



Revenue Model

420 Gift Box is designed as a multi-stream revenue platform with both consumer-facing and brand-funded income. This diversified model reduces risk, increases margins, and supports long-term scalability.

1. Direct-to-Consumer Sales

One-Time Gift Box Purchases

Consumers can purchase limited-edition 420 Gift Boxes without committing to a subscription.

Revenue characteristics:

- Higher-margin premium pricing
- Seasonal and event-driven demand
- Ideal entry point for new customers

This creates immediate cash flow while feeding the subscription funnel.

2. Subscription Revenue (Core Growth Engine)

Monthly / Quarterly Subscriptions

Subscribers receive curated cannabis gift boxes on a recurring basis.

Revenue characteristics:

- Predictable, recurring income
- Lower churn due to loyalty rewards
- Increasing lifetime value over time

Subscriptions stabilize revenue and allow for smarter inventory and brand planning.

3. Brand Placement & Sampling Fees

Paid Product Placement

Cannabis brands pay to place products inside curated boxes for targeted exposure.

Revenue characteristics:

- B2B-funded customer acquisition
- High-margin relative to physical costs
- Scales with box volume

Brands benefit from:

- Direct sampling
- Measurable engagement
- Access to an upscale, loyal audience

This shifts marketing costs from the platform to brands.

4. Digital Coupon & Promotion Partnerships

Sponsored Offers

Brands pay for inclusion in digital coupon packs and in-app promotions delivered to consumers through the PWA.

Revenue characteristics:

- Low fulfillment cost
- High perceived value to brands
- Ongoing renewal potential

This creates recurring revenue without additional physical inventory.

5. Loyalty Program Monetization (CannaBits)

Loyalty-Driven Revenue

The CannaBits loyalty program increases customer retention while unlocking additional revenue opportunities.

Includes:

- Brand-funded bonus rewards
- Promotional campaigns tied to loyalty actions
- Increased subscription retention and frequency

Higher engagement directly increases consumer lifetime value and brand participation.

6. Limited-Edition & Founder Products

Premium & Founders Editions

Special releases and Founder-exclusive boxes carry premium pricing and limited availability.

Revenue characteristics:

- High margins
- Strong demand from early adopters
- Ideal for capital raises and launches

These editions reinforce brand value while generating non-recurring spikes in revenue.

“You can help shape something valuable”



Revenue Mix (Illustrative)

Over time, revenue is expected to balance across:

- Subscriptions (recurring foundation)
- Brand placements and promotions (margin expansion)
- Direct box sales (top-line growth)

This mix ensures resilience across market conditions.

Why the Model Works

- Consumers pay for curation, convenience, and discretion
- Brands fund access to high-value customers
- Subscriptions smooth revenue volatility
- Loyalty increases retention and lifetime value
- Digital infrastructure amplifies margins as scale increases

420 Gift Box is not dependent on a single revenue source. It is designed to compound value as the ecosystem grows.

“You can help shape something valuable”