

PRICING STRATEGY & SUBSCRIPTION PLANS

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YALLA

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1.EXECUTIVE SUMMARY

The purpose of this document is to present YALLA's Pricing Strategy and Subscription Plans.

This strategy is designed to deliver a sustainable revenue model for YALLA, while directly addressing the pain points of Yemeni restaurants that struggle with **high commissions** and **shrinking margins** on existing aggregator platforms.

1.1. Purpose of the Document

- Predictable, recurring revenue for YALLA.
- Affordable, transparent pricing for restaurants, aligned with their growth stage.
- A competitive differentiator in the Yemeni market by rejecting the commission model used by aggregators.
- A scalable blueprint adaptable for regional expansion.

1.2. Key Pricing Principles

- **Commission-Free Commitment:** Unlike Talabat, HungerStation, and local apps charging up to 15% commissions, YALLA will not take a percentage of sales.
- **Semi-Fixed Growth-Based Pricing:** Restaurants pay a flat monthly fee, with the level determined by their order volume band (e.g., Starter, Pro, Premium). This ensures affordability for small outlets and proportional contribution from high-volume restaurants.
- **Value-Added Upsell:** Core subscriptions are supplemented with optional add-ons such as , advanced promotions, loyalty tools, and delivery management integration, increasing ARPU while preserving choice.
- **Fairness & Transparency:** Costs are predictable; there are no hidden fees, and restaurants keep 100% of their order revenue.

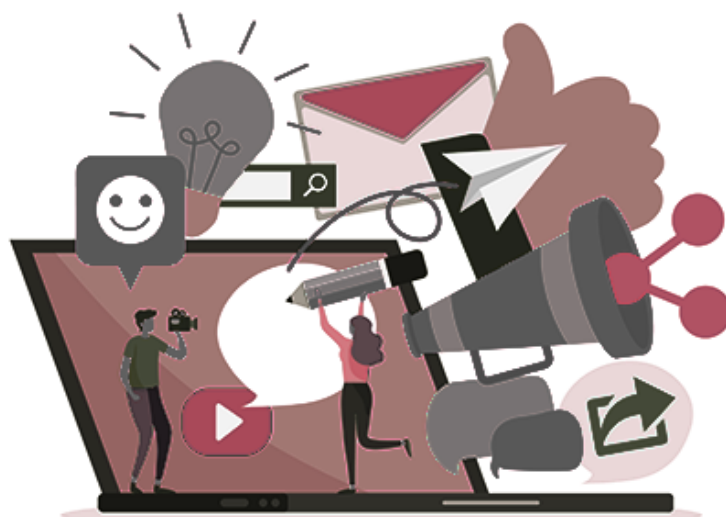
1.3. Adoption Incentive

To reduce barriers for new clients, YALLA will introduce a **"First 100 Orders Free"** promotion as a free trial . Every restaurant partner will receive their first **100 processed orders at no charge** (valid within the first 30 days).

This guarantees early value proof by allowing partners to test the platform features , encourages adoption, and demonstrates the platform's impact on sales and efficiency.

1.4. High-Level Recommendations

- Launch with three subscription tiers (Starter, Pro, Premium) plus custom plans for large chains as well as a pay per use option for micro businesses that can not afford committing to a monthly fixed price subscription.
- Set order-band thresholds to ensure YALLA recovers variable costs (Whatsapp messaging ,call center, delivery software ; SHIPDAY) while maintaining at least 65% gross margin per account.
- Position the model as **"Growth-Based Pricing"** with messaging centered on partnership: "We grow when you grow".
- Monitor order volumes per client closely during the first six months and refine thresholds if needed to protect profitability.
- Use the free-orders incentive and introductory discounts to accelerate adoption in the launch phase.



2.OBJECTIVES & GUIDING PRINCIPLES

The YALLA pricing strategy is not only a revenue model , it is a strategic tool to establish trust with restaurants, encourage adoption, and ensure long-term sustainability.

The following objectives and guiding principles shape the design of our subscription plans and incentives.

