

nostrajamus.com

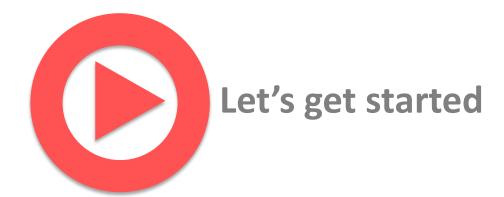
March 2015 | Confidential

## nostrajamus is...

The first music prediction platform

**Fantasy sports for music lovers** 

People-powered new music discovery



## The goal

First listens are visceral.

Everyone wants to win.

**Our vision**: when listeners hear a mind-blowing new song, they immediately submit the track to Nostrajamus.

What's submit?

JOIN CONTEST



## Song-picking contests

#### **Contests gamify music sharing**

Songs entered into contests accumulate Jam Points based on song playcount increases and artist popularity. Song submissions are tied to individual accounts to incentivize users to share their song and climb the contest standings. Contest winners receive prizes ranging from cash to concert tickets to band merchandise. Contests track songs over short time horizons to spur recurring engagement nonexistent on sites with music 'portfolios.'

#### **Contests crowdsource tailored playlists**



**Anything** Goes Week of Feb. 18 - Feb. 25



## **Contest tutorial**

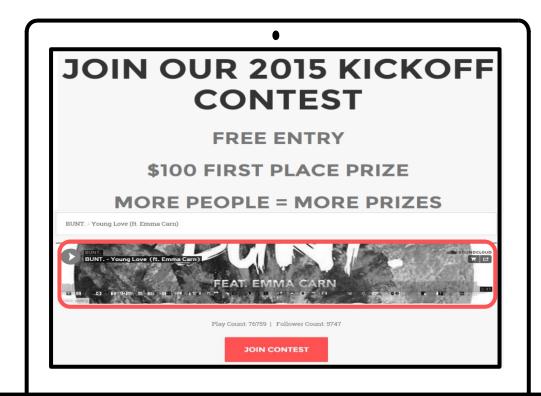
# 1. Discover a new song that you *know* is going to blow up

Find it anywhere. You never quite know where your next jam will come from, but once you hear it you know it's going to play on repeat in your headphones.



**Real-life example:** Robby found this new German band Bunt and he's pretty sure they're going to be the next Coldplay.

## **Contest tutorial**



## 2. Predict the song's rise to stardom by entering a contest

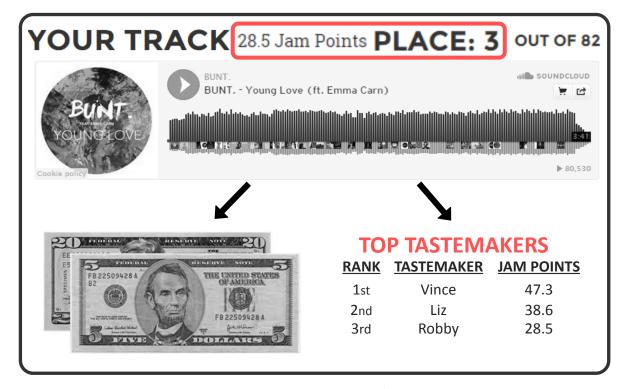
We run various contests from remixes to acoustic covers. Give us a suggestion, and we'll make a new contest. All the contests have the details and prizes clearly explained.

**Real-life example**: Robby submitted Bunt's new track "Young Love" into the Nostrajamus 2015 Kickoff Contest.

## **Contest tutorial**

# 3. Rack up Jam Points to win prizes and climb the tastemaker ranks

As your song gets more plays, we'll award you Jam Points. Check out contest standings, listen to other submitted tracks, and earn Jam Points for your profile.



**Real-life example**: Robby's song placed 3<sup>rd</sup> out of 82 tracks. He won \$25 cash and a spot in the tastemaker leaderboard.

LEADERS





nostrajamus



Black Honey - Madonna - BLACK HONEY





#### Rowdy Remixes \$25 Top Prize

SPECIALTY CONTEST . SUBMIT BY SAT. FEB. 28

## WEEKLY CONTEST . SUBMIT BY WED. MAR. 4 \$25 Top Prize

#### **Acoustic Jams** \$25 Top Prize

SPECIALTY CONTEST . SUBMIT BY WED. MAR. 4

#### PLAY COUNT INCREASE WILL BE TRACKED WHEN THE CONTEST BEGINS

Next contest begins in 1 Days 21 Hours 14 Minutes 4 Seconds

OSTRAJAMUS CONTES	TS			Open	In Progress	Completed
OPEN CONTESTS	ENTRY FEE	TOP PRIZE	STARTS (ET)			
Rowdy Remixes	\$0	1st: \$25, 2nd: \$10, 3rd: \$5	02/28/2015, 12:00 PM			Enter
Acoustic Jams	\$0	1st: \$25, 2nd: \$10, 3rd: \$5	03/04/2015, 12:00 PM			
Anything Goes (Mar. 4)	\$0	1st: \$25, 2nd: \$10, 3rd: \$5	03/04/2015, 12:00 PM			
		Can't find a contest that you like? Here's a chance to submit your own.				
		Submit				
		- Although -				







