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IVY



IIVVY

IIVVY is a game changing retail platform that eliminates on-site physical inventory. Our wholly digital stores feature interactive kiosks and high-definition digital displays displaying our complete product catalog via QR codes.

Shoppers are verified through our secure app-based QR entry system to browse and order items that are then fulfilled exclusively from a centralized fulfillment center.

Meanwhile, our premium members enjoy an exclusive, reservation based service that allows scheduled, controlled physical interactions with select products, such as produce or high-end apparel.

Our vision is to create a shopping environment that maximizes convenience, security, and efficiency while dramatically reducing theft and operational hassles.

The Problem

Traditional retail environments face several challenges:



■ Inventory Exposure & Theft

Physical displays make merchandise vulnerable to theft and damage.

■ Operational Inefficiencies

Maintaining physical stock on store floors leads to higher overhead and cluttered experiences.

■ Customer Friction

Long checkout lines and ineffective product discovery methods often frustrate modern, tech-savvy shoppers.

■ Vendor Limitations

Conventional retail often restricts the agility of multi-vendor collaborations and real-time inventory adjustments.

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IVVY

The Solution



■ **Totally Digital In-Store Experience:**

Customers enter via secure QR-code verification and interact with a completely digital interface—no in-store product handling.

■ **Centralized Fulfillment**

Physical inventory never appears on the showroom floor; it is stored and managed off-site, ensuring tight control and significant reduction in shrinkage.

■ **Enhanced Data & Personalization**

Our backend leverages real-time analytics to tailor recommendations and streamline inventory management.

■ **Exclusive Premium Access**

Premium VIP members can reserve appointments to interact with, try on, or assess specific products, thereby enjoying a tangible connection to quality merchandise without the risk of open access.





Target Market

With digital transformation accelerating consumer expectations, iivvy is at the intersection of e-commerce innovation and physical retail efficiency



Tech-Savvy Shoppers

Who crave a clutter-free, futuristic shopping experience. Customers may pickup items, choose delivery or shop in store

Time-Conscious Consumers

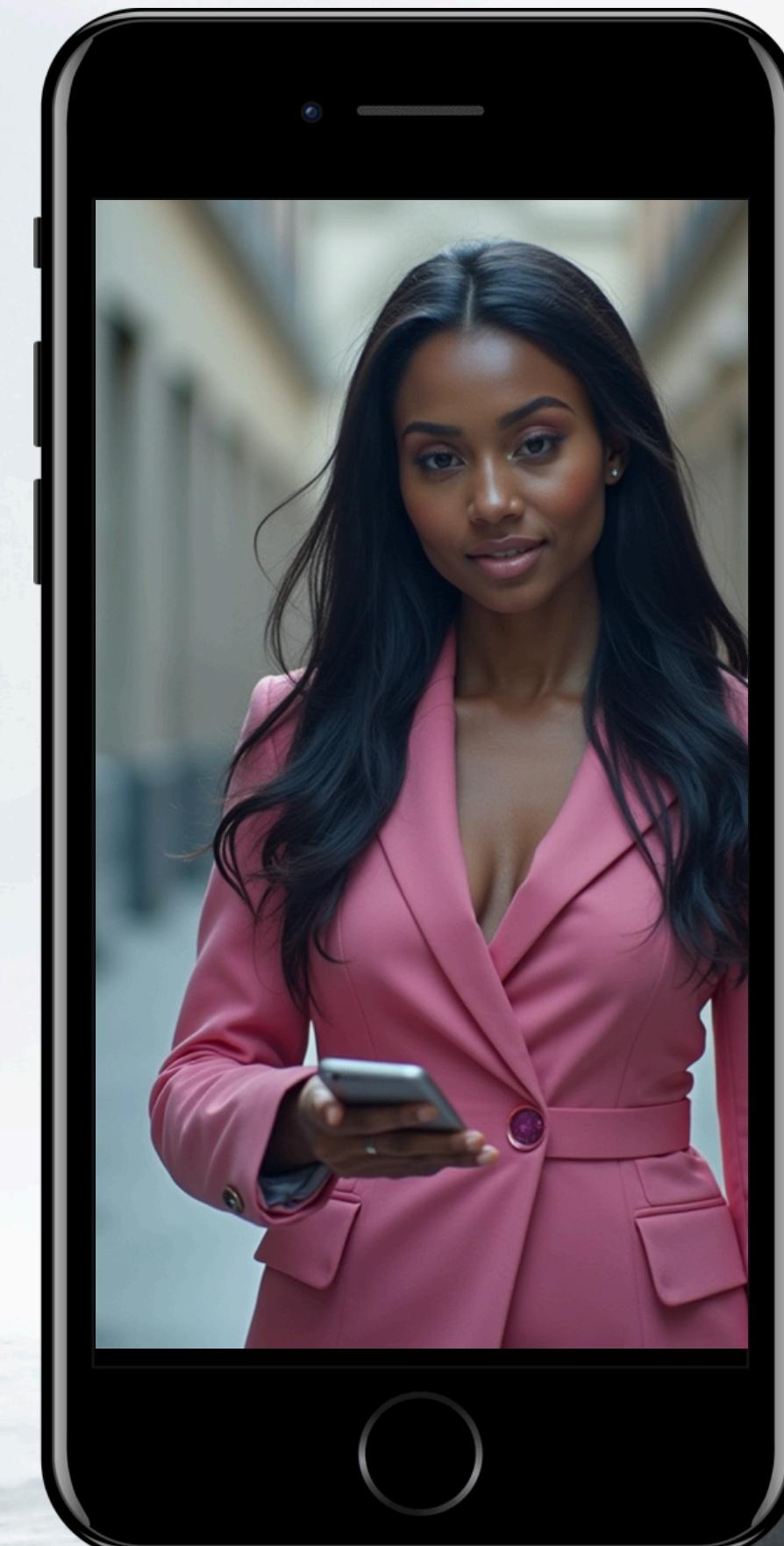
Who appreciate fast, hassle-free ordering and pick-up processes

