



The Next Generation Rewards Program

Completely frictionless, works like magic with any debit or credit card.

Tapme

The next generation rewards program

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Tapme - Introduction

And key KSPs

What is it

For Users: An app allowing users to collect cash back across vendors for each € spent

For Brands: An intelligent data driven ad-tech platform allowing targeting basis user spend

Why would Millennials love it ?

- 1. Frictionless:** Attach your bank card to the app. Once. No need to carry plastic cards/flash barcodes
- 2. Multi-vendor:** Get cash back across multiple partner vendors and platforms (in-app, online, in-store)
- 3. Personalised and Gamified:** Life should be fun and so must earning rewards. Get curated offers from the brands you love.

Why would businesses adopt it ? What's different ?

- 1. Customer Acquisition:** Acquire customers using demography and spending patterns
Ex: Sephora can target 25-30 year old girls living in Paris who spend above x€ per month on apparel or eating out.
- 2. Retention:** Increase basket size, shopping frequency via curated offers
Ex: Deliveroo can offer 2% cash back on orders over 15€ to increase basket size, build loyalty and fend off increasing competition from UberEats.
- 3. Engagement:** Use the power of transactional data to understand customer behaviour and drive business decisions.
Ex: How much are my customers shopping with competitors, what are they spending on, where should we locate stores to boost revenues...

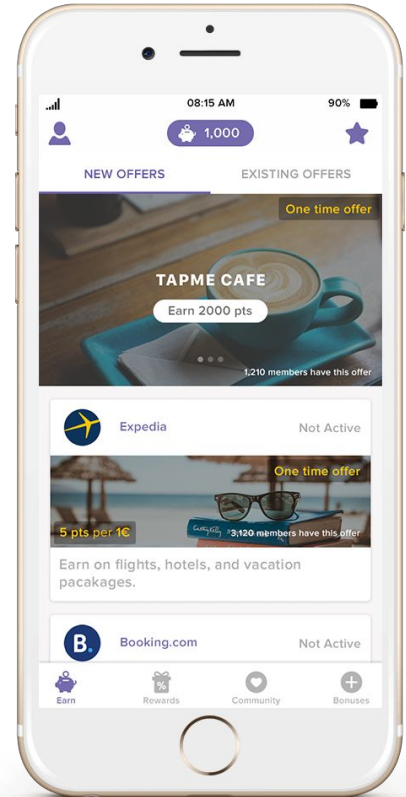
Tapme is plug and play for businesses - No need to install hardware or software. Get started in minutes

Tapme - Vision

We believe in the power of transactional data

“We aim to build Europe’s first intelligent multi-vendor rewards program.

***Google** enables marketers to target based on how people spend their thoughts; **Facebook** enables marketers to target based on how people spend their time; **Tapme** enables marketers to target based on **how people spend their money**”*




Market Size

And current scenario

Source: EU Commission and other market reports

FR - 2017 Figures

Phase 1


€0.8B+ Sales driven by affiliate marketing
Cashback is becoming popular (+30% YoY)

€67B F&B Spending (Eating Out)

€70B B2C e-commerce spend

Incumbents

- No current multi-vendor loyalty or cash back programs.
- Companies like Groupon, La Fourchette exist.
- S'miles - Launched 2002, Shut 2017 (had 21 M members)
- Program too complicated, with different large companies having interests.

Demand


Currently 60% of French carry on average 3-10 loyalty cards

- 50% of them never use it - major reasons are too much hassle and limited flexibility in redemption.

Most countries have large established loyalty programs. France is ripe for a modern multi-vendor program.



