MunchBit IDO Paper - Draft

Disruptive blockchain Meal Ordering Project

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## Mission Statement

Our Mission is to disrupt the current Meal Ordering Sector. We intend to do so using blockchain services.

## Background

The UK online restaurant application market is dominated by 4 main suppliers that enable Customers/Consumers to order meals using the dApp or online website. These applications enable Customers/Consumers to select a restaurant based within their locality and then to order meals, which are subsequently delivered to their address within a specified time period. The restaurant partners involved in this transaction process are charged a merchant fee of 15% on each order, which is inclusive of a 2% charge for using the FIAT (Direct Debit, VISA, Credit) payment method.

The purpose of this paper is to detail how MunchBit will disrupt the market and gain a strong presence by introducing a smart application based on a crypto currency transaction model. Customers/Consumers and restaurant partners will be incentivised to use the application through a reward scheme and lowered merchant costs.

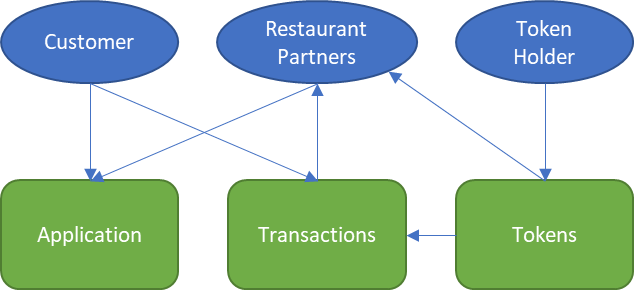
## Our Aim

Our aim to disrupt the current market and to gain a strong presence in the online restaurant market. We anticipate a gradual shift of Customers/Consumers and restaurant partners to MunchBit through lowered merchant fees, incentivisation schemes and a strong marketing campaign. With a long term vision, over the next 5 years MunchBit intends to absorb the market control to create revenue of $35 Million.

## What is MunchBit

It is an end to end technology solution that will enable Customers/Consumers to order meals by selecting a restaurant and browsing thousands of restaurant menus. Restaurant partners will be able to advertise their meals via our smart application. All purchases will be paid to restaurant partners within 3 days of transaction. MunchBits’ application will be available to install on mobile devices from the following app stores: App Store and Google Play. A website will also be available to enable meal purchasing using most modern web browsers.

The diagram below illustrates how MunchBit will work in practice:



## Why use MunchBit

We plan to incentivise the use of the MunchBit application for both Customers/Consumers and restaurant partners using the following metrics:

|  |  |  |
| --- | --- | --- |
| **Incentivisation Metrics** | **Customer** | **Restaurant Partner** |
| Reward scheme for MunchBit app installation |  |  |
| Reward scheme for ordering meals using the blockchain payment method |  |  |
| Discounted meals and reward scheme for restaurant partners in absorbing costs |  |  |
| Reduced merchant fees for restaurant partners in comparison to competitors |  |  |
| Reward scheme based on referrals |  |  |
| Reward scheme for restaurant partners for successful orders |  |  |

## Market Leaders and Revenue Projections

The market is dominated by 4 main suppliers with Just Eat as the market leader:

1. Just Eat
2. Hungry House
3. Deliveroo
4. Uber Eat

The market leader Just Eat has generated a total of 140.1 million revenue in the UK for 2017 based on published reports and to have a 27% growth trajectory for 2018. A breakdown of their revenue, alongside competitors can be found in the table below, including projected growth trajectory and merchant fees:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Supplier Name** | **Revenue £million** | | | | **Average Growth Trajectory** | **Merchant Fee** |
| **2014** | **2015** | **2016** | **2017** |
| Just Eat | 54.3 | 85.7 | 130 | 140.1 | 27%> | 15% |
| Hungry House | 16.3 | 24.3 | 29.1 | Not available | 20%> | 9% |
| Deliveroo | N/A | N/A | N/A | Not available | N/A | N/A |
| Uber Eat | N/A | N/A | N/A | Not available | N/A | N/A |

MunchBit aims to generate a total of 35million over a course of 5 years with an average growth trajectory of 21% once our application has been launched nationally:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Supplier Name** | **Projected Revenue over 5 years** | | | | | **Average Growth Trajectory** | **Merchant Fee** |
| **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** |
| MunchBit | 5 | 12 | 20 | 27 | 35 | 21%> | 5% |

Our merchant fee will be considerably less than competitors due to reduced operational overheads in using modern technology for data transactions and storage costs. This will be a key driver to expedite the process of signing up new restaurants to use our application.

## Roadmap



## Distribution of Tokens and Funds

We will create a total supply of 300,000,000 coins and each coin will be valued at $0.05. The coins will be released in stages:

1. **Pre-IDO** - we will offer 10,000,000 coins to our internal team & the local community and anticipate to raise a total of $500,000.
2. **IDO** - we will supply a further 100,000,000 coins and we anticipate to raise a total of $5,000,000. A further $190,000 will be generated through mining.

The funds gathered for Pre-IDO and IDO stages will be allocated as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Designated Area** | **%** | **Amount $** | **Detail** |
| Marketing | 40% | $2,200,000 | Brand awareness for both   * Coins   + News publishes   + Expos * Trading platforms * Service   + Promote to restauranteurs   + Food eaters/Consumers |
| Research & Development | 35% | $1,925,000 |  |
| Operations | 10% | $550,000 |  |
| Legal & Compliance | 5% | $275,000 |  |
| Founding Team | 10% | $550,000 |  |

## Technology Overview

MunchBit is composed of several technology layers to enable secure transactions between Customers/Consumers and restaurant partners.

#### Application Tier – ASP.NET & Mobile Technologies

A .NET frontend will be created to enable online purchases using web-browsers and a mobile application will be developed for the following platforms: App Store and Google Play.

### Middle Tier – Smart Contract Blockchain & FIAT

All transactions will be held & verified within the blockchain and the Ethereum smart contract blockchain will be used to run our service. The transactions within the blockchain are immutable preventing the alteration of orders.

### Data Tier & Security - IPFS

Initial Solution will use a Central server managed and Maintained by the Security Team. Further enhancements will include using IPFS. InterPlanetary File System (IPFS) data storage system is the ideal choice to store transactional data for both customer and restaurant partners. Banking details will be stored on customer mobile devices, to ensure Customers/Consumers are in control of their sensitive data.

The diagram below illustrates how the application will work:



## Leadership Team

|  |  |
| --- | --- |
| Obaydur Rahman Miah (Akhtar) | CEO & Founder  IT Consultant Retail and Central Government |
| Kamruz Zamman | Marketing and Retail Liaison |
| Samar Ali | CTO & Co-Founder  IT Consultant Central Government |
| Shazad Faizal | Director of Communications  Director of Purple Solutions |
| Martin Rendell | Head of Cyber Security |

## Delivery Team

|  |  |
| --- | --- |
| Shazad Faizal | Block Chain Developer |
| Martin Rendell | Head of Cyber Security |
| Developers are supporting this project based on a reward scheme. | Development Team  Composed of developers from various disciplines. |

## Advisors

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| --- | --- |
| Shazad Faizal | Block Chain Developer |
| Kamruz Zamman | Ex-Operational Director of Wirral Eatery |