badger

A new approach
to client-business relationships

Business Plan
February 2023

1 Executive Summary

Mission Statement

Our mission at Badger is to empower businesses to build meaningful relationships with their clients

1.1 Problem

Small and medium-sized enterprises (SMEs) are struggling to stay competitive in today's digital landscape. Without the right tools to acquire, retain customers and manage relationships, these businesses risk missing out on revenue opportunities. Overall, the combination of ineffective customer loyalty schemes, and a lack of digital resources is having a significant impact on SMEs and their ability to succeed in a highly competitive market.[1]

1.2 Solution

Badger is a mobile app that aims to be a one-stop solution for digital interaction between consumers and businesses, effortlessly accessible via a smartphone.

Badger's interface offers a two-sided platform that empowers both businesses and consumers to leverage the benefits of their recurring interactions. When a customer makes a purchase, they display a QR code that serves as a digital ID that the vendor then scans to access the consumer's profile. This data includes information on the number of purchases made, total amount spent, etc. and provides opportunities for up-selling and cross-selling.

1.2.1 On the consumer end

Badger consolidates all digital loyalty programmes onto one platform and allows consumers to earn rewards through unique loyalty programmes designed by businesses. Customers can redeem their accumulated stamps, points and badges[2] for rewards or exclusive experiences.

1.2.2 For businesses

It is a simple and affordable solution[3] that allows them to take the first step towards digitalising their customer relationships. It provides a set of tools that enable companies to create tailored data-driven loyalty programmes, promote their business to a broader customer base, and target consumer groups through advertisement.

1.3 Market & Forecasts

The market in Switzerland presents an attractive opportunity due to its significant **total addressable market of 295M CHF** and a compound annual growth rate (CAGR) of 11.6%.

The ability to capture 2% of the Swiss market, achieving a revenue of 5M CHF, and Earnings (EBIT) of 3.7M in 5 years, indicates a high potential for profitable growth.

Forecasted[4]

Customers Onboarded in 5 years	**87'000**
Businesses Onboarded in 5 years	**18'000**
Break-even within	**2** years
EBIT in 5 years	**3.7** million

1.4 Competitive Analysis

Our competitive analysis revealed that our unique solution will address the underserved SME segment. Our competitors have created a gap by implementing high pricing strategies[5] and focusing on partnerships with large businesses and multinationals. Our competitive pricing, innovative gamification and core features position us as a distinct player in the digital loyalty programme market.

1.5 Funding

Q2 2023	Pre-seed	**50K**	CHF
Q2 2024	Seed	**500K**	CHF

[1] "80% of US small businesses aren't taking full advantage of digital tools," *Small Business Technology Trends*, Deloitte

[2] Badger's unique take for gamification. Businesses can honour their most faithful customers with "badges" that symbolise a special accomplishment, which can grant access to exclusive experiences

[3] Standard subscription (digital loyalty cards) is free, additional services are set at 19.95 CHF/month.

[4] Please refer to Financials on page 18

[5] In pricing, the closest competitor, *Stampme*, sets the standard digital loyalty programme service at 38 CHF/mo. https://www.stampme.com/pricing


Jessica's Cakes
13
QR Code or barcode
7/10
Regular
Paolo
Top 5%
Your first digital stamp,
the start of a great journey

2 Business Description

2.1 How did we get here?

Our company's story began with a simple frustration: We kept losing or forgetting paper loyalty cards from our favourite local store. This got us thinking about the digitization of stamp cards. After some research, we learned that larger companies had already adopted this idea. We spoke with small business owners and discovered that while there were companies offering digital loyalty programmes, none of them quite fit the needs of these businesses. That's when we realised there was an opportunity to create a better, more affordable solution for small businesses, and our company was born.

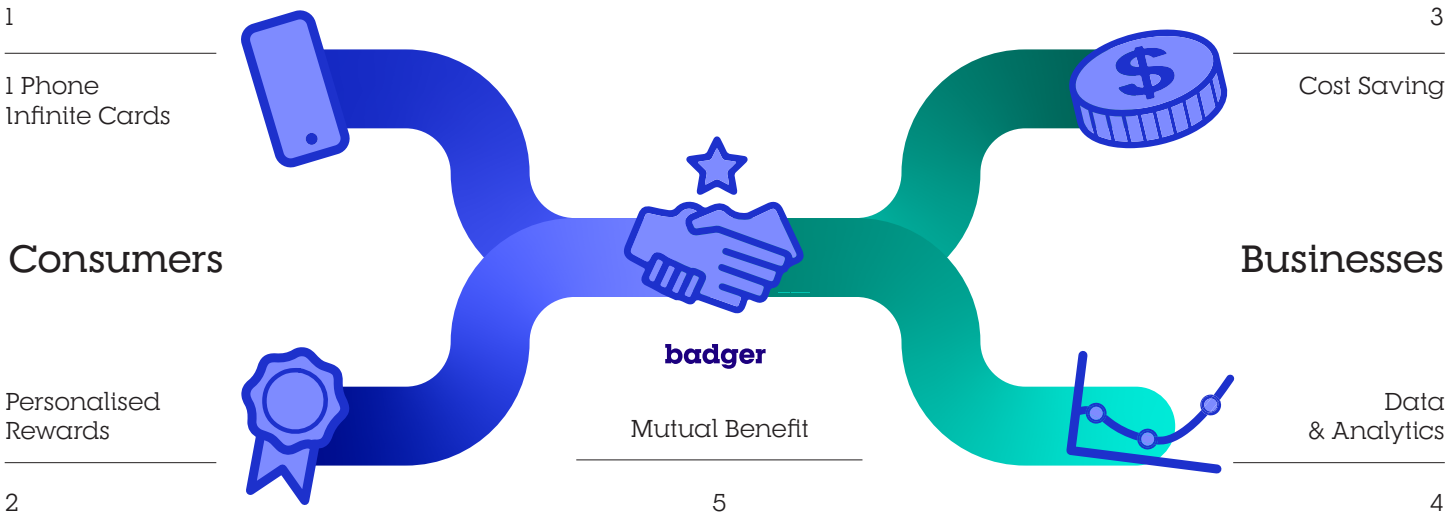
2.2 What is Badger?

Badger is a mobile app that aims to be the one-stop platform solution for digital interaction between consumers and businesses, effortlessly accessible via a smartphone.

Badger's interface offers a two-sided platform that empowers both businesses and consumers to leverage the benefits of their recurring interactions. When a customer makes a purchase, they display a QR code that serves as a digital ID that the vendor then scans to access consumer insights.

For SMEs, it is a simple yet affordable solution allowing them to take a first step towards the digitalisation of their operations. It provides a suite of tools to reward customers, increase retention and simplify customer acquisition. Badger promotes digital inclusivity by bridging the competitive gap between businesses.