UK - 2017 Figures

Phase 2


€3B+ Sales driven by affiliate marketing.
Largest EU market for cashback

€103B F&B Spending (Eating Out)

€130B B2C e-commerce spend

Incumbents

- Nectar Card is the largest multi-vendor loyalty program (sold to Sainsbury for €68B)
- Large players include Groupon and Opentable
- Other small players like CashbackAPP, Unidays and Student Beans (students only) exist

Demand

An average English person is a member of 4-6 loyalty programs

- Low engagement, especially amongst millennials.
- Programs not built for the mobile age

UK is a big market for an innovative, fun, frictionless multi-vendor rewards program

Tapme can be scaled across all 28 EU member states using the same technology - same banking rules govern the EU

What Customers Want

From the Nov. 2016 Nielsen Survey

81%

WANT A SEAMLESS EXPERIENCE

Say it is appealing to be able to earn rewards seamlessly regardless of whether a purchase was made in store or online

79%

WANT FLEXIBILITY

Say that ability to choose among several types of rewards across vendors is extremely important

77%

WANT CURATED OFFERS

Would love personalized promotions based on past purchasing habits and are willing to provide personal information

76%

WANT GAMIFICATION

Say that an opportunity to earn bonuses by doing some specific activities is highly appealing

The loyalty industry is ripe for disruption. Siloed, card-based, mono vendor programs are outdated

Clients

Clients want a mobile first, frictionless and a flexible multi-vendor program

Brands

Brands want a tech-enabled, data driven solution which offers higher ROI

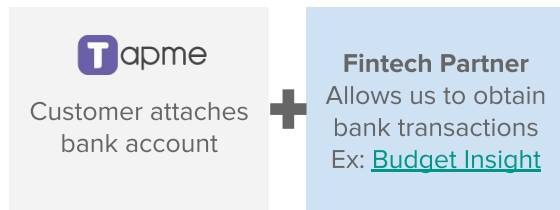
How does Tapme work?

Operational details

Steps

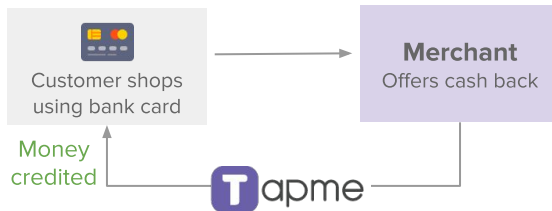
- 1 Customers link their bank account with the Tapme App. Done once.
- 2 When customers shop they receive cash back (Equivalent amount is debited from merchant)
- 3 Customers can transfer the cash to their account (Min 20€ required to initiate bank transfer)

Step 1 - Link your account



Note: No govt. approvals required. No technical risks as it is a proven solution

Step 2 - Shop and Get Cash Back



Note: Merchants pay Tapme for revenues generated.

Step 3: Money Transfer

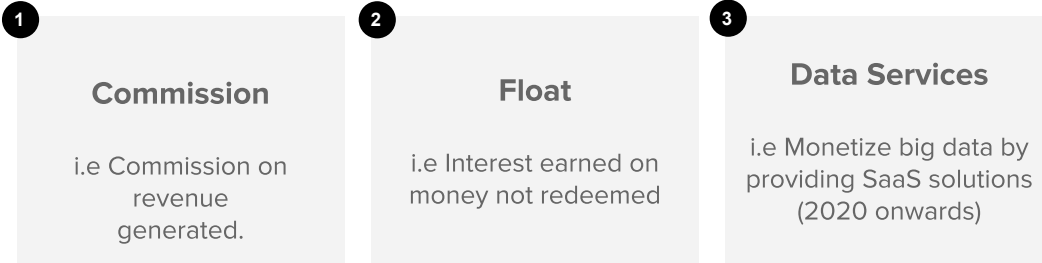


Note: Minimum 20€ required to initiate the bank transfer. Can also be donated to charity

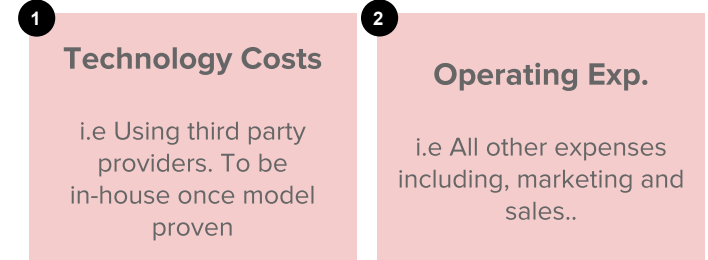
Business Model

Revenue Streams and Costs

Revenue Streams



Costs



Notes

- Established business model with a big market opportunity.
- Tapme commission depends heavily on business verticals.
 - Low margin businesses like ride sharing, commodities vs high margin businesses like Fashion, F&B
- Data Services will be monetized at scale (>3M users).
- Other SaaS models have not been included i.e use our technology to power other app cashback programs

Product Demo

A glimpse into how the product would look

Demo product video (1m26s) - click on the image to open



Earn cash rewards every time you shop

Why is this the next big thing - what more ?

