

Modbook Inc 2017 Crowdfunding Campaign

In-depth: Modbook
Marketing Strategy



August 2017

wefunder.com/modbook

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Product Mix / Revenue Streams

Apple Mac Base Systems

- Every complete Modbook sold is a sold Apple MacBook Pro
- Lowest gross profit margins

	<i>MSRP</i>
Apple 15" rMBP 2.2 Iris Pro	\$ 1,999
Apple 15" rMBP 2.8 Iris Pro	\$ 2,299
Apple 15" rMBP 2.6 RP 555	\$ 2,399
Apple 15" rMBP 3.1 RP 555	\$ 2,699
Apple 15" rMBP 2.9 RP 560	\$ 2,799
Apple 15" rMBP 3.1 RP 560	\$ 2,999

Modbook Kits & Upgrades

- Kits also available as full-service upgrades for MacBook owners
- Highest gross profit margins

	<i>MSRP</i>
Modbook Pro X Conversion Kit	\$ 2,499
Pro X 512GB PCIe Flash SSD	\$ 549
Pro X 1TB PCIe Flash SSD	\$ 1,049
Pro X 2TB PCIe Flash SSD	\$ 2,149
Pro X Custom Engraving	\$ 129
Pro X Custom Color	\$ 249

Modbook Accessories

- Some product manufacturing outsourced => lower margins
- Medium gross profit margins

	<i>MSRP</i>
Pro X Keyboard Stand	\$ 499
Pro X Executive Case	\$ 199
Pro X Cover Stand	\$ 229
Pro X VESA Mount	\$ 149
Pro X TopBezel (custom color)	\$ 189
Touchpad Remote Control	\$ 79



Modbook Key Distribution Channels

Modbook Online

driven by B-to-C sales team

- Integrated website, webstore, CRM, customer support — providing sales team Single Customer View
- Enables and powers Inbound Content Marketing mapped to Buyer's Journey
- Projected: ~55% of sales (1st year post funding and onward)

Online Marketplaces

driven by B-to-C sales team

- Build out eBay and Amazon; add Google Shopping, Newegg, Overstock, and buy.com
- Increase market footprint, tap into marketplace incentives and payment options, free advertising
- Projected: ~9% of sales (1st year post funding and onward)

Modbook Consultants Network

driven by B-to-B sales team

- Leverage existing Apple Certified Consultants Network (3,000+ in US) as retail sales multipliers
- Projected: ~21% of sales (1st year post funding and onward)

Large Accounts

driven by B-to-B sales team

- Drive large account (high) unit sales & single/low unit sales from high-profile/influencer accounts
- Projected: ~15% of sales (1st year post funding and onward)

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Inbound Content Marketing **Mapped To** Buyer's Journey