2.1 Financial Sustainability Goals

- **Predictable Recurring Revenue:** Ensure that YALLA generates stable monthly cash flows from subscription fees, creating a reliable foundation for scaling operations.
- **Healthy Margins:** Maintain at least 65% gross margin per restaurant, ensuring profitability even as variable costs (SMS, call center, delivery API) grow with usage.
- **Scalable ARPU Growth:** Increase average revenue per restaurant (ARPU) through tier progression and add-on sales.
- **Balanced Risk:** Reduce reliance on variable, unpredictable commission streams by anchoring income in semi-fixed subscription fees.

2.2 Affordability & Market Fit

- **Low-Barrier Entry:** Keep pricing accessible for small outlets, especially cafés and fast-food operators, who make up the majority of YALLA's initial market.
- **Fairness Across Segments:** Tie subscription levels to order-volume bands so that larger, higher-volume restaurants contribute proportionally more.
- **Localized Sensitivity:** Account for Yemen's limited consumer purchasing power and cash-dominant economy by designing simple, transparent, and fair plans.
- **Value Perception:** Ensure restaurants see the direct link between their subscription fee and tangible benefits such as higher efficiency, improved customer reach, and better marketing ROI.

2.3 Simplicity & Transparency

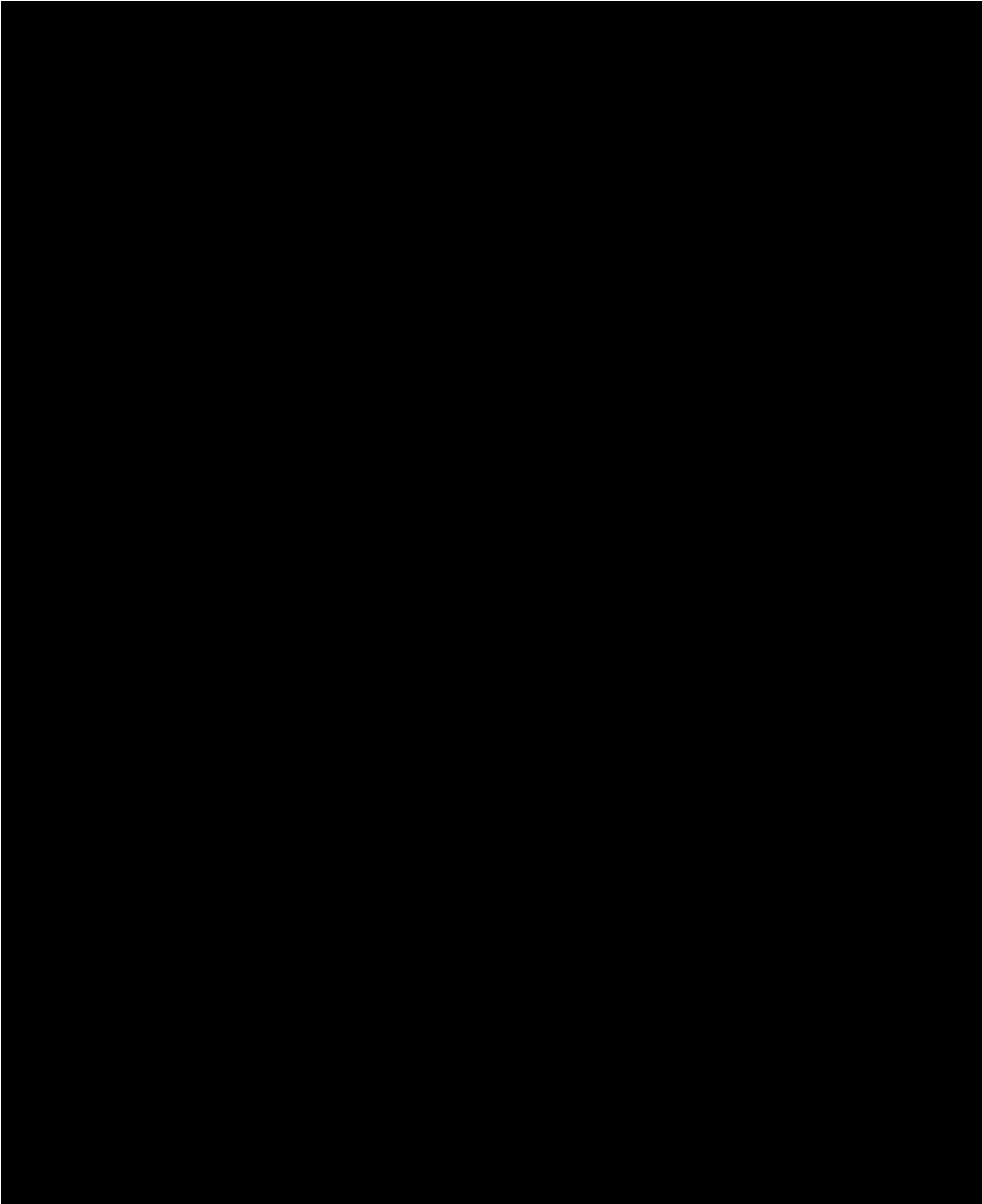
- **Commission-Free Promise:** Differentiate YALLA from aggregators by ensuring restaurants keep 100% of their revenue with no hidden fees.
- **Straightforward Tiers:** Limit plans to three public subscription levels plus a pay per use option, making it easy for restaurants to understand and select the right package.
- **Clear Add-On Options:** Offer modular services (e.g., branded app, advanced promotions, loyalty programs) priced separately, allowing flexibility without confusion.
- **Fair Usage:** Apply clear order-volume thresholds with grace ranges to avoid billing disputes and maintain trust with clients.

