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Management from the Nova School of Business and Economics.

Giftify: Introducing Sustainable Gift-giving through Ai-powered Personalization – Driving Growth:
Revenue Models and Acquisition Strategies

MARCUS MAXIMILLIAN RAMIN PETER LANZ (59222)

Work project carried out under the supervision of:

Hugo Menino Aguiar

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Abstract

This thesis presents *Giftify*, an AI-driven platform transforming gift-giving with personalized, ethical, and sustainable recommendations. Giftify leverages AI and low-code technology to provide thoughtful suggestions aligned with recipients' preferences and values while emphasizing sustainability. The research outlines the platform's development as a minimum viable product (MVP), conducted within a master thesis, and covers market analysis, technical solutions, and monetization strategies. Positioned at the intersection of personalization, e-commerce, and sustainability, Giftify aims to enhance the gift-giving experience, creating meaningful connections and promoting ethical consumer behaviors while building a scalable and impactful business model.

Abstract Marcus' part

Marcus' part explores Giftify's monetization and customer acquisition strategy, ensuring the platform's financial sustainability while aligning with its mission of personalized and ethical gift-giving. Giftify's revenue model is built on a dual approach, combining core earnings from Amazon's affiliate program with non-core revenue streams such as paid promotions and anonymized data sales. By strategically targeting high-commission product categories and leveraging indirect sales, Giftify maximizes its earning potential while mitigating revenue risks. Additionally, the customer acquisition strategy focuses on influencer marketing, paid advertising, and organic growth through content creation, ensuring efficient and scalable user growth. Positioned at the intersection of e-commerce, personalization, and sustainability, Giftify aims to create a meaningful and financially viable gift-giving experience while fostering long-term brand loyalty.

Keywords: Sustainable Gift-giving, Business Plan, Personalisation through AI, Low-Code/No-Code Technologies

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List of Abbreviations

AI = Artificial intelligence

GDPR = General Data Protection Regulation

TAM = Total Addressable Market

SAM = Serviceable Available Market

SOM = Serviceable Obtainable Market

CAGR = compound annual growth rate

MVP = Minimum viable product

CRR = Customer return rate

CAC = Customer acquisition costs

KPIs = Key performance indicators

1. Introduction

1.1. Background

Gift-giving is a universal cultural practice that symbolizes affection, fosters social connections, and commemorates important milestones (Mauss 2002). Traditionally, gifts have served as meaningful gestures that reinforce relationships (Belk 1977). However, with the rise of e-commerce and the overabundance of consumer options, the gift-giving process has become increasingly challenging, leading to what Schwartz (2003) describes as "choice overload." This phenomenon overwhelms consumers with a multitude of choices, often causing decision paralysis and decreasing the satisfaction that comes with choosing a meaningful gift.

In tandem, consumer preferences have also evolved, with an increasing focus on environmental sustainability and ethical consumption. This shift is particularly pronounced among Millennials and Generation Z, who increasingly demand products that align with their values—such as sustainability, ethical sourcing, and social responsibility (Nielsen 2018; Deloitte 2020). However, the traditional gift-giving industry has struggled to adapt to these changes. Many platforms continue to offer generic, mass-produced products that fail to meet personalized needs or sustainability expectations (Rahman 2022). This gap between consumer preferences and market offerings has created a significant opportunity for innovation in the gifting space.

The introduction of advanced technologies, particularly artificial intelligence (AI), has paved the way for transforming the gift-giving experience. AI can help alleviate choice overload by narrowing down the vast selection of available products to those most suited to the recipient, thereby making gift-giving more personalized and meaningful. Furthermore, by integrating a commitment to sustainability, platforms can contribute to more responsible consumer behaviors.

1.2. Purpose of the Study

The purpose of this master's thesis is to explore the development and potential impact of Giftify, a unique gifting platform that aims to revolutionize the gift-giving experience. Giftify seeks to solve the problem of choice overload, lack of personalization, and unsustainable practices by leveraging advanced AI and adhering to principles of ethical consumerism. The primary goals of this study are:

- To analyse the current state of the gift-giving market, identifying gaps and opportunities.
- To examine the theories of personalization, sustainable consumerism, and the use of AI in e-commerce.
- To detail the conceptualization and implementation of Giftify's platform, covering its technical solutions, features, and operational strategies.
- To evaluate the market potential, financial viability, and growth opportunities for Giftify.
- To contribute to the discourse on ethical consumerism and demonstrate how technology can facilitate sustainable consumer practices.

This thesis analyses Giftify's business model and strategies, demonstrating how the platform meets changing consumer demands and promotes ethical practices consumerism.

1.3. Structure of the Thesis

This thesis is divided into several chapters, each addressing key aspects of the study. It begins with a shared section that provides a literature review, offering an overview of current and relevant trends. Next, the proof of concept is presented, incorporating specific direct research methods. The group section continues with a description of the business, its products and services, the technical implementation, and the validation of the MVP. Marcus then examines the different revenue streams and customer acquisition strategies. The thesis concludes with a future outlook, providing a well-rounded perspective on the potential opportunities, challenges, and developments that lie ahead for Giftify.

2. Literature Review

The business plan for Giftify builds upon a literature review that provides relevant insights into key areas closely connected to the new platform. This literature review explores gift-giving, consumer behaviours, e-commerce, sustainability, personalization, and AI. By delving deep into these six different areas, key insights are emphasized, providing a foundation for developing a complex business model for Giftify and demonstrating the need for such a platform over available alternatives.

2.1. Gift-Giving and Consumer Behaviour

The action of giving a gift is a universal behaviour that plays an important role in social relationships and is completely integrated into our society (Belk, 1996). The gift exchange is a common form of expression of one relation to another. Research in consumer behaviour has investigated the motivations behind gift-giving, finding factors such as altruism, reciprocity, obligation, and self-expression to be the source (Sherry, 1983).

This action often requires a complex process of reflection, which often requires time to find an appropriate gift for the relation between the individual gifting and the receiver of the gift. Nowadays, it has become even more complicated due to the enormous choice of gift options that are available to us (Doshi and Noble 2023). This reminds us of the “paradox of choice”, a concept introduced by psychologist Barry Schwartz which suggests that the more options we have, the less satisfied we feel with our decisions (Liu & Shrum, 2012; Pilat & Krastev, 2023). Schwartz (2004) also introduced, with this paradox, the concept of “choice overload”, which is when an individual is overwhelmed by the amount of choice. Choice overload requires more effort and can often lead to increased anxiety and difficulty in decision-making, which, in the context of gift-giving, can hinder the ability to select a meaningful gift.

2.2. E-commerce and Personalization in Retail

E-commerce has boomed since 2020, particularly due to the COVID-19 pandemic. This drastically increased the need for e-commerce, and sales numbers are expected to keep rising.

By 2029, E-commerce user penetration is projected to reach more than 55% of the European population, with a projected market volume of US\$977.4bn, showcasing the importance e-commerce has taken in our lives (Statista 2024).

Within the e-commerce sphere, personalized retail has also taken its place. Thanks to new technologies as well as advances in existing technologies, it has now become common to have real-time personalized content available (Perea & Duan, 2022). According to Kaptein and Parvinen (2015), not only does personalized content generate more clicks, but it also produces higher spending per customer, which in turn increases revenues.

Personalization has become so popular that consumers seek it. Accenture (2018) found that 83% of consumers are willing to provide personal data to have a more personalized experience. This shows consumers' real willingness to have more tailored online experiences for themselves, even at the expense of their data.

AI is a great opportunity for personalized retail. In their research on the impact of artificial intelligence on consumer buying behaviours, Dai and Liu (2024) found that AI can have a very positive impact on consumers who are continuously searching for more customized shopping experiences. By using the power of AI to analyse consumer data, companies can increase customer loyalty and enhance repeated purchases (Binns, 2016). AI-powered chatbots and other personalized recommendations can offer better overall customer satisfaction.

2.3. Sustainable Consumption

With the rise of personalized retail in e-commerce, the increasing focus on sustainable consumption shows a parallel shift in consumer priorities. Shoppers are increasingly seeking not only tailored experiences but also environmentally and ethically responsible choices (Jackson 2006; De Groot 2024).

Sustainable consumption is becoming an increasing trend, which has been recorded by Szegedi (2020) who found many steps and lifestyle changes taken by consumers in order to have a

smaller impact on the environment when consuming. This is even more apparent for Gen Z consumers who are looking for sustainable retailers and brands and are willing to spend up to 10% more on sustainable products (Petro, 2021).

However, sustainable consumption is more complicated than it seems. According to Young et al. (2010), individuals need to have strong green values and experience purchasing sustainable products. Consumers also need to have time to research and make an informed decision and finally have a good understanding of relevant environmental issues. This all shows that recommendation systems can be helpful in saving time and incorporating sustainability in decision-making.

Ethical consumption has also grown in more recent years as part of sustainable consumption but rather focuses on the social aspect of it. Ethical consumption is the idea that goods need to be ethically sourced, manufactured and distributed, which, for example, ranges from fair trade to human labour practices or even animal welfare (World Vision, 2022). This segment of sustainable consumption has gained visibility in recent years due to disasters such as the Rana Plaza collapse in 2013 and, more recently, the persecution and use of Uyghurs in the production of goods sold worldwide, which is making consumers more aware of the ethical implications of their purchases. This is changing how retailers produce goods and services in order to meet consumers' needs for more transparency and accountability.

2.4. Artificial Intelligence in Recommendation Systems

Besides sustainability, AI is another megatrend that has found its way into the mainstream, revolutionizing many aspects of life, not only for individuals but also for companies (Haluza and Jungwirth 2023). From the way companies operate and interact with clients to the way they approach new marketing strategies, AI opens many opportunities for firms willing to take advantage, including new products and services and a general increase in productivity (Makridakis, 2017).

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The retail and gift-giving sectors are among the most impacted businesses, as AI contributes to making the shopping experiences smoother and more engaging (Binns, 2016). In the context of e-commerce, AI is contributing to making recommendations more accurate by analysing complex customer patterns and interactions such as purchases, clicks, and ratings. In this manner, companies can now better target consumers preferences and needs (Wang & Slowik, 2024).

One of the main disruptive innovations brought by AI is new recommendation systems for consumers. AI leverages the power of a large volume of data to supply consumers with the best offers and purchasing tips based on their preferences, behaviour, and demonstrated patterns.

When it comes to data, ethical considerations also need to be addressed because AI requires a large amount of data to provide relevant outputs. This intersection between technology, legality, and ethics creates a particular challenge that companies need to address, applying robust frameworks to remain accountable and transparent regarding the handling of users' data (Mack, 2023).

Artificial intelligence is becoming more efficient daily with progress in computing, data, and algorithms. However, algorithms are the biggest driver of progress within AI. Algorithms are the procedures or formulas used by computer systems to solve issues and complete tasks (Brown et al., 2024). AI also needs to continuously learn to remain relevant and maintain performance. This process is essential and helps the algorithms refine their outputs, which increases user satisfaction (West & Allen, 2018).

2.5. The Intersection of Personalization and Sustainability

Personalisation and sustainability are both concepts that are sought after by consumers, but the intersection between the two creates a real opportunity for companies. Furthermore, personalisation or customisation can be a great tool in order to reduce waste and hence increase sustainability. Tailoring productions or recommendations to the client's exact needs may avoid

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unnecessary consumption (Boër et al., 2018). When it comes to product recommendations, personalisation can also focus on the core ethical values of the users, allowing them to easily find products that align with their principles.

According to White et al. (2019), identification leads to interaction, which occurs when individuals identify with sustainable advertisements, products or services. Customizing to the client's personality increases the probability of the client's engagement with it. AI can assist with this opportunity by creating catered outputs to the exact aspect of each user, both for personality traits and for ethical issues important to them. Recommendations systems that assist users in making more customised environmentally friendly decisions with the use of AI are perfectly combining sustainability, AI, and personalisation (Felfernig et al., 2023).

