



Who is Analog Analytics?

Analog Analytics is the nation's leading provider of coupons, deal certificates, and Bigger Better Deal solutions for local publishers and broadcasters. More than 850 publishers use Analog's white label platform to drive revenue in all forms of media, including but not limited to: TV, radio, print, cable, online and direct mailing.

What is the Daily Bigger Better Deal?

The Daily Bigger Better Deal is a publisher-specific deal of the day platform. Designed for local community publishers, the Bigger Better Deal enables a publisher to immediately sell hundreds or thousands of local bargains a day with little additional resource requirements.

What is the Monthly Bigger Better Deal or Discount Certificate Program?

Similar to a deal certificate program, the monthly Bigger Better Deal is a publisher-specific program designed to generate revenue from dozens of different advertiser deals that are listed simultaneously on one site. With the daily Bigger Better Deal, consumers purchase hundreds of a particular deal from one advertiser during a limited 24-hour period. In the monthly Bigger Better Deal deal certificate program, consumers buy deals one at a time from a directory listing with many different deals to choose from. Generally, there is also a limit to the number of monthly deals from each advertiser.

How does the Daily Bigger Better Deal work?

Unlike traditional advertising, where a publisher promotes a merchant with a creative display ad and waits for subsequent (and often uncertain) revenue, the Bigger Better Deal model offers instant revenue to both the publisher and advertiser. It is truly pay-for-performance advertising.

Each day a single Bigger Better Deal is offered to the community. It is a genuine bargain, usually 50-90% off. Using our Analog Analytics software platform in concert with SEM (paid search) /SEO (free search), traffic management, and email & social networking, Analog helps the publisher sell hundreds of Bigger Better Deal deals, generating thousands of dollars a day in new incremental revenue.



Explain an example of a Daily Bigger Better Deal campaign?

For example, let's say the local golf course usually sells a golf outing for \$100.00. The Bigger Better Deal will drive hundreds of sales through a publisher on a single day with a super discount of \$50.00 each. After the deal is over, Analog takes a 7% revenue share for delivering the service, credit card fees of approximately 3% are passed through to the publisher and the remaining 90% is remitted back to the publisher, who then splits it with the advertiser based on pre-negotiated terms.

Depending upon the size of the city, Analog can help publishers generate thousands of dollars a day in new incremental revenue by leveraging the power of the Internet along with sophisticated SEM/SEO, email, and social network marketing campaigns to drive traffic and responses.

Explain an example of a Monthly Bigger Better Deal deal certificate campaign?

The monthly campaign provides dozens of different deal offerings listed on a web page. Each deal is specific to a single advertiser who offers a bargain for sale, usually about 50% off the suggested retail price. The economics for the monthly and daily Bigger Better Deal are the same. Analog takes a 7% fee – then roughly 3% goes to credit card transaction fees, and the remaining 90% is remitted back to the publisher to distribute to the advertiser in the manner of their choosing.

What are some of the unique features of the Daily Bigger Better Deal?

- Usually there is only one offer per day. The offer is a genuine and real discount – usually 50% or more. The offer is time dependent and a clock counts down the number of hours.
- In some cases the merchant can establish a maximum threshold depending on their merchant advertiser's needs. Consumers can see how many Bigger Better Deals have been sold in real time.
- The offer is heavily promoted using SEM, SEO and email lists – the publisher is also encouraged to leverage their existing circulation and page views.
- The offer is tightly integrated with social networks via email, Twitter and Facebook.
- The consumer is given an incentive to pass the offer along to his friends with a discount on their immediate purchase.
- The offer can be gifted to other friends so that they can use it.
- The offer is tied to the local community. It is always fun, even whimsical.

What's in it for the advertiser?

The advertiser is given a no-risk alternative to traditional advertising. There is no cost to the advertiser, only immediate revenue, which is usually received within 30-60 days after the offer is purchased. This turns the traditional advertising model on its head: the advertiser is getting pre-paid for products and services that are not delivered until some time in the not-too-distant future.

