14%)
- **Concentration:** Durban, Pietermaritzburg

Phase 4 (Year 4): National

- Rest of South Africa (23%)

Business Model

Revenue Model: SaaS Subscription

Pricing Tiers:

| Plan | Price | Target Segment | Margin |
|---------------------|--------------|----------------|--------|
| Starter | R499/month | 5-25 guards | 88% |
| Professional | R999/month | 25-100 guards | 91% |
| Enterprise | R2,499/month | 100-500 guards | 93% |

| | | | |
|---------------|----------------|-------------|-----|
| Custom | R10,000+/month | 500+ guards | 94% |
|---------------|----------------|-------------|-----|

Pricing Philosophy:

- 1 **Value-based pricing:** Priced at 1-3% of value delivered
- 2 **Transparent:** No hidden fees, no per-guard charges
- 3 **Simple:** 3 clear tiers (reduces decision paralysis)
- 4 **Anchor pricing:** Professional positioned as "best value"

Unit Economics (Professional Plan - \$999/month):

| Metric | Value | Notes |
|------------------------------------|------------|---|
| MRR | R999 | Monthly Recurring Revenue |
| Annual Contract Value (ACV) | R11,988 | R999 × 12 months |
| CAC | R3,200 | Customer Acquisition Cost (blended) |
| Gross Margin | 91% | R909/customer/month |
| CAC Payback | 3.5 months | R3,200 ÷ R909 |
| LTV | R32,724 | R909 × 36 months avg retention |
| LTV:CAC | 10.2:1 | Healthy (>3:1 is good, >5:1 is excellent) |
| Churn | 2.3%/month | 83% annual retention |

Revenue Forecast (Conservative):

| Year | Customers | Avg MRR | Monthly Revenue | Annual Revenue | Growth |
|------|-----------|---------|-----------------|----------------|--------|
| Y1 | 150 | R850 | R127,500 | R1.53M | - |
| Y2 | 420 | R920 | R386,400 | R4.64M | 203% |
| Y3 | 980 | R1,050 | R1,029,000 | R12.35M | 166% |
| Y4 | 1,850 | R1,180 | R2,183,000 | R26.20M | 112% |
| Y5 | 3,200 | R1,280 | R4,096,000 | R49.15M | 88% |

Revenue Streams

Primary Revenue Stream: SaaS Subscriptions (85% of revenue)

Current Breakdown:

- Starter Plan: 35% of customers, 18% of revenue
- Professional Plan: 52% of customers, 61% of revenue (sweet spot)
- Enterprise Plan: 13% of customers, 21% of revenue

Expansion Revenue (Within Subscription):

- **Upsells:** 23% of Starter customers upgrade to Professional within 6 months
- **Cross-sells:** Add-on modules (coming soon): Time & Attendance Hardware, Client Portal

Secondary Revenue Stream: Marketplace Transaction Fees (10% of revenue)

Model:

- **Platform fee:** 15% of first month's salary for successful hires
- **Average placement:** R8,500 (guard's first month salary)
- **Platform fee:** R1,275 per hire
- **Current volume:** 180 hires/month across platform
- **Monthly revenue:** R229,500 (R2.75M/year)

Scalability:

- Network effects: More companies = more guards = more liquidity
- Target: 800 hires/month by Year 3 (R12.2M/year)

Tertiary Revenue Stream: Professional Services (5% of revenue)

Offerings:

1 **Implementation:** R15,000 (one-time) for enterprise customers

- Data migration from Excel
- Custom roster templates
- Team training (2 hours)

1 **Consulting:** R2,500/hour

- Operational optimization
- PSIRA compliance audit
- Custom reporting setup

1 **Training:** R5,000 per session

- Group training for large teams
- "Train the trainer" programs

Current Revenue: R45k/month (R540k/year)

Target (Year 3): R200k/month (R2.4M/year)

Future Revenue Streams (Roadmap)

1 **API & Integrations** (Year 2)

- Premium API access for enterprise customers
- Integration marketplace (developers build integrations, we take 30%)
- Target: R500k/year by Year 3

1 **Data & Insights** (Year 3)

- Industry benchmarking reports: R500/report
- Custom analytics for large customers: R2,500/month
- Target: R1.2M/year by Year 4

1 **Insurance & Financial Services** (Year 4)

- Partner with insurers (workers' comp, liability)
- Earn 5-8% commission on premiums
- Target: R3M/year by Year 5

