

#### **Business Plan:**

The explosive growth (see *note1*) of smartphones around the world leads to the question of how will people make best use of them? Cyber Monday sales in 2019 are reaching new records, as the ease of shopping on the internet beats hopping in the car to head to the mall. Shoppers are expected to ring up a whopping and record \$9.2 billion online on Monday, up 16.9% from a year ago, with people spending an estimated \$11 million every minute from 11 pm E.T. to midnight, according to Adobe Analytics, which tracks the web transactions of 80 of the top 100 internet retailers in the U.S. Monday is also expected to become the first day in history where consumers spend over \$3 billion, in a 24-hour window, via their smartphones. (see CNBC cyber monday article)

Overall, online ordering (see *note2*) for FOOD has grown, in recent years, at more than 30 percent annually, with the largest increases coming through mobile apps. 70% of those same consumers [millennial] "expect a company website to include a self-service application". (see *note3*) The bottom line is: while there exists a tremendous opportunity still within the pizza market (~ 48% of the market), other food markets have very large potential: a \$100B shift towards digital ordering. (see *note4*)

FooNow Inc has also entered the Augmented Reality (A.R.) market, which promises astounding growth. According to Scientific American, the overall A.R. market is expected to grow by over 800% per year from September 2018 through 2020. (see note5) The most recent prediction by UBS is the astounding growth for Food Ordering Online (including delivery) starting at a present value of 35 Billion, growing to 365 Billion by 2030 (see note6). FooNow will soon release a fully automated delivery system, perfect for the higher-end restaurants who will not trust their food reputations with delivery services, such as GrubHub & Uber Eats.

Here is how FooNow Inc. will gain an appreciable share of this exciting market: (not limited to all types of restaurants, catering, health food (see note7) stores, grocery, bakeries, & other wholesale food distribution business (see note6). There is no limit as to the types of food our online ordering system can create via smartphone.

1. First & foremost, FooNow is NOT an outside service (i.e.: GrubHub, UberEats). Our system fully integrates with the food establishment's website, to produce a seamless, smooth running system that is easily controlled by that business:

- a. They can fully control their menu (<u>see note8</u>)- all descriptions, pricing, images. Direct marketing of Specials to customers builds a strong customer base. (All menu items are web-searchable)
- b. The food establishment controls the preparation timing, including open and close times. The business owns the customer base (unlike other online services). Most importantly, the income goes directly to that business, making for easy processing. We are presently planning direct connections to the major POS systems for easy sales reconciliations. While we have been SECURELY connecting with PayPal for years, we have also successfully connected to Authorize.net, a major credit card processing gateway. We are quite confident, having many years of experience creating import/export (bridge) systems, that we can connect with any payment/POS system, provided they allow such a connection.
- 2. FooNow's "killer" feature "Save Your Favorite Order" allows complete multiple orders to be saved for easy future reorder. Once the past order is recalled, it can be further modified. ("Less clicks more eating time"). In addition, this feature is an excellent way to build customer retention.
- 3. FooNow also offers a totally secure "Pay at the Table" web-app ("On the Spot") which could very well replace a large number of troublesome EMV systems as well as the "drag to the table" Apple-Pay terminals. "On the Spot" also allows simple communication between customer & wait staff.
- 4. Finally, an alternative solution now exists for the costly "Tablet at the Table". Because (nearly) every customer who would consider using a tablet at the table, most likely uses a smartphone, FooNow has developed a hardware-free solution, making ordering (& paying) at the table affordable for all food service operations.

#### 5. Future releases include:

- a. Mobile Point of Sale (see www.foonow.com/pos.php) (about 95% complete)
- b. a customizable loyalty program for smaller food establishments.
- c. "Next Generation A.R." sandwich & salad ordering systems 95% complete.

It is strongly believed that with our suite of Food Ordering technology ("Next Generation - A.R."), combined with our time-proven sales strategy, & internal software management tools, FooNow Inc. will win thousands of new accounts, as well as cause many businesses to possibly switch from there existing web-based (no-contract) systems. In fact, many businesses have multiple online ordering systems.

