# Problem



**1** **Limits access to information**
Readers are unable to access articles due to recurring paywalls

**2** **Hurts revenue stream of publishers**
Users tend to use ad-blockers and are demotivated to read articles

**3** **Subscription fatigue**
Smaller news publishers rely on ad revenue and low-volume subscriptions

# Solution

## PolkaPay

Enabling micro-payments for digital
content via payall-style gateways

Improved experience and
accessibility to restricted
articles for readers

Increase in subscription
revenue generated for
publishers

Help readers avoid high
cumulative costs of multiple
news subscriptions

# User Persona and Feedback

**Anonymous survey** of 26 respondents

All respondents live in **CA**
Average age of respondents = **21**

## Jerry

| | |
|---|---|
| **Age group** | 18 to 36 |
| **Annual household income** | $100-200k+ |
| **Role or occupation** | College student young professional |
| **Reading interests** | News, entertainment |

**<2**
Average number of subscriptions owned

**59.1%**
own a news subscription

**0%**
believe subscriptions are overpriced

**72.7%**
disable ad-blockers to access sites

# Value Prop and Competitive Analysis

**Ease of payment**

Fast and straightforward for readers to subscribe and pay
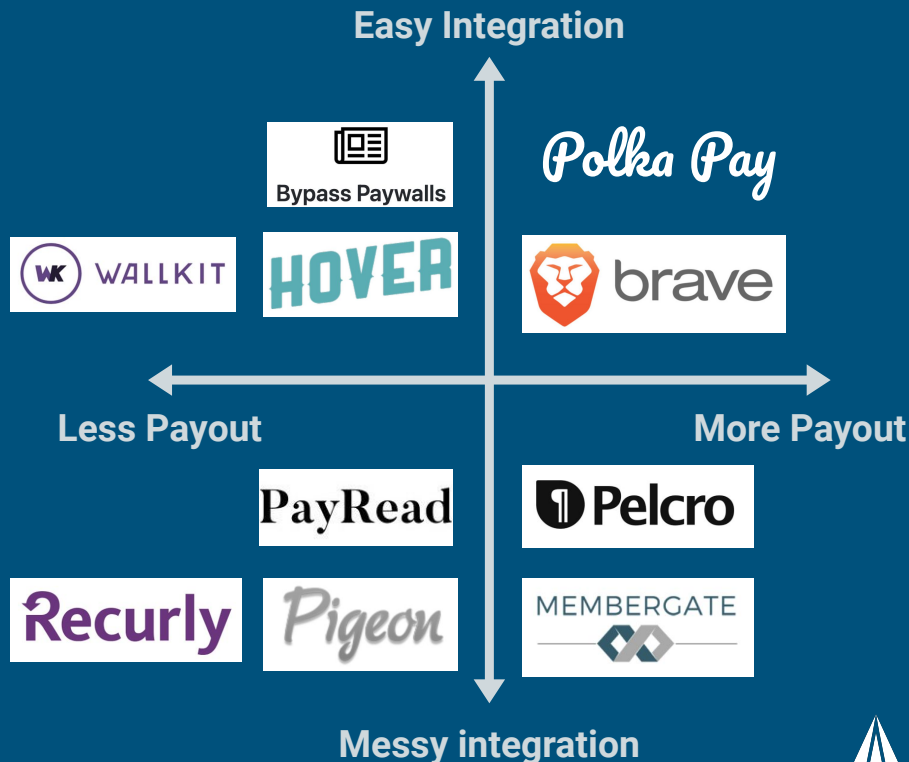
**Revenue growth**

Big and small news publishers boost their revenue with our payout model
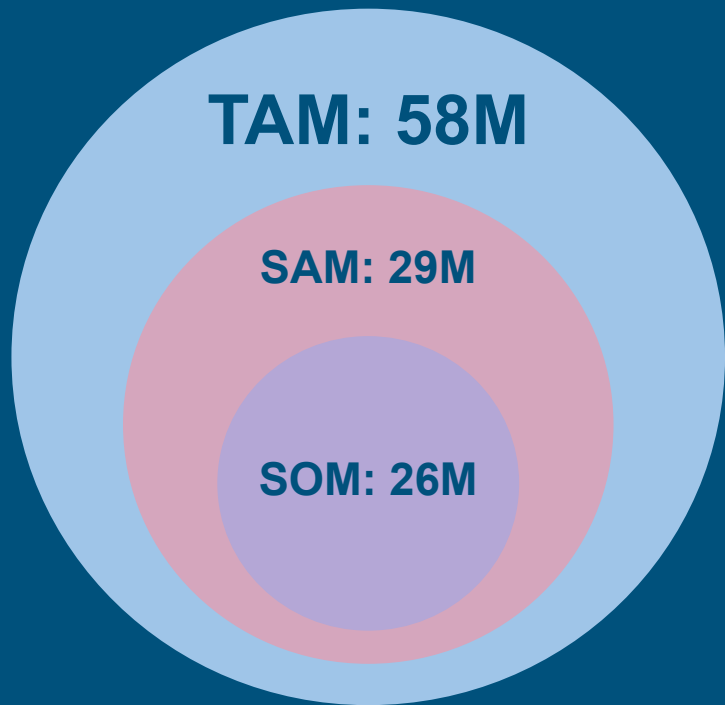
**Painless integration**

