**Description:**

Proposed system would enable secure and private transaction for online purchases either with your credit cards, debit cards or even a checking account without carrying any plastics or checkbook. This will also enable purchasing without giving out any personal information of any sort. Any time user wants to do any financial transaction he/she creates a new one using his/her **mobile** **device**. Google wallet is convenient and already solves part of the problem but you need to use Google services and abide by its terms. Google and other ecosystems are convenient but they are becoming new walled gardens. This could be another tool to avoid credit card frauds especially online transaction frauds.

**Value Proposition:**

Benefits to End Users:

* End user doesn’t need to carry or keep track of plastics or check books.
* Protect user’s personal information from proliferating across the globe.
* We strongly believe that the retailers don’t need (and store) customers personal information to complete the transaction. Retailers can't misuse user data (like sharing or selling it to others as there is nothing to misuse).
* Convenient way of fastest money transfer to their close friends or family members in urgent need. Imagine a friend is travelling in New York City and he/she is in dire need of immediate money because he/she has lost all the belongings. In this scenario a Sender creates a virtual-transaction with all the details including a secret code (similar to a debit card pin #) and gives this information (a string) to the receiver over the phone who in turn uses it at ATM machine (or special kiosks at 7Elevan or 24-hr stores) to cash in.

Benefit to the “Providers” (Banks, Credit Card companies or other financial institutions):

* No need to design, manufacture and distribute millions of credit, debit cards or checks year after year, saving paper and plastic.
* They don't need to keep track of lost/stolen cards,
* May need to worry less about loss of millions of dollars to financial fraud due to lost/stolen cards.  The rapid growth of credit card use on the internet has made database security lapses particularly costly. Whenever it happens millions of accounts have been compromised at a time. Today’s fraud detection systems are designed to prevent a very small percent of all transactions processed which still translates into billions of dollars in losses (Business Applications of Neural Networks by Bill Edisbury).

Benefit to the Retailers:

* They can be protected from the use of fraudulent credit cards. In year 2009 BestBuy Inc., lost $100 million worth of goods to a gang of hackers/thieves who used stolen credit card information to place the orders online.
* Retailer’s benefit tremendously by getting personal information of their customer which they can use for targeted advertising. To mitigate this issue, we are suggesting another piece of information which can be as anonymous as possible like an email address could be used to advertise the products to individual customer. Email addresses can also be used to send out the receipts.

**Solution:**

* Both retailer and Provider needs to sign-up with ‘**Intel Service’**. This is like a router service which receives a virtual-transaction from the participating retailer and forwards it to the correct participating provider along with retailer information in encrypted form. Rest of the transaction completes as usual.
* For end user, there will be application (mobile or web) with common interface to all "Providers". User inputs a name for a transaction (optional), assign expiration date (optional), amount, and a pin code (optional and can be different every time if needed). The input process can be automated with few rules to make it more convenient.
* Then user submits to a "Provider" of choice at the time, who in turn generates an encrypted string or a number with a bar code (can simply be scanned at the brick-and-mortar store).
* User can use this encrypted **token**/number at online merchant (for e.g. amazon), which internally could decrypt enough information to know about "Provider". This gets sent to a Provider who can authenticate, decrypt and complete the transaction marking it as "**complete**" in the system.
* These transactions will have default expiration date/time so that transaction becomes obsolete after validity period or use.
* Every provider can have their own encrypt/decrypt technology. This gives user a freedom and improves mobile banking experience.  "Providers" will certainly need to use Intel's best and fast server technology with dedicated encryption/decryption circuitry to provide faster service.

**2nd State of the competition**

**Market Opportunity:**

1. TAM: From my market research and reports I have read, I found out that the total number of mobile payment users will reach 448 million users by 2016 from 212.2 million in 2012, according to Gartner, Inc. This presents huge opportunity in the mobile payment space. The number of U.S. digital shoppers is expected to grow from 137 million in 2010 to 175 million in 2016, according to eMarketer estimates ([www.statista.com](http://www.statista.com))
2. SAM: In this space PayPal has the highest market share (in terms of customer who uses PayPal solution) of around 100 million customers. Other customers are being served by Google using NFC technology along with individual solutions by each major credit card companies. This technology could be integrated with retailers/providers using NFC based solution for payment processing.
3. SOM: My strategy is to work with Major bank(s) or a Credit Card companies to license/enable this technology/idea, and develop an application interface for retailer to use this system. With things in place I'm expecting signup of at least 1% of 100 million of PayPal's customer or new customers from uBid.com or similar auction sites, of around 1 million customers to start using this system in the first year. In this case I'm assuming 10 million transactions a month with 0.5% charge per transaction would generate approx. $600,000 by first year. This is very realistic and reachable target by end of first year of deployment. With growth rate (new customers and transactions) of 10% in next 2 years, my revenue will be 100M\*10%\*0.5% = 12M by year 3. Additional revenue will be generated by anonymous data analysis services to the retail sector.

**Competitive landscape** (Describe the competitive landscape and the sustainable advantage for this idea)

The competitive landscape consists of the following major companies, PayPal, Squareup, Intuit's GoPayment, PayAnywhere. Products by each of these companies are viewed as the competitors.

**Go To Market Model and Value Chain** (Describe your Go To Market (GTM) strategy, value chain and potential partnerships)

**Business Model**

* identify your customer and how they will generate revenue,
* Describe how you get paid and the money flow,
* Describe splits of the money in your money flow.

**Market Acceptance** (List any examples where the market has accepted a similar idea)

- PayPal’s payment system.

Benefit to retailers,

What does it cost to become PCI Compliant?

<https://www.braintreepayments.com/blog/what-does-it-cost-to-become-pci-compliant>

Get away from compliance cost, time and re-invest into business.