

Inside Solocal

Analyst & Investor Day

DISCLAIMER

- This document contains forward-looking statements. Any forward-looking statement does not constitute forecasts as defined in European regulation (EC) 809/2004. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements are based on the Company's current beliefs, assumptions and expectations of its future performance, taking into account all information currently available. Forward-looking information and statements are not guarantees of future performance and are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company. These risks and uncertainties include those discussed or identified under section 4 "Risk Factors" of the SoLocal Group's "Document de référence" which was filed with the French financial markets authority (AMF) on April 26th, 2018. Important factors that could cause actual earnings to differ materially from the earnings anticipated in the forward-looking statements include the effects of competition, usage levels, the success of the Group's investments in France and abroad, and the effects of the economic situation. SoLocal Group, its affiliates, directors, advisors, employees and representatives expressly disclaim any liability whatsoever for such forward-looking statements.
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- The quarterly financial statements are not audited. Financial statements restated under IFRS 15 are unaudited figures.
- Certain business indicators covered in the presentation are for continued activities.
- Due to rounding, numbers presented throughout this and other documents may not add up precisely to the total provided.



Eric Boustouller, CEO

#Inside Solocal

Today's objectives:

- Unveil our new digital services offering designed to address customer needs
 - Full web
 - Subscription based with auto renewal
 - Simple and comprehensive
 - Digital coaching
- Share our technology strategy: Solocal is a MarTech
- Present our omnichannel sales force organisation and fully integrated marketing strategy



- ▶ **Deep dive into strategy execution and key growth drivers**
- ▶ **Introduce new management team and organisation**
- ▶ **Share first customer feedback on new product offering**

Agenda

1

1.30 – **Opening**

2

1.45 – 3.00 pm – **Full web digital services**

Frédéric Obala, Chief Media, Presence & Content Officer
Amaury Lelong, Chief Online Advertising, Data and New Products

3

3.30 – 4.15 pm – **Technology for business**

Arnaud Defrenne, Chief Technology Officer

4

4.30 – 5.30 pm – **Sales and marketing**

Christophe Parcot, Chief Revenue Officer
Pascale Furbeyre, Chief Marketing Officer

5

5.30 – 6.00 pm – **Conclusion and Q&A session**

Eric Boustouller, Chief Executive Officer
Jean-Jacques Bancel, Chief Financial Officer

2018: a year of deep transformation

Significant milestones achieved since February 2018

- Swift execution of the redundancy plan
- Confirmed 2018 guidance: stable recurring EBITDA (€170m) after 9 consecutive years of decline
- C. €60m of estimated savings in cost base for FY 2018 compared to FY 2017; €100m savings as of 2019
- Transformation on track: new products, partnerships, leadership, organisation, new identity

Deep transformation impacting business significantly in the short term; yet, confirming strategy

- Move to omnichannel salesforce
 - Client allocation according to ARPA potential/sales channel CAC or renewal costs
 - E-commerce, a growth driver
- Switch to auto-renewal mode generates more time for client acq. and upsell
- Rapid reduction in sales headcount created a gap in sales
 - Unimpactful portfolio reallocations based on old sales organisation
 - Telesales productivity needs time to ramp up
- Hiring 90 field sales people to offset non replaced FTE's – starting early Jan 2019
 - Not replacing any FTE impacted by the redundancy plan

2019 – Execute our strategy

- **Products** – Focus
 - **Media** – Reinvent PJ – Mappy MaaS
-
- Omnichannel, customer journey, digital coaching
 - **E-commerce** – Acquisition and upsell at optimal cost
 - **Large accounts** – Leverage our assets
 - **Leads generation** – Marketing automation & coms
 - **Improve customer satisfaction** – Products, customer care
-
- Integrate, industrialise organisation and processes
 - **Tech** – Platforming, Agile and Innovation
 - **Drive performance** – Optimise and secure business management
-
- **People** – Hire, train, performance culture
-



New range of full web digital services

solocal



Frédéric Obala,
Chief Media, Presence
& Content Officer

Amaury Lelong,
Chief Online
Advertising, Data
and New Products

Digital services one-stop shop for all companies

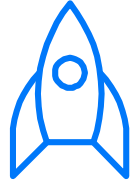


Presence

Visibility
E-reputation

25%

**% Digital
Sales 2019**



Digital advertising

Ranking
Performance
Branding

50%



Websites

Internet
E-commerce

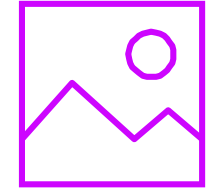
25%



New services

Transactional
CRM,...

Test in 2019



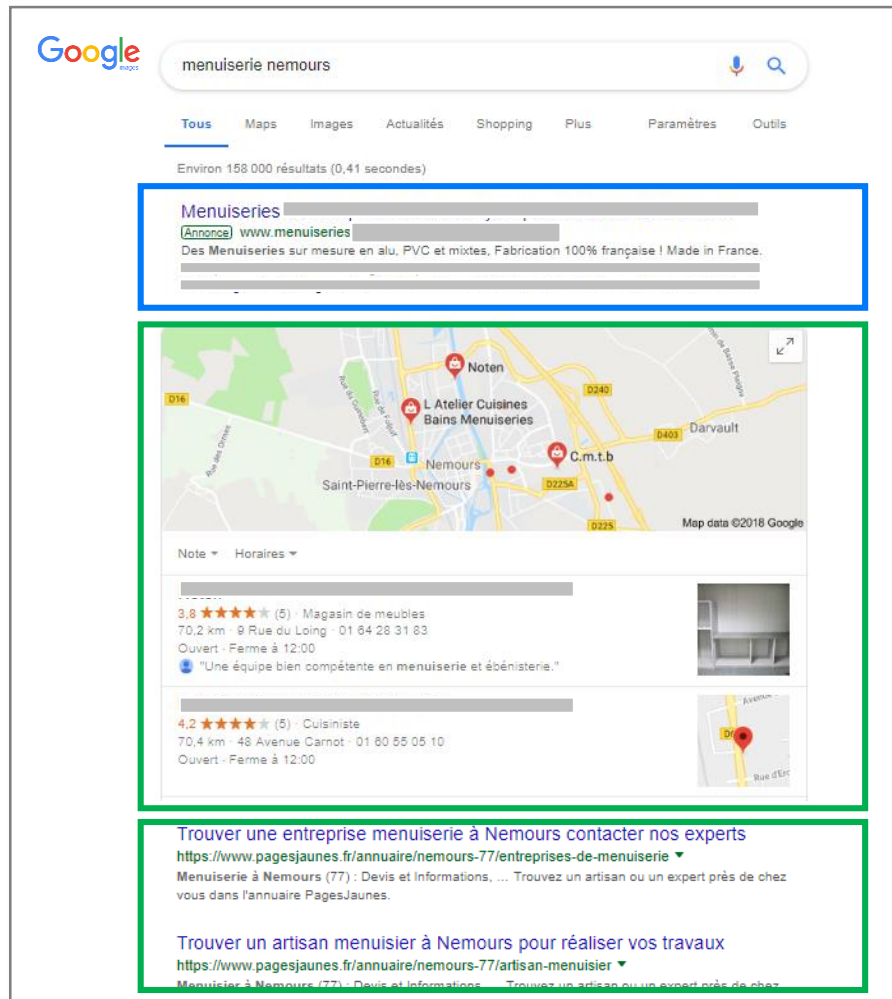
Digital to Print

Test in 2019

FULL WEB | ALL DEVICES | ALL SEGMENTS | DIGITAL COACH

PACKAGED | SUBSCRIPTION BASED | AUTO RENEWAL | UPFRONT PAYMENT

Presence and advertising are complementary visibility levers



SEA

ADVERTISING



GMB

PRESENCE



SEO

PRESENCE
(thanks to Mini-site and Pages Jaunes listing)



250 résultats pour restaurant à Paris

Filterer

Trier

Voir la carte

Pagesjaunes recommande



Brunetti Trattoria

50 Avenue Emile Zola, 92100 Boulogne-Billancourt

Restaurant italien
Budget : 34-56 euros

★ 4/5

Ouvert jusqu'à 22h00

Voir le plan

Afficher le N°

« SEA PJ »



Pizzeria Don pépé

73 Avenue Pierre Grenier, 92100 Boulogne Billancourt

Pizzeria
Budget : 12-16 euros

★ 4/5

Fermé

ADVERTISING

Voir le plan

Afficher le N°

Voir plus



Villa Roma

99-101 Grande Rue, 92310 SÈVRES

Restaurant
Budget : 25-35 euros

★ 4/5

Ouvert jusqu'à 22h00

« SEO PJ »

Voir le plan

Afficher le N°



Le Grand Budapest Hôtel

1904 Avenue de Géréнал M

Hôtel - Restaurant - Bar à v
Budget : 21-34 euros

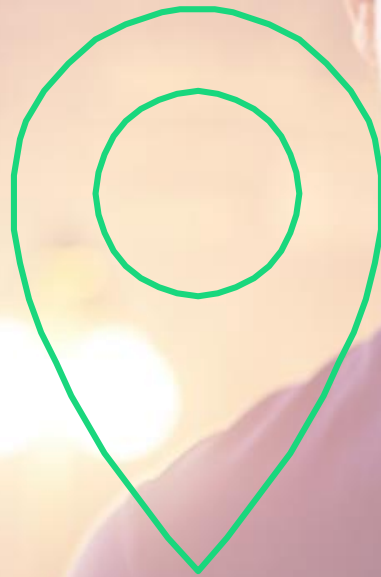
★ 4/5

Fermé

PRESENCE



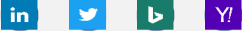
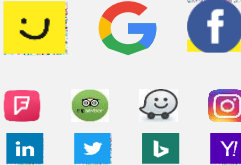