However, the greenwashing challenge remains important to consider regarding sustainability, even if personalised. Consumers have difficulty analysing labels and other claims made about products and services available because corporations intentionally mislead and create false sustainability claims to sell more goods and services. Here, new laws and regulations can assist in protecting consumers (European Commission, 2023).

In summary, the literature review underscores Giftify's potential to fill market gaps. By reducing choice overload and leveraging AI-driven personalization for sustainability, this model capitalizes on emerging trends. The combination of personalization, e-commerce, and sustainability aligns with changing consumer values and offers a scalable, ethical approach to modern retail, establishing the foundation for Giftify's strategic vision.

3. Proof of Concept

The literature review and market analyses underlined the challenges and opportunities in the gift-giving market, the existing choice overload, lack of personalization, and growing consumer demand for sustainable and ethical consumption. Building on these insights, this section validates these problems through primary research and provides a rationale for Giftify as the solution.

3.1. Defining the Problem

Gift-giving is a practice deeply rooted in human civilization, and it has grown significantly more complex in the digital age. The gift-giving market is confronted above all by two problems: an overload of choices and customer preferences that increasingly demand greater sustainability and personalization. This is reflected in the literature review as an explosion of e-commerce sites, resulting in choice overload for consumers. While choice theoretically empowers buyers, excessive options often lead to decision paralysis, anxiety, and dissatisfaction. Barry Schwartz's "paradox of choice" (2004) illustrates how too many options can erode the decision-making process. Due to lack of time or frustration, consumers often opt for impersonal and generic offers (Liu & Shrum 2012; Pilat & Krastev 2023). In addition, consumers today, especially millennials and Gen Z, place a high value on sustainability and ethical business activities (Petro 2021). Nonetheless, the retail market is still flooded with an oversupply of mass-produced, unsustainable goods that are often advertised with false greenwashing claims. This discrepancy between what customers want and what is available on the market makes it harder to find personal and sustainable gifts.

3.2. Validating the Research

To validate the need for Giftify, a comprehensive approach was undertaken, involving both quantitative and qualitative measures with an online survey and street interviews, to gather insights on consumer behaviours and challenges related to gift-giving. These methods aimed to

identify existing pain points in the gift selection process and assess the potential interest in an AI-powered gift-finding tool.

3.2.1. Quantitative Survey Insights

The survey, as represented by the diverse pool of respondents, has brought to light that people face several challenges while finding a perfect gift. Diversity is ensured by a largely equal mix of male and female respondents, as well as a diversified mix of incomes and educations. A total of 97.1% of participants reported that they find it at least sometimes difficult to choose a gift for their loved ones, hence the need for Giftify. Moreover, at least 77.5% were not satisfied with the available tools for finding gifts. Missing personalization, as well as choice overload and sustainable concerns were among the highest ranked answers. The survey also shows that customers are very open to innovative solutions for their gift-finding problems: 98.4% of respondents could see themselves using an online gift-finding tool, again proving the market potential for Giftify. The survey also provides insights on shopping habits: 70.4% of participants indicated that they frequently use web browsers to purchase gifts, while 87.3% noted that they buy at least occasionally (a few times a year) gifts throughout the year online. Of the respondents, 97.2% reported purchasing two or more gifts in a year, with the majority of these buying between two and ten gifts. These results further emphasize how frequent and repetitive gift-giving is, creating a growing demand for a more efficient and customized approach. In line with this, respondents finally indicated that they could imagine using a gifting tool (97.2%). At the end of the survey, respondents underlined the need for introducing sustainable gift-giving with preferences for sustainable considerations while gifting plus even 66.2% indicating that dependent on the price they would even be willing to pay a premium for sustainability. All of these results can be found in Appendix 1.

3.2.2. Qualitative Street Interview Guide

To complement the survey, street interviews were conducted using a guided framework to explore consumer opinions more openly and qualitatively. Participants were asked questions from a structured interview guide including:

1. How difficult do you find it to come up with the right gift for your loved ones?
2. What are your main problems when choosing a gift?
3. How important is personalization to you when selecting gifts?
4. When you are browsing for gifts, would you prefer a wide selection or a narrow, curated selection?
5. In the context of gift shopping, how highly would you rate sustainability?
6. Could you imagine using an online tool for finding gifts, and under what conditions?

The street interviews mirrored the survey results; many respondents mentioned the length and stress involved in choosing gifts, especially for good friends or family. The interviewees began to stress that personalization was the key for most of them; they wanted recommendations tailored to their needs, which would really improve their shopping experience. Many participants also complained about the repetitiveness and lack of inspiration in current tools, thus reinforcing the need for a new platform like Giftify. Overall, the validation process demonstrated a clear market gap and strong consumer demand for an AI-driven gift-finding tool that prioritizes personalization, convenience, and sustainability. These insights provide robust support for Giftify's concept and strategic direction.

3.3. Rationale for Giftify

Giftify's innovative business model aligns with the emerging trends identified in the literature review, as well as in the surveys and interviews. By addressing choice overload, promoting sustainable consumption, and offering a personalized user experience, Giftify aims to introduce sustainable and personalized gift-giving. Its dual focus on personalization and sustainability not

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only meets current consumer demands but also anticipates future market trends, enabling scalability and long-term relevance.

Giftify aims to solve a market gap by providing a simple, personalised, and sustainable way to select gifts. The platform integrates advanced technology with thoughtful curation, removing the stress from gift-giving and helping users select gifts that are genuinely appreciated. By focusing on leveraging AI-driven personalisation and ensuring an easy and intuitive user experience, Giftify is uniquely positioned to transform the gifting industry.

4. Business Description

After literature and markets have been researched and primary research has been carried out through surveys and street interviews, the following paragraph explains the product Giftify itself.

Giftify is an innovative platform dedicated to improving the gift-giving experience of users by making it personalised and sustainable. In a market often characterised by overwhelming choices, impersonal gifts, and products that fail to meet ethical standards, Giftify stands apart by simplifying the gift selection process while focusing on sustainability and personalisation. By utilising advanced AI technology, Giftify aims to make every gift thoughtful, ethical, and uniquely suited to the recipient.

Giftify's core mission is to reinvent the experience of giving gifts, shifting away from the often hurried and impersonal approach toward a more meaningful and environmentally responsible process. Our vision is to be the go-to platform for personalized and sustainable gift suggestions, allowing gift-givers to create memorable experiences while contributing to a healthier planet. Giftify is committed to building relationships that matter, not just between individuals but also with our environment, fostering a responsible approach to consumerism.

At the heart of Giftify lies an AI engine that leverages contextual understanding to deliver tailored gift recommendations based on users' input about the recipient, such as their age, interests, hobbies, and personality. This technology, powered by OpenAI's ChatGPT, helps narrow down the overwhelming variety of choices to a curated selection of gifts that fit the recipient's personality and preferences. Unlike traditional gift recommendation platforms that provide generic options, Giftify strives to create a personalized and memorable experience.

Our platform is built using Bubble.io, a leading no-code development platform that allows us to rapidly iterate on design and efficiently bring our platform to market. We chose Bubble.io because of its scalability, rapid prototyping, and ease of use. It enables us to deliver a robust and visually appealing platform without requiring extensive software engineering resources.

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This not only allows us to save time and reduce costs during the development phase but also makes it easier to integrate user feedback quickly into our product.

Giftify will operate as a Gesellschaft mit beschränkter Haftung (GmbH), a German form of a limited liability company that provides flexibility in management and structure. This legal framework is well-suited for a growing company like Giftify, offering liability protection to the founders while also being attractive to potential investors. The GmbH structure allows us to ensure stability as we grow, providing a foundation for future expansion and investment opportunities.

Ultimately, Giftify is not just a platform it is a tool for creating meaningful moments, strengthening relationships, and contributing to a culture of sustainability. Through innovative technology and a clear commitment to ethical values, Giftify seeks to redefine the gift-giving experience and promote thoughtful consumer choices that benefit individuals and the planet.

5. Products and Services

The following section will provide an overview on the technology used for building Giftify's MVP in form of AI & Machine learning algorithms, Low-Code/No-Code Technologies, bubble.io as well as an overview over current features as well as planned features for Giftify to increase user experience.

Giftify is designed to redefine the gift-giving process by making it personalised, meaningful, and sustainable. We aim to build an intuitive platform that helps users find the perfect gift for any occasion through the use of advanced technologies and ethical partnerships. This integrated products, services, and operations plan highlights the technical aspects of the platform, AI and machine learning algorithms, no-code technologies, and detailed operational strategies that contribute to Giftify's effectiveness, scalability, and user-centric experience.

5.1. Technical Solution Overview

Giftify's web-based platform is developed using Bubble.io, a leading no-code development tool that enables rapid iteration and reduced costs compared to traditional development methods.

The MVP of Giftify integrates several interactive features, including user input capture, preference analysis, and backend algorithms, to provide users with tailored gift suggestions.

The technical solution prioritizes scalability, allowing the platform to handle a growing user base while processing large volumes of data for highly personalized recommendations.

Giftify's backend infrastructure comprises a robust database that stores information such as user preferences, purchase history, and partner gift inventory. This data is processed by an AI-based recommendation engine, ensuring seamless and intuitive navigation from the initial interaction to checkout. Our platform is built for accessibility, allowing users to browse and select gifts from any device at any time, providing a consistent user experience across all channels.

To accommodate growth and manage peak traffic during high gift-giving seasons like holidays and special occasions, we use cloud-based infrastructure to ensure scalability. This infrastructure supports real-time data processing and integration, allowing Giftify to

continuously refine and evolve based on user feedback and market trends. . Moreover, the platform allows us to easily integrate third-party data sources, making it straightforward to add new ethical brands and expand our inventory as our user base grows.

The platform's agile development strategy ensures that Giftify remains responsive to user needs and can adapt quickly to the shifting demands of the gifting market.

5.2. AI and Machine Learning Algorithms

OpenAI's ChatGPT powers the personalized recommendations at the heart of Giftify's value proposition. This AI engine considers multiple user inputs, such as age, gender, occasion, relationship to the recipient, and hobbies, to generate highly personalized gift ideas. Unlike traditional rule-based engines, ChatGPT provides contextual understanding, allowing users to interact with the platform more engagingly.

Giftify integrates machine learning algorithms that use continuous feedback loops to further enhance the recommendation quality. User data is collected at various touchpoints—such as product selections, conversion rates, and explicit user feedback—and then used to refine the AI model. As a result, the AI engine becomes increasingly better at making relevant suggestions with each user interaction by learning from them, helping build a loyal customer base. By utilizing advanced machine learning, Giftify aims to provide an experience that grows more intuitive the more users interact with the platform, ultimately ensuring users return to Giftify for future gifting needs.

5.3. Low-Code/No-Code Technologies

The choice of Bubble.io as our development platform was a strategic decision made for several reasons: ease of use, speed of development, cost efficiency, and scalability. Bubble.io, a no-code development platform, empowers the team to create sophisticated web applications without needing extensive coding knowledge. This aligns perfectly with Giftify's goal of rapidly

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developing an MVP, validating its market fit, and scaling without incurring the heavy costs associated with traditional software development cycles.

Bubble.io offers a highly visual drag-and-drop editor, simplifying the process of building user interfaces, defining application logic, and connecting with external databases or APIs. This feature has been instrumental for Giftify in quickly testing and iterating new features based on user feedback, enabling an agile and user-responsive development process. The global no-code market is expected to grow at a CAGR of 26.7%, reaching \$65 billion by 2027 (Statista, 2021), which reflects the increasing preference for these platforms due to their ability to democratize application development and reduce costs.

Bubble.io seamlessly integrates with third-party APIs, allowing Giftify to connect with ethical brands and import product catalogues to enhance our users' gifting options. Scalability is another significant advantage of using Bubble.io, as it ensures that the platform can manage increased web traffic during peak times, such as holidays or promotional campaigns, without any interruptions in service.