Premium Buyers

Who desire exclusivity and personalized in-person experiences on-demand



Product or Service



IIVVY is revolutionizing retail by transforming physical stores into entirely digital showrooms. Customers use interactive kiosks and digital displays to browse a full, digital catalog via QR codes.

All physical merchandise is securely housed in an off-site fulfillment center, with product handling reserved strictly for employees.

Premium members enjoy the exclusive option to schedule in-person interactions with select products.

Our model dramatically reduces inventory risks while leveraging data insights, streamlined operations, and scalable technology.

Revenue Model & Financial Projections





IIVVY revenue streams are diversified across:

- Direct Digital Sales: Each transaction is completed via our digital platform with an average order value of approximately \$50
- Premium Membership Fees: Subscriptions unlock exclusive reservation services and personalized experiences
- Vendor Commissions: A multi-vendor marketplace structure brings in additional revenue as more vendors list their products with us
- Digital Marketing: Advertising via kiosk, app and/or website and instore for vendors and non-vendors

Revenue Model



Premium Memberships

- Membership Fee:
- \$50 per month (\$600 per year)

Projections

Projected Membership Numbers:

- Year 1: 1,000 Premium Members
- Year 2: 2,000 Premium Members
- Year 3: 3,000 Premium Members
- Year 4: 4,000 Premium Members
- Year 5: 5,000 Premium Members

Revenue Impact:

- Year 1: $1,000 \times \$600 = \$600,000$
- Year 2: $2,000 \times \$600 = \$1,200,000$
- Year 3: $3,000 \times \$600 = \$1,800,000$
- Year 4: $4,000 \times \$600 = \$2,400,000$
- Year 5: $5,000 \times \$600 = \$3,000,000$



Entry Fee

- One time fee \$10,000 per vendor
- Example: With 50 vendor partners, the entry fees generate \$500,000 in Year 1

Recurring Sales Commission

- Approximately \$4,000 per vendor
- Example: 50 vendors yield \$200,000 annually

Marketing & Advertising Fee:

- Approximately \$12,000 per vendor per year for premium exposure on digital in-store kiosks and digital channels, with an adoption rate of 50%.
- Example: 50% of 50 vendors (i.e. 25 vendors) generate \$300,000 in Year 1

Total Revenue

- Entry fees: \$500,000
- Recurring commissions: \$200,000
- Ad fees: \$300,000
- Total: \$1,000,000



Vendor Revenue

Advertising

Vendors

Digital Kiosk Promotions

Vendors obtain prioritized display positions in our high-definition in-store kiosks

App and Website Features

Prominent placement on our mobile app's homepage and dedicated vendor sections on our website

Social Media Integrations

Regular shoutouts and banner ads in our digital marketing campaigns

Data-Driven Campaigns

Access to seasonal and event-driven promotions that leverage our customer data for targeted campaigns

Scalability

As our platform scales, we may introduce additional advertising packages (such as short-term promotions or event-specific packages) that can further boost vendor revenue.

