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Series Seed Fundraise – Deeploop.com

Human Conversations Powered by A.I.

Conversational A.I. Automation Platform, starting with an A.I. Sales Assistant.
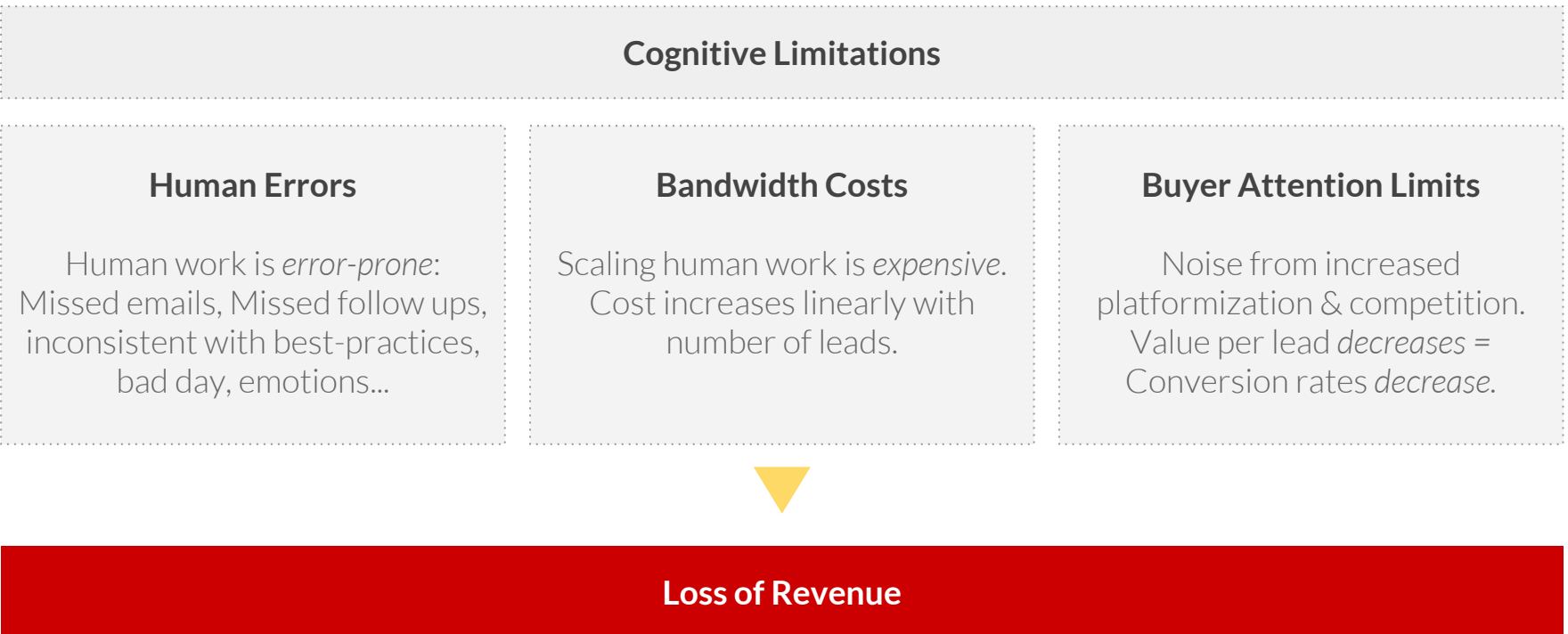
Christophe Barre, Co-Founder