Publisher downloads API and access token, embeds module into website's paywall

**Security and ownership**

Readers and publishers keep track of secure transactions in a dashboard

**Easy Integration**

**Less Payout**

**More Payout**

**Messy integration**

# Business and Revenue Model

**TAM: 58M**

**SAM: 29M**

**SOM: 26M**

- Non-subscribers hit a paywall when accessing an article that they have not previously purchased.

- Paywall prompts user to either purchase subscription with the publisher or **purchase access to the individual article via PolkaPay**

- Side-by-side options provides optionality for readers, while ensuring that PolkaPay does not cannabalize publishers' existing subscription packages

- Average fee per unit: PolkaPay charges publishers a 0.5% transaction fee for each purchase

  - Alternatively, this could be pitched to publishers as a baked-in fee that readers pay

# Blockchain Usage / Web 3.0 System Architecture

- **Processing fees** make it difficult to implement using traditional currencies (e.g. USD)
  - Industry standard is 2.9% + 30 cents per transaction
  - Financially unsustainable to charge a nominal rate for access to single articles in USD
- **Blockchain** allows users to maintain **ownership** of their identity and data, and not place trust in an entity

- **Polkadot bridges** to connect and communicate with external networks like Ethereum and Bitcoin
- Used payment channels/rollups (**layer 2 solutions**) for higher scalability, lower fees, and higher gas efficiency
- Added **Celer SDK** to Polkadot to leverage layer-2 scaling platforms and allow for high transaction throughput in order to handle lots of volume
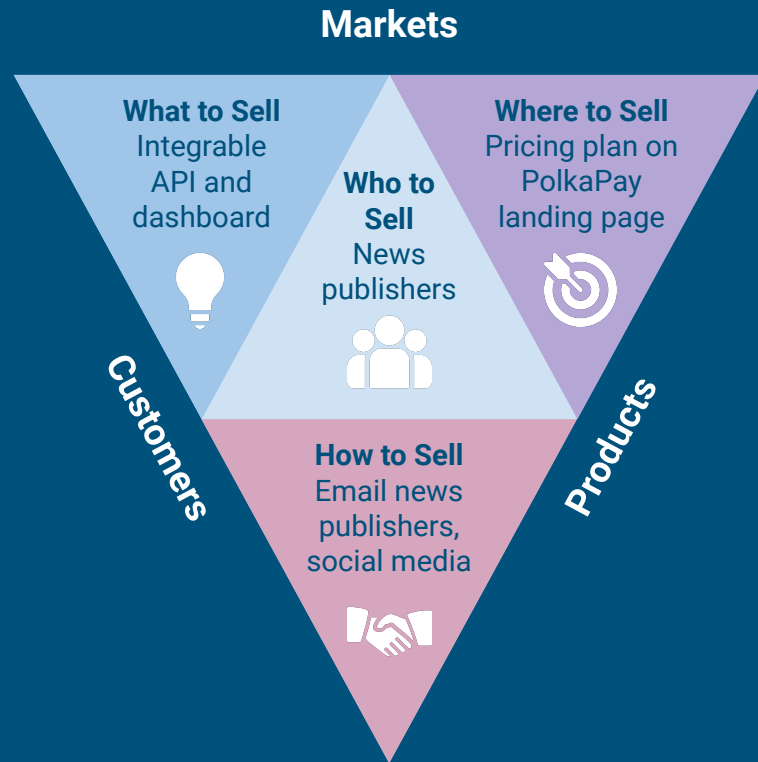


Polkadot.
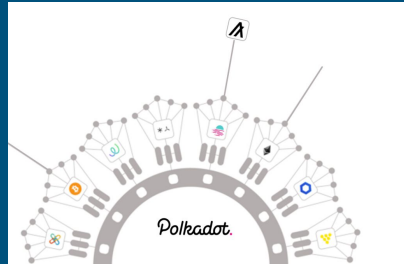
Celer

# Go to Market Strategy

**Focus**

B2B sales will be much more difficult than B2C, so we will first market to publishers

**Rationale**

Naturally, this will make it easier to drive demand, as we will be able to create immediate value for readers by providing a variety of content