Bubble.io's cloud-based infrastructure is designed to accommodate sudden spikes in user activity. Its extensibility allows us to integrate further backend features as the platform grows in complexity. By allowing us to concentrate on building a rich front-end experience and making API integrations easy, Bubble.io has positioned itself as the perfect no-code tool for the initial phase of Giftify's development.

5.4. Platform Features and User Experience

Giftify's platform is carefully designed to offer every user a smooth, personalized experience. The user interface, powered by Bubble.io's visual tools, incorporates intuitive elements that make providing recipient information simple and easy. Users can input details about the recipient, such as their relationship, preferences, and special occasions. ChatGPT processes this data to generate tailored gift suggestions. Through the gift discovery quiz the platform includes

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a quiz that helps users discover suitable gift ideas by asking questions about the recipient's interests, hobbies, preferences, and occasion. This interactive experience makes the gift-finding process more engaging. The users can select occasion-based themes such as "Christmas," "Valentine's Day," or "Housewarming," which provide curated gift lists suitable for those specific occasions. In addition users can set a specific budget, and the AI algorithm will recommend gifts that fit within that budget, ensuring that the suggestions meet the user's financial requirements.

In addition to personalised suggestions, Giftify plans to implement experiences that align with recipients' interests, such as wellness retreats, creative workshops, or adventure-based activities. This future focus on experiences ensures that users can access a broader range of options beyond just physical items, making gift-giving a more unique and enriching experience. Moreover, Giftify plans to implement a screening scheme vetting future partners to meet standards for sustainability, ensuring that each gift aligns with the values of ethical consumerism.

These features are designed to make Giftify an intuitive and highly personalized platform that not only offers relevant gift suggestions but also ensures that the products align with our users' values, particularly their focus on sustainability and ethical consumerism.

5.5. Ethical Partnerships and Supply Chain Management

Giftify's supply chain strategy is focused on partnering with ethical and sustainable brands that align with our mission. After reaching a sufficient market size, Giftify plans to partner selection involves a rigorous due diligence process, where we assess the sustainability credentials of potential partners, including fair labour practices and environmental impacts. This aligns Giftify with the values of our target demographics, particularly millennials and Gen Z, who are increasingly committed to making ethical consumer choices. According to Nielsen (2020),

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nearly 73% of global consumers are willing to change their consumption habits to reduce their environmental impact. Giftify's approach to ethical partnerships and inventory management also includes a dropshipping-style model that reduces overhead costs. We serve as a bridge between ethical gift producers and consumers, meaning we do not hold physical inventory. This asset-light model enables us to scale rapidly without logistical complexities, allowing us to focus more on curating a high-quality, sustainable gifting experience for our users.

6. Implementation & Limitations

6.1. Implementation

After introducing Low-Code/No-Code Technologies as well as bubble.io itself in the sections before, this chapter focuses on the technical implementation of Giftify itself. Giftify is built on Bubble.io, a no-code/low-code platform that enables the creation of web applications without any further programming knowledge. It operates through certain workflows. A workflow is a chronological sequence being executed when a certain event takes place. These workflows operate through actions working on a “if → then” basis and consist of three components. These are events, actions and conditions. An event defines what triggers the workflow. An example might be a button which is clicked or a page that is being loaded. Afterwards, the actions take place. These are the steps executed by the workflow after it was triggered. These actions are predefined steps that the application needs to take in order to satisfy the required functionality. For example, this might be a navigation taking place leading the user to a new page or an external API being addressed. The actions are executed by certain commands, which are automatically executed by bubble. For example, in the "Show Popup A" action, the command that changes the visibility property of "Popup A" sets it to true. Conditions are optional and define when an action is executed. Attached, the sequence is depicted. Overall, the workflows contain the whole logic and structure of events, actions and optional conditions taking place.

In other words, events, actions and commands are combined in a workflow to create a seamless interaction. The event starts the process, while the actions define the operations that need to be performed in order to reach the goals of the workflow. Each step builds upon the previous one, gradually conducting commands responsible for updating interfaces, communicating with system, storing data, and managing dynamic states.

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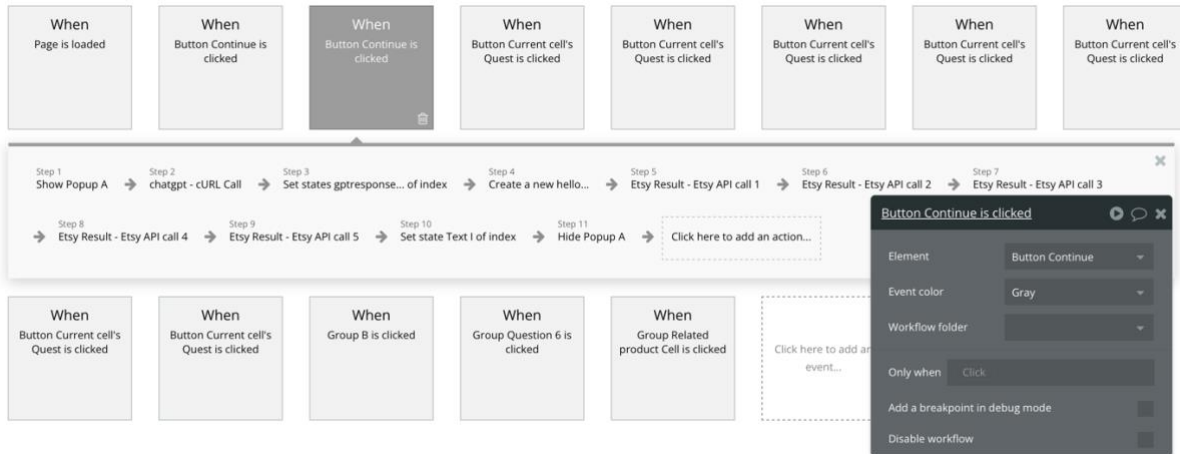


Figure 1: Workflow "When Button is Clicked"

The workflow shown represents a key aspect of Giftify's MVP, focusing on the integration of an external gift recommendation process and product listing. In this case, the workflow containing the whole structure is "when button Continue is clicked". This workflow is triggered by the event "Button is clicked". The "Only when" section in the black box on the right-hand side defines the condition under which the workflow is executed. In this case, it is "Click" meaning that if the button is clicked, the workflow starts. Subsequently, it makes a series of API calls and sets states to gather and present information to users. The first action, "Show Popup A", updates the user interface by making the "Popup A" element visible. This step sets the stage for user engagement by providing additional content or options.

The process flow aims to provide users with suitable gift recommendations based on their specific needs and characteristics. The workflow is structured to gather information from the Etsy API, despite our original preference for using Amazon's Affiliate API. Amazon was initially prioritised due to its extensive product catalogue and higher potential for affiliate commissions, which was the basis for our financial projections and monetisation strategy. However, due to the restrictive requirements of Amazon's API approval process, which include a demonstration of consistently high traffic and a credible business profile, we were not accepted for integration. Etsy was selected as an alternative due to its ease of implementation

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for showcasing the MVP. It offered a practical solution during the MVP phase by enabling us to create a product recommendation system that generates a final recommendation without relying on an API or affiliate program.

In our financials and monetisation strategy, Amazon was used as the primary affiliate platform, as it offers a well-established affiliate program that could generate significant commissions due to its higher product prices and broader availability. Etsy, while valuable for providing unique and handmade items, does not offer the same level of affiliate integration or commission structure. This discrepancy is addressed by our intention to transition to Amazon once Giftify reaches a sufficient user base and monthly traffic, which should facilitate successful acceptance into Amazon's affiliate program. This is also the reason we chose to make our financial projections using Amazon. Therefore, Etsy serves as an interim solution to enable a functional MVP that validates our core concept. Our long-term vision involves using Amazon as a preferred option for scalability, financial sustainability, and higher affiliate earnings.

The workflow involves multiple Etsy product integrations, not just one, to showcase diverse product options to the user in the future. Since we could not secure affiliate or API partnerships with either Etsy or Amazon, we implemented a product search feature on Etsy, which allows users to explore the one suggested product. The multiple Etsy API calls, labeled as "Etsy Result - Etsy API call 1, 2, 3, 4, and 5," are implemented for the future to ensure variety and to test the effectiveness of multiple product listings, which can be used as soon as we would be allowed to use the Etsy API. This is a strategic decision to demonstrate the platform's capability to offer multiple suitable options, similar to what we expect to achieve with Amazon once integration is possible. This approach also aligns with our hypothesis that presenting multiple curated choices increases user satisfaction and the likelihood of conversion. In future development, multiple choices will be displayed.

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A core aspect of this workflow is the cURL call to ChatGPT, which is instrumental in generating personalized gift recommendations. The prompt sent to ChatGPT is as follows:

"I'm looking for a gift for a index's q1's Display who is a index's q4's Display who is a index's q3's Display years old and has a index's q5's Display personality. The gift is for a index's q2's Display, with a budget of index's q7's Display. They enjoy index's q6:each item's Display and would prefer something they can use with a sustainable background. Ideally, the gift would be [specific characteristics, e.g., personalized, practical, luxurious, eco-friendly. after all analysis, just give a single gift that is the best based on all the information provided. return the gift name only."

This prompt includes several key components:

1. **Recipient Characteristics (q1, q3, q4, q5):** These questions gather specific details about the recipient, such as their identity, role, and personality traits. This information is essential for tailoring the gift recommendation to the recipient's unique needs and preferences.
2. **Relationship to Giver (q2):** This identifies the nature of the relationship between the giver and recipient, which can influence the appropriateness of different gift types. For example, gifts for family members may differ from those for professional colleagues.
3. **Budget (q7):** Budgetary constraints are critical for narrowing down options to items that are financially feasible for the user. By specifying a budget, the system ensures that recommendations remain realistic and within the user's means.
4. **Interests and Preferences (q6):** This question seeks to understand the recipient's hobbies, preferences, and practical needs, such as whether they would prefer something useful or experience-based. Including these preferences ensures that the

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recommendation aligns well with the recipient's interests, increasing the likelihood of satisfaction.

5. **Gift Characteristics:** The final part of the prompt includes optional characteristics for the gift, such as personalization, practicality, luxury, or eco-friendliness. This allows the user to further specify what they value in the gift, thus guiding the recommendation engine toward a more suitable selection.

This list of questions is asked of the users (see Appendix 2.1-2.8). Upon receiving the response from ChatGPT, the workflow stores the generated gift suggestion using the action “Set state get the response” in a custom state, which is then used for subsequent Etsy API searches. Each Etsy API call searches for a product related to the generated recommendation. Before sending the response from ChatGPT to Etsy <https://jsonlink.io> is addressed. It is an API that transmits static JSON (JavaScript Object Notation) data into publicly accessible links. JSON is an easy-to-read data format used for the exchange between systems like web applications and users. It is often used for the development of web applications and for APIs as it is supported by almost all programming languages and offers a simple structure. The API call is attached in Appendix 3.

Given our limitations regarding affiliate partnerships, the workflow focuses on presenting one possible Etsy product without embedding direct affiliate links. This serves as a proof of concept for the gift recommendation capability, paving the way for future integration with Amazon's affiliate program once we achieve the necessary scale.

The decision to use multiple Etsy API calls (five in total) reflects our attempt to simulate the experience of browsing several curated options, akin to what we would expect to deliver with Amazon. By planning on presenting users with multiple product recommendations in the future, we aim to validate our hypothesis that offering more choices enhances user experience and

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engagement. Ultimately, transitioning to Amazon remains a core part of our strategy, as it is more aligned with our projected financial models and long-term monetisation plans.

6.2. Limitations

As partially already mentioned in the implementation section, we faced quite some obstacles throughout the implementation process of Giftify leading to limitations of the MVP.