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+1 (917) 930-7645

Human-powered Sales is Unsustainable

Humans are an inconsistent and expensive tool in *Sales Development*,* that will have to run faster and perform better.
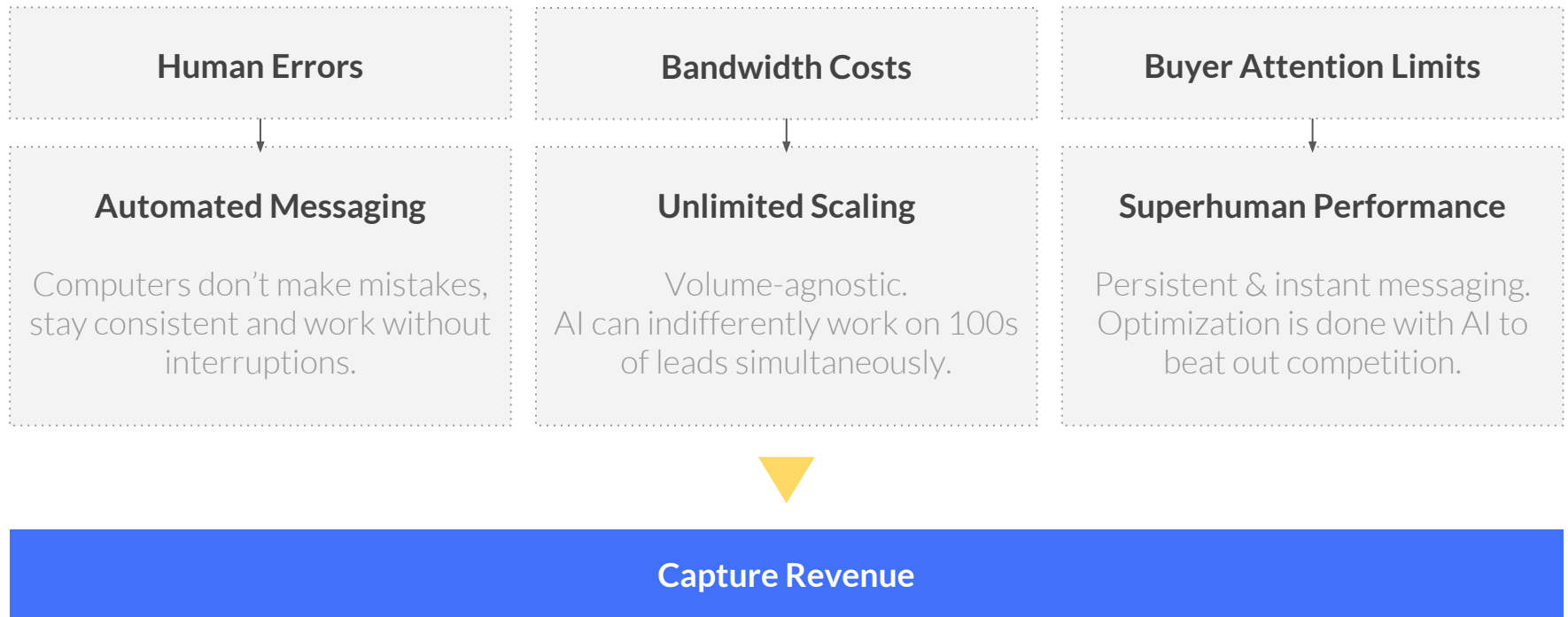
Cognitive Limitations

Human Errors

Human work is *error-prone*: Missed emails, Missed follow ups, inconsistent with best-practices, bad day, emotions...

Bandwidth Costs

Scaling human work is *expensive*. Cost increases linearly with number of leads.

Buyer Attention Limits

Noise from increased platformization & competition. Value per lead *decreases* = Conversion rates *decrease*.

Loss of Revenue

Economics of hiring more Sales Reps:

Human Cost > Expected Revenue

*   Sales Development sits between marketing and sales and is in charge of the front-end of the sales cycle: identifying, connecting with, and qualifying buyers.

Post-Human Sales Era

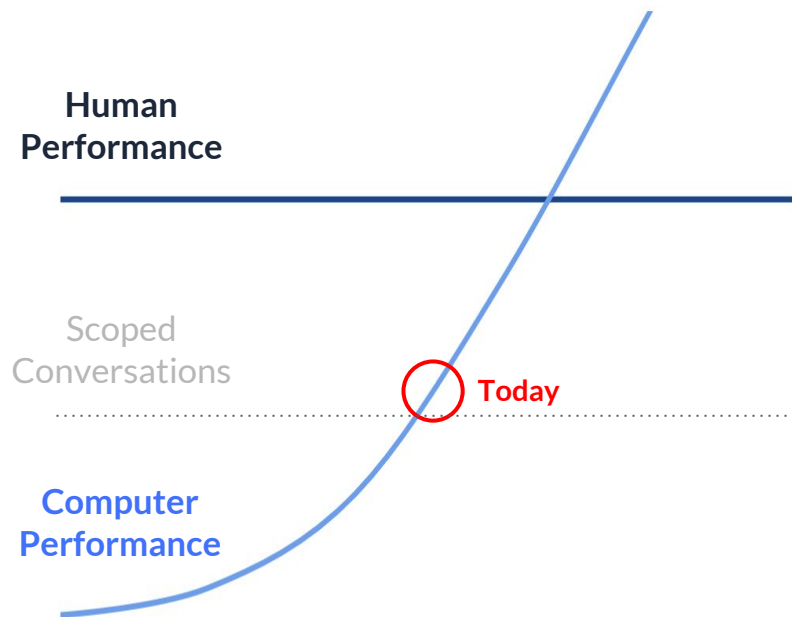Integrated Conversational A.I. taking over Sales Development.

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Human Errors	Bandwidth Costs	Buyer Attention Limits
↓	↓	↓
Automated Messaging	**Unlimited Scaling**	**Superhuman Performance**
Computers don't make mistakes, stay consistent and work without interruptions.	Volume-agnostic. AI can indifferently work on 100s of leads simultaneously.	Persistent & instant messaging. Optimization is done with AI to beat out competition.

Capture Revenue

Economics of hiring an A.I. Sales Assistant:

A.I. Assistant Cost < Value of Captured Opportunities

Aligned Windows of Opportunity

Timing is optimal in both A.I. and Sales Automation.