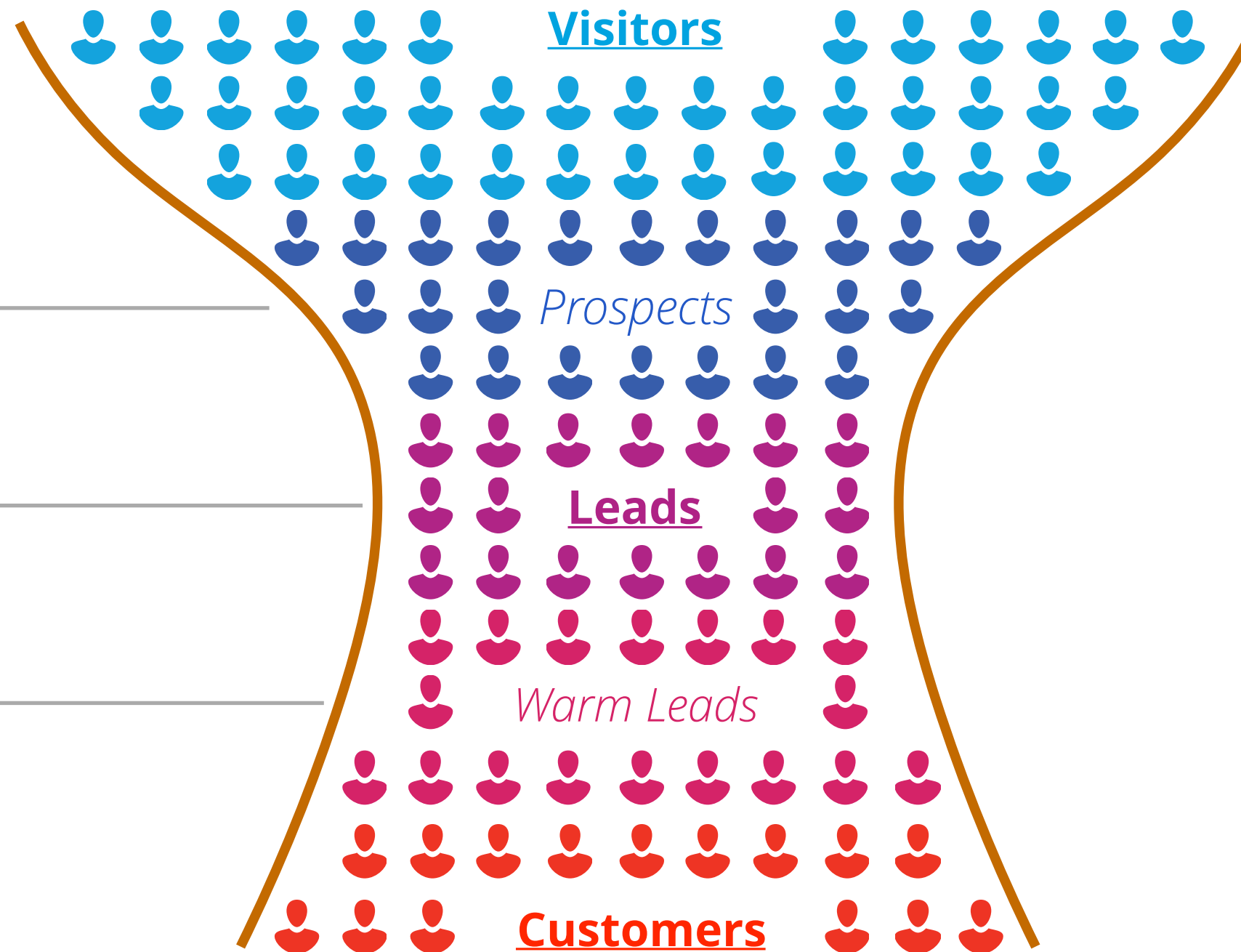
Buyer's Journey

Awareness

Consideration

Decision

Purchase



Promotional Mix

Paid Media

Earned Media

Sales Initiatives

Content Marketing

Event Marketing

Personal Sales

Direct Marketing

Sales Promotions

Sales Programs

Inbound Content Marketing Methodology

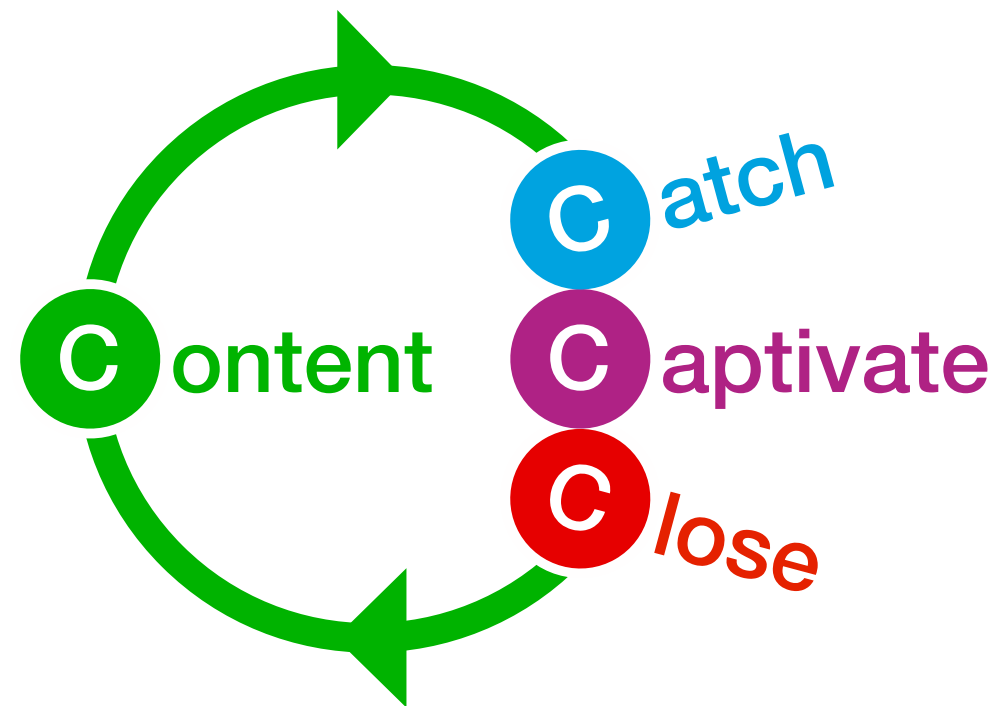
- Proven to be currently the most effective marketing method for doing business online:

Content: Create targeted, relevant, quality content

Catch: Distribute content hooks far & wide to attract visits
Serve targeted landing pages to reel-in visitors

