

Launchpad Bootcamp

Problem-Solution Analysis and Business Overview



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1. Introduction

Maximize saving Simplify spending.

At Wafer, we believe saving money should be *simple, smart, and rewarding*. Our app helps users take control of their finances with *personalized savings plans*, exclusive discounts, and real-time spending management tools—all in one place. With Wafer, users can set financial goals, track progress, and optimize spending for long-term success, making managing money easier and more rewarding.

2. Problem Statement

Students and young professionals frequently face challenges in *managing finances* due to limited financial literacy tools, often leading to early *overspending* and financial stress. They often overspend at the beginning of the month and face financial stress for the remainder, lacking the tools and guidance to create sustainable budgeting and saving habits. This results in unnecessary financial hardship and missed opportunities to save or make *smarter spending* decisions. There is a need for an easy-to-use solution that helps users track expenses, optimize spending, and build better financial habits. We validated this challenge through surveys, interviews, and market research, which showed a clear demand for tools that simplify savings and improve financial planning.

3. Solution Overview

Proposed Solution:

Wafer is an intuitive app that empowers users to manage their finances efficiently through personalized savings plans, real-time price comparisons, and effortless expense tracking. creating personalized savings plans and finding the best prices in real time. It connects with users' bank accounts to make tracking expenses effortless and allows them to set up joint savings goals with friends or family, making saving simple and achievable.

Unique Value Proposition:

Wafer is different because it combines **real-time price comparisons**, **collaborative savings options**, and **personalized financial insights** all in one place. This means users can make smarter spending choices, work towards shared savings goals, and get advice tailored to their financial situation. Wafer isn't just about tracking money—it's about helping people save more easily and live with less financial stress.

4. Features and Benefits

- ❖ **1-Expense Analysis:** Analyzes the user's purchase transactions and provides a detailed report on spending categories such as food, shopping, car gas, savings, etc.
- ❖ **2-Savings Plans:** Suggests savings plans and allows users to set goals for purchasing specific items.
- ❖ **3-Savings Timeline:** Displays a savings plan with the estimated time needed to reach the goal. Also, companies can showcase discounted products and special savings offers.
- ❖ **4-Purchase Behavior Analysis:** Analyzes purchasing behavior and patterns to understand the user's spending habits.
- ❖ **5-Receipt Management:** Links purchase transactions to stores and stores digital receipts for easy access.
- ❖ **6-Price Comparison:** Shows the lowest prices and deals for products across various markets and websites.
- ❖ **7-Shared Savings:** Allows users to set up joint savings goals with family and friends for specific purposes.
- ❖ **8-Points Collection:** Aggregates points from participating companies like Aura, Hassad, and Qitaf, allowing users to redeem them for special offers or discounts on products and services. This feature makes it easy for users to consolidate their rewards and maximize their benefits across different loyalty programs.

5. Market Analysis

Target Market:

In Saudi Arabia, Wafer is designed for young professionals, students, and families who are looking to improve their financial management. This includes people aged 18 to 45, such as college students, early-career workers, and parents. We're focusing on urban and suburban areas like Riyadh, Jeddah, and Dhahran, where people are more connected to technology and financial services. Our target audience is tech-savvy, values convenience, and is keen on taking control of their finances with tools that make budgeting, saving, and tracking spending easier.

Market Size:

The personal finance app market in Saudi Arabia is on the rise, with more people turning to digital solutions for managing their money. Although exact numbers are hard to pinpoint, the broader Middle Eastern market shows a growing interest in financial management tools. As people become more aware of financial literacy and technology use increases, Wafer has the potential to reach a significant number of users who are looking for smart, innovative ways to handle their finances.

6. Competitive Analysis

Competitors:

STC Pay

Overview: A digital wallet and payment solution from STC.

Features:

Mobile payments and money transfers.

Bill payments and recharges.

Integrated financial management tools.

Strengths: Widely used in Saudi Arabia for seamless digital transactions and payments, with strong integration into the local banking system.

Buddy

Overview: A financial management app that focuses on expense tracking and savings.

Features:

Expense tracking and categorization.

Budget creation and financial goal setting.

Savings tools and recommendations.

Strengths: User-friendly interface with comprehensive features for personal finance management.

Saudi Coupons

Overview: A platform offering discounts and coupons for various products and services.

Features:

Discount coupons and promotional offers.

Price comparison tools.

Deal aggregation from various retailers.

Strengths: Provides access to discounts and deals, helping users save money on purchases.

Competitive Advantage:

❖ Comprehensive Savings and Budgeting:

Difference: "Wafer" provides a complete solution for saving and budgeting, including detailed savings plans, goal setting, and advanced budgeting tools.

Advantage: Offers a more integrated approach to financial planning compared to competitors, combining savings and budgeting with price comparison and deal-finding features.

❖ Price Comparison and Deal Aggregation:

Difference: Displays the lowest prices and available deals across multiple markets and platforms, which is not a primary feature of STC Pay or Buddy.

Advantage: Helps users find the best prices and maximize their savings, adding value beyond basic financial management.