The collected data on ad performance would enable us to refine pricing strategies and justify increased fee structures over time.

Adoption

We conservatively assume 50% of our vendors opt into these advertising packages.

External Advertising

There is a potential for non-vendor advertising locally

Flexibility

Should the advertising prove effective, we anticipate the adoption rate might increase.

In sensitivity analysis, we consider scenarios ranging from 40% (if vendors are cautious in early stages) up to 60% (if ROI on digital placement exceeds expectations).

Financial Projections

Year 1:

- Direct Digital Sales: \$3M
- Premium Membership: \$600K
- Vendor Commission Revenue: \$200K
- Revenue: \$3.8M
- COGS: \$2M
- Gross Profit: \$1.8M
- Operating Expenses: \$1M
- EBITDA: \$800k

Year 5:

- Direct Digital Sales: \$10M
- Premium Membership: \$3M
- Vendor Commission Revenue: \$700K
- Revenue: \$13.7M
- COGS: \$5.8M
- Gross Profit: \$7.9M
- Operating Expenses: \$1.8M
- EBITDA: \$6.1M

Break-even is projected to occur by Year 2, with strong EBITDA growth as the business scales



Value Proposition

Robust Recurring Revenue:

- A \$50 per month subscription creates a steady cash flow. As membership base scales from 1,000 to 5,000, recurring revenue becomes a major profit driver.

Increased Customer Stickiness:

- A higher investment per member correlates with a stronger commitment to the platform and likely a lower churn rate, as premium members will expect and receive enhanced personalized service and exclusive in-person interactions.

Improved Profitability Outlook:

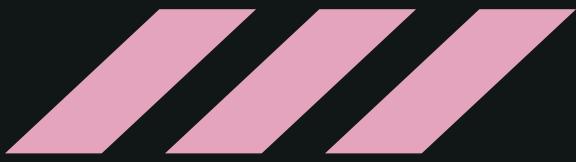
- With premium fees generating an order of magnitude more revenue, our sensitivity analyses show a faster path to profitability and improved EBITDA margins, even in downside scenarios where conversion rates or growth figures fluctuate slightly.

Scalable and Diversified Revenue Streams:

- Combined with increasing direct sales and vendor commissions, the larger membership fee model demonstrates a viable, multi-faceted revenue engine that is both scalable and defensible.



Risk



Technology & System Reliability:

- Implement redundant cloud infrastructures and 24/7 system monitoring.
- Maintain a dedicated team of onsite tech specialists for immediate issue resolution.

Market Adoption & User Experience:

