



collegeblender

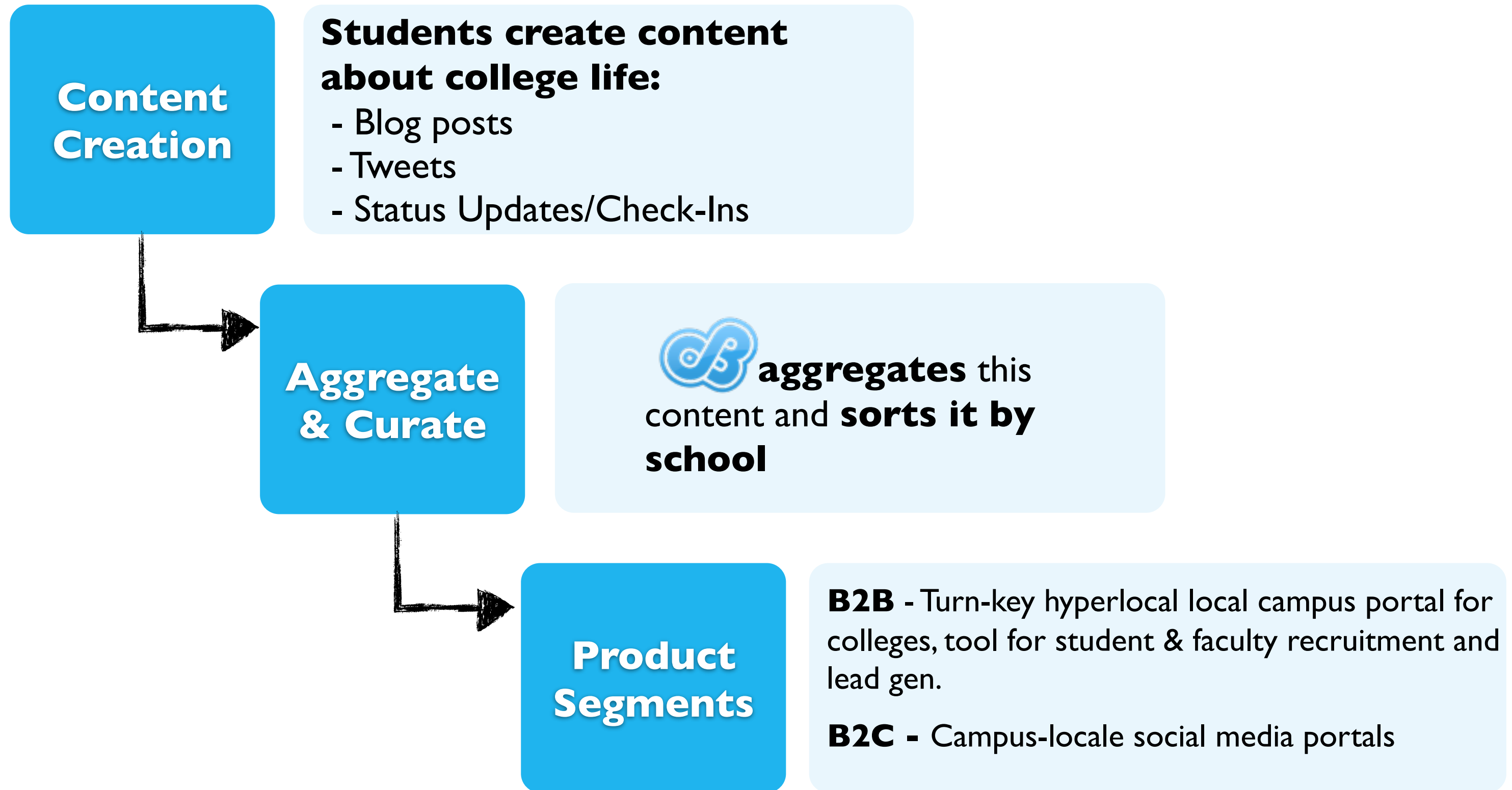
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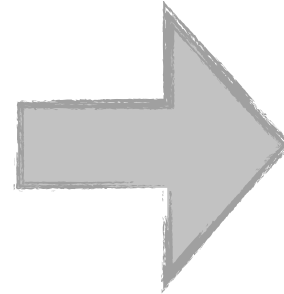
spencer@collegeblender.com

