

GRABR

Jagten Raj Singh

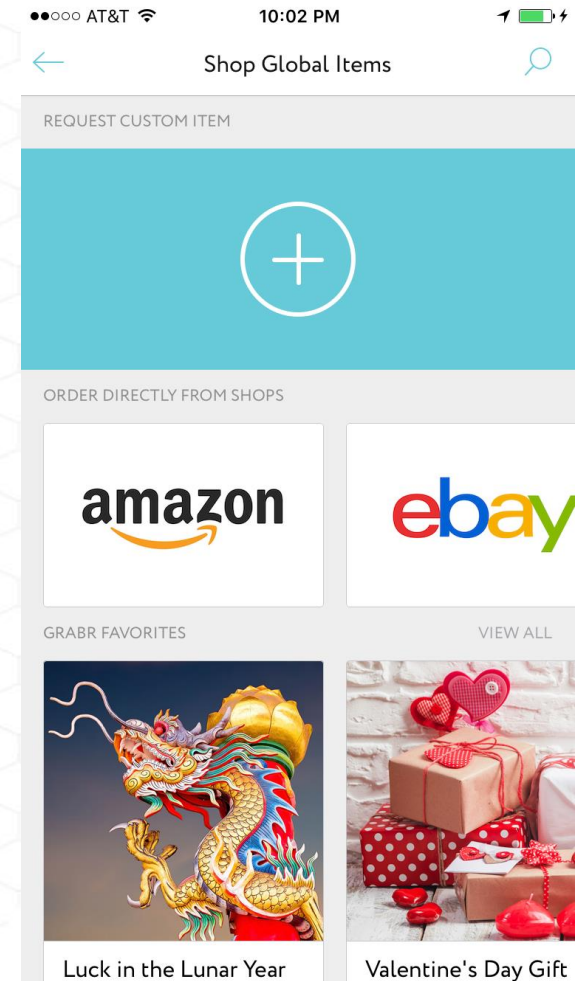
Alexandra Sandoval

Tiffanie Martin



Background

- Founded in 2015 by Daria Rebenok and Artem Fedyaev in Moscow, motivated by the couple's difficulty of finding their favorite foods once moving in to San Francisco, which became the location for its headquarters.
- Grab allows shoppers to request an item that they could not find in their region by enabling them to post requests of an item order through a retailer's website (via Grabr).
 - The app then alerts people traveling to the shoppers' region from places where the item is available of such requests.
 - Willing travelers can negotiate rewards and meeting location and date for bringing these items in their luggages' extra space.
 - Once a deal is concluded, the retailer will process and charge the shopper's order and ships it to the traveler to carry on their trip.
 - The travelers are charged the money's worth of the shoppers item and will be reimbursed along with the reward when the delivery is complete. Shoppers' money will be deducted once a deal is agreed, which Grabr will hold on to temporarily.
- The current user mix is 30% travelers and 70% shoppers – the app is focusing on creating demand to inspire people to sign up as travelers to make money.



