



| **DigiTouch results and investment opportunities**

@IR Top Lugano Small & Mid Cap Investor Day

21 September 2018



THE MAIN
INDEPENDENT
DIGITAL
MARKETING
PLAYER IN
ITALY

2007
DIGITOUCH
SET UP

2015
PUBLIC ON
AjMItalia
Borsa Italiana

~ **120**
PROFESSIONALS

2 Milan
OFFICES Rome

We are a **one-stop-shop for Digital Marketing Solutions** and an **Enabling Partner for Brands Digital Communication & Transformation**, thanks to an integrated offer of Strategy, Technology, Operations & Marketing Tools.

WE ARE A MAR-TECH GROUP. Mar-Tech is the blending of **marketing and technology**. Anyone involved with digital marketing is dealing with Mar-Tech, since digital by its very nature is technologically-based. The term **"Mar-Tech"** applies to major initiatives, efforts and tools that harness technology to achieve **marketing goals and objectives**.

DIGITOUCH
CONSULTING

DIGITOUCH
AGENCY

perforMEDIA
planning with digital DNA



Optimized
Group.

mutui
PER LA casa.com



DA Solutions

Business model: one-stop-shopping

Three strategic and integrated business units

1 ADVERTISING SERVICES

- Social Media solutions
- Consultancy
- Trading Desk

- Design, implementation, management & optimization of digital marketing communication campaigns and communities

Complete Offer

DIGITOUCH
AGENCY

DIGITOUCH
CONSULTING



2 PERFORMANCE MARKETING SERVICES

- Seo solutions
- Vertical comparables: finance (mortgages and personal finance)

- Design, implementation, management & optimization of digital Performance Campaigns, based on sales results & leads generation metrics

Segmentation Experience

perforMEDIA
planning with digital DNA



DIGITAL AUTOMOTIVE
SOLUTIONS

3 DATA SERVICES

- Business Intelligence
- DMP
- Machine learning data services

- Data Service Provision (DSP) of highly profiled consumer data related to large industries: Telcos, Banking
- Data Management Platform (DMP) Services

Technology

audiens

Commercial agreement

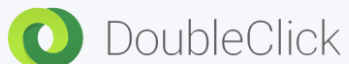
Growth via M&A remains a key pillar of DigiTouch growth strategy.

Key facts

Strategic Partnerships



ASSOFRANCHISING
ITALIANA



Own Technologies



Chatbot



Pac



Cms Social



Custom Cms



Dealer Tab



Store Locator

Client portfolio – Strong diversification

We work with Medium/Large sized companies belonging to different verticals.

NUMBER OF UNIQUE CLIENTS

~80
in 2014



~150
in 2017

AUTOMOTIVE

3,5%



PHARMA & HEALTHCARE

3,2%



RETAIL & E-COMMERCE

53,5%



APPAREL & JEWELS

5,3%



FINANCE & INSURANCE

13,4%



TRAVEL, EDUCATION & ENTERTAINMENT

5,6%



TELCO, UTILITIES & SERVICES

15,3%



FOOD & BEVERAGE

0,3%










Product development: Cross selling

Case History: big retailer - DigiTouch Client since 2014

Thanks to a complete product offer DigiTouch is able to increase customer value rapidly more than in the past

2014	2015	2016	2017	2018
SOCIAL MEDIA	SOCIAL MEDIA	SOCIAL MEDIA	SOCIAL MEDIA	SOCIAL MEDIA
	CREATIVITY	CREATIVITY	CREATIVITY	CREATIVITY
		DIGITAL MEDIA PLANNING	DIGITAL MEDIA PLANNING	DIGITAL MEDIA PLANNING
		PERFORMANCE MARKETING	PERFORMANCE MARKETING	PERFORMANCE MARKETING
			SEO	SEO
			DMP	DMP
				CONSULTANCY
				

X 12 TIME VALUE AS GROUP CLIENT



Commitments presented in IPO

Consolidation in Italy

- Acquisition of small medium companies to increase market share

6 • 8
MILLION €

Acquisition of 2/3 main market players in 18/24 months in order to acquire critical mass and to be more competitive in Digital Marketing Arena

DONE ✓

Product Offer Development

- Internal start-ups with the aim of increasing product capabilities and opportunities

2 • 4
MILLION €

Completing the offer transforming DigiTouch market offer into a complete on top Shop of Digital Marketing Communication