### **Notes:**

**note 1**: at the 2015 National Restaurant Association Show in Chicago, about 90% of millennial use tablets and/or smartphones....... About 60% of consumers ages 45 to 64 use smartphones and tablets, and so do 34% of the 65-and-over crowd.

 $\frac{https://www.dialogtech.com/blog/mobile-marketing/7-stats-that-prove-smartphones-are-driving-marketing-innovation}{}$ 

#### note cyber monday:

https://www.cnbc.com/2019/12/03/cyber-monday-sales-hit-record-9point2-billion-adobe-analytics.html

**note 2**: With its one-millionth user, RTO has become one of the largest online food delivery service providers – industry leader GrubHub recently announced it has 3.4 million active users. Like GrubHub, RTO allows restaurant goers the ability to order their meals for either pick-up or delivery via an online or mobile device.... Overall, online ordering has grown in recent years at more than 30 percent annually, with the largest increases coming through mobile apps.

http://www.pmq.com/November-2015/Online-ordering-doesnt-just-boost-pizza-salesit-transforms-your-entire-business

- *note 3*: Millennial are pretty upfront about their desire (or lack thereof) to interact with other people. According to Parature, 40% of surveyed consumers preferred a hands-off, self-service approach. <a href="https://blog.pedanco.com/5-reasons-restaurants-need-to-learn-how-to-speak-millennial-4f6cf26f562c#.ube8">https://blog.pedanco.com/5-reasons-restaurants-need-to-learn-how-to-speak-millennial-4f6cf26f562c#.ube8</a> bjdrb
- note 4: Noah Glass (of OLO) estimates that the big three [Pizza Chains] alone are now processing more than \$6 billion in digital ordering sales. The bottom line implication is nothing short of shocking: over the next seven years, roughly \$100 + billion of restaurant industry sales [non-pizza] will shift to digital ordering. (Today, over 15 million consumers use the Olo platform to order ahead and skip the line at the restaurants they love.)

http://www.smartbrief.com/original/2015/11/digital-or-die-100b-shift-towards-digital-ordering

note 5: Scientific American article: the total market for A.R., currently (September 2018) valued at about 1.5 Billion, is expected to grow to \$100 billion by 2020.

see: <a href="https://www.scientificamerican.com/article/augmented-reality-everywhere/">https://www.scientificamerican.com/article/augmented-reality-everywhere/</a>

#### note 6: see

 $\underline{https://www.forbes.com/sites/andriacheng/2018/06/26/millennials-are-ordering-food-for-delivery-more-but-are-they-killing-the-kitchen-too/#139ea425393e$ 

- note 7: see both <a href="http://foonow.com/ecatering.php">http://foonow.com/nutrition.php</a>
- note 8: <a href="http://foonow.com/emenu.php">http://foonow.com/emenu.php</a>

# Here are some additional articles that further demonstrate this extraordinary market:

#### **Business Insider Analysis (210Billion predicted market)**

 $\frac{http://www.businessinsider.com/the-on-demand-meal-delivery-report-sizing-the-market-outlining-the-business-models-and-determining-the-future-market-leaders-2016-8$ 

**Eat24 article -** Yelp purchases Online Ordering Eat24 for 134 million: <a href="https://bits.blogs.nytimes.com/2015/02/10/yelp-buys-eat24-an-online-food-ordering-service-for-134-million/?r=0">https://bits.blogs.nytimes.com/2015/02/10/yelp-buys-eat24-an-online-food-ordering-service-for-134-million/?r=0</a>

Olive Garden (Online sales up 21%)

http://www.moremunch.com/single-post/2016/12/23/Olive-Garden-Sees-Sales-Rise-Due-to-Heightened-Focus-on-Online-Ordering