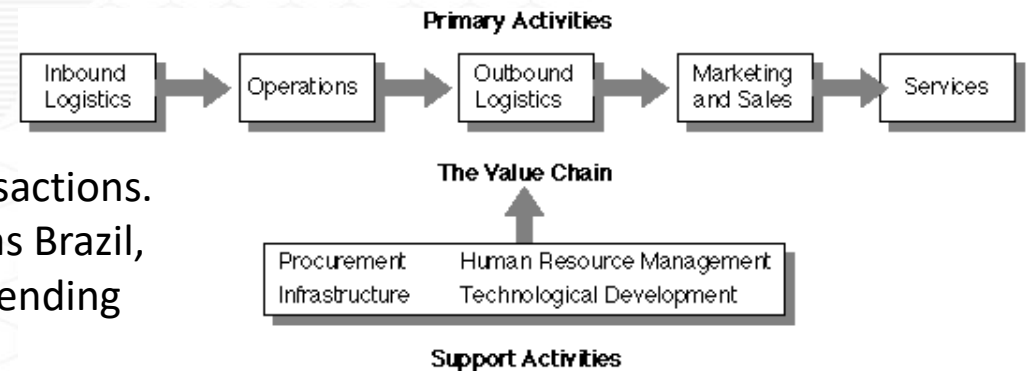
Business Model

- Leverages business model in promising access to “Shop the World,” **linking** people about to travel from an international location with item requests from people in the travelers’ destination.
 - This makes Grabr very popular in **countries with a high import tax** (e.g Argentina) or **those with expensive third-party shipment prices** (e.g Brazil)
- Main income comes from the “**service fee**” included for every processed grab requests.
- Additional income comes for purchases shoppers made using e-retail websites such as Amazon and eBay that is done through the Grabr app for their requests.
- Grabr does not take a share of the travelers’ reward for completing a request.
- Grabr allows its users to rate their shoppers or travelers as a form of quality control.



Grabr and the Value Network

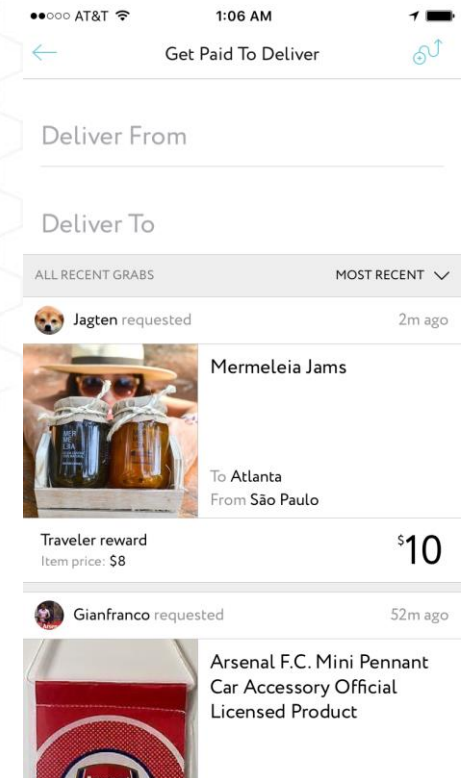
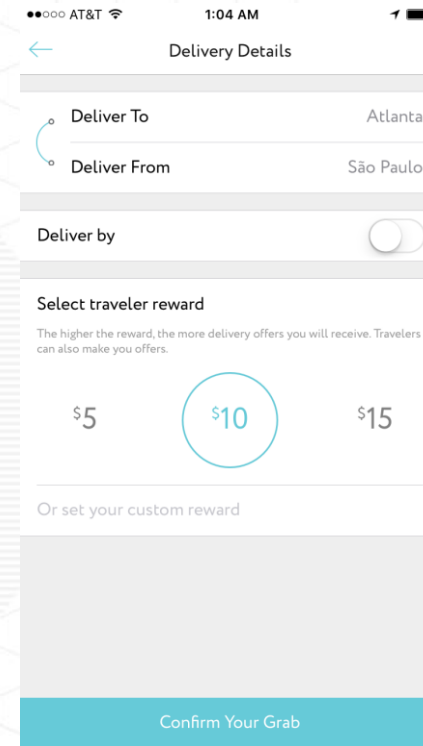
- Value proposition: the company adds value to the items that its retailers are selling by providing a medium for its purchasers to negotiate with travelers to deliver their item to their location for an agreed price.
- Complementary assets: Grabr’s main assets are its app and its office, where it maintains the app and expands its connections to more retailers worldwide.
- Position within value network: they help provide a cheaper and possibly faster delivery for many common and niche retail products.
- Complementary industries: Grabr works with e-retail companies all across the world to extend the variety of products their consumers can request. They also establish a mutualistic symbiosis with the airlines industry, which helps travelers carry the shoppers’ products and are more inclined to do so when ticket prices are cheap.
- Competitors: They indirectly compete with similar international crowdshipping apps as well as delivery services that the retailers use, such as UPS or FedEx.
- Competitive strategy: Grabr’s position is unique in that although it promises a cheaper logistics cost to its customers (cost differentiation), it relies primarily on giving access on items that people normally cannot buy (product differentiation) with convenience, which is a unique blend of competitive strategy. It also provides a safe way to transfer money to complete such transactions. Cost differentiation dominates in countries with high imports such as Brazil, while product differentiation applies more in countries with high spending power such as the U.S.



