

FlipTab from Team Norse

OEP

Summary

- ▶ What is FlipTab?
- ▶ Value Proposition
- ▶ Sales & Marketing Strategy
- ▶ Marketing
- ▶ Partnerships
- ▶ Distribution
- ▶ Costs
- ▶ Revenue Model
- ▶ Funding
- ▶ Team Norse



What is FlipTab?

- ▶ Personal mobile news service
- ▶ 3 dimensions of intelligence:
 - ▶ Summarized Stories
 - ▶ Relevant Adverts
 - ▶ Optimized Ad Layout for Each User
 - ▶ No -ive impact on the user's experience
- ▶ FlipTab Mock-Up:
 - ▶ <http://fliptab.org/>
 - ▶ Best viewed using a Smartphone



Value Proposition

- ▶ Value Proposition for FlipTab Users
 - ▶ Reduce time to relevant news 'on the move'
- ▶ Value Proposition for Advertisers
 - ▶ Maximize marketing spend by Increasing CTR
 - ▶ By using data driven web design we can personalize the layout served to any individual user. The layout will increase the chances the user will click on the advert thereby increasing the click through rate (CTR)



Sales & Marketing Strategy

- ▶ For FlipTab – the news service
 - ▶ Online demand generation
 - ▶ Offline demand generation
- ▶ For FlipTab – the advertising platform
 - ▶ Proof of concept through FlipTab news service
 - ▶ Optimize the ad serving platform by:
 - ▶ Running experiments on FlipTab users.
 - ▶ Once technology mature AND proven Value Proposition
 - ▶ We then have a reference customer allowing us to
 - ▶ Use B2B marketing techniques to sell platform:
 - Direct to Advertisers
 - Indirect to Advertisers via Agencies
 - (which will allow us to quickly scale)



Marketing

▶ Market Segmentation

- ▶ Market Size – We are targeting global demographic:
 - ▶ Read news every day (language not important)
 - ▶ Digitally active
 - ▶ Are any age
 - ▶ Gender agnostic
 - ▶ Numbers in the hundreds of millions
- ▶ Market Wealth – Does this market have the money to spend on your product?
 - ▶ Our target group will be A+,A,B,C social groups

▶ Go-To-Market

- ▶ Online Marketing Methods:
 - ▶ Direct
 - ▶ E-mail Marketing
 - ▶ Social Media Marketing
 - ▶ Viral marketing
 - ▶ SEO (Search Engine Optimisation)
- ▶ Off-line Marketing Methods:
 - ▶ Journalists and community leaders are great influencers as well.
 - ▶ Engagement with journalists prior to reaching out is key



Sales

Acquisition (per week)

Impressions (Natural Search, E-mail Social, Direct)	4,000K
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2% CTR (but 100% for Direct)

Clicks per week	1,085K
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Advertising

2% CLICK RATE

Clicks per quarter	282K
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Cost per Click = £1.50

Ad Revenue per Quarter	£424K
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Partnerships

- ▶ Partner with leading universities for expertise in Machine Learning and Big Data
- ▶ Mobile ad platforms e.g. iAD & MobAd
- ▶ Advertising Standard Bodies such as the iab



Distribution

▶ B2C

- ▶ App marketplaces such as:
 - ▶ iTunes App Store
 - ▶ Google Apps marketplace
- ▶ Bundling FlipTab with mobile manufacturers
 - ▶ Samsung
 - ▶ HTC
 - ▶ Nokia
 - ▶ RIM

▶ B2B

- ▶ Advertisers: Direct
 - ▶ Once established can go Indirect via Agencies
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Costs

Time Period	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Y1	Y2
Cost of Sales											
Acquisition costs											
Direct	-	-	-	-	-	-	-	-		-	-
Paid Search	-	-	-	-	-	-	-	-		-	-
Natural Search	150	150	150	150	150	150	150	150		600	600
E-mails	500	500	500	500	500	500	500	500		2,000	2,000
Social Networks	-	-	-	-	-	-	-	-		-	-
Acquisition: Cost per Quarter	650	650	650	650	650	650	650	650		2,600	2,600
Operating Costs											
Sales and Marketing	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000		8,000	8,000
Travel and entertainment	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000		4,000	4,000
CMS	-	-	-	-	-	-	-	-		-	-
Analytics	-	-	-	-	-	-	-	-		-	-
Hosting	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500		6,000	6,000
Depreciation	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000		12,000	12,000
Web Design	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000		70,000	40,000
Development & Support Team	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000		120,000	120,000
Operating Costs: Total	50,500	50,500	50,500	50,500	50,500	50,500	50,500	50,500		202,000	202,000