DONE ✓

New Technologies

- Internal development in data analytics, mining and monetization

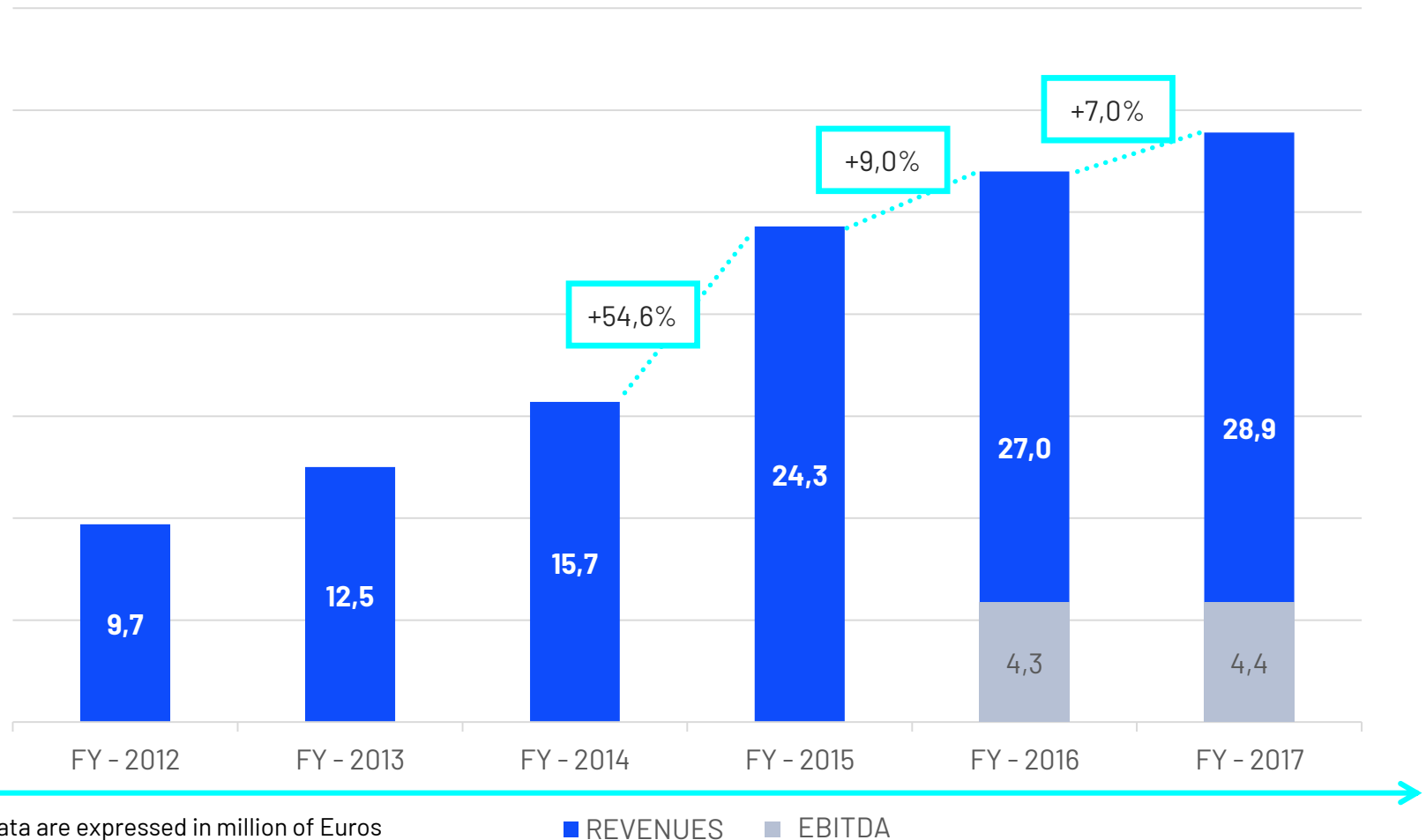
1
MILLION €

Completing Audiens development and launching the DMP offer as one of the more comprehensive Data Management Solutions on the Market