Core Features

Click and Collect: Enable seamless click and collect services for F&B (Q1 2018: 11% of total Starbucks revenues came from click and collect). Europe has a big opportunity as no incumbents

Variable Discounts: Real time dynamic rewards basis price elasticity of demand to obtain a competitive advantage and increase consumer traffic during off-peak periods (hyper local businesses). Don't let your fixed costs eat into your margins.

Data solutions

Suite of Data Services: Range of services catering to complete customer lifecycle i.e acquisition, retention and engagement - make smart, real time business decisions to boost ROI.

White Label (Saas)

Make your own: Integrate our technology to power your business from click and collect to core data services to improve the performance of your business.

Deep dive on data services

The future of commerce

Data Points

Personal Info

Name, Email, Phone, DOB, Address..

Account Info

Revenues, Balance amount..

Transaction Info

Amount, Timestamps..

Merchant Info

Category, Address..

Spending Patterns

Frequency, Avg. purchase amount..

Sample Solutions

1

Customer Acquisition

- Statistical modelling to offer dynamic discounts basis price elasticity of demand. Increase LTV, optimise ROI via smart discounts.
- “Top 5 % of customers in general generate 30-40% of sales” - Bain & Co.

2

Retention

- Predictive modelling to reduce customers lapsing or churning
- “5% increase in customer retention can increase profitability by 75 %” – Bain & Co

3

Engagement

- Customer segmentation using propensity modelling to increase ROI of marketing campaigns.
- Higher CTR, lower CPA and increase in ROI.

By integrating transactional data with dark data and third party sources, Tapme can help brands develop a winning data strategy

Advanced ML can be used to drive business decisions. Data technology is the future of commerce and Tapme wishes to be a pioneer.

Global Competition

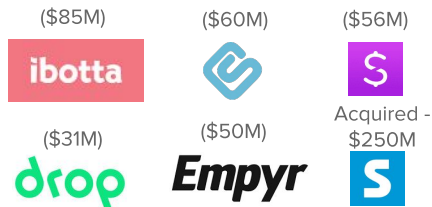
Multiple funded players in the US. Next growth market is Europe with very little competition

Global Competitors (funding)

Key Notes

Card Linked Programs

(Similar to Tapme)



- Multiple players established in the US market where card linking is well developed
 - Europe is in a nascent stage with the recent adoption of PSD2
- There are multiple other funded companies operating in this domain - Spring rewards, Spent, Shopyourway....

Big Players



- Groupon launched Groupon+ (Aug 2017) and Yelp has integrated card link technology for its restaurant partners.

Multi vendor loyalty



- Many countries have a large multi-vendor loyalty program with big players Qantas (EV: €3.2B), Smiles (EV: €1.9B), Multiplus (EV: €1.3B), Payback

Banks and Payment Networks



- In the US and UK most banks provide Card linked offers. In France LCL and Societe Generale have started doing it very recently
- Visa has their own commerce network in the US

Card Linking is at its infancy in Europe with little or no competition - A big market opportunity

Launch and Growth

How and when

June 2018: Beta launch with 1000 users at ESSEC Business School, Paris

Product and Target Market

Product

- Launch V1 - allows users to get cash back by attaching their bank account and shopping at partner vendors

Target Market

- Students who are looking out for discounts
- Who are tech friendly and happy to attach their bank accounts
- Brands/merchants who want to target the millennials

Online (Mostly Affiliate)

Target Vendors:

- Integrate online vendors via affiliate programs
- Target 10-15 millennial friendly high growth companies in ride sharing (Uber, Taxify..), Food Delivery (Deliveroo, UberEATS)
- Target brands giving student discount like ASOS, Levis, Ray ban etc

Vendor Onboarding

- Using Tapme tech (basis card linking) or basis affiliate marketing model (via cookies)

Offline (Mostly F&B, Salons)

Target Vendors:

- F&B: Local fast food joints and restaurants around the campus. Pubs and Bars. Coffee shops
- Other businesses like print shops, hairdressers etc.