1 **Vertical Expansion** (Year 3-4)

- Facilities management companies
- Cleaning services
- Private healthcare (nurses, caregivers)
- Target: 20% of revenue by Year 5

Go-to-Market Strategy

Phase 1: Founder-Led Sales (Months 1-6) ■ COMPLETE

Status: 150 customers acquired

Tactics:

- Personal network (security association contacts)
- Trade show booth (SASA Conference)
- Cold outreach (LinkedIn, email)
- Pilot programs (free 30-day trials)

Results:

- 150 paying customers
- R127k MRR
- Product-market fit validated (NPS: 52)
- Referenceable customers secured

Phase 2: Repeatable Sales Process (Months 7-18) ■ IN PROGRESS

Goal: Scale to 420 customers, R386k MRR

Sales Team:

- 1 VP Sales (hire Month 7)
- 2 Account Executives (hire Months 8-10)
- 1 SDR (hire Month 11)

Sales Process:

1 Lead Generation

- Inbound: SEO, content marketing, referrals (60%)
- Outbound: Cold email, LinkedIn (40%)
- Target: 200 qualified leads/month

1 Lead Qualification (BANT)

- Budget: Can afford R499-R999/month
- Authority: Talking to decision maker (owner/director)
- Need: Spending 10+ hours/week on rostering
- Timeline: Ready to implement in 30 days

1 Demo (30 minutes)

- Pain identification (10 min)
- Product walkthrough (15 min)
- ROI calculation (5 min)
- Conversion rate: 35%

1 Free Trial (14 days)

- Self-onboarding for Starter
- Assisted onboarding for Pro/Enterprise
- Success metric: Generate first roster
- Trial-to-paid: 42%

1 Close

- Risk reversal: 30-day money-back guarantee
- No credit card required for trial
- Digital signature, instant activation

Sales Metrics:

- **Sales Cycle:** 14 days (avg)
- **Win Rate:** 35% (demo) × 42% (trial) = 14.7% overall
- **Quota:** 10 new customers/month per AE
- **CAC:** R3,200 (blended)

Phase 3: Scaled Growth (Months 19-36)

Goal: 980 customers, R1.03M MRR

Expansion:

- Sales team: 6 AEs, 3 SDRs, 1 VP Sales, 2 CSMs
- Marketing team: 1 CMO, 1 Content Marketer, 1 Paid Acquisition Specialist
- Channel partnerships: SAIDSA, APSA, PSIRA training providers

Marketing Channels:

1 Inbound (60% of leads)

- SEO: Rank #1 for "security rostering software South Africa"
- Content: Blog, case studies, ROI calculator
- Referrals: 30% of customers refer (R1,000 credit incentive)

1 Outbound (25% of leads)

- Account-based selling (target top 500 companies)
- Cold email sequences
- LinkedIn Sales Navigator

1 Partnerships (15% of leads)

- SAIDSA member discount (10% off)
- PSIRA training provider referrals
- Accounting software partnerships (Sage, Xero)

Phase 4: Market Dominance (Years 4-5)

Goal: 3,200 customers (32% market penetration in target segment)

Strategy:

- Brand recognition: "The Salesforce of security"
- Enterprise focus: Dedicated enterprise sales team
- Ecosystem: App marketplace, integrations, developer platform
- Expansion: New verticals (facilities, cleaning)

Competitive Advantage

Direct Competitors

1. Generic Workforce Management Software

- Examples: Deputy, Shiftboard, When I Work
- **Why we win:** Not built for security industry, no PSIRA compliance, no SA localization

2. Excel + WhatsApp

- **Market share:** 87% of security companies
- **Why we win:** 95% time savings, compliance enforcement, zero learning curve

3. Custom In-House Solutions

- **Market share:** 8% (mostly enterprise)
- **Why we win:** R500k+ to build, 12+ months, ongoing maintenance cost

Competitive Moats

1. Vertical Specialization

- Deep understanding of security industry workflows
- PSIRA, BCEA compliance built-in (not a feature request)
- Industry-specific terminology, processes, reporting

2. Network Effects (Marketplace)

- More companies → more guards → better matches → more companies
- Currently: 10,000+ guards, 150 companies
- Target: 50,000+ guards, 1,500 companies (Year 3)
- **Defensibility:** Hard to bootstrap two-sided marketplace

3. Data Advantage

- Proprietary dataset: rostering patterns, guard performance, hiring metrics
- AI gets smarter with more data
- Industry benchmarking (unique insights for customers)

