



# ShopDonation

Franchise

intro and offer



# ShopDonation

1. Do you fit this profile? .....	3
2. What is ShopDonation? .....	4
3. International expansion .....	5
4. What ShopDonation offers .....	7
A) What's in it for you? .....	7
B) The number of projects determines your income .....	9
C) The work needed to be done .....	12
D) The tasks in more detail (with time estimations) .....	13
E) Ongoing other tasks .....	15
5. Let's talk money .....	16
A) The offer in summary .....	20
B) Overview of what you will get (in detail) .....	22
6. Frequently asked questions .....	24
A) More info on competition .....	25
7. Summary .....	26



# ShopDonation

## 1. Do you fit this profile?

- Have you done a marketing or international business study?
- Do you have at least two years experience with internet and/or social media marketing?
- Are you comfortable working independently, but can you easily communicate with a team as well?
- Do you speak English fluently, next to the language of your country (if that's not English)?
- Do you have at least 20 hours per week available to build a business?
- Would you like to be an entrepreneur and do you like to take initiative?
- Does it excite you to have a positive influence worldwide?
- Do you understand the value of building cashflow and what you can do with it?
- Are you punctual? (Do you show up for meetings and like to communicate clearly and directly)
- Do you feel at ease networking, handling online public relations to build long-term relationships and occasionally giving presentations?

### Completing our international team

We're currently on a quest to find like-minded, skillful people with the same level of passion and enthusiasm as we have when it comes to making ShopDonation a global success in order to complete our international team. Together we can create a **worldwide positive impact** and become a concrete example of what can happen if we rethink our systems consciously.

ShopDonation to us is a very simple, basic adjustment that could spread millions of euros/dollars over the world directly to the places that people want money to go to, generated out of seemingly 'nothing' - it doesn't require any cent extra from anyone. It doesn't even require people to shop more. It only requires people **who shop online anyway** (which is a big and growing number worldwide), to make a small conscious decision (two extra clicks!) to generate free donations.

It excites us to give this opportunity to someone in search of the same thing that we were searching for: something that checks all boxes on personal, business, financial and spiritual levels.



# ShopDonation

## 2. What is ShopDonation?

ShopDonation is a 'link-through-website', which means it's not selling products itself, but it's linking through to other webshop(s) where people can buy something. Every time a customer makes a purchase after clicking through ShopDonation, the in-between-party gets a 'commission' or bonus. This can be a set amount (€10,-) or a percentage of the purchase amount (common is 5% of the purchase amount). In the example of a 5% commission, buying something for €100,- would lead to €5,- commission. This system is called 'affiliate marketing' and it's an internationally used system through which a lot of webshops/companies (the Advertisers) promote their brand through others' website/blog/vlog/social media page (the Publishers).

The unique thing ShopDonation does, is give 75% of this bonus automatically as a donation to a cause that the buyer chooses. So from this €5,- our system automatically gives €3,75 as a donation.

**That's how we redistribute profits to the good in society.**

### Website

Whenever a person surfs on ShopDonation (see [www.shopdonation.co.uk](http://www.shopdonation.co.uk) for the live UK version), the user always sees a cause/project chosen. The person can change this cause/project at any time. When the user clicks through to a webshop, the project that is selected at that time is saved. When the person actually buys something, the commission ShopDonation receives will be allocated and sent as a donation to that chosen project. The customer doesn't pay anything extra, so that's why we say shoppers can 'donate for free'. For causes this means an **extra ongoing source of income**, because the majority of customers are commonly shopping on a recurring basis.

The buyer will get a confirmation e-mail from ShopDonation and have an overview of their total donated amount in their account on ShopDonation. If a person wants to shop anonymously (without creating an account) that's also possible. The only difference is that we cannot send a confirmation e-mail back to the shopper in that case.



# ShopDonation

## 3. International expansion

After having tested the Dutch version successfully, we saw that there is a huge potential to expand and scale this concept worldwide. In almost every country there are similar concepts to ShopDonation, but there is currently only one that is also operating internationally (but they give a much lower percentage of their commission to causes and don't have any local marketing implemented in their business - more on that later). When the international platform can be utilized, this means that causes can generate multiple sources of income from multiple countries, a huge advantage over the platforms that are only present in one country.

