

Payfren Business Plan

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Idea in short: Payfren is an app that makes it easy to transfer Bitcoin to your friends, replacing the old system of long addresses with user friendly names.

Bitcoin is a new and improved form of money. It's much more secure, private and permission-less, something that the legacy payment system (SEPA, SWIFT) is not. **Payfren** leverages the Bitcoin network to make payments faster and cheaper. A short description of this Bitcoin innovative technology can be found [here](#).

Product

What need does the app solve?

Sending money worldwide is slow, expensive and hard. This is why Bitcoin might become a great alternative for international transfers, but there are some issues that stop the adoption of this new technology.

One of the main issues people encounter when using Bitcoin is that they have to understand technical aspects of the technology - what is a wallet, how to send Bitcoin etc.. Another problem which limits Bitcoin adoption is that people still think it's mainly used to purchase illicit goods.

These are some of the reasons why most of us are still stuck in this legacy system of global banking, in which banks charge hefty fees and cross-border transfers are slow.

How does the app solve the problem?

Payfren improves Bitcoin user experience (UX) by making it easy to pay friends and merchants in Bitcoin, replacing addresses with easy to type usernames. Payfren is basically a “phonebook” for Bitcoin addresses.

There are some other services that offer a similar experience, but these services hold the Bitcoin for you, so they become just like traditional banks. Payfren is different - the app does not require users to deposit Bitcoin on the platform. Payfren is just a “router” - it only redirects the user to their Bitcoin wallet to authorize the payment.

This approach brings many benefits, such as no risk of getting hacked and losing customer funds, lack of licenses needed to run the business and greater decentralization.

Our target group

Payfren's target market includes teens starting with the age of 16 and adults, both male and female, who do not understand how Bitcoin works but heard about it and want to use it for their daily payments. Payfren also targets businesses that want to accept Bitcoin to avoid bank processing fees and settle funds faster into their wallets (assuming Visa/Mastercard settlement takes around 1-2 days, Bitcoin takes 10 minutes to settle the funds).

SMART objectives

- 1 Grow the number of users by 1000 in the first month by using ads on cryptocurrency-related websites and apps;
- 2 Explain to users the benefits of using Bitcoin via in-app modals;
- 3 Make conversion from Bitcoin to EUR and RON easier and faster for businesses that receive payments via our app;
- 4 Constantly monitor and minimize the time spent by users when paying a contact, by making it easier for them to use the app. Implement features such as RON to Bitcoin conversion (friend A wants to pay friend B 5 RON for a coffee, so the app will redirect the user to his wallet to send to friend B wallet 5 RON worth of Bitcoin).
- 5 The entire service will be hosted on GCP ([Google Cloud Platform](#)) and [Oracle Cloud](#) (for redundancy). Infrastructure security and DNS will be provided by [Cloudflare](#). For future development, SMS and email services would be provided by [Twilio](#).

Price Model

The app will be free for "personal" (private) users because, without users, there is no need for businesses to join the platform. There are no costs when using a "personal" account - 0 fees to receive and pay merchants and businesses.

Businesses that want to start accepting Bitcoin via Payfren have to open a "business" account. We believe that it is not fair to charge a % of the sale, so the **cost per payment received by the merchant is a fixed 0,1 €**.

Further on, we might consider adding a tax for personal users to opt-out of anonymized data collection regarding payments (1€/ month, 10€/year). Users not wanting to opt out will have their payment data anonymized and processed to help businesses on our app develop better marketing strategies.

Promotion

Initially, Payfren would be promoted using ads (e.g. Google AdMob) placed on websites and apps that target cryptocurrency users (portfolio trackers, wallets). We will make partnerships with local merchants to sign them on Payfren and waive their fees for a definite period. We believe that it is the businesses' interest to promote Payfren because business operators will save the processing costs that banks currently charge when paying via debit/credit cards.