For customers, it aims to aggregate all of their loyalty programmes into one application and enables them to receive unique offers and rewards directly from the businesses that they frequent.



1. Removing the hastle of carrying and losing/forgetting cards
2. Personalised rewards valuing loyalty at every stage
3. Businesses benefit directly from cost savings with our free digital loyalty card feature
4. Turning consumer interactions into valuable data, giving businesses the tools and insights to grow
5. Both Businesses & Consumers benefit from their relationship

3 Market

> Badger is the easiest way to understand your customers and make them feel valued

3.1 Value Proposition

We aim to be **the one-stop platform for digital interactions between consumers and businesses**. Badger is cost-effective, and has a streamlined onboarding process for consumers and businesses.

Never lose a loyalty card again. Badger is a digital wallet that aggregates loyalty cards and allows consumers to earn stamps, points and more without the risk of losing, forgetting or damaging physical cards. Through personalised offers and gamification features, Badger enhances the experience of interacting with businesses.

Earning customer loyalty is hard. Badger offers a suite of tools to reward customers, improve retention and simplify acquisition. The simple onboarding process allows businesses to create a customised digital loyalty programme in minutes. By leveraging the data provided by customers, companies can gain insights into their demographics through our analytics dashboard. Furthermore with Badger, businesses can increase their visibility and attract new customers through our "discovery page" which allows consumers to explore and connect with vendors. We understand that not all users are digital natives,[6] so our app is designed to be user friendly at heart.

3.2 Market Research

3.2.1 Market Evolution

The adoption of digital technology is bringing considerable changes in how consumers behave and how businesses operate. By utilizing digital tools, companies can improve their reach and communication with customers. Nowadays, in the digital-centric economy, many customers anticipate interacting with businesses through online channels.

Despite this change in the competitive landscape, small businesses are still slow to adopt these changes. According to a Deloitte study, more than 80% of small businesses in the US are not fully utilizing digital tools like data analytics and advanced online platforms. One of the main reasons for this is a lack of awareness of the potential benefits, with 40% of small businesses stating that digital tools are not relevant for their operations and 38% believing that they are not effective. Addressing this knowledge gap and promoting the advantages of digital technologies is a key focus area for Badger in its effort to boost digital adoption.[7]

3.2.2 Market Trends

A. Primary Research

Our research strongly validated the expected pain points. Businesses share the sentiment that customer loyalty is valuable, and not easy to earn, especially in competitive markets.

We conducted a survey of several businesses to identify their operational challenges and found that many struggle with assessing the performance of their loyalty programmes, while others are dissatisfied with existing solutions.
For instance, Food Truck N°1 at EPFL, instead of handing out loyalty cards, adopted a unique solution to customers losing or forgetting their loyalty cards by glueing each one to the wall next to the cash register.

Food Truck N°2, expressed frustration with customer retention and acquisition. They noted that a significant portion of their revenue is generated by loyal customers, but lack the tools to track their loyalty programme effectiveness. They are considering spending 150 CHF on Instagram ads to attract new customers, highlighting the need for digital marketing.
Similarly, a hairdresser in Ecublens, mentioned they already had looked into these kinds of services. However, the existing solutions were simply not adapted to their needs and are too expensive.

Consumers find physical loyalty cards and multiple loyalty apps inconvenient, with few regularly redeeming rewards at the businesses they frequent, and many losing them prior to redemption.

B. Secondary Research

The Swiss market has shown that consumers are highly active in loyalty programmes, with 62% of participants engaging at least once a week. However, the data also shows that a significant proportion of these programmes are underutilised, with 36% of consumers rarely redeeming their points and rewards. As a result, loyalty programmes are not realising their full potential.

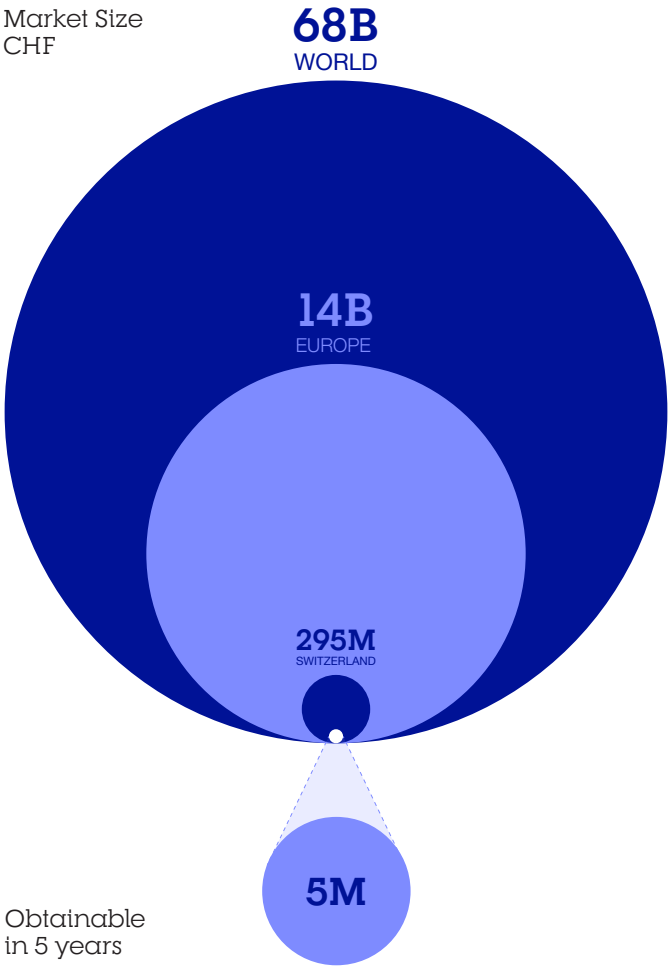
[6] A person born or brought up during the age of digital technology and so familiar with computers and the internet from an early age. *Oxford Languages*

[7] *Small Business Technology Trends*, Deloitte

According to KPMG,[8] "*Overall 96% of respondents agreed that customer loyalty programmes can be improved, and 75% stated that they would switch brands for a better loyalty programme.*"

The digital age has significantly impacted consumer behavior and trends. With the move to digital over the last ten years, consumers are spending more time on their phones and various digital channels, making it easier to access them but also clouding them with information. Businesses need to break through the noise and develop a relationship with the consumer by adopting agile and flexible solutions that facilitate interactions. Consumers look for more than just point collection, with many of these schemes rewarding routine behavior rather than loyalty. Specifically, they value emotional and experiential engagement, with 45% of surveyed consumers considering it a crucial factor in driving loyalty. They want smooth and targeted interaction, with 61% of respondents appreciating receiving tailored perks and offers based on their purchasing behavior, facilitated through digital technologies such as smartphones. Furthermore, the importance of clear and effective communication was also highlighted by 52% of respondents, emphasizing the need for transparency in handling customer data and tailored notifications that do not overwhelm the consumer.