The first limitation is constituted through missing access to Amazon. We were not able to secure an Amazon affiliate membership due to strict restrictions from Amazon, which are i.a. (inter alia) tied to realized revenues which Giftify is not able to show so far. The missing affiliate membership means that currently no revenue could be generated which is an incremental part of Giftify's business model. To tackle this obstacle the first measures taken would be marketing expenses in form of building social media presence through paid advertisement and influencer marketing in order to generate initial sales. Simultaneously, professional developers would be hired in order to implement the API integration technically. Another limitation provoked by Amazon is its missing graphical visualization. Basically, for the current search action execution we could also have chosen Amazon, it would have been technically feasible. However, when returning the data in form of the suggestion Amazon shows no visual picture in the final step while Etsy does show one. This can be seen when looking at the returned values attached. Etsy has specific data in the bracket for "images" while the data field for Amazon stays empty.

```
{
  "title": "Personalized desk organizer set - Etsy",
  "description": "Check out our Personalized Desk Organizer Set selection for the very
best in unique or custom, handmade pieces from our shops.",
  "images": [
    "https://i.etsystatic.com/11355547/r/il/879180/6247484276/il_300x300.6247484276_g5ad.jpg"
  ],
  "url": "https://www.etsy.com/search?q=Personalized Desk Organizer Set",
  "sitename": "Etsy",
  "favicon": "https://www.etsy.com/favicon.ico",
  "duration": 2593,
  "domain": "www.etsy.com"
}
```

