



Hryzn, Inc.

Angel Business Plan

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Executive Summary

For over a decade, online platforms have enabled people to explore the many opportunities to earn a livelihood. From the power of Uber conceiving an economy built through “services”, to now the rise of monetizing the passion and individuality of creators. This progression that’s taking the world by storm is called the “Passion Economy”, and may change the way one may think of a “job” in the near future.

However, in this new enlightenment lies a great imbalance of power between creators and platforms. Large social media platforms have turned creators into their commodity, forcing users to yield to their say due to the dependency on these companies for distribution and growth. Additionally, these platforms lie ignorant to the oversupply of creators, as oversaturation makes it impossible to compete against rivals. With no say in the matter, individuals remain helpless and must abide by the very rules that don’t allow them to stand out.

Hryzn aims to avert this upcoming crisis, and uphold the strong progression of the passion economy. Hryzn’s foundation was built around the necessity for a creator to find and connect to a community. With a built-in search engine similar to Youtube and Pinterest, all people have a way for their content to appear for what an audience is searching for, even those that are just starting out. People can collect tips, set up subscriptions, and sell products to grow their brand and make passive income online. Hryzn even aims to be a democratized platform that puts the power back in people’s hands through transparency and a user voting system.

“We want to provide a way for all people to live a life that truly makes them happy, no matter if you’re a kid in college, a local artist, or even a growing brand.” says Brian, co-founder of Hryzn.

Hryzn was born to provide a way for people to have their interests connect them with their community, regardless of what it may be. People from around the globe now have a simplified way to connect with like-minded people and make money from what they’re passionate about.

Company & Management: There are three co-founders that have been crucial to the development of Hryzn. One has a background working in web development. Another has a background working in sales and marketing. Lastly, the third co-founder has a background in branding and digital marketing, completing at the University of Miami. There is also an additional advisor on board with experience growing their own reputable company in startup strategy. The advisor was a mentor for a well known startup accelerator called the Founder Institute, where our company graduated with just six other companies through a rigorous program amongst what was originally 25 startups. We are up and running with a website in beta called myhryzn.com.

Competitive Advantage: The advantage we hold against our competitors is in our simplicity for a creator to connect directly with their audience. Our differentiation lies in having a simple to use platform that all people can use, not just large businesses, and having a built-in hub of communities that eases the largest challenge a creator will face when marketing themselves. By offering resources to monetize and simplify the painstaking process of finding an audience, people from all walks of life have a way to receive an income doing what they love, giving them back their freedom and more importantly

their time to enjoy life.

Company Goals (6 Months)

- Hypothesis / Road map strategy for product-market fit
- Refactored MVP with solid proof of concept
- Growing user base of minimum 500 daily active users
- Understanding of customer journey and user acquisition strategy
- Full time team with 3 advisors
- Secure SEED funding

Our Ask: We're looking for an investment amount of \$50,000, with \$5,000 being the minimum investment, so we can solidify our working MVP, enhance our marketing efforts, and accomplish future milestones for the growth of Hryzn.

Our Exit Strategy: Our goal is to accomplish set milestones within 6 month time frames to increase valuation for the benefit of the shareholders, and to be acquired within 3-5 years.

Company Profile

Hryzn, Inc. was founded in late 2020 and runs as an C-Corporation with three co-founders: Brian Acebo, Brandon Marte-Pena, and Malcolm Wilkie. Brian has a background working for web development and SEO companies. Brandon has a background in sales and marketing. Malcolm has a background in branding and digital marketing, completing schooling from the University of Miami. James is the additional advisor on board with experience growing his own reputable company in startup strategy. He was a mentor for a well known startup accelerator called the Founder Institute, where our company graduated with six other companies through a rigorous training program with what were originally 25+ startups.

Hryzn was born to provide a way for people to have their interests connect them with their community, regardless of what it may be. People from around the globe now have a simplified way to connect with like-minded people and share what they're passionate about such as working out, cooking, cryptocurrency, basketball, etc. With our website in beta, we've validated and received positive feedback from over 300+ early adopters.