2.4 Growth & Partnership Mindset

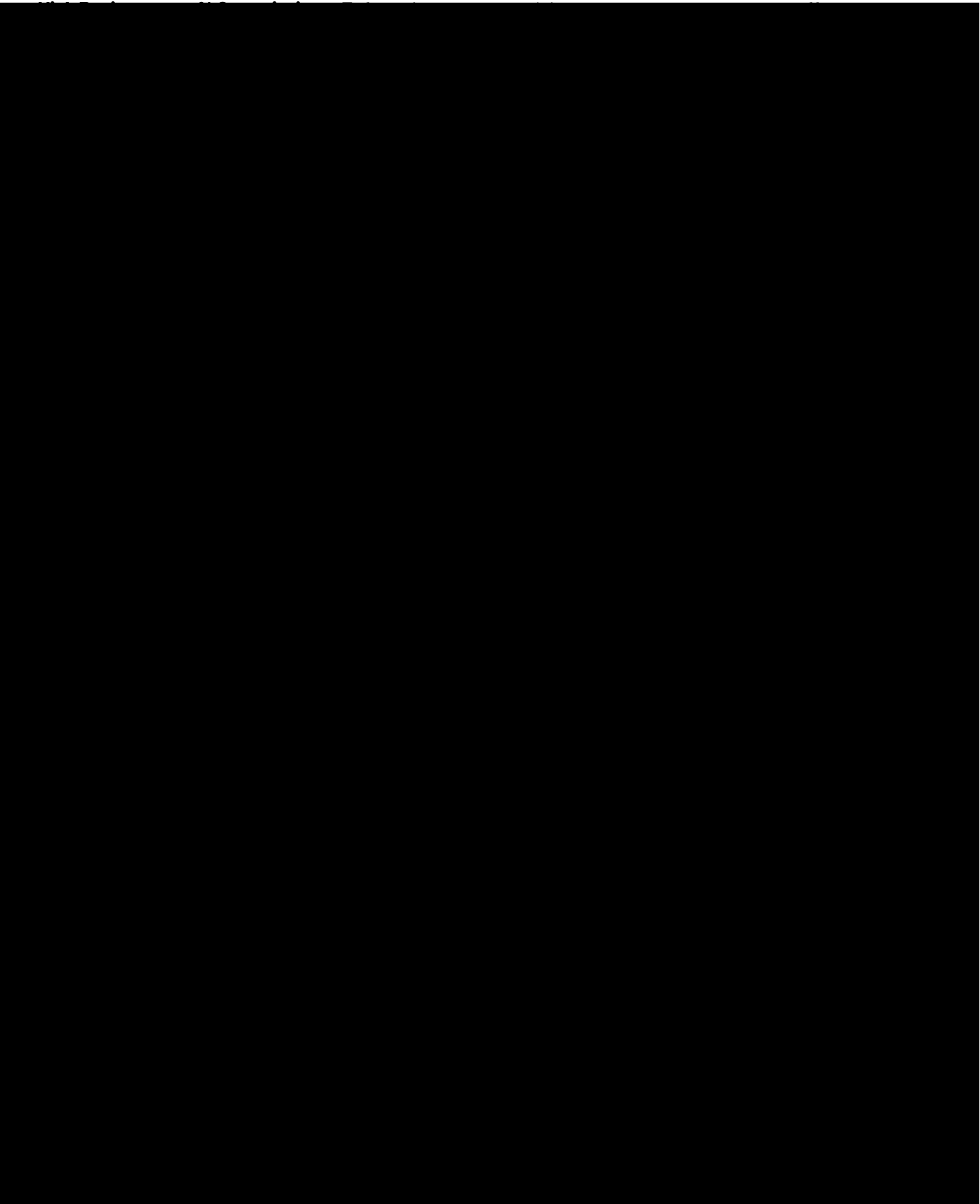
- **Aligned Incentives:** Communicate that YALLA grows when restaurants grow but never by taxing their sales.
- **Encouraged Adoption:** Use the "First 100 Orders Free" incentive to reduce hesitation and build early confidence.
- **Retention Focus:** Reinforce long-term relationships through ongoing support, marketing assistance, and upsell opportunities, **ensuring restaurants view YALLA as a partner, not just a software vendor.**

