

TUESDAY  
JUNE 6 2017

# INDUSTRY UPDATE

BAILADOR TECHNOLOGY  
INVESTMENTS

## KEY TRENDS



**BRANDS ARE  
LEVERAGING USER  
GENERATED CONTENT**



**CLOUD-BASED  
SUBSCRIPTION  
SOFTWARE IS NOW  
THE NORM**



**GROWTH IN ONLINE  
ADS**

## Mary Meeker trends show BTI portfolio companies are ahead of the game

The annual Mary Meeker report was eagerly received by the tech industry this week. Several of the key trends support the great work being done by Bailador's portfolio companies.

To see the full Mary Meeker report please [click here](#), or scroll down for our analysis.

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# Trend: Brands leveraging UGC

Brands are now driving greater engagement through the use of user generated content (UGC) which is content posted by consumers themselves via social media platforms such as Instagram, Twitter and YouTube.

Brands + Consumers =  
Re-Distribution Driving Engagement...

...Brands + Consumers =  
Brands Sourcing Content from Fans...

*Effective UGC can generate 6.9x higher engagement than brand generated content on Facebook, per Mavrx, 2/17*

Ben & Jerry's / UGC on Instagram, 5/17

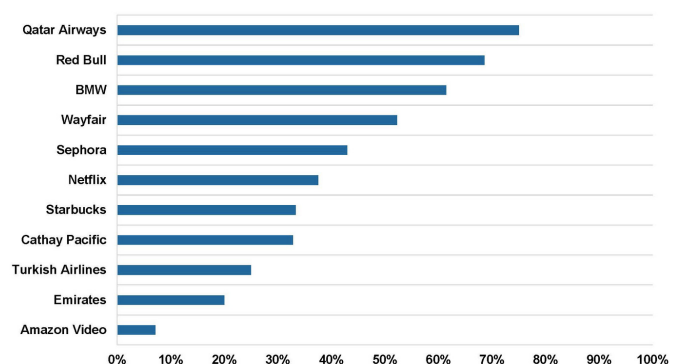


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Source: Mavrx Facebook UGC Benchmark Report (2/17). Image: benandjerrys Instagram featuring mistress\_gioie (4/17)  
Note: Study based on 500,000 micro-influencer brand activations completed via Mavrx Platform from 10/1/15-12/31/16.

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Brands = Leveraging UGC on Instagram



% of Instagram Content Regrammed

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Source: SimplyMeasured (11/16)  
Note: Data collected from each company's Instagram page from 7/15-10/16. Posts were manually tagged for regrams based on mentions on 'regram' in the post or the camera emoji.

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## BTI Portfolio Company: Stackla

Stackla offers the leading tech platform for brands to leverage user generated content throughout their brand and marketing strategy.

Stackla uses machine learning to intelligently aggregate and curate content from 30 different data sources (eg. Instagram, Twitter, YouTube, Twitch, Pinterest, etc), and has clients including more than 450 of the world's best known brands such as Canon, McDonald's, Fox Sports, Qantas, Disney and Topshop.

Mary Meeker highlighted a shortlist of well-recognised global brands leveraging UGC on Instagram, several of which are Stackla clients.



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# Trend: Cloud-based subscriptions software

Enterprises are keenly adopting cloud-based subscription software, which is the model of several Bailador portfolio companies.

Enterprise Software (2000 → 2017) = Users Expect Products to be as...  
Well Designed / Easy-to-Use / Reliable as Consumer Apps

*Perpetual, On-Premise Software → Cloud-Based SaaS Apps → Mobile-First Smart Apps*

	2000	2017
Delivery Method	On-Prem	Cloud-based
Pricing	Perpetual License	Subscription
UX	Generic	Personalized
Intelligence	Constrained	Unlimited (AI / ML)
Growth Engine	Sales	Product
Purchase Decision	Top-Down	Bottoms-Up
Measure of Engagement & Customer Satisfaction	N/A	DAUs / MAUs / NPS

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## BTI Portfolio

Half of Bailador's current portfolio (Stackla, Viostream, InstaClustr, DocsCorp and iPRO) offers a cloud-hosted, subscription software solution to enterprise customers.

### Viostream

Viostream offers a cloud-based end-to-end video platform for the creation, management and distribution of digital video.

The service is used by corporate and government enterprises in business communications such as marketing, e-commerce, internal communications and corporate relations.



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# Trend: Cloud-based subscriptions software

## Instaclustr

Instaclustr provides large scale data solutions to a wide range of global enterprise customers.

The company provides a cloud-hosted and fully managed service for Apache Cassandra (database) on AWS, Azure, Google Cloud and IBM Softlayer, along with a service for other complex data applications (eg. Spark, Elastic Search).



## DocsCorp

DocsCorp provides on-premise and cloud-based document productivity solutions for professionals in the services, corporate and government sectors.

DocsCorp's product site integrates with more than 30 document management systems and is used by over 320,000 professionals worldwide.

## iPRO

iPRO is a cloud-based SaaS platform that enables corporate and government enterprises to efficiently manage their vendor compliance risk.

The company offers its enterprise clients a 24/7 verification and monitoring of vendor, supplier and employee information.



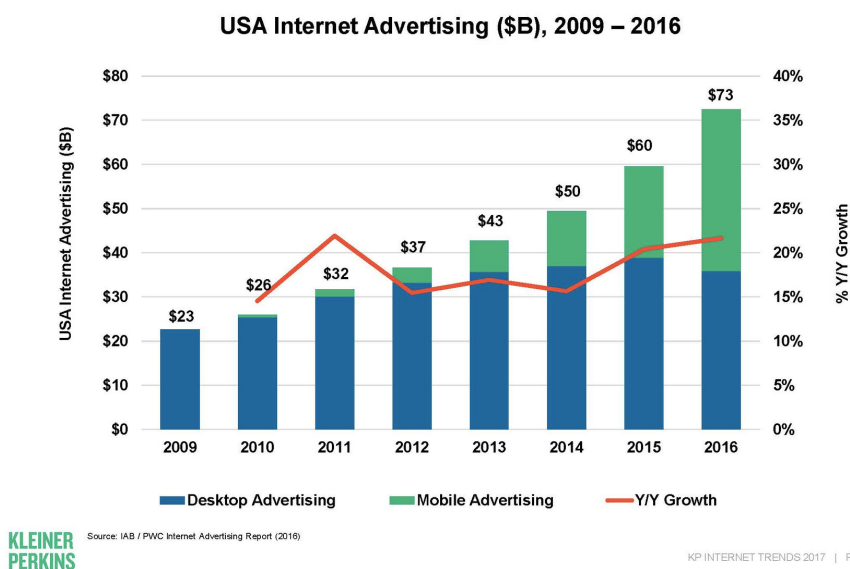
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# Trend: Growth in online ads

Brands are heading online to spend their advertising budget in the US and around the world, and want to track their metrics in this area.

The report names sites such as Facebook, Google AdWords and Snap as giving data on individual campaigns.

Online Advertising = Growth Accelerating, +22% vs. +20% Y/Y...  
Mobile \$ > Desktop (2016) on Higher Growth, USA



## BTI Portfolio Company: SMI

Meanwhile Bailador portfolio company Standard Media Index (SMI) is supporting this trend with phenomenal success providing the only clear picture on how ad dollars are spent across the board.

SMI sources expenditure data from leading global media buying firms directly, with data coverage of 75% of all agency spend in participating markets.



### Further Information

For more information, please visit [www.bailador.com.au](http://www.bailador.com.au), email [investorservices@bailador.com.au](mailto:investorservices@bailador.com.au), or call +61 2 9223 2344.