To remain competitive, businesses need to reinvent loyalty programmes and focus on customer retention, as boosting customer retention rates by just 5% can increase profits between 25% to 95%. Programmes that balance monetary rewards with experiential offerings (exclusive events, early access, unique discoveries or adventures) can provide value beyond the transaction by appealing to the consumer's head and heart.



Press here to view calculation details
Refer to Potential & Addressable Market Sheet

3.3 Potential & Adressable Market

In 2020, the Swiss addressable market for digital marketing consists of 162'036 companies according to our selection criteria.

A study conducted by the University of Fribourg found that small and medium-sized enterprises (SMEs) in Switzerland spend an average of 4,949 CHF on marketing, with 36.8%[9] of that budget allocated to digital marketing. Using this information, we can estimate the Total Addressable Market (TAM) for digital marketing in Switzerland to be 295M CHF, with 5M obtainable within 5 years according to our financial estimates.

When comparing this estimate to the total digital marketing expenditure in Switzerland, which was 1.64B CHF in 2020,[10] our TAM represents approximately 18% of the total Swiss digital marketing expenditure.

To extrapolate these findings to a larger scale, we apply the same ratio to the European digital marketing expenditure in 2020 of 76B CHF[11] we define the size of the European market to be: 14B CHF.

Using a similar approach to the worldwide digital marketing expenditure of 380B[12] CHF, we estimate the global market to be 68B CHF.

It is important to note that the accuracy of this comparison depends on the validity of the assumptions made and the sources and methodologies used to estimate the total digital marketing expenditure of Switzerland.

[8] The truth about customer loyalty, *KPMG*

[9] SMEs Marketing expenditure Switzerland 2020, *Bigler*

[10] Digital marketing expenditure 2020 Switzerland: Switzerland digital ad spend 2021, *Statista*

[11] Digital marketing expenditure 2020 Europe, *Statista*

[12] Digital marketing expenditure 2020 Worldwide, *Statista*

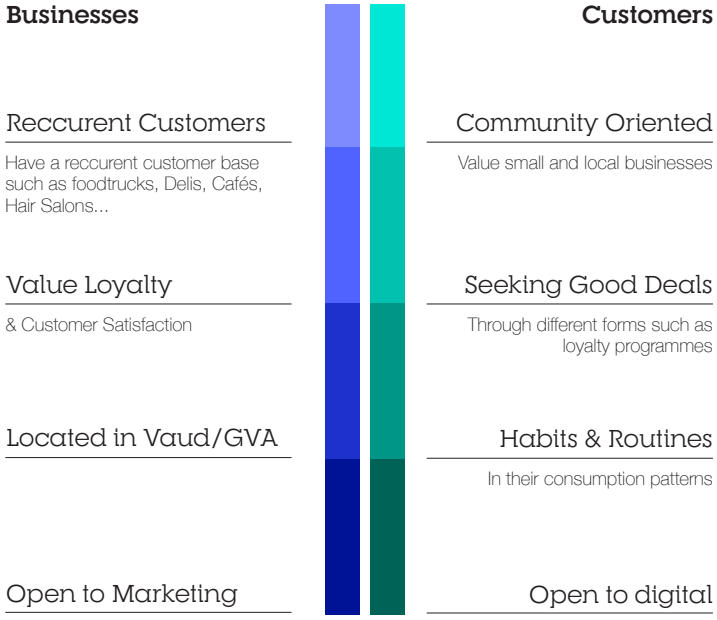
Entreprises marchandes selon la division économique et la taille de l'entreprise, en 2020, *Swiss Federal Office of Statistics, 2022*

The cost of an advertising campaign, *The Swiss Confederation*

3.4 Target Customer Segment & Profile

Our target businesses are SMEs that have recurrent customers, such as Foodtrucks, Delis, Caffes, Hair Salons, Florists, etc. These businesses value customer satisfaction and loyalty. They are interested in better understanding their customers, and are willing to engage in marketing. Businesses that can't afford their own loyalty programme app, and that we can provide with a direct cost saving solution.

Our target consumers are community-oriented, value small and local businesses, generally seek better deals, and have routine consumption patterns due to geographic proximity, habit or loyalty. An example would be a train commuter that frequently buys coffee from the same shop on their way to work. This segment is often frustrated by the hassles of physical loyalty cards.



3.5 Market Strategy

The first phase of our strategy is to onboard as many businesses as possible, by having them use the free version of our service. We believe our free tier should already provide them with plenty of additional value compared to traditional loyalty programmes.

To achieve user growth, we will prospect potential clients in the Lausanne & Geneva area, heavily market our solution on Linked-In, and take part in local SMEs conferences. On the consumer side, we plan to advertise the service on student campuses as a pilot, and then focus on digital and viral marketing using Google Ads, Instagram and TikTok. Furthermore, all businesses are offered a three month free trial of our premium subscription, we then offer an additional month of premium subscription for each B2B referral. We believe this will significantly boost growth.

The second phase focuses on converting free tier business to premium, which comes at a cost of 19.95 CHF per month, and encouraging businesses to use the marketing features. The free trial is the primary method we use to lock-in businesses and get them accustomed to our platform. We will organize workshops and provide resources that educate and teach businesses how to increase customer loyalty, and acquire new clients through our analytics platform.

3.6 Digital Marketing Metrics

To assess the performance of our marketing campaigns, we plan to track multiple data points across our different traffic sources such as clicks, views, leads, and conversions. These simple variables enable us to use the following metrics:
Cost per Lead (CPL), Click Through Rate (CTR), and Conversion Rate (CR).

Finally, by enriching this data with our users' activity, we can then estimate the following KPIs that are vital to our business, and will help us steer the company in the correct direction: Customer Acquisition Cost (CAC), and Customer Lifetime Value (CLV).

