

## Overview

Based on the analysis of Kashier's transaction data from **January 1, 2021, to December 31, 2021**, the following insights have been identified:

### 1. Payment Requests (PR) – The Strongest Performer

- ✓ **Highest Market Adoption:** PR accounts for **52.2% of total transactions**, indicating strong market demand and customer trust, contributing to financial stability.
- ✓ **Largest Processed Volume:** PR has processed **EGP 17 million**, ensuring strong cash flow.
- ✓ **Highest Total Revenue Contribution:** PR generates the highest total commission, making it the most financially sustainable product.

### 2. Payment Pages (PP) – High Potential for Growth

- ✓ **Highest Average Transaction Value:** PP has the highest average transaction value at **EGP 1,112** per transaction.
- ✓ **Comparable Profitability per Transaction:** The **average commission per transaction** for PP (**EGP 29.80**) is nearly identical to PR (**EGP 29.96**), meaning that if the transaction volume increases, it could become a highly profitable product.

### 3. Point of Sale (POS) – The Weakest Financial Performer

- ✗ **Low Processed Volume:** Despite representing **29% of transactions**, POS only processed **EGP 1.1 million**, significantly lower than PR and PP.
- ✗ **Lowest Profitability per Transaction:** POS generates an average profit of **EGP 3.14 per transaction**, making it a low-value revenue stream.
- ✗ **Reasons for Weak Performance:**
  - **Low transaction amounts:** The average transaction value is **EGP 114.31**.
  - **Low commission rates:** POS has the lowest rate at **1%**, with a flat fee of **EGP 2**.

## Data Insights Summary

product	flat_fee	rate
Point of Sale (POS)	2	1.0%
Payment Requests (PR)	0	3.0%
Payment Pages (PP)	2	2.5%

product	Average Transaction Amount	Average Commission per Transaction	Total Commission
Point of Sale (POS)	EGP 114.31	EGP 3.14	EGP 29,881
Payment Requests (PR)	EGP 998.62	EGP 29.96	EGP 512,650
Payment Pages (PP)	EGP 1,112.03	EGP 29.80	EGP 182,768

## **Recommendation: Short-Term Focus on PR & Long-Term Investment in PP**

Currently, Kashier is allocating equal resources across all three products. However, since PR generates the highest revenue, the key questions to ask are:

? Will increasing investment in PR further amplify profits?

? Or will shifting resources to PP unlock greater long-term growth?


The optimal approach from my point of view is a **balanced investment strategy**:

✅ **Short-term investment in PR** to maximize immediate revenue.

✅ **Gradual shift towards PP** to leverage its long-term growth potential.

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## **Short-Term Plan (0-6 Months): Strengthening PR for Immediate Profits**

 **Goal:** Increase transaction volume and improve PR efficiency to drive rapid revenue growth.

### ✅ **Enhancing User Experience:**

- Streamline the payment process to make transactions faster and easier.
- Improve platform stability and transaction processing speed.

### ✅ **Expanding Merchant Adoption:**

- Offer limited-time commission discounts to attract new merchants.
- Run targeted marketing campaigns to acquire more PR users.

### ✅ **Data-Driven Optimization:**

- Analyze customer usage patterns to identify key user segments and optimize acquisition strategies.
- Leverage analytics to provide personalized incentives for merchants to increase PR usage.


### ✅ **Technical Enhancements:**

- Upgrade system infrastructure to improve transaction processing.
- Implement advanced security measures to enhance trust and reliability.

### **Expected Impact:**

- **15-20% increase in PR transactions** within **6 months**.
  - **30-40% increase in total commission revenue**.
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## Long-Term Plan (6-24 Months): Growing PP for Sustainable Growth

 **Goal:** Develop PP into a strong competitor to PR in terms of revenue, ensuring diversified income for the company.

### Expanding PP in the Right Markets:

- Focus on online stores and businesses that require recurring payments, like subscriptions and digital services.
- Offer new benefits like installment payments or prepaid options to attract high-value customers.

### Improving Infrastructure to Build Trust:

- Strengthen security to protect large transactions made through PP.
- Enhance integration with other payment platforms to make it easier for more merchants to use PP.

### Gradually Increasing Transactions to Match PR:

- Provide incentives for big companies to adopt PP as a primary payment method.
- Target international markets where PP can compete with global payment solutions.

### Expected Impact:

If we successfully **double or triple** PP transactions within **two years**, its total revenue could match or even exceed PR.

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## Mathematical Justification to Support Future Vision

Since PR and PP generate similar average commissions per transaction, the revenue potential can be estimated using the formula:

 **Total Future Profit = (Expected Number of Transactions) × (Average Profit per Transaction)**

### **Scenario 1: 20% Growth in PR**

- PR currently processes **EGP 17M** in transactions with an average profit per transaction of **EGP 29.96**.
- Increasing transaction volume by **20%** would result in:
  - ◆ **Expected PR revenue = 17M × 1.2 × 29.96 = EGP 611M** (20% increase in profit).

### **Scenario 2: Doubling PP Transactions**

- PP currently processes **EGP 6.8M**, with an average commission per transaction of **EGP 29.80**.

- If transactions **double (2X)**, total revenue would be:

◆ **Expected PP revenue =  $6.8M \times 2 \times 29.80 = \text{EGP } 405M$**

By combining both strategies, total revenue potential increases significantly.

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And of course, alongside the long-term plan and while working on PP, we will definitely continue developing PR.

### 📌 Here are some long-term suggestions to further improve PR

🎯 **Goal:** Strengthen PR's market position and enhance sustainable revenue growth.

#### ✅ Expanding PR into New Segments:

- Target businesses that rely on recurring payments (e.g., subscriptions, digital services).
- Partner with e-commerce platforms to integrate PR as a preferred payment method.

#### ✅ Diversifying Services:

- Introduce flexible payment options like installments and delayed payments for trusted merchants.
- Utilize AI-driven analytics to help merchants optimize pricing and sales strategies.

#### ✅ Optimizing Commission Structure:

- Adjust commission rates based on market demand to maximize revenue while maintaining competitiveness.
- Establish strategic partnerships with banks to lower operational costs and improve efficiency.

### 📊 Mathematical Justification to Support Future PR Growth

📌 **Total Future Profit = (Average Profit per Transaction) × (Expected Number of Transactions)**

#### Assumptions:

- **10% monthly growth** in PR transactions through product improvements and marketing campaigns.
- **5% increase in average profit per transaction** due to pricing optimizations.

In **12 months**, this could lead to:


✅ **Almost doubling the number of transactions.**


✅ **A 60-80% increase in total profit compared to the current level.**


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## Conclusion & Final Recommendation

 **Optimal Strategy --> "Balanced Investment" Strategy Between PR & PP Offers the Best Short- and Long-Term Returns:**

 **Short-term focus on PR** for immediate profit maximization.

 **Long-term investment in PP** to create a diversified and sustainable revenue stream.

 By implementing this strategy, Kashier can achieve rapid short-term revenue growth while building a robust and scalable long-term business model, positioning itself as a leader in the digital payments sector. 