Overview



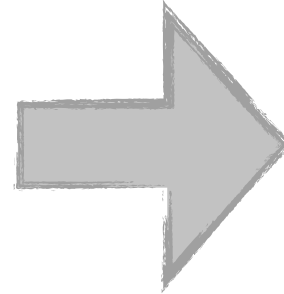
Team

Dan Wasyluk
CEO/Co-Founder
Technical Product Manager



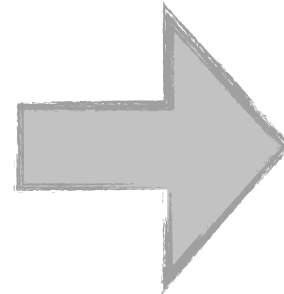
Senior Engineer, Decision Lens (decision and collaboration software)
Founder, The College Blog Network (aggregator of college student blogs)
Founder/Engineer, Snipt.org (Twitter-based code sharing service)
Founder/Engineer, FaceBookExport (Facebook data export utility)

Spencer March
Co-Founder
Head of Marketing & Biz Dev



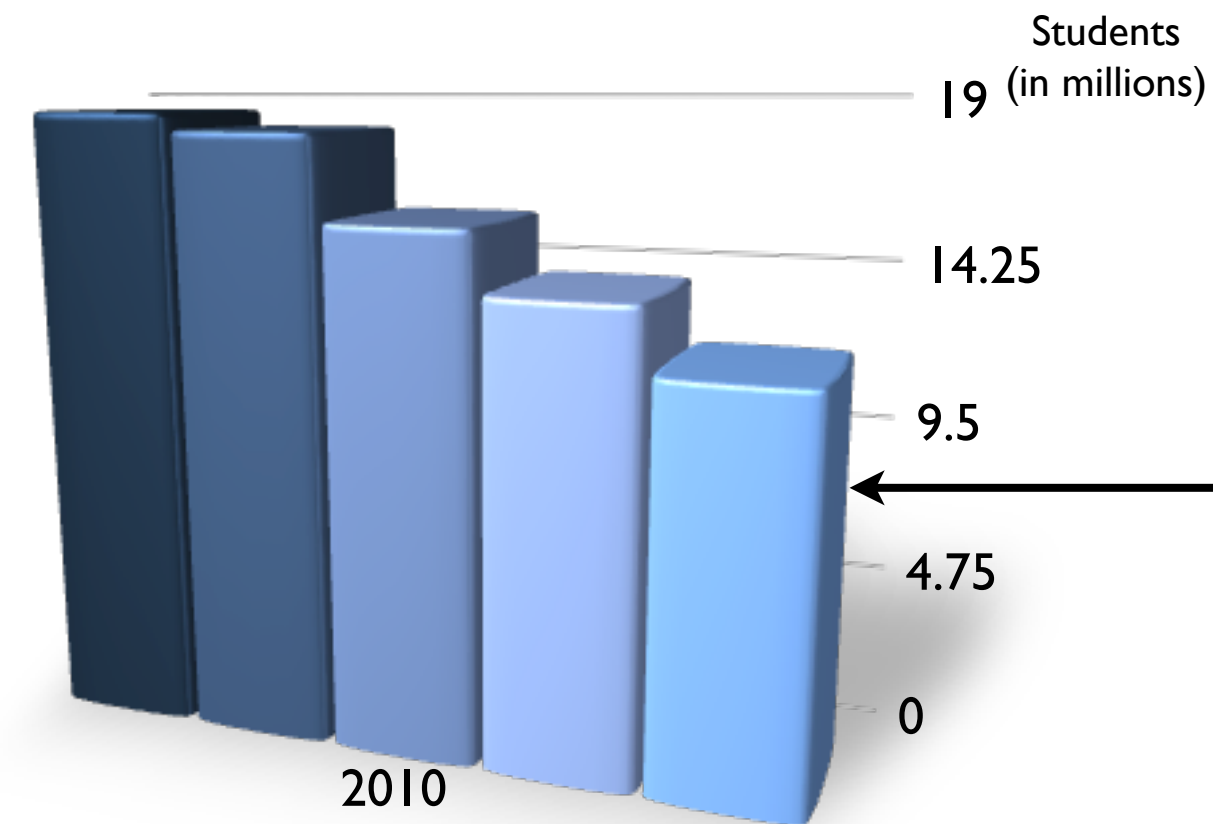
Project Manager, Synacor (white label portals and email for cable/telcos)
Founder, The College Blog Network (aggregator of college student blogs)
Development Associate, Valyceum Holdings (strategy consulting for startups)
Development Assistant, Rochester Institute of Technology (higher ed biz dev)