Our Mission: To create an environment that provides communities with the freedom to express, inspire, and create a life that truly makes them happy.

Our Vision: To formulate a new standard and way of life in which prioritizing your happiness and the well being of others is essential to create a world worth living in.

Product Offering

Hryzn is a free to use platform, but our business model focuses on allowing creatives to turn their passion into a business with three tiers for a monthly commission.

Free Platform: A blogging and social networking service where communities can share and connect through niche topics. Users can create microblogs to share content, customize their pages, and make money doing what they love. Users can also search for topics they are passionate about or share content with groups of like-minded people.

First Tier: Free with a 14% commission of a Creator's Monthly Income

- Allow Tips
- Collect Ad Revenue

Second Tier: \$12 per month & a 10% commission of a Creator's Monthly Income

- Everything in first tier
- Setup recurring subscriptions

Third Tier: \$20 per month & a 6% commission of a Creator's Monthly Income

- Everything in second tier
- Sell products

Market Analysis

Target Market: Social networking is a \$52 billion industry with a growth rate of 25% (2015-2020), but our focus is towards a sub-industry of blogging and publishing which sits at \$3.5 billion. Our audience is males and females ages 16-35 that live in urban areas in the United States, with some college or completed college level education. These people have creative/artistic hobbies and are passionate towards their interests.

Buyer Persona (Example): Olivia Jenkins is a 20 year old college student living in Fort Lauderdale, Florida. She's tired and overworked from her job at a restaurant and is unsure if she even wants to continue through school. She went to college to give herself more time to figure out what she would like to do, but her dream is to be able to travel and experience the world. She heard from her friends about many ways to make money online, but she's skeptical about getting started.

Our focus is to be an entertainment platform where people can share and connect through niche topics. Micro-communities can come together to share genuine interest over various topics. In addition, we're looking to offer resources for creatives to monetize their content and make an income doing what they love. Having a built-in way to connect with your audience with multiple ways to monetize, people from all walks of life have the ability to receive an income doing what they love, giving them back their freedom and more importantly their time to enjoy life.

Strengths: Integrated digital marketing, Entertaining social platform, Niche/Interest oriented user experience, Sub-industry focus