In essence, YALLA's pricing strategy balances profitability with accessibility. By combining a semi-fixed subscription model, a commission-free promise, and order-based tiers, we ensure that restaurants of all sizes can adopt the platform with confidence, while YALLA secures stable, scalable income. This approach reinforces our role as a trusted growth partner to local restaurants and positions us strongly against high-commission competitors.

3.CUSTOMER SEGMENTATION & WILLINGNESS-TO-PAY



3.3 Pricing Sensitivity Analysis (B2B)



4.5 Contribution Margin Calculations

For each restaurant:

- Revenue per month = Subscription Fee + Add-ons – Discounts/Promos
- Variable cost per month = SMS/OTP + Call Center + Yalla Delivery(server & maintenance)+ Payment Fees + White-Label Platform Fee(per-restaurant allocation)

- Contribution Margin = Revenue – Variable Costs
- Gross Margin % = (Contribution Margin ÷ Revenue) × 100

4.4 Break-Even Analysis (Illustrative)

- **Assumption:** Average ARPU = \$90/month (mix of Starter, Growth, Pro).
- **Variable Cost Estimate:** \$25/month per restaurant (SMS + support + API).
- **Contribution Margin:** \$65 per restaurant per month.
- **Fixed Cost Base (Platform + Core Staff):** \$30,000/year.
- **Break-even Point:** ~40 active restaurants cover YALLA's fixed costs.

4.5 Scalability Considerations

- **High-Volume Clients:** While they drive more orders (and thus variable costs), semi-fixed tiers ensure they pay proportionally more, preventing margin erosion.
- **Low-Volume Clients:** Starter tier ensures affordability, but contribution margin must still remain positive after support and SMS costs.
- **Upselling Add-ons:** Services like branded websites, advanced promotions, and loyalty programs have near-zero incremental cost, making them highly profitable.
- **Economies of Scale:** As YALLA grows, shared fixed costs (e.g., staff, overhead) per restaurant decrease, improving margins over time.

YALLA's unit economics are structured to be profitable at the restaurant level while protecting scalability. By balancing subscription tiers with clear order-volume thresholds, maintaining discipline on variable costs, and leveraging high-margin add-ons, YALLA can secure margins of 65–70% per restaurant and reach break-even after ~40 active clients.



5. PRICING ARCHITECTURE

YALLA 's pricing architecture is designed to balance simplicity for restaurants, sustainability for the platform, and competitiveness against global and regional SaaS benchmarks.

5.1 Core Subscription Model (Semi-Fixed, Commission-Free)

Restaurants pay a flat monthly subscription fee based on their order volume band.
This ensures affordability for small outlets while scaling revenue fairly with larger, high-volume restaurants.
No commission % is charged on orders, protecting restaurants' margins(a critical differentiator versus aggregators).

