

SNAPCIOUS, LLC

<http://snapcious.com>

Snapcious is mobile-based marketing software for brands, NGOs and media companies: Gamified photo-sharing around marketing messages drives strong consumer engagement across 10 top social networks.

Customer Problems: 1) Consumers' purchase decisions are increasingly guided by their friends' recommendations. But most social-media tools deliver only brand-authored messages to consumers. 2) Consumers prefer brands that engage with and value their loyalty and interest. But most brands lack tools to create, nurture and re-share that loyalty - particularly in their own mobile apps. 3) Reaching consumers on Facebook & other networks is growing very expensive and less effective, and marketers have *no* inexpensive tools for engaging consumers on text-messaging networks.

Business Solution: Snapcious' low-cost, white-label mobile photo-challenge system inspires consumers to share their love of a brand through photos and hashtags around marketing messages across 10 social and messaging networks.

Integrated directly into brand's mobile apps or built as a standalone app, Snapcious creates a fun, ongoing, widely-shared and easily-managed visual conversation between brands and consumers.

It rewards this conversation via gamification, connects with brand loyalty programs, and incentivizes consumers to share valuable first-person data with the brand.

Product/Services: Fully customizable, easily-adopted software-as-a-service technology lets brands serve regular photo challenges to consumers in their own iOS/Android apps and mobile websites, attaching hashtags automatically to shared photos.

The system can be localized to any social-marketing use and language, and augmented to serve coupons, BUY buttons, email-list signups and other tools for converting consumers to purchase or deeper engagement. Moderation tools give customers control over content, and data-analysis tools give them unparalleled insight into consumers' needs and interests.



COMPANY PROFILE

Industry: Mobile marketing

Employees: 3

Founded: March 11, 2011

Company: LLC, moving towards DE. C-corp

Contact:

Yael Swerdlow - yael@snapcious.com

Financial information (USD):

Stage: Going to market, US utility patent pending

Capital seeking: \$1.2 million

Management:

Yael Swerdlow, CEO/Co-founder

Mack Reed, CTO/Co-founder

Eric Silverstein, Chief Customer Officer

Advisors:

Legal: Emily Yukich - Fox/Rothschild

Strategy: Liat Aaronson - Zell Entrepreneurship Program, IDC Herzilya

Brands: Keith Boesky - Boesky and Company

BusDev: Maarten Albarda, Coca-Cola, AB/InBev

Fiscal: Winston Ball, Well.org

Location:

8581 Santa Monica Blvd., #715

West Hollywood, CA 90069 US

TARGET MARKET

Target market: Marketers will spend a projected \$42 billion on mobile worldwide by 2017.

Studies by Gartner, eMarketer and others show social marketing tactics trending away from simply using social networks to broadcast campaign messages, and towards building long-term, direct and responsive engagement with consumers via loyalty programs, user-generated content, and multi-channel platforms that support closer relationships with each consumer.

CUSTOMERS

Brands: The demand for better engagement tools is broad. We are selling to marketers in the travel/tourism, food/beverage, health/lifestyle, telecom, automotive and live-entertainment industries.

NGOs: As traditional marketing tactics for NGOs are increasingly overwhelmed and out-shouted by well-funded transmedia commercial marketing campaigns, these organizations are turning to crowd-funding and social communication to reach their target audiences.

Media companies: As online marketing erodes traditional ad-revenue models, news and entertainment companies are seeking greater reach and traction in social media. Our platform can be used to engage media audiences, crowd-source citizen journalism, build stronger fan communities and deliver better audience segmentation.

BUSINESS MODEL

Five revenue streams feed our model.

- 1. Customization and professional services:** We charge one-time setup fees for design, strategy, configuration, testing and deployment, based on complexity of the customer's needs.
- 2. Licensing:** We charge on a \$5,000-monthly basis with a semi-annual or annual commitment, to create flexibility and establish trust with brands and agencies.
- 3. Admin and support fees:** We work with clients to develop new paid features while earning trust. As Snapcious gains market traction we will shift to a lower-overhead, self-serve model and paid support.
- 4. Data:** We gather first-person data for brands and their partners. Basic data is free to customers. Deep data carries a fee.
- 5. Partner revenue-sharing:** We are developing multi-tenant partnerships with healthcare organizations, sports leagues and other brands that would serve Snapcious functionality through their own mobile platforms to partners, and then split those resale revenues with Snapcious.

SALES/MARKETING STRATEGY

Snapcious is seeking strategic partnerships with brands, tech and media companies. All are making significant investments in digital marketing for 2015 with a clear focus on better mobile engagement and strengthening consumer relationships in order to drive brand loyalty and conversion rates.

By making direct sales to brands and establishing strategic relationships with marketing agencies in the U.S. and abroad, we plan to grow and close leads for license sales in the U.S. and markets in China, Europe, Central/South America, southeast Asia, Africa and the Middle East.

COMPETITORS

Instagram and Facebook offer large-scale mass-marketing solutions. But reach is significantly more expensive, and these tools lack cross-network publishing, automated hashtagging, significant customizability or the tools to gather first-person data. Olapic lacks our engagement layer, while Offerpop - a significant competitor - is not designed for direct insertion into existing native mobile apps.

COMPETITIVE ADVANTAGES

Snapcious lets brands save money and reach more consumers by natively sharing to 10 social and messaging networks. It supports long-term consumer-engagement strategies around photo-sharing and can be expanded to support video-sharing. It provides social listening and metrics services not provided by most competitors. It can be augmented with coupons, e-commerce and other conversion tools directly inside customers' mobile apps.

MANAGEMENT

The Snapcious team are experienced entrepreneurs and managers in the realms of social technology, professional photography, mobile & web development, user experience design, nation branding/public diplomacy, entertainment and gaming, business intelligence and overall customer service, led by Swerdlow and Reed, who have worked together for more than 24 years.

4-YEAR PROJECTIONS (with initial \$1.2M investment)	Q4 2015: 9 licenses	Q4 2016: 65 licenses	Q4 2017: 220 licenses	Q4 2018: 1,000 licenses
Revenue	381,153	4,726,884	20,652,887	90,977,217
Gross Profit	175,186	2,127,019	9,851,737	42,975,048
EBITDA	(661,648)	(956,789)	6,412,699	39,392,424