

Written Submission

Team #	65
Team members	<ol style="list-style-type: none">1. Alexander Lee-Smith2. David Vilensky3. Fikret Emre Ocal4. Khangelani Mnguni5. Suba Varshini
Company Name	Chipper Cash
Mentor	Amit Agrawal

Executive Summary (213 Words)

Our goal is to incentivize people to retain money in their chipper wallets rather than withdrawing it. This benefits both the user and Chipper since remittance fees will be much less. The main idea is to transform Chipper from a money sending platform to a growing investment application with its in-app currency, 'Chipper Coin'. Till this point, Chipper is essentially a wallet filled with different currencies in a single master pool account, and it should remain as such. Instead of constantly converting to and from different currencies, Chipper should hold onto its assets and encourage people to invest their Chipper Coins within the app and make partnerships where people can spend the Coins in the app to purchase things. **The fewer withdrawals, the better.** In this way, Chipper can intake a lot of people to invest and make payments through their app thereby increasing the revenue of the company. Briefly, the idea is to introduce a new standard fixed value currency-like unit for easy conversions called the Chipper Coin. The other important ways include investment in African local companies to invest in their indigenous company to promote business through partnership and trade-off equally the profit earned. The motive is to make Chipper reach out globally and expand its business.

The problem (193 Words)

We have observed several problems with both Chipper Cash's business plan and in-app functionalities. First and foremost, if Chipper continues operating how it is now, its growth rate will eventually decline as Chipper has no way of increasing its profits besides

When it comes to functionality, sending and receiving money through Chipper is costly as you must convert between currencies. The remittance rates are quite high, and this is losing money for both users and Chipper and we will seek to reduce this.

Lastly, Chipper must deal with regulations from many different countries due to the international nature of the app. People in certain countries are unable to invest in Global Stocks for several reasons. Some countries in Africa cannot invest due to regulations regarding the country of residence, such as Wiza during the demo. Many people in Africa do not have access to proper financial education which in turn means they do not have any knowledge about American Companies, ultimately leading to uncertainty when it comes to stocks and investing. We will look for ways to get around this.

The opportunity (195 Words)

The opportunity we foresee is to improve Chipper Cash's scalability and potential for future growth as a company. The way we see it now, Chipper will soon reach a point where its profits stop growing and plateau. This is because Chipper acts as a "wallet" for people to transfer money and has no way of influencing how much money is deposited on the platform beside a weak referral system and the hope of expansion to Europe.

To get around this growth cap, we want to transform Chipper from a money transfer platform to a robust investment platform.

Doing so will lead to a larger profit margin & more scalability for future growth as the value of investments will naturally increase over time. The increase in profits will also attract a new user base of investors that aren't necessarily looking to transfer money in Africa.

Finally, we hope that these changes will facilitate the development of African economies and improve the financial literacy rates in a region where it is desperately needed. Chipper was initially founded by Africans; Africans and we want Chipper to continue improving the lives of African people in new ways.

The solution (504 Words)

The main idea behind our solution is to transform Chipper Cash from a money transferring platform, or a "wallet", to an innovative investment platform. We want to implement innovative technologies such as 'Chipper Coin' to reduce remittance rates of sending money and create new investment opportunities that encourage users to invest their money in the app rather than withdrawing it.

The plan is to create a "Chipper Coin", which will be an in-app token/currency backed by USD rather than a cryptocurrency. We can set 1 chipper coin to be equal to 1 USD, and the app will tell you how many Chipper Coins you have as well as letting you know how much it is worth in terms of your local currency. Rather than converting between currencies each time people wish to exchange money, you only need to convert currencies twice: once when you deposit and once when you withdraw. We want to take advantage of Chipper's current infrastructure rather than changing it. Chipper has control of all the different currencies that have been deposited in a master pool account that acts as a "wallet". This supports the Chipper Coin because it is just a visual representation of how much money is in your account. This means that when two Chipper users transfer money from one another, Chipper no longer must exchange the currencies unless one of them decides to withdraw. Instead, Chipper can simply hold onto its existing assets and adjust the Chipper Coin balances to reflect the money transfer.

The next step is to encourage people to retain their balance in the app instead of withdrawing it. This can be done in several ways. Firstly, Chipper can partner with local businesses and online subscription companies to provide users with opportunities to spend their Chipper Coins on real goods and services. For example, allowing users to purchase a Spotify or Netflix subscription with their Chipper Coins or partnering with McDonald's in a city with lots of Chipper users. We can also improve Chipper Card functionality by using instalments to make payments on a time by deducting from the stocks or crypto invested already as a means of payment for subscriptions or purchases made via the Chipper Cash app.

