



Piloting the future of tomorrow, today

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What factors should DRONEDEK look for before piloting in a city?



Drone readiness states

Drone providers

FAA approval



Income

Education level

Burglary rate

DRONEDEK should pilot in cities that have implemented drone-friendly policies



Cary, NC

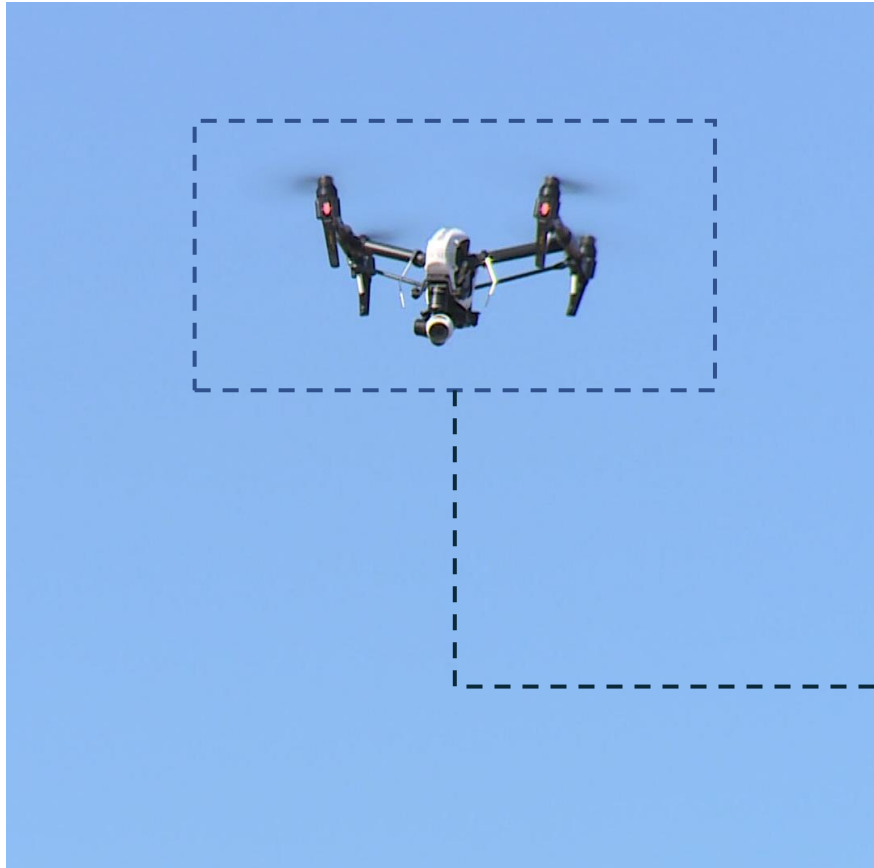


Christiansburg, VA



Las Vegas, NV

DRONEDEK should target Cary for its young population and high income



\$106,000

Cary's median household income implies residents likely have discretionary income

Drone delivery in Cary isn't unheard of — UPS used a drone to deliver drugs from CVS in late 2019.

DRONEDEK can equip Wing drones with its proprietary technology

#7

North Carolina is ranked 7th in the U.S. in terms of drone readiness

39

With a median age of 39, Cary's population is relatively young and more likely to adopt newer technologies

How many people need regular, secure and temperature-controlled delivery? **7.4 million.**



A staggering 1 in 10 Americans are diagnosed with diabetes.



Of these diabetics, one in five control their condition with some formulation of insulin.



Required on a regular basis



Theft is high since it is expensive



Strict temperature control

DRONEDEK should pilot in Christiansburg because drone delivery has already taken off

89%

of people would like to try or have tried drone delivery

#5

Virginia is ranked 5th in the U.S. in terms of drone readiness

1st

FAA approved drone delivery city

87%

of people reported that they liked the idea of drone delivery



Wing drones can be outfitted with DRONEDEK's patented technology.

DRONEDEK should pilot in Las Vegas for its crime rate and drone-friendly regulations



DRONEDEK can integrate its patented technology into Airspace Link's drones.