Vendor Onboarding:

- Using Tapme tech (basis card linking)
- Hyperlocal expansion is resource intensive but high very margin and is key for growth.

Travel Partner

Target Vendors:

- In discussion with Booking.com to provide hotel rooms inventory
- Provide a native experience to users while booking travel

Vendor Onboarding:

- Enable full API integration with EAN or Booking.com
- Earn affiliate commissions and pass them on to users to boost engagement

Progress Till Date

What has been already achieved.

Product

- Android and iOS wireframing complete. iOS app in build phase (to launch first)
- Backend development started using Python as a core language. Budget Insight (financial partner) API integration completed.

Sales and BD

- **Offline:**
 - 20+ local merchants in Paris signed up (F&B and Salons)
 - Talks on-going with large chains like Chipotle, Starbucks, oTacos and Bagelstein.
- **Online:**
 - Signed up Taxify. Discussions with Uber (joining in Aug end for Back 2 School campaign), Deliveroo, Autolib, Zipcar.... in Paris
 - Enable affiliate offers on the platform - quick go to market

Partnerships

- **Travel Partner:** Talks with Booking.com to power the travel section via full API integration
- **Student Partners:**
 - Partnership done with [Student Beans](#). Access to 50 top brands for student discounts (incl. names like Levis, Ray ban, M&S etc)
 - Successful talks with [ISIC HQ](#). ISIC is a global student body present in 30+ countries with 5M students. Interested in integrating Tapme technology to power their student offers.
- **University Partner:** Working with a student association (This years EY prize winner) which makes the Paris city guide (for restaurant partnerships)

Team

And planning with key milestones

Co-founders



Hardik ([Profile](#))

(Ex-Uber, Alstom, Thales, ESSEC)

10 years of experience. Ex-Founder @Getmyuni - The company currently has 90+ employees.



Mohand ([Profile](#))

(Sc-Po Paris, NYU, Ardian, Soc Gen)

Graduated in Finance. Multiple stints in M&A with French banks and Private equity.



Nitin ([Profile](#))

(Amazon, Ex-Yahoo).

10 years of full-stack development experience. Works part-time for Tapme. Full time after seed round.

Advisors



Vinesh (Senior Engineer, Apple). ([Profile](#))

8+ years of iOS dev. experience Based in Cupertino, USA
Vinesh is a shareholder in Tapme and advises on app development

	Q1'18	Q2'18 (on-going)	Q3'18
Key Activities	Tech: Team recruited Sales and BD: 1) 20+ vendors on-board 2) Talks with large brands 3) Talks with ISIC (1M students in France)	Tech: 1) Continue and do a beta launch Sales and BD: 1) On-board 50+ merchants	Launch: 1) Public launch and scale Sales and BD: 1) Aggressive merchant acquisition
Product Features	V1: 1) Integrate with third party banking API 2) Started app dev - work on rule engine and integration with backend.	V1: 1) Work on V1 of client dashboard 2) Finish rule engine and instant redemption functionalities. QA.	V1: 1) Fork client dashboard into Acq / Retention / Engagement 2) Build Gamification features.
Key Hires	Tech: 1) Full Stack, iOS Developer, UI/UX Designer - Whole full time team hired.	Tech: 1) An Android Developer 2) An additional Full Stack developer	1) One marketing intern to assist with user growth initiatives 2) Build a customer support team
Traction	N/A	Users: 1K Merchants: 50+	Users: 20K Merchants: 100+

END.

If you are keen to know more please continue to read the back-up slides.