Voir le plan

Afficher le N°



PRESENCE

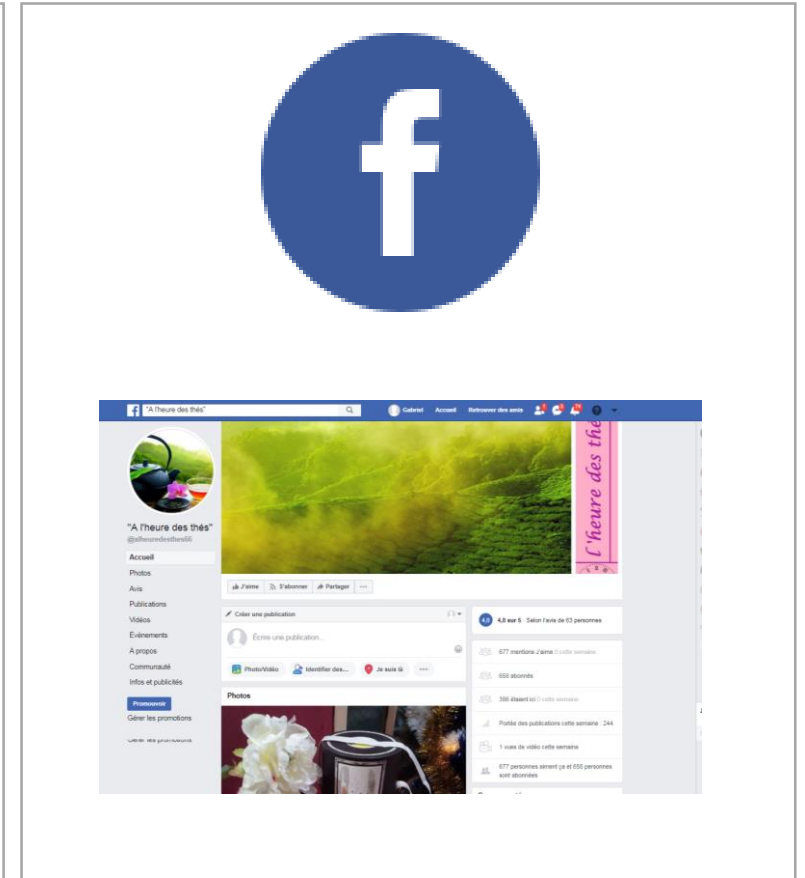
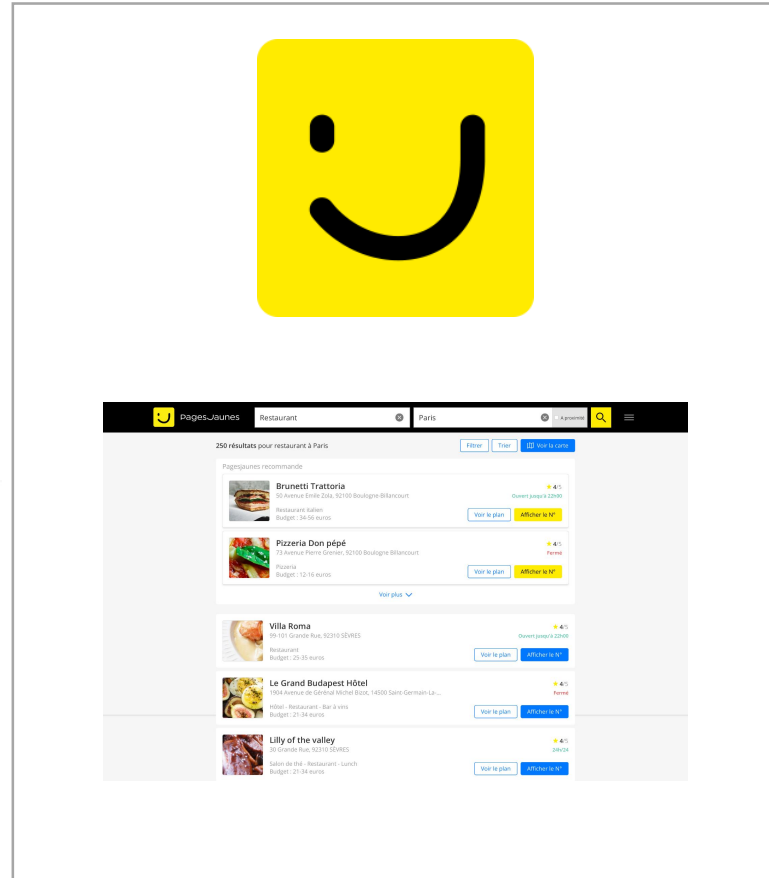
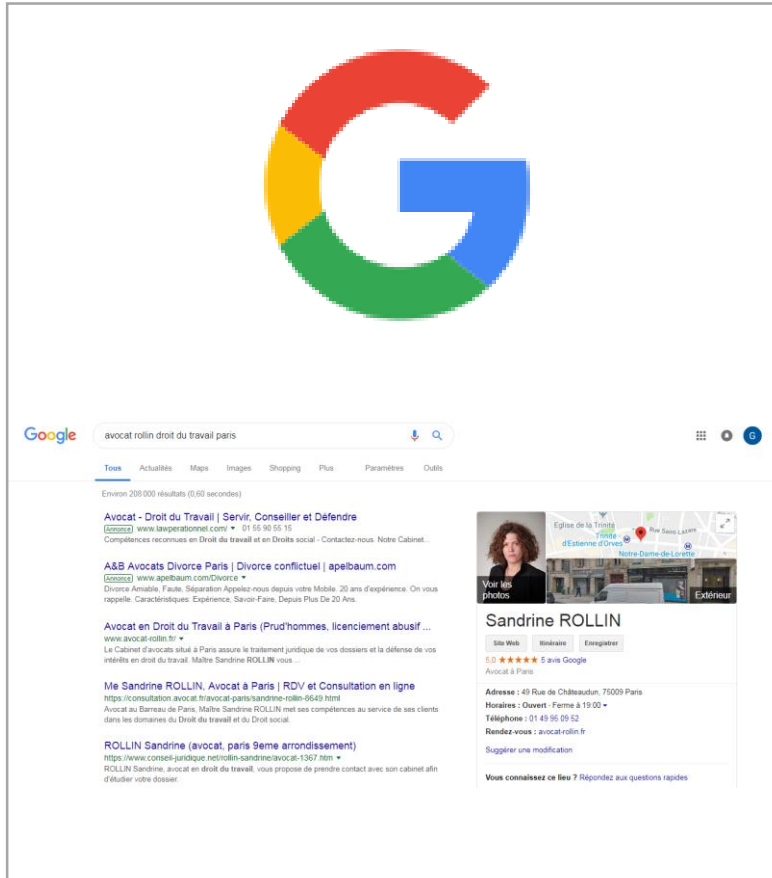
New Presence offering

	Free	“Essentiel”	“Premium”
	€0	€29 / month ¹	€49 / month ¹
Publishing content on	1 publisher 	8 publishers Of which  	20 publishers Of which 
 Mini-site			
Posting news			
Managing customer reviews			
Triggering reviews			



- Solocal creates pages on digital media (Google My Business, Facebook...)
- Customers update their content through Solocal unique mobile app
- Ongoing customer support through digital coaching

A unique app to update real time customer information on...



And also:



Automatic update of customer profile on



Searching professionals on Google

The screenshot shows a Google search for 'Auberge de l'Écu de France La Ferté Saint Aubin'. The search bar contains the text and a microphone icon. Below the search bar, there are tabs for 'Tous', 'Maps', 'Actualités', 'Shopping', 'Vidéos', 'Plus', 'Paramètres', and 'Outils'. The search results show approximately 46,200 results in 0.55 seconds. The first result is from 'www.pizzeriaecudefrance.fr', followed by a TripAdvisor listing, a pagejaunes.fr listing, and a petitfute.com listing. A small preview of the restaurant's profile is visible on the right side of the search results.

The screenshot shows the Google My Business profile for 'Auberge de l'Écu de France'. At the top, there are two photos: an interior view of the restaurant and an exterior view of the building. Below the photos, the name 'Auberge de l'Écu de France' is displayed with a 4.1 star rating and 22 Google reviews. There are buttons for 'Site Web' and 'Itinéraire'. The address is '6 Rue Général Leclerc, 45240 La Ferté-Saint-Aubin'. The hours are listed as 'Fermé' with a dropdown arrow. The telephone number is '02 38 64 69 22'. There is a 'Suggérer une modification' button. Below the profile information, there are three cards: a menu card with a chalkboard image, a nougat card with a nougat image, and a room card with a room image. Each card has a brief description and a '1 jour' or '6 heures' indicator.

Logo

Geolocalisation

Pictures

Website

Address

Opening hours

Phone

News

... And on PagesJaunes...



- Photos
- Map
- Logo
- Reviews

- Email
- Website
- Business activity
- Baseline

- Booking

- Booking
- Services
- Customers
- Products

- Payment means
- Opening hours
- Exceptional openings
- Certifications

- Reviews

GABRIELA
Restaurants, Restaurants brésiliens - Autre activité
★ 5/5 6 avis

Présentation Infos/horaires Avis

☎ 01 42 80 28 14
📍 3 r Milton, 75009 PARIS
✉ Contacter par mail
🌐 www.gabriela.fr
+ Voir plus de coordonnées

Décor hétéroclite coloré et foisonnant de photos pour une atmosphère décontractée et des plats brésiliens. Gabriela, c'est du 100% brésilien. Restaurant, épicerie, traiteur... découvrez les spécialités brésiliennes autour d'une table d'hôte. A noter, l'épicerie propose des produits typiques de là-bas à emporter comme la Doce de Leite bien connue des gourmands. Dépaysement et ambiance chaleureuse garantis.
Produits frais. Cuisine fait sur place. Cuisine maison. Pla emporter -10%

Budget
Prix moyen : 31-45 euros

Réserver une table

Réserver aujourd'hui pour 2 pers. [Modifier](#)

12H00 12H30 13H00

Suggestions du chef

Entrée	
Bolinhos de carne apimentado	10 €
Pao de queijo	9,5 €
salgadinhos	9,5 €
Plat	
Feijoada	17,5 €
Picanha con arroz,	25 €
Vatapa com camaroes fritos no dende	10,5 €
Dessert	
Bolinho de estudante	8 €
Bolo de rolo	8 €

Réserver une table

Informations pratiques

Horaires

Mercredi (Aujourd'hui) 11h00 - 14h30
19h30 - 23h00

À propos

Les moyens de paiement

Références et guides

Réserver une table

CarratAlain
Paris ★ 5/5

Publié le 07/07/2018 au sujet de Restaurants brésiliens
Expérience vécue le 07/07/2018

Comme là-bas !
Cuisine typique du Brésil avec la vraie saveur locale (nord-est, feijao, caipirinhas, mocceca, pao de queijo, coxinhas, salgados...) accueil chaleureux nourriture fraîche et de qualité Petit Brésil à Paris, pas la peine de faire 12h d'avion, é de verdade !

+ **Les points positifs**
cuisine avec saveurs véritables accueil sympathique

Cuisine
Accueil/service
Cadre/ambiance
Rapport qualité/prix

Propriétaire, répondez

Réserver une table

Scroll down

... And on Facebook



Cover picture

Pictures

Payment means

Opening hours

Activity description

Website

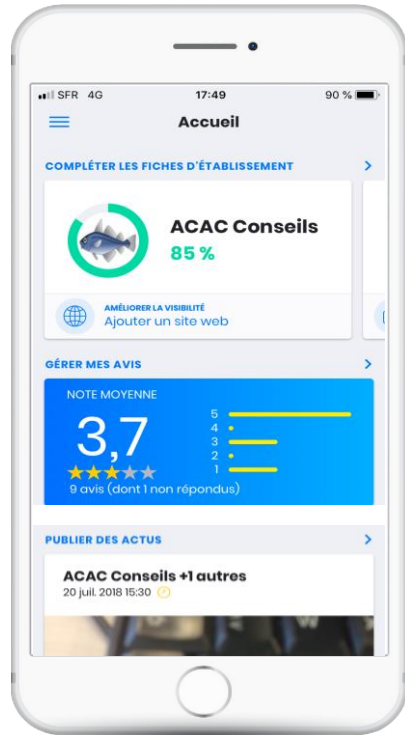
Phone

Geolocalisation



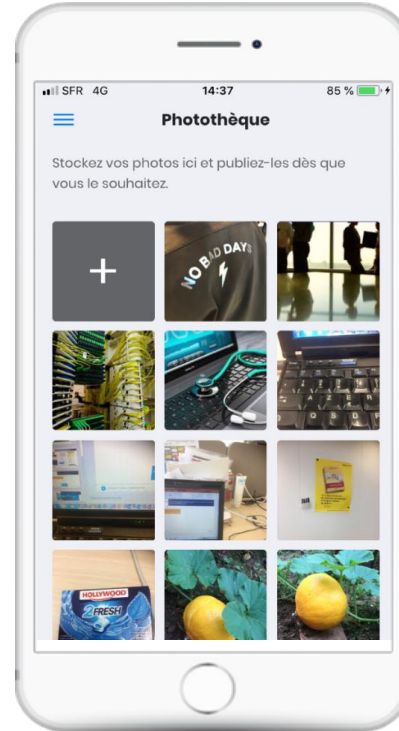
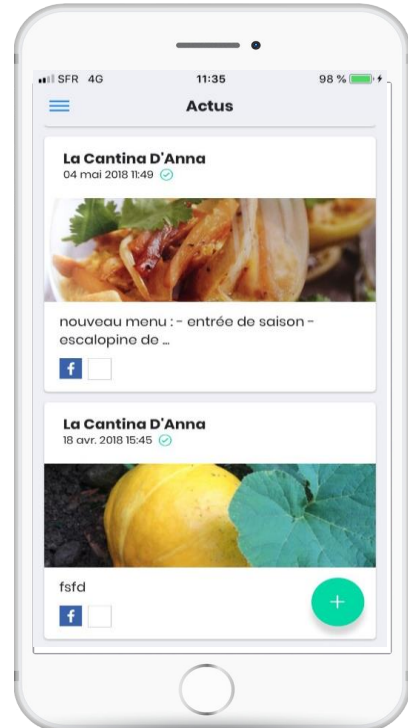
News (Events, discounts...)