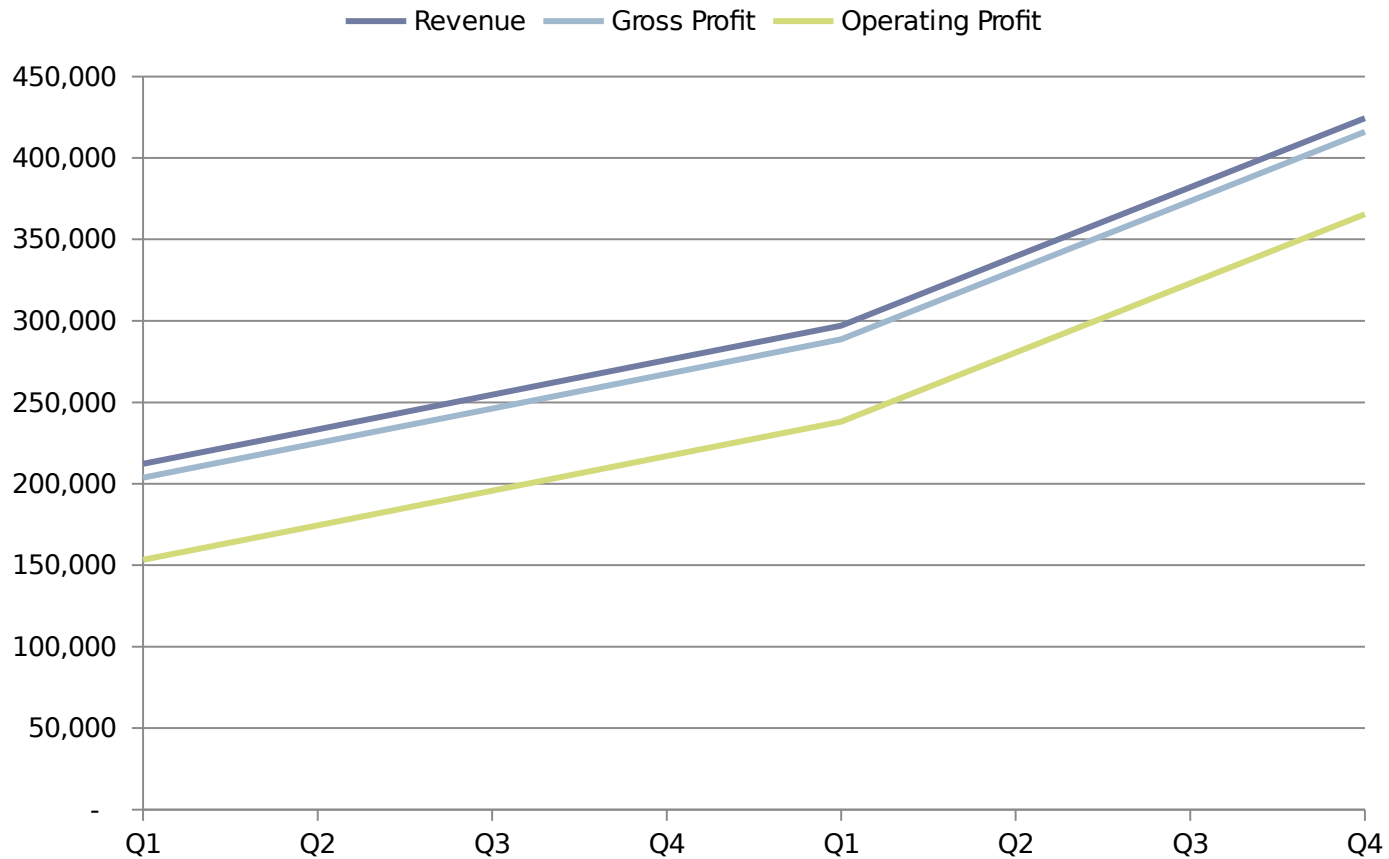


Financial Model

Time Period	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Y1	Y2
Conversions											
Ad Clicks	141,484	155,632	169,781	183,929	198,078	226,374	254,671	282,968		650,826	962,091
Ad Clicks per Quarter	141,484	155,632	169,781	183,929	198,078	226,374	254,671	282,968		650,826	962,091
FlipTab Revenue											
Revenue	212,226	233,449	254,671	275,894	297,116	339,562	382,007	424,452		976,240	1,443,137
Revenue per Quarter	212,226	233,449	254,671	275,894	297,116	339,562	382,007	424,452		976,240	1,443,137
Cost of Sales											
Costs of Sales	8,476	8,476	8,476	8,476	8,476	8,476	8,476	8,476		33,904	33,904
Cost of Sales: Total	8,476	8,476	8,476	8,476	8,476	8,476	8,476	8,476		33,904	33,904
Gross Profit	203,750	224,973	246,195	267,418	288,640	331,086	373,531	415,976		942,336	1,409,233
Operating Costs											
Operating Costs: Total	50,500	50,500	50,500	50,500	50,500	50,500	50,500	50,500		202,000	202,000
Operating Profit	153,250	174,473	195,695	216,918	238,140	280,586	323,031	365,476		740,336	1,207,233



Financial Model



Funding

- ▶ **Stage 1: Seed Fund**

- ▶ At the beginning of our project
- ▶ Apply for Seed Funding
 - ▶ (Seed firms are like angels in that they invest relatively small amounts at early stages, but like VCs in that they're companies that do it as a business, rather than individuals making occasional investments on the side)
- ▶ Example: Y Combinator

- ▶ **Stage 2: VC Round**

- ▶ In later stage
- ▶ Seek funding directly from VC firms
 - ▶ (VCs tend to come later with a larger investment)



Team Norse

- ▶ The name 'Norse' is the name of Gavin's Pub Quiz Team which was named in honour of our oldest and wisest member, Erik, who happens to be Norwegian but has lived in Northern Ireland for almost 40 years.
- ▶ 3 Members in Venture-Lab Team 'Norse':
 - ▶ Vladimir
 - ▶ Aysegul
 - ▶ Gavin
- ▶ We were total strangers who didn't have a team ■■
- ▶ Lesson learnt:
 - ▶ people from all walks of life can come together online and if they are willing to contribute can achieve and learn a lot ◀◀



Conclusion

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