Proposed Tiers (Illustrative Pricing):

(final numbers to be validated with cost structure & willingness-to-pay analysis)

Tier	Order Volume (per month)	Subscription Fee (USD) per month	Inclusions
Starter	Up to 100 orders then \$0.56 per extra order.	\$59	• Standard call centre support • Unique online ordering link for your restaurant. • Restaurant link set up in social media and google map order now button. • free promotions management system + 1 month premium promotions. • Free delivery Management system with up to 10 drivers • Order Types: Pick up, Delivery, and Dine in through QR Code with up to 10 unique QR codes for 10 tables. • System and menu set up • Sponsored ads support - \$59 worth of sponsored ads in instagram and facebook through yalla pages with first month subscription. • Training • Daily and monthly reports
Pro	Up to 300 orders then \$0.46 per extra order.	\$149	• Standard call centre support • Unique online ordering link for your main restaurant + 1 x branch • Professional website with domain matching restaurant's name • Restaurant link set up in social media and google map order now button • Promotions management system + premium promotions package 4 months per year • Free Delivery Management system with up to 10 drivers for each branch • Order Types: Pick up, Delivery, and Dine in through QR Code with up to 30 unique QR codes for 30 tables. • System and menu set up • Sponsored ads support - \$149 worth of sponsored ads in instagram and facebook through yalla pages with first month subscription • Training • Daily and monthly reports • Priority Support.