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Human Performance

Scoped Conversations

Today

Computer Performance

Annual Revenue

$3500 mm

$2800 mm

$2100 mm

$1400 mm

Marketing Automation[†]

Sales Automation[†]

$700 mm

$0 mm

2010   2012   2014   2016   2018   2020

‡

NLP Inflection Point

Natural Language Processing – field of A.I. to understand languages – is progressing in leaps. Research interest moving from Machine Vision to NLP.
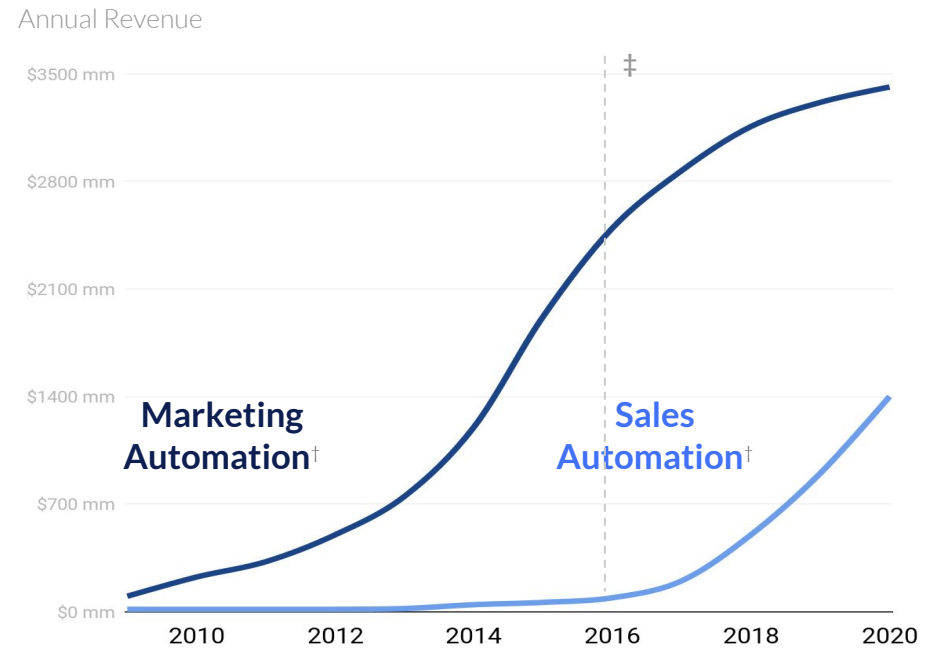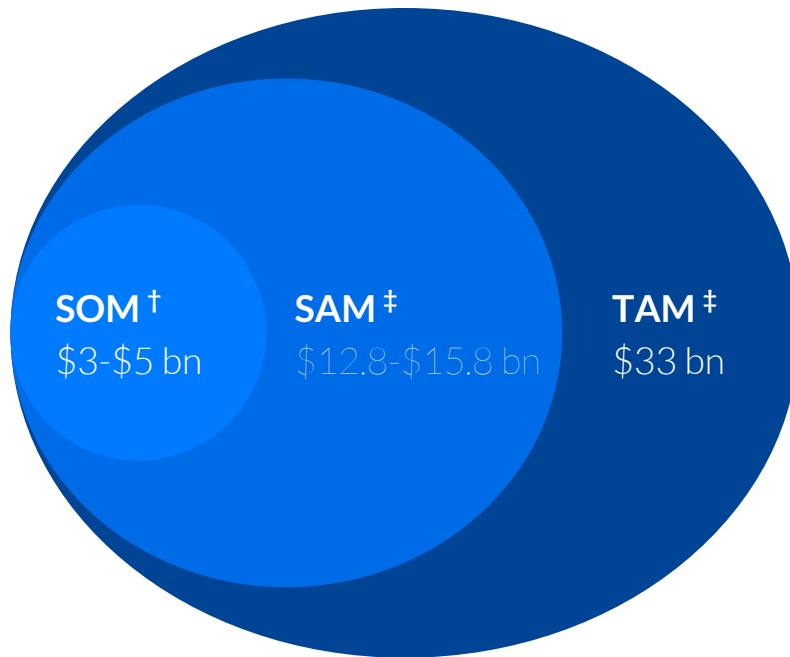
Accelerating Sales

Amount of Leads generated drastically increased because of Marketing Automation. Sales Automation catching up.

[†] Marketing Automation Industry Overview http://customerexperiencematrix.blogspot.ch/

