

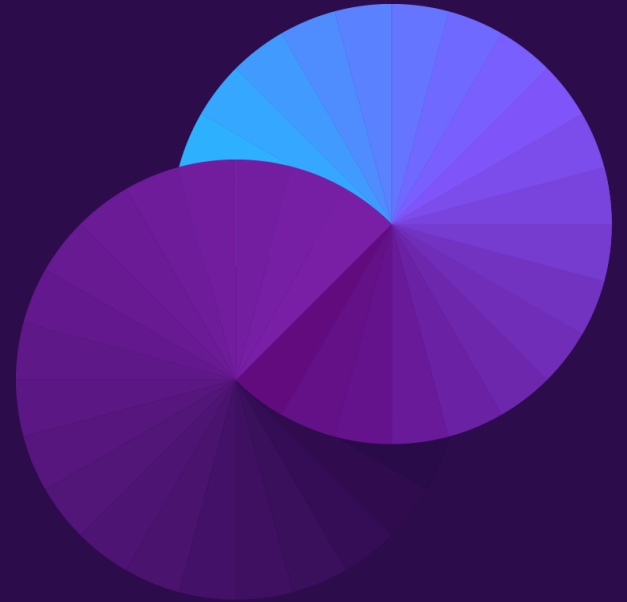
Wrapp



Social gift giving service

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What is Wrapp?

Wrapp is a fun and easy way to give free and paid gift cards to your Facebook friends. On the Wrapp site, users sign up for the service using their Facebook account. Wrapp's app is available for both iPhone and Android phones. The app notifies the user when their Facebook friends have birthdays; it's then possible to send them a gift card, which can be redeemed online or in retail stores. The gift card comes in the form of an email with a bar code that can be scanned at a retailer's point of sale, like a normal gift card

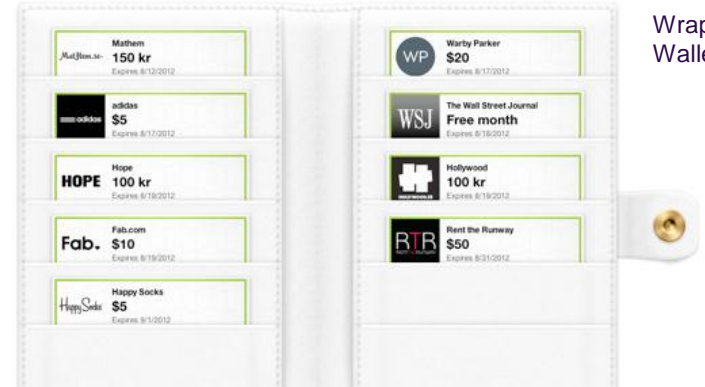
The idea is that retailers can generate store traffic by luring in customers with free gift cards in hand. Imagine, for instance, that I gave you a free \$10 gift card for a shoe store; the theory is that the retailer would happily give up some revenue dollars in exchange for gaining a new customer, who are not going to be able to buy a pair of shoes for \$10. In theory, everyone wins: I get to give you a gift for free. You get a gift card. The retailer gets a new customer. Wrapp gets a commission when a gift card is redeemed.

E-commerce platforms are becoming inherently more social with the inclusion of comments, recommendations and purchase history from each person's social graph and social gifting is becoming more prevalent. However, this industry is still in its infancy, accounting for only \$1 billion of the \$100 billion gift card industry last year.

Wrapp however has good pedigree, having been founded in Sweden in early 2011 by the entrepreneurs behind Spotify, Rebtel, Stardoll, Groupon and SoundCloud.



Mobile Screen Capture



Wrapp Wallet

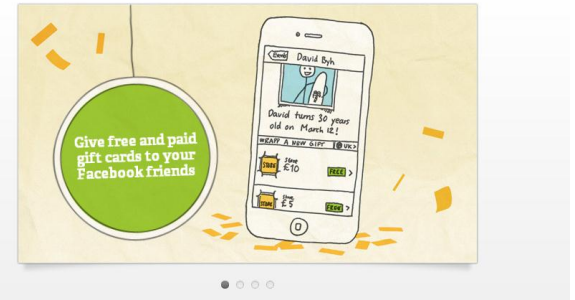
Where is Wrapp Used?

Wrapp launched in Sweden in November 2011 and since then has taken its service to the United States, United Kingdom, Germany, the Netherlands, Finland, Norway and now Australia.

The start-up is also preparing for launches in France, Italy, Poland, Turkey, Taiwan, Japan, Brazil, Canada and Ireland, which will help it grow its current reach of 400,000 active users.

While Sweden is still the company's strongest market owing to its maturity, the U.S. is quickly making up the difference (Wrapp opened its doors there in May), as is Australia, where the service launched in August 2012.

Wrapp's engagement is building, as is its stable of partners. The company's aggressive geographic expansion plan should help it continue to post good numbers, but it'll also have to focus on growing adoption within existing core Facebook markets like the U.S. in order to achieve true lasting value.