New Presence offering – Unique customer mobile app



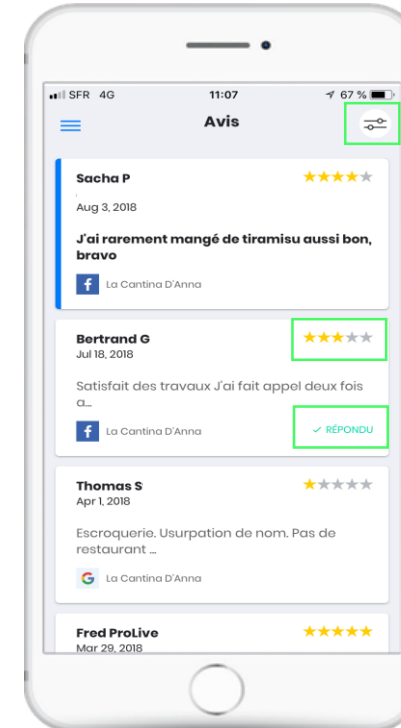
Edit profile

Update news



Add photos

Manage reviews



Monitor dashboard

2019 opportunities for Presence

- Promising results **in 2018:**
 - First limited version of Presence product (w/o PagesJaunes): **> 65,000** customers
 - First test of new Presence offering with New Customers started Q4 2018 (Telesales): **x2 Sales/Day ratio**
- Progressive migration of our Customer base: **> 200,000** Presence customers end of 2019
- Towards 100% customer penetration in 2020, **driving upsell** (Ranking, Websites,....)
- Average **ARPA** between **€500 & €600** (subscription with auto-renewal = recurring revenue)
- **C. 25%** of our total 2019 Digital Sales
- Gross margin **> 80%**



DIGITAL ADVERTISING

Solocal has strong and exclusive competitive edge on the digital advertising market

Massive & qualified 1st party data

Local search + XY
> 20m UV/month
> 40m downloaded App



Local ads operations & platform

Scalability to run local ads with low budget and low audience pool
In-house technologic Ads platforms



Strong GAFA partnerships

Technological, financial and marketing partnership to address long tails of local Ads



National & omnichannel sales footprint

Allowing both direct / indirect and central/local approaches



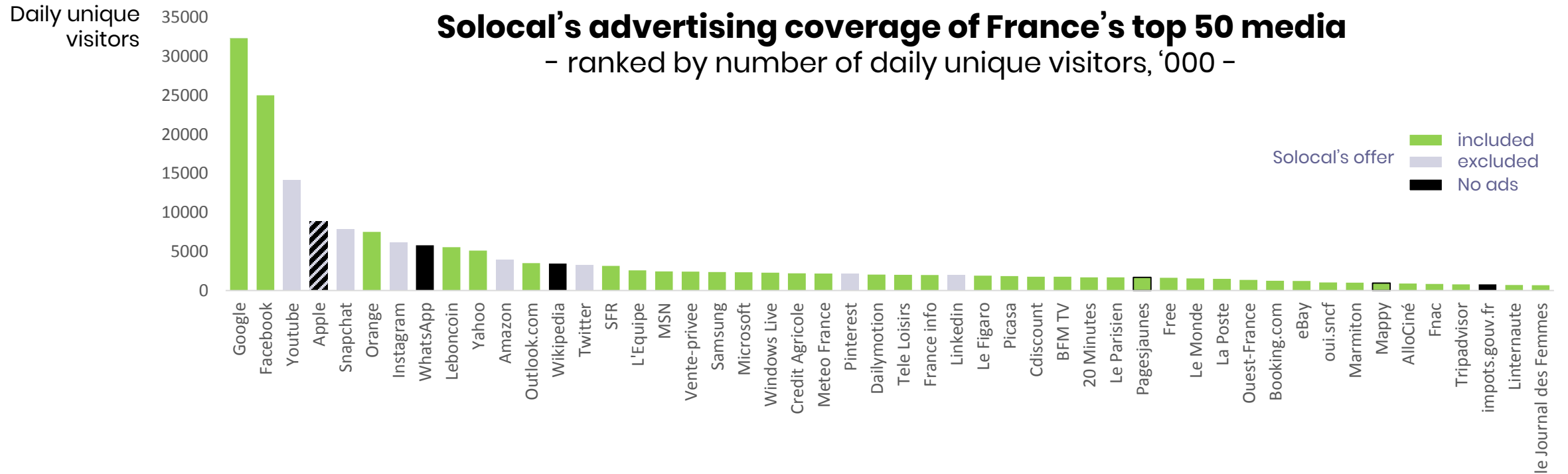
September 2018: launch of new, advertising range on Facebook



3,000
social
campaigns



Solocal's digital advertising reaches 70% of the TOP 50 media daily audience



ARPA
> €1,000

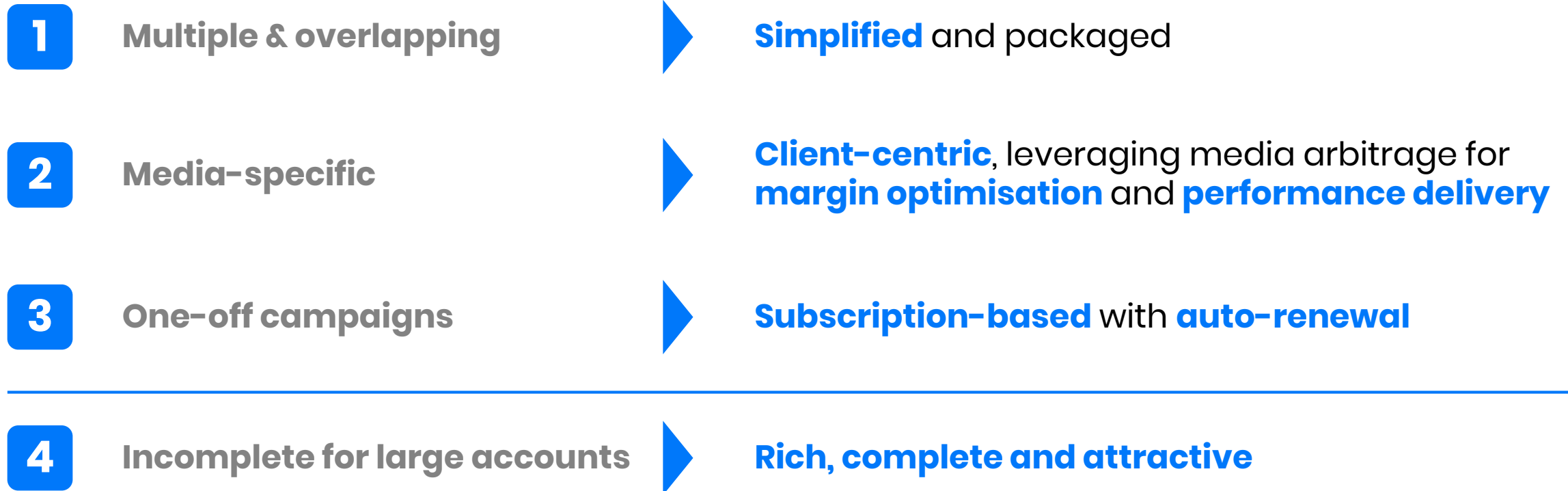
Margin
> 70%

Share of sales
> 50%

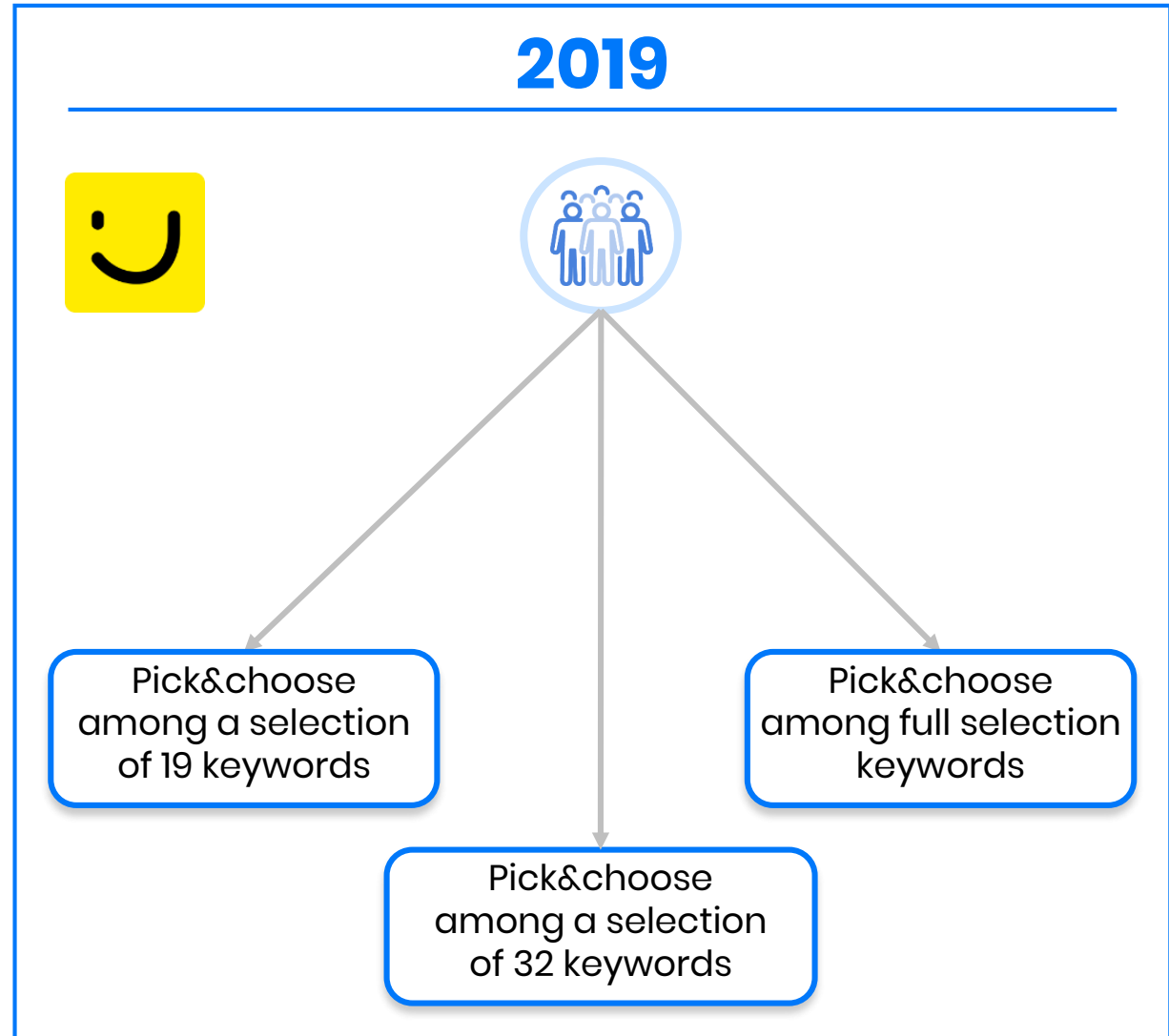
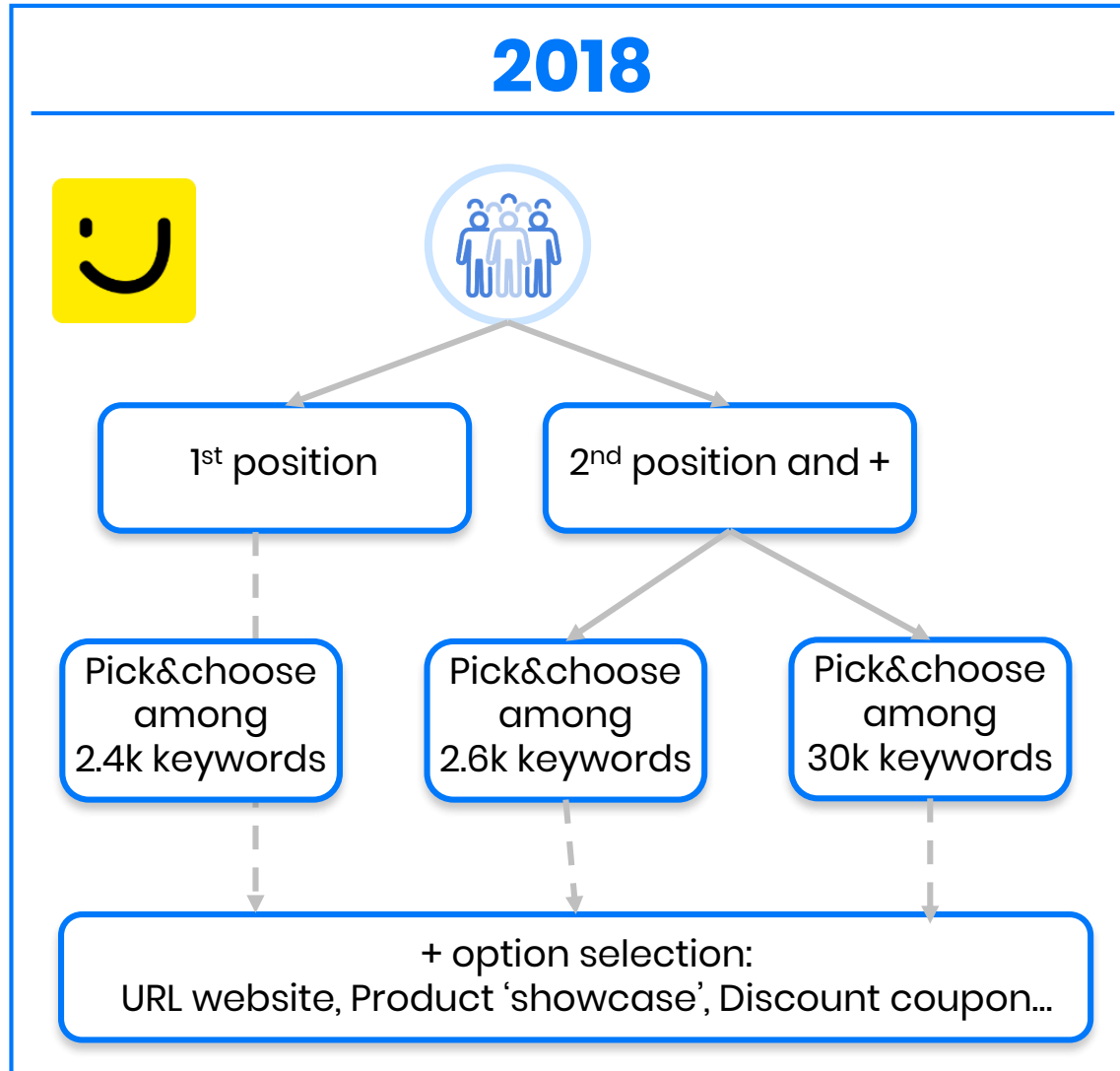
Path to 2019: from diversification to efficiency & performance