1. Promotional panels direct users to enter into open contests

SPECIALTY CONTEST . SUBMIT BY SAT. FEB. 28

**Acoustic Jams** \$25 Top Prize

SPECIALTY CONTEST . SUBMIT BY WED. MAR. 4

In Progress

Open

2. In Progress and Completed tabs guide users to contest playlists and standings

Completed

## Disrupting music tastemaking

Curated blogs, customized playlists, and even blog aggregators canvas the internet. These sites compete on music-picking taste and readership, but 'tastemaker' status is limited to their writers and founders. Blogs often favor specific artists and genres over time, limiting their diversity of selections and relying on precedence.

**Every user on Nostrajamus is a potential tastemaker**. It doesn't matter who you know or where you're from. Tastemakers must prove themselves with every pick and are held accountable by data-driven Jam Points. We want millions of personal music blogs, each with the same chance to prove their taste and be featured on the Nostrajamus homepage.

Nostrajamus provides the <u>platform</u>. You provide the <u>jams</u>.



## People + Data > People or Data

#### Best of both worlds

Nostrajamus occupies a unique position, with the perfect blend of user-driven and data-driven discovery. People pick their favorite songs. Top tastemakers featured on the homepage are real people, and their picks are validated from the song data we track. Jam Points are 21<sup>st</sup> century musical cred.



#### **Social components**

Spotify and Pandora need big data to predict the next big thing, but tastemakers know it the minute they hear a song. If there's a tastemaker whose tracks you love, you can follow her. You can check out her stats, you can find out who she follows. It's all up to **you**.



















#### cowllin

Collin Waldoch Geneva, IL

> 55.8 Jam Points

> > 5

Contests

My Winnings



⊗ Settings

#### SUBMITTED JAMS



#### DIET CIG - SCENE SICK

Father/Daughter Records

Initial	
Plays	
23,315	

Play Increase 3.0 Plays 24,022 Followers 4,097 Jam Points 0.9





#### ALL CRIED OUT FEAT. ALEX NEWELL

Blonde



Play Increase 501.6 Plays 77,599 Followers 51,288 Jam Points 18.9

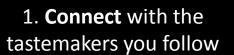


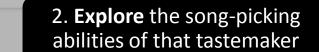


**ANXIOUS** 

Elseware









#### cowllin

Collin Waldoch Geneva, IL

55.8

Jam Points

Contests







SUBMITTED JAMS

#### DIET CIG - SCENE SICK

Father/Daughter Records

Initial Plays 23.315

Play Increase 3.0

Current Plays 24,022

Followers 4.097

Jam Points 0.9





ALL CRIED OUT FEAT. ALEX NEWELL

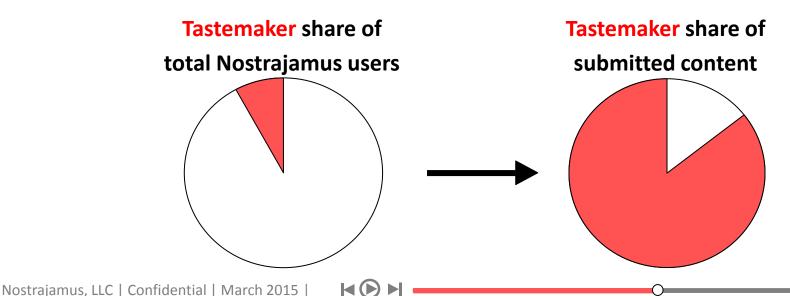




## Discrete user personas

Nostrajamus allows everyone to be a tastemaker, but we understand there are varying levels of music engagement. Only highly engaged and active music fans want to submit songs to these contests. These are our **tastemakers**. But we don't want to limit the site to only tastemakers.

Most users are here for a differentiated music discovery experience. These are our **discoverers**. We envision this breakdown similar to YouTube, with content submitted by a smaller core of tastemakers and then enjoyed by the larger discoverer community.