**Markets**

**Customers**

**Products**

**What to Sell**
Integrable API and dashboard

**Who to Sell**
News publishers

**Where to Sell**
Pricing plan on PolkaPay landing page

**How to Sell**
Email news publishers, social media

# Revenues / Expenses Over Time

|  | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| Revenue | $350,000.00 | $900,000.00 | $1,800,00.00 | $3,300,000.00 |
| Cost of Articles Sold | $262,500.00 | $630,000.00 | $1,080,000.00 | $1,650,000.00 |
| **Gross Profit** | **$87,500.00** | **$270,000.00** | **$720,000.00** | **$1,650,000.00** |
|  |  |  |  |  |
| Wages | $500,000.00 | $500,000.00 | $700,000.00 | $1,500,000.00 |
| Marketing | $10,000.00 | $20,000.00 | $40,000.00 | $60,000.00 |
| SG&A | $1,000.00 | $5,000.00 | $10,000.00 | $15,000.00 |
| **Total Expenses** | $511,000.00 | $525,000.00 | $750,000.00 | $1,575,000.00 |
|  |  |  |  |  |
| **Net Profit** | **-$423,500.00** | **-$255,000.00** | **-$30,000.00** | **$75,000.00** |

# Prototype

## Paywall View

### Want to read more?

Are you a student? Special rates here.

Already a subscriber? Login.

Support your big and local publishers. Buy this article through Polka Pay:

**BEST VALUE**
Single Article

**$0.99**

UNLOCK ARTICLE THROUGH POLKAPAY

Or purchase a monthly subscription: Save money. No hassle. Cancel anytime.

**Blue**

~~$15.99~~ **$9.99 per month**

GET BLUE

Benefit 1

**Gold**

~~$26.99~~ **$19.99 per month**

GET GOLD

Benefit 1

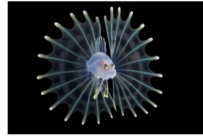**BEST VALUE**
**Premium**

~~$36.99~~ **$25.99 per month**

GET GOLD

## User View

### Welcome Back

Trending Articles

The Ocean's Youngest Monsters Are Ready for Glamour Shots

My Articles

Recent | Favorite | Free

| Article | Published Date | Author | Publisher | Cost |
|---|---|---|---|---|
| 1 | The Ocean's Youngest Monsters Are Ready for Glamour Shots | 3/29/2021 | Erik Olsen | Erik Olsen | $0.10 |

## Publisher View

### The New York Times

Revenue

| | Today | 7-Day Avg | This Month |
|---|---|---|---|
| | $50,510 | $32,583 | $302,583 |

Top Performers (30-Day)

| Article | Author | Published | Cost | Total Revenue |
|---|---|---|---|---|
| The Ocean's Youngest Monsters Are Ready for Glamour Shots | Erik Olsen | 3/29/2021 | $0.10 | $88.00 |
| That Night 46 Million Grasshoppers Went to Vegas | Joshua Sokol | 3/29/2021 | $0.10 | $60.00 |
| Tropical Forest Destruction | Henry Fountain | 3/30/2021 | $0.10 | $83.00 |

Readership (7-Day)
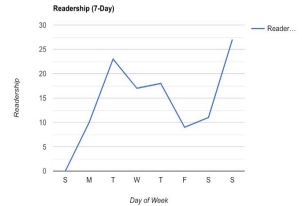
# The Ask

We are looking for **$1,000,000** in funding. **Milestones**

R&D **35%**

Marketing **35%**

Payroll **20%**

Operations **10%**
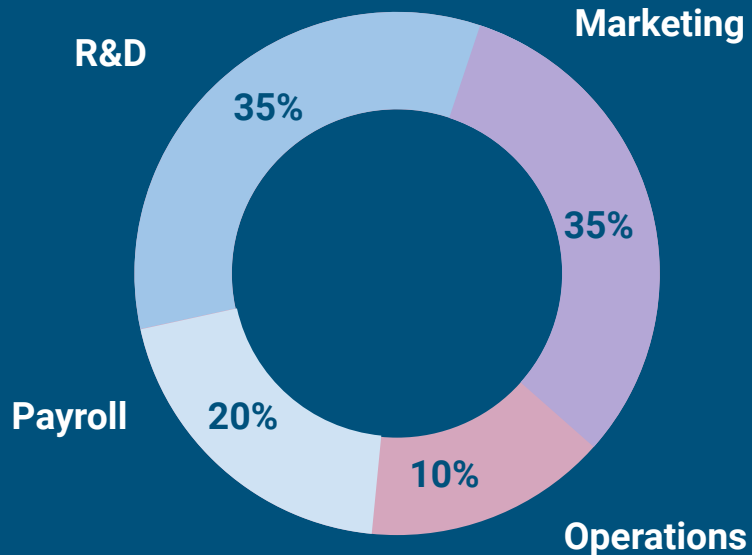
- Launch in **3 months**
- **30 publishers** onboarded in **2 months**
- **10,000 readers** in **5 months**

**1**
**Jan-Feb**
Research product market fit

**2**
**Mar-Apr**
Develop product

**3**
**May**
Release beta version

**4**
**May-Jun**
Outreach to news publishers

**5**
**Jun-July**
Public marketing to readers