Another way to keep users from withdrawing their Chipper Coins is to provide them with alternative investment opportunities. Instead of having users invest directly in US stocks, Chipper can have its

investment portfolio (“Chipper Impact Fund”) and sell shares of it to app users in exchange for Chipper Coins. **People will want to keep their balances in the app as they can grow their income passively instead of withdrawing it into a bank account with heavy fees.**

Finally, we recommend that Chipper Cash create a website where users can transfer money as well as invest in their Chipper Coins. Not only does it look far more professional, but it will legitimize Chipper Cash as an investment platform and enable people who don’t have (or don’t like) smartphones to use Chipper on their computers.

Justify the solution (404 Words)

By improving the overall user experience on the Chipper Cash app, we will encourage more users to grow their in-app balances rather than withdrawing.

The introduction of Chipper Coin is advantageous for the company because Chipper no longer must exchange currencies with banks until a user decides to withdraw their money. Furthermore, Chipper can fund users’ in-app investments and purchases from partnered companies directly out of the master pool account. This means fewer fees for everyone involved in the transactions between different currencies by lowering the remittance.

The introduction of a Chipper Impact Fund is also a great long-term opportunity for Chipper Cash. Chipper can increase its profit margin by retaining a % of profits from the fund. It is also beneficial for many users who do not know which US companies to invest in and would rather have their investments managed by professionals. It also allows users like Wiza to invest in US funds for the first time because they can avoid their region's regulatory restrictions, as the investment is going to be from Chipper’s master pool account. Once again, no currency exchange would be necessary as Chipper would simply have to lower the in-app balance by the amount invested. Perhaps most importantly, however, the Chipper Impact Fund - as we see it- will donate a % of its profits to African charities and foundations such as the Financial Literacy Foundation Africa, further improving the lives of its African user base and sticking to the company's intended goal.

In short, the new ideas and product development if implemented in the app will pave a way for the growth of income to the company because of the variety of options and distinguishing features from the other payment apps. What’s more, Chipper’s partnerships with local African companies and management of a Chipper Impact Fund will improve the company’s public image and attract a new user base of forward-thinking investors in addition to those looking to transfer money. We can bolster the referral system by offering Chipper Coins to new users and those who have invited others. There will of course be many challenges relating to regulation and securing sponsors but Chipper already has a strong financial backing that will only become more secure once Chipper has proof of concept. In the long term, we believe these changes will set Chipper apart from its competitors and allow it to spread into new regions including Europe.

We strongly recommend testing these features in a European environment before fully releasing them into the market. Our research shows that both Norway and Turkey are viable countries to test these services since they show strong FinTech growth, have strong, stable economies, and will offer Chipper access to a highly educated talent pool. Providing these initial tests are successful, Chipper can then expand into new markets such as Europe where you will have access to the EU’s single market, with over 450 million customers.

Pros and Cons:

<ul style="list-style-type: none">• Increased growth and profits	<ul style="list-style-type: none">• Regulations in different countries
<ul style="list-style-type: none">• Increased userbase	<ul style="list-style-type: none">• Users need to adapt to changes
<ul style="list-style-type: none">• Aligned with original company ideals	<ul style="list-style-type: none">• Cost of developing new features
<ul style="list-style-type: none">• Originality + uniqueness	<ul style="list-style-type: none">• Riskiness of managing your own fund
<ul style="list-style-type: none">• Global expansion	<ul style="list-style-type: none">•

Finally, share your experience as a team (273 Words)

We as a team had a great experience while working with each other and thoroughly enjoyed the CFTE Global FinTech Internship.

This internship has given us a lot of insights into how the fintech industry operates and which opportunities are available within the industry. It also gave us the chance to interact and meet with industry experts, which will allow us to expand our network for the future. Moreover, we had to work with team members from different countries and this will give us guidance on how to work with team members from different countries when pursuing our careers.

The overwhelmingly positive experience did however come with some challenges.

Firstly, since we are all in different countries, we experienced difficulties when setting up online meetings because two of our team members have a huge difference in their time zones which are over 10 hours apart. Some of our team members had to stay up very late at night to meet with the team, while others had to wake up extremely early.

Another issue that came about as a result of us being from different countries is that we have different accents. For the team members who are not native English speakers, it took more effort to communicate their ideas. This was also not helped by the fact that some of our team members had internet connectivity issues which prevented them from attending all team meetings.

Finally, we also faced a problem with our mentor rescheduling our meeting and then cancelling our meeting with him. We thus couldn't ask some questions we had prepared to ask him.