[‡] Estimate based on current sales automation technology adoption rate

Two Big Markets

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SOM †
$3-$5 bn

SAM ‡
$12.8-$15.8 bn

TAM ‡
$33 bn

TAM *
$450 bn
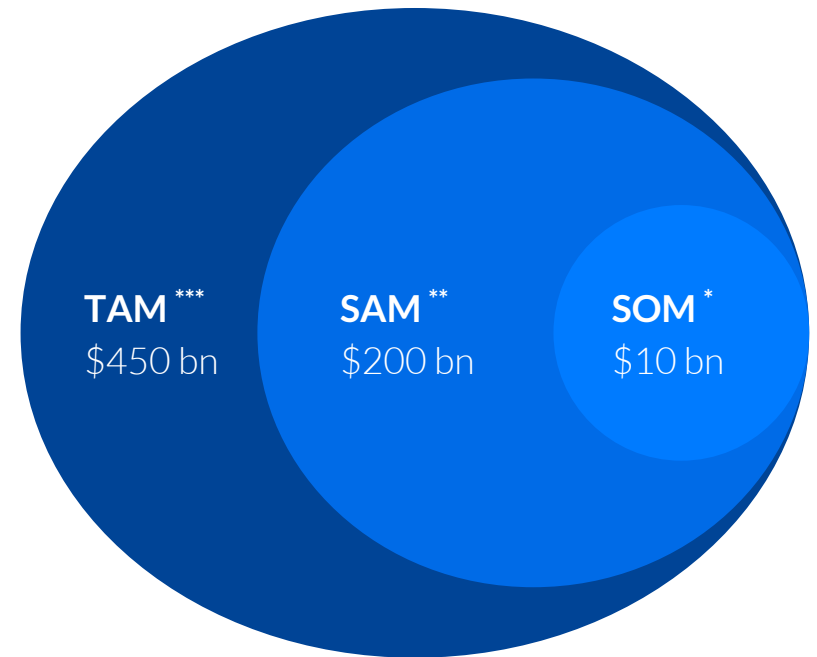
SAM **
$200 bn

SOM *
$10 bn

Sales Acceleration Software Market

US Sales Personnel Market

† Estimate based on current email sales acceleration technology adoption rates

‡ 'Sales Acceleration Technology Market Size Study 2014' *insidesales.com*

* Deeploop captures 5% of affected jobs + human cost savings it creates

** 40% of total sales personnel relevant to Deeploop approach
(Sales Representatives, Sales Assistants, Customer Success...)

*** 5.622 million non-retail sales personnel in US, median pay of $80,000 p.a.
US bureau of labor statistics

Big Opportunity beyond Sales: **Conversational A.I. Technology**
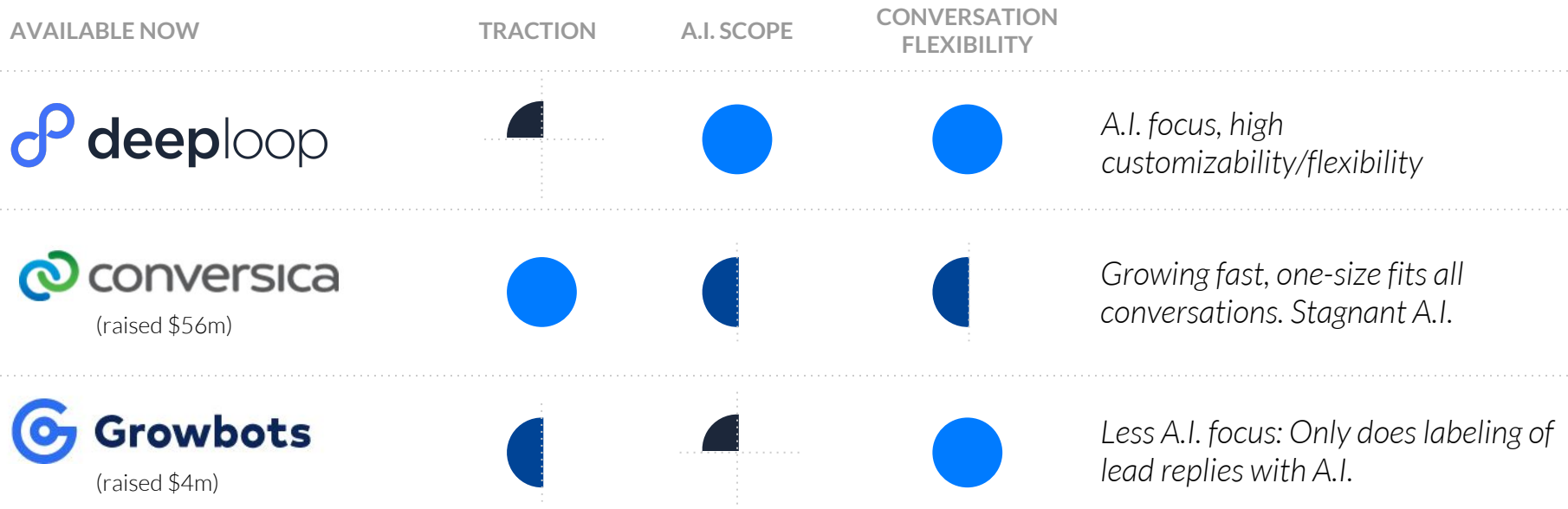
Customer Support / Service   Recruiting, Staffing & HR   Intelligent Assistant   ...

Competitive Landscape

Conversational Sales AI: Still early days, but established players are placing bets.