❖ Shared Savings and Loyalty Points Integration:

Difference: Allows users to create shared savings goals with family and friends and integrates with loyalty programs for rewards.

Advantage: Enhances user engagement through collaborative savings and rewards, offering unique features not found in STC Pay, Buddy, or Saudi Coupons.

❖ Direct Donation Integration:

Difference: Seamlessly integrates with donation platforms like Ihsan for easy charitable contributions.

Advantage: Facilitates charitable giving directly within the app, appealing to users interested in both financial management and philanthropy.

❖ Advanced AI Insights:

Difference: Utilizes AI for personalized financial insights and recommendations, offering tailored advice based on user behavior.

Advantage: Provides deeper financial analysis and customized recommendations, setting it apart from the more generalized features of STC Pay and Buddy.

7. Business Model

Revenue Model

Pricing Strategy:

❖ Freemium Model:

Free Tier: Basic features like expense tracking, savings goals, and spending analysis to attract a wide user base.

Premium Subscription: Paid access to advanced features such as:

- Personalized financial advice
- Advanced savings plans
- Exclusive deals and discounts
- Priority customer support
- Ad-free experience

Example pricing: 12.99/month SAR or 129.99/year SAR for premium access.

Transaction Fees:

- ❖ **Partnerships with Brands:** Wafer earns a 10% commission on transactions made through deals and offers featured within the app. For instance, if a user makes a purchase through a 500 SAR offer, Wafer would earn 50 SAR.

Affiliate Marketing:

- ❖ **Banking Referrals:** Earn referral fees from banks or financial institutions (e.g., 50-100 SAR per successful referral) for users who open savings accounts or subscribe to financial services.

Advertising:

- ❖ **In-App Advertising:** Brands pay to advertise in the app, with rates based on impressions and engagement. For example, 500 SAR to 1,500 SAR per ad campaign depending on the audience size and duration.

White-Labeling:

- ❖ **Licensing the Technology:** Charge other businesses a licensing fee (e.g., 5,000 SAR /month) to use the app's technology for their own financial management platforms.

Cost Structure

Development Costs:

- ❖ ***Software Development:*** Salaries for developers, designers, and engineers. Estimate: 30,000-60,000 SAR /month depending on team size and expertise.
- ❖ ***Technology Infrastructure:*** Cloud storage and server costs. Estimate: 3,000-7,500 SAR /month for services like AWS or Google Cloud.

Marketing & Customer Acquisition:

- ❖ ***Digital Marketing:*** Budget for social media ads and search engine marketing. Estimate: 5,000-20,000 SAR /month depending on the campaign size.
- ❖ ***Content Creation:*** Developing blog posts, tutorials, and financial education content. Estimate: 2,000-5,000 SAR /month for content production.

Operations:

- ❖ ***Customer Support:*** Hiring customer service agents. Estimate: 5,000-10,000 SAR /month depending on the size of the support team.
- ❖ ***Partnership Management:*** Managing relationships with banks and brands, including salespeople. Estimate: 7,500-12,500 SAR /month.

Security & Compliance:

- ❖ ***Data Security:*** Cost of maintaining data security and implementing compliance standards like GDPR. Estimate: 3,000-7,500 SAR /month.
- ❖ ***Nafath Integration:*** Continuous maintenance of security features like Nafath. Estimate: 2,000-4,000 SAR /month for integration and support.

Sales & Distribution:

- ❖ ***App Store Fees:*** Paid to Apple App Store or Google Play (15-30% of revenue). For example, if Wafer earns 500,000 SAR in revenue, app store fees could range from 75,000 SAR to 150,000 SAR annually.
- ❖ ***Sales Team:*** Salaries for a dedicated sales team to secure brand partnerships. Estimate: 10,000-20,000 SAR /month.

Administrative Costs:

- ❖ ***Legal & Compliance:*** Legal services for contracts, trademarks, and regulatory requirements. Estimate: 3,000-6,000 SAR /month.
- ❖ ***Office Expenses:*** Rent, utilities, and administrative costs. Estimate: 5,000-10,000 SAR /month.

8. Go-to-Market Strategy

Go-to-Market Strategy

For our *Go-to-Market Strategy*, we plan to implement a multi-channel marketing approach designed to reach and engage our target audience efficiently. *First*, we will establish partnerships with large companies and universities, integrating our app into corporate employee wellness programs and student benefit initiatives. This not only gives us direct access to a broad user base but also positions our app as an essential tool for improving financial wellness. *Additionally*, we will host financial literacy conferences and webinars, which allow us to provide valuable education on saving strategies while promoting the app organically.

Our advertising efforts will include both traditional and digital channels. Strategically placed billboards in high-traffic areas, particularly near universities and business districts, will raise awareness among our target demographics. Simultaneously, we will leverage highly targeted social media campaigns on platforms like *Instagram*, *TikTok*, and *LinkedIn*, where different segments of our audience, such as young professionals and students, are most active. We will also collaborate with financial influencers and micro-influencers to create authentic, relatable content that highlights the app's benefits.

