

Flash Voucher

Concept Summary:

Flash Voucher is the concept of pushing discounts to be utilized by customers within a very limited time period. This would be done using a mobile application in which the clients post coupons for the user-base that are meant to spark spontaneity. From teenagers looking for a fun outing to an employee on a lunch break, neither party wants an ordinary and bank breaking experience. Flash Voucher solves this. By connecting the clients and the customers through either a monthly fee or commission, Flash Voucher's goal is to create an instantaneous communication channel between the two parties.

Value Proposition:

As there are two sides to every story, so is the case for Flash Voucher- the user base and the clients. Starting with the user-base, or costumers, it is a common trend to adore getting a good deal (whether that is a few dollars off a meal or free popcorn at the movies). From the other side, businesses feel a burden when they have employees and equipment on the clock, but a lacking of revenue stream. With an ideal, instantaneous communication method between the customers and businesses, both pains can be minimized. When a business is lacking in customers, they lose revenue in the short term while still paying expenses. With Flash Voucher, the businesses can use a method of price discrimination to create more demand for their service, ideally creating an inflow of customers in as short of time as possible.

Take, for example, an Italian mid-cost restaurant that is open for both lunch and dinner. Midway between the average time for lunch and dinners, the restaurant is populated nearly only by the staff. The lights and computer software are running, as money is being drained from the business's pocket. To turn a hefty profit, the restaurant typically charges by a multiple of 3. However with no customers, this multiple of profit does not currently matter. Using Flash Voucher's service, the company creates a spontaneous, special discount for customers to be used in the next two hours. Customers stroll into the restaurant to take action on this one-time deal, allowing the restaurant to cover some of the costs of the restaurant currently being open. The deal ends strategically before the typical dinner crowd comes to ensure the company does not miss out on the profits of its' 3 time mark up. In this scenario, with instantaneous communication, both parties are left as winners. The customers saved money, while the restaurant covered its' expenses. In addition, the restaurant may have just gained a lifetime customer. This business model of communication is what the twenty first century strives at, yet businesses do not take advantage of.

Market Opportunity:

Currently, the cheapest and most successful way a company has to have instant communication with customers is through social media, such as Twitter. Over the last few years, Twitter has proved its value in spreading news faster than ever imaginable. Companies, such as restaurants, can surely use the platform to spread information about deals, however the effectiveness is not

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near perfection. Other ways of pushing deals include through print, such as magazines and newspapers. Both of these methods are for longer term customer growth, which is only one of the goals of Flash Voucher. To get a sense of the market value for coupons, we look at the overall industry of 3.7 billion U.S. Dollars worth of coupons being redeemed in 2012. Within this industry is Groupon (\$GRPN), a 4.18 billion dollar company. Groupon focuses on travel and product discounts both locally and nationally, reaching customers through mobile and web applications. Another publically traded coupon company is Retail Me Not (\$SALE), a 1 billion dollar market value. Retail Me Not's focus is on digitalizing print coupons, for the ease of the customers. (These two companies are mentioned to get an estimate of the size of businesses in the same industry.) For the mobile market, it is estimated that by 2015, 74.1 million smart phone coupon users will exist. 74.1 million users is the overall market Flash Voucher is attempting to reach.

In attempting to reach a large user base, milestones for Flash Voucher would consist of reaching a determined number of users (1000, 10 thousand, 100 thousand, etc). A more important measure of success for Flash Voucher will be the average number of customer's refreshing the application each hour. Milestones in this category would occur at numbers such as 50, 100, 500, etc. The long-term objective is to build a strong user and client system that both encourages users to refresh the application and for companies to post deals. The two work hand-in-hand. The more clients posting deals, the more user's would use the application, and vice-versa.

Product/Service Description:

Flash Voucher will exist as a mobile application in able to allow the connection of users to clients be as close to instant as possible. On the client side of the application, deals will be able to be created using the default layout created by Flash Voucher. With a default layout, it is easier for the users to scan through to find a potential deal that matches their interest. On the user side, upon load up, the users location will be found and all deals within the proximity will load. The proximity, as well as other narrowing features, can be altered by the user within the application. Scrolling through deals, or vouchers, the user will be able to quickly see how long the deal has until expiration as well as the magnitude of the offer (% off, \$ off, etc). If a deal is clicked, a new layout will load featuring the deal and any fine print around it. From there, the deal can be reserved.

Upon reserving the deal, the clients may have the option to receive an order and a payment on the spot, or make the customer come into the location for reception. With users being able to pay immediately, potentially using features like ApplePay, users can speed up the turnover time, increasingly their overall happiness of the system.

Flash Voucher will mostly start with a client base of restaurants. A transition into other service companies, from movie theaters to theme parks, will occur over time. In order to create Flash Voucher, a strong application, being able to securely handle transactions, will have to be

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produced. Other requirements on the client side include marketing and negotiating. On the user-side, the key feature is marketing.

Management Team:

Flash Voucher is created by a solo member, Joseph Weate. A computer engineer at the University of Virginia, he is capable of building the groundwork of a mobile application. For a less elementary application, additional team members will be brought on. Having some negotiation lessons, restaurants and businesses can be reached out to for a screening of interest. When it comes to the marketing aspect, external help will most likely be pursued due to a lack of knowledge in the area.

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