Gift baskets make up less than 2% of total gift industry sales, worth 200B. <a href="http://brandongaille.com/30-captivating-gift-basket-industry-trends/">http://brandongaille.com/30-captivating-gift-basket-industry-trends/</a>

### Catering worth 19.3 Billion & growing by double digits yearly:

http://www.restaurant.org/Manage-My-Restaurant/Operations/Alternative-venues/Increase-your-revenue-through-catering

Quick Serve online ordering is still in its early days - will be a \$38 billion industry by 2020

http://www.businessinsider.com/starbucks-unveils-voice-ordering-2017-1

Website Design Market \* - "the web design service industry a \$20.1B market in the US alone, and more than 16M new websites added every month . . (2013)" <a href="http://finance.yahoo.com/news/market-analysis-design-industry-180000355.html">http://finance.yahoo.com/news/market-analysis-design-industry-180000355.html</a>

# ONLINE ORDERING LEADER PAPA JOHN'S FIRST TO SURPASS \$2 BILLION IN ONLINE SALES (up from 1 Billion in less than 2 years)

https://ir.papajohns.com/news-releases/news-release-details/online-ordering-leader-papa-johns-first-surpass-2-billion-online

**Product Line:** (see diagram, below) it should be noted, that our all-encompassing product line is quite versatile because the core Food Ordering system is common to all business sectors listed below. The ability to customize & assemble various food creations are all closely associated, due to the essential elements of the food itself. (Pizza, sandwiches, & cake are simply layers of cooked flour with a variety of fillings strategically placed.)

Cross-selling of some of the apparently diverse food groups can produce new income streams for a Food Business (or increase particular profit centers). A restaurant can utilize a Cake Ordering System (C.O.S.) system (see below) to enhance catering operations by allowing customers to conveniently begin the custom cake selection process, saving the restaurant significant time. In addition, the system will produce clear orders that can be sent off to the bakery that actually fulfills the order. Any Food Business can create gift baskets, utilizing their wholesale purchasing power, as well as taking advantage of the off-time of restaurant staff and idle equipment.

NEW PRODUCT RELEASE #1: FooNow for Pizza The full slideshow is available for viewing at: (please do not share this link without FooNow Inc. permission) http://www.foonow.com/pizza\_online/s357101z5c57/slideshow.html or see our YouTube video: https://www.youtube.com/watch?v=WBMK9skMKR8&t=18s

Our Augmented Reality, image-based Pizza Ordering system may rival Dominos & Papa John's systems. (The good news is that neither company will ever sell their systems as they will NOT want other Pizza businesses using their proprietary system.)

Any pizza combination can be created, ordered & saved (for future recall), We've recently completed our "Next Generation, image-based" pizza ordering system and have been told by my several experts in the food business, that this new, exciting system may be easier to use than Dominos & Papa John's systems. This will give every small pizza shop an edge on the competition, even an edge on the "big guys".

## Some of the exciting features:

- 1. **Augmented Reality** (a significant part of V.R/A.I.). Our new visual buying technology does enhance the buyer experience (see <a href="https://www.businessinsider.com/mobile-augmented-reality-in-retail-2018-6">https://www.businessinsider.com/mobile-augmented-reality-in-retail-2018-6</a>. According to **boldcommerce.com** In 2017, investors poured \$3 billion into <a href="https://blog.boldcommerce.com/augmented-reality-in-ecommerce">AR/VR technology</a> (see <a href="https://blog.boldcommerce.com/augmented-reality-in-ecommerce">https://blog.boldcommerce.com/augmented-reality-in-ecommerce</a>)
- 2. Single screen ordering very mobile-friendly. It's even fun to create a pizza.
- 3. Single click/touch for Specialty/Gourmet pizza ordering. Further customization of the pizza is possible.(This should always be an up-sell).
- 4. "Save your (live) favorite order(s). This makes reordering very easy (even multiple orders). This not only saves the consumer considerable time but also helps build customer retention.