Captivate: Valuable content fosters trust, return visits
Individualized, mapped content nurtures visitors

Close: Marketing automation optimizes sales team efforts
Sales programs, & promotions increase closing rate



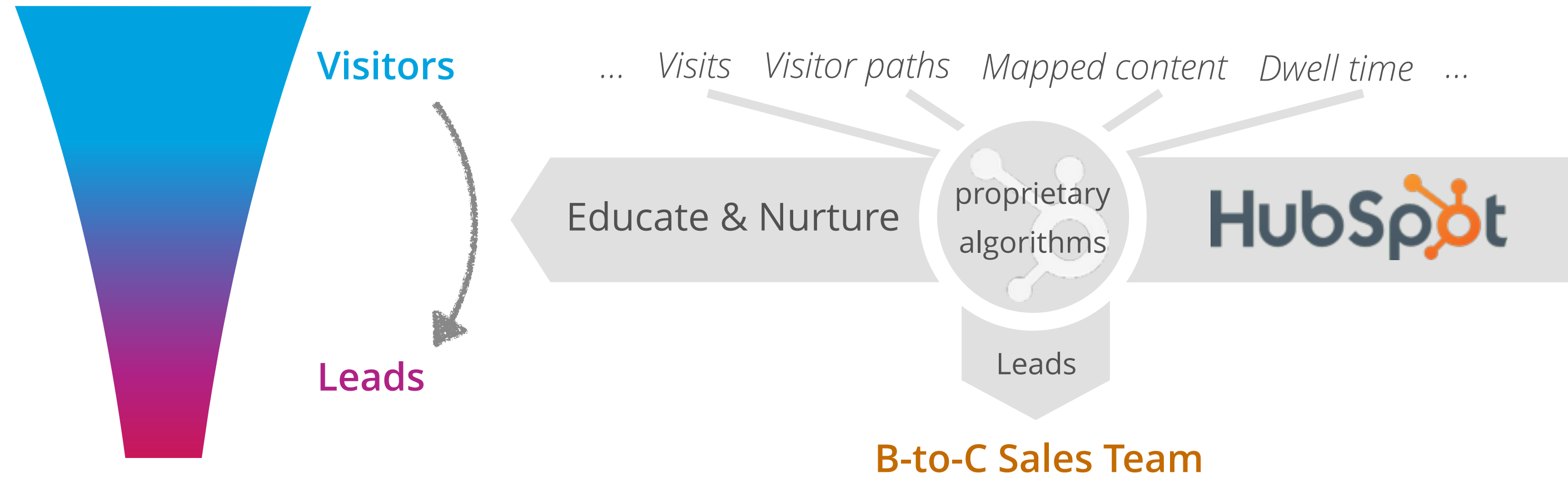
- (1) Attract visitors within Modbook target market
(2) Assist in converting visitors to leads and customers
(3) Discover qualified, ranked leads

Standard Industry Methodology For Lead Discovery

	Visits	Dwell time	Visitor paths
Visitors	1	less than 15 seconds per visit	landing pages
Prospects	< 3	15 to 59 seconds per visit or less than 3 min in aggregate	landing pages & less than 3 content pages
Leads	3+	more than 60 seconds per visit or more than 3 min in aggregate	landing pages & more than 3 content pages

- Black & white prospect and lead discovery based on simple web statistics
- Lowest cost approach; can be powered by Google Analytics and many other free and paid services
- Little to no qualifying meta data generation results in high-volume / low-quality Lead pools
- Little to no support for effective Marketing Automation due to limited meta data availability