DONE ✓

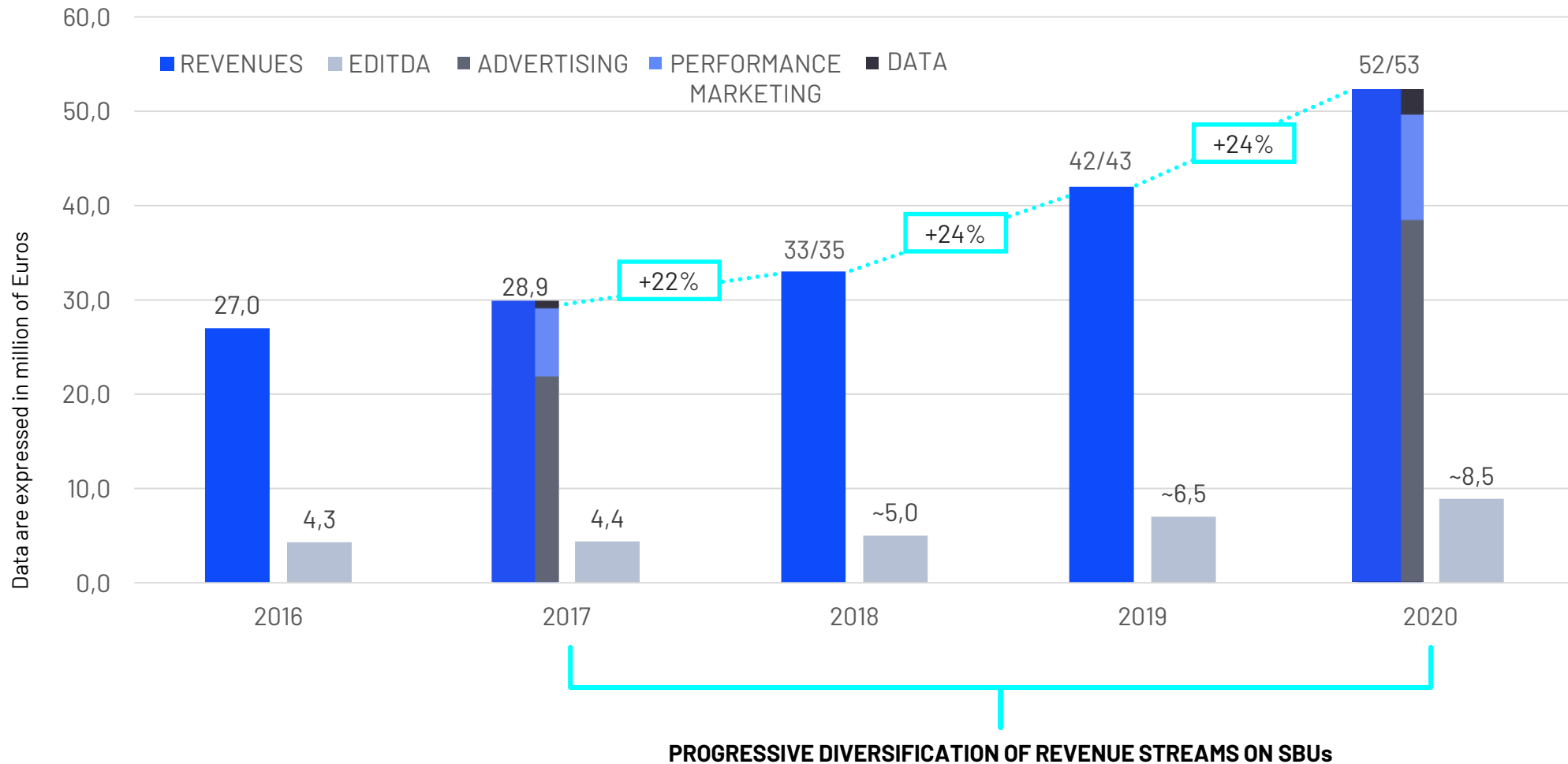
Revenues Growth

- CONTINUOUS, STABLE GROWTH WITH REGULAR PROFITABILITY
- ORGANIC GROWTH BY 2017
- **2017 RESULTS:**
 - **28,9 MILLION EUROS REVENUES**
 - **4,4 MILLION EUROS EBITDA**