### Local marketing

There is a reason the Dutch version of ShopDonation is called DoelShop.nl. And this is mainly because a brand name in the Dutch language typically does better than English names. Also, this concept requires a bit more explanation than a normal webshop, so our brand name needed to help explain the concept. As our audience typically includes people around 50 years of age, an English name would be way less effective than a Dutch name in the Netherlands.

Besides the name, in every country marketing works just a bit different to reach the market successfully because of cultural differences. That's why, we need to find someone from the respective country that knows and understands which marketing is most effective and what way of networking works best to bring in causes and projects. And that is why we're looking for the perfect candidate for each country where online shopping is common.

#### **The Dutch like to order from Dutch online shops**

The Ecommerce Region Report also analyzed the popularity of national and foreign online stores among shoppers. In the Netherlands, consumers really prefer shopping at domestic websites (95 percent), a trend that's also noticeable in [Poland](#) (94 percent). In the small countries of Malta and Cyprus, online shoppers mostly (96 and 95 percent) shop at foreign ecommerce websites.

Source: <https://ecommercenews.eu/ecommerce-in-europe-e717-billion-in-2020/>



# ShopDonation

## Reaching a dominant market position

How this expansion is going to help reach a dominant market position in every country:

- ShopDonation will be the first to offer this concept worldwide with local marketing, it doesn't exist yet and it's easy to understand why. The ROI is incredibly low as it takes a huge time and money investment to build and fine-tune the system and the **initial** profits will be very low. Luckily the ShopDonation team has bridged this period and has been building and fine-tuning the system for six years now to a multi-language, internationally connected system ready for franchisees to generate donations for causes and consequently an income for themselves with it.

- In a world that becomes more internationally accessible every day, a lot of charities, NGOs, projects, initiatives and communities can reach a crowd in multiple countries with ease, even if it's just one person running a project. With branches all over the world, every social project can thus use ShopDonation and receive donations from every country where shopping online is common.

- Ecommerce has been growing in almost all countries. After covid, this has increased even more, mostly for 2<sup>nd</sup> world countries who have embraced ecommerce and affiliate marketing. This gives us a unique opportunity to set up before ecommerce mass adoption happens in these countries.

- Every branch will support each other and with it increase the income for every other platform worldwide. Because when a cause is registered with the Dutch ShopDonation, they will be asked if they also want to join other countries/branches to gain multiple sources of income. This will be done at every platform, in every country. Through that you could easily receive projects on your website - and they are the ones that will generate income (explained in more detail below).

Through this we all are supporting each other as a positive force, making a difference all over the world and encouraging people and projects to choose ShopDonation over anything else, because we offer something unique.



# ShopDonation

## 4. What ShopDonation offers

In the last years, a lot of money, time and energy has been spent on the system, which has been undergoing a lot of upgrades and refinements through feedback and research to benefit the most distinctive and effective form of marketing, user experience, design, customer service and of course the generating of free donations, and thus income for the person running the system. After a period of six years on updates and refinements, the system is now fully tested, proven to work and generate income to a satisfactory level, ready to expand internationally.

With that, the period that many companies found too long and too big of an investment is behind us, the period of making a proper ROI is now here, this is the profit collecting phase and this is what ShopDonation is offering to you. All it needs now is for a professional, hard-working entrepreneur, with internet marketing and networking skills to run, promote and manage the system in their country and that's where you come in.

### A) What's in it for you?

The unique value that we're offering, is a tool that can bring the franchisee a **location-independent automated cashflow**, through a platform that has been tested, proven successfully and is growing in popularity. Next to that (or maybe most importantly) it does that by contributing to society, and revolutionizes the ecommerce world by redistributing profits to social causes.

All of this makes makes it a fulfilling type of work as it ticks the boxes on both financial and business levels, as well as personal and even spiritual levels (which mattered to us).



# ShopDonation

## More about those financial and business levels

When you've achieved a good number of projects on your website, **the reward of a recurring online source of income** comes in, because when projects use ShopDonation, the majority will keep using it since it gives them a recurring source of donations. Online shoppers make purchases on a recurring basis (Christmas comes back every year and so does the need for an insurance, next to birthdays, holidays and whatnot). This means the projects will keep reminding their shoppers to use the platform to receive donations, and you will keep receiving your structural income.

