

DiggiBond

\*\*merge mtn in our plan

## Business Model

### 1. PRODUCT

#### A. Customer Value

##### Save Money

Choosing our services will allow customers save money and the pain of paying high rates on credit facilities. Interest Rates on our platform will be limited to specific ranges.

This will allow borrowers save many in the long run. They will be able to enjoy low interest rates due to the brokerage nature of our firm. Unlike financial institutions, the flow of money will not physically pass through our hands, hence there will be no inflation of interest. Our Service fee is highly insignificant in comparison to the long run charges by financial institutions.

##### Increased Earnings

From the point view of the investors (lenders), there will be higher earnings or return on investments. Since the interest rates will be perked just high enough to exceed deposit interest for savings accounts and other that of many other investment products.

##### Reduce Risk

To eliminate the perceived risk of defaulting repayment of loans by borrowers, we have grouped products on our platform into three main categories.

- i) Personal Loans: This kind of loans will be restricted to salary earners. Payments will be done as direct debits. To completely eliminate risk, we will partner with controller general of accounts (Those responsible for establishing and maintaining a technically sound management accounting system and distributing income) in the countries where we operate and Selected Private Institutions (to cater for some private sector workers). This category of debt investment has a limited risk (Lowest Risk Level) Borrowers who fall here will have the advantage of enjoying the lowest rates.
- ii) Educational Loans: Strictly for students in accredited tertiary institutions. Risk in this category will be curbed by partnering with Social Security Systems in each countries. They will serve us the guarantors. Defaulters can be easily traced and later billed from social security fund/ contributions or that of the people whose Social Security identification was used. This category of debt investment has an Intermediary Risk Level. Borrowers who fall here will enjoy Medium Interest Rate
- iii) Capital Financing: Specifically for Startups, Organizations, and Self Employed individuals. Risk will be curbed by compulsorily adding a guarantor (For small loans) and collateral (For

huge Loans). This category of debt investment has a High Risk Level. Borrowers who fall here will enjoy high interest rates (Highest on our platform)

### Convenience

We seek to make life more convenient for our customers. Our System will automatically pair the lenders and borrowers who fit in the same categories and terms. You will not have to worry about Searching and the headache of finding who to borrow from or lend to.

The customer will realize he'll save time and money by choosing our platform. For Borrowers, applying for loans will be nothing but a few clicks away. To avoid verification requirements impeding the ease of access to loans, we'll provide clear and concise information on what you need and the system will be created as a guide and assistance in disguise.

Investors will have adequate information about their investment, when they are due to receive payments, interest earned, part of principal repaid and many other finance decision data and tools to manage their portfolio.

## B. \*\*\*POSITIONING

### LOW COST

We position our products as cheaper and stripped down versions of an existing solution in the financial sector. There are already many financial institutions that provide different kinds of readily available credit facilities but it is just enough to please a certain customer segment who are unwilling to pay the price of the current solution. The price of extremely high rates on loan funds.

### SEGMENTED

We also position our products as a new solution particularly produced to meet the needs of a specific and neglected group of customers, who are not completely satisfied with existing solutions in the investment industry. The category who are forced to invest in financial assets about which they have very little knowledge in. Again, our products satisfy the customers who would have loved to have access to good rates on less risky investment but also recoup the principal back within a reasonable time-frame.

## C. PRICE LEVEL

We deliver our products at a price that is generally lower than the market price. Our findings on the various rates and charges on the market shows that our rates are comparatively affordable and will be more appealing to the consumer and investor market.

We will also make revenue from advertisements and selling of information on our platform. Considering the projected number of potential users on our system, we will amass large profits from online advertisement on our website. We shall also possess a lot of data about our users which can be sold for profits to third party clients or partners if the need arises.

#### D. Experience Cycle

##### Buying and usage

Customers get a special experience when they buy and use our services. We will design a unique experience when applying, searching for and evaluating a paid solution. Because of the way our system automatically assists the customer, it creates a stress-free and seamless user experience in applying for a loan and managing your portfolio. Right from landing on our website, to reviewing our content, through to the final transaction, we will ensure that the design is ok.

##### After sales

Customers get a unique experience after they have bought our products. We give them detailed progress on their transaction status, loan repayments and other important information and updates. We will continue to be in touch with the customer even after a transaction has been made.

##### Re purchasing

Customers get a unique experience when they want to re purchase our products. They don't have to go through most of the checks required on conducting business the first time.

## 2. SALES

### A. Customers

#### Segmented Multisided platform

We will have two main independent customer sections, that is the investors (lenders) and borrowers who exchange services. We provide the platform where they can meet.