## Discrete user personas

#### **Tastemakers**

#### **Discoverers**

## User traits

- Spend time discovering new music every day
- Actively follow their favorite artists
- Want to support up-and-coming artists
- Casually listen to radio and streaming sites
- Passively 'discover' old tracks rather than new releases
- Lack time or desire to actively research music

## Gains from Nostrajamus

- Public recognition of music taste
- Time-stamped proof of discovery
- Personal connection to selected songs
- Cash and musical prizes
- Meet and interact with similar fans
- Access to premade playlists with the hottest new tracks in each genre
- Exposure to trending songs and artists outside the publicity sphere
- Ability to find and follow tastemakers







nostrajamus



Black Honey - Madonna - BLACK HONEY





TOP TRACKS



Week

Month All Time



#### **BLACK HONEY - MADONNA**

BLACK HONEY

Initial Plays 1,224 Play Increase 2,210.2 % Current Plays 28.277 Followers 1.643 Jam Points 59.8





#### MS MR - HURRICANE (ADVENTURE CLUB REMIX)

Adventure Club

Initial Plays 11,588 Play Increase 822.7 % Current Plays 108.903 Followers 482,775 Jam Points 18.9





FREDDY VERANO & DE HOFNAR & MÖWE - CRAZY LOVE (ORIGINAL EDIT)

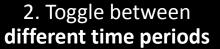




nostra amus



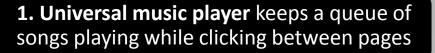
Black Honey - Madonna - BLACK HONEY

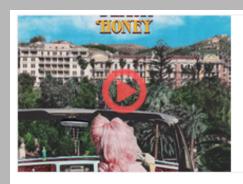




Neel

Month All Time





#### BLACK HONEY - MADONNA

BLACK HONEY

Initial Plays 1,224 Play Increase 2,210.2 % Current Plays 28.277 Followers 1.643 Jam Points 59.8

4



3. **Discover** the hottest songs submitted by our users, sorted by our algorithm

Initial Plays

Play Increase 822.7 % Current Plays

Follower:

Jam Points





FREDDY VERANO & DE HOFNAR & MÖWE - CRAZY LOVE (ORIGINAL EDIT)

## Recap: 3 key site features

1. Contests

2. Tastemaker profiles

3. Discovery

**Coming soon:** Home page uniting all features



## Validated assumptions

#### **Prediction**

A sense of ownership and personal conviction drive FanDuel users to spend hours managing their rosters of athletes. On Nostrajamus, users can build their 'rosters' of songs and measure up their expertise each week against like-minded fans. This sense of agency creates a stronger connection between tastemakers and their favorite songs than ever before.

#### **Tastemaking**

Tastemakers accumulate 'Jam Points' on Nostrajamus just as Reddit users accumulate 'Karma.' These Jam Points translate into leaderboard position and a testament to their tastemaking abilities for all to see. Nostrajamus personalizes the music discovery process so that every tastemaker can become a trusted musical curator for discoverers.

#### **Discovery**

Tastemakers enter music from around the world, filtering through the multitude of songs released every day. Nostrajamus provides an objective snapshot of the hottest tracks at any given moment. Contest playlists simulate songrecommendation algorithms and replace computers with real people. Imagine a playlist with your 1,000 best friends' absolute favorite songs that week.

## **Market sizing**

#### **Discoverers**

To estimate a total market for Nostrajamus users we focus on the three largest music streaming platforms. We recognize these platforms have user overlap, but we believe this balances with the dozens of platforms not included.



#### **Tastemakers**

To estimate our total potential number of tastemakers, we consider daily fantasy sports users. These players parallel our distinction between discoverers and tastemakers as daily fantasy sports players enter many more contests than standard fantasy sports players.



Note: Statistics reflect active monthly users. 2.5% 'engaged' metric based on 40 million active fantasy sports players and 1 million active daily fantasy sports players Nostrajamus, LLC | Confidential | March 2015

## Monetization

#### We forecast three possible revenue streams.

#### Pay-to-Play

We ran a test contest with \$1 entry fee and \$50 top prize that attracted 60 entrants. We could expand this significantly.

#### **Purchase Referrals**

We will attach links on our tracks to iTunes or Amazon to buy the track. These companies then pay us a commission for the referral traffic.

#### **Data Sales**

Song data could be sold to record labels looking to find their next stars. Tastemaker data could be sold to blogs or agencies looking for music scouts.

#### Two monetization routes we'd like to avoid.

#### **Banner/Audio Ads**

We want to focus ruthlessly on the user experience on our site.

#### **Promoted Artists**

We want a level playing field for all artists to allow Jam Points to do their job.



## Daily progress

#### **Product refinement**

User feedback drives Nostrajamus improvements. Two user-driven upgrades include homepage redesign and weekly contest schedule. We're internally testing a new homepage which combines contests, discovery, and tastemaker profiles in a more intuitive layout. We now launch two contests each Wednesday and one each Saturday to establish a consistent rhythm.