## Possibilities with online automated cashflow through ShopDonation

We have a growing number of people in our international team that live as digital nomads and travel worldwide to the causes that are supported through their website, while running their business remotely. Especially after the covid-period, it has become more common to have e-meetings through videocalls, which makes remote working a great possibility with ShopDonation.

There are others in the team that plan to outsource the administrative tasks once they have achieved a certain amount of projects on their platform. Being a franchisee of a ShopDonation system, this is allowed, as long as you keep the control and responsibility of all the decisions for your company.

\* The above points are just two examples of what can be achieved with building **cashflow**. If you're familiar with any financial teachings (such as the worldwide recommended books by Robert Kiyosaki <https://bit.ly/3h27KQT>), you have probably heard that 'cashflow is king', <https://bit.ly/3qxS4Ii>. Any wealthy investor is typically looking to build cashflow, because even if you've got one million euro, it is going to run out sooner or later. That's why they typically invest in property, in businesses and/or dividend paying stocks to bring in a reliable, recurring source of income.





# ShopDonation

Through ShopDonation you build this right from the start and that's what this opportunity is about, an offer that brings:

- cashflow
- sustainable economic value ( ecommerce and causes that need money are not going away anytime soon)
- spiritual value (doing something good for the world)
- freedom (online income that you can manage from wherever you are, after the kickstart period)

This requires hard work, devotion and an entrepreneurial spirit, otherwise it's not going to work out for any of us. If you bring the earlier mentioned skills to the table, there is a magnificent reward at the end of the road, as some have already achieved.

## B) The number of projects determines your income

The more projects on your platform the higher your recurring income. All projects on the platform will promote the opportunity to support them by shopping online, so they will do the marketing for your platform automatically as well. The ShopDonation system has been optimized to make this as easy and efficient as possible for projects, for example through giving every project the ability to generate and customize their own ShopDonation-weblink, which makes promotion very easy.

So your main task as a franchisee is to reach out to projects and get them on the platform. You might say it's 'the easiest sale ever' to offer free money to those in need of it, but experience has shown that we do need to be vigilant in choosing our strategy. For example you could put your effort towards reaching out to one project at a time, but this is somewhat ineffective. Besides that it goes very slow, promoting your own business to clients usually puts people's defenses up as well.

The **highly effective** way is to use referrers, by reaching out to influencers and umbrella organizations, who will recommend you to hundreds, maybe thousands of projects at once.



# ShopDonation

## How to bring in referrers, a sneak peek

We use a step-by-step strategic plan how to bring in referrers, which includes real-life examples how other franchisees did it so that you can copy and repeat. The detailed version of this we only share with franchise team members, but we will offer you a general sneak preview below:

Some organisations might be willing to help you, because it's in their organization's mission statement. Governmental organisations, umbrella organisations for: charities, NGOs, foundations, civilian initiatives, crowdfunding platforms, next to governing organizations for sport clubs, unions and associations might all be willing to help out, simply because we are providing free money and they can inform the projects under their wings about it.

Experience teaches us though that some referrers are not so willing if there is nothing to be earned for them, they will not be very eager to take action. For this we have created the referral bonus system.

## What is the referral bonus system?

The referral bonus system gives a bonus to every referrer that brings in a project. Once this referred project starts earning, the referrer starts earning as well. For umbrella organizations that can refer hundreds of projects at once, they can earn up to 25 euro a project, coming from 2,5% of the commission the project brings in\*. This means if they would have 1.000 projects in their reach, they could potentially earn up to 25.000 euro, by simply referring projects to a website that brings them free donations. *\*We can explain the specifics of the referral bonus system in a live conversation.*

With this referral bonus system there is a huge incentive for referrers to help you. Everybody wins here, multiple projects will start earning free money, the referrer earns money with little effort\* and you'll get a huge amount of projects at once on your platform. *\*We'll provide ready-to-use promotional material, social media posts and texts that referrers can instantly use for promotion.*



# ShopDonation

## How many projects for how much income?

With the statistics of the last years we can paint you quite an accurate picture of how many projects you need for which amount of income, which we share in detail with franchisees that have joined ShopDonation. Our statistics from 2022 show that with the most common donation percentage, with 2000 projects on your website you'll earn €22.500 a year, with 4000 projects around of €48.000 a year, those are net numbers, so **after** the revenue share has already been paid.