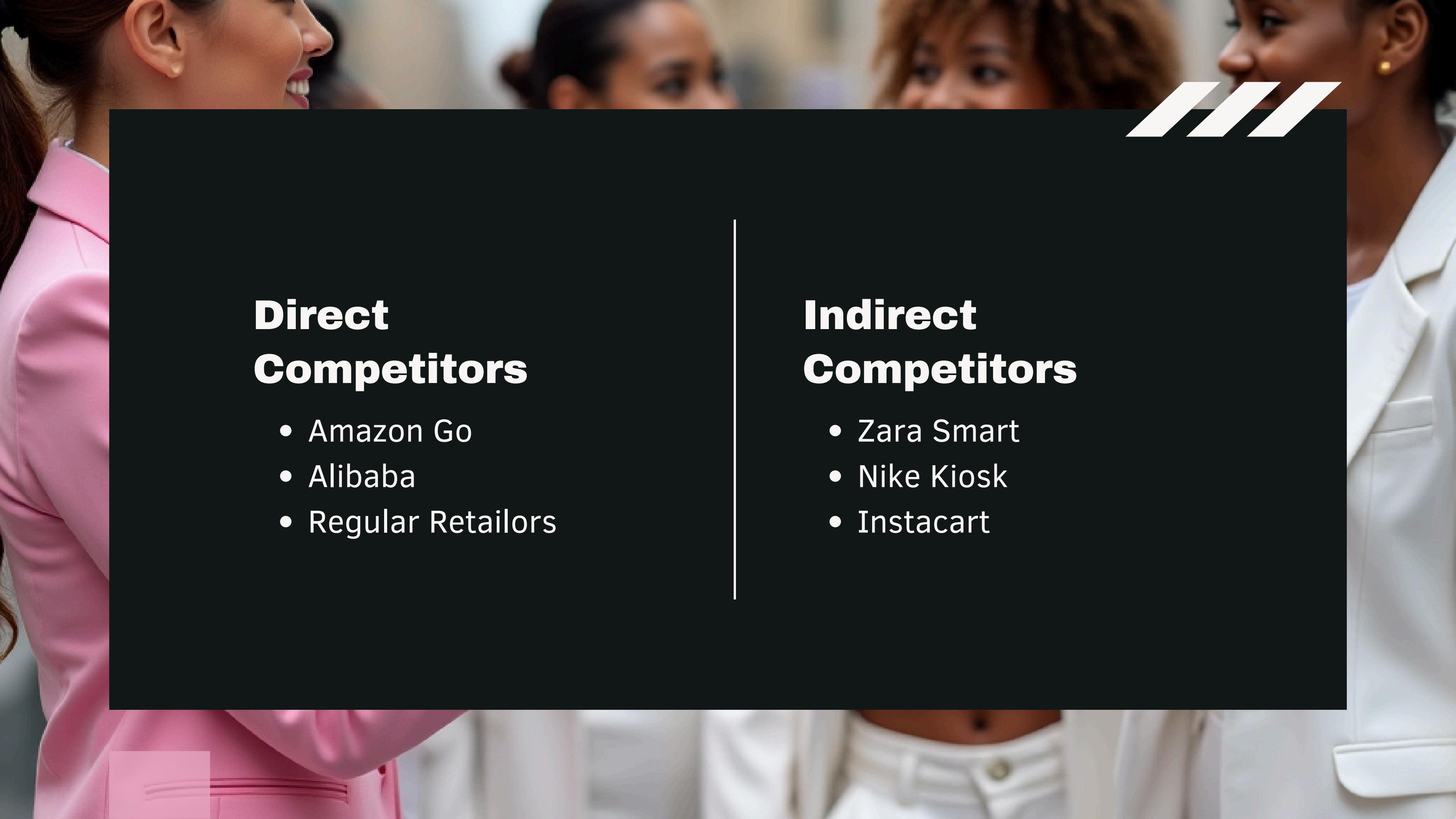
- Use iterative design methods and customer feedback to continuously optimize digital interfaces.
- Employ aggressive digital marketing to educate potential customers about the ease and security of our model.

Operational & Security Risks:

- Standardize employee training programs in both the fulfillment center and in-store environments to minimize errors and maintain robust security protocols.
- Regular audits of inventory and transaction processes ensure accuracy and reduce shrinkage.

Vendor Support & Supply Chain:

- Diversify vendor acquisition strategies and secure long-term agreements where possible.
- Utilize data analytics to forecast demand and adjust inventory proactively, reducing supply chain disruptions.



Direct Competitors

- Amazon Go
- Alibaba
- Regular Retailors

Indirect Competitors

- Zara Smart
- Nike Kiosk
- Instacart

Competitive Advantages

Security and Loss Prevention:

- By confining physical products to a controlled fulfillment center, we drastically lower theft risks.

Operational Efficiency:

- Centralized inventory management simplifies operations and bolsters accuracy in order fulfillment.

Scalability:

- Our digital-first in-store experience is easily replicable across locations, while premium reservations help build deep customer loyalty.

Data-Driven Personalization:

- Leveraging analytics across our digital channels refines the shopping experience, leading to higher conversion and retention rates.



Amazon Go & Alibaba's Hema:

- Although these players rely on physical inventory exposure (even in high-tech environments), they still face losses related to in-store handling.

Zara's Smart Stores & Nike Live:

- These experiment with digital kiosks but blend physical and digital methods without fully mitigating theft risks.

Our Differentiators:

- **Full Digital-Only Interface:** iivy's unique approach eliminates physical inventory exposure in the customer space altogether, drastically reducing operational losses.



Premium Engagement Model:

- Unlike competitors, our reservation system for premium members provides controlled physical interaction, enhancing customer loyalty and creating an exclusive revenue stream.

Vendor Agnostic Marketplace:

- The platform invites multiple vendors (projected to start with 50 and scale to 140 within five years) to participate, generating additional commission revenue and offering a broader product variety.

Proprietary Data & AI Integration:

- Our backend leverages real-time data analytics and predictive AI to continually optimize both the customer experience and supply chain management.

Competitive Landscape



Phase I

Launch & Pilot (Phase I – Year 1):

Location:

- Open a flagship digital-only store in a metropolitan area with high foot traffic and tech adoption.

Milestones:

- Secure all requisite permits and complete facility build-out (within 6 months).
- Complete kiosk and digital system installations by Q2.

Achieve 1,000 premium memberships and onboard 50 vendor partners by the end of Year 1.