Weaknesses: Little capital/resources

Opportunities: Large market size, Unique timing opportunity

Threats: Adoption curve, Larger corporations

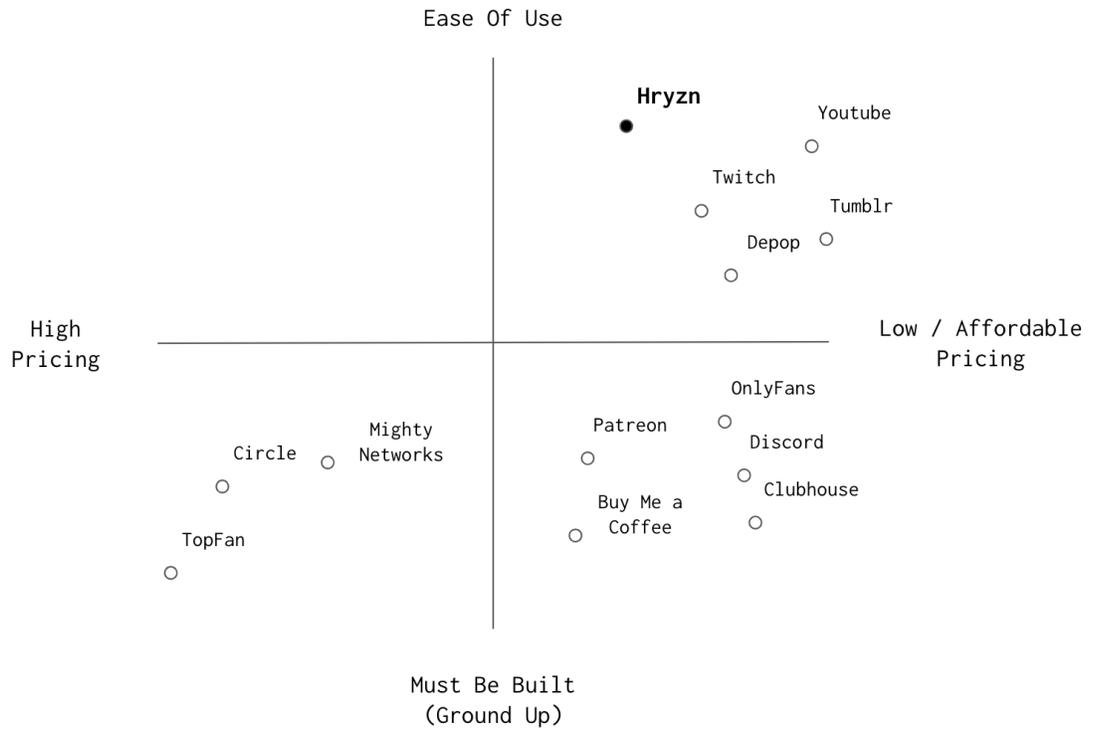
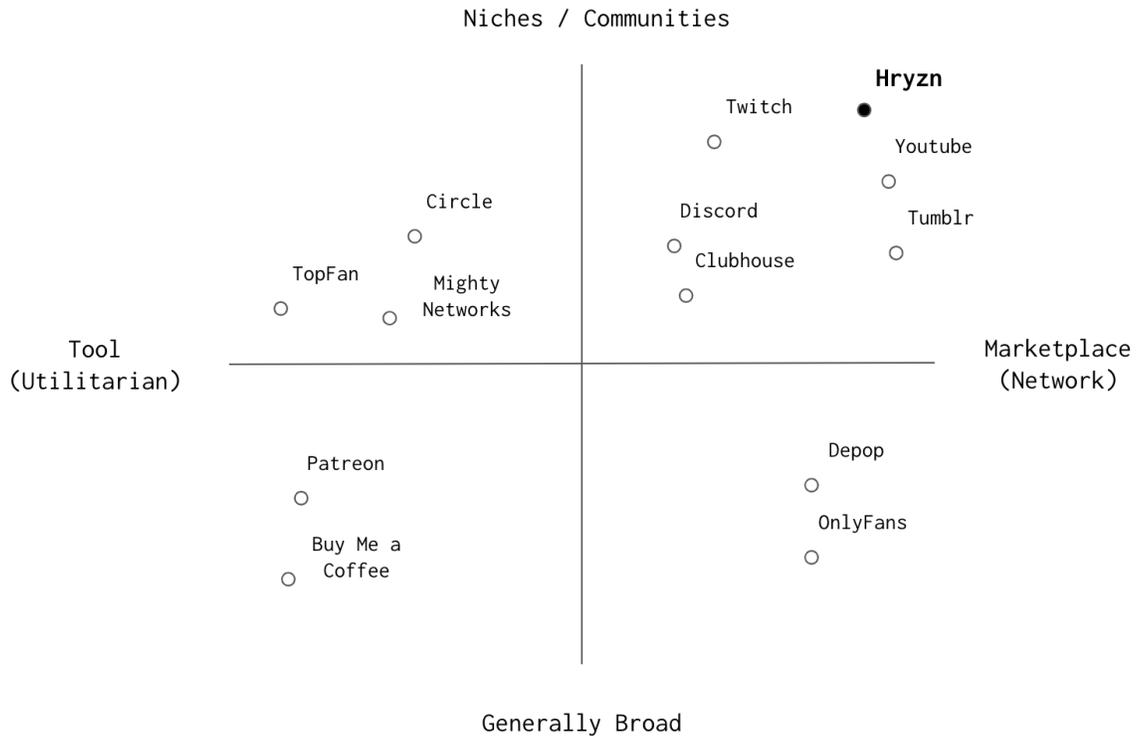
Competitor Name	Comparative Strength(s)	Comparative Weakness(es)	Counterpoint(s)
Tumblr	No monetization opportunities; Weak quality user experience	Older platform that's been around since 2007	Lost hold and slowly dying due to lack of innovation and losing user interest; Once a billion dollar company but was sold twice more recently for \$3 mil.
OnlyFans	Large focus towards adult content; Takes 20% commission on creator's monthly income	Very well known platform for the idea of making an income	Largely saturated site where only 1% of users, mainly already established celebrities, make majority of income
Patreon	Difficult to build an audience; Favors celebrities with an already established presence	Very well known platform for the idea of making an income	Doesn't cater to the "little guy"; Well-known influencers with existing audiences