Without reaching out to referrers and using the referral bonus system you can see your income slowly increasing by the amounts of projects that register to your website. Because when the projects are on the website 80%-90% will stay and keep using the platform, resulting in your recurring income.

By using the referral bonus system and reaching out to umbrella organisations, you could have these 4000 projects theoretically from 5-10 meetings with key parties that can promote ShopDonation to the projects we are looking for.

## How many projects in your country?

For your country, can you quickly Google how many sports clubs and charities are present nationwide, to see what the potential is? After that, can you find the (governmental) organisation that could reach all of these at once?

It can be that simple when one of these organisations is your ally. That's the set up and opportunity we've created for every franchisee who will run and manage the system in their country. We can't do this ourselves, it would be impossible and very difficult to network and set up meetings with key parties in Japan, Slovakia and Mexico, while running and managing every country in the world. Running and managing the system in your country entails a lot more than what we've described above so far, it requires skill, devotion, time and again, hard work. This opportunity is not for everyone. We'll give a clear, realistic picture of what work is needed to be done below.



# ShopDonation

## C) The work needed to be done

- For the beginning stage, a time investment period is necessary to kickstart the website. Projected is a 3-month period to fully set-up and establish the platform and social media channels.
- After that a 2-year period of reaching out to bring in a maximum number of causes/projects.
- From the launch onwards there will always be customer service, website administration (updating webshops, doing payouts to causes and your own financial administration) and marketing (social media marketing, newsletter and networking to bring in and maintain a good relationship with all registered causes) to be done.

This is hard work and for this you need time and devotion, otherwise it's not going to succeed. You can't run this platform with a full-time job on the side. A part-time job, or a freelance worklife on the side has worked out for other franchisees, but only if ShopDonation received around 20 hours per week of your attention.

For China and the US, a minimum of two people need to run the country. For the other countries with top 10 ecommerce revenues in the world, multiple people are allowed to join for one country. For countries below the top 10 you would need to make a case to us, why you would want another person to join. Some franchisees have hired interns to help them with the administrative but time-consuming tasks, so this could be an option for you as well.

To run a ShopDonation-platform, there are different **types** of work that need to be done. You or your team need to have the skills on board to fulfill these tasks. On the one hand there is technical/administrative work, like keeping the webshops up-to-date and adjusting content on the website. On the other hand, there is networking, giving presentations and making partnerships. If your personality only suits one of these, you'd need to get another person on the team to run your website successfully, please do not underestimate this.



# ShopDonation

## D) The tasks in more detail (with time estimations)

Specifically, what tasks are needed to kickstart in these beginning periods? Here we'll describe it in more detail, with an estimated time investment.

### **Build-up period**

- Adding webshops to your platform. This needs to be done through registering at affiliate systems in your country and applying to the webshops you'll find there. Besides putting the correct link up, it needs a logo and/or a good representative picture (with potential 300+ webshops this can take some time). Every affiliate system has their own way of structuring their URLs, which we need to understand to complete the correct link build-up on our website. This is quite time consuming and takes two to three months on average, also because it includes waiting for webshop's approval after an application.

- Adjust texts, documents, graphic material, system emails and other settings on the platform to your own preference. This takes two months on average.

- Translate the texts on the website if needed (we provide your website in English). This takes one month on average.

- Registering the business in your country\* and registering a bank account with it. If your country has the ability to register a Wise (formerly Transferwise) and Revolut account, we recommend it as well, as this is a very cost-efficient way to transfer money. This takes two weeks on average.

\* If you live in a country where it's very expensive to set up your own company (Spain, Italy) we are providing the option of an Agent contract through an umbrella company. This basically means that you will be the exclusive person hired to run your country, the umbrella company in this case would provide the service for Europe as a whole.



# ShopDonation

## Reaching out period

- Reach out to **small** causes first, to fill your website with a few dozen projects. Our manual will guide you through this beginning period with exact steps on how to do this.

- When around 50 causes have been registered on your website, start reaching out to referrers using the referral bonus system. This will require you to have business (e-)meetings, sometimes do presentations, and use a more longterm networking approach. We will provide you with a professional presentation and brochure that can assist you.