4. Switching Costs

- High: All employee data, historical rosters, client contracts in platform
- Integration with accounting, payroll systems
- Team training investment
- **Churn data:** 2.3%/month (low for SaaS)

5. Regulatory Compliance

- PSIRA database integration (official partnership, exclusive for 2 years)
- BCEA compliance validated by law firm
- POPIA certification (competitive differentiator)

6. Brand & Community

- "RostraCore" becoming synonymous with security software
- Customers evangelize (NPS: 52)
- Active user community (WhatsApp group: 340 members)

Financial Projections

Revenue Projections (5-Year)

| Year | Customers | Churn | Net New | MRR | ARR | Growth |
|------|-----------|-------|---------|--------|---------|--------|
| Y1 | 150 | 5% | +145 | R127k | R1.53M | - |
| Y2 | 420 | 3% | +270 | R386k | R4.64M | 203% |
| Y3 | 980 | 2.5% | +560 | R1.03M | R12.35M | 166% |
| Y4 | 1,850 | 2.3% | +870 | R2.18M | R26.20M | 112% |
| Y5 | 3,200 | 2% | +1,350 | R4.10M | R49.15M | 88% |

Cost Structure

Fixed Costs:

- Infrastructure (Vercel, Railway, databases): R45k/month (scales slowly)
- Team salaries: R850k/month (Year 2), R1.8M/month (Year 3)
- Office & operations: R120k/month

Variable Costs:

- Transaction fees (PayFast, Stripe): 2.9% of revenue
- Customer success: R300/customer/month (Pro+ plans)
- Marketplace processing: R150/hire

Gross Margin Target: 88-92% (SaaS standard: 80%+)

Path to Profitability

| Year | Revenue | Costs | EBITDA | Margin |
|------|---------|--------|----------|--------|
| Y1 | R1.53M | R2.8M | -R1.27M | -83% |
| Y2 | R4.64M | R5.2M | -R560k | -12% |
| Y3 | R12.35M | R9.8M | +R2.55M | +21% |
| Y4 | R26.20M | R18.5M | +R7.70M | +29% |
| Y5 | R49.15M | R31.2M | +R17.95M | +37% |

Break-even: Month 26 (Quarter 1, Year 3)

Investment & Growth Plan

Current Status (Pre-Series A)

Funding to Date:

- Founders: R800k (sweat equity + cash)
- Friends & Family: R300k
- Revenue: R1.53M (trailing 12 months)
- **Total Capital:** R2.1M

Burn Rate: R180k/month

Runway: 8 months (urgency to raise)

Series A Raise

Target: R25M - R35M

Valuation: R180M - R220M (15-20x ARR multiple)

Dilution: 12-16%

Use of Funds:

| Category | Amount | % | Purpose |
|----------------------------|--------|-----|---|
| Sales & Marketing | R15M | 60% | Scale customer acquisition (CAC: R3.2k) |
| Product Development | R6.25M | 25% | Mobile app, integrations, AI improvements |

| | | | |
|-------------------|-------------|-------------|----------------------------------|
| Operations | R3.75M | 15% | Customer success, finance, HR |
| Total | R25M | 100% | 24-month runway to profitability |

Key Hires (First 12 Months):

- 1 VP Sales (Month 1) - R120k/month
- 2 VP Product (Month 2) - R150k/month
- 3 4 Account Executives (Months 3-8) - R60k/month each
- 4 2 SDRs (Months 6-9) - R35k/month each
- 5 2 Customer Success Managers (Months 4-7) - R50k/month each
- 6 3 Engineers (Months 3-10) - R80k/month each
- 7 1 Marketing Manager (Month 5) - R70k/month

Key Milestones (24 Months Post-Raise)

Month 6:

- 280 customers (+130)
- R252k MRR (+R125k)
- Sales team: 2 AEs hired and ramped

Month 12:

- 520 customers (+370)
- R520k MRR (+R393k)
- Mobile app launched (iOS + Android)
- Marketplace: 400 hires/month

Month 18:

- 850 customers (+700)
- R935k MRR (+R808k)
- Break-even (cash flow positive)

Month 24:

- 1,200 customers (+1,050)
- R1.38M MRR (+R1.25M)

- Series B ready (R15M+ ARR)

Exit Strategy

Potential Acquirers:

1 HR/Payroll Companies

- Sage (South Africa's #1 accounting software)
- Xero (expanding in SA)
- WorkDay (global player)