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AVAILABLE NOW	TRACTION	A.I. SCOPE	CONVERSATION FLEXIBILITY	
deeploop	◗	●	●	*A.I. focus, high customizability/flexibility*
conversica (raised $56m)	●	◐	◐	*Growing fast, one-size fits all conversations. Stagnant A.I.*
Growbots (raised $4m)	◐	◗	●	*Less A.I. focus: Only does labeling of lead replies with A.I.*

PRE-PRODUCT / PARTIAL SOLUTION

salesforce + einstein

HubSpot

Partners with   Acquired 2014/16

Acquired 2017

IBM Watson™   MetaMind   RelateIQ

Kemvi   Motion.ai

How It Works

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CRM

API

WEBFORM

WEBINAR

LEAD LIST

A.I. analysis of reply

REPLY TO LEAD

+

salesforce **Update lead in CRM**

New Meeting in Human Rep's Calendar

API **Custom API Trigger**

Escalate to Human Rep for Review

Take action(s)

Start new *Loop*

Engage the lead / send an Email

HELLO

Does Lead Reply?

Yes

No
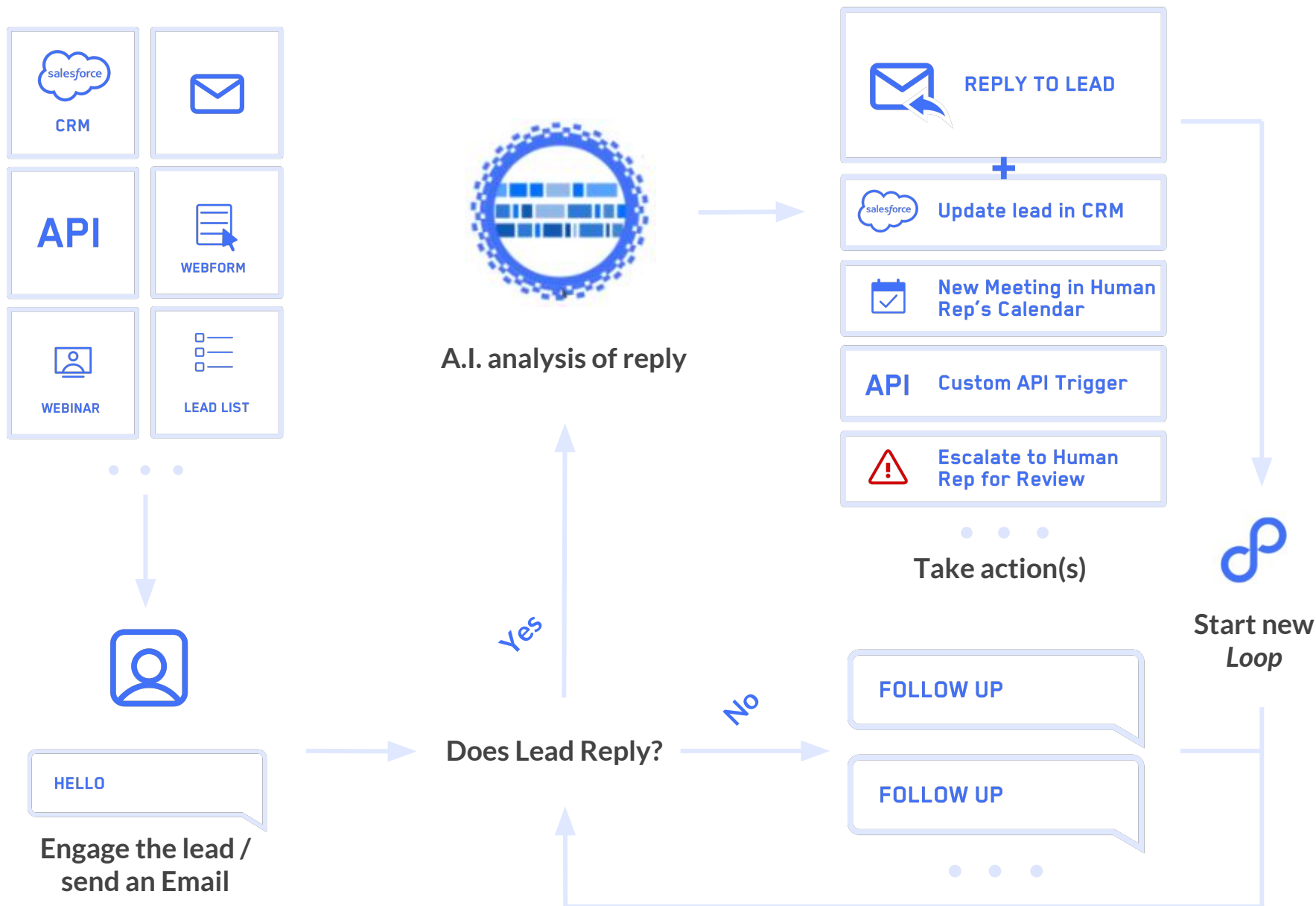
FOLLOW UP

FOLLOW UP

Product is live & initial A.I. operational