Revenues & MOL progression

DigiTouch business plan 2018-2020



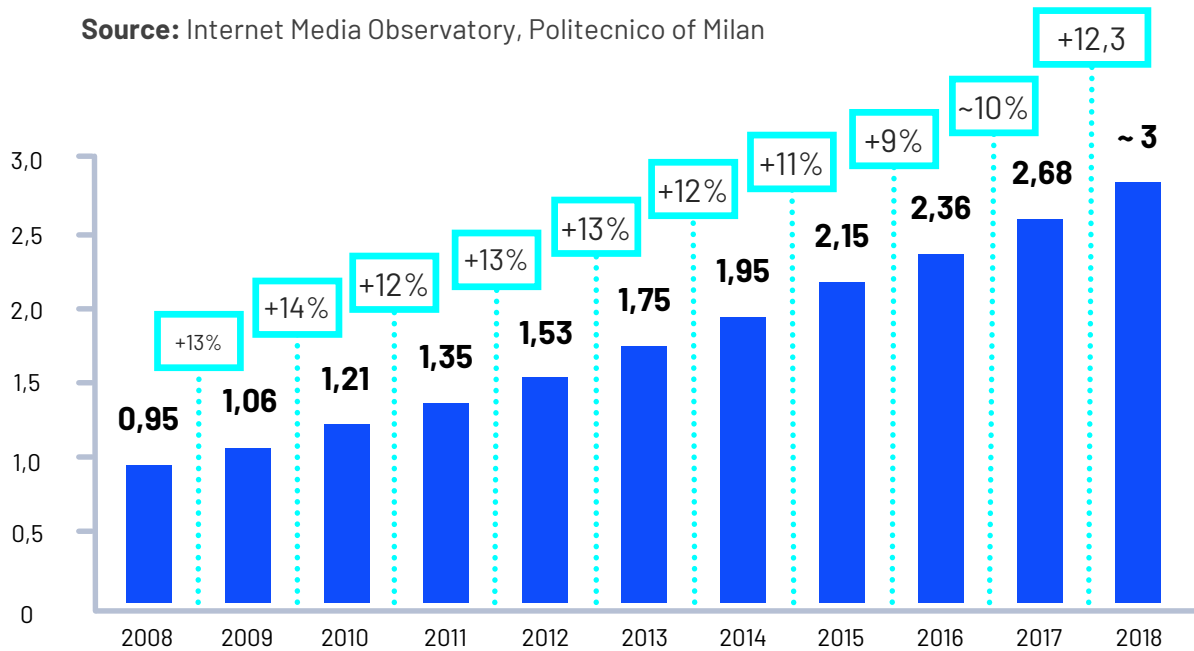
A new Start: KPIs 2018-2020

With a new, upgraded perimeter, we can count on new potential and set new target goals

		2017	2020	Δ%
INCREASE AVERAGE CLIENT VALUE	<ul style="list-style-type: none">• Cross & Up Selling of different products & services• Increase component of Performance for sales support• Integrate Data Management Technologies	~ 200K €	~ 260K €	+30%
ACQUIRE NEW CLIENTS	<ul style="list-style-type: none">• Developing commercial team and resources• Increase national sales coverage• Leveraging on distribution partners	~ 150	~ 200	+33%
MAXIMIZE CLIENTS RETENTION	<ul style="list-style-type: none">• Develop new technology solutions• Increase level of technical integrations• Improve Dashboard & Analytics	7% CHURN	4% CHURN	-40%
MAINTAIN AVERAGE MARGINALITY	<ul style="list-style-type: none">• Automatize service delivery• Maintain 30% business operational marginality• Increase revenues from data services	~15,0%	~15,0%	none