			reap the benefits
Buy Me A Coffee	Difficult to build an audience; Payment processor not marketplace	Known platform for collecting memberships	Only focuses towards collecting memberships
Circle	Only oriented towards building memberships for business from scratch	Larger amount of tools for community building for businesses	Only aimed towards larger businesses and enterprises with a high cost
Mighty Networks	Only oriented towards building memberships for business from scratch	Larger amount of tools for community building for businesses; Includes selling courses	Tools are for larger brands to build memberships and websites
Top Fan	Only oriented towards building memberships for business from scratch	Known platform to collect and build memberships	The most expensive out of all of the platforms

Direct Competitors: Tumblr, Patreon, OnlyFans, Buy Me A Coffee, Circle, Mighty Networks, Top Fan

Indirect Competitors: Youtube, Depop, Discord, Clubhouse, Twitch

- ❖ Indirect competitors are only listed because they have the ability for a creator to make an income, however that is not their main intention. For example, a creator can sell a membership to a Discord group, but that's not Discord's main intention.



Marketing Plan

Positioning Strategy: Our aim is to be useful towards all people, not just existing businesses, and provide a simple user experience for all aspects of a creator's journey. An individual and a competing corporation can have equal opportunities to grow. The strategy is to offer an array of resources for the user's benefit in all aspects that other competitors seem to lack, along with a simple quality user experience.

Acquisition Channels (6 months)

Our marketing goal for the next 6 months is to build a foundation through organic channels, and work towards our Go-to-Market strategy. The strategy consists of leveraging the influence of PR and micro-influencers to capitalize on the cognitive bias of authority principle, where people listen and follow others of authority. Here are the channels we will begin with:

Organic:

Social Media: Twitter, Instagram, Youtube

Media Publishings

Guest Blogging

SEO

Word of Mouth & Referrals

Direct Sales

Paid:

Sponsored Blog Posts

Social Media Influencers: Instagram, TikTok, Youtube

Social and Search Ads: Google and Facebook

Core KPIs & Metrics

- Link clicks and web traffic
- Customer acquisition rate and acquisition cost
- Customer activation/conversion rate
- Customer conversion rate to premium accounts
- Churn rate
- Customer retention rate and engagement
- Referral per user
- Conversion rate per referral
- Monthly & Daily active users

How we expect to achieve our minimum goal of 500 Daily Active Users

Working with a blogger that has close to 50k pageviews will cost roughly around \$400 per sponsored post. Having a \$10k budget will allow us to work with 25 bloggers. The average click through rate for a sponsored post is 1.91%, but we'll use 1.5% for the example. We'll also use a 5% conversion rate and a 20% retainment rate for daily active users.

50k x 1.5% = 750 in web traffic

750 x 5% = 37 sign ups

$37 \times 20\% = 7 \text{ DAUs}$

$7 \times 25 \text{ bloggers} = 175 \text{ total DAUs}$

Working with an Instagram influencer that has close to 100k followers will cost roughly around \$500 per sponsored post. Having a \$10k budget for influencers, and splitting $\frac{1}{3}$ towards instagram, it will allow us to work with 6 Instagram influencers. The average click through rate for a sponsored post is 0.8%. We'll also use a 5% conversion rate and a 20% retainment rate for daily active users.