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OneTick.com Metrics*

Emails sent
~500 /day

Human work equivalent
~20h /day
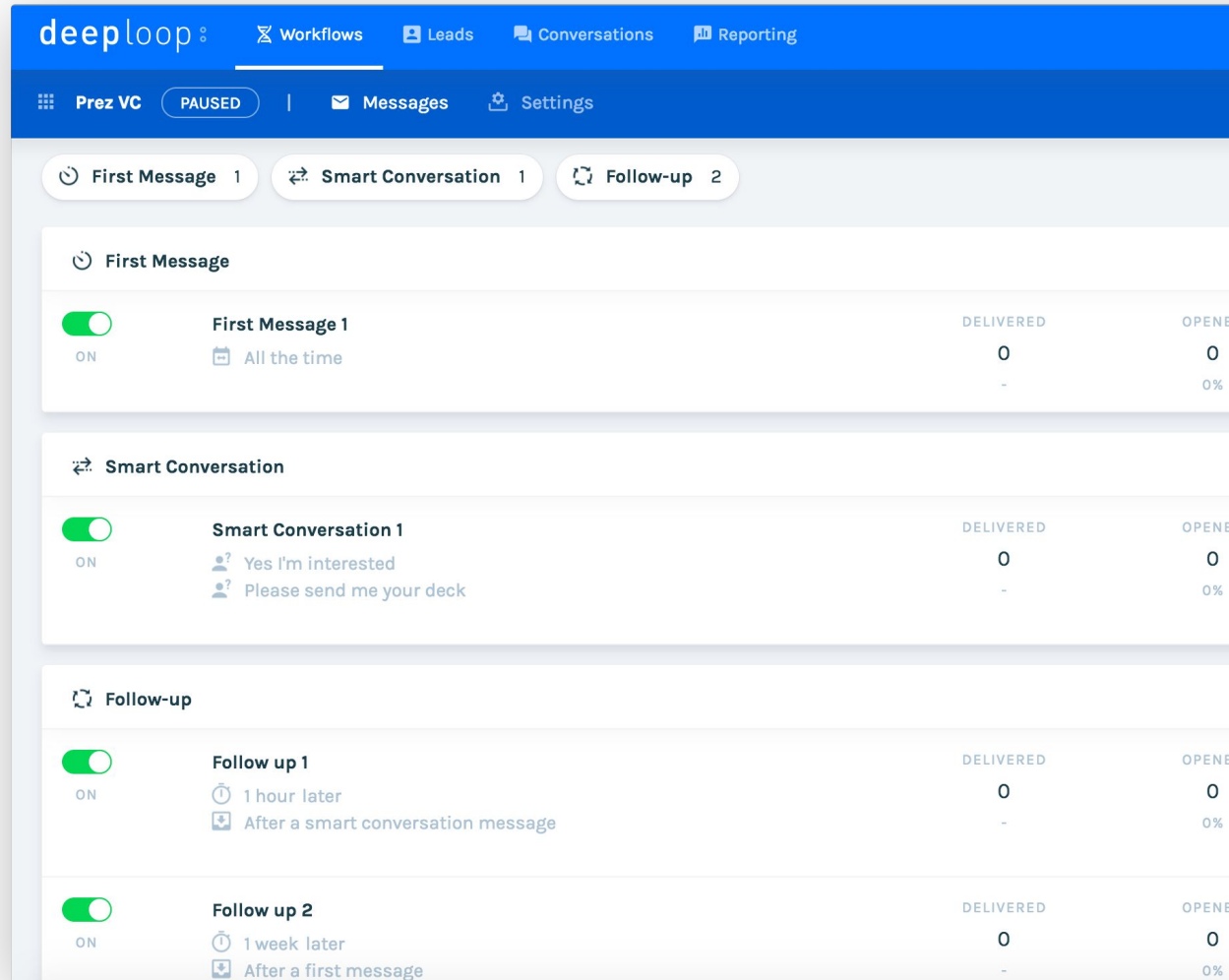
New qualified leads
~10 /day

ROI for OneTick
1,142% (11x)**
+ $$ from errors & missed followups avoided, etc.

Webapp screenshot

Vision & Roadmap

What are the next milestones for Deeploop in terms of AI, product and business.

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Short-Term (6m)			
	➔	**A.I.**	Improved AI, handles more edge cases. Human rarely needed.
	➔	**Product**	More CRMs supported, more reporting panels.
	➔	**Business**	7 customers, breakeven.

Mid-Term (2y)			
	➔	**A.I.**	Almost autonomous AI. Human extremely rarely needed.
	➔	**Product**	New languages added, new channels (chat, sms etc.).
	➔	**Business**	50 customers, highly profitable, scaling phase.

Long-Term (5y)			
	➔	**A.I.**	Autonomous conversational AI. No human needed.
	➔	**Product**	New verticals conquered: Recruiting, Customer Support etc.
	➔	**Business**	1000s customers, IPO.