Urban

Harsh climate and large diverse population make Las Vegas a perfect city for conducting pilot program

Ranked as one of the top cities with a free business environment and a good place to live with high ratings in housing, startups and healthcare.

#4

Nevada is ranked 4th in the U.S. in terms of drone readiness

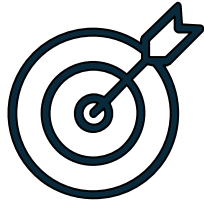
638 /100,000 population

High burglary rate

DRONEDEK should approach both businesses and individual consumers



DRONEDEK should evaluate its performance through the following KPIs:



Number of orders delivered
Growth rate
Monthly active users



Customer acquisition cost
Customer satisfaction
Utilization factor

Target: 40,000 deliveries in the first six months with growth rate of 2% monthly.

To diversify revenue streams, DRONEDEK should help expand infrastructure

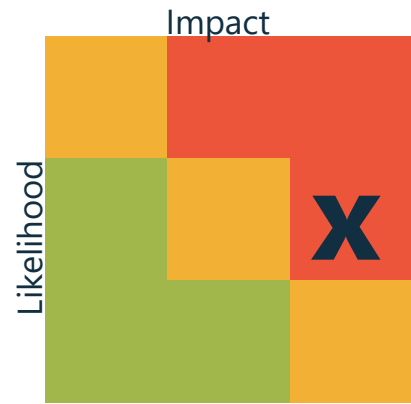
Be a part of drone delivery infrastructure:

- Incorporate a flight management system that relies on sensors and wireless communication of the smart mailbox, acting as Collision Avoidance Systems.
- The mailboxes can act as an intermediary charging stations for long flight drone deliveries.

Install shared mailboxes (Public shared mailbox)

- Introducing the concept of public mailboxes and charging customers based on fixed cost and time usage.
- Compartmentalize existing product design to create shared secure space within a single unit.

DRONEDEK's biggest risks are **regulatory** and **competitive**



Risk

Federal or local regulations change, creating an unfavorable environment

Likelihood/Impact

Medium/High

Mitigation Strategies

Diversify delivery methods: look into delivery through autonomous vehicles or target customers who will not compromise on security.



Risk

A competitor creates a low-cost alternative

Likelihood/Impact

Low/High

DRONEDEK can offer multiple products to target price-sensitive customers.

DRONEDEK can also lock in customers through introductory deals.

Thank you!



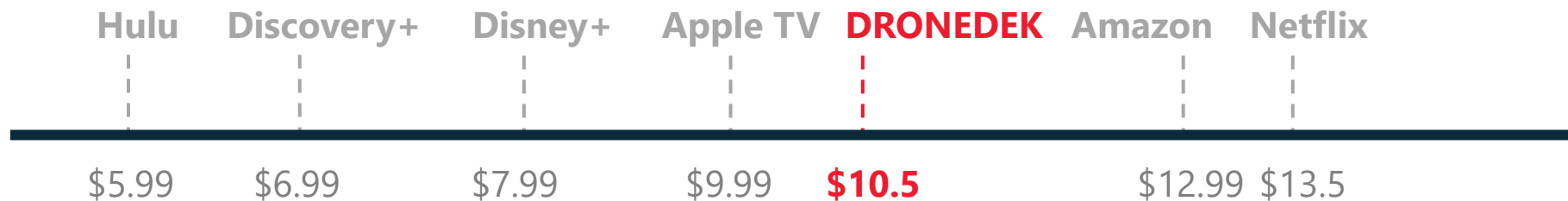
DRONEDEK[™]

Appendices

Have a question? We have an answer.

Appendix A: DRONEDEK's subscription fees are comparable to other services

- DRONEDEK is currently considering — in addition to its upfront installation fees — a subscription-based model. The rates are around \$10 for residential and small commercial consumers for the first two years.
- Although in a different industry, we compared this with other streaming services because most of DRONEDEK's customers are likely to use these products — we contextualize DRONEDEK's fee with other goods in its customers' baskets.