Ryan Gay
Chief Technical Officer



Director of Software Engineering, Decision Lens (decision and collaboration software)
Director of Software Engineering, eTrade (online stock brokerage)

Market Size - US



■ Total # of College Students in 2010
 ■ Total Student Internet Users
 ■ Total Student Social Media Users
 ■ Total Student Online Shoppers and Social Media Users

Target Audience

- 11.9M college students
- Social media users
- Online shoppers
- Primarily ages 18 - 24

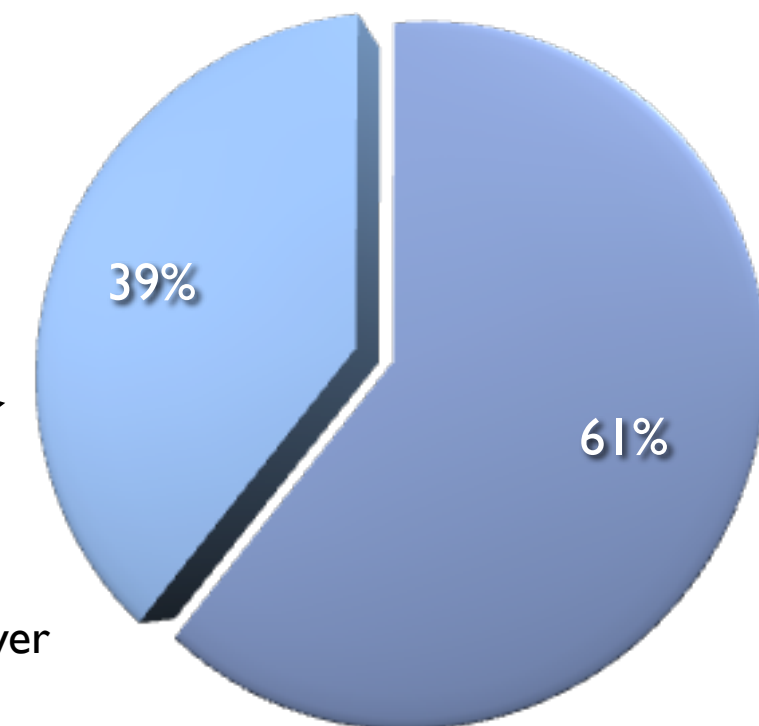
Stats on Market Value to Colleges

“76% of college-bound HS seniors said they think colleges should create their own private social networks”

- 33% of colleges use social media as a recruitment tool
- 22% use blogs as a recruitment tool

How much does it cost colleges to recruit and enroll our target audience?
~\$2073 per student, \$24.6B total

Total discretionary income of students in 2010 \$ 69B
 Avg discretionary amount per student \$ 3709.68
 Total spending power of target audience **\$ 44B**




● Untapped student spending power
 ● Target audience share of total spending power

Data Sources:

US Census Bureau, Education Statistics
 NASPA - Student Affairs Administrators in Higher Education, 2008 Profile of American College Students
 eMarketer, College Students Online: Driving Change in Internet and Mobile Usage
 Alloy Marketing, College Explorer Survey 2010
 Noel-Levitz, Cost of Recruiting Report 2006
 Noel-Levitz, 2010 E-Recruiting Practices and Trends