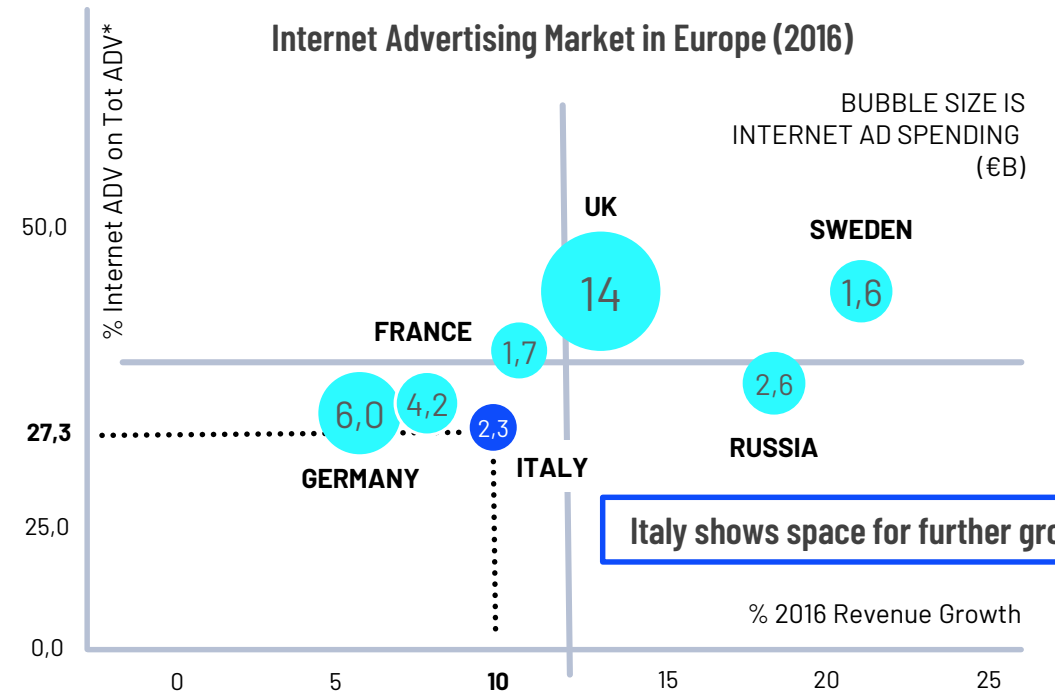
Growing primary target market, with potential much larger

Source: Internet Media Observatory, Politecnico of Milan



INTERNET ADVERTISING MARKET: TRENDS OF GROWTH

50-55% of the turnover is generated by performance advertising activities



POTENTIAL MARKET

Italy digital marketing market is expected to grow additional 1,5 billions in 5 years

Data are expressed in billion of Euros

Digital Marketing Competitive Map

LARGE 5 INTERNATIONAL GROUPS

- More than 100 million Euros turnover in Digital
- Complete Product Offer
- Major Large Clients
- Business Development based on tenders

MEDIUM AGENCIES & DIGITAL GROUPS

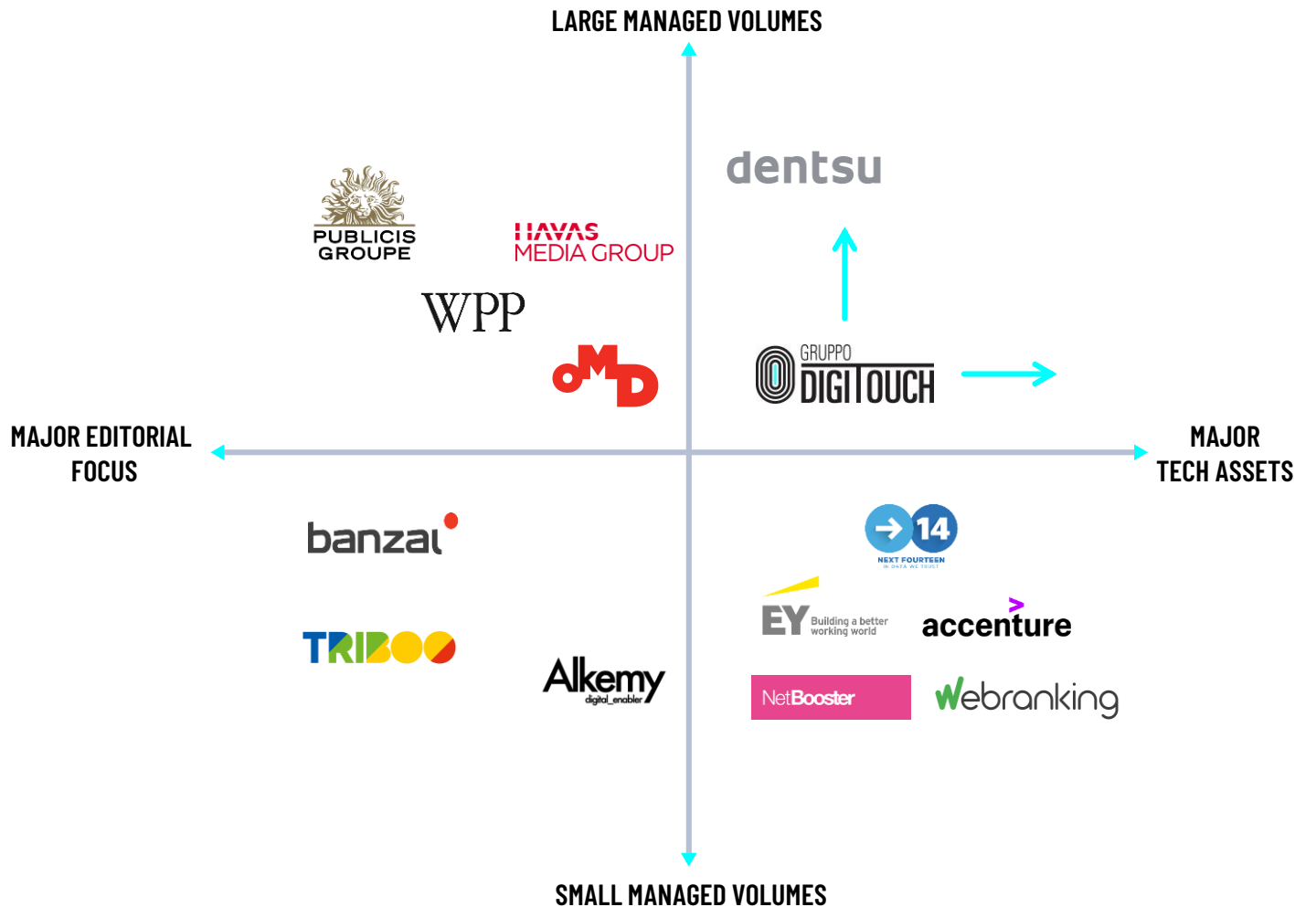
- Between 25 and 50 million Euros turnover
- Complete Product Offer
- Medium Large Clients
- Business Development partially based on tenders