2018 offer

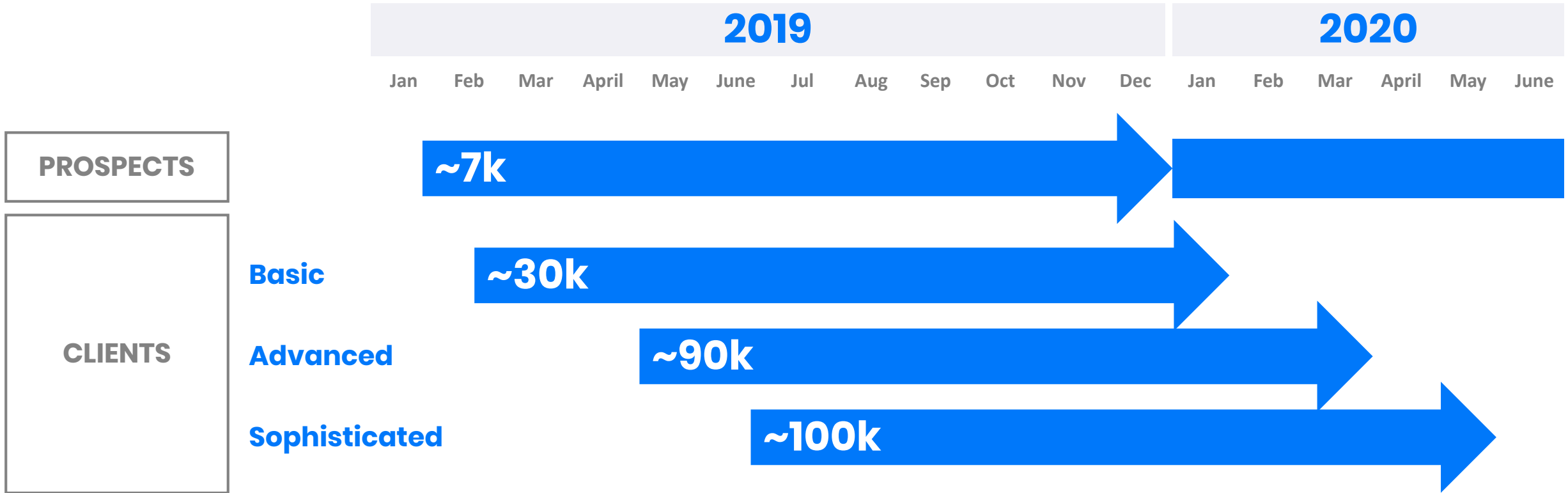
2019 offer



Example 1 : simplified client journey to buy ranking on PJ



Example 1 : 18 months to fully migrate €200m+ turnover



Migration benefits

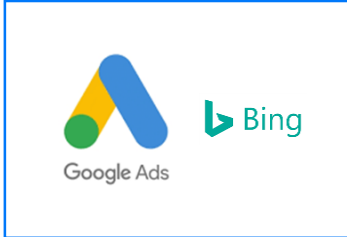
1. Simplify product, pricing & discount policy
2. Subscription-based with auto-renewal
3. Coherent performance-based pricing

Example 2 : From media-specific to client-centric offers

Example of Performance offers


2018

BOOSTER CONTACT




Google Ads Bing

TRAFFIC GARANTI



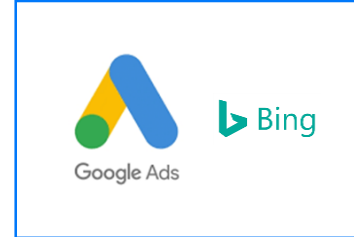
Google Ads

SOCIAL CLIC



f

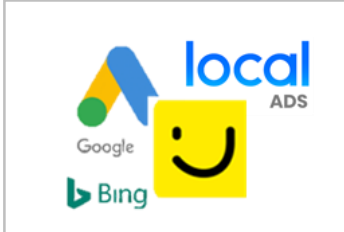
BOOSTER SITE



Google Ads Bing


2019

LEAD GENERATION



Google local ADS
Bing

WEB TRAFFIC GENERATION



Google Bing f

Example 3 : towards a simplified, subscription-based range

RANKING

PRIORITY IMPRESSION ON SOLOCAL'S SEARCH NETWORK



- ✓ Priority ranking on a selection of selected keywords
- ✓ Presence management full web



Priority ranking



Content on 20 publishers



E-reputation management



Mini Site

To come: 12-month contract, AR

PERFORMANCE

WEB TRAFFIC GENERATION



- ✓ Ad creation
- ✓ Customised reach



Qualified clicks

12-month contract, AR

LEAD GENERATION



- ✓ Ad and landing page creation
- ✓ Customised reach



Tracked calls



Completed forms



Itinerary on maps



Online appointment (next)

6-month contract, AR

BRANDING

TARGETED DISPLAY



FULL WEB

- ✓ Banner creation
- ✓ Customised reach
- ✓ Retargeting



Impressions

Campaigns

TARGETED VIDEO



- ✓ Video creation
- ✓ Customised reach



>10 sec

From €1,100 one-off

From €69 one-off

From €90 /month*

From €75 /month*

From €59 /month*

Example **4** : Local Impact, the bridge between ONLINE advertising and Local OFFLINE impact

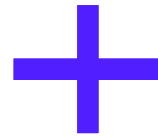


CUSTOMISED REACH

- 1st party local search data
- 1st and 2nd party geoloc. data collected with in-App SDK
- Segment builder expertise with internal data scientists



Desktop, mobile, in-app



« IN-STORE VISIT » TRACKING

- Digital advertising ROI measured with tracking of incremental in-store visits
- User behaviour analysis based on geoloc. data (work and living places, consumption pattern...)

Local data

GDPR compliance

In-house tech.

2 examples of Local Impact campaigns

National networks (Major fast-food player)

Regional networks (Frozen food store)



Targeting

- | | |
|---|--|
| <ul style="list-style-type: none"> • Living OR working in catchment area | <ul style="list-style-type: none"> • Living OR working in catchment area <ul style="list-style-type: none"> • AND • Searched for « supermarket » or visited a local competitor |
|---|--|



Activation

- | | |
|--|--|
| <ul style="list-style-type: none"> • > 1,000 catchment areas defined • Consumer sent to the closest store | <ul style="list-style-type: none"> • 20 catchment areas defined • Consumer sent to the closest store |
|--|--|



Performance

Targeted consumers	155k	Targeted consumers	28k
Store visits	22k	Store visits	>400
Incremental visits	3.6%	Incremental visits	10%

50 trained salesperson * 4 sales/year * €20k budget + €1m through media agencies



WEBSITES

New internet and e-commerce website range

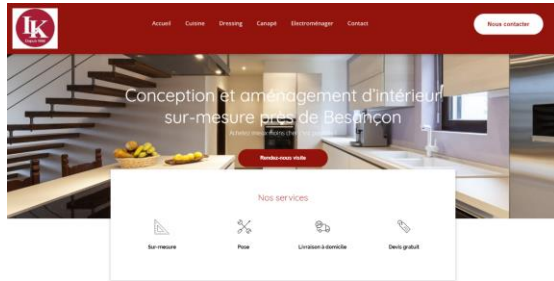
	“ESSENTIEL”	“PREMIUM”	“PRIVILEGE”
Websites	<ul style="list-style-type: none"> • Customisable templates • SEO optimised content • 300 SEA clicks • 2 follow up calls and updates / year • Hotline and client dashboard 24/7 	<ul style="list-style-type: none"> • Exclusive templates, optimised design by dedicated webmaster • SEO strategy including 10 keywords • 600 SEA clicks at launch • Specific SEO calls every 4 months • Hotline and client dashboard 24/7 	<ul style="list-style-type: none"> • Fully customised design with tailor made functionalities and pro photos • Dedicated webmaster and SEO expert • New design every 2 years • SEO strategy including 20 keywords • 1,200 SEA clicks / year for life • Optimisation calls every 3 months • Hotline and client dashboard 24/7
	<p>Set up fees €450 From €70/month* 12-month contract, automatic renewal</p>	<p>Set up fees €1,500 From €169/month* 24-month contract, automatic renewal</p>	<p>Set up fees €2,790 From €325/month* 24-month contract, automatic renewal</p>
E-commerce sites	<ul style="list-style-type: none"> • All of the above + • 500 product catalogue, including 20 products created for the customer 	<ul style="list-style-type: none"> • All of the above + • Product catalogue, including 40 products created for the customer 	<ul style="list-style-type: none"> • All of the above + • Product catalogue, including 75 products created for the customer
	<p>Set up fees €660 From €80/month* 12-month contract, automatic renewal</p>	<p>Set up fees €1,650 From €169/month* 24-month contract, automatic renewal</p>	<p>Set up fees €3,540 From €325/month* 24-month contract, automatic renewal</p>

Websites range: high differentiation from our competitors

Within a very **atomised market**, key factors of differentiation from SOLOCAL

- **One stop shopping**
- **Full range**, including e.commerce offer, targetting from the first time buyers to the second equipment customers.
- 2 entry level products (Mini-site & Do It With Me offer), driving for upsell
- **Competitive prices**
- **Customer journey** (regular review of SEO performance, of design,), more globally real **coaching** of our customers
- State of the art **Industrial Platform** and process
- Expertise in specific **web design** and **SEO, located in Angoulême (websites factory)**
- **Local Salesforce/proximity**

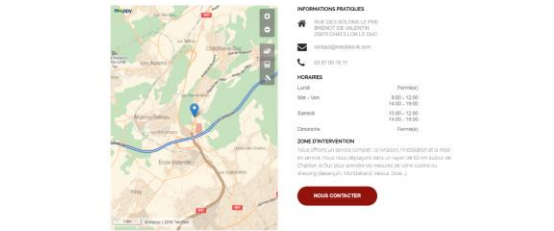
Websites: Essentiel & Essentiel eCommerce



"Nous mettons un point d'honneur à vous proposer les meilleures prestations, les meilleurs produits pour un rapport qualité-prix imbattable."



Vous avez un projet d'aménagement d'intérieur sur-mesure ? Demandez un devis gratuit !



<https://www.lk-cuisine-agencement.fr/>



Les Soins de Sophie à Cannes
Esthétique, massages et ongles à Antibes

Une esthéticienne à Cannes
Riche d'expériences (Thalys, Galia et Aurégl) à Cannes, je travaille avec une conscience de bien être dans des locaux de renommée mondiale et sur des yacht.

De Cannes à Monaco, je mets toutes mes compétences au service de votre beauté et vous garantis un moment de bien-être, de détente et d'évasion grâce aux différents huiles que je sélectionne parmi les meilleurs pour les soins du corps.

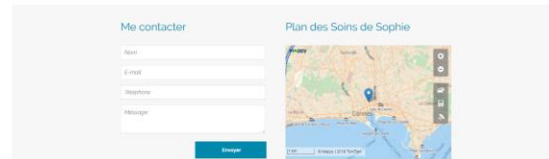
J'utilise les produits Thalys et Aurégl, grandes marques d'origine française d'une qualité similaire à tous les plus grands salons de la cosmétique, pour tous mes soins en cabinet.

Une véritable cure de remise en beauté et de bien-être pour vous. Moudans et Miossons.



Soins beauté à Antibes
Découvrez les soins esthétiques à travers les séances d'épilation, les soins du visage et le massage professionnel.