Within these two main segments, we will have sub segments who have different needs so we will create solutions and business model which adapt to suit these different needs.

\*\*insert chart here

Sub segments (customer): Student, salary earner, organisations

Sub segment (investor): Lenders and Debt Security traders

### B. Customer Relation

#### i) Getting customers:

-Referral

\*\*we will acquire new customers from our current customers and network. We will build a systematic procedure to encourage referrals.

-freemium

\*\* We will offer a part of our services for free but charge a fee only after services are exchanged. The purpose is to get a lot of users fast. More users means lots of traffic and lots of traffic means more revenue and more referrals and the higher the business' market value.

-aggressive marketing

There are a lot of promotions and advertisements seen on a daily basis so aggressive marketing is needed to solidify our brand and make us stand out. It is also needed in order to be able to reach our low end market as well.

\*\*graphs and charts here

We will do this via channels including (paid and unpaid internet marketing, television, radio, bill boards)

## ii) Serving customers

-automated service

We will serve our customers through our website and mobile app interface. We will develop the interfaces in a way which will take customers through the whole transaction process with minimal intervention from the administrators.

-community

Our customers will also serve each other through contacts on our platform. We mainly facilitate the platform that the community cooperates and operates on.

## ii) Keeping customers

-switching barriers: We will build loyalty by creating switching barriers and costs. It will be inconvenient and very costly to switch to a different solution. Customers won't have to go through registration the first time

## iii) Growing customers

-product development: we will develop new and upgraded versions of our current product and add new and enhanced products as well. Some of the new products will include portfolio management and consultancy.

## C. CHANNELS

--Online Sales (Own platform): Our products will be sold through our own platform (website and mobile app).

## 3. ORGANIZATION

--Physical Resources

\*\*Machines and equipments and hardware: Investing in the right hardware is necessary for our business activities

--Financial

**\*\*equity**

We will mainly fund our business with our own money.

**\*\*customer funding**

Payments from our customers will be used to run the business

**\*\*human resource**

--specialists: our operational activities will be done by specialists in the field of i.t, finance, customer service, and marketing. Attracting the best without overpaying is important for our success.

--management team

We will succeed because we will have an ideal management team which consists of

--advisors

We will succeed because we buy specialized advisors in technology, business, financial and legal issues. Access to specialized knowledge is important in our field of endeavor.

--crowd sourcing

Our business activities will involve paid work from customers, citizens and other stakeholders who will join in as affiliates.

**\*\*Intellectual Resources**

--Trademark

Our trademarks (Including logo, product names, sound logo, etc.) will be one of the key resources to us. Trademark will be necessary for us to stand out of the crowd.

--Information Databases

Our information databases will contain large amount of information about customers, partners, technology, decision makers and other key resources. This information will be very valuable to others as well.

--Trade Secrets

Trade secrets like procedures and confidential knowledge about people and other companies is an equally key resource for us. Our Trade Secrets will give us a competitive advantage.

#### 4. Activities

##### \*\*Value Chain

##### --Service

We provide service and do things for people. Our service .....Delivering a standardized or uniform quality every time is a key activity

##### \*\*Workshop

##### --Customer Service

Due the service nature of our organization, effective and efficient customer service is key to our success.

##### --Research and Development

We will create new products and new knowledge through research and development. Managing research and innovation process will be one of our key activities.

##### \*\*\*Platform

##### Market Platform

We offer a facility or platform where customers exchange services to each other. Making it easy and attractive to trade in debt securities through our platform is our key activity.

#### D. PARTNERSHIPS

##### --Consortium

\*\*we will syndicate our resources to other companies to offer a better and more diverse solution.

##### -open innovation

\*\*we will innovate new products and services through formal or informal partners outside our organization.

##### -Marketing partners

\*\*We will sell and promote our products and services in one way by becoming affiliates to our partners.

##### -Joint Venture

We will establish a joint venture company with an investing partner. The partnership creates a synergy between, our skills, technologies and resources

E. COSTS

-Cost leader

\*\*We have a cost leader strategy. We focus on eliminating any costs that do not add any significant value.

-Economies of Scope

\*\*we will relatively low fixed costs pay sale by utilizing our facilities, equipment and stuff to offer a large volume of services to our customers

-fixed costs

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## Future Growth Opportunities

We entrepreneurs know that business is dynamic and in order to succeed we need to be able to make changes to the business according to market demands. This section identified areas which the business can expand into.

Consultancy

Portfolio Management