



Business Plan:

1. Executive summary

Hack the Northeast 2020

Name: Gyft

Mission Statement: Empowering every community and small businesses to be financially agile.

Founders: Achilles Dabrowski, Alex Xu, Franklin Boampong, Steven Cheng

2. Product / Services

Purpose and Value:

Gyft is a platform that empowers communities by connecting local businesses with community members and potential customers. It allows businesses to start selling online Gift Card/Certificates for their business quickly, intuitively, and affordably, even without past experience.

Gyft enables small businesses to be financially agile during tumultuous times of crisis (such as during COVID-19). The ability to generate revenue even during shutdowns has been reserved for large, corporate businesses in the past. Gyft **seeks to change that**. Moreover, Gyft continues to add value to businesses beyond these times by **generating revenue, attracting new customers, strengthening customer loyalty**, and **boosting branding**.

Gyft also empowers community members to continue to patronize and support their local businesses, even when there is a temporary shutdown due to coronavirus. It also draws family and friends closer together through gifts for special occasions.

Technology:

The Gyft platform consists of mobile applications (Android and iOS) built using Flutter and Firebase/Google Cloud Services. Web browser-based applications are in the works.

Pricing:

Revenue will be generated by charging a one-time **3%** service fee on every gift card purchased. In other words, if a customer purchases a \$50.00 gift card, the business will receive \$48.50. There are no monthly fees or other charges.

Our fees are highly competitive compared to a physical gift card program. It can cost businesses \$300-\$400 for gift card software, and over \$2 per gift card. Transaction fees and lengthy, restrictive contracts add even more costs [1].

3. Marketing and Audience

Currently, there is no alternative solution on the market that makes it easy and affordable for small business owners to create their own gift card program targeting their local communities. Furthermore, it is difficult for community members to discover small businesses in their area that need their support. Gyft fills in this gap in the market.

Gyft's target audience are small businesses and community members. Especially during times of crisis and shutdowns (COVID-19), there have been calls by leaders and the media to purchase gift cards to support local businesses [4]. However setting up a gift card program is a long and tedious process.

Our marketing strategy includes advertising through online websites targeted at small business owners and COVID-19 related content. In addition, there will be social media advertisements to users in areas where there are small businesses in need of support. Finally, small businesses will generate awareness of their gift cards on the Gyft platform for themselves, which adds to our marketing efforts.

4. Market and Financial Potential

According to the US Small Business Administration, there are **30.7 million** small businesses in the US in 2019 [2]. Of these, over **2.6 million** are in Retail Trade, and over **0.9 million** are in the Accommodation and Food Services Industry. These two industries are examined because they are highly suitable for the Gyft platform. Small businesses in these industries generate

more than **345 billion dollars** of profit annually [2]. Gyft seeks to absorb some of this revenue, and generate **additional revenue streams** beyond existing in-person channels. In 2016, consumers spent **27.5 billion dollars** on gift cards during the holiday season alone [3]. Gyft will tap into this market by providing consumers an alternative to gift cards that are dominated by large, corporate chains.

Sources:

- [1]<https://www.costowl.com/b2b/gift-card-custom-program-cost.html#:~:text=Depending%20on%20how%20many%20gift,%24300%20to%20%24400%20per%20location.>
- [2]<https://cdn.advocacy.sba.gov/wp-content/uploads/2019/04/23142719/2019-Small-Business-Profiles-US.pdf>
- [3]<https://www.softwareadvice.com/resources/gift-cards-for-small-business/#holiday>
- [4]<https://www.npr.org/2020/03/20/818797729/how-buying-a-gift-card-can-help-a-small-business>