Cost per Lead	**CPL**
Click through Rate	**CTR**
Conversion Rate	**CR**
Customer Aquisition Cost	**CAC**
Customer Lifetime Value	**CLV**

Preparing for Loyalties Next Frontier, *McKinsey & Company*

Eight levers to turn customers into fans, *McKinsey & Company*

Customer Loyalty Programmes in Retail, *Deloitte*

Customer Loyalty: a Relationship, not just a Scheme, *Deloitte*

Switzerland Loyalty Programmes Market 2022, *Yahoo! Finace*

4 Sustainability Impact

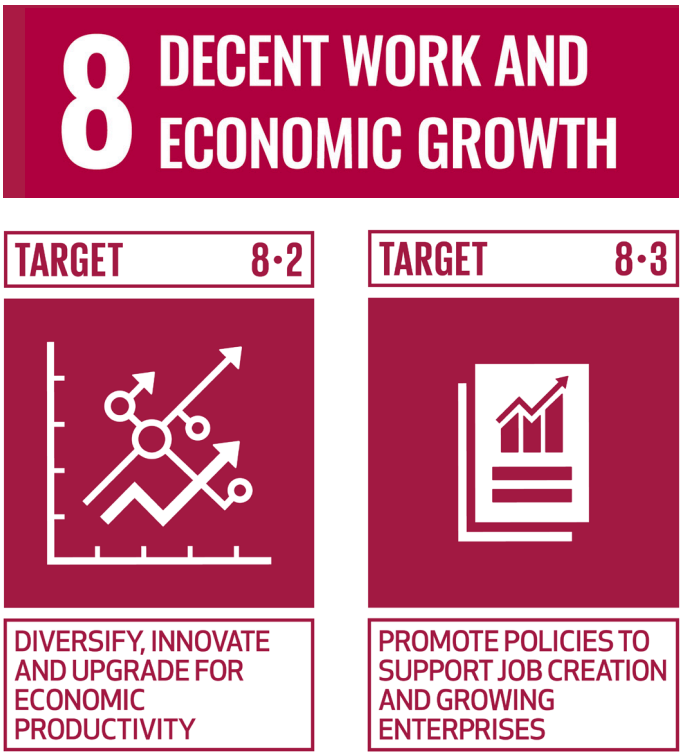
> "SMEs lag in the digital transition, despite potentially tremendous benefits to be reaped from new digital-enhanced tools, services, and practices"
>
> *– The Organisation for Economic Cooperation and Development (OECD)*

4.1 United Nations Sustainability Goals (UNSG)

We contribute to the UN goal 8: **"Promoting sustained inclusive and sustainable economic growth, full and productive employment, and decent work for all."**

8.2: "Achieve higher level of economic activity through diversification, **technological upgrading**, including through a focus on high value added and labor intensive sectors."

8.3: "Promote development oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and **encourage the formalization and growth of micro, small, and medium sized enterprises**, including through access to financial services."



4.2 Environmental & Social

4.2.1 Environmental

Currently, loyalty services are provided with paper stamp cards, or plastic loyalty cards. By digitising this process, Badger will contribute to the reduction of paper and plastic waste. This implies a reduction in both carbon and chemical emissions, for manufacturing and disposal processes.

4.2.2 Social

Badger facilitates and encourages the digitalisation of SMEs, enabling them to compete with larger companies which have already undergone this transition. It empowers them with instruments to grow, and better understand their consumers and market. In essence, Badger promotes digital inclusion.

4.3 Beneficiary

Badger's sustainable impact affects both SMEs and consumers. Thanks to new tools and resources, SMEs can thrive and expand in the current digital age, resulting in a more diverse and competitive market. Consumers enjoy the benefits of a streamlined experience with no need for multiple loyalty cards, therefore reducing waste and emissions. Encouraging the participation of small and medium-sized businesses can have a positive impact on local economies. By empowering these businesses, they can stimulate economic growth and contribute to the overall development of communities.

4.4 Impact of other Solutions

While current solutions provide the same environmental benefits, they lack the same social impact as they target big to medium enterprises, thus excluding small businesses, and further increasing the digital gap existing today. Therefore, they fail to strengthen local economies, communities, and threaten the diversity of consumption choices.

OECD SME and Entrepreneurship Outlook 2019, https://www.oecd-ilibrary.org/industry-and-services/oecd-sme-and-entrepreneurship-outlook-2019_34907e9c-en

Small Goes Digital, how digitalization can bring about productive growth for micro and small businesses, *International Labour Organisation* https://www.oecd.org/industry/smes/PH-SME-Digitalisation-final.pdf

https://www.itu.int/itu-d/sites/digital-inclusion/
https://www.itu.int/itu-d/sites/innovation-alliance/objectives/

DIGITAL INCLUSIVITY

Small Businesses are struggling to stay competitive in today's digital landscape, but over 80% of the world's population uses a smartphone

How can digitalization bring productive growth for micro and small businesses?



5 Technology & Product

5.1 Core Mechanics

Badger is an app that helps businesses understand and value their customers. The app has two modes: one for customers and one for businesses. When a customer buys something at a store. The cashier scans the customer's personal QR code, and the customer collects points, stamps or badges. For businesses, scanning the customer's QR code, presents them with a snapshot of KPIs such as the total amount spent, number of purchases, and provides opportunities for up-selling and cross-selling. This process eliminates the need for physical loyalty cards.

5.2 Status

Currently Badger is just an idea. However, we have already discussed it with several businesses and consumers, and have received vast amounts of positive feedback. At the moment our focus is to finish prototyping and building a first MVP that encapsulates our core functionalities by the end of April. By core functionalities we refer to stamp cards, badges and a few metrics for businesses.

5.3 Core Features

5.3.1 Digital Loyalty Wallet

Never lose a loyalty card again. Badger is a digital wallet that aggregates loyalty cards and other reward schemes, and eliminates the risk of losing, forgetting or damaging physical cards.

5.3.2 Custom Loyalty Solutions

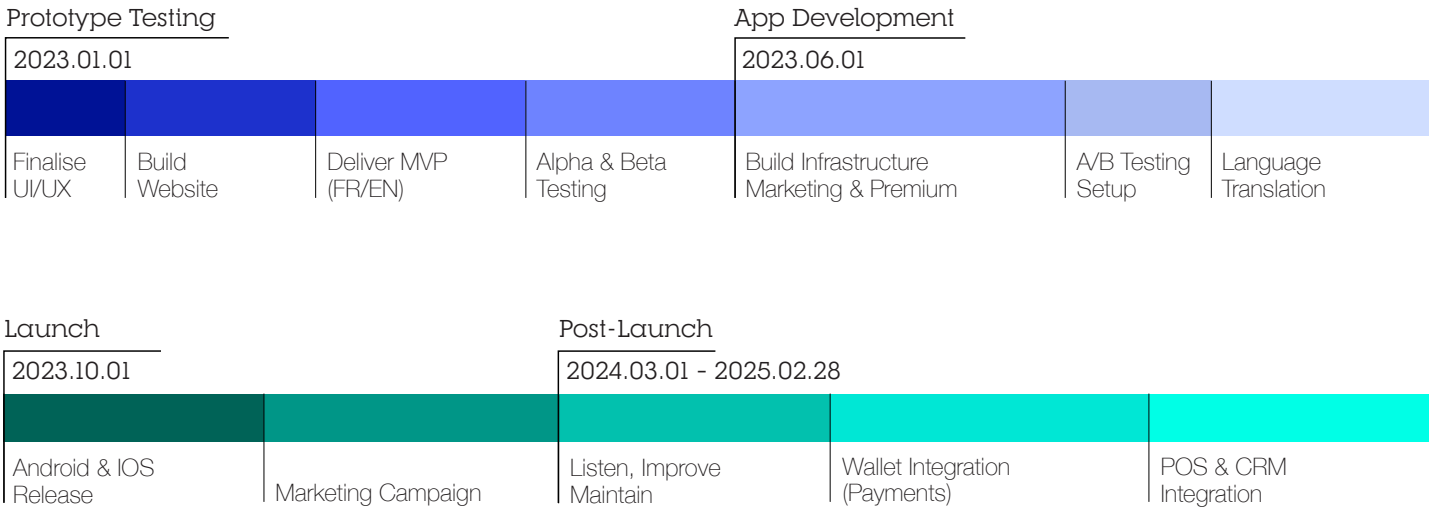
Bader allows businesses to easily create custom loyalty programmes based on individual metrics.