Figure 2: Returned Etsy Values

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```
{
  "title": "political ideology and movement opposed to capitalism",
  "description": "",
  "images": [],
  "sitename": [
    "political ideology and movement opposed to capitalism"
  ],
  "favicon": "",
  "duration": 1187,
  "domain": "www.amazon.de",
  "url": "https://www.amazon.de/s?k=Handschuhe"
}
```

Figure 3: Returned Amazon Values

As user experience shall be at the forefront, we assessed a visual display for the users as important. Therefore, due to the technical complications as well as not being accepted for Amazon's affiliate program, Etsy was chosen as marketplace for building the MVP.

These two limitations by Amazon lead to the next overall limitation which is the use of Etsy. Etsy presents an interim solution due to the simpler technical feasibility. Nevertheless, it does not offer the same product catalogue and commission scheme as Amazon. Therefore, Amazon will stay the favoured solution.

A further limitation is constituted by the fact that we are only able to propose one gift recommendation currently. In fact we have prepared five API calls which could be sent to Etsy (or Amazon, when feasible) in order to request data and make more suggestions. Self-speaking ChatGPT would be able to make more suggestions. If it would propose five suggestions five different datasets would need to be created and the output from ChatGPT would need to be distributed separately to the five different calls. Unfortunately, this technical process is beyond our knowledge.

In conclusion, the ideal implementation would take place after we had established the brand giftify and thus been admitted to amazon's affiliate program. This would also simplify the monteraization of Giftify in the real business environment

7. Validation of the MVP

The validation of Giftify's MVP represented a cornerstone in the platform's development. The main goal was to ensure that Giftify met both user expectations and market demand. This process was achieved by interviewing around 10 potential consumers selected from the target market. The focus was on Millennials and Generation Z, demographics which carry a strong affinity for digital solutions and sustainability values. The interviews yielded relevant insights into user pain points, preferences, and expectations and laid down the foundations for Giftify's customer-centric approach and its iterative improvement process. The specific interview questions and answers can be found in Appendix 10.

7.1. Methodology

The validation process for Giftify was substantiated using a blended qualitative research methodology. A total of 10 individuals from the target market were interviewed using a blend of fixed questions and open-ended discussions. This mixed method enabled the research to gather extensive and easy-to-handle data. The data covered participants' thoughts on Giftify's MVP, ranging from simple opinions to complex recommendations. Participants were selected from Giftify's target market. The research prioritized Millennials and Generation Z because of their affinity for e-commerce platforms, sustainable products, and orientation to AI-driven solutions. The recruitment process ensured diversity within this demographic. The group included individuals with different income levels, shopping habits, and cultural backgrounds. This diversity improved the feedback quality, providing a holistic view of the platform's potential impact across different sub-segments.

The interviews were divided into three phases. The first one was focused on understanding participants' experiences and pain points concerning general gift-giving, without giving them access to the MVP before answering the questions. In the second phase, participants were asked to try Giftify's features and asked for their thoughts, both positive and negative. The final phase

centred on gathering participants' suggestions for potential modifications they wished to see implemented in future platform iterations. This three-phased approach produced interesting insights on how Giftify could better align with consumers' expectations and needs in real-life situations.

7.2. First Phase of the Data Gathering Process

During the different interviews, few patterns were identified. A considerable amount of participants emphasized their experience with “choice overload”. Many users described their experience with e-commerce platforms as being characterized by an abundance of choices that make decisions a challenge rather than a satisfaction. One participant once shared, “Every time I shop online, I get stuck in scrolling products. There is just too much to choose from, and this really makes me more confused than when I started.”

Participants also expressed frustration about their lack of gift ideas in general, noting that even before considering options, they often struggled to determine what might be suitable for the recipient. This lack of inspiration was further compounded by the absence of reliable platforms to help address this problem. A newly working woman summarized this dilemma by saying, “It’s already overwhelming enough, but when you want the gift to be green, that’s a whole other story.”

This disappointment was exacerbated by the lack of effective personalization on existing gift-recommendation platforms. Many users shared that recommendation engines often provided suggestions that were too generic to be genuinely helpful. A recent graduate in her late twenties claimed, “When I was looking for my mom’s birthday gift online, I only got recommended broad ideas, like a book or an agenda. I just felt that this technology owns the privilege to recommend gifts to people it pretends to know, but it has no clue.”

Most of the people emphasized their scepticism about the accuracy of AI recommendations, sharing that existing tools, including ChatGPT, are generally useless, especially when it comes

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to finding a present for a member of your family or someone who is very close to you, which necessarily requires more thoughtfulness.

Another relevant pain point shared by many participants was their struggle in screening sustainable product offerings. Many participants claimed that they were unable to confidently tell whether a product was ethical in terms of production and consumption. One university student said, “I always try to go sustainable in my shopping, but it’s hard to tell which brands are doing it right. A lot of companies make big promises, but I’m never sure “.

This overview of the main pain points emphasised by the participants’ interviews facilitated the creation of a baseline for the different solutions that Giftify should offer users. During the following phase of the data-gathering process, the research expected participants to consider Giftify as a platform that would solve most of these pain points.

7.3. Second Phase of the Data Gathering Process

During the second phase of the data-gathering process, participants were asked to try Giftify and provide feedback on what they liked and disliked the most. After collecting their insights, a thematic analysis was used to extrapolate the main patterns. The data showed several positive patterns, but there is still much room for improvement in meeting users’ expectations and needs.

Giftify inability to combine practicality with thoughtfulness was seen as a significant advantage. The interactive questions used to get information on the gift recipient were particularly well-received, with users describing it as both fun and practical. However, some other participants emphasized that the questions were not going as in-depth as needed, giving the impression that recommendations were still going to be general and lacking personalization, like most of the existing platforms. On this matter, one participant commented, “I like answering questions to provide more useful information, this game builds up a lot of expectations, but at the end, they are very general questions that can only lead to a disappointing gift recommendation”

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Other participants shared that they would have loved to see more detailed and personal questions that would allow them to explore and rediscover their relationship with the recipient of the gift. The interviews made clear that the number and quality of the questions asked before the recommendation occurs, are an important aspect to make the recommendation appear more thoughtful and personalized in the eyes of the gift giver. On this matter, one participant commented, “What I enjoyed the most were the questions; I was very excited to know what idea the information I gave was producing. They are fun; most of them seemed to enjoy the questions and approached them as a game.

Many of the interviewed participants also felt that a lack of open answers restricted their ability to fully describe the person they would be gifting to. By not having any possibility to add a last comment or a special keyword to define the person in question, it ended up proposing some good but not great.

The validation process also showed participants’ disappointment with the absence of alternatives. Giftify only produces one, which leads to some concerns about over-reliance on technology and the absence of alternatives. A graduate student noted, “I really like the idea of personalized recommendations, but I am worried that it might make gift-giving feel less personal. There’s something special about putting in the effort yourself.” This feedback highlighted the need for Giftify to position itself as a tool that enhances, rather than replaces, the personal aspects of the gifting process.

Finally, most of the participants thought that the recommendations were good but had hoped for multiple options. The fact that only one option was given to them after they had finished answering the question was slightly disappointing because if that particular gift did not suit them, they had to start all over again. But besides this, the participants really enjoyed that once on the Etsy website, they were left with a large selection of different variants of the same

product. This gave participants the feeling that they still had a part to play in the choice of the final gift. One master student said: “It’s really nice to be able to then choose which exact option I want to give my friend. It feels more personal, and I can also adapt my choice based on other criteria, like the price or quantity”.

7.4. Third Phase of the Data Gathering Process

In the third phase of the interviews, participants were invited to suggest potential modifications and improvements they would like to see implemented in future iterations of Giftify. This phase provided crucial insights into how users envision refining the platform to better suit their needs and expectations.

A common theme among participants was their desire for more personalized recommendations. Many felt that the questions asked during the gift-selection process, while fun and engaging, could delve deeper into personal details to produce more tailored suggestions. Some suggested incorporating open-ended questions or gamifying the process by allowing users to upload pictures or select characteristics that better describe the gift recipient. This, they believed, would help create recommendations that felt more thoughtful and less generic.

Another significant feedback point was the lack of multiple options in the recommendations. Participants expressed dissatisfaction with being presented with only one gift idea and wanted the platform to offer at least a few alternatives. While they appreciated the ability to explore variations of the recommended product on the vendor's website, they felt that having additional options directly on Giftify would enhance the experience and make it more versatile.

Sustainability remained a highly valued aspect, but participants noted that this feature could be more prominent. They recommended adding clear descriptions of how each gift aligns with sustainable practices and ethical considerations. One participant emphasized the need for a feature highlighting the sustainable qualities of the recommendations, stating that it would make the platform stand out in a crowded market.

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Overall, this phase of the interviews demonstrated that participants saw great potential in Giftify but also identified areas for improvement that could increase user satisfaction and adoption. By addressing these insights, the platform can evolve into an even more effective and user-centric tool for thoughtful and sustainable gift-giving.

7.5. Insights and Improvements

The validation process provided a comprehensive understanding of Giftify's strengths and areas needing improvement, which are critical for refining the platform to better meet user expectations. Across all phases of the interviews, recurring themes emerged, shedding light on how users perceived Giftify and the changes necessary to enhance its value.

One of the most significant insights was the appreciation for Giftify's time-saving capabilities. Participants valued the platform's potential to streamline the often overwhelming gift-selection process by quickly and efficiently narrowing down options. However, this appreciation was tempered by concerns about the lack of multiple recommendations. Most participants expressed a desire for the platform to offer at least two or three gift suggestions per search, as this would give them more flexibility and choice while still simplifying the decision-making process.

Another crucial area for improvement was personalising recommendations. While the interactive questionnaire was widely praised as a fun and engaging way to gather information, participants noted that it lacked depth. They felt the questions were too general and failed to capture the nuances of the recipient's preferences or personality. Several participants suggested adding open-ended questions or allowing users to include a brief description of the recipient to make the recommendations more relevant and thoughtful.

Sustainability, a key feature of Giftify, was both appreciated and critiqued. While participants valued the emphasis on ethical and sustainable gifting, many felt this aspect was not prominent enough. They wanted more detailed explanations of how each recommended product related to sustainability principles and clearer labelling to highlight these attributes. Making sustainability

more transparent and central to the platform could help Giftify appeal further to its eco-conscious target audience.

Lastly, participants appreciated the ability to explore variations of the recommended gifts on the vendor's website. This feature allowed them to feel more involved in the final selection process, which added a personal touch to their experience. Enhancing this by integrating multiple options directly into Giftify's interface could further elevate user satisfaction.

These insights formed the foundation for actionable improvements that can transform Giftify into a more user-centric and impactful platform.

7.6. Future validation and modification

As Giftify progresses, future validation efforts will focus on ensuring that proposed adjustments address the insights gathered during the initial MVP testing. These next steps will involve three primary approaches:

Subsequent iterations of the MVP will prioritize integrating deeper personalization features. This will involve revising the questionnaire to include more detailed and specific questions about the recipient and allowing for open-ended responses. The goal is to create a more robust and intuitive recommendation process that reflects the recipient's unique characteristics, ensuring the platform delivers thoughtful, personalized gift ideas.

Second, multiple gift recommendations will be introduced to address the current limitation of providing a single option. Offering users a selection of two or three recommendations per query will cater to their desire for choice while maintaining Giftify's time-saving advantage. This enhancement will also include clear sustainability labels and descriptions, reinforcing Giftify's commitment to eco-friendly gifting.

Lastly, future validations will focus on refining Giftify's features with a particular emphasis on enhancing user experience. This includes testing any new functionalities, such as gamification

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elements or improved sustainability labels, to ensure that they align with user expectations. A diverse but consistent participant base from the target demographics (Millennials and Generation Z) will continue to guide the development process. Their feedback will ensure that the platform remains innovative, practical, and aligned with their needs and values.

By implementing these strategies and maintaining a continuous feedback loop, Giftify will become an indispensable tool for personalised and sustainable gift-giving.

Summarizing the whole journey from problem identification and ideation throughout the three phases of data gathering as well as the technical implementation of Giftify through building it on bubble.io is visualised below in a flow chart to illustrate the progression from beginning until today.

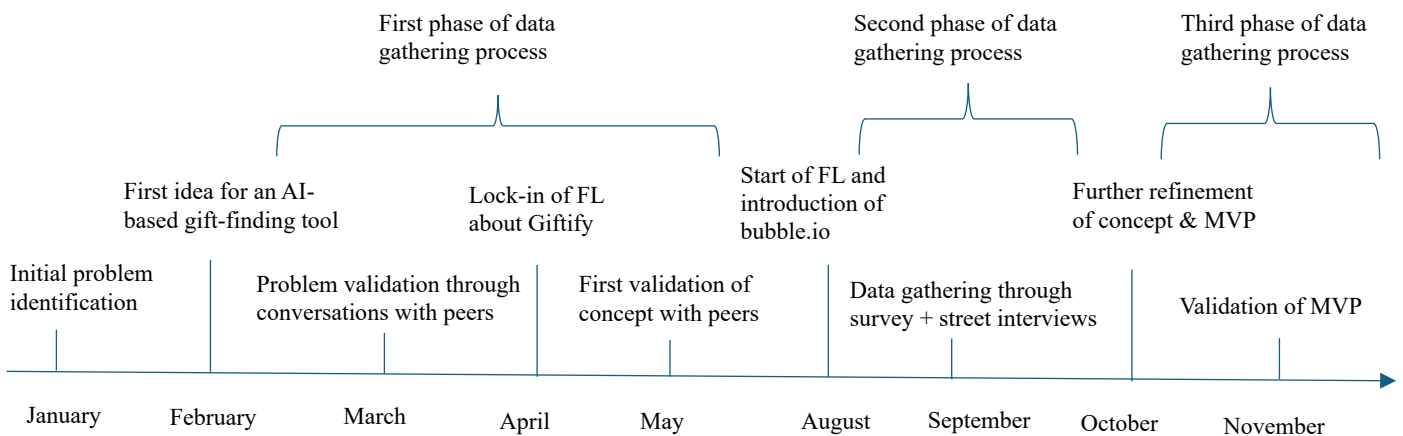


Figure 4: Process Flowchart

8. Driving Growth: Revenue Models and Acquisition Strategies

Giftify's monetisation strategy is two-folded, based on direct and indirect revenue streams. The monetisation strategy is based on the fundamental idea of creating various income opportunities to avoid being dependent solely on the core business. The direct revenue streams constitute Giftify's core business model, generating money through affiliate commissions. Direct revenue comes from affiliate commissions, while indirect revenue streams come from paid promotions and data sales.

8.1. Core Revenue Streams