Monday, April 18, 2011

Value to User

	 collegeblender	Social Networks	Blog Networks	Search Engines	Location-Based
Ease of Use	<ul style="list-style-type: none"> - Aggregates info from multiple sources - Local + “all schools” content available to browse 	<ul style="list-style-type: none"> - Broad, borderless - Shows content your friends like - Communication channel 	<ul style="list-style-type: none"> - Combined services (i.e. blog publishing platform + directory) 	<ul style="list-style-type: none"> - Simple UI - Quick, familiar 	<ul style="list-style-type: none"> - Immediate connection with user’s physical environment - Locally-based info
Costs	<ul style="list-style-type: none"> - Free for anyone to browse - Need .edu email for user registration 	<ul style="list-style-type: none"> - Privacy - Irrelevancy/chit-chat 	<ul style="list-style-type: none"> - User content can get lost - Sometimes editorially-driven (not authentic) 	<ul style="list-style-type: none"> - Time cost to sift through results - Cross-reference multiple sources 	<ul style="list-style-type: none"> - Low user base if you don’t live in a major metro area - Privacy
Benefits	<ul style="list-style-type: none"> - Authentic college content due to .edu email req. - Students can choose to post content to the public, to students-only, or anonymously 	<ul style="list-style-type: none"> - Global presence - Large userbase - Converges communication channels; high utility value for interpersonal relationships 	<ul style="list-style-type: none"> - Variety of content w/ different vertical niches 	<ul style="list-style-type: none"> - High volume of results - Lots of choices 	<ul style="list-style-type: none"> - User engagement can be @ high-frequency - Systems to reward high frequency superusers

Value to Partners

Advertisers/Marketers

- Enables targeting of ads to various blogs and digital media properties across CollegeBlender network (can specify verticals)
- Reach influential audience who are actively contributing info/opinions on the web
- Presents opportunity for online publicity and SEO

Content Creators

- Includes major contributors, i.e. bloggers, and users who contribute tweets, check-ins, forum posts, comments, etc.
- Increase reach to student audiences
- Allow other students to connect
- Contribute content on both local and macro-web levels
- Monetization opportunity via CB ad network

Colleges

- Turn-key “hyper local” online community
- Allows potential students to find out what a college is “really like” during info-gathering stage of college selection
- Enables colleges to moderate and pro-actively contribute content to their social media footprint
- Engage current student audience
- Supplement college newspapers





Value Proposition

Increase revenue by cost-effective customer acquisition

Widen reach and scope; monetize content

Decrease cost of student recruitment; engage enrolled student body

Competitive Landscape

Social Networking/ Social Media	Content-Based	Advertiser-Publisher Connections
<ul style="list-style-type: none"> - Large existing userbase and capital - Potential to open up college-specific niche site faster than us - Currently positioned as universal, open services; no existing reputation for college niche content  <ul style="list-style-type: none"> - \$1.15M funding, Summer 2010 launch - Facebook replacement for .edu emails (students) only - Available at 7 schools as of 9/2010 - “Walled garden” - content only visible behind .edu-registration wall 	<ul style="list-style-type: none"> - Content outlets, ranging topics from entertainment to advice - Traffic levels between ~225K - 3.6M uniques/month - Editorially driven, either by freelance or in-house content production staff - Existing rapport with college students - Not user-generated content, no local content 	<ul style="list-style-type: none"> - Connects advertisers with moderately-trafficked blogs focused on college content - Worked w/ advertisers such as Microsoft, HP, and AT&T - Some of their partners are also our content partners 

User Acquisition

Early Stage

Growth

Maturity

Word of mouth, blogosphere, viral, member badge, short-URL shareable links

Search Engine Optimization

- Organic search results for college-related content
- Link-sharing program
- Optimized page markup and architecture

Residual Benefit

Social Media Ads

- Ex: Facebook ads (highly targeted)

Content Distribution Partnerships

Campus Guerilla Marketing

Direct Email

Public Relations

- Media relations strategy: tie CB content to current events
- Company blog with compelling content

Internet Ads

Campus Event Sponsorship

- Social Media Ads
- Ex: Facebook ads (highly targeted)

Business Model

User Acquisition



Gather User Info



Leverage User Info



User Engagement +
Conversions = Revenue

From: Word of mouth marketing, blogosphere, content distribution partners, direct email

Includes: Content likes/dislikes, blog posts, tweets, school, grad year, gender, tags, interests, and more

By:

- Creating general content and campus-locale hubs using student generated content
- Offer content distribution and monetization opportunity for content creators
- Generate profiles of student content and spending consumption/habits

Revenue Streams: “Hyperlocal” white label communities for colleges, ad sales, ad network for bloggers, affiliate marketing, premium memberships and marketing opportunities for marketers; virtual goods for users

CollegeBlender makes money when users consume and generate content.