5.3.3 Analytics & Advertising

Our service enables SMEs to gather information about their customers, and leverage it through our analytics services. Furthermore, Badger offers advertising services through push notifications and a discovery page within the app, enabling facilitated customer retention & acquisition.

Features on next page

5.4 Product Roadmap



We understand that not all users are digital natives, our app is designed to be user friendly at heart.

[Press here to view our current Figma Prototype]

Customer Experience

Business Funnel



Convenient

Easy Scan & Stamp process

Practical

Stamp customer cards straight from your phone

Wallet

Store all existing loyalty cards, and enroll in new programmes

Acquisition

Expand your loyal customer audience

Benefits

Get rewarded for loyalty at every stage

Feedback

Allow your loyal customers to help you grow

Research

Find great new deals in the discovery section

Insights

Understand, and deliver value to your customers

5.5 Customer Validation Testing

Badger will be continuously tested at each step of our roadmap. We have identified a set of businesses coming from different sectors willing to help us test and be early adopters of our technology. They will act as ambassadors of Badger, and ultimately help us build a product that is useful to them. Furthermore, we will leverage a feedback system integrated within our app, and closely monitor usage metrics, to build a relevant and intuitive product for our customers.

5.6 Alpha & Beta Testing

Alpha testing will be conducted with a selected number of small businesses across different industries. This ensures the app creates value for these businesses, and meets their requirements before we proceed to launch.

Our **Beta** testing will be conducted on a broader group, mainly constituted by EPFL's campus shops, and referrals from our Alpha Group. After launch, feedback will be gathered from them enabling us to continuously improve the app and fix bugs. Participants in the testing programme will be offered an extended premium free trial and will be rewarded for referrals as they will be acting as business developers and brand ambassadors along the way.

6 Innovation

> Badger offers a unique approach to loyalty management with its seamless onboarding process and social features

6.1 Unique Selling Points (USP)

6.1.1 It's Easy & Free

Badger has been designed to allow individuals and businesses to effortlessly create custom loyalty cards using only their smartphones. There's no need to sign up for an account instantly after downloading the app, reducing friction, and allowing users to instantly create and redeem rewards in under a minute. Compared to our competitors, Badger is the only service offering a free tier that scales.

6.1.2 Social & Gamification Features

The aim of Badger is to establish strong and lasting connections between businesses and consumers. To accomplish this, the app features key components that encourage social interaction.

A. Badges

Businesses have the opportunity to not only offer physical rewards, but also provide users with a sense of achievement and recognition for their loyalty. Companies can honour their most faithful customers with "badges" that symbolise a special accomplishment, which can grant access to exclusive experiences. They allow business owners to create additional and more personalisable loyalty programmes for their community, setting different rewards depending on the difficulty of the challenge.

B. Sharing

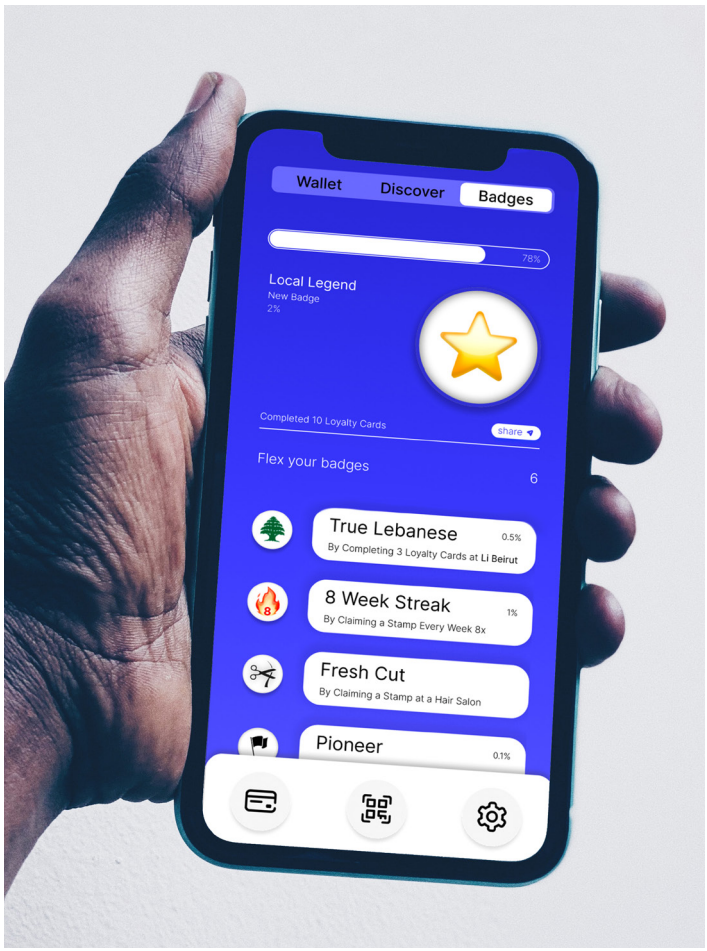
Businesses can enable sharing options for their customer loyalty programmes. This enables consumers to use the app for more than just transactions at the store and creates new ways for them to interact with each other. Multiple users can aggregate points and rewards in a single wallet, which can be redeemed or gifted to someone else.

C. Community Features

In addition to serving small businesses, Badger also encourages tracking and rewarding daily social interactions in other contexts. For example, a teacher can use Badger to create a card, reward students for good behaviour through stamps/points, which can be redeemed (for example) with extra recess time, while a manager can offer coffee as a reward for someone who always shows up on time for their meetings.
Badger aims to build a community among its users by fostering business-consumer and consumer-consumer interactions. This community aspect differentiates Badger from other loyalty card providers and improves the overall user experience. "With Badger, small businesses can not only reward their customers, but also engage with them in new and exciting ways."