$100\text{k} \times 0.8\% = 800 \text{ in web traffic}$

$800 \times 5\% = 40 \text{ sign ups}$

$40 \times 20\% = 8 \text{ DAUs}$

$8 \times 6 \text{ bloggers} = 48 \text{ total DAUs from Instagram}$

$48 \times 3 = 144 \text{ DAUs from Instagram, TikTok, and Youtube}$

Working with Google ads and the keyword "make money online" has an audience of 10k-100k with a cost per click of \$1-3. We'll use 50k and a \$2 cost, with a \$5k budget for the example. The average click through rate is 2%. We'll also use a 5% conversion rate and a 20% retainment rate for daily active users.

$50\text{k} \times 2\% = 1\text{k} \text{ in web traffic}$

$1\text{k} \times \$2 = \2000 spend

$1\text{k} \times 5\% = 50 \text{ sign ups}$

$50 \times 20\% \times 2.5 = 25 \text{ DAUs from Google ads}$

$25 \times 2 = 50 \text{ DAUs from Google and Facebook ads}$

The remainder of DAUs needed to hit our goal will be achieved through the organic methods. The strategy is interchangeable, meaning we can refocus our ad spend efforts towards working with more bloggers and influencers. A \$15k instead of a \$10k budget will provide us with 259 DAUs through bloggers, and 241 DAUs through influencers.

Operations Plan

Our growth and expansion plan is expected to play out within the next 6 months. Taken into consideration when planning out our operations is conquering company milestones while maintaining balance with our burn rate. Our funding requirements create a runway of 6 months with a little buffer room, to ensure quality success in accomplishing our 12 month operation plan. SEED funding will be sought for 3-4 months before we burn through our reserves.

Company Milestones

- Hypothesis / Road map strategy for product-market fit
- Refactored MVP with solid proof of concept
- Growing user base of minimum 500 daily active users
- Understanding of customer journey and user acquisition strategy
- Full time team with 3 advisors
- Secure SEED funding

Key Customer Metrics & KPIs

- Link clicks and web traffic
- Customer acquisition rate and acquisition cost
- Customer activation/conversion rate
- Customer conversion rate to premium accounts
- Churn rate

- Customer retention rate and engagement
- Referral per user
- Conversion rate per referral
- Monthly & Daily active users

Month 1

Daily Active Users: 80

Total Net burn: \$5k

Headcount: 4

Product roadmap: MVP

Funding Cycle: Angel

- Created relationships with media/PR outlets and influencers
- Investor and pitch event prospect list is created
- Connected with code consulting agency
- Organic growth/acquisition strategy implemented
- Customer journey map is well understood
- SEED business plan and roadmap is underway

Months 2-3

Daily Active Users: 240

Total Net burn: \$15k

Headcount: 4

Product roadmap: MVP is now V1

Funding Cycle: Angel

- Continue relationships with and add new media/PR outlets and influencers
- 1 additional growth advisor to add towards management
- Product V1 is completed as MVP was refactored
- Met with 50-75% of investor prospect list
- Organic growth/acquisition strategy continued
- Retainment strategy is being tested through our well understanding of customer journey
- SEED business plan is now geared towards what will take us to revenue
- Begin working towards SEED funding

Months 4-6

Daily Active Users: 500

Total Net burn: \$50k

Headcount: 5

Product roadmap: V2 is underway

Funding Cycle: Angel

- Continue relationships with and add new media/PR outlets and influencers
- Product V1 is tested and refactored to further reach Product Market Fit, with V2 underway
- Organic growth/acquisition strategy continued
- Retainment strategy is implemented
- SEED funding is closed

Financials

Our projected monthly burn is approximately \$8.3k per month. Our startup costs include:

Payroll - \$1.6k/month

Marketing Budget - \$5k/month

Development Consulting Agency - \$10k one time cost

With your help, we can take our next steps. We're looking for an investment amount of \$50,000, with \$5,000 being the minimum investment. This will give us 6 months of runway to operate our business.

With the funding, we can solidify our working MVP, enhance our marketing efforts, and accomplish future milestones for the growth of Hryzn.

Our goal is to bring the world closer together through freedom of expression, so people can discover what they love and have their interests connect them with their community.