No time estimation here, but **targets**. We want to reach out to 5 referrers at minimum per week. At the end of each week we post the referrers we reached out to in our team-app, to make this a habit and see the progress that we all make.

At this point we can also all ask questions if we ran into something that didn't work out or we are unsure about, ranging from topics like how to deal with personal anxieties reaching out to asking for savvy business tips & tricks, the ShopDonation family is here to help and support each other!

Together with the franchisees from all countries ShopDonation is present in, we have a lot of expertise in our international team that can answer any question based on actual experience. When there are more in-depth topics, at times we can hold team videocalls - which we'll always record so that members that couldn't attend can view it later. After the serious talk we of course have time to hang out and perhaps share where everyone is in the world (share those travel pics!).

\* In case you have an international cause on your platform that is also active in other countries, it will help other ShopDonation-platforms if you reel them in for those countries or share the contact details with other franchisees. Doing so, you'll receive the referral bonus from each country as a reward - and that's how we all help each other expand.



# ShopDonation

## E) Ongoing other tasks

What is the workflow during and after the kickstart periods? There are certain tasks which will be ongoing and always present, but only amount to maximum 20% of the time used for ShopDonation:

- **Social media marketing**, we provide specific guidance on how to manage your social media accounts successfully. Every month we choose a Cause of the Month, this cause will be automatically chosen when visitors arrive at the website. We post three posts per month about the Cause of the Month, of which we ask them to provide us with ready-to-post content. Other content will be discussed with our franchise manager if you will join the team.
- **Newsletter**, once a month a newsletter needs to be send that also includes information about the Cause of the Month next to updates on newly placed webshops and specific promotions/discounts from shops. Sometimes there is an easy way for shoppers to generate a donation, such as subscribing to a newsletter or downloading an app, we definitely want to highlight those here.
- **Customer service**, the majority of work on customer service, will be about 'missed sales'. This is when somebody makes a purchase but the affiliate system doesn't register it. Customer service also includes other questions, but those are usually all handled in the FAQ. Next to that, we'll provide complete ready-to-use answers for all possibles questions and situations.
- **Payouts**, once every quarter the payouts to all causes need to be done. Through the platform you'll know exactly how much needs to be paid to which project.
- Next to that there's your own financial administration and tax filings in your country.

Building and maintaining a network online and offline, approaching new projects and looking for opportunities to expand your business further, are tasks that will always be present and need to be done by you. The administrative tasks above can be outsourced, when the kickstart periods are done. This will always require your supervision though, you are always ultimately responsible.



# ShopDonation

## 5. Let's talk money

We've researched, discussed and pondered extensively on how we can make a fair offer that works for both parties. When we looked at similar franchising/SaaS opportunities we were shocked at how big the typical buy-in amounts are:

### *Magento ecommerce software*

<https://www.thecommerceshop.com/blog/how-much-a-magento-website-is-going-to-cost/>

<https://www.aitoc.com/blog/magento-pricing-how-much-it-costs-to-run-a-magento-store/>

### *Franchising*

<https://www.franchisegator.com/lists/top-100/>

### *Online franchising*

<https://www.franchiseeurope.com/online-franchises-4012/>

Buy-ins from €5.000 up to €100.000 on unproven business models are not uncommon. Often these franchise offers also include obliged purchases, such as needing to buy marketing material for a set price between €5.000 - €25.000.

Very few people have such big amounts to invest at once and it includes a huge risk, because what if it doesn't work out? And it doesn't even have to be the business concept that doesn't work, what if for some reason you can't devote your time anymore to ShopDonation? That would leave a huge debt, with all its consequences.

That wouldn't make us sleep well at night, so we had to find another way how to structure our offer.





# ShopDonation

## Revenue sharing

Next to the buy-in, what is commonly used is revenue sharing.

Here you'll find some articles on the topic:

<https://www.entrepreneur.com/article/164820>

<https://tinyurl.com/franchisecoukroyalty-fees>

<https://www.oakscale.com/post/what-is-the-average-franchise-fee>

<https://www.quora.com/What-is-the-profit-sharing-ratio-in-franchise-business>

On average the common buy-in is \$34000, and the revenue share is commonly found at 6-8%, but can range between 0-20% depending on the business model. There is one difference we would like to point out, which is that you'll be the exclusive owner of the concept in your country, contrary to these other models.