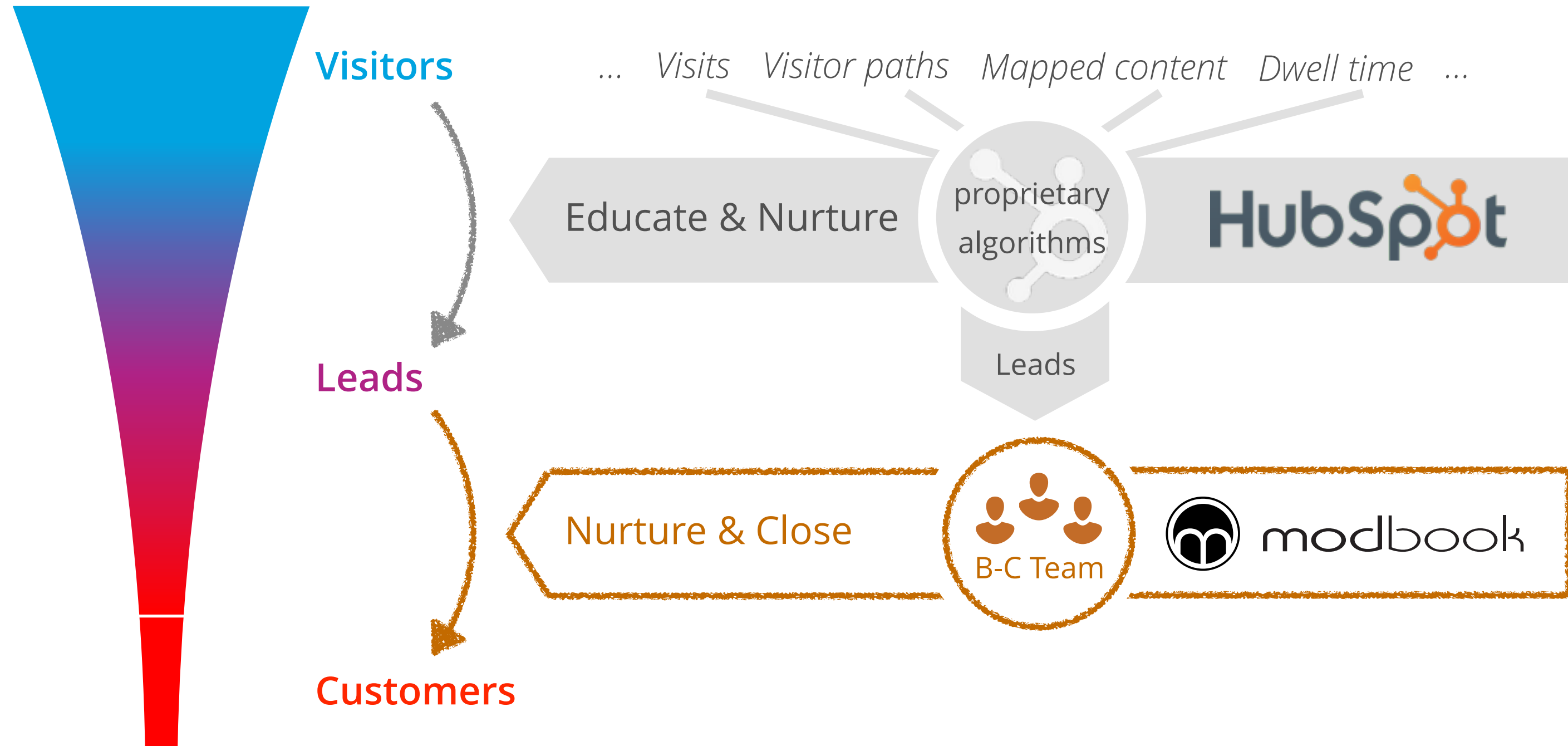
Marketing Automation: Lead Education & Discovery



- Inbound content mktg. mapped to buyer's journey generates rich meta data profile per visitor
- Allows for automation of individualized (smart) visitor education and nurturing
- Qualifies & dynamically rates Leads with individual "hotness" scores, and sorts and prioritizes them into sales funnels with rich actionable intelligence for optimized sales followup

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Marketing Automation: Lead Education & Discovery



Marketing Automation => Sales Force Optimization

○ Marketing automation enables to:

plan & build-out sales teams project & manage sales targets fill sales funnels with *qualified* leads

	Year 1	Year 2	Year 2
Visitors <i>Visitor to Lead Conversion</i>	151,400 1%	252,600 1%	472,000 1%
Leads <i>Lead to Customer (= Sales) Conversion</i>	1,484 64%	2,577 56%	4,673 49%
Customers (Projected Modbook B-to-C Sales)	951	1,446	2,311

Modbook B-to-C Sales Team			
Percent of total unit sales	95%	60%	60%
Head count	4	6	10
Unit sales / head / week (@ 50 wks / year)	5	5	5
Time spent nurturing & closing / lead (hours)	5.0	4.4	4.2

Modbook Promotional Mix For Inbound Content Marketing

Content **C**atch attention

- Product News (Intros, Updates, Upgrades)
- Social Media, Public Relations & Review Unit Program
- Modbook Gizmo & CoOpt Limited Edition Builds
- Contests, GiveAways, Consumer & Trade shows & events, Paid Media

Content **C**aptivate audience

- Useful (Did you know ... / Tips'n Tricks / ...)
- Educational (How to ... / Works with ... / ...)
- Entertaining (Contests / GiveAways / User Creations / ...)
- Product Information (Learn More / Features / Benefits / Specs / ...)

Content **C**lose sales

- Personal Sales (Live chat & talk / Showroom / Webinars / Demo units / ...)
- Product Evaluation (Testimonials / Case Studies / Reviews / ...)
- Company Evaluation (Support / Helpdesk / Knowledge Base / ...)
- Sales Promotions (Discounts / Buy&Try / Lease / Lay-Away / Trade-in / ...)

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