#### **Customer communication**

To engage users, we send two weekly emails, the Tuesday Tune-up and the Weekend Warmup (example on right). These share top picks from the past week, highlight tastemakers, and promote upcoming contests.

#### **Guiding metrics**

We focus on streams on our site and contest submissions to measure growth.

#### **Weekend Warmup**

Your inbox is boring and quiet. So every Friday, we're bringing the JAMs to you. We've got playlists, tracks, and upcoming contests.

First up: our Hip Hop contest goes live tomorrow. You're two clicks away from a shot at \$25 and a spotlight on our front page.



### Initial traction

#### **Beta version**

Launched the first functional version of site with playable tracks, contest entry, and profile pages on February 9. Here's our traction up to March 4.



**Registered users** 



450+

**Contest entries** 



Site sessions



Avg. session

#### **Streaming metrics**

We started tracking the total song streams across the site on February 25.



Songs streamed

## **Next steps**

#### **User-generated contests**

Our next engine for growth is user-generated contests, and we are in the process of building out this functionality. When users are able to create their own public and private (closed to specific group of users) contests, they will invite their personal networks to join the site. Users can set the duration, genre, and other variables to make each contest unique. We will implement a rewards system for users who create the most popular contests on our site.

#### **Going mobile**

We are in the early stages of discussion on a mobile application as a standalone, simplified version of Nostrajamus or as a supplemental, on-the-go listening tool for users.



## The Team

We are a team of five seniors at the University of Virginia. Through our diverse backgrounds, varying areas of expertise, and mutual love of music, we believe we are the people to propel Nostrajamus to excellence.



## The Team: Developers

#### Mike Paris – Backend Developer (ft. Django)

**School:** Computer Science, Engineering Business

Work Experience: Microsoft, Summer 2014.

Music Cred: Created an original iPhone music app with social network for

spontaneous rap verses (RapBack).

Current Jam: <u>Hurricane (Adventure Club Remix)</u> by MS MR

Contact: mike@nostrajamus.com | Linked in | (757) 285-6806

#### **Vincent Ning – Frontend Developer (ft. AngularJS)**

**School:** Computer Science, Economics, Statistics

Work Experience: Microsoft, Summer 2014.

Music Cred: Plays four instruments, knows people in the music streaming

industry, and is a big Beyoncé fan.

Current Jam: All We Do (LYAR Remix) by Oh Wonder

Contact: vince@nostrajamus.com | Linked in | (703) 638-9313

## The Team: Everything else

#### **Robby Koch** – Design Chief

School: Marketing, IT, East Asian Studies

Work Experience: comScore, Summer 2014. Shanghai startup Original Life, Summer 2013.

Music Cred: Composes original music, played in a band in high school.

Current Jam: Mine (Illenium Remix) by Phoebe Ryan

Contact: <a href="mailto:robby@nostrajamus.com">robby@nostrajamus.com</a> | Linked in | (703) 344-6829

#### **Tony Olmert – Marketing Chief**

School: Marketing, Entrepreneurship

Work Experience: Centerview Partners, Summer 2014.

Music Cred: He considers his Bose headphones a fashion accessory.

Current Jam: <u>Dreamers (Jamie Kuse Remix)</u> by Hopium

Contact: tony@nostrajamus.com | Linked in | (410) 507-2545

#### **Collin Waldoch – Strategy Chief**

**School:** Finance, Economics

Work Experience: Bain & Co., Summer 2014.

Music Cred: Attended 100+ concerts, close friends in DJ/producer community.

Current Jam: Madonna by Black Honey

Contact: collin@nostrajamus.com | Linked in | (630) 674-4131



## What's next on our playlist

#### We're going to Vegas

We need exposure to the worlds of technology and music. We were invited to exhibit at the <u>Collision Conference</u>, and we hope to connect to potential investors and industry experts who can help us take Nostrajamus to the next level. But we aren't waiting around for you to find us. We would love to connect with SoundCloud before the conference and use that platform to spread the word on Nostrajamus.



## SoundCloud + Nostrajamus

We have the **vision** and the **team**.

We are building the **product**.

#### We need SoundCloud.

We can't stop thinking about the potential synergies of a partnership between SoundCloud and Nostrajamus. As the premier music streaming platform online today, SoundCloud's connection to artists and fans is unrivalled. Nostrajamus could add value to that platform by creating fan-to-fan and fan-band interaction that doesn't exist in the market today. We can't wait to become a part of your industry-leading team and platform.







nostrajamus.com

March 2015 | Confidential