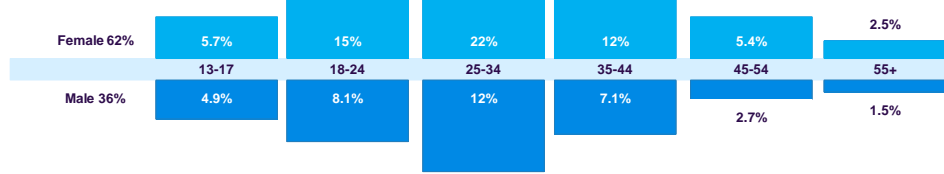


Who Uses Wrapp?

Demographics and Usage

Age and Gender

Fact: women from early 20s to late 30s are the most active users of Wrapp.

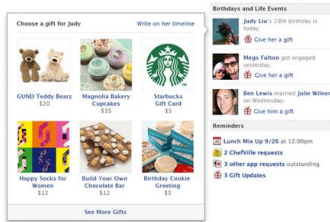


Some Statistics:

- 400,000 users worldwide
- +40 Million Facebook reach
- 2.8 Million gift cards sent
- 300,000 gift cards redeemed
- 1 gift card per week are sent by the average user
- 2x as many gift cards are being send by women



Similar Websites



Facebook Gifts

Users can give things such as Gund teddy bears, Starbucks gift cards, and Star Wars flash drives. Through Gifts, users can seamlessly select a friend and buy a gift for them, all through Facebook. Gifts is rolling out gradually, first to U.S. users, then throughout the world.



Gifties

Gifties, a product of Toluna, started earlier this month and centers more around birthday gifts, although users can send items to friends regardless of the day. Unlike Wrapp and Gifts, Gifties is a game where users can virtually send a gift card, cookies, or a hotel stay to a friend and it can randomly become a tangible item. The more gifts they give, the more of a chance they have to become real.



Giftly

Giftly lets users buy gift cards that work at any place of business in the U.S. — restaurants, bars, spas, clothing stores. A Giftly card can be customized to work at up to three different locations, so the recipient can have a choice of how and where to spend it.



Treater

A low-cost web platform that lets Facebook friends buy each other instant gifts that can be retrieved at local cafes, bars and establishments. With Treater, the list of gifts that can be instantly redeemed with a smartphone is growing to include games of bowling, movie tickets and spa treatments.

Wrapp and Brands

How it works:

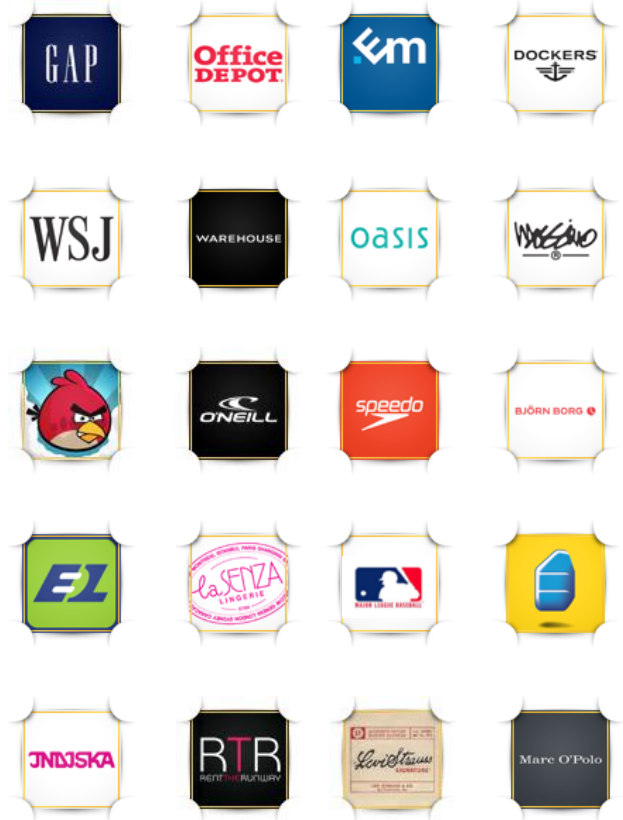
1. The brand decides the number of sales it wants to reach and who to target
2. Wrapp users give away the brand's sponsored gift cards to their Facebook friends
3. Gift cards are posted on Facebook and other friends can contribute to the gift; The brand gets a premium display on Facebook; Recipients get the gift card on their smartphone.
4. Recipients pick out something they like and use the gift card in-store.

Implications:

Brands seem to be signing up almost faster than users, one reason is brands gain social network penetration with a touch of virality.

The company states that 80% of gift cards given using Wrapp are posted to friends' Facebook pages which makes brands part of the social conversation. Consumers feel good that they gave a friend a gift for their birthday, their friend gets a gift card to one of their favourite stores, and the brand gets a new customer.

Wrapp is more than just a revenue driver for brands, it is also an advertising and marketing partner. Wrapp generates its own revenue based on performance via a small fee earned when a consumer actually makes a purchase using a free gift card given to them by a friend. If friends have added money to the free gift card the retailer also pays Wrapp a small percentage of the added value. All of the high profile friend-to-friend marketing that occurs on Facebook before the sale is totally free of charge to brands.



Wrap-up form



Launch	2011
Users	400k

6 words

Social, mobile, viral, gift cards service

Fact

Over 80% of gift cards given using Wrapp are posted to friends' Facebook pages.

Thank you