Toucan

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Problem/Solution: Waiting in lines at restaurants is frustrating. In a time where we buy our christmas presents online, pay with electronic money, and order delivery pizza from our iPhones, there's no reason we can't eliminate lines altogether. We want to allow restaurant customers to skip the headache of waiting in line by ordering and paying directly from their table. To achieve our goal we are developing a smartphone app that will augment existing point of sales systems. Our app is unique, as it will connect to a base station inside the restaurant using Bluetooth Low Energy (BLE). Unlike traditional Bluetooth, BLE does not require pairing between devices, and the connection occurs automatically. This eliminates the need for wifi or cell service, and makes payments both faster and more secure.

Market: Our market is any restaurant whose ordering process involves waiting in line to speak with a cashier. This includes fast food, fast casual, coffeeshops, food courts, stadium concessions, airplane food service, and more.

Competition: We do not see any direct competitors, however some companies that could expand to fill this market and provide a similar experience include: OrderUP (HungryBoiler), GrubHub, Square, and PayPal. Currently most companies working in mobile payments are attempting to hold the customer experience constant while improving the workflow for restaurants. Our app goes beyond just payments and also includes ordering. This provides a superior experience to customers by allowing them to skip lines, and additionally offers value to restaurants through increased revenue per order.

Business Model: A potential revenue stream could come from taking a percentage of each transaction completed through our app. This transaction cost incurred by the restaurant will be offset both by the increased revenue from our ability to upsell customers as well as the additional customers they will be able to serve. We will constantly tweak menus based on previous order data to optimize for increased average cost per transaction. In the future we would like to process all of the payments ourselves through linked bank accounts in order to eliminate credit card fees. This would increase the percentage of each transaction we keep as profit and position us to earn extremely high margins.

Go-To-Market: Our initial entry strategy is direct sales to restaurants in West Lafayette. We will recruit the first users of our app from Purdue students. We will create marketing materials that we will distribute to restaurants that encourage customers to download our app to skip the line. First, we will pilot our product for one month at two restaurants to refine it and collect data to validate our up-selling strategy. After the pilot we will pitch the product to chains in order to quickly integrate our system at many locations.

Progress to Date: We won "Most Viable Startup" and "Most Technically Impressive" at MHacks III earlier this year. We also won "Most Startup Potential" from Firebase at HackTECH. We have formed agreements with two local restaurants and have begun integrating with their point of sale systems.

Revenue: In our first year we hope to get our app in to 2 new stores every month. We hope to take a 3% fee from transactions, and plan to deploy our product in restaurants who produce on average $1M in revenue per year. Assuming 40% of customers order through our app we will receive $12k/restaurant/year. Extrapolating out at a 7%/mo growth rate yields the following projection:

'14	'15	'16	'17	'18	Break Even
$110k	$860k	$1.9M	$4.3M	$9.8M	Q2/15

Team: Luke Walsh, Viraj Sinha, Thomas Kilbride, and Jack Hammons. We are a group of Purdue Computer Engineering and Computer Science students. Collectively we have previously founded an online shopping startup for clothes, performed freelance electrical engineering work, and interned at places such as MIT Lincoln lab, Cisco Systems, the Air Force Institute of Technology, and multiple Silicon Valley startups.

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