Porter’s Value Chain. Source: Institute for Manufacturing, University of Cambridge

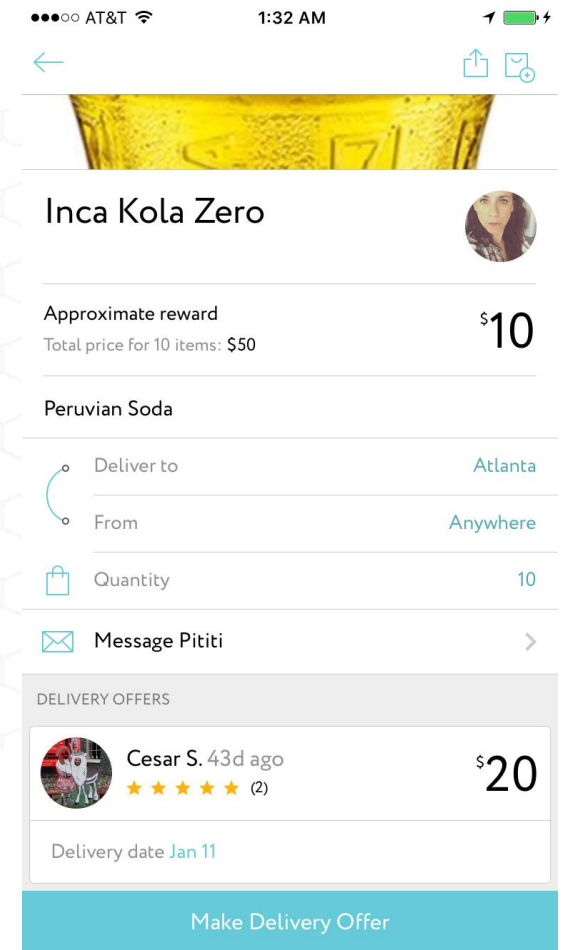
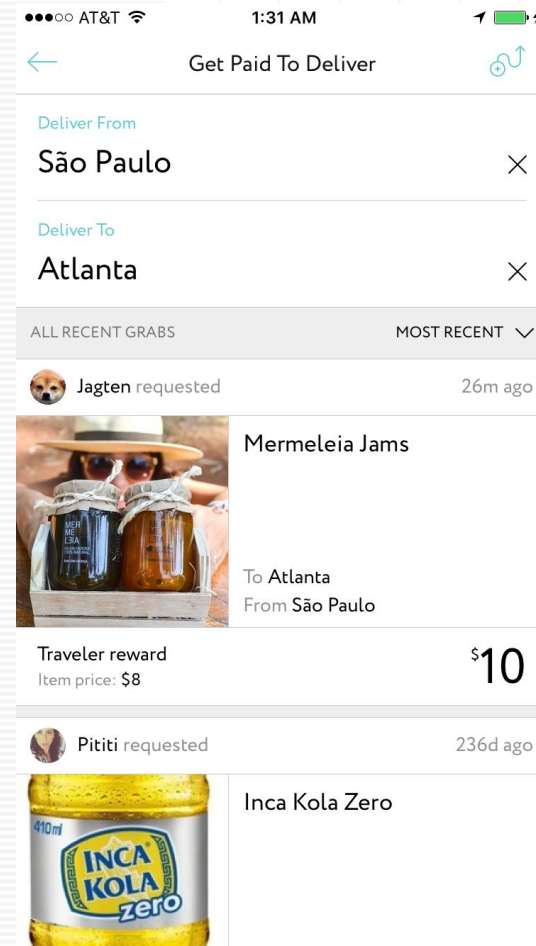
Ordering an Item

- Select an item and quantity from Grabr's retailers.
- Select delivery city, monetary reward, and latest delivery time (optional)
- Post request and wait for reward offers by travelers.
- Agree on a reward and meeting time.
- Receive package on the agreed location.