- Over **70%** of people with more than one subscription service said it was worth it (Mintel). This is likely higher when looking at consumers with higher income, since they have more discretionary income.

Approved intellectual property portfolio for receiving and storing parcels

Consumers enjoy the convenience of receiving packages throughout the day

Product differentiator: Storing packages safely in a temperature-controlled vault

Decreasing logistic costs for companies, especially last mile delivery

Developing market for e-commerce delivery through drones

Customer preference to choose environment friendly delivery

Dependency on the drone operating firm for technology integration

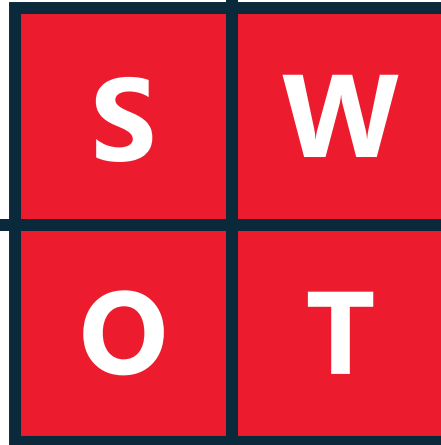
High installation costs

Need to partner with retailers

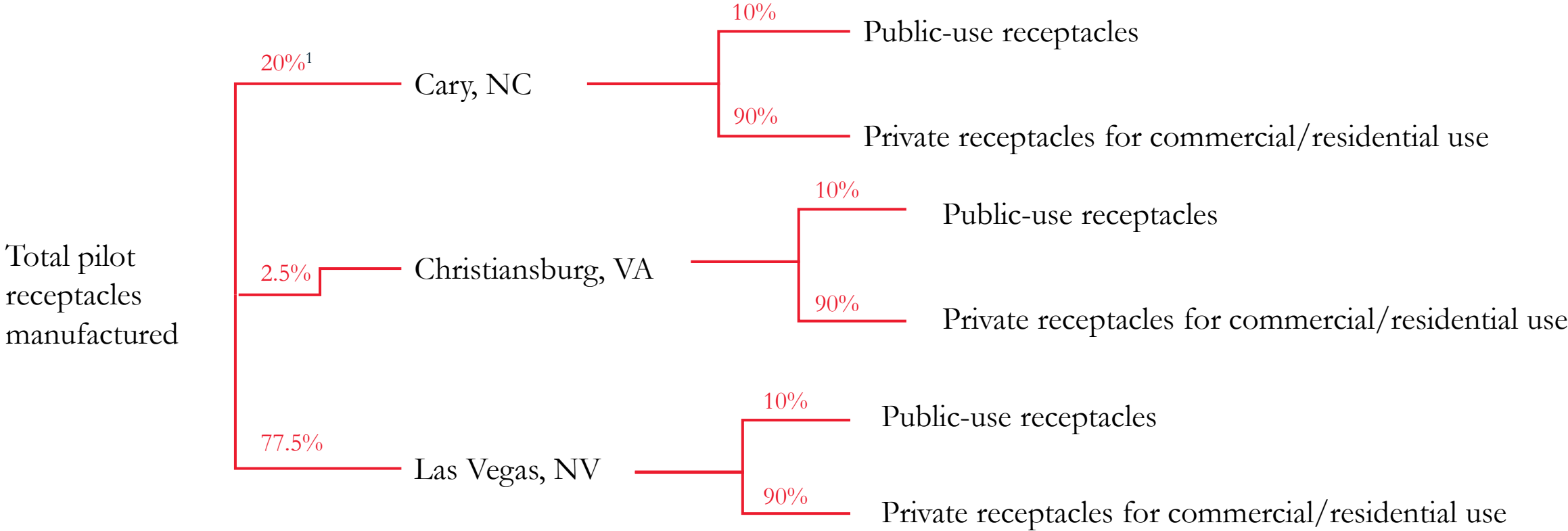
Volatile regulatory environment with policies on drone delivery changing frequently

A more affordable alternative developed by competitors

Patent infringement and other legal risks












Appendix C: DRONEDEK should distribute pilot receptacles in the following way:



¹ We allocated the number of receptacles to distribute across the cities based on population. To further determine *where* in a city these receptacles should be placed, we recommend conducting a population density study.

