

HOW TO CREATE A PROFITABLE BUSINESS IN THE SOCIAL WI-FI SPACE

Generate revenue streams, reduce costs and get high margins

FIRST TOUCH

Tanaza partner program brings incomparable benefits for reseller partners.

Allow us to give you a peek into the business model of one of our partners, let's call him John.

Let's discuss the revenues, costs and margins of his projects...

FIRST 30 DAYS



(1)

Demo APs

John bought 3 TP-LINK WR841N routers to use as "demo APs". He configured 3 splash pages with social login and reached out to clients to have them test out the demo APs supported by the Tanaza software, for free.

He decided to give his customers the credentials to access the Tanaza Social Dashboard to monitor the stats of their Wi-Fi Clients. Thanks to this tool, his customers were able to see every person entering their location and connecting to their Wi-Fi network!



One-time costs

Buy TL WR841N from Amazon.com (x3)

-\$115

Recurring revenues

No clients yet!
John offers free installation and support during the trial period.

\$0

Margin



-\$115

TOTAL MARGIN

End of the first month

-\$115

SECOND MONTH



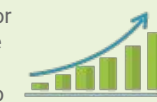
(2)

Pricing

Three customers decided to buy his service. They paid:

- \$99 for purchase and installment of AP
- \$299/year for an all-inclusive Wi-Fi service with social login, advertisements, landing page, redirect to a customized landing page, support, social dashboard.

John bought yearly licenses for Tanaza All-in-one and became a partner. In only one month, John recovered the fee paid to become reseller partner and started his Social Wi-Fi business with 3 clients. He planned to increase the number of installed APs and sell marketing services based on Wi-Fi data to increase his revenues.



One-time costs

Set-up fee as reseller partner (x1)

-\$460

Recurring costs

1 year licenses for Tanaza all-in-one (x3)

-\$240

One-time revenues

Access Points sold (x3)

\$297

Recurring revenues

1-Year Wi-Fi service with Social Login (x3)

\$897

Margin



\$494

TOTAL MARGIN

End of the second month

\$379

MONTHS 3 TO 12

(3)

John tested his product with 16 prospects, got 12 new customers and installed 18 new APs in total.

Price for END USERS

- Networks made of one AP
- \$99 for the AP, \$299/year for the all-inclusive Wi-Fi service with social login, advertisements, redirect to a customized landing page, support, access to the social dashboard.
- Networks made of 2 APs
- \$198 for 2 APs, \$500/year for the all-inclusive Wi-Fi service with social login, advertisements, redirect to a customized landing page, support, access to the social dashboard.

Price for ADD-ONS

John added the DEM to his sales proposition and one customer bought the service as an add-on. For 10 months, John mailed one monthly newsletter to max. 1,000 users.

Then, he created a FREE "Entrepreneur" account on MailChimp to send 2,000 monthly emails to Wi-Fi clients on behalf of his customers.



- John charges \$99/newsletter sent.
- This price includes newsletter design (standard template), delivery to 1,000 users (\$0,099/Wi-Fi client) and a basic report.

One-time costs

Buy TL WR841N from amazon.com (x18)

-\$689

Recurring costs

1 year licenses for Tanaza All-in-one (x18)

-\$1,440

One-time revenues

Access Points sold (x18)

\$1,782

Recurring revenues

Wi-Fi service with Social Login (networks made of 1AP/1 year) (x6)

\$1,794

Wi-Fi service with Social login (networks made of 2APs - 1 year) (x6)

\$3,000

Monthly newsletter (x10)

\$990

Margin



\$5,437

TOTAL MARGIN

End of the year

\$5,816

AFTER 1 YEAR

(4)

John paid only \$115 to buy the hardware and start a business with Tanaza in the social Wi-Fi space.

John recovered his up-front investment after only one month, got \$5,816 of margin in his first year with Tanaza, with a total of 21 APs, and generated over \$6,600 of recurring yearly revenues.

Currently, he sells his services to his existing customer base and promotes products through word of mouth, which is why his cost to acquire customers is nearly zero. His revenue streams are recurring, and the margin will continue to grow in the upcoming years (he estimates the deployment of 250 APs). He dedicates about one hour a week to the Wi-Fi management (sometimes, even less!), and his customers are happy. The Wi-Fi-related services provided by John, such as e-mail marketing Wi-Fi clients are also increasing his revenues.

Weekly working hours

1 hour

Number of customers

15

Number of APs

21

Number of Wi-Fi clients (unique) in one year

20,100

Number of connections (total) in one year

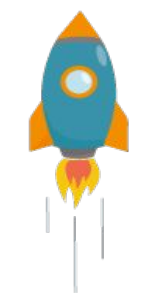
55,800

Additional services sold

10 DEM

THE FUTURE

If John deploys a total of 250 APs in 3 years, his revenue from Wi-Fi will be about \$150K (about \$75K of yearly recurring revenues), about \$50K in costs with a margin of approximately \$100K.



John's Business

John founded his company in 2010. He sells IT and marketing services to restaurants, bars and pubs in his district. The company has proven experience in web developing, web apps, online ads, networking (the company has deployed many free Wi-Fi hotspots with password), and software integration.



John came across Tanaza last year while looking for Wi-Fi software with the social login feature. After a quick chat with our sales team and the 15-day free trial, he signed on to become a reseller partner.



BENEFITS OF TANAZA PARTNER PROGRAM

- Margins; about 50% of the revenue for the sole software + margin on additional services
- Low hardware costs: Tanaza supports APs starting from \$19.
- Low up-front costs: Tanaza doesn't charge you during the trial period (unlimited APs and connected clients) so you can make demos to clients without spending a dollar.
- Fast go-to-market: start selling Wi-Fi, even before paying!