Giftify's current monetization strategy is closely aligned with its financial plan, leveraging Amazon's affiliate commission program. The Amazon affiliate program offers a straightforward and well-structured commission scheme that categorizes products into different segments, each with a specified commission rate. Once accepted to Amazon's affiliate program, it provides seamless integration and accessibility, making it the ideal platform for launching Giftify's services initially. Given Amazon's extensive product range and user-friendly affiliate interface, the program is a good starting point for Giftify's monetization strategy.

Under the Amazon affiliate program, Giftify has the opportunity to generate revenue from both direct and indirect qualified sales. Direct qualified sales occur when a customer follows a product link from Giftify's platform and makes a purchase directly through that link. Indirect qualified sales happen when a user follows a Giftify-provided link to Amazon but purchases a different product within the next 30 days. This means that, even if users do not buy the exact product recommended by Giftify but instead make a different purchase on Amazon within this time frame, Giftify can still earn a commission of 1% on that sale. This setup is particularly advantageous as it allows Giftify to capture a broader range of consumer purchases beyond the specific products recommended.

This dual approach to commission-based earnings - targeting both direct product purchases and leveraging the cart-abandonment behaviour of customers - helps diversify Giftify's income streams and increases the likelihood of capturing sales revenue. With Amazon's vast reach and established marketplace, Giftify can tap into consumer behaviour patterns that extend beyond the initial product link, maximising revenue opportunities while minimising risks associated with cart abandonment or product substitution. The structure allows Giftify to build a stable and scalable commission-based revenue stream, particularly in the early stages of growth.

8.1.1. Direct Qualified Sales

Giftify's monetization strategy revolves around direct qualified sales through Amazon's affiliate program, segmented into three tiers of product categories based on commission rates: high-commission, mid-commission, and low-commission. This segmentation enables Giftify to better understand the distribution of earnings and strategically target products that align with Giftify's target audience's preferences and spending habits.

In the low-commission tier, Giftify focuses on tech-related products, such as computers, electronic devices, and Amazon gadgets like the Kindle or Echo. These products yield a commission of 3%. Based on our survey results and an extensive study analyzing shoppers behavior on Amazon (O'Sullivan 2024), we estimated this tier to make up 15% of commission sales.

17. Which of the following categories do you usually gift?

71 Antworten

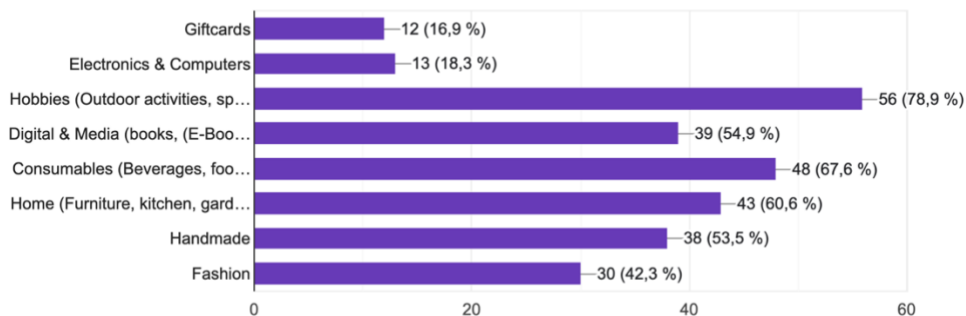


Figure 5: Gifting Preferences

Despite Millennials and Gen Z being tech-savvy, these products often do not fit the typical gifting scenario for the target audience, whose maximum gift budget is around \$100 while the average order value of this category lies at €238, exceeding Giftify's target audience's budget. Furthermore, these products lack appeal from a sustainability standpoint, further limiting their attractiveness. Although the customer share for this tier is limited, it contributes to 18% of Giftify's revenue due to the relatively high value of tech products in 2030.

The mid-commission tier represents the largest share of customers engaging in direct qualified sales, accounting for 30% of new customers. This category includes products in hobbies & outdoor activities, books, movies, consumables, and home items. These products are highly favoured as gifts among the target audience, according to survey results, and are often found in Amazon's affiliate offerings. The commission rate for this category averages 7%, and the average order value is around €83.29. Due to its popularity among gift-givers, the mid-commission tier contributes the highest share of revenue, comprising 27% of overall revenue in 2030.

The high-commission tier consists of beauty and handmade products, offering a commission of around 11%. According to market research, this category accounts for 25% of new customers but contributes 17% of revenue due to the lower average order value of €37.00. Giftify's long-term strategy is to increase the share of customers in this high-commission tier, focusing specifically on handmade products that emphasize sustainability and craftsmanship. This aligns closely with Giftify's mission of promoting ethical and meaningful gift-giving. To support this effort, Giftify plans to increase its marketing spend on social media influencer campaigns over the years, to reach 12 influencers who will each create two posts per month by 2030. Through these efforts, we aim to increase our customer acquisition in the handmade product category and ensure that this tier becomes our primary revenue driver.

These three tiers of direct qualified sales through Amazon's affiliate program constitute the core of Giftify's monetization strategy. By strategically targeting products that align with the audience's preferences and maximizing earnings through different commission rates, Giftify aims to create a sustainable and scalable revenue stream that aligns with the brand's values and customer needs.

8.1.2. Indirect Qualified Sales

Giftify also benefits from Amazon's indirect qualified sales commission, which adds an additional layer of potential income. If users click on the link provided by Giftify but decide not to purchase the initially recommended product, they might still buy another item from Amazon within the next 30 days. In such cases, Giftify would receive a 1% commission on these purchases. Unfortunately, Amazon does not publish specific data regarding the volume of indirect qualified sales, which makes it challenging to determine the precise revenue potential from this channel.

Based on consumer insights, we estimate that approximately 30% of users clicking the link may not proceed with the originally recommended product but could potentially purchase something else. This estimation is also supported by data on online shopping frequency: Millennials (Gen Y) shop online an average of 14.7 times per year, while Gen Z shops online 13.4 times annually (Statista 2024). This means that many users may revisit Amazon at least once within the 30-day window after initially clicking the affiliate link provided by Giftify.

Indirect qualified sales are expected to constitute a small share of Giftify's overall revenue, estimated at 1% in 2030. This smaller contribution is mainly due to the lower commission rate for indirect sales, making it less significant compared to the core direct qualified sales model. Nevertheless, this revenue stream serves as a useful add-on that helps bolster Giftify's overall earnings, even if its contribution remains modest compared to other monetization channels.

8.2. Non-Core Revenue Streams

Giftify's non-core revenue streams include paid promotions and data sales, which significantly diversify Giftify's income and enhance financial resilience. These revenue streams reduce Giftify's dependency on customer acquisition alone and provide stable, recurring income that is independent of new customer influx. As customer acquisition costs are expected to rise in the coming years due to increased market saturation, developing supplementary income streams is an important strategy to mitigate potential revenue fluctuations.

Paid promotions, such as featured gift suggestions from partnering brands, help brands gain visibility on our platform. This arrangement generates additional revenue while also improving brand relationships. These promotions are expected to account for a meaningful share of total income, particularly as Giftify increases its user base and platform engagement. Additionally, selling anonymized user data for market research purposes adds another layer of non-core revenue. This data helps ethical brands understand consumer preferences better and allows them to tailor their product offerings to align with the interests of Giftify's target audience, thus enhancing their customer experience while boosting Giftify's earnings.

In 2030, Giftify aims to generate approximately 37% of its total revenue through these non-core activities, while the remaining 63% will stem from the core business of commission-based sales through personalized gift recommendations. This approach ensures that even as market dynamics evolve and customer acquisition becomes more challenging, Giftify remains financially sustainable and capable of growth.

8.2.1. Data Sales

Giftify's non-core revenue streams include data sales, which leverage the information gathered from gift-givers about their recipients. From the beginning of its operations until December 2030, Giftify expects to generate an amount of approximately 32,1 million data sets through various channels, such as influencer marketing, paid advertisements, mailing lists, word-of-mouth referrals, and content creation. This aggregated data is valuable, particularly to

stakeholders in the marketing and retail sectors seeking insights into consumer trends and behaviors.

However, since we collect third-party data from gift recipients, we cannot sell this data individually while maintaining GDPR compliance. To comply with data privacy regulations, we plan to offer aggregated data sales instead. Aggregated data compiles general patterns and trends rather than specific individual information, making it impossible to link back to an identifiable person. For example, instead of containing personal details, aggregated data might reveal trends like "15% of Gen Z individuals identified as introverts prefer books as gifts." By presenting data in overarching categories without personal identifiers, GDPR compliance and the anonymity of all users are ensured.

Aggregated data can be highly valuable for institutions conducting research or market assessments and for retailers looking to optimize their product offerings. We estimate that each data set, when transformed into aggregated information, will generate approximately €0.10 in revenue. This is backed by an industry report by the German Ministry of Justice and Consumer Protection applying numbers of at least €0.13 per dataset (Bundesministerium der Justiz und für Verbraucherschutz et al. 2017). Nevertheless, we wanted to stay conservative with our projections and we estimated the values of our data with a slightly lower value of €0.10. By December 2030, these data sales will account for around 8% of Giftify's overall revenue sources, contributing to our diversification strategy.

These data sets provide a revenue stream and are invaluable for improving Giftify's platform. Training our AI algorithms with over 32 million data sets will enable more precise gift suggestions, which, in turn, enhances user satisfaction and supports further customer acquisition, especially through positive word-of-mouth referrals. This dual function of the data as both a revenue source and a tool for improvement allows us to maximise the value of user insights while staying compliant with strict privacy standards.

8.2.2. Paid Promotion

Giftify's second non-core revenue stream consists of paid promotions, where products are advertised and receive higher visibility on our platform. We are conscious that Giftify needs to establish a significant user base to become attractive to advertisers. Thus, we anticipate revenue from paid promotions starting in 2026, once our audience has reached a sufficient scale of 91,000 users. By then, we project that Giftify will generate 256,000 new monthly leads, resulting in approximately 13,000 new monthly users. According to marketing research, this level of lead generation and a 2% conversion rate make our platform appealing to potential advertisers and highly competitive with market standards (HubSpot, CXD Studio, and Steele 2024).

Initially, we plan to start with eight promotions per month, priced at €2,000 each. This model is similar to search engine optimization, where paying to promote specific content yields higher placement, but in our case, it enhances product visibility on Giftify. We opted for the conservative estimate of €2,000 per promotion, which could realistically range between €2,000 and €5,000 depending on the demand and exposure. Over time, with Giftify's growing popularity, we project a 5% increase in the number of monthly promotions and a 2% increase in revenue per promotion. This gradual expansion will further enhance Giftify's profitability.

Importantly, Giftify is committed to collaborating only with partners who align with our values, ensuring that promoted products match both our ethical guidelines and the preferences of our users. We consider our core values to be primarily sustainability, fair trade, and preferably a commitment to handmade production. This shall be ensured by introducing an application system for potential partners through which we maintain decision power and decide who we want to collaborate with and endorse on our website, and whom not. This strategic alignment will improve the quality of gift suggestions, maintaining the trust and loyalty of our customers. By December 2030, paid promotions are expected to contribute 29% to our total revenue,

making it the second largest source of revenue after affiliate commissions. The illustration below shows how we aim to have diversified our different revenue streams by 2030.

Paid promotions are critical in helping Giftify reach the next growth stage and reduce its reliance on acquiring new customers since our customer acquisition costs tend to rise in a maturing market. Unlike direct sales models, paid promotions do not come with direct costs, making them a highly efficient revenue generator. Thereby, we leverage the constantly increasing reach of our platform by marketing it and appealing to advertisers to place their products at Giftify. In addition, while this avenue is lucrative, Giftify intends to support smaller businesses by keeping promotional costs accessible - €2,000 per promotion is within reach for many smaller enterprises, providing them with the opportunity to reach a wider customer base through our platform. This mutually beneficial relationship helps us not only monetize our platform but also ensures that users discover unique, meaningful gifts, fostering an enriched customer experience.

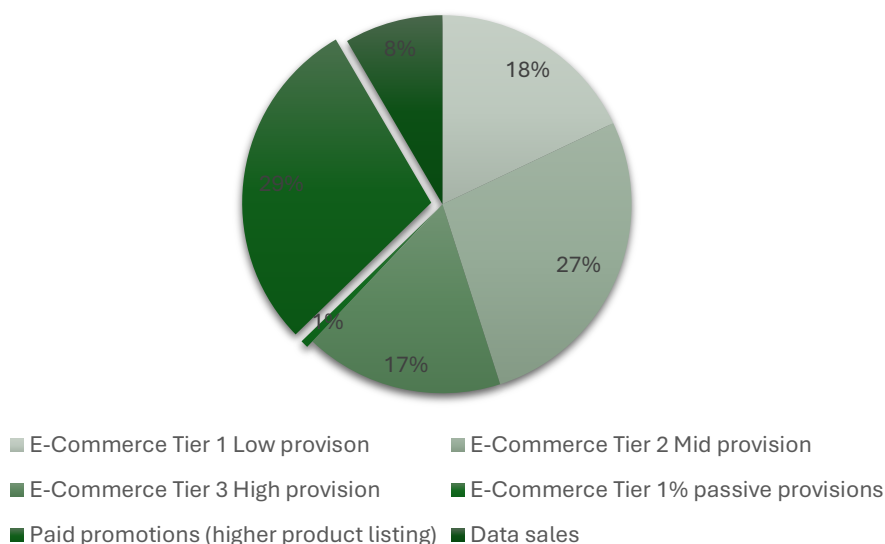


Figure 6: Revenue Stream Distribution 2030

8.3. Customer Acquisition Strategy

Giftify's customer acquisition strategy revolves around five key pillars: influencer marketing, paid advertising, email marketing, word of mouth, and content creation. Of these, influencer marketing and paid advertisements are the most significant, as they drive the majority of new customer acquisitions. This is largely because these two methods receive the highest investment, enabling Giftify to effectively reach a larger target audience and build brand awareness more rapidly. By strategically focusing on influencer collaborations and digital advertising, we aim to maximize exposure and conversion rates while gradually supplementing this growth with organic traffic through email campaigns, customer referrals, and our own content marketing efforts.

To effectively drive customer acquisition, our initial strategy will include a targeted investment in digital advertising and sponsored partnerships with influencers who align with our brand values. We will start by collaborating with one influencer who will produce two promotional posts per month to help increase awareness of our gift-finding web app. This strategy will leverage the credibility and reach of influencers to resonate with audiences that value personalized and unique gifting experiences.

We estimate the cost of each influencer post to be approximately €10,000. According to recent industry data, the average cost per Instagram post for a macro-influencer—defined as someone with 500,000 to 1 million followers—ranges from €350 to €7,000 per post (Burchill 2024). Considering our target market and the expected reach, we opted for influencers whose follower count and engagement metrics are likely to drive high-quality leads, making our budget allocation reasonable for the value we aim to generate.

Influencer marketing has proven effective in building brand trust and engaging audiences, especially for products that require a personal touch, like gifting solutions. These collaborations will create a strong online presence for Giftify, positioning our platform as the go-to solution for personalized and sustainable gifting. As we gather metrics and data from these partnerships,

we will optimize future campaigns based on conversion rates, user feedback, and other key performance indicators (KPIs), ensuring our marketing spend continues to drive value.

Each influencer post is projected to generate around 30,000 leads for Giftify, from which we expect to achieve a conversion rate of approximately 3.4%. This aligns well with industry benchmarks for influencer engagement, which suggests that macro-influencers—those with 500,000 to 1 million followers—tend to have an average engagement rate of around 6.2% (Burchill 2024). Given a follower base of 1 million, this would even translate to about 62,000 engaged viewers/leads. By collaborating with influencers who maintain a high level of engagement, we aim to ensure that our platform's exposure is effective in capturing genuine interest from potential users.

The engagement generated through influencer posts serves as a critical driver for building brand trust and awareness in a competitive market. Additionally, it helps us tap into new audiences who may not be reached through conventional marketing channels. Our projected lead generation and conversion rate reflect our strategic approach to working with influencers whose audiences are highly aligned with our target market, thereby ensuring the best possible return on our marketing investment.