More about DRONEDEK's business model

<p>Key Partners </p> <ol style="list-style-type: none"> 1. drone provider 2. packing & shipping service (e.g. UPS stores) 3. business service centers (e.g. USPS, FedX) 	<p>Key Activities </p> <ol style="list-style-type: none"> 1. follow the FAA regulations 2. commercial market need some time to develop 3. certification 	<p>Value Propositions </p> <ol style="list-style-type: none"> 1. safe and secure 2. sensitive and perishable items 3. intellectual property patent 4. reduce 100% cost if items are transported by drones 	<p>Customer Relationships </p> <p>for individual & business customer: provide personal assistance to help installation & maintainance request</p> <p>for logistics customers: provide training about how the platform work</p>	<p>Customer Segments </p> <p>[customers who use the box]</p> <ol style="list-style-type: none"> 1. campus students who are willing to try new things 2. elderly people who might need to get drugs regularly 3. those who live in high crime rate area <p>[customers who provide the shipping service]</p> <ol style="list-style-type: none"> 1. e-commerce shops which can use the service to save money 2. small-medium restaurant
<p>Key Resources </p> <ol style="list-style-type: none"> 1. patent 2. popularity in croudfunding platform (6 <M) 	<p>Channels </p> <ol style="list-style-type: none"> 1. smart city Expo 2. government collaboration 			
<p>Cost Structure </p> <ol style="list-style-type: none"> 1. product research & development 2. distribution 3. installation service cost 		<p>Revenue Streams </p> <ol style="list-style-type: none"> 1. customers pay subscription & installation fees 2. shippers pay platform access fee 3. big data revenue model (use customer data to) 		

Packing & Shipping Service Franchises

OD5561

Packing & Shipping Service Franchises in the US



US

Business Franchises

Products and Services Segmentation

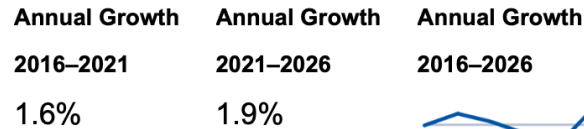
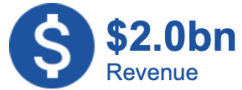


- Other services
- Mailroom services and mailbox rentals
- Document services
- Packaging and labeling services

