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# **How do I secure financing from InKind?**

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## What is InKind?

This is an alternative financing option. InKind buys food & beverage credits from restaurants at a discount and sells them to customers who redeem them at the restaurant. inKind makes money through the sale of restaurant credits to customers.



Step

1

## How InKind Works?

InKind buys and sells  
F+B credits

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### Part 1: How inKind works

#### 1. inKind buys F+B credit

- inKind purchases large amount of credit from restaurant
- InKind pays a steep discount on the credits it pays for, then markets the credits to consumers in its database. For example, inKind might pay \$100,000 for \$200,000 in credits. The restaurant gets the \$100,000 to do with as it pleases, and InKind must then determine how to sell the credits to maximize its own return.

#### 2. inKind sells F+B credit

- This is how inKind recoups the cost (rather than charging restaurant repayments)
- InKind markets the credits through a variety of offers based on predictions about consumers' likelihood to visit the restaurant.

3. **Restaurant services the credit over time.** Customers typically come in to spend it over 3 years



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Step

2

## How to get capital from InKind?

Apply, verify, and get funded!

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## Part 2: How to get capital from InKind?

### 1. Submit an application

- a. **inKind provides funding within 30 days of opening.** In this time, inKind markets your credit to friends and family who want to support your restaurant. If more than 30 days ahead of opening, they can sign a contract guaranteeing the funding.

- b. Raising prices seems to be the first step in providing an equitable split between front-of-house workers who work for tips and back-of-house workers such as cooks who don't.
  - c. If you choose not to raise prices, the increased employee wages have to come from somewhere (like your own salary).
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- 2. inKind will review and get back to you within 24 hours with a conditional funding amount**
  - 3. Send verification information that inKind will request in their response**
  - 4. inKind & restaurant sign a credit purchase agreement**
  - 5. Have a call with the inKind team**
  - 6. Get funded that day (given it's within 30 days of opening)**

**Sources:**

- [InKind Website](#)
  - [inKind FAQs](#)
  - [When traditional bank loans fall short, independent restaurants turn to alternative financing](#)
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## About the Authors

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Claire is a MBA student at the University of Michigan with aspirations of becoming a product manager in the future. She has previous experience working as a host at a restaurant in high school and a connection to the restaurant industry due to her in-laws running their own restaurants. Claire has a breadth of knowledge in business strategy, UX & design thinking with a depth of technical skills. She has lived in Vietnam since post-grad and is multilingual (English, French, Spanish, some Portuguese and Vietnamese). Some things to know about Claire is that she loves her dog, hiking & good food, and is a pastry chef and bread baker by hobby.

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Mya Gibson is a MSI UX Research & Design student at the University of Michigan and is a part of the accelerated track with expected graduation in May 2022. She has a focus on accessibility within the design and has lots of experience in DE&I-related strategy in organizations & businesses. Mya holds two B.S. degrees in Information Science and Earth & Environmental Science at the University of Michigan. In her spare time, her hobbies include gardening, studying rock formations, running, and exploring the natural world.

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Rebecca is a MSI UX Research & Design student at the University of Michigan. She is an international student who came from the southern part of China and just recently finished four years of undergraduate studies at Penn State, where she majored in IST (Information Science and Tech) and minored in Graphic Design. Rebecca is really passionate about mental health-related issues, loves to empathize and listen to others' stories. Her current hobbies include taking portrait photography, watching Netflix, and sometimes skiing.

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Yash is a MSI Data Analytics student at the University of Michigan. He is an international student from India and has lots of experience in data analysis, visualization and building ML models for different use cases. Yash is a good communicator and loves connecting with new people. Some things to know about him is that he is kind of a picky eater but loves good food, watching soccer, F1, playing video games and reading in his free time.