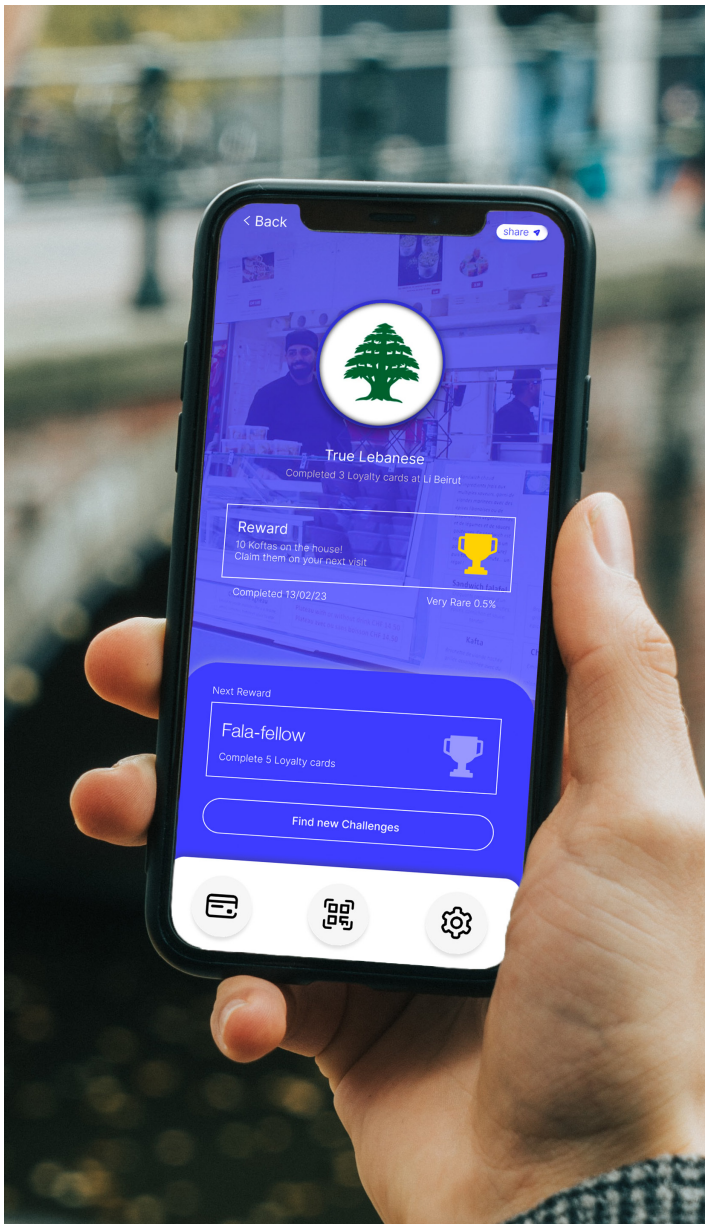
6.1.3 **Insights & Knowledge Building**

Badger offers insights and analytics to SMEs. We provide a learning platform, organise workshops and events that teach small business owners how to leverage customer loyalty and use our service as a competitive advantage.



Gamification

Businesses can reward loyal clients in their own ways through personalizable challenges and rewards



Badges

Taking loyalty programmes to the next level

7 Intellectual Property

7.1 Copyright & FTO

Our logos and designs are already protected under copyright law, after a first round of funding we will submit all of our designs to the registration office for further protection.

Due to the nature of our business, no patents are necessary, meaning that we are free to operate. Our future trade secrets will be protected under NDA's.

8 Competitive Analysis

8.1 Competitors

After a comprehensive analysis, we are able to break down the competitive landscape for the digital loyalty programme market as follows:

1 **Digital wallet providers** (e.g. Stocard): These companies offer digital wallets that consolidate consumer cards in one place. They mainly work with large retailers and generate revenue through targeted marketing.

2 **White-label digital loyalty programme providers** (e.g. Liquid Barcodes, Stampme): These companies offer white-label solutions and applications for digital loyalty programmes. They target medium to large enterprises and offer customised solutions for each company's specific needs.

3 **Large retail chains** (e.g. Coop, Manor, Globus): These companies have integrated loyalty features into their native applications and offer their customers a convenient way to participate in their loyalty programmes. This solution however comes at the cost of having multiple apps.

4 **Debit/credit card providers** (e.g. Poinz): These companies offer similar features to digital loyalty programmes, including cash back, but tend to neglect small and medium businesses due to their pricing strategy.

5 **CRM/hospitality booking service providers** (e.g. Stampede.ai): These companies target the hospitality industry, offer too many features, and tend to neglect small businesses due to their high prices.

6 **Delivery Services** (e.g. Uber Eats, Glovo): These services have partially implemented loyalty services, but are targeting medium and large enterprises and lack the self-service solution that Badger provides.

Badger positions itself as a unique player in the digital loyalty programme as it is focused on SMEs. This market segment remains largely untapped and most of the competition mentioned above operates outside of Switzerland. Our closest competitors are Stampede.ai which is based in the UK and Poinz based in Switzerland.

Consumer Functionality

	Digital Stamp Cards	Gamification	Community & Sharing Features	Exclusive Rewards & Deals	Everyone can Create a Card
badger	✓	✓	✓	✓	✓
poinz	✓	✓		✓	
stamp ME	✓	✓			
Stampede	✓			✓	
Square	✓			✓	
fidme	✓			✓	

Continued on next page

9 SWOT

STRENGHTS

Pricing
No other service has a scalable free tier

New Take
Novel approach to the gamification of loyalty

Self Served
No registration or screening process required to create a loyalty card

Speed
Flexible creation of custom loyalty programmes in minutes

Intuitive UI/UX
Ease of use for Businesses and Consumers

Strong Team
Knowledge of business, finance, design, data science, and work experience in the PaaS industry

WEAKNESSES

No Developers
There are no developper on the team

Lack of Feedback
Since we don't have an MVP, we don't have consistent feedback to taylor the app

No Brand
As a digital loyalty solution provider, we don't have any brand recognition

OPPORTUNITIES

Untapped Market
SMEs are largely underserved, no direct competitors

Emerging Trends
With personalization, direct communication and data insights

Digitalisation of SMEs
We provide digital solutions to SMEs enabling them to understand, retain, acquire clients, and compete in today's digital landscape

Timing
Post pandemic it is no longer unusual to have a personal QR codes

THREATS

Competition Value Shift
Competition shifts its value proposition to serve our target segment

POS Services Shift
Integration of similar features by existing point-of-sale providers

Failure to Achieve Trust
Failure to establish trust with the consumer, given that our value proposition is heavily reliant on consumer data

Consumer Change
If consumer trends reverse and customers are more reluctant to share data in exchange for personalised benefits

Failure to Scale
Inability to scale due to technical capacity constraints, and inability to adapt or create features required by our target segment

Failing in New Markets
Fine-tuning the app in different countries and cultures, such as language, prices, and others