Major Players

The UPS Store

Market Share: 66.2%



Key External Drivers



SIMILAR INDUSTRIES

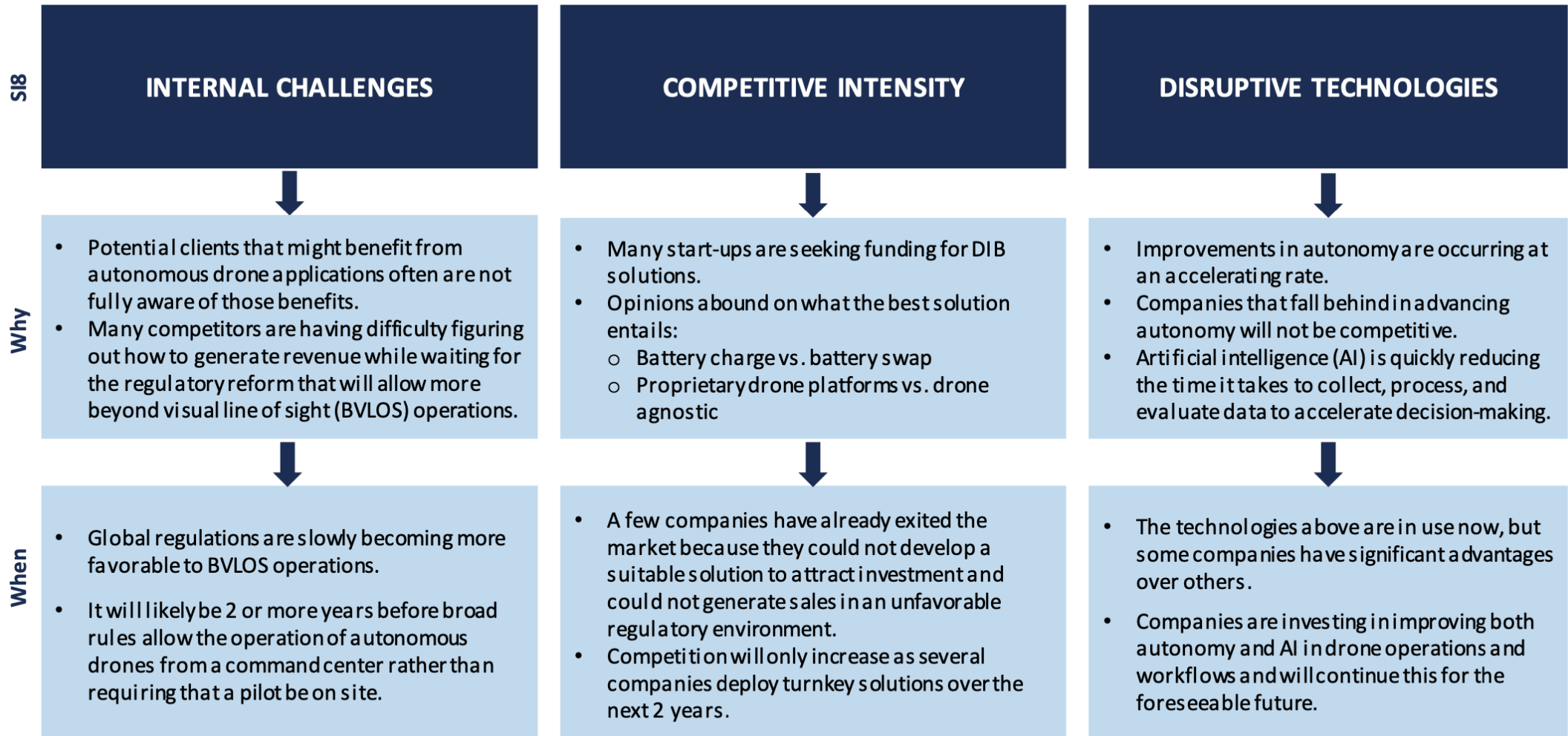
Quick Printing in the US

Printing Services in the US

Postal Service in the US

Business Service Centers in the US

Impact of the top three strategic imperatives on the DIB market



Sources

Drone readiness state: [Which States Are Prepared for the Drone Industry? \(mercatus.org\)](#)

Virginia Tech survey in Christiansburg: [The first U.S. population to experience drone delivery gives it a seal of approval | VTx | Virginia Tech](#)

Las Vegas newest drone project: [Airspace Link Announces Partnership with the City of Las Vegas to Enable Safer Drone Operations and Laying the Groundwork for Scalable Commercial Applications \(yahoo.com\)](#)

Cary city drone experience: [UPS and CVS deliver prescription medicine via drone to US residential customers for the first time | TechCrunch](#)

Population: [Census.gov](#)

City quality: [Quality of life in Las Vegas, Nevada - Teleport Cities](#)

Online order stats: [10 Online Shopping Statistics You Need to Know in 2021 \[Infographic\] \(oberlo.com\)](#)

The global market autonomous last mile delivery market is projected to display a CAGR of 19.15% during the projected years of 2021-2028. <https://www.globenewswire.com/en/news-release/2020/12/16/2146253/28124/en/Global-Autonomous-Last-Mile-Delivery-Market-Report-2020-Increased-Technological-Innovations-Opportunity-for-Drone-Deliveries-for-Inaccessible-Areas.html>

UAVs stake out 61% of last-mile delivery activity. Rotary wing aerial drones were used in 40% of that business. The study expects technological improvements will also drive increases of ground transport rivals of about 19% annually. <https://dronedj.com/2021/05/11/booming-last-mile-drone-deliveries-forecast-to-skyrocket-post-covid/>