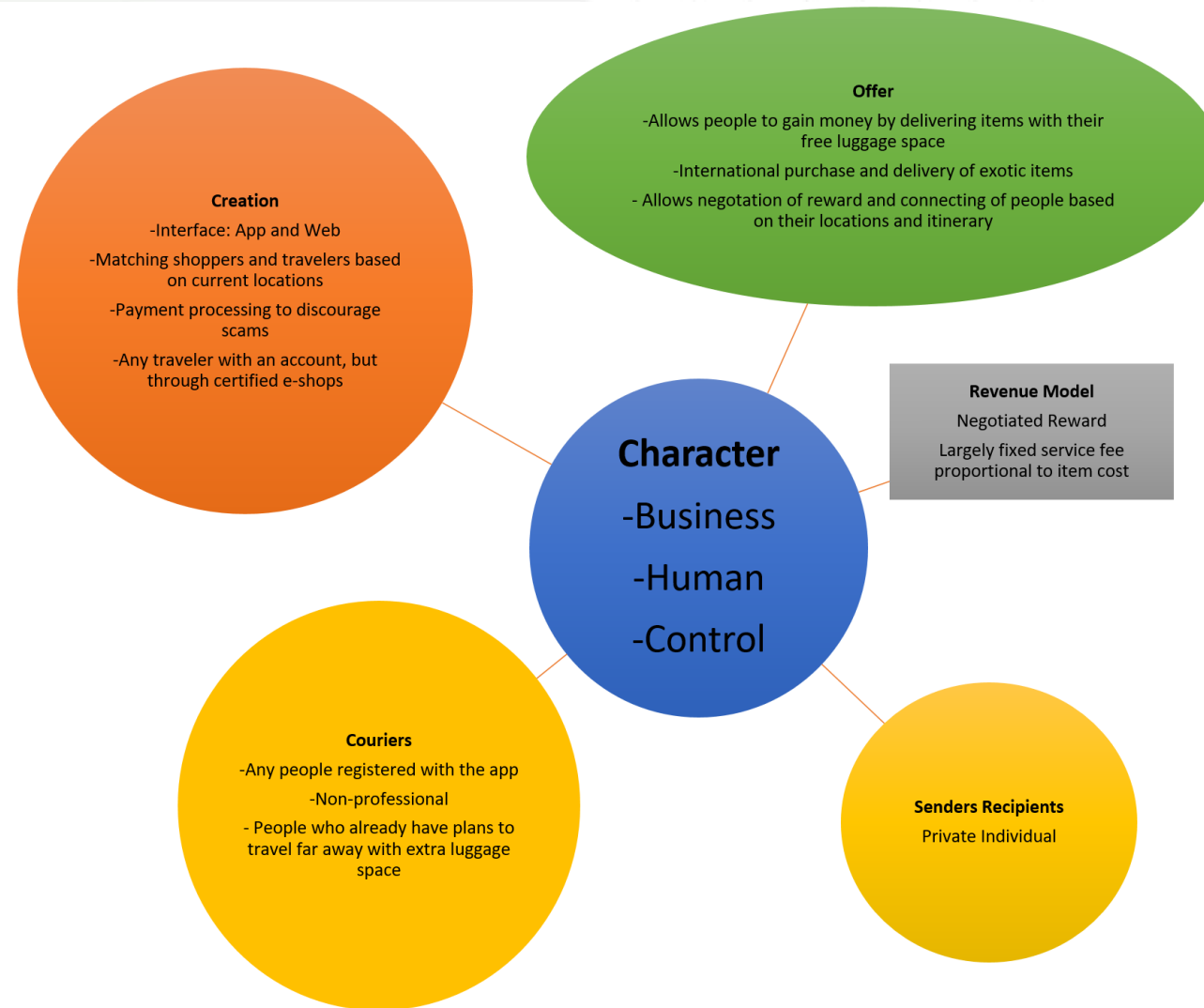


Getting Paid to Deliver

- Select destination city and origin (optional).
- Search for requests.
- Post a reward offer on the request.
- Wait until the reward offer is agreed upon.
- Agree on a reward and meeting time.
- Deliver package on the agreed location.



Business Model Components



Grabr in the News

- Grabr has been featured in Forbes and The Economist as a prime way to benefit off free luggage space when traveling. The articles focus on the app's ability to match travelers' itineraries to customers wanting an inexpensive way to ship their products. Both articles raised concerns on travelers carrying packages that they are not familiar with.