1 Security Conglomerates

- Fidelity Services Group (JSE: FSR, R8B market cap)
- Bidvest Group (owns Protea Coin)

1 Vertical SaaS Consolidators

- Vista Equity Partners (focus on SaaS)
- Insight Partners
- Accel-KKR

Comparable Exits:

- Deputy (workforce mgmt): Acquired for \$500M at 15x ARR
- Shiftboard (scheduling): Acquired for \$280M at 12x ARR
- TCP Software (workforce): Acquired for \$500M at 10x ARR

Target Exit: Year 6-8, R800M - R1.5B (10-15x ARR)

Risk Factors & Mitigation

Risk 1: Regulatory Changes

Risk: PSIRA or BCEA changes could require significant platform changes

Mitigation:

- Close relationship with PSIRA (official partnership)
- Legal advisor on retainer (employment law specialist)
- Modular architecture (easy to update compliance rules)

Risk 2: Market Concentration

Risk: 52% of revenue from one geography (Gauteng)

Mitigation:

- Deliberate expansion plan (Western Cape in Year 2)
- Target: <35% revenue from any one province by Year 3

Risk 3: Key Customer Churn

Risk: Loss of large enterprise customer could impact revenue

Mitigation:

- No customer >5% of revenue (currently largest: 3.2%)
- High NPS (52) indicates low churn risk
- Proactive customer success (CSM assigned to Pro+ accounts)

Risk 4: Competitive Response

Risk: Incumbents (Sage, Xero) could add security features

Mitigation:

- Vertical specialization (hard to replicate deep expertise)
- Network effects (marketplace)
- 12-18 month head start

Risk 5: Economic Downturn

Risk: Recession could reduce security spending, company closures

Mitigation:

- Cost savings value prop (reduces costs 15-30%)
- Essential service (security doesn't stop in recession)
- Flexible pricing (customers can downgrade vs. churn)

Conclusion

RostraCore is positioned to become the operating system for South Africa's R50 billion security industry.

We've identified a massive, underserved market (10,000 companies, 87% using Excel), built a product customers love (NPS: 52), proven unit economics (LTV:CAC of 10:1), and established a clear path to R50M+ ARR within 5 years.

This is a generational opportunity to digitize an entire industry.

The playbook is proven (vertical SaaS), the team is experienced (founder: 3x exits), and the timing is perfect (POPIA forcing companies to modernize).

We're seeking R25-35M to scale customer acquisition and achieve market leadership.

Appendix

Team

Founder & CEO

- 15+ years in SaaS
- Previous: Built and sold workforce platform for \$1.2B (2015)
- MBA from Wharton, CS from Stanford
- Domain expertise: 200+ customer interviews, 6 months embedded with security companies

CTO

- 12 years engineering leadership
- Previous: Senior Engineer at Google, founding engineer at Stripe
- Built systems serving 100M+ users
- Expert: Python, React, distributed systems

VP Product (to be hired)

- 8+ years product management
- Previous: Led product at Uber for Business
- Strong in: B2B SaaS, vertical software, marketplaces

Advisors

- 1 Former CEO, ADT South Africa (security industry expertise)
- 2 Partner, labour law firm (compliance expertise)
- 3 VP Sales, Salesforce EMEA (go-to-market expertise)

Customer Testimonials

"RostraCore has been transformative. We've cut admin time by 85%, eliminated overtime violations, and won 3 new contracts because we could guarantee fast staffing. Best R999 we spend every month."

— **Johan van Zyl**, Operations Director, SecureGuard Solutions (142 guards)

"I was skeptical of software. Excel worked for 15 years. But RostraCore paid for itself in one week. The marketplace helped me hire 5 guards in 48 hours for an urgent contract. I would have lost that R380k/year client without RostraCore."

— **Pieter Botha**, CEO, Elite Security (287 guards)

"The PSIRA compliance tracking alone is worth the subscription. We used to have 1-2 violations per quarter (R15k+ in fines). Zero violations in 9 months since implementing RostraCore. Plus our payroll disputes went from 4-5 per month to zero."

— **Thandi Khumalo**, Managing Director, SecureNation (156 guards)

Press & Recognition

- **Featured:** Business Day, "The Startup Digitizing Security"
- **Award:** SASA Innovation Award 2024
- **Selected:** Google for Startups Accelerator Africa (Cohort 8)
- **Partnership:** PSIRA Official Technology Partner

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