The number of influencer partnerships is set to increase progressively, with a target of having 12 active partnerships by 2030. Initially, each influencer partnership will provide a significant boost to customer acquisition. However, we recognize that over time, the effectiveness of these partnerships will diminish due to the overlap in audiences as our brand becomes more widespread. Consequently, we expect the leads gathered per post to decline at a rate of around 3% per month per influencer as the campaign continues. In 2030, we anticipate generating approximately 242,330 new customers yearly through our collaborations with these 12 influencer partners.

To complement our influencer strategy, we plan to allocate €50,000 monthly for paid advertisements during the first year of operation. Starting in the second year, we intend to increase the advertising budget in line with revenue growth, with an aim to invest 3% more each month. This strategy will allow us to scale marketing efforts proportionally to our business growth.

Regarding cost-effectiveness, we estimate the average cost per click for paid ads to be €0.80, which is comparable to Instagram's typical range of €0.40 to €0.70 (Dash, 2023). This careful budget allocation aims to strike a balance between generating quality leads and maintaining cost efficiency, ensuring that Giftify's marketing strategy remains sustainable while delivering high returns on investment (Dogtiev 2024).

We are projecting a conversion rate of approximately 3,5% for our paid advertisements, which aligns closely with the average conversion rate of 4.23% for retailers and general stores as seen on Google. This rate indicates our realistic expectations for turning advertising-driven leads into active users and customers. We focus on leveraging precise targeting strategies and personalized content that cater to our target audience, ensuring our ads reach the most likely buyers. The calculated conversion rate is reflective of industry standards, making our estimates reliable and in line with established marketing metrics. This enables us to be cost-effective while ensuring a steady influx of new customers through our digital marketing efforts.

(Bond 2024).

Based on industry benchmarks, we estimate that 1.3% of our total customer base will refer Giftify to friends, family, or colleagues on a monthly basis. This figure reflects typical customer behaviour in digital platforms and services that are highly engaging, personalized, and valued by users. The 1.3% monthly referral rate translates to an approximately 13-15% annual referral rate, which aligns closely with the industry insights shared, suggesting that about 13% of consumer sales are driven by word-of-mouth marketing (Vaghasiya 2024).

The data suggests that our estimate is not only realistic but also conservative in some respects, given the anticipated satisfaction of our customer base and our focus on delivering high-quality, personalized gift recommendations. The power of word-of-mouth marketing is especially impactful for products and services that provide a great customer experience, as satisfied customers are more likely to share their positive experiences. Therefore, by consistently exceeding customer expectations, Giftify aims to leverage this organic growth channel to increase user acquisition, reduce reliance on paid advertising over time, and achieve sustained growth.

From the estimated 1.3% of our total customer base who actively refer our platform to their friends, family, or colleagues each month, we anticipate that around 20% of these referrals will convert into new customers. Industry insights support this conversion rate. According to McKinsey, word-of-mouth recommendations play a significant role in purchasing behaviour, with 20% to 50% of all purchasing decisions being influenced by such recommendations (Bughin, Doogan, and Vetvik 2010).

This expectation reflects the trust and value people place on personal recommendations, especially in the context of gift-giving, where emotional connection and personal experience play crucial roles. By ensuring that our platform consistently delivers personalized, ethical, and high-quality gift solutions, we can foster an environment where our users are motivated to recommend Giftify to others. Given the natural influence of word-of-mouth and the strong value proposition of our service, we expect a notable portion of these recommendations to translate into actual customer acquisition.

Overall, we project acquiring approximately 3,900 new customers in December 2030 through organic growth driven by word-of-mouth referrals. This reflects the high level of customer satisfaction and trust in our platform, fostering ongoing referrals and positive word-of-mouth marketing.

In addition to word-of-mouth, email marketing is another crucial strategy for customer acquisition. Our mailing list will include users who have previously used our web app to find the perfect gift, allowing us to reach a targeted audience who has already shown interest in our services. According to MajorImpact, the average response rate for email marketing campaigns ranges from 5% to 15%. Given our target audience's engagement and the value we provide, we expect to achieve a response rate of 5%, which is within this range and will contribute to customer acquisition efforts (Elliott 2024).

By employing these different customer acquisition strategies in combination - ranging from influencer marketing and paid advertisements to organic growth and email campaigns - we aim to steadily increase our customer base while maximizing our marketing investments. Each method complements the others, helping to keep acquisition costs relatively low while diversifying our customer acquisition channels.

To ensure a realistic estimate, we based our email marketing strategy on an average response rate of approximately 5%, which aligns with typical industry response rates. To forecast the new sales generated from our email campaigns, we used a conservative estimate of a 2% conversion rate from these responses. This estimate is supported by data from Mayple, which indicates that the average conversion rate for email marketing ranges from 2% to 5% (Drexler 2024).

These numbers help set a realistic benchmark for our customer acquisition through email marketing, which remains a cost-effective and targeted approach to reaching interested users. The combination of high engagement rates with moderate conversion ratios makes email marketing an effective method for maintaining consistent customer growth while ensuring an efficient use of marketing resources.

We estimate that in December 2030, we will generate approximately 1,500 sales through our email marketing campaigns. These campaigns will primarily target our existing customer base

by sending reminders for upcoming occasions such as birthdays, holidays, and anniversaries. For instance, we could remind customers about a gift they purchased for someone a year ago and suggest new options for that person this year. Additionally, we will include a general monthly newsletter to keep our customers engaged and informed, which will be financed through an additional general marketing budget which we set to a fixed monthly amount of €7,500.

Furthermore, Giftify will implement an effective content marketing strategy by maintaining active social media profiles on platforms like Instagram, X.com (formerly Twitter), Facebook, and TikTok. We also plan to create our own blog and appear on various podcasts to promote our platform. Our content creation plan involves producing an average of ten pieces of content per month, meaning each social media platform will receive around 2.5 posts monthly. We estimate that each post will generate approximately 1,000 new leads, with an expected conversion rate of 2%. Initially, we anticipate that the follower base will grow rapidly, leading to an increase in leads per post by 15% monthly during the first year. Following this growth phase, we expect a more stable increase of 2% monthly.

Based on these assumptions, we anticipate that our content marketing efforts will result in approximately 3,900 new customers acquired in December 2030. This comprehensive content marketing strategy aims to maintain a consistent growth rate by effectively engaging potential customers through multiple online channels and content types.

We expect that our customer acquisition costs (CAC) will decrease after the first year due to increased brand awareness and more efficient marketing campaigns. Our estimated CAC during the first year is €13.41. The calculation for this can be seen in Appendix 4. However, as our brand becomes better known and we establish a loyal customer base, the CAC will shrink to €11.67 by the end of year two. This reduction reflects the efficiency gains from initial marketing campaigns, brand familiarity, and influencer partnerships.

Nevertheless, we anticipate a gradual increase in CAC from the second year onward, as it becomes increasingly challenging to acquire new customers. As our customer base expands, our marketing campaigns and influencer partnerships will gradually become less effective in reaching entirely new potential customers. Many individuals who encounter our ads might already be familiar with Giftify or have even used our platform before. Therefore, in year three, we expect our CAC to rise to €12.24. By year six, we foresee our CAC coming close to its initial value, reaching €13.10, which indicates that the challenge and expense of acquiring new customers increases as we grow.

In comparison, the average CAC in the retail sector is approximately \$10, as reported by startuptalky. This shows that our CAC is relatively competitive compared to the retail benchmark, though our higher CAC is due to our emphasis on a more targeted audience seeking personalized, sustainable gifts (Rathi 2023). Giftify fits the retail sector because it facilitates product purchases through gift recommendations. Though it doesn't directly sell items, it drives sales via affiliate links, functioning similarly to retail platforms that curate and promote products to consumers. This aligns it closely with e-commerce and personalized shopping in the retail industry.

9. Conclusion and Future Outlook

Giftify represents a transformative approach to the gift-giving market by combining innovation with sustainability. Giftify positions itself as a pioneer in the gift selection process by addressing common consumers' pain points such as decision fatigue, impersonal gifting, and ethical consumerism. Giftify emphasizes personalization, curated selection and ethical consumerism to attract modern consumers seeking meaningful, responsible and hassle-free gift solutions.

The company's business model is built upon affiliate partnerships, offering a scalable, low-cost revenue stream. This is complemented by strategic plans to create alternative income streams, through data analytics and sponsored product promotions. Giftify's rigorous financial planning, including careful budgeting and resource allocation, ensures that the company can achieve profitability by October 2027 while maintaining a lean operational structure. Giftify plans to continuously reinvest profits into key growth areas to secure sustainable expansion.

Giftify's marketing and sales strategies further emphasize its innovative and customer-centric approach. Leveraging targeted influencer collaborations, impactful digital marketing campaigns, and robust public relations efforts, help the company to effectively reach its target demographic while fostering strong brand loyalty. In addition, Giftify utilizes strategic partnerships with ethical brands and artisans to enhance its offerings and strengthen its reputation as a leader in responsible consumerism.

These initiatives, complemented with a robust risk management framework, will position the company to navigate potential challenges while capitalizing on emerging opportunities. Giftify's scaling process is based on a clear roadmap for geographical expansion, continuous technological innovation and reinforcement of sustainable practices. This long-term and structured approach to corporate development allows Giftify to capitalize on a competitive and rapidly changing gifting industry. With a clear mission, strategic vision, and carefully planned operational framework, Giftify is well-positioned to work as a good example to future

Group Part

entrepreneurial endeavours on how innovative technology can align and thrive when combined with meaningful and ethical practices.

Looking ahead, Giftify envisions a future characterized by steady growth, deep market penetration, and evolving product offerings in order to continue to meet changing consumer needs. By embracing emerging trends, exploring new collaborations, and enhancing operational efficiencies, Giftify aims to strengthen its industry presence further and become synonymous with sustainable and innovative gift-giving solutions globally.

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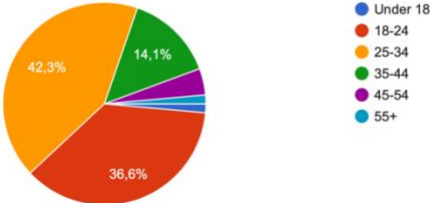
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Appendix 1: Survey Insights

Appendix 1.1: Question Age

1. What is your age group?

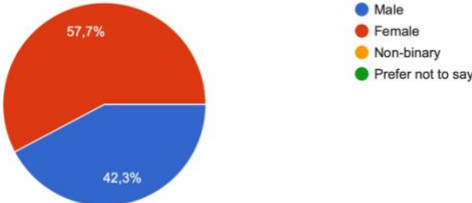
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Appendix 1.2: Question Gender

2. What is your gender?

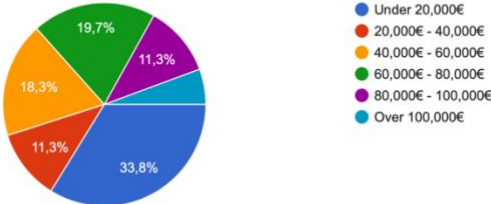
71 Antworten



Appendix 1.3: Question Income

3. What is your annual income?

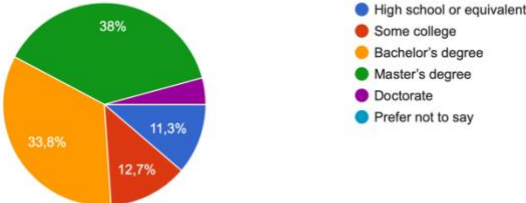
71 Antworten



Appendix 1.4: Question Education:

4. What is your highest level of education?

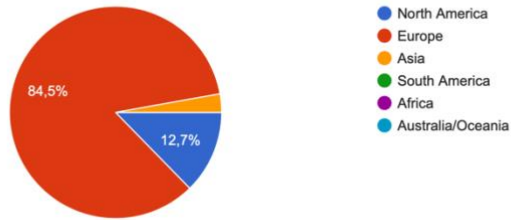
71 Antworten



Appendix 1.5: Question Origin

5. Where do you live?

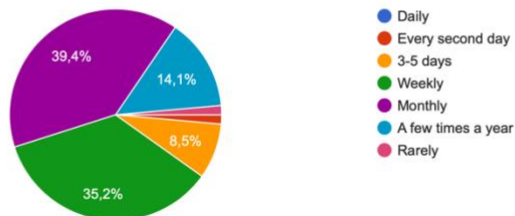
71 Antworten



Appendix 1.6: Question Online Shopping Frequency

6. How often do you shop online?

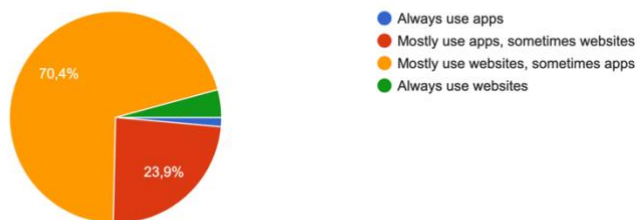
71 Antworten



Appendix 1.7: Question Preferences

7. Do you preferably use online website or apps for online shopping?

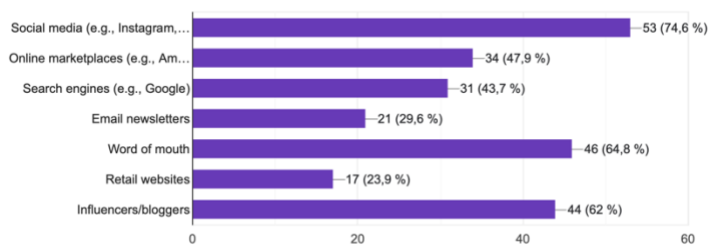
71 Antworten



Appendix 1.8: Question Product Discovery

8. Where do you usually discover new products? (Select all that apply)

71 Antworten



Appendix 1.9: Question Difficulty in Finding Gifts

9. How difficult do you find it to come up with a good gift idea?

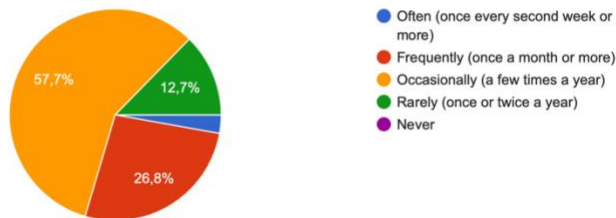
71 Antworten



Appendix 1.10: Question Online Gift-Shopping

10. How often do you buy gifts online?

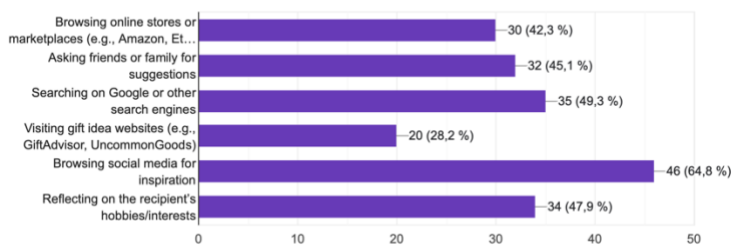
71 Antworten



Appendix 1.11: Question Gift Discovery

11. How do you usually find gift ideas when you have no idea what to gift?

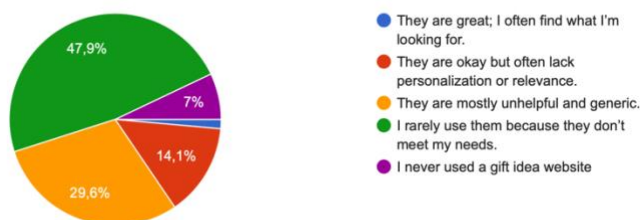
71 Antworten



Appendix 1.12: Question Perception of Current Tools

12. How do you feel about existing gift idea websites?

71 Antworten

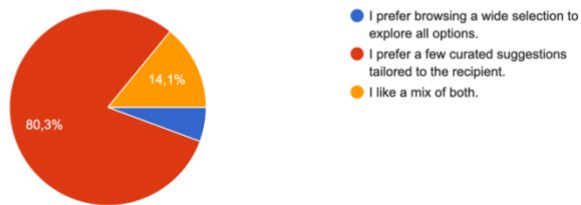


Appendix 1.13: Question Challenges



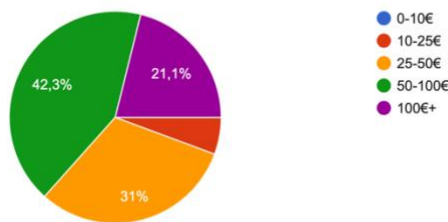
Appendix 1.14: Question Suggestion Offerings

14. When searching for gifts, do you prefer to browse a wide selection or receive a few curated suggestions?
71 Antworten



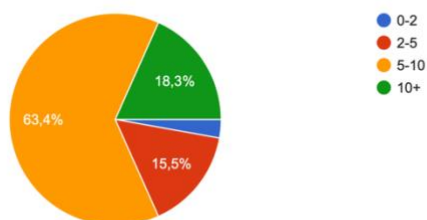
Appendix 1.15: Question Average Spent

15. How much money do you spend per gift on average?
71 Antworten

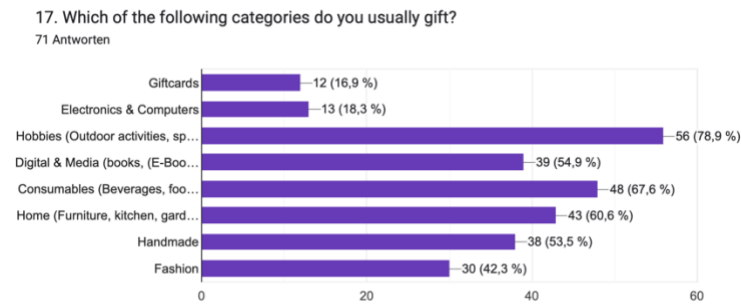


Appendix 1.16: Question Gift Amount

16. How many gifts do you buy per year on average?
71 Antworten

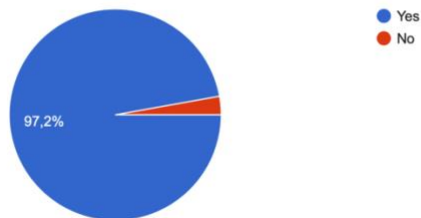


Appendix 1.17: Question Gift Categories



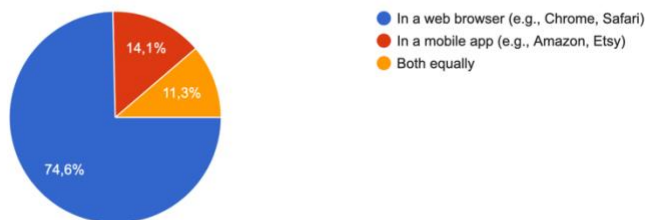
Appendix 1.18: Question Online Gifting Tool

18. Could you imagine using an online tool to find gifts?
71 Antworten



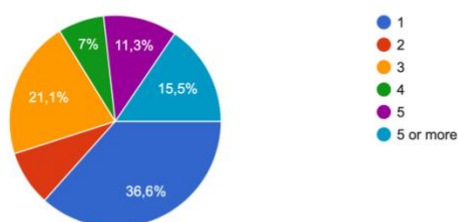
Appendix 1.19: Question Online Gifting

19. Where do you typically look for gifts online?
71 Antworten



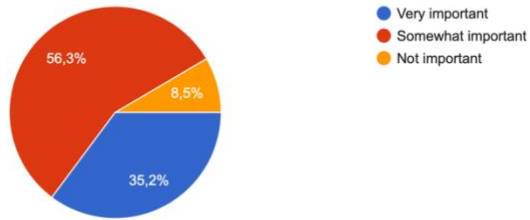
Appendix 1.20 Question Gift Recommendations

20. How many gift ideas would you like to get recommended at the end of the Giftify questionnaire?
71 Antworten



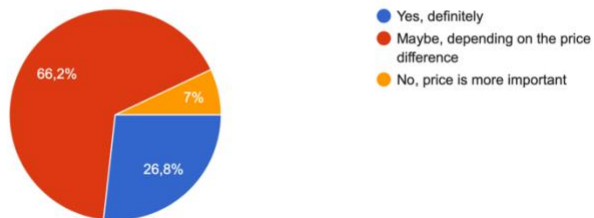
Appendix 1.21: Question Sustainability Considerations

21. How important are ethical and sustainable considerations when purchasing a gift?
71 Antworten



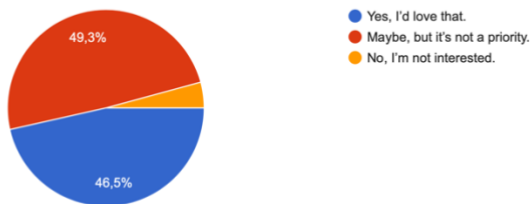
Appendix 1.22: Question Payment Willingness for Sustainability Premium

22. Would you be willing to pay more for a gift that is ethically sourced or environmentally friendly?
71 Antworten



Appendix 1.23: Question Environmental Impact

23. Would you like Giftify to offer information about the social or environmental impact of the gifts you purchase?
71 Antworten



Appendix 2: Questionnaire

Appendix 2.1: Question Occasion

Help Us Know Them, We'll Find a Gift They'll Love!

What's the occasion for the gift?

Birthday
Wedding
Anniversary
Graduation

Appendix 2.2 Question Recipient

Help Us Know Them, We'll Find a Gift They'll Love!

Who is the recipient of the gift?

Friend
Family
Colleague

Appendix 2.3 Question Age

Help Us Know Them, We'll Find a Gift They'll Love!

What is the recipient's age group?

Under 10
10-18
19-25
26-35

Appendix 2.4 Question Recipient's gender

Help Us Know Them, We'll Find a Gift They'll Love!

What is the gender of the gift recipient?

Male
Female
Non-binary
Prefer not to say

Appendix 2.5 Question Recipient's personality type

Help Us Know Them, We'll Find a Gift They'll Love!

What kind of personality best describes the recipient?

Creative
Adventurous
Intellectual
Fashionable

Appendix 2.6 Questions Recipient's hobbies

Does the recipient have any specific hobbies or interests?

<input type="checkbox"/> Reading
<input type="checkbox"/> Sports
<input type="checkbox"/> Art & Craft
<input type="checkbox"/> Tech & Gadgets
<input type="checkbox"/> Fashion
<input type="checkbox"/> Cooking
<input type="checkbox"/> Travel
<input type="checkbox"/> Music
<input type="checkbox"/> Movies
<input type="checkbox"/> Entertainment

Continue

Appendix 2.7: Question Budget

Help Us Know Them, We'll Find a Gift They'll Love!

What is your budget range?

<input type="radio"/>	Under \$25
<input type="radio"/>	\$25-\$50
<input type="radio"/>	\$50-\$100
<input checked="" type="radio"/>	\$100-\$200

Appendix 2.8: Question Sustainability preference

Help Us Know Them, We'll Find a Gift They'll Love!

Would you prefer eco-friendly or sustainable gift options?

<input type="radio"/>	Yes
<input type="radio"/>	No preference
<input checked="" type="button" value="Continue"/>	

Appendix 3: API Call to ChatGPT