Baggage claim

Trading your excess airline luggage-allowance



New Apps Allow Air Travelers To Sell Unused Luggage Space

- However, most of the news about Grabr has come from upper-end lifestyle and travel websites, focusing on the app's ability to help obtain rare souvenirs such as a British Cadbury Bar or Spanish Gazpachos.



How to Pick the Ultimate Souvenir: Travelogue Podcast



Up for grabs: a new startup merges travel and shopping to deliver the goods

- Grabr is also sometimes in the news for the two investments it received from Russian consortiums, primarily in finance and technology websites.



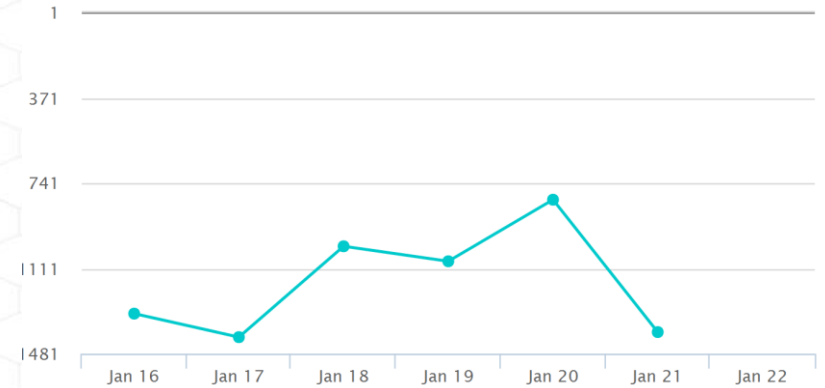
Grabr raises \$3.5M for P2P international delivery
Funding from RBV Capital, N-Trans Group, and angel investors fuels growing peer-to-peer marketplace



Grabr, the international shopping and delivery platform, picks up \$3.5 million

Business Performance and Market Traction

- Currently ranked between 700-1500 each week for shopping apps by App Annie for downloads.
- Gains popularity among South American and Eastern European countries, APPLyzer placing it in top 50 shopping apps for Peru and Argentina by downloads.
- Received a total of **US\$4.5 million** in equity funding, both from Russian investors Alexey Repik and Konstantin Nikolaev, a ports and railway magnate with a net worth of \$1.35 billion.
- Advertisements are predominantly done online on websites such as Facebook.
- Business partnerships are being established to expand the range of retailers the app accommodates, allowing it to offer a larger variety of exotic products to shoppers.



Country	Shopping
Peru	+21 20
Argentina	-3 23
Brazil	+6 108
Russia	+106 137
Poland	+384 143
Costa Rica	-1 186
Belarus	-6 200
Panama	-1 224
Norway	-35 254
Estonia	-14 256
Latvia	+8 264
Kyrgyzstan	-3 267
Israel	-41 281



Business Performance and Market Traction



- Review by customers: Grabr's current rating in the iTunes App Store is 4.5/5 stars from 15 reviews.
 - Review websites such as Reyvolo and Reviewopedia laments the lack of reviews for the apps as well as the uncertain service fees (which could vary beyond its 7% standard), but confirms the legitimacy of the app as well as completing a successful transaction.
 - Commenters are concerned by the hassles travelers face should the shoppers' package contain a contraband, or if it is damaged, or if the flight is delayed. This is especially important as the traveler pays for their own trip and has their own money deducted until the delivery is conducted.
 - Other complaints include the slow time for travelers to get their money and poor customer service response time.
- Market traction: Grabr current has around 50,000 users and are still looking for funds for expansion.
 - Currently, Grabr has over \$1 million worth of items in influx daily.
 - Plans to bring service to the Middle East.

Customer Ratings

We have not received enough ratings to display an average for the current version of this application.

All Versions:
★★★★ 15 Ratings

reviewopedia browse smarter

Appliances & Electronics Business Buying & Selling

Grabr Reviews



★★★★★ Based on 5 Reviews

Website: www.Grabr.io
Delivery Service, Make Money Online

Review It