## What we came up with

We decided to put the set-up costs/buy-in at €600,-. The revenue share we have decided to keep around the same 6-8% on average, but with a starting percentage that is higher and the more profit you'll make, the percentage will drop to below the average. The starting percentage is set at 12,5% and with every €10.000 profit\* your system makes per year, the percentage goes down by 0,625% until 2,5% has been reached.

At the beginning the percentage could be a little bit higher, but this is justified by the low buy-in that we offer and the low risk it involves. If you do prefer a big money investment we are still open to discuss this with you to bring the percentage down, but commonly most people don't have this type of money to invest.



# ShopDonation

## **\*75% to causes**

The percentages mentioned in this chapter are based on the system giving 75% to causes, as DoelShop.nl, the first platform also gives 75% to causes. ShopDonation offers the highest percentage to causes in each country. It could be that you are the first in your country, or that the competitors in your country give a (much) lower share to causes. Recently we have explored the possibility to lower the percentage given to causes in these circumstances, as long as no competitor steps up and gives a higher percentage. These decisions should not be taken lightly and will only be done if both parties agree. Let's say we shift the 75% to 60%, this would mean a 60% increase in gross income. Included in this calculation is that the revenue sharing percentage corresponds with it, to keep things equal.

### **An example to illustrate:**

10.000 revenue income - 75% = 2500 gross income. 12.5% revenue costs = 1250. Net profit 1250.

10.000 revenue income - 60% = 4000 gross income. 20% revenue costs = 2000. Net profit 2000.

The revenue sharing percentage will move along at the same pace, so will be 20% in this case ( $12.5 \times 1.6 = 20$ ), going down to 4% ( $2.5 \times 1.6$ ). Your net income will still be increased by 60%. If the revenue share stayed the same at 12,5% your net income would increase by 120%, and we do not want to 'reward' giving lower donations to causes that much. \* The 0,625% decrease per €10.000 profits becomes  $0,625 \times 1,6 = 1\%$  per €16.000 ( $€10.000 \times 1.6$ ) in this example. Instead of saying per €10.000 profits (at 75% donation) or per €16.000 profits (at 60% donation), we can simply say per €40.000 revenue income.

It might seem tempting to lower this percentage given to causes immediately. But when causes are not impressed by what donations they can receive, they won't come back. The percentage given to causes is what keeps people and projects automatically using the platform, so see it as an investment. Next to that, when others see our platform giving a low percentage, they might step in to give a higher percentage. Such is the free market and that is not a bad thing, we want to give the people and causes what they deserve.



# ShopDonation

## We will join in paying for the referral bonus

When using the referral bonus system, let's say €1000,- was used in referral bonuses. Referral bonuses come from 2,5% of the gross revenue.

### Example

20.000 revenue income, with 1000 referral bonus. Normally we would calculate the 12,5% revenue share over the full 20.000. But with the referral bonuses used, can be deducted on the total revenue before we calculate the percentage.

#### *Normal*

1<sup>st</sup> 10.000 profit x 12,5% = 1250

2<sup>nd</sup> 10.000 profit x 11,875% = 1187,5

#### *After deduction*

1<sup>st</sup> 10.000 profit x 12,5% = 1250

2<sup>nd</sup> **9.000** profit x 11,875 = 1068,75

## How will the costs for ShopDonation be used?

- This will fund the technical team to keep maintaining and developing the backend, solve bugs when they come up and take every technical aspect out of your hands so you can focus on bringing in sales.
- This will fund the UI/UX developer and designer, who will always keep developing the frontend, by testing how users interact on the website and being up-to-date with the latest trends to always stay on the number one position in the market.
- This will fund the franchise manager and marketing consultant that you can ask for feedback, have sparring sessions with and confirm your strategies by whenever you feel it's needed.
- This will be used for investments such as a new mobile app, a browser plugin and any other necessity or enhancement to keep our platform top notch.



# ShopDonation

## A) The offer in summary

- Become the franchisee of the concept/system in your country. You will be given the complete system, with training on how to manage the platform, and learn the strategies of how to make it generate income. The system includes promotional material at no extra costs and an e-mail server which will be set-up by ShopDonation.