```
{"title":"[search] - Etsy","description":"Check out our [search] selection for the very best in unique or custom, handmade pieces from our shops.","images":["https://i.etsystatic.com/45837604/r/il/f31050/5722420358/il_300x300.5722420358_adbx.jpg"],"url":"https://www.etsy.com/search?q=[search]","sitename":"Etsy","favicon":"https://www.etsy.com/favicon.ico","duration":40,"domain":"www.etsy.com"}
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Appendix 4: Customer Lifetime Cycle / Customer Lifetime Value

Appendix 4.1: CLC / CLTV E-Commerce Tier 1 Low provisions

Customer lifetime Cycle						
E-Commerce Tier 1 Low provision	2025	2026	2027	2028	2029	2030
Customer	11.419	10.753	10.125	9.534	8.977	8.453
Revenue	42,84 €	42,84 €	42,84 €	42,84 €	42,84 €	42,84 €
Total revenue	489.210 €	460.652 €	433.760 €	408.438 €	384.595 €	362.143 €
Total revenue	2.538.799 €					
CLTV	222,32 €					

Appendix 4.2: CLC / CLTV E-Commerce Tier 2 Mid provisions

Customer lifetime Cycle						
E-Commerce Tier 2 Mid provision	2025	2026	2027	2028	2029	2030
Customer	22.839	21.506	20.250	19.068	17.955	16.907
Revenue	32,48 €	32,48 €	32,48 €	32,48 €	32,48 €	32,48 €
Total revenue	741.842 €	698.535 €	657.757 €	619.359 €	583.202 €	549.157 €
Total revenue	3.849.851 €					
CLTV	168,57 €					

Appendix 4.3: CLC / CLTV E-Commerce Tier 3 High provisions

Customer lifetime Cycle						
E-Commerce Tier 3 High provision	2025	2026	2027	2028	2029	2030
Customer	19.032	17.921	16.875	15.890	14.962	14.089
Revenue	24,42 €	24,42 €	24,42 €	24,42 €	24,42 €	24,42 €
Total revenue	464.773 €	437.641 €	412.092 €	388.036 €	365.383 €	344.053 €
Total revenue	2.411.977 €					
CLTV	126,73 €					

Appendix 4.4: CLC / CLTV Tier 1% passive provisions

Customer lifetime Cycle						
E-Commerce Tier 1% passive provisions	2025	2026	2027	2028	2029	2030
Customer	9.628	957	901	849	799	752
Revenue	5,68 €	5,68 €	5,68 €	5,68 €	5,68 €	5,68 €
Total revenue	54.659 €	5.434 €	5.117 €	4.818 €	4.537 €	4.272 €
Total revenue	78.837 €					
CLTV	8,19 €					

Appendix 4.5: CLC / CLTV Total

Customer lifetime Cycle						
Total	2025	2026	2027	2028	2029	2030
Customer	62.919	59.246	55.787	52.530	49.464	46.576
Revenue	23,98 €	23,98 €	23,98 €	23,98 €	23,98 €	23,98 €
Total revenue	1.508.703 €	1.420.629 €	1.337.697 €	1.259.606 €	1.186.074 €	1.116.834 €
Total revenue	7.829.543 €					
CLTV	124,44 €					

Appendix 4.6: CLTV/CAC Ratio

CLTV/CAC	2025	2026	2027	2028	2029	2030
E-Commerce Tier 1 Low provision	16,57	19,05	18,75	18,32	17,73	16,98
E-Commerce Tier 2 Mid provision	12,57	14,45	14,22	13,89	13,45	12,88
E-Commerce Tier 3 High provision	9,45	10,86	10,69	10,44	10,11	9,68
E-Commerce Tier 1% passive provisions	0,61	0,70	0,69	0,67	0,65	0,63
Total	9,28	10,66	10,49	10,25	9,93	9,51