

Business Case

Personal Finance Tracker

TrackIT.com

Executive summary

Nigeria's financial landscape is becoming increasingly complex, with many individuals struggling to manage their finances effectively due to irregular income, inflation, and lack of financial literacy tools. TrackIt is an app that provides users with an intuitive and efficient way to track their income, expenses, and savings, helping them make informed financial decisions.

The Nigerian market is ripe for a comprehensive financial management tool, with young professionals, freelancers, and budget-conscious individuals seeking better ways to manage their finances. The personal finance software market is projected to grow at a CAGR of 5.8% from $1.09 billion in 2024 to $1.57 billion by 2027. https://www.grandviewresearch.com/industry-analysis/personal-finance-software-market-report#:~:text=What%20is%20the%20personal%20finance,USD%201.59%20billion%20by%202030.

TrackIt aims to capture 2% of the Nigerian market within the first quarter of its launch, focusing on a $0.5 billion addressable market. By offering features like budget creation, expense categorization, goal setting, and financial reporting, TrackIt provides a personalized experience that empowers users to take control of their financial futures.

With the growing trend of automation in financial management and increased demand for AI-driven insights, TrackIt is poised to be a key player in helping Nigerians make smarter financial decisions, achieve their goals, and manage their finances with ease.

Problem Statement

Many individuals in Nigeria, particularly freelancers and young professionals, face challenges managing their finances due to:

- Limited financial literacy.
- The complexity of tracking irregular income streams and expenses.
- The volatile economic landscape.
- A lack of personalized tools for budgeting, savings, investment, and financial goal setting.

This has led to inefficient money management and poor financial outcomes for many users, making a tailored solution like TrackIt essential.

Opportunity

The Nigerian market presents a substantial opportunity for personal finance tools:

- The global personal finance software market is projected to grow at a CAGR of 5.8% from 2024 to 2027, reaching $1.57 billion.
- Digital financial management tools are gaining traction due to increased automation and open banking integration.
- Goal is to reach 3% of the market share within the first 4 years.
- Brands and businesses pay to get advertised/suggested to users

TrackIt fills a gap in the market for a localized, user-friendly app designed for the Nigerian financial environment.

Solution

TrackIt offers a secure, intuitive personal finance management platform with key features including:

- Budget Creation: Users can create customized budgets to manage their income and expenses.
- Expense Categorization: Automatically categorize spending for clear visibility into financial habits.
- Goal Setting: Enable users to set savings goals and track progress in real time.
- Financial Reporting: Provide detailed reports to help users understand their financial situation better and make informed decisions.

Additionally, TrackIt will:

- Integrate seamlessly with local/international banks and financial platforms.
- Offer AI-driven suggestions, insights, and personalized savings and investment plans.
- Provide offline functionality for users with intermittent internet access.

Total Addressable Market

- Average Revenue per User (ARPU): ₦2,000
- Total Users (First 2 Years): 6 million
- TAM: 6million users x ₦2000= ₦12 billion

Return on Investment ROI

- Initial Investment: ₦1 billion (for product development, marketing, and user acquisition).

- Projected Revenue (Year 1): ₦10 billion. Profit: ₦9 billion in the first year after operating expenses.

Key Metrics

TrackIt, we will focus on several key performance indicators (KPIs) that assess user engagement, customer satisfaction, revenue growth, and overall retention.

User Acquisition Metrics

- **Total Downloads**: Track the number of app downloads across iOS and Android platforms. This will help assess the effectiveness of our marketing campaigns and overall awareness of the TrackIt brand.
  - Goal: Achieve 1 million downloads within the first year, 6 million within 2 years.
- **Cost per Acquisition (CPA)**: Measure the average cost to acquire a new user, which includes marketing and promotional spend.
  - Goal: Keep CPA below ₦500 per user through efficient digital marketing strategies (influencer partnerships, paid ads, etc.).
- **Sign-Up Rate**: The percentage of downloads that result in successful user sign-ups and account creation. A high sign-up rate indicates strong initial user interest.
  - Goal: Maintain a sign-up rate of at least 60% of all app downloads.

Key Metrics

User Engagement Metrics

- The number of unique users interacting with the app on a daily basis. High DAU signifies frequent user interaction, suggesting that the app is becoming a part of users' daily financial management routine.
  - Goal: Reach 500,000 DAUs by the end of the first year.
- Average Time spent in App: Measure the average duration of user sessions.
- App Launch Frequency: Track how often users open the app.
- Feature Usage: Track how frequently users are utilizing the key features of TrackIt, such as budget creation, expense categorization, goal setting, and financial reporting. This will highlight which features are most valuable and where improvements are needed.
  - Goal: Ensure that at least 50% of active users engage with the core features (budget creation and expense categorization) regularly

Key Metrics

Monetization

- Total Revenue: Track the total revenue generated by the app through subscriptions, Ads, or other monetization methods.
- Average Revenue Per User (ARPU): Calculate the average revenue generated per active user.
- Customer Lifetime Value (CLTV): Estimate the total revenue generated by a typical customer over their lifetime.