Les Soins de Sophie



<https://www.soins-de-sophie.fr/>

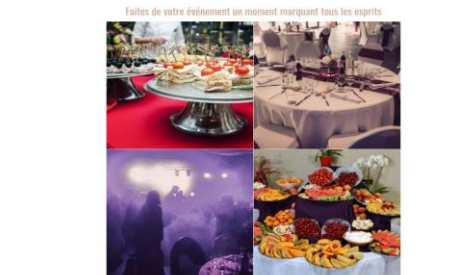


Salon de l'artdoise location de salles à Saint-Maximin

Services traiteur et location de salle clés en main

Restaurants privés et professionnels, Services traiteur adaptés à tout régime alimentaire, Soins offerts à la salle, Parking privé de 200 places.

Un service traiteur sur mesure
Quel que soit le régime alimentaire de vos invités, nous sommes à votre écoute et sommes en mesure de proposer un service adapté à vos besoins. Nous sommes également en mesure de vous proposer un service de traiteur sur mesure pour vos événements.



<https://www.salon-artdoise.fr/>



Ets Aert-Fil à Martigné-Perchaud

Fabrication artisanale de panier près de Châteaubriant

Le panier en osier tressé est un véritable art et savoir-faire. C'est un métier qui se transmet de génération en génération. Nous sommes fiers de vous proposer des paniers artisanaux de qualité.

Actualités
Pour connaître les dernières actualités de notre atelier.



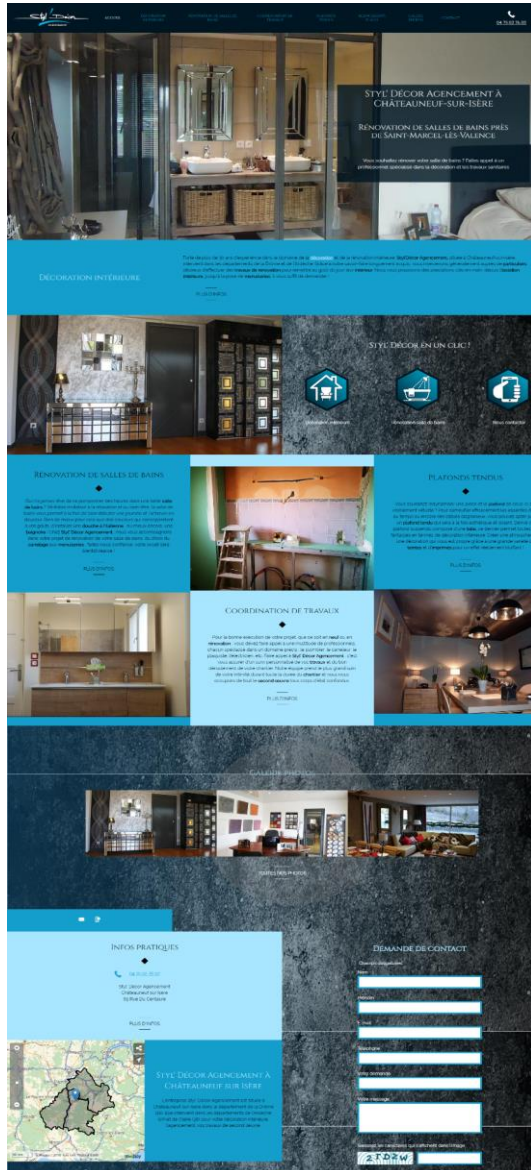
Fabrication artisanale, Restauration en osier, Éducation à la beauté.

Apprenez-en plus sur notre atelier



<https://www.fabricant-panier-grillage.fr/>

Websites: Sites Premium & Premium eCommerce



www.styl-decor-agencement.fr



TISSUS AU MÈTRE

Retrouvez dans le 1er arrondissement de Lyon, un magasin entièrement dédié à la vente de tissus d'ameublement et de confection. La boutique **Lingetoile** vous a proposé de découvrir des tissus d'ameublement de qualité et traditionnels d'arrondissement. Les tissus sont disponibles tous les jours de 10h à 19h.

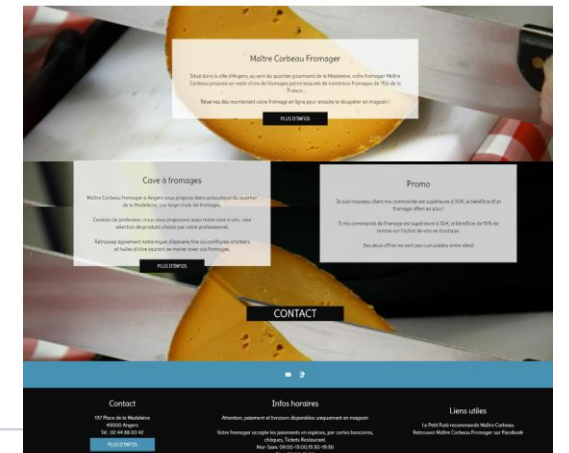
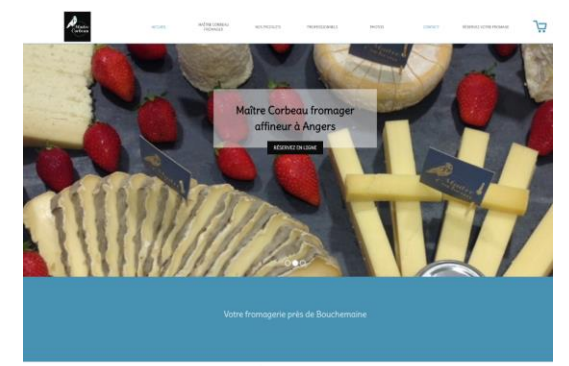
PAUSE 1000



www.lingetoile-decoration-lyon.fr

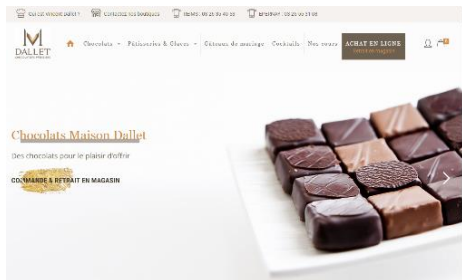


www.lemoghol.fr



www.maitre-carbeau-fromager-angers.fr

Websites: Sites Privilège & Privilège eCommerce



<https://www.chocolat-vincentdallet.fr/>



<https://www.garagedesdeuxroutes.com/>



<https://www.fastngoodburger.fr/>



<https://www.valla-peyrat-audition.fr/>

2019 opportunities for Websites

- **+20% growth** (2/3 of SMBs do not have any website)
- **New range since Q4 2018**, with E-commerce solutions
- **Do It With Me offer in Q2 2019**, for E-commerce channel
- **Retention plan**
- **New product journey** (SEO regular review, design optimisation, change of keywords,.....)
- **Approx. 25% of our total 2019 Digital Sales**
- **Average gross margin: c. 70%**



Technology for business



Arnaud Defrenne

Chief Technology Officer

Tech at the core of Solocal business

Develop solocal platform

- Integrate our technologies into one platform using API technologies
- Developer portal
- New PagesJaunes search engine

Modernise our Information system

- Cloud Migration
- Centralised data lake from 5
- Simplify IS (ERP, CRM) and apps portfolio
- Develop best practices and best of breed tools

Enhance our collaboration and productivity

- New dev and IT organisation
- Agile mode
- Better outsourcing and partnerships

Innovate/ Growth hacking

- Move our investments toward growth generators
- Big Data and AI
- Omnichannel sales

Building a platform and leveraging an ecosystem

Large platforms



Itunes (2003)



Apple store (2008)

15%
revenues

« A platform is a service playing an intermediation role, providing access to information, content, service or goods mostly provided by third parties. Those services organise content to provide an easy access ton final customers ».

Conseil du Numérique



AWS Cloud (2006)

amazon marketplace (2001)

15%
revenues

« API means: Application Programming Interface It's the way for a program to connect to an other programs in order to exchange information. »



100%
revenues

- ▶ In the future a part of our revenues will come from our platforms
- ▶ API enables billing services to third parties