Business Model

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Software-as-a-Service

Lite	Professional	Business
$ 1,999 / month	**$ 2,999 / month**	**$ 3,999 / month**
BILLED ANNUALLY	BILLED ANNUALLY	BILLED ANNUALLY
1 A.I. Conversation	2 A.I. Conversations	3 A.I. Conversations

Unit Economics

$300[†] Cost per qualified lead	**10%** Conversion to pilot program	**30%**[‡] Conversion to paying customer	**5% Churn**[‡] (20 month customer lifetime)	**$ 2,999 MRR PU**

$ 10,000 CAC   **1:6**   **$ 60,000 CLTV**

† Currently < $10: Engineering hacks for outbound sales
‡ Assumptions without metrics

Swiss Data Science + French Engineering

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Kevin Benjamin Steiner
CEO, Co-Founder

- Co-Founder Aeris.cn (last VC @$20M post) hardware + enterprise A.I. software
- Blackstone Private Equity, Deloitte Strategy
- Columbia Business School, ETH Zurich

Philip Estrada Reichen
COO/VP Sales, Co-Founder

- 2nd Hire at Pixable ($26mm exit)
- CEO ETH Juniors (Consulting $1mm ARR)
- ETH Zurich

Sebastian Aschwanden
Chief Data, Co-Founder

- A.I. researcher at AreteX Systems
- A.I. researcher at ETH ASLabs
- ETH Zurich, Thesis at CS Dept. in ML/AI

+ 2 A.I. Interns @ ETH Zurich

Swiss Data Science 🇨🇭

- We have <u>unfair access</u> to A.I. talent at ETH Zurich
- <u>World #1 ranked</u> for computational intelligence (CS). (bit.ly/eth-intel)

ETHzürich

Christophe Barre
CTO, Co-Founder

- RBC Capital Market: Quant Trading
- Columbia Business School, Ecole des Ponts ParisTech

Adrien David Sivelle
Senior Back-End Engineer
- Back-End Engineer at Intel
- Ecole des Mines de Saint Etienne

Ulysse Prygiel
Senior Front-End Engineer
- Front-End Engineer at HP
- Ecole des Mines de Saint Etienne

French Engineering 🇫🇷

Liang Liang Cao
A.I. Advisor
- Adjunct Professor A.I. at Columbia University
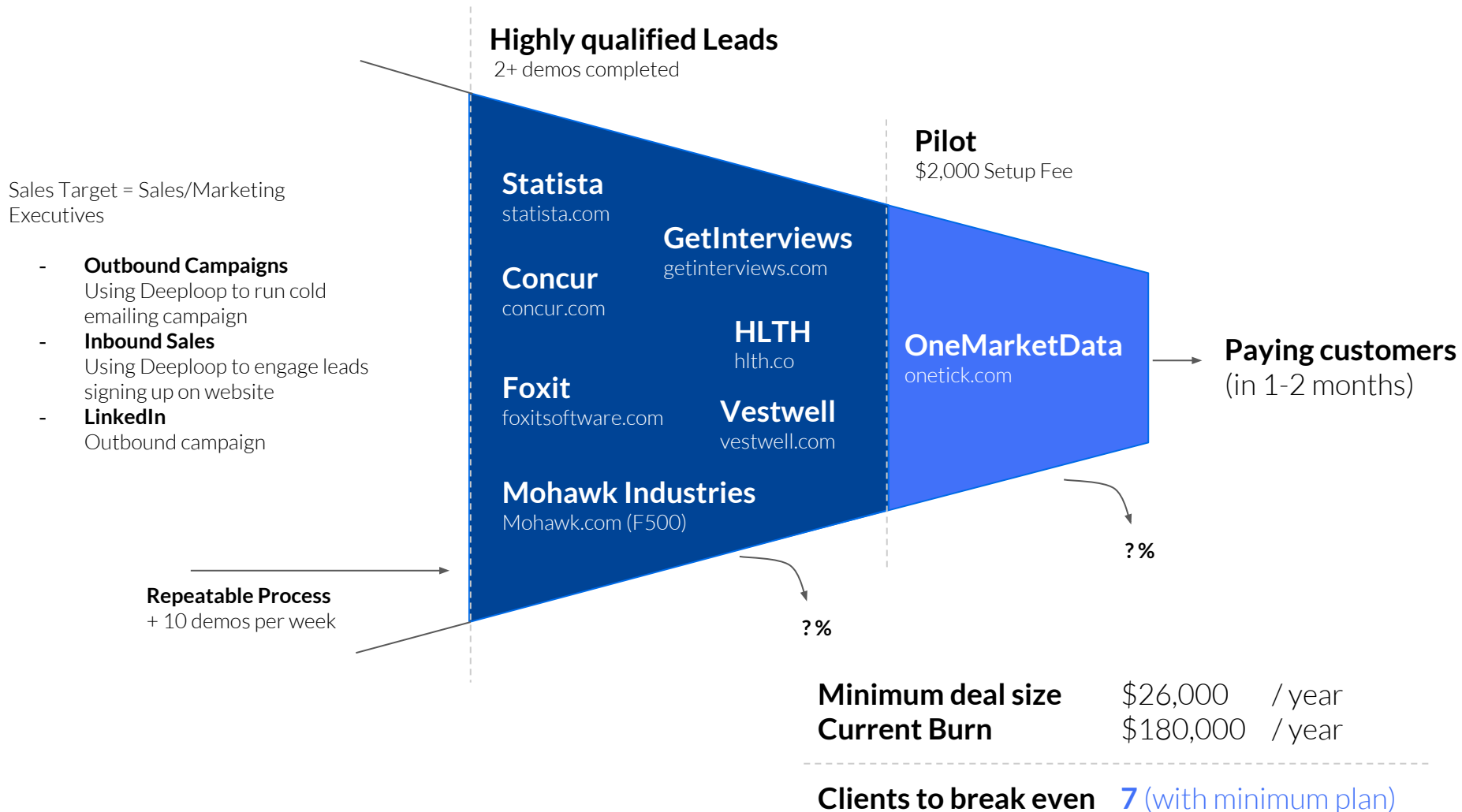- First Engineer at IBM Watson
- Co-Founder at HelloVera.ai

Nima Razavi
A.I. Advisor
- Founding Data Scientist at Terralytics
- PhD in Deep Learning from ETH Zurich

Traction

No paying customers yet; $300,000 ARR in the pipeline; long sales cycles.