The advertiser also gets a wave of new customers, a huge increase in volume and orders as well as great exposure, multi-media buzz and almost always an opportunity for up-sell.

What if advertisers want their money immediately?

Industry best practice is to schedule payment out over 30-60 days. This helps ensure that advertisers will honor deals. If you receive pushback, remind the advertiser that you are covering all upfront costs and promotion, and they have no cash or inventory charges until someone comes in and uses a voucher. In the traditional model, advertisers generally don't pay publishers for 30-60 days either. For companies selling hard goods from inventory, you may want to contract the payment cycle as they have actual cost of goods sold. Companies that provide services can usually be pushed out as it will take longer to provide the services sold.

What are some of the best practices for the publisher using the Daily Bigger Better Deal?

This Bigger Better Deal helps promote the local community. It is a city guide or local product that the community goes to for interesting bargains. These offers are nearby to where the consumers live and work. The publisher should offer not only restaurant, spa and entertainment as a Bigger Better Deal but also quirky, unusual and interesting city specific deals such as sky diving, the aquarium, music & concerts, walking tours, parrot singing and the like.

Savvy publishers present advertisers who are well regarded by their community and consumers. Well-reviewed advertisers from Yelp and other sources give consumers a sense of trust that the offer and business is genuine.

If you have more questions, we can forward you our full best practices presentation.

What resources must the publisher provide during implementation and after launch of either Bigger Better Deal program?

After the kick-off meeting, we recommend appointing:

- A point person to take control of the product launch
- Operations and IT people who can help with web access, email, and queuing up advertisers.
- Marketing must also provide some resources to help refine our standard process for targeting consumers and advertisers.
- Sales will need to build two to three weeks of inventory before launch.

On an ongoing basis, you will need one person to monitor the daily deals and your sales team to continually search for new advertisers.

Why does Analog pay every two weeks for the Bigger Better Deal?

Staggered payment allows us to provide an audit trail by using a clearing-house for the transaction. Reconciliation is for the 1st through 15th and the 16th through 31st. It takes roughly 5 business days for payments to clear the gateway / merchant bank and we will remit credit to the publisher on the 20th and 5th of each month.

What appears on a consumer's credit card statement after purchase?

Most consumers will see a charge on their credit card from ANA: THE BIGGER BETTER DEAL as the vendor.

What happens if the advertiser goes out of business or the merchant refuses to accept the offer?

From the consumer's perspective, Analog Analytics, acting on behalf of the publisher, will immediately refund the money back to the consumer. Procedurally, there is an email address established (ie.bbdsupport@"publisher.com") or directly with support@analoganalytics.com. Analog Analytics will remit the funds back to the consumer after 48 to 72 hours. The publisher is notified simultaneously.

Please note that Analog Analytics will also debit the account of the publisher for any refunds or charge backs as 93% of the total transaction.

How far in advance do you take the Daily Bigger Better Deal to market?

At launch, you should have 2-3 weeks of advertisers lined up (15-20 ads in inventory). By this time, you should have ALL required information from your advertisers. This usually requires 2-3 weeks of work by your sales team, so at least a segment of your team should begin almost immediately after kick-off.

What are transaction service fees for both the Daily and Monthly Bigger Better Deal?

Transaction and service fees cover merchant banking and payment gateway costs, security software for payment and authentication, telephony costs, refunds/returns/charge-backs, telephone and email support and other operational expenses

How quickly will I build traction?

It does take time to build up a customer or subscription base and there are a number of ways to do so (as laid out in our traffic generation presentation). For comparison, here are two early deals from Groupon:

<http://www.groupon.com/chicago/deals/learn-how-to-salsa-dance-for-less>

<http://www.groupon.com/chicago/deals/17-off-swedish-massages-at-lincoln-park-massage>

This is especially interesting, as they were already working from a large local user base built by their predecessor company. As you can see, lower sales are normal to start, but these numbers will increase as your product gains traction.

By using our traffic generation platform from launch you should have strong traction out of the gate. The real goal, however, is to hit a critical mass of users – at which point word of mouth and social networking will make additional subscriber and revenue growth much easier.