Solocal Marketing Technologies and platforms

Clients > SME > USERS



mappy clicrdv



Clients > media partners

PRESENCE



Adwords
bidding

DTS

Programatic
Local ads
web2store

BRIDGE

Store
management

ADVERTISING AND PRESENCE MANAGEMENT PLATFORMS



5m
businesses

2.4bn
visits/yr

35,000
bookings/
day

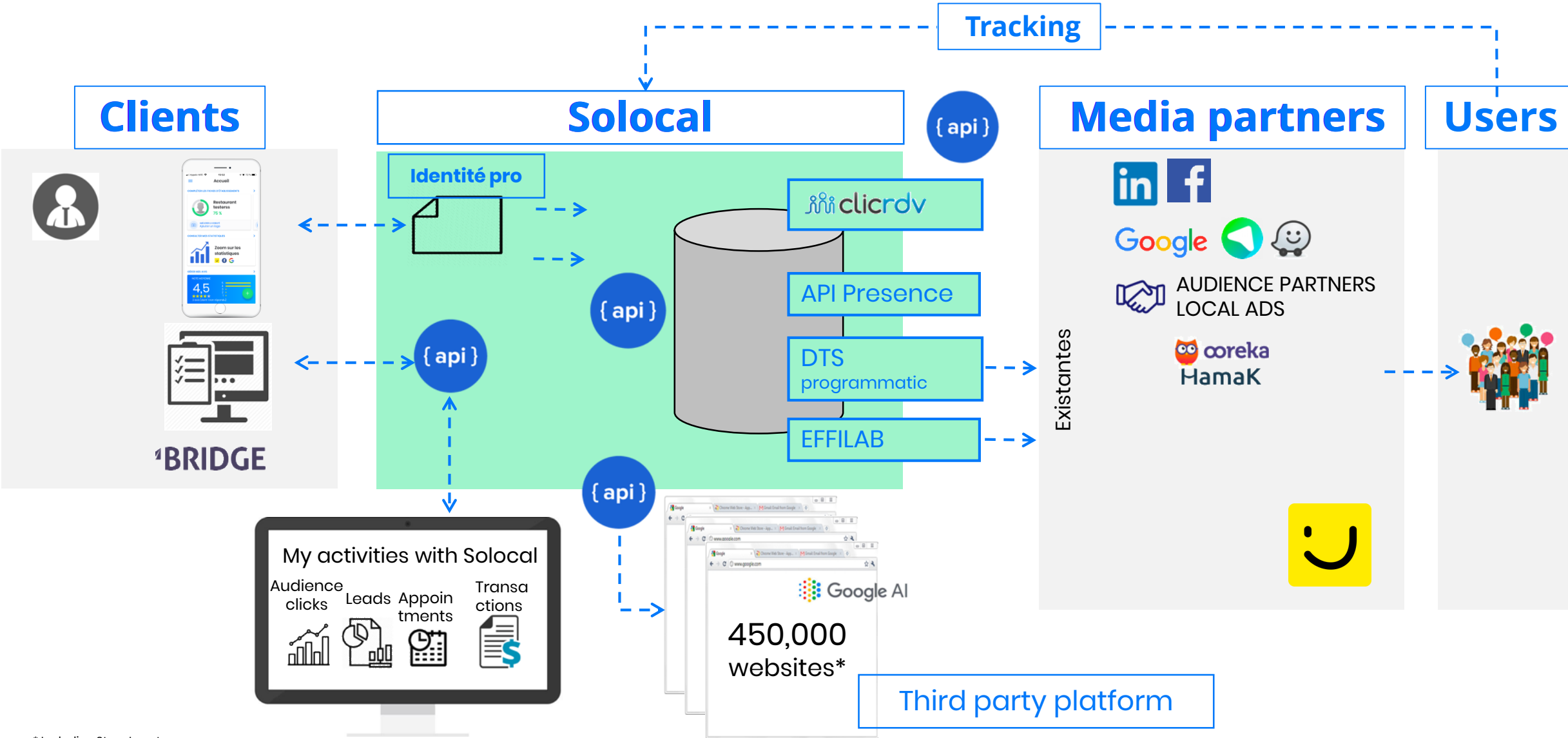
66,000 Pro
target 200k+

1 million /click +
100 000 leads /month

50,000+
campaigns
/year

350,000
points of sales

Solocal platform, transforming into one ecosystem using APIs



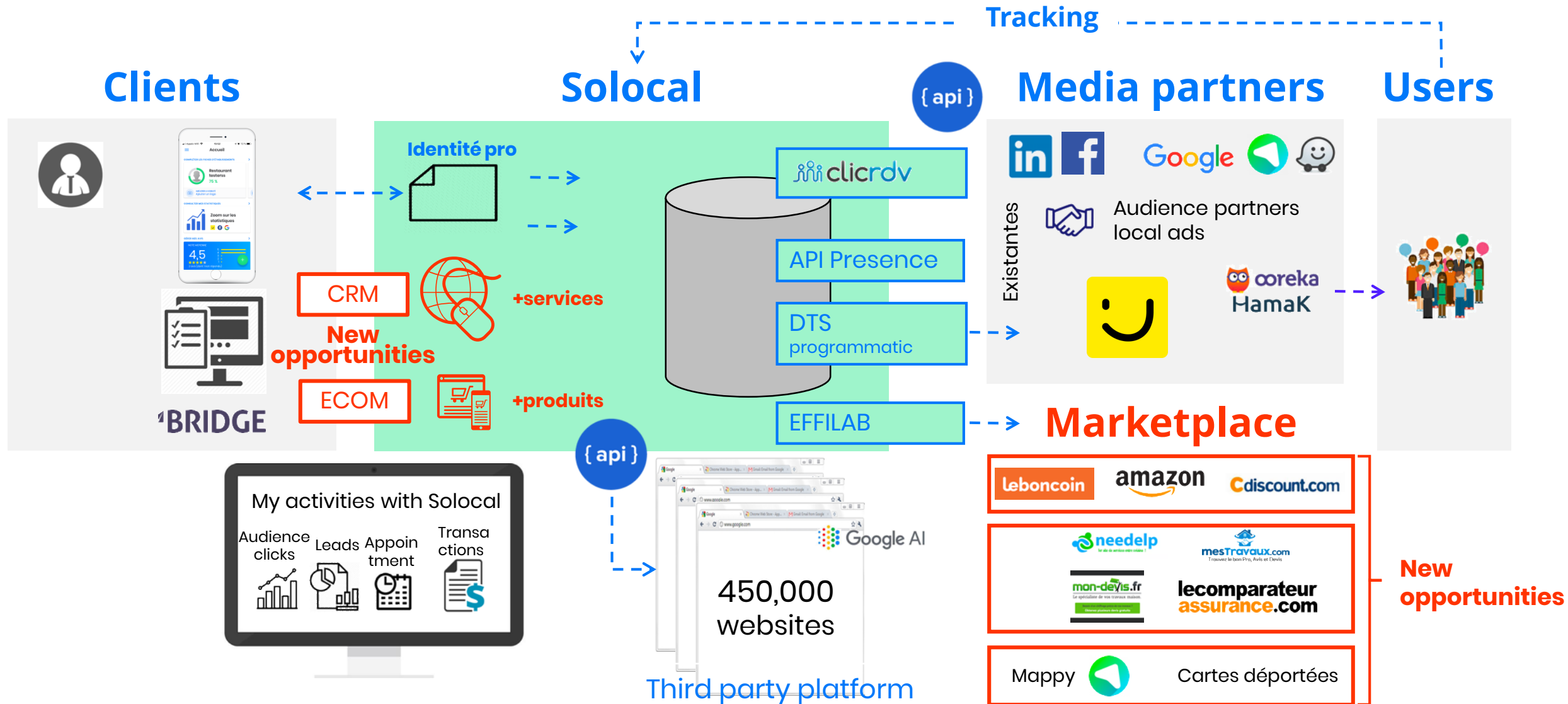
* Including Store Locators

Impact Q1 and Q2



- **APIs for sales tools – Omnichannel commerce**
 - Launch of our new sales tools for new Product offering
 - Oct/Jan/Apr
 - Launch of new E-Commerce channel
 - Jan
- **Media DATA LAKE and DATA API**
 - Launch of our new Solocal app for customers
 - Desktop
 - Mobile APP
- **APIs for media partners**
 - New partnerships, growth of partner audience
- **APIs for advertising platform integration**
 - Convergence & media efficiency

Solocal platform driving revenue and audience upside (2019 -> 2020)

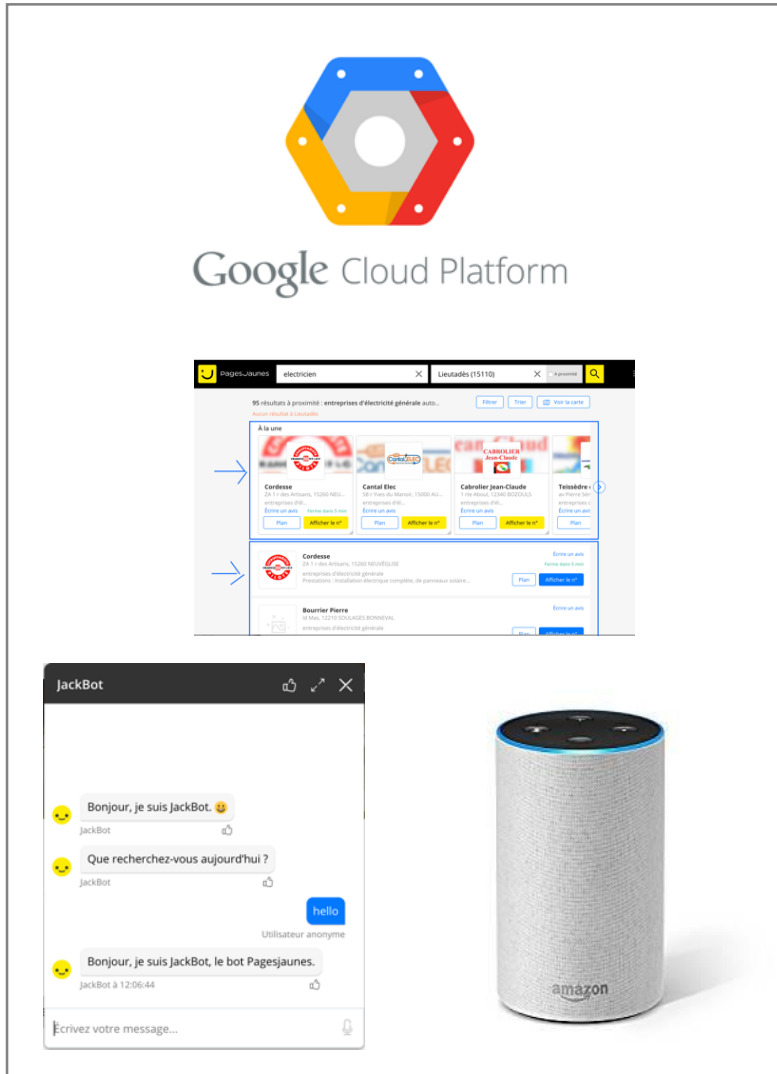


Solocal opportunity

Solocal platform
efficiently manages
customer information
towards internet
media partners

By progressively adding
products and services
Solocal opportunity
is to become **the first**
intermediation platform
between businesses
and final users

#Key technology projects – PagesJaunes 2019



- **Move2Cloud**

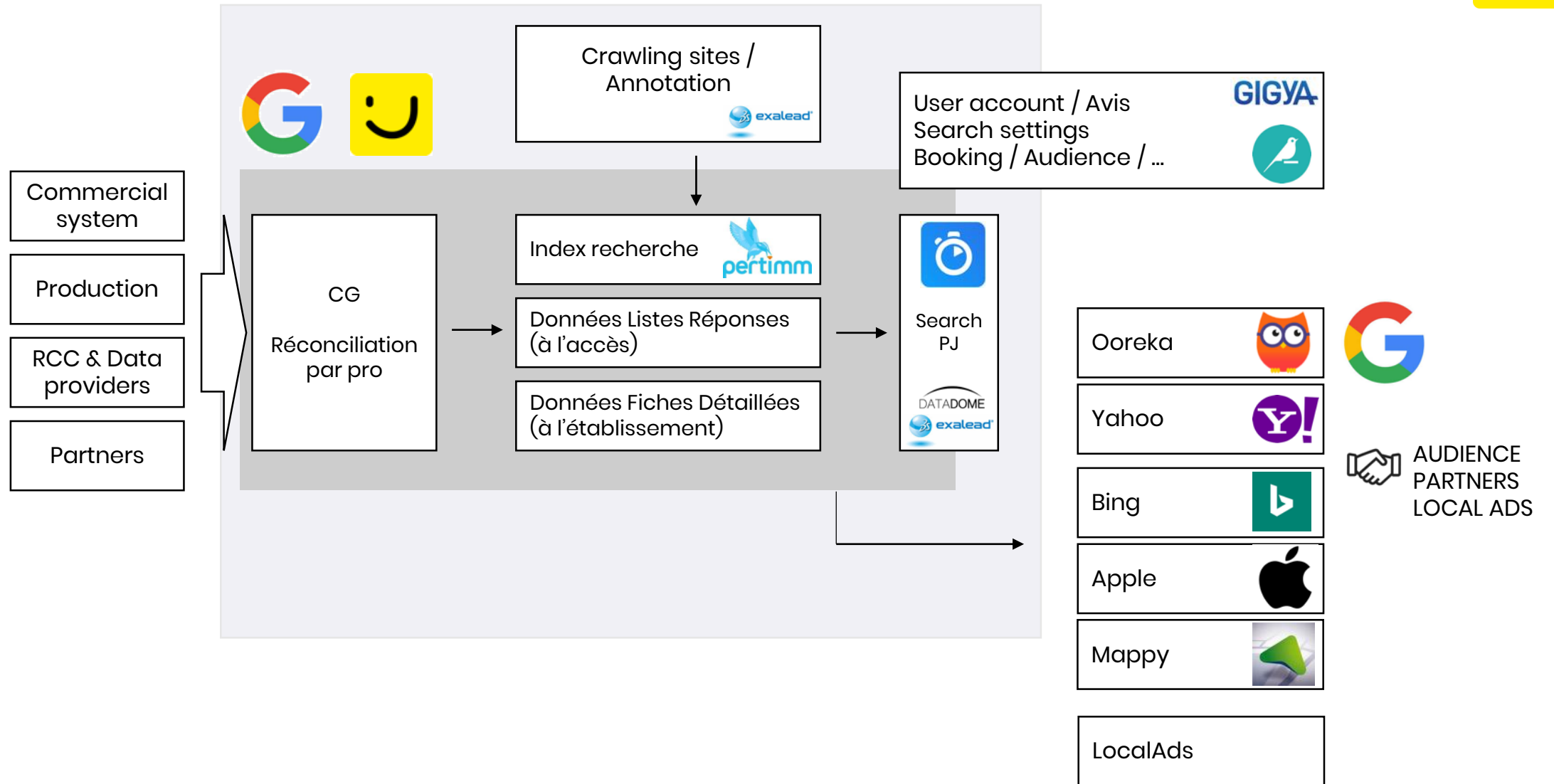
- **A new search engine**

- With a better split between organic and business links
- User First
- Better optimisation of advertising places
- Evolving to conversations

- **... adapted to conversations – Vocal assistants, BOTS**

- Alexa skills last year, Google assistant coming soon

Ecosystem pagesjaunes.fr



Solocal information system changes



Move2Cloud

Best practice and ERP

Big data and machine learning

New sales tools – 1 unified sales tool for new product range

solocal

NewSI RG 5 A...