Proforma Financials & Growth

Year	1	2	3
Operating Income	\$893,469	\$4,900,522	\$11,437,449
<i>CollegeBlender.com Media Property</i>	<i>\$819,174</i>	<i>\$4,412,715</i>	<i>\$9,451,231</i>
<i>Product for Colleges</i>	<i>\$22,500</i>	<i>\$365,000</i>	<i>\$1,875,000</i>
<i>Ad Network</i>	<i>\$51,795</i>	<i>\$122,807</i>	<i>\$269,447</i>
COGS	\$16,319	\$76,712	\$158,228
Operating Expenses	\$727,237	\$1,607,643	\$2,753,352
EBITDA%	16.8%	65.6%	74.9%
EBITDA	\$149,913	\$3,216,167	\$8,684,098
<i>Net Present Value</i>	<i>\$102,680</i>	<i>\$2,593,682</i>	<i>\$8,684,098</i>

NPV Assumptions: 46% Burn-to-income ratio Y1; 24% Y2; 19% Y3

	Year 1	2	3
Total Users	168,458	1,067,500	3,082,785
Non-contributors	117,920	747,250	2,157,494
Bloggers	40,449	207,431	510,895
Tweeters	4,188	48,493	189,757
Facebook	5,262	57,745	193,356
Location-based	755	9,618	30,828

3-year Avg. Revenue Per User: \$5.03
Avg. Profit Per User: \$1.68
Avg. Profit Per User %: 45.4%
Avg. Churn: 2.8%

Current Status + Key Milestones

Phase I

(Today)

Phase II

Phase III

Primary
Focus

Blog Network

Social media integrations
(Twitter, Facebook, 4SQ)

Campus-locale product
focus; local sites built off
user-generated content

Product
Pipeline

Beta Ad Network

Beta product for colleges

Production - Colleges
product line & ad
network

Sustain product growth

Beta launch virtual goods
+ other product
segments

Seeking investment to expedite phases II and III

Product Overview - Today



CollegeBlender.com Beta

- Student blog aggregator
- Beta ad network launched
- 5.5K uniques/month
- 30K page views/month
- 1500 users

Financing Goals & Amounts

- **Seed Round - \$500K - \$1MM** within 6 months
 - *Provide 12-18 month runway from launch*
 - *Capital for product development, marketing, customer development*
- **Series A - \$1.5MM - \$3MM** within 12 months of Seed Round
 - *Capital for continued execution of business model*

Exit Strategy

Private acquisition by an online media company to enable their expansion into the growing college content vertical



- Extends content ownership
- Access to large network of blog publishers and ad network



- Extends content offerings
- Access to influential audience (bloggers) and ad network
- Entry into student-generated media and college niche



- Untapped niche
- Access to network of ad publishers and content producers
- Potential synergy with existing media properties



- Access to leverage-able data, enhance current user data sets
- Leverage CB content to facilitate growth of local communities based on social media content



- Easy entrance into social media and/or hyperlocal segment
- Extends product offerings beyond textbooks and learning materials, connect w/ consumer audience directly

Competitive Response

Competitive Forces

Result



- Add college niche to existing blog network

Delayed entry to market,
increased costs

- IP-based protection for proprietary technology platform
- First-to-market advantage

- Opens up .edu-exclusive section or feature set

High volume -> high noise
volume, may be non-
elective for user

- Technology extends beyond content offered through website, facilitates product pivot if needed

- Facebook or Twitter leverages existing content to create direct competitor

Moderation of content
by competitors,
not true "UGC"

- Explore deeper integration, leveraging APIs of Twitter, Facebook, and others to enhance the user experience of CB

- Location service like 4square opens up niche site for colleges/students

Delayed entry to market,
increased costs

- Emphasize .edu-exclusivity and value-add of other related local content, i.e. blog posts, tweets, etc.

DEFENSIBILITY

Product Pipeline

Students create content about college life:

- Blog posts
- Tweets
- Status Updates
- Forum Posts

 **aggregates** this content and **sorts it by school**

Generate **hyper-local campus portals** based on student-generated content

 **collegeblender**

Users elect to share content from social media sites. We leverage their APIs for integration.

Creates access to network of student content. Local, relevant campus information from real students.

Product Segments:

- Turn-key social media portal for colleges
- Ad network for college content creators
- CollegeBlender.com media property
 - Branded & unbranded campus-locale sites
- + national aggregation