**PAY AND GO**

| **PROBLEM**  86% US consumers leave the store due to long lines, $38B lost in potential sales  Inefficient inventory  management system - gap  between online & store  availabilities  Little to no tech usage in most of  grocery stores - no way to attract  new generation customers  Locating receipts and keeping track of expenses is cumbersome  **SOLUTION**  Pay and go is a digital solution to improve the in-store customer shopping experience.  It aims to automate the checkout process eliminating regular registers and self-checkout counters by employing a scan and pay system.  It addresses problems of both sides of the market - through extended benefits of inventory forecasting, expense tracking, money-saving deals, reduction in employee and switching costs.  **Saves costs**  **Improves customer experience**  **Vertical integration of inventory, forecasting and billing**  **Foolproof and trustworthy solution** | **COMPETITION**  Direct Competition-  1. Traditional checkout and self-checkout counters  manufacturers  - Require large amounts of capital and space  - Do not eliminate the need for queues  - Major pain point is loading and unloading of their  basket which is still present through these options  2. Targeted self-billing solutions  - Currently present for specific stores only  Indirect Competition -  3. POS companies  - Not a complete solution, and can be integrated with our  platform  4. Online delivery services  - Time and speed to delivery is a major factor  - In-store shopping experience is important to our users | **UNIQUE VALUE PROPOSITION**  Saves $180k per year for stores  Saves over ~3 hours per week for users  Our solution draws inspiration from existing ideas but we approach it from the perspective of an external  service to stores without disrupting existing solutions thus avoiding competition. We focus on leveraging customer captivity. | | **UNFAIR ADVANTAGE**  Our target markets are mid-size and smaller stores that are inherently local.  Strong presence within the graduate student body, which allows for quick penetration into our initial beachhead market.  Faster customer acquisition then translates to a competitive advantage. | **CUSTOMER SEGMENTS (EARLY ADOPTER)**  Ours is a two-way market model with 2 primary customer segments:   1. Users - Young individuals who use the application to shop in stores. Our target users are female, graduate students in NYC. 2. Stores - Mid-sized grocery stores that will allow users to checkout using the application. Our target stores are mid-sized grocery stores around graduate schools in NYC. |
| --- | --- | --- | --- | --- | --- |
| **EXISTING ALTERNATIVES**  Self-checkout counters  Amazon Go  Standard Cognition | **KEY METRICS**  -Number of stores on boarded to the application  -Number of recurring monthly users  - Daily active users  - Monthly active users  - Amount billed through application  - Retention/churn rates  - Avg. revenue per user  - Time taken to onboard stores | **HIGH-LEVEL CONCEPT**  More like pick-up than dine-in. | | **CHANNELS**  Users are expected to hear of the  product through word of mouth channels  as well as the referral discount model we  plan to utilize it in the beginning.   * Columbia graduate student   community   * Student residence halls * New student graduate affairs groups * Peer advisors   Stores   * in-person marketing campaigns around campus regions * Product demos and data points on how problems are solved at the   storefront |  |
| **COST STRUCTURE**  Fixed Costs:  Equipment (PC, servers, networks)  Software (applications for development and testing, etc.)  Variable Costs:  Cloud and database infrastructure  Cost of developers  Marketing/Advertising  RFID tags and scanners | | | **REVENUE STREAM(S)**   * Recurring monthly payments from stores based on a subscription revenue model * Recurring monthly payments from premium users who opt-in for additional benefits * High gross margin because of economies of scale | | |