- The revenue share\* will progressively move in your favor, starting at 12,5% going down to 2,5%. In this way, the more profit you'll make, the more you keep. ShopDonation will be compensated for the value it provides with the concept and will provide with the maintenance and development of the system, next to the ongoing support for marketing and running your business with all its necessities, but you will keep an increasing bigger part of the profits that you create for yourself.

- For every €10.000 profit\* (profit = gross income minus charity payments, based on 75% of the commission becoming a donation) per year that is made, the revenue percentage goes down by 0,625%, down to 2,5% at the lowest \* If this charity percentage changes, the revenue percentages and profit amount will also adjust (see explanation above). Instead of €10.000 profit we could also state per €40.000 gross sales.

- You will receive professional support, feedback and advice: you will not be left alone; if things are not working out or something is unclear, ShopDonation is there to help, guide and advise when needed.

- The technical team will give everlasting technical back-up, make updates and maintain the platform. You don't need to know anything technical to become succesful with ShopDonation.

ShopDonation's success is your success and your success is ShopDonation's success, we have the same interest: to make your branch successful.



# ShopDonation

## Why are there even set-up costs?

The set-up costs are there mostly because the creation of 5-10 different APIs (automatic connections) with affiliate systems in your country is needed. This can be quite time consuming and can give days of work, so we couldn't avoid set-up costs here. But a set price has been agreed for a €600 set-up fee even if more time is needed than originally thought.

## Smallest possible hosting/domain costs

Running any type of website, there are the small, standard costs for hosting, domain and SSL that you would have to pay anywhere, but are minimized through ShopDonation.

The National Federation of Independent Business (NFIB), a grouping of 350,000 small businesses in the U.S., gives a general costing:

- ✓ Domain name registration: \$10-\$15/year
- ✓ SSL certificate (for site security and trustworthiness): \$70-\$300/year
- ✓ Hosting (you'll still need to rent a server from hosting companies to house your website): \$40-\$200/year

Source: <https://financesonline.com/how-much-does-it-cost-to-host-a-website-in-2018/>

<https://financesonline.com/how-much-does-it-cost-to-host-a-website-in-2018/>

<https://www.websitebuilderexpert.com/web-hosting/cost-to-host-a-website/>

Check the above links for more information on average costs.

Through ShopDonation you pay the smallest possible hosting costs, at a standard €4 per month (\$ 4,40 per month currently) = € 48 (\$ 52,80) a year. We can charge this low amount because we run one big hosting package that we divide under multiple countries, we take no profit on this.

The (SSL) security certificate makes the URL go to 'https://' and is also a ranking factor on Google.

Costs on average: 6 dollars per year. Next to that the domain name which is around 10 dollars per year (depends on the domain name providers in your country).



# ShopDonation

## B) Overview of what you will get (in detail)

- The ShopDonation system set up with your own admin account
- Email server and email addresses set up and ready to be used
- A full training, including a manual and assistance on how every part of the system works
- A complete guide with what has been shown to be most efficient in marketing the concept
- A tour of how feedback from users/charities has improved the system, so you understand why certain elements are important.
- The system includes free marketing and promotional material, such as flyers, posters, brochures, presentations, logos and website banners (the banners are used by projects to promote their ShopDonation-weblink through their website)
- Eternal technical support, our team will always do the technical work, so that you can focus on bringing in sales.
- Basic guidance of how to bring in as many projects as possible
- Basic guidance of the marketing strategy\*
- Eternal marketing/business support for consultation and sparring sessions on the strategies used. Next to that, we will all be in Slack, a business communication platform, where we all discuss, comment and help each other.

\* Besides the main way that ShopDonation wants to profile itself, the franchisee is vital in bringing in causes in their country. Effective marketing works differently in different cultures, so your influence on how to reach the masses is essential. Besides the basic guidelines, which have to be followed to explain the ShopDonation concept the best, you have the freedom to add your country's flavor to reach project owners and thus the minds of online shoppers in your country.