For any questions contact: mohand@tapmeapp.com

Risks and Mitigations

What if....

Risks and Concerns

Market

It is a cluttered market with many players - from loyalty, to coupons to cashback websites. How are you different ?

Product

Banks like Amex are already providing local offers. Can't they do something similar to you ?

Competition

Big players like Nectar card, Groupon can use similar tech as yours to offer their services in a frictionless way.

Technology

You are reliant on 3rd party companies to get banking info - this comes at a cost and limits the business potential.

Answers

Ours is a millennial focussed rewards solution which is frictionless (one of the major reasons people don't like using existing solutions). Also the technology allows us to collect immense amounts of data - which is helpful for personalised recommendations i.e future of commerce.











Yes they do. But this is not their core business and main focus of attention. On the contrary banks could use our platform to either integrate local offers for their customers or acquire new clients for different offerings

Groupon is already trialling it in the US. Nectar is too big (20M customers), including the elderly who are not comfortable attaching their bank accounts to third party apps. We are building a program that caters to the millennials and focuses on retention (loyalty), new customer acquisition, dynamic pricing for offline & online businesses. The aim is also to have a B2B suite leveraging our technology to help business partners i.e via white label solutions.

Using third parties is the best way to accelerate go to market and mitigate risks. Once the model is proven we can take this in-house by applying for necessary govt. licenses. Also as European banks adopt PSD2 - they would have ready to integrate API's making our job easier.

Vendor Partnerships







Tapme is effective both for customer acquisition and retention

	Examples	Current Discounts	Opportunities and Challenges
Launch Phase			
Online - High Frequency	<p>Ride-sharing: UBER taxify </p> <p>Food Delivery:   foodora  </p> <p>Car Rentals: drivy  enterprise AVIS</p> <p>Other on demand startups in laundry, beauty, bike sharing etc</p>	<p>Via Drop (US), Cashback sites (Affiliate Marketing i.e cookie tracking) in Europe</p>	<ul style="list-style-type: none"> Young start-ups are much more flexible than large corporations - will work on financial info sharing model i.e frictionless rewards points Marketing decisions for large start-ups might depend on HQ
Online - Low Frequency	     <p>Neo Banks, Insurance, Subscription services (Spotify) have high CAC</p>	<p>All present on cashback sites in Europe.</p>	<ul style="list-style-type: none"> Quick Go to Market Would initially work on a cookie based model i.e users click on a link to buy
Offline - High Frequency	<p>Restaurant Chains, Coffee Chains, Grocery Chains and other hyperlocal businesses</p>	<p>On La-fourchette (Fr). Starbucks, Wholefoods on Drop (US)</p>	<ul style="list-style-type: none"> Offline F&B businesses are high margin but on-boarding is operationally heavy and requires resources.
Offline - Low Frequency	<p>Apparel, Furniture, Cosmetic stores</p>	<p>Own Loyalty Programs</p>	

Note: Large cashback sites have 3K+ brands working on Affiliate Marketing (Cookie) based model. I.e Businesses already offer discounts

Multi-Vendor Loyalty Programs

Successful with high operating margin (+20% on avg)

	Country	# Members	Revenue (€)	Description
	Brazil	17M	570M	<ul style="list-style-type: none"> - > 50% owned by LATAM. Market cap of €1.3B - Net Income of €127M
	Brazil	12M	405M	<ul style="list-style-type: none"> - > 50% owned by GOL. Market cap of €1.9B - Net Income of €136M
	Australia	11M	955M	<ul style="list-style-type: none"> - Credit Suisse valued the loyalty business at €3.2B - €234M EBIT (7% CAGR)
	Australia	8M	236M	<ul style="list-style-type: none"> - >50% owned by Virgin Australia. - Net profit after tax of €62M
	Germany	30M	N/A	<ul style="list-style-type: none"> - American Express acquired in 2011 for €500M - Program operates in Germany, Poland and India
	Canada/UK	17M	1200M	<ul style="list-style-type: none"> - Handles various multi-brand loyalty programs - Sold Nectar (UK) for €68M to Sainsburys