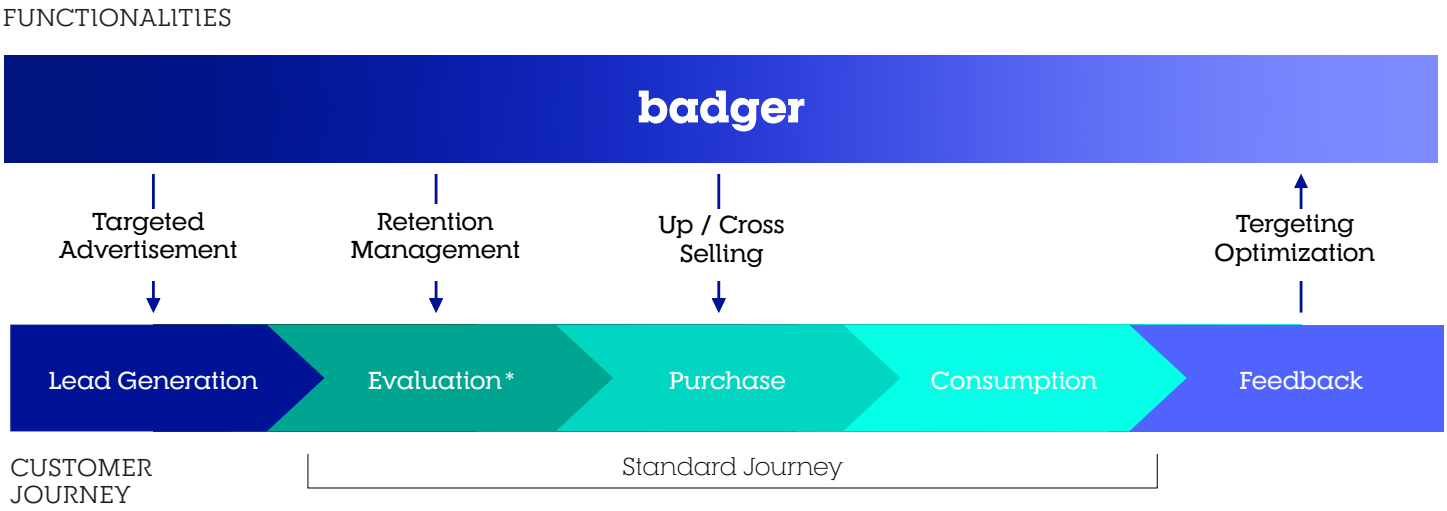
Business Functionality

	Free Tier Model	Dashboard Analytics	Targeted Advertising	Only Need a Smartphone	Vendor Marketplace
badger	✓	✓	✓	✓	✓
poinz		✓			✓
stamp ME		✓	✓		
Stampede		✓	✓		
Square	✓	✓	✓		
fidme		✓	✓		✓

10 Business Model

10.1 Platform as a Service (PaaS)

Badger is a Platform as a Service (PaaS), that integrates into the customer value chain.



10.2 Recurring Revenue

Badger's revenue model is built on a tier-based subscription and Pay per Click (PPC) advertising.

Standard Subscription
To onboard the maximum number of businesses we provide our core functionalities of creating or digitalising existing loyalty programmes free of charge.
Price: Free

Community Subscription
We provide businesses with access to our analytics dashboard to further gain insights on the consumer base, such as demographics, location, size, etc. Additionally, they can create personalisable loyalty programmes through their custom badges and eventually integrate cross/up-selling capabilities.
Price: 19.95CHF/Month

Advertisement – Direct Push Notifications
Businesses are able to promote products/services or limited time offers directly to consumers through push notifications. After businesses customise the characteristics of the target audience, and provide a marketing budget, they are able to reach consumers directly. This service is charged on a Pay-per-Click basis.
*Price: 0.75CHF/CPC***

Advertisement – Promoted on the Discovery Page
Businesses can promote themselves through our internal registry on the Discovery page. This service is charged on a Pay-per-Click basis.
*Price: 0.35CHF/CPC**

Standard Subscription	Community Subscription	Advertisements
0 CHF	19.95 CHF / mo	0.35 - 0.75* CHF / cpc

* Evaluation of consumption alternatives.

** PPC products will be priced by the market. We estimate that the Cost per Click (CPC) will be between 0.35 – 0.75 CHF.

11 Sales Strategy

1 **EPFL Foodtrucks** – 2023/04/01 - 2023/04/15
Promote the use of Badger on the EPFL Campuses, by targeting the 6 foodtrucks on campus. Explain the benefits, and encourage them to onboard users in exchange for discounts on our premium subscription. Foodtrucks can benefit from increased customer engagement.

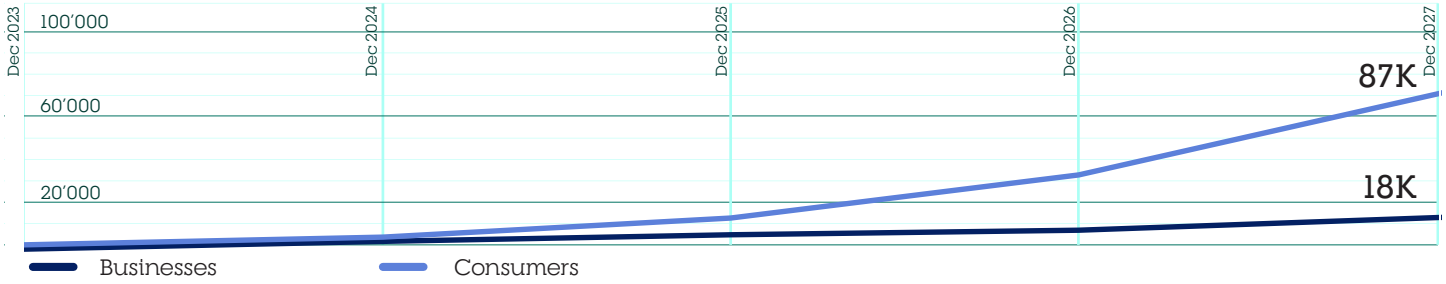
2 **Lausanne University Campus** – 2023/04/16 - 2023/06/30
To expand our user base, we can leverage the value provided to the food truck network in the region and expand to small businesses on campus and in Lausanne. By tapping into this market, we can grow our user base and increase engagement with our app. At the end of this stage, we should have onboarded 106 businesses with the help of our commission-based representatives.

3 **Vaud SMEs** – 2023/Q2- 2024/Q1
We onboard an additional 317 SMEs in the Vaud region. Same approach as on campus, as we leverage our previous success. We facilitate onboarding through QR code stickers.