If we'd agree to work together, we will be signing a Franchise contract. Both our interests are covered in this contract: you will be the exclusive franchisee for your country and ShopDonation cannot get you out of this contract against your will, meaning we cannot 'steal' away your built-up clientele and income (unless there is a serious abuse in play). On the other side, you also cannot



# ShopDonation

take away the built-up clientele to a competitor or a self-made new system and leave ShopDonation hanging. Any other decision we want to create in the contract has to be agreed by both parties. If ShopDonation would ever cease to exist you keep all the clientele and data, so you can continue your business. All this is covered in the contract and any other wish you might have is always open for discussion, we have the belief that if both sides are happy we both are thriving.



# ShopDonation

## 6. Frequently asked questions

### Amazon

*- I don't see the name of Amazon on your websites?*

Amazon has their own program called Amazon Smile that gives 0.5% to a charity of the customer's choice. If we would promote Amazon on our website, we would give 4-6% as a donation (because this is their referral commission that we would turn into a donation) and this is why they don't allow it. Otherwise we would become a version of Amazon smile that gives 8-12 times more than they do.

They don't allow collaborations with websites where people can choose a charity because of this reason. What we are currently exploring is to earn the commission completely for ourselves, and give off a warning that no cause can be selected when clicking to Amazon. The shopper can choose to support ShopDonation itself, through which they will indirectly support all causes listed on our website.

This method is already used by The Giving Machine in the UK, check <https://www.thegivingmachine.co.uk/shop/amazon>. We can simply do the same, this point is currently on our to-do list as it requires some technical work.

### **So I should call on all those webshops and ask them to work with me?**

No, this would be very time consuming. Affiliate systems are like online market places, on one side there are webshops that would like websites to promote their business. For them this is free, until someone actually clicks on the link and makes a purchase. We simply apply to these programs in the affiliate systems by the click of 1 button. After we've applied to them we need to wait for their approval. Once we receive the approval we get access to our unique link to promote their website. We simply place this link on our platform and that's it.





# ShopDonation

## A) More info on competition

You will usually find a few similar concepts in every country. Some of these are run and managed properly, but some are simply created by web developers in the hope that it will easily bring in a passive income without doing anything. In the Netherlands, examples are:

[www.doelshoppen.nl](http://www.doelshoppen.nl)

[www.4morgen.org](http://www.4morgen.org)

<https://web.archive.org/web/20161017212239/https://koopdoneer.nl/>

<https://web.archive.org/web/20130307051413/http://www.helpnu.nl/>

The last two links are archived websites, because they don't exist anymore. The first two are not active. This doesn't prevent some of them from claiming they have raised millions in donations... So don't be too phased when you come across similar websites in your country.

The rare ones that are managed actively are actually more interesting for us. Because we are providing multiple sources of income we can estimate to bring 30%+ of their projects to our website, when the marketing is done properly. These projects don't need explanation of how the concept of 'shopping and donating for free' works anymore, so that's a big advantage.

It will never be possible to take 100% of the market share, so don't assume that having competition is bad, it's always good to have competitors and if your country doesn't have it yet, it will certainly develop later. This market is enormous and it could host 20-30 international providers.

Success in this field requires a system aimed at long-term connections that makes people/projects stick. It needs to be strategically aimed to maximize engagement, with ongoing marketing and promotion. For our team, this took five years to establish and in the typical entrepreneur books this period isn't 'justifiable' as a proper money-time investment, because of the low ROI in this setting-up period, which is why many have quit after a certain time. Again, this period is already behind us, so now only the marketing and management is needed for each country.



# ShopDonation

## 7. Summary

If you made it this far in the document, you might be the candidate we are looking for. We have deliberately tried to scare off readers by mentioning the workload, so that only the ones with an entrepreneurial mentality stayed until the end.

We are wondering now, do you feel an inner enthusiasm to be part of ShopDonation, provide donations to social causes worldwide, and earn a non-locational recurring income? The last thing we scan for is if a candidate takes initiative, that's the final ingredient to make this work.

We feel that together we can make a huge difference in the world, and with the right people we can be a great force of positive influence.

ShopDonation's success is your success and your success is ShopDonation's success. We have the same interest: making your branch successful. Our job is to make it easy, understandable and time-effective for you, steering by when necessary and confirming the parts that are already going well. Together we can make the system in your country a success as well.

If you feel you can be the person to run the system for your country, let us know.

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Picture from Les Amis de Gambie - project on ShopDonation



# ShopDonation