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Highly qualified Leads
2+ demos completed

Pilot
$2,000 Setup Fee

Sales Target = Sales/Marketing Executives

- **Outbound Campaigns**
  Using Deeploop to run cold emailing campaign
- **Inbound Sales**
  Using Deeploop to engage leads signing up on website
- **LinkedIn**
  Outbound campaign

Statista
statista.com

GetInterviews
getinterviews.com

Concur
concur.com

HLTH
hlth.co

Foxit
foxitsoftware.com

Vestwell
vestwell.com

OneMarketData
onetick.com

Mohawk Industries
Mohawk.com (F500)

Paying customers
(in 1-2 months)

Repeatable Process
+ 10 demos per week

? %

? %

Minimum deal size	$26,000	/ year
Current Burn	$180,000	/ year

Clients to break even   **7** (with minimum plan)

Financial Projections

I. Accelerating customer acquisition from 0.5 to 4 per month in 1 year
II. Investment €500,000 December 2017
III. Hire engineering & sales January 2017 → Burn + $15,000 p.m.
IV. Hire engineering & sales July 2018 → Burn + $25,000 p.m.

	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Customers	2.0	2.5	3.1	3.9	4.9	6.1	7.6	9.5	11.9	14.9	18.6	23.3	28.4	34.7	42.3
Growth	0%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Churn	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	-3%	-3%	-3%
MRPU	$ 2,874	$ 2,874	$ 2,874	$ 2,874	$ 2,931	$ 2,990	$ 3,050	$ 3,111	$ 3,173	$ 3,237	$ 3,301	$ 3,367	$ 3,435	$ 3,503	$ 3,573
MRPU Increase	0%	0%	0%	0%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
MRR	$ 5,748	$ 7,185	$ 8,981	$ 11,227	$ 14,314	$ 18,250	$ 23,269	$ 29,668	$ 37,827	$ 48,229	$ 61,492	$ 78,402	$ 97,564	$ 121,408	$ 151,080
ARR	$ 68,976	$ 86,220	$ 107,775	$ 134,719	$ 171,766	$ 219,002	$ 279,228	$ 356,015	$ 453,920	$ 578,748	$ 737,903	$ 940,826	$ 1,170,764	$ 1,456,899	$ 1,812,965
Burn	$ (10,287)	$ (10,359)	$ (25,449)	$ (25,561)	$ (25,716)	$ (25,913)	$ (26,163)	$ (26,483)	$ (51,891)	$ (52,411)	$ (53,075)	$ (53,920)	$ (54,878)	$ (56,070)	$ (57,554)
Cash left (burn)	$ 50,000	$ 639,641	$ 614,192	$ 588,630	$ 562,915	$ 537,002	$ 510,839	$ 484,355	$ 432,464	$ 380,053	$ 326,978	$ 273,058	$ 218,180	$ 162,109	$ 104,555
Net	$ (4,539)	$ (3,174)	$ (16,468)	$ (14,335)	$ (11,402)	$ (7,662)	$ (2,894)	$ 3,185	$ (14,065)	$ (4,182)	$ 8,417	$ 24,482	$ 42,686	$ 65,338	$ 93,526
Cash left (net)	$ 50,000	$ 646,826	$ 630,358	$ 616,023	$ 604,621	$ 596,959	$ 594,065	$ 597,249	$ 583,184	$ 579,002	$ 587,419	$ 611,901	$ 654,587	$ 719,925	$ 813,451

+ 3 Years

	2019	2020	2021
Customers	80.3	152.6	290.0
Growth	100%	100%	100%
Churn	-10%	-10%	-10%
MR PU	$ 3,645	$ 3,718	$ 3,792
MR PU Increase	2%	2%	2%
MRR	$ 292,794	$ 567,435	$ 1,099,688
ARR	$ 3,513,527	$ 6,809,215	$ 13,196,260

We create our own fuel. *Deeploop uses A.I. + engineering to obtain new customers, convert pilot customers and upsell existing customers.*

Investment Ask

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Capital Sources

Series Seed Ask
€500,000
Current Round

Already Raised From Angels
$100,000
January 2017

Founders' Capital
$50,000
December 2016

Seed Investment Capital Uses

Additional Runway
12 months

Capital Goal
Scale Business & Recruit A.I. talent

Buffer
5.0%
SG&A
5.0%

Sales & Marketing
25.0%

Engineering
25.0%

A.I. Research
40.0%