MORE THAN 1.000 SMALL AGENCIES

- Between 1 and 5 million Euros Turnover
- Partial Product Offer
- Small medium Clients
- Business Development based on relationships

MAJOR CONSULTANCY COMPANIES

- Entering the market gradually directly or with M&A



Business priorities

INNOVATE AND UPGRADE THE OFFER!



Omnichannel



Data-driven marketing & analytics



Technology services

AGGREGATE!



Increase customer base



Empower SW development capabilities



International expansion



Investment highlights

Winning competitive advantages developed all over the years



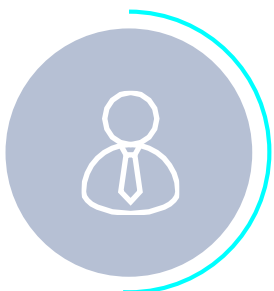
SIGNIFICANT INTERNAL INVESTMENT IN TECHNOLOGY AND BIG DATA

1,0 million on yearly base to 2020



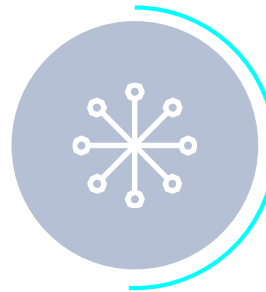
PROGRESSIVE BUSINESS GROWTH

A clients portfolio made of relevant medium and big size clients, with long term relationship
~ 200 clients expected in 2020



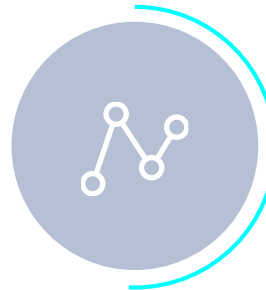
SENIOR TEAM

Top management with outstanding track records in digital marketing, tech services, M&A



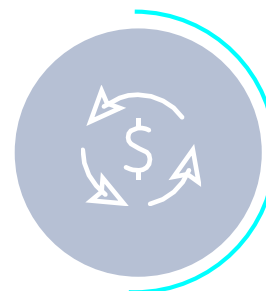
AGGREGATION ROLE

Continuous effort on aggregating marketing potential and market share



MARKET GROWTH, RELEVANCE & POTENTIAL

Expected 3 billions industry only in Italy



MARKET UNDER FAST CONSOLIDATION

Around 70 acquisitions done in Western Europe in H1-2018

THANK YOU

Simone Ranucci Brandimarte, *President*, Gruppo DigiTouch

simone.ranucci@gruppodigitouch.it



Viale Vittorio Veneto 22

Entrance Via Zarotto 2A

20124 Milan, Italy

T | 02 89295100

W | GRUPPODIGITOUCH.IT

S | [in](#) [Twitter](#) [G+](#) [YouTube](#)