52728544 - HÔTEL CLARA

1) LOCALITÉ → 2) ACTIVITÉ → 3) PRÉSENCE → 4) RÉFÉRENCIEMENT → 5) PANIER

Sélectionner les localités additionnelles sur lesquelles l'annonceur souhaite être présent

Date de démarrage le 20/02/2018

En gris les localités où l'annonceur est automatiquement présent sur le métier : Vacances, Séjour

Vacances, Séjour

- Activités (4)
 - Agence de voyage
 - Auberge
 - Hôtels
 - Tourisme*
- Extension de présence (13)
 - Charente (13/323)
- Référencement (0)

Restaurants, cafés, bars, traiteurs

- Activités (2)
- Extension de présence (0)
- Référencement (0)

Présence Essentiel ● Présence Premium

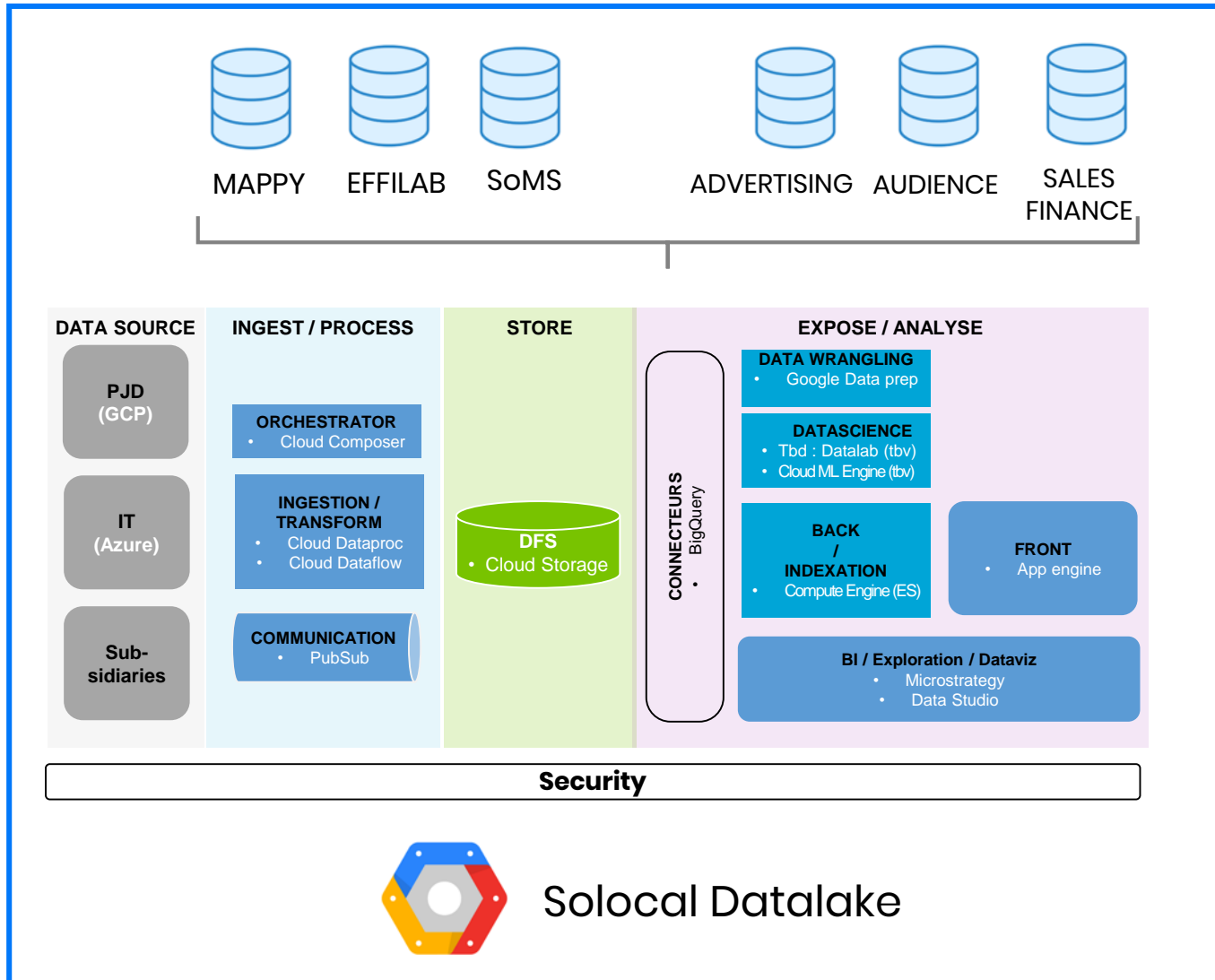
Prix total HT (Engagement 12 mois. Paiement comptant) 1468 €

Retourner à la liste des établissements

Retourner à l'étape 2

Valider et passer à l'étape 4

Solocal Big Data



Aims

- Optimised data management
- Decrease running costs
- Auto-scaling and unlimited capacity
- Performance
- Enabling User autonomy by providing easy access to all data
- Enabler of a new organisation
- Technology
- Productivity gains

Path

- STEP 1 => SHIFT
- STEP 2 => LIFT

Key success factors

Key alliances



AGILITY
Focus – collaboration



Outsourcing



Key take aways

- **Solocal creates a new unique intermediation platform**
 - Using APIs, micro-services and AI to create a single platform and become the first intermediation technology to help businesses to publish their product and services on internet media
- **Solocal invests more efficiently to move to a new agile enterprise model**
 - Agile, automated, leveraging key partners, best of breed technologies, using cloud and AI
- **Thanks to our R&D innovation our innovation cycle accelerates**
 - 2018 – Q4: launched new commercial offers: new sales tools for Presence, new client portal
 - 2019 – Q1 and Q2: new sales tools for ranking, new E-commerce channel and marketing automation



Sales & marketing



Christophe Parcot, Chief Revenue Officer

2018 – Reduced sales capacity since July applied to legacy siloed sales organisation did not deliver expected performance

Inefficient fragmented sales organisation with 5 BUs in silos, with no flexibility and large territories to cover for field sales

Portfolios distributed early 2018 could not be changed within the year

437 departures (incl. 240 sales reps + 95 managers)
Departure 3 month earlier than original plan

Remaining field sales reps had to manage increased portfolios (+30%) lacking time to acquire new customers and upsell

Leaving sales people anticipated renewals in Q2 at the expense of developing accounts and H2 sales

We decided to take some sales hits in H218 by **limiting double sales** and **cleaning up customer base**

Drastic organisational and operational changes to reverse trend starting Jan 2019

— ○ **2018**

- Fragmented organisation with BUs and silos
- Lack of lead generation & lead management
- Field sales centric
- Single channel processes
- Annual engagement
- Multiple & inefficient customer touchpoints
- Inefficient pay plan
- Low sales efficiency & lack of perf. management

● **2019**

- **New seg. & centralised org., incl. customer care**
- **Aggressive marketing automation & investment**
- **Field / telesales / e-commerce balanced model**
- **Omnichannel processes**
- **Subscription offers & lifetime value approach**
- **New customer journey including a growing digital coaching element**
- **Pay plan strictly aligned with performance**
- **Systematic performance management**

2019 – New segmentation and centralised go-to-market to help deliver higher value and reduce costs

	ARPA	OLD	NEW
Majority of clients	< €500	Telesales	E-commerce & Telesales
	€500 - €3,000	Telesales & Field sales	Telesales < €1,500 Field Sales SMBs > €1,500
	€3,000 - €5,000	Field sales SMBs	Field sales SMBs
	€5,000 - €25,000	Field sales SMBs & Large accounts	Field sales SMBs (KA)
	> €25,000	Field sales & Large accounts	Field sales Large accounts

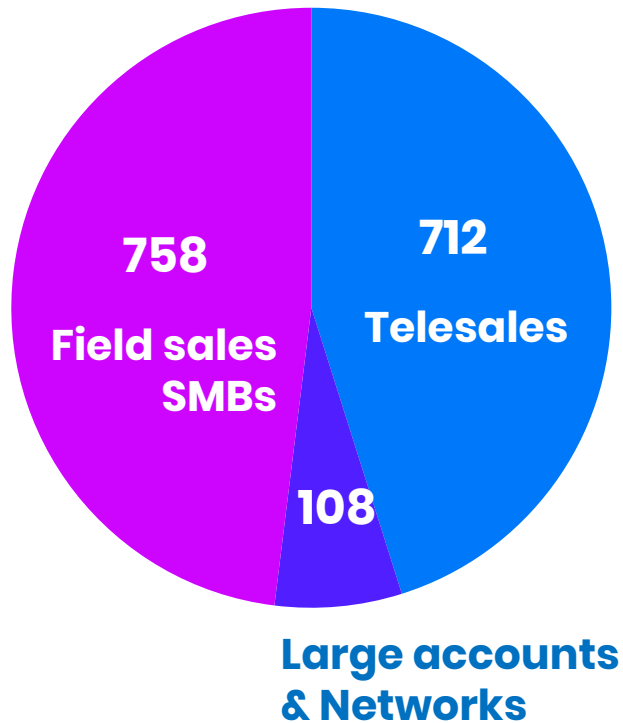


- **Low touch on low targets**
- **Lower commercial costs**
- **Telesales vs Field Sales costs**
Acquisition – 3 times lower
Renewal – 4 times lower
- **Field sales focused on high potential & complex targets**
- **Telesales focused on lower potential**

2019 sales organisation set for growth

Sales people by channel

(01/01/19)



- **Hiring 90 reps** to secure capacity in Q1 19 onwards
- Centralised large accounts & networks organisation – **47 transfers** from SMB field sales
- **15 dedicated inbound telesales reps**
- **6 telesales regional platforms (vs. 8)**
- Increased management span of control – **from 1:5 to 1:9 sales reps**
- Rationalised central functions – marketing, customer care, customer success

Field sales – concentrated territories and portfolios for higher productivity

Portfolios & territories

- Concentrated territories – **-15% to -20%** vs. 2018
 - Less customers in portfolios – **-10% to -20%** vs. 2018
 - Including 20% of high growth potential customers
-

Tools & process

- Performance based compensation plan
 - Professionalised training – 1 day/month/sales rep
 - Support centralised account management team – **+16 people**
 - Simplified CRM tool – **-50% fields**
 - Join.Me Video for remote selling
 - New IT equipment fully deployed by end Q1
-

Productivity

- Sales activity – **+8% meetings with customers**
- Focus on **upsell & acquisition** – **+50%** vs. 2018

Large retail networks accounts: a market opportunity worth €1.5bn

Points of Sale

Sales %

Major customers

10 to
50 PoS

25%



50 to
200 PoS

25%



200+ PoS

50%

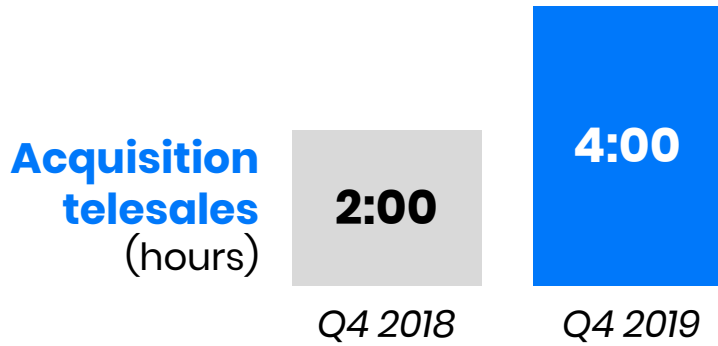


- **Streamlined and centralised new organisation** servicing all networks for better coordination, market coverage and upsell
 - Higher penetration of local networks
 - x2 number of meetings with prospects and closing of new customers
 - Higher upsell and +2 pts in conversion
 - Single digit growth in sales
- **Develop business via agencies** expanding dedicated team and leveraging relevant offers
- Unique offering: Bridge/Store Locator, Local Impact, Social Réseaux, Booster Réseaux

Telesales – Increased calling time with +10% improvement in Q4 18



- Calling time part of individual objective
- +65% time to explain offers
- 10% conversion on upsell campaigns
- +5%/10% customer value enhancement



- Predictive dialer for auto push calls
- x2 pitch acquisition calls

Optimisation

- **Enhanced monitoring**
- **Join.Me** video tool
- **Simplified CRM tool** (-50% fields)
- Reduction to **6 telesales call centers** (vs. 8)
- Processing time **reduced by 50%**

Telesales – Q4 promising pilots to roll out in 2019

	Upsell Campaigns	Winback campaigns	Lead generation
TARGET	Customers with decreasing ARPA	Churners	Hot leads
CALLS	1,000	4,000	2,000 <i>(from e-mail product push)</i>
CONVERSION RATE	11%	10%	4% <i>(from 1% without e-mail)</i>