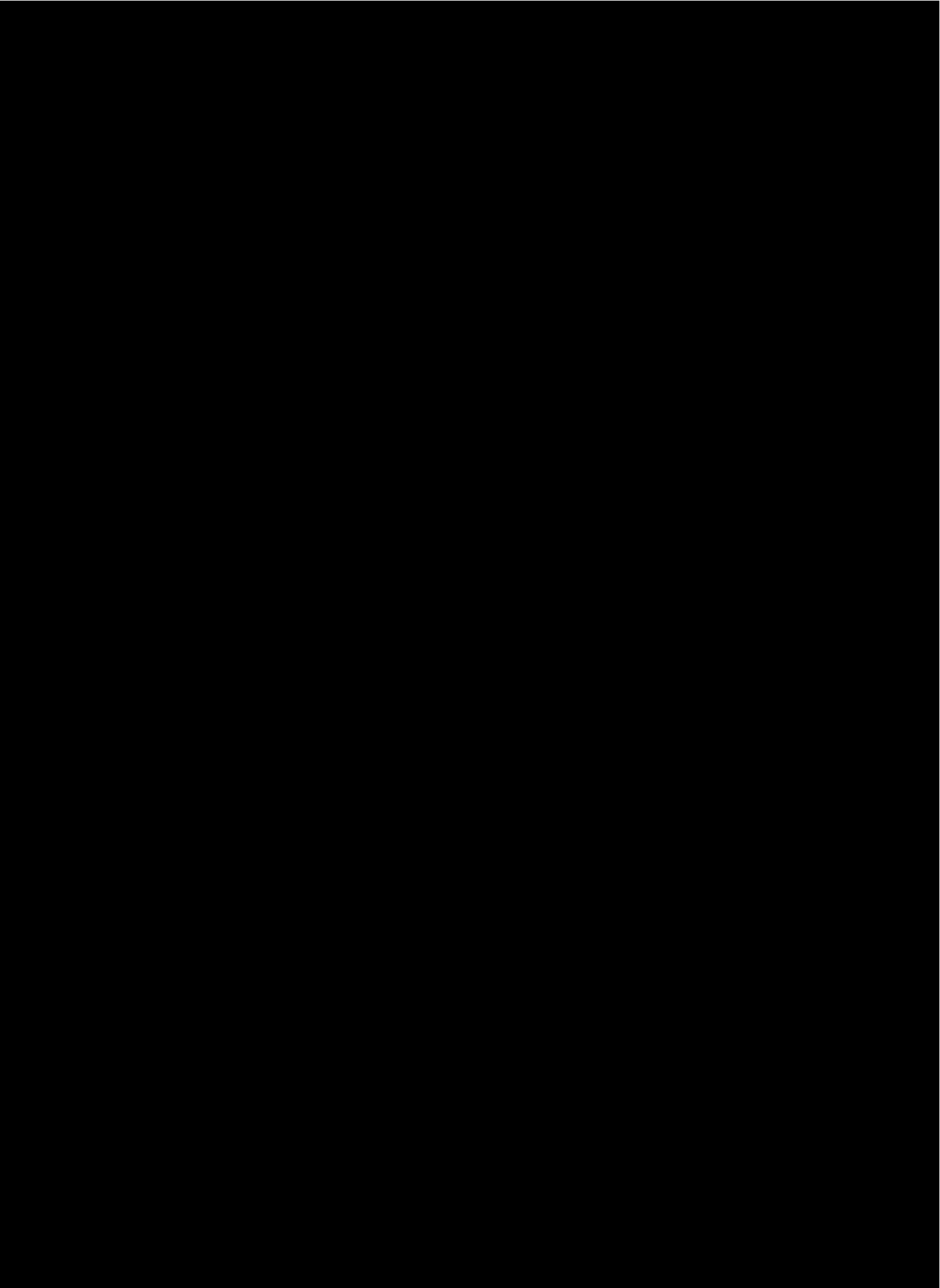
Premium

- **Pay as you go plan (low volume, small projects and home kitchens)**

This plan will not be displayed in our website or marketing materials, however, it needs to be designed and ready for low volume and micro projects averaging less than 10 orders a day which will make the starter plan a bit expensive. This plan should be upon requests from sales, for example, when website visitors find that none of the displayed plans suits their needs, they should contact our sales team to tailor a solution that suits their need and budget.



This plan can start at \$10 a month and have the following inclusions:



10. IMPLEMENTATION ROADMAP

The implementation roadmap provides a step-by-step plan for rolling out YALLA's pricing strategy, ensuring smooth adoption, financial sustainability, and scalability. The roadmap is divided into four phases, each with specific goals and deliverables.

Phase 1: Pilot & Validation (Months 1–3)

YALLA begins with a controlled pilot involving early adopter restaurants in Sana'a.

- Test the pricing tiers and confirm ARPU vs cost coverage.
- Monitor order caps, grace zones, and support costs to validate assumptions.
- Refine onboarding workflows (setup, training, promotional campaigns).
- Collect restaurant and customer feedback on usability, pricing perception, and payment options.

Outcome: A validated semi-fixed pricing model adapted to Yemeni realities.

Phase 2: Launch & Market Entry (Months 4–9)

After successful pilot adjustments, YALLA formally launches in Sana'a with a structured marketing push.

- Roll out Starter, Growth, and Pro tiers publicly.
- Offer the 100 free orders incentive and early adopter discounts.
- Deploy targeted PR and marketing campaigns to build brand awareness.
- Establish multi-branch deals for early chains.
- Begin integration testing with Al-Kuraimi Mobile wallet for payments.

Outcome: Achieve first 50–75 paying restaurants, building momentum and case studies.

Phase 3: Expansion & Optimization (Months 10–18)

With adoption established, YALLA scales to other cities (e.g., Aden, Ibb).

- Introduce Enterprise tier for large restaurants and chains.
- Optimize call center and support operations based on actual usage data.
- Launch value-added upsells (loyalty tools, branded storefront upgrades, delivery integration).
- Adjust pricing corridors if needed, based on competitor movement and local feedback.

Outcome: Reach 150–200 active restaurants, with ARPU trending toward \$90–100/month.

Phase 4: Regional Readiness (Months 19–36)

YALLA prepares for entry into GCC and international markets.

- Localize platform for GCC with Payfort/Tap integration for payments.
- Establish regional pricing variations (higher ceilings for stronger economies).
- Negotiate enterprise partnerships with multi-country restaurant groups.
- Package success stories from Yemen as proof of concept for expansion pitches.

Outcome: Scale beyond 300+ restaurants in Yemen and secure first cross-border deals

10.1 Sales Enablement Tools

To support each phase, YALLA develops:

- Pricing calculators for sales teams.
- Standardized proposal templates (with tier grid + add-ons).
- Onboarding kits (videos, guides, FAQs).
- Performance dashboards tracking ARPU, churn, and customer satisfaction.

The roadmap ensures YALLA moves step by step: pilot, validate, launch, expand, then scale regionally. By pairing pricing execution with operational readiness, YALLA positions itself not only as a SaaS tool but as a scalable growth partner for restaurants in Yemen and beyond.