Key Metrics

Retention

- Monthly Active Users (MAU): The number of unique users interacting with the app over the course of a month. MAU helps track overall engagement and retention rates.
  - Goal: Reach 2 million MAUs in the first year, growing to 6 million MAUs within 2 years.
- Churn Rate: Track the percentage of users who stop using the app, aiming to reduce churn by increasing user engagement and satisfaction.

Competitive Analysis

Pricing

- Subscription Based Model: Users subscribe to get personalized suggestions and tips on budgeting, savings, investment, and where to get cheaper options for what they spend the most money on.

Value Proposition: By focusing on personalized, AI-driven insights and seamless integration with local and international banks, TrackIt will provide a more comprehensive and localized solution compared to its competitors.

- Budgeting tips and ideas
- Tailored savings plan
- Investment ideas
- Expense Tracking

Competitive Analysis

Target Market

- Freelancers
- Young entrepreneurs
- Business Owners (SME’s)

Competitors

Competitor	Key Strengths	Weaknesses
KUDA	Comprehensive banking services, expense tracking, integrated savings	Limited personalized financial insights
PIGGYVEST	Robust savings options, goal-based tools	Less focus on expense tracking and reporting
Cowrywise	Investment focus, long-term wealth planning	Not user-friendly for basic financial tracking
Spendee	Global presence, simple expense tracking	No deep local market integration

Competitive Advantage

By focusing on personalized, AI-driven insights and seamless integration with local banks, TrackIt will provide a more comprehensive and localized solution compared to its competitors.

Value Proposition:

- Tailored Financial Insights: Unlike generic international apps, TrackIt provides insights and recommendations based on local economic conditions, making it more relevant to Nigerian users.
- Local Integration: Deep integration with Nigerian banks allows for automatic transaction tracking and seamless financial data import.
- AI-Driven Insights: By leveraging AI, TrackIt offers personalized advice on budgeting, saving, and investing, which is tailored to the user's financial goals and spending habits.
- User-Friendly Interface: Designed for both novice and experienced users, TrackIt offers an easy-to-navigate platform with minimal complexity.
- Security and Data Privacy: TrackIt emphasizes end-to-end encryption and robust security measures, building trust in a market with growing concerns about data privacy.

Competitive Advantage

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Branding:

- User-Centric Design: Focus on creating a visually appealing and intuitive app interface with a blend of cool and warm colors for optimal user experience.
- Convenience and Efficiency: Highlight the app's ability to Track and recommend solutions based on user spending habit

Marketing & Awareness

Digital Marketing:

Social Media Campaigns: Use platforms like Instagram, Facebook, and Twitter to target young professionals and freelancers. Focus on educational content and success stories.

Influencer Partnerships: Collaborate with finance influencers to promote TrackIt's benefits and unique features, increasing market awareness.

Content Marketing: Publish blog articles, webinars, and tutorials on financial management, investment strategies, and personal budgeting.

Marketing & Awareness

Traditional Marketing:

Flyers and Print Ads: Distribute materials in coworking spaces, financial institutions, and universities to build offline awareness.

Community Events: Partner with financial literacy programs, universities, and business hubs to offer seminars on personal finance and showcase the app's features.

Marketing & Awareness

Publicity:

Media Outreach: Reach out to local media outlets to secure press coverage and generate publicity for the app.

Customer Testimonials: Collect and share positive customer testimonials to build trust and credibility.

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Vision Statement

TrackIt aims to empower individuals to take control of their financial future by providing a user-friendly platform for tracking expenses, income, and savings. Targeting young professionals and freelancers, TrackIt addresses the growing need for informed financial decisions in the dynamic Nigerian market, helping users meet their goals through tailored insights and reports.

Roadmap

Theme 1

- Build core features: Budgeting, expense categorization, goal setting, and financial reporting.
- Develop mobile apps and web-based versions.

Theme 2

- Beta launch with 1,000 users for feedback and refinement.
- Finalize and deploy core features and premium offerings.

Theme 3

- Aggressive marketing and user acquisition campaigns.
- Launch premium services and integrate additional features like investment tracking.