Martin Sauer, Head of E-commerce

E-commerce – Massive visibility to drive online sales

Targeted Digital advertising



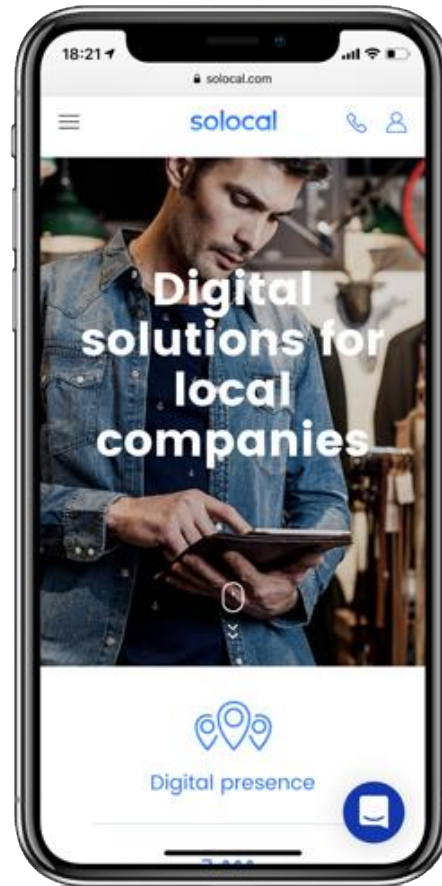
Upper funnel mass media




CRM campaigns



3.4m visits on-site




Landing page Focus on Presence



Try & buy




Friction-less user experience




Online advice

20-40k direct new customers



20-30k Online sign-ups



200k inbound calls

+



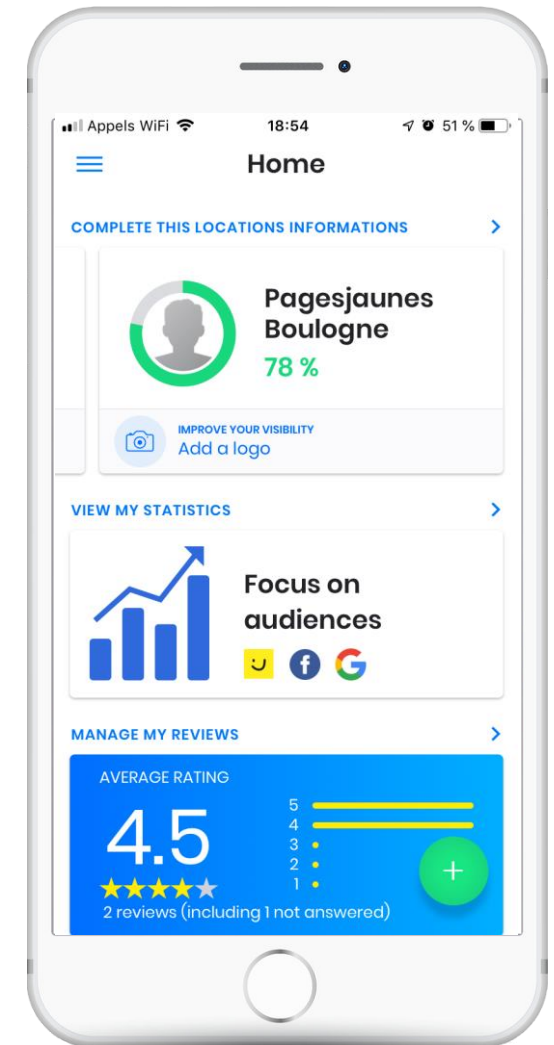
Leads to Field & inside sales



Stéphane Dany, Head of Customer Care

Drastic improvements in customer care to support growth & customer satisfaction

- **200+** customer care representatives
- From **50:50 to 80:20** front/back office time split
- Team equipped/trained to deliver **80%+ on resolutions** and 20% on specific expertise
- Optimised process & tools: demand categorisation, operating procedures and work instructions
- Enhancing customer relationship and customer experience to support Solocal digital coaching strategy
- Gradually migrating clients to drive to selfcare (on desktop and app)

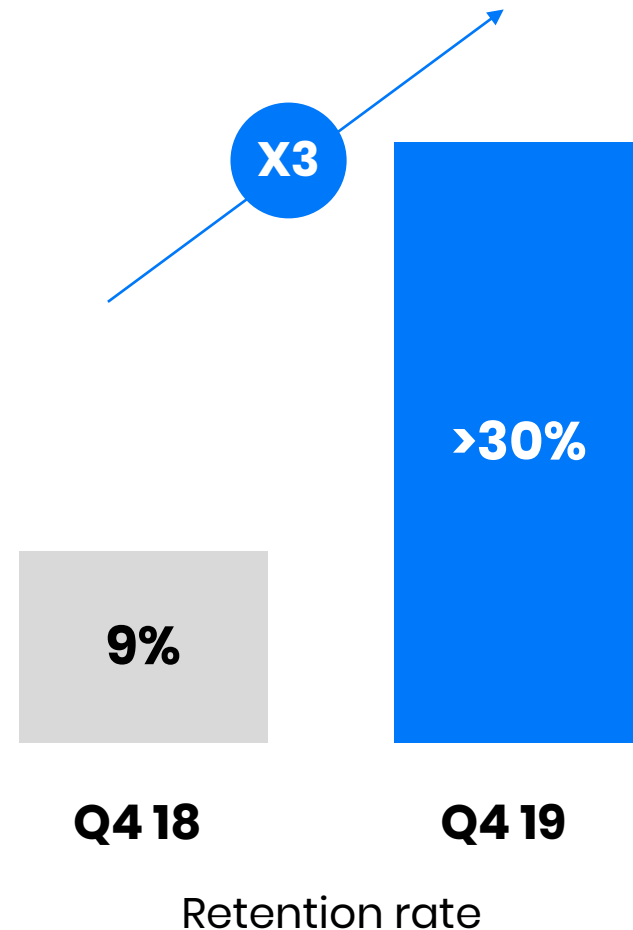


Customer care – Reactive retention plan to reduce churn

First pilot started in November 18

- Objective: test retention processes & pitches
- Team of 3 people
- **200 termination requests**

Week	#1	#2	#3
Retent. rate	9%	17%	33%



- Dedicated team of 10 people in Q1 2019
- Specific retention processes
- Specific retention commercial pitches
- Adapted retention offers



Pascale Furbeyre, Chief Marketing Officer

Advertising will impact all sales channels and primarily e-commerce and telesales

Jan-19

Feb-19

Mar-19

Apr-19

May-19

Jun-19



TV



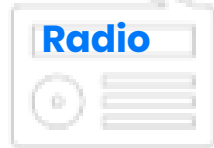
TV



TV



Radio



Radio



Brand
activation



Social



Video



Search



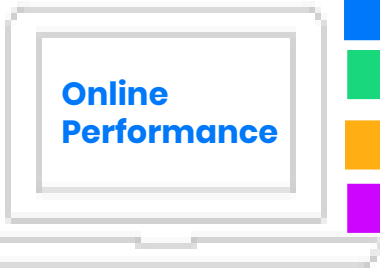
Display / Social



Programmatic



Video



Online
Performance

Marketing investment

2019: €10m
2018: €2.7m

€7m advertising
None in 2018

>50% traffic acquisition
Starting early Jan.

Sales & marketing automation to boost leads acquisition and conversion for all channels

Get volume – Grow contacts

- Q1 19 – **50% increase in available emails** in CRM
- Q1 19 – **Tests on 5M businesses** declared not relevant so far
- Q1 19 – **Opt-in process** implemented in CRM
- Q1 19 – **“Freemium program”** for 4M existing and new businesses on PJ

Improve conversion – Sales automation

- Q4 18 – **+40% conversion on hot leads** adding email prior to call
- Q1 19 – Capture leads from all sources, convert the warmest, **nurture the mild to cold to deliver only hot leads to sales teams**
- Q2 19 – Equip **sales reps with automatic emails** they can start/stop

Grow opportunities – Marketing automation

- Q1 19 – **Discovery program** on “why digital matters for all businesses” + product push on clickers expressing interest
- Q2 19 – **Targeted program for verticals** starting with 300k health professionals & 370k shops (primary e-commerce targets)

Marketing automation ramping up to on-board, upsell/cross-sell and retain

On-board customers

- Q1 19 – **Expanding on-boarding program** from welcoming customers, using online customer care to providing info on products, delivery, etc.
 - Q1 19 – Supporting **e-commerce program to prevent churn from trials**
-

Upsell / Cross-sell

- Q1 19 – Program targeting customers close to renewal to help retention coupled with relevant product for upsell
 - Q1 19 – Seasonal program **leveraging calendar events** for relevant businesses pushing cross-sell
 - Q1 19 – Cross-sell program to **single product customers churning more**
 - Q1 19 – Targeted program **pushing Presence and App to relevant verticals**
-

Keep & Data strategy

- Q1 19 – Design and implement **scoring in CRM to prevent churn**
- Q2 19 – Analyse patterns and deploy **scoring to capture customer interest and propose relevant offer**



Wrap-up



**Eric Boustouller,
CEO**

**Jean-Jacques
Bancel,
CFO**

A cash focused company

With a lean cost structure

- A very significant effort is underway on the cost structure
 - Both variable and fixed costs are being cut down
 - Starting 2019 with a recurring cost structure structurally slimmed down of **more than €100m vs. 2017**
-

Actively managing receivables

- Improving Days Sales Out (DSO) through shortening of direct debits
 - Accelerating due debts recovery
 - Being systematic about compliance of payment rules implemented by salesmen
 - **Combined efforts have generated €17m of cash in 2018 and will deliver additional €20m in 2019**
-

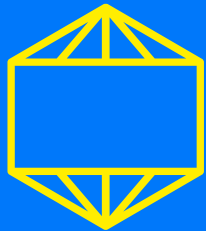
2019 cash generation

- **2019 is self-financed** through cash on BS and Operating Cash Flow generation
- Operating Cash Flow Conversion in excess of 50% & ISCR above 5.0x
- €10m working capital facility to be available shortly
- Cash friendly new products range payment terms, and salesforce incentivized
- Some non core assets under strategic review

2018: a year of deep transformation

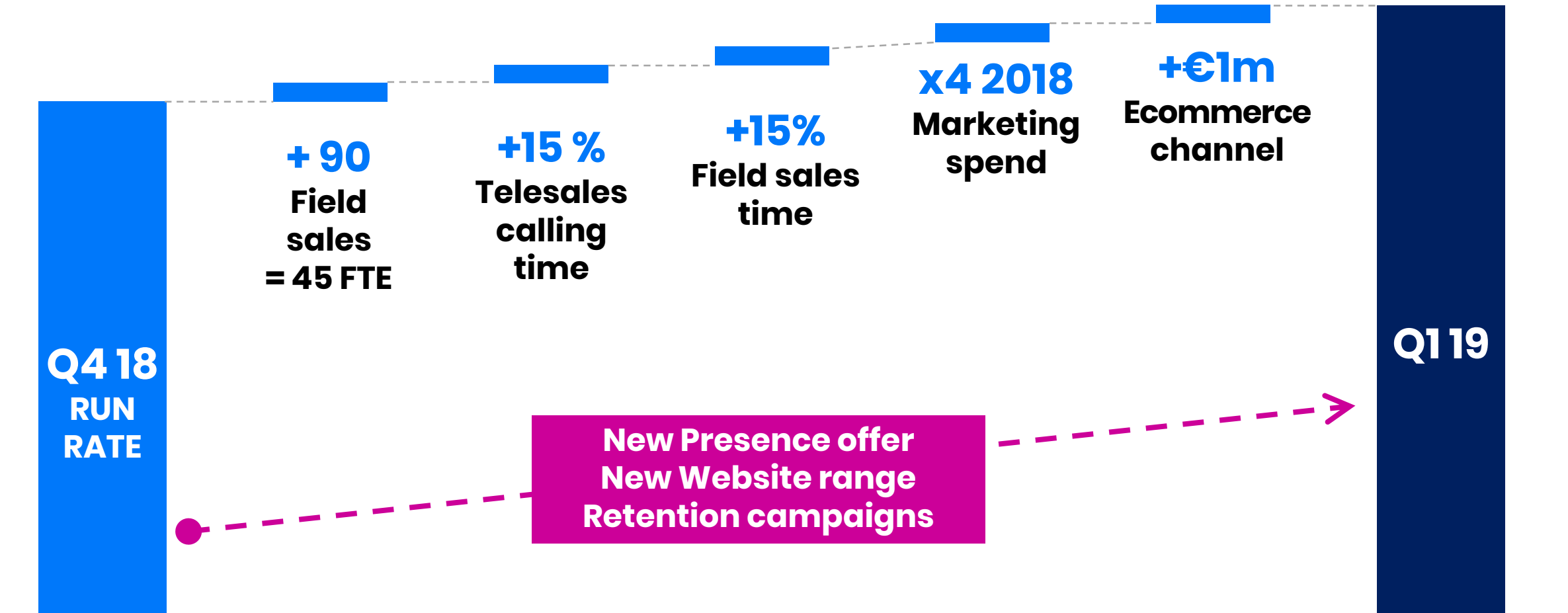
2019: a year of rebound

- **Deep transformation impacting business significantly in the second half of 2018**
 - Q3 Digital sales down by -19.8% and Q3 Digital revenues down by -3.4%
 - Q3 trend continuing throughout Q4
 - Confirmed 2018 guidance: stable recurring EBITDA¹ (€170m)
- **Reversing trend in 2019**
 - Back to growth in Digital sales – ramping up over 2019
 - Back to growth of recurring EBITDA¹ through Digital sales growth and additional cost reductions



- ▶ **Confidence in our strategy and in our capacity to deliver**
- ▶ **Experienced leaders, right sales organisation and product offering now in place**
- ▶ **Permanent focus on cash to support self-finance capacity of Solocal 2020 plan**

Key drivers in place to deliver Q1 2019 digital sales on target





Q&A session

