Square (Block) Canvas

Key Partnerships

Square Payments product has integration with multiple 3rd party apps in segments like:

- eCommerce
- Accounting
- Delivery Apps
- Specialized PoS

Square Solutions Partners include marketing & web agencies that can help SMBs scale Square solutions into brand

Cash App has multiple brand partnerships across multiple different segments to reach target audience(s). Has expanded into Europe.

Key Resources

Brand, License, Tech

- **Cash App** has massive brand equity in parts of U.S.
- Banking license enables expasion of core financial services
- Block has one of the top Tech teams in Fintech, globally

Key Activities

Cash App Income, Outpace Competition

- Continuous monetization of Cash App now that user base is so big
- User retention is key, as competitors like Venmo, Chime, etc. are aggressive in the market

Value Proposition

Payment Processing (Square) leader and P2P Payments (Cash App) disruptor in consumer banking sector

- **Low Friction Payments & Loans -** for small & medium-sized merchants

- **Instant Transfers, Bitcoin, Credit -** for consumers, available in one banking app

BLOCK

Customer Relationships

In-App Customer Service, Square Support

- Cash App has in-app Customer Service for questions/problems
- Square offers various layers of merchant support

Channels

Influencers, Ads + Sponsor, Referrals

- Pop culture influencers in the Black community
- Focus on content that creates 'virality'
- Strong network effects via referrals

Customer Segments

Small & Medium-sized Merchants, Creators

- Millions of merchants across U.S. use Square

Underbanked & Unbanked Communities in U.S.

- 45 Million MAU in U.S. on Cash App (Q1 '22)
- Square focused strategy on southern U.S. in early days
- Significant % in southern U.S. are underbanked/ unbanked, use Cash App as primary bank account

Cost Structure

Product Development (Tech) - ongoing product development across Block product portfolio. **~30%** of OpEx

Sales & Marketing - customer acquisition, branding, and referral bonuses for Square & Cash App. **~30%** of OpEx

G&A - General & Admin costs. **~25%** of OpEx

Revenue Streams

Transaction-based Revenue: Margins earned off Payments GPV (Gross Payment Volume) from Square (90+%) & Cash App

Subscription & Services-based revenue: Banking-related Subscription & Services products via Cash App, along with software products via Square

Bitcoin Revenue (Cash App) + **BNPL Revenue** (Cash App)