Launch Plan

For the *Launch Plan*, we will follow a structured timeline to ensure a successful rollout. Three months prior to the official launch, we will begin a pre-launch phase that includes offering a beta version to select users, such as students and corporate employees, to gather feedback and create initial excitement. During this time, we will finalize partnerships and begin teaser campaigns to build anticipation. One month before the full launch, a soft launch will be conducted to a limited audience to refine the app based on user insights and ensure everything is functioning optimally.

Our official launch will include a comprehensive advertising push across all channels, including press releases, influencer collaborations, and large-scale digital campaigns. This will be supported by limited-time promotions and premium feature trials to encourage early adoption. By continuously monitoring performance and making adjustments where necessary, we aim to build momentum and ensure steady growth post-launch.

9. Milestones and Metrics

Key Milestones:

❖ *App Development Milestones:*

- MVP Completion (Month 1): Develop the minimum viable product (MVP) with core features to begin beta testing.
- Beta Version Launch (Month 3): Release a beta version to select users, including students and corporate employees, for testing and feedback.
- Feature Enhancements (Month 5): Implement improvements and new features based on beta feedback.
- Full Product Launch (Month 6): Officially launch the app with a complete feature set, addressing all beta testing insights.

❖ *Marketing Milestones:*

- Partnership Agreements (Month 2): Secure at least 3 partnerships with large corporations and 2 universities for wellness program integration.
- Pre-Launch Campaign Start (Month 3): Initiate teaser campaigns to generate buzz, particularly through social media and email marketing.
- Soft Launch (Month 5): Conduct the soft launch to a limited audience, adjusting campaigns as needed based on performance.
- Official Launch Advertising Push (Month 6): Launch a full-scale advertising campaign across digital and traditional channels.

❖ *Sales Milestones:*

- Early Adopters Secured (Month 3): Sign up for the first 1,000 beta users from targeted student and corporate groups.
- Partnership Expansion (Month 7): Expand partnerships to additional 3 corporations and 2 more universities.
- Revenue Generation (Month 8): Begin generating initial revenues from premium features, aiming for 187,500 SAR in revenue in the first three months post-launch.

❖ *Financial Milestones:*

- Seed Funding (Month 1): Secure seed funding of *1,875,000 SAR * to support development and marketing efforts.
- Break-Even Point (Month 12): Reach break-even by securing enough revenue from users and partnerships to cover operational costs.

Success Metrics:

❖ User Acquisition Metrics:

- Number of App Downloads: Track the total number of downloads month-over-month (target: 100,000 downloads in the first year).
- Active Users: Measure the percentage of users actively using the app weekly/monthly (target: 50% monthly active users by Month 6).
- Partnership Growth: Track the number of corporate and university partnerships (target: 10 partnerships by end of Year 1).

❖ Engagement Metrics:

- Session Duration: Monitor the average time users spend in the app (target: 10 minutes per session by Month 6).
- Feature Utilization: Track which features (e.g., savings tools, financial literacy content) are most used by users.
- ***Retention Rate:*** Measure how many users remain active after 3 months (target: 40% retention rate post-launch).

❖ Revenue Metrics:

- Monthly Recurring Revenue (MRR): Measure revenue generated from premium subscriptions and partnerships (target: 375,000 SAR MRR by end of Year 1).
- Customer Acquisition Cost (CAC): Track the average cost to acquire each new user (target: 37.50 SAR or less per user).
- Customer Lifetime Value (CLTV): Measure the revenue a user brings over the life of their engagement with the app (target: 3x CAC).

❖ Marketing Performance Metrics:

- Conversion Rate: Track the percentage of users converting from free to premium (target: 5% conversion rate within the first 6 months).
- Return on Ad Spend (ROAS): Measure revenue generated for every SAR spent on advertising (target: 4:1 ROAS).

10. Conclusion

People should believe in Wafer's vision because it is designed to address a fundamental need for practical, accessible financial management tools that specifically cater to the challenges faced by students and young professionals. In today's fast-paced world, *managing finances can be overwhelming*, especially for those who are new to financial independence and often face fluctuating incomes and high expenses.

Wafer stands out by offering a comprehensive suite of features that not only make financial management easier but also more effective. Our app provides real-time price comparisons, helping users make informed purchasing decisions and *avoid overspending*. It offers personalized savings plans tailored to individual financial goals, ensuring users can save efficiently and reach their targets. Additionally, the app *supports* collaborative *savings goals*, allowing users to save together with friends or family, which fosters accountability and makes saving more engaging.

This combination of features is integrated into a user-friendly platform, designed to *simplify the financial management* process. By doing so, Wafer helps users make *smarter financial decisions*, reduce financial stress, and improve their overall financial stability.

Our vision is grounded in a clear understanding of the needs and pain points of our target users, validated through market research and user feedback. We are committed to empowering individuals with the tools they need to achieve *financial well-being*. With our innovative approach and dedication to addressing real financial challenges, Wafer is uniquely positioned to make a significant impact on personal finance management and *help users build a more secure financial future*.