Phase II

Expansion (Phase II – Years 2 to 5):

New Store Rollout:

- Plan to open 2–3 additional locations within 3–5 years utilizing streamlined processes from the pilot.

Partnership Growth:

- Expand vendor partners incrementally to 140 by Year 5, boosting commission revenue.

Technology Enhancements:

- Introduce advanced features (such as AR try-ons) and refine AI-driven personalization after initial feedback.

Market Strategy

Marketing Initiatives:

- Launch targeted digital marketing campaigns with clear KPIs such as customer acquisition cost (CAC), lifetime value (LTV), and retention rates.
- Leverage influencer partnerships and PR events to foster buzz, particularly around the exclusive premium experience.



Phase I

- Phase I (Pilot Store Setup):
- Facility & Kiosk Equipment: \$800,000
- Technology Development & Cloud Infrastructure: \$500,000
- Staffing & Operational Setup: \$814,000
- Marketing & Contingency: \$300,000
- Total Phase I Cost: \$2.5 million
- Reserve for Expansion & Risk Buffer:
- Additional Reserve for Phase II/Contingency & Sensitivity Management: \$500,000

This investment will validate our digital-only concept through successful pilot execution, establish market traction, and build a scalable foundation for future multi-store expansion.

Investment

To execute our strategic roadmap including the full pilot rollout with in-store build-out, kiosk integration, technology enhancements, and critical first-year staffing we are seeking a, \$3 million investment.



Exit Strategy

Acquisition:

- As a pioneer in digital-only retail, iivy is an attractive target for technology giants or established retailers looking to integrate cutting-edge digital platforms.

Public Offering (IPO):

- Once the business scales to multiple stores and demonstrates consistent, strong EBITDA growth, a public offering could offer liquidity within 5–7 years.

Strategic Merger:

- Potential mergers with complementary tech or retail companies can create synergistic benefits while providing an exit route for early investors.

Recapitalization:

- In later stages, strategic investors might be brought in to buy out early-stage investors, offering an alternative liquidation event.



CONCLUSION

IIVVY represents the future of retail by seamlessly integrating digital innovation with secure, data-driven operations and a highly scalable multi-vendor platform. With proven market interest, robust risk mitigation strategies, and a clear exit roadmap, we are set to deliver strong returns to our investors.

We invite you to partner with us as we redefine retail.

Contact Us

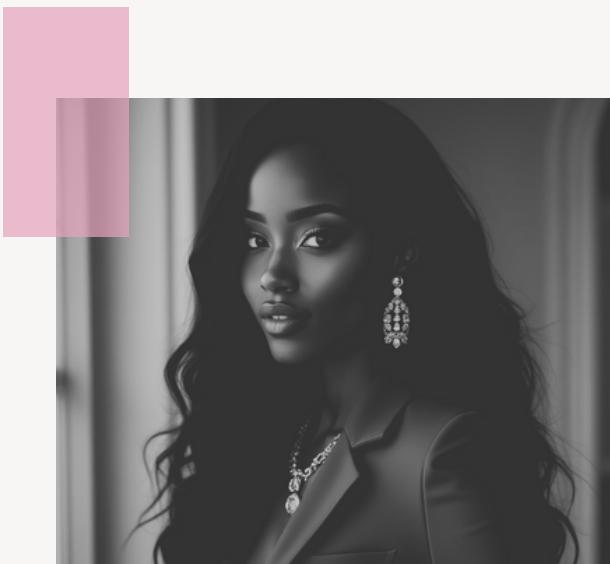
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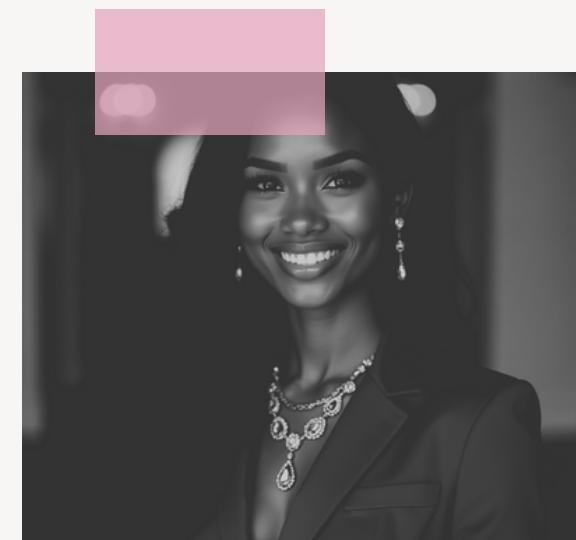
The Team



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