4 **Repeat the Process in other Regions**
2024/Q2 - 2025/Q1
After establishing a strong presence in Lausanne, we can expand to other cities such as Geneva, Fribourg, Neuchatel, Zurich, and St-Gallen and apply the same process. After capturing major cities, most of the further growth within the country will be powered by referrals and digital marketing. By the end of 2025, we will have onboarded over 5'000 businesses, through additional sales force, referrals, and marketing efforts.

5 **Capture the Swiss Market & Expand Abroad**
2026/Q1 & Beyond
Depending on how our strategy fares domestically, we will apply the same process beyond Switzerland and target university towns first. By leveraging our experience and success in Switzerland, we can establish a strong presence in new markets and continue to grow our user base. By the end of Q4 2027, we will have reached a business user base of over 18K businesses and 87K consumers.

Onboarding Timeline



12 Financials

12.1 **Profit & Loss, Cashflow** (on following page)

12.2 **Balance Sheet**
Given the nature of our business, we do not believe a balance sheet is relevant at this stage.

PROFFIT & LOSS STATEMENT CHF	2023	2024	2025	2026	2027
Subscriptions	11'868	74'506	288'121	621'976	1'081'015
Advertisement	43'515	273'189	1'056'444	2'280'578	3'963'720
REVENUE	**55'383**	**347'695**	**1'344'565**	**2'902'554**	**5'044'735**
Personnel Costs	3'600	465'432	891'864	1'184'544	1'184'544
Servers	630	1'680	2'520	1'470	1'680
Marketing	– –	24'000	60'000	72'000	84'000
COSTS	**4'230**	**491'112**	**954'384**	**1'258'014**	**1'270'224**
PROFIT/LOSS	**51'153**	**- 143'417**	**390'181**	**1'644'540**	**3'774'511**
% on sales	92%	- 41%	29 %	57 %	75 %

CASHFLOW CHF	2023	2024	2025	2026	2027
CASH IN *(+30 days)*	45'970	304'788	1'244'558	2'754'977	4'846'173
CASH OUT *(+0 days)*	- 54'230	- 491'112	- 954'384	- 1'259'904	- 1'272'774
FLOW	**- 8'260**	**- 186'324**	**290'174**	**1'495'073**	**3'573'429**
OPENING CASH	**– –**	**- 8'260**	**- 194'584**	**95'589**	**1'590'662**
CLOSING CASH	**- 8'260**	**- 194'584**	**95'589**	**1'590'662**	**5'164'091**

Press here to view our assumptions

Refer to Projections - Locked Sheet

13 Funding Strategy

13.1 Funding Strategy

To kick-off Badger, and produce a viable MVP, we would require funding of **50'000 CHF by the end of Q2 2023**. This ensures the construction of a solid foundation that will be able to scale in the future.

Once we have a functioning MVP and consistently positive Alpha & Beta testing feedback, we will search for **Seed Funding**. According to our current estimates, we would require **upwards of 500'000 CHF by the end of Q2 2024**. With this funding, we plan to hire the correct talent, and handle negative cash flow months during the first years. It will enable us to scale our product to the entirety of Switzerland. We believe that Badger will be able to break even on the investment after 2 years.

14 Team

14.1 Who Are We?

We are a closely-knit team of four co-founders with a bond that spans over a decade. Coming from diverse cultural backgrounds, we initially crossed paths in high school and have since continued our journey together through university and beyond. Having collaborated on numerous academic projects in the past, we have honed our teamwork skills and are highly efficient in working together. We thrive on the exchange of ideas and constructive feedback, proudly admit our mistakes, and celebrate each other's accomplishments.

Over the past years, our team has been actively brainstorming and discussing potential startup projects. We've held both formal and informal meetings, exploring and refining our ideas. In January of this year, we came up with Badger, a project that addresses pain points we've all experienced. Recognizing its potential, we agreed to pursue it. As a team, we are hungry for success and committed to making Badger a game-changer in its industry.

Roberto Trivelli CMO & Co-Founder



EPFL Alumni / Masters in Architecture & Minor in Management Technology and Entrepreneurship. Experience co-founding a co-working space venture in the Middle-East, and working on projects presented at the Venice Biennale of Architecture. Strong graphic design and branding knowledge with a spirit for adventure, and a drive for building challenging projects with lasting impact.

Paolo Trifoni CEO & Co-Founder



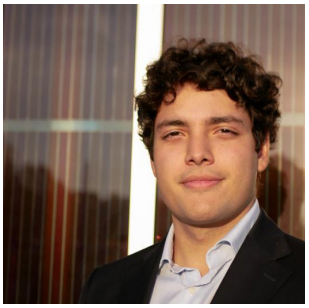
HEC Lausanne / Masters in Finance and Data Science. I am passionate about people, coding, and innovation. I have honed my skills in Data Science and Business Intelligence through my role at Talent.com a digital marketing /tech HR start-up, and gained valuable experience in team management and audit during my time at PwC.

Artur Mukhin CFO & Co-Founder



HEC Lausanne / Masters in Finance and Data Science. I have a keen interest in finance and digital solutions. My professional background includes previous roles in commodity trading, market research and managing a real estate firm alongside my studies.

Bruno Trivelli CPO & Co-Founder



EPFL / Masters in Robotics and minor in Management Technology and Entrepreneurship. I am deeply interested in bridging the worlds of technology and management. Vice-president of TCS (The Consulting Society) at EPFL, currently finishing my internship at Deloitte, as a consultant in technology strategy and transformation.

15 Roadmap

Value Proposition Jingle

Badger's the digital wallet that makes it shine,
For consumers to make the most of their time.

The simple onboarding process makes the deal,
Creating a customised digital loyalty programme to make it real.

Data insights and analytics to help you out,
For companies to make decisions without a doubt.

Targeted marketing materials to make the right connection,
It's the perfect solution to the digital disruption.

Our app is the first step to the digitalization,
Helping companies to reap the benefits of its application.

2023

Pre-Seed Funding

Receive 50K in Pre-Seed Funding
Starting Q2

Key Hires

+2 Commission Sales Rep

03
04
06
09
12

MVP

Have a working MVP

Lausanne & Campus

Successfully onboarded 106 locations on the Lausanne & Univesitiy Campuses

2024

Launch

Official Launch

Key Hires

+2 Sales Rep
+2 Commission Sales Rep
+2 App Developers
+1 Infrastructure Developer
+2 Data Scientists
+0.1 Legal

03
05
06
07
10

Vaud SMEs

Successfully onboarded 317 SMEs in Vaud

Seed Funding

Secured 500K of Seed Funding

POS Integration

Deployed our POS integration solution

2025

10K Switzerland

Onboarded more than 10K businesses in Switzerland and are present in all major cities

Executive Suite

Hire the best talent, form and executive suite helping Badger reach new heights

05
08
12

Going International

Preparing expansion towards key markets

2026

02

Artur Mukhin
Bruno Trivelli
Paolo Trifoni
Roberto Trivelli

badger