# In fact, the system actually encourages pizza making creativity, so that increased spending will occur!

The system is so easy to use that it will encourage more online buyers to not only use the system but to also select more ingredients, increasing profits in 2 ways.

NEW PRODUCT RELEASE #2 (Augmented\_Reality - visual based): FooNow for Bakeries (& any business that utilizes cakes - see <a href="http://www.foonow.com/bread/slides/slideshow.html">http://www.foonow.com/bread/slides/slideshow.html</a>, for our Slide Show tutorial) See also our YouTube video - <a href="https://www.youtube.com/watch?v=OwxCDH4pMqg">https://www.youtube.com/watch?v=OwxCDH4pMqg</a> This system is also extremely easy to use & can increase profits 2-fold (as described above).

C.O.S. may be 1 of our key "niche" markets, as the system will be also marketed to all caterers, event planners, high end restaurants who hold banquets/parties/weddings. In addition most all bakeries sell either pizza or sandwiches in addition to cakes/pastries.

(after all they are in the "dough" business). This will be an up-sell for us. If they don't sell these other products, we certainly give them the ways & means to do so. Here is the write up that will be used to market C.O.S.: (preliminary)

A complete cake order can be saved and recalled later which means a proposed order can be obtained and modified according to taste and budget. (Of course that same favorite cake can be reordered for future events). This allows not only the buyer at the remote end to begin placing an order, but also allows the bakery to use the system as a POS terminal to take down every detail clearly and concisely as opposed to the typical way of using a pencil and paper. Mistakes are costly and can result in the refusal of an expensive cake or item ..... Our Online Ordering system for Bakery products is easy, quick, and accurate. It will truly empower the Bakery by allowing a greater number of orders and so to retain and increase their customer base. Our Online wholesale add-on is also available to support further expansion of the bakery operation. A restaurant/caterer, who does not actually bake the cake, can accept the cake order, mark-up the price, & forward the concise order to the bakery for fulfillment.

"Have your cake and order from your smartphone too!"

NEW PRODUCT RELEASE #3: FooNow for Chicken Wings: "A record 1.33 billion wings were consumed this past Super Bowl (2016), up 2% year-over-year." FooNow has released a chicken Wing add on that allows easy online ordering of any combination of size (tested for 11 sizes), flavor, (tested for 15 unique flavors) and hotness (tested for 5 levels of heat). This equates to 825 possibilities - giving the buyer the ability to customize their order easily, to their heart's/stomach's content!

NEW PRODUCT RELEASE #4: FooNow for Caterers: Our 2nd release of our online "eCatering" system offers several new features making it quite appealing to many of the 300 restaurants already interviewed. Nearly all have expressed interest in expanding their catering operations. It is much easier to make trays of food (especially pickup) then to serve in house customers. With the addition of our Cake Ordering System (see above), any catering operation will find that our "eCatering" system covers all aspects of a catered event. (see YouTube <a href="https://www.youtube.com/watch?v=fDFOFC4mUIQ">https://www.youtube.com/watch?v=fDFOFC4mUIQ</a>)

#### **Key features:**

- 1. The system can handle "per person" costs such as place settings etc...
- 2. Services by the hour ( servers, bartenders etc.) can be easily added according to the # of hours needed.
- 3. Single item such as tents, grills, etc. are easily added.

It should be noted, that large parties may still require some direct communication between caterer and party thrower. But all details and cost can be established online without the need for lengthy phone time by the caterer. If the party thrower does not wish to use the online system, the caterer can certainly use it to take down information and calculate exact cost. Later, the number of people attending the party can be changed

as well as service hours required. Saving & being able to easily modify all of the information for future parties of course will build customer retention.

Another style of catering which uses various package deals is now offered. Various package tiers are offered in which the customer can choose one or two items per each group within the package. Our system measures the items chosen to insure proper selections according to the rules established by the caterer. Of course when a customer wants to exceed the "rules", extra money is charged. The addition of Cake Online Ordering (see above), is the perfect combination for many events/celebrations.

