

# Quarterly Industry Update

As of September 30, 2015

Industry: Social Media Analytics



## Industry Summary

Cogent Valuation identified Social Media Analytics publicly traded companies, IPOs, and recent M&A transactions within the Social Media Analytics industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since September 30, 2014, the median 52-week share price return of the Social Media Analytics industry was -2.9%. Between September 30, 2013 and September 30, 2015, the median EV/EBITDA multiple decreased from 18.7 to 10.2. However, the median price-to-earnings multiple increased from 36.3 to 36.8 over the same period.

## Comparable Public Company Key Statistics

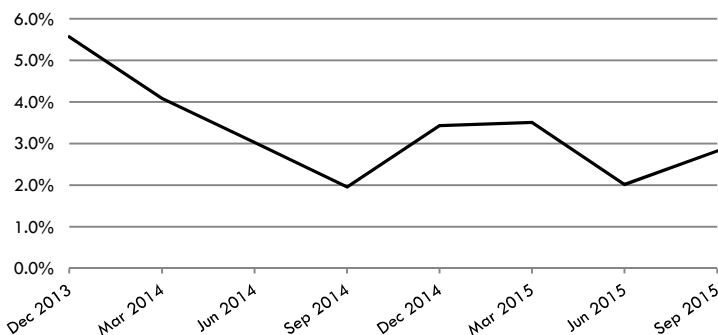
Median 52-Week Return	-2.9%	Median EV/Revenue Multiple	1.6x	Median Price/Earnings Multiple	36.8x
Median 3-Year CAGR Return	6.0%	Median EV/EBITDA Multiple	10.2x	Median EV/Gross CF Multiple	17.9x

## Comparable Public Company Market Price Returns As of September 30, 2015

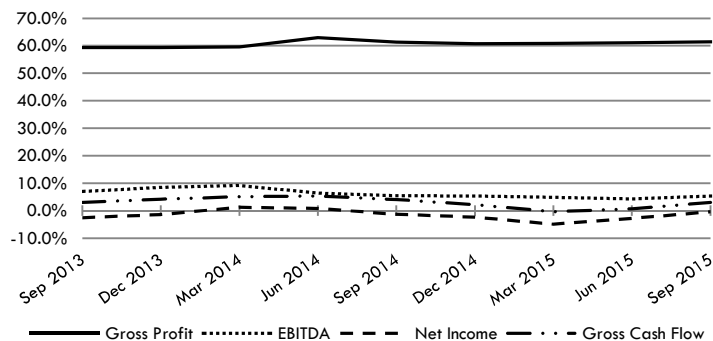
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
Marchex, Inc.	-46.9%	-18.6%	-2.9%	-25.6%	1.6%	-5.9%	-46.9%	110.5%	-34.2%	-34.5%	87.8%
Interactive Intelligence Group Inc.	-28.9%	-33.2%	-28.9%	-31.6%	-0.4%	11.0%	-28.9%	100.8%	46.3%	-12.4%	41.8%
Axiom Corporation	-45.2%	12.4%	19.4%	-16.6%	2.6%	4.5%	-45.2%	111.8%	43.0%	-28.8%	27.7%
TeleTech Holdings Inc.	-1.1%	-1.1%	9.0%	3.3%	16.3%	12.5%	-1.1%	34.5%	9.9%	-21.3%	2.8%
IHS Inc.	-4.9%	-9.8%	-7.3%	0.8%	6.0%	11.3%	-4.9%	24.7%	11.4%	7.2%	46.7%
salesforce.com, inc.	7.5%	-0.3%	20.7%	15.7%	22.1%	20.0%	7.5%	31.3%	65.7%	-23.1%	78.9%
Rentrak Corporation	92.2%	-22.5%	-11.3%	28.7%	47.3%	16.4%	92.2%	94.4%	36.5%	-52.7%	70.7%
Bazaarvoice, Inc.	1.5%	-23.4%	-39.0%	-29.5%	-33.2%	N/A	1.5%	-15.3%	N/A	N/A	N/A
comScore, Inc.	62.3%	-13.3%	26.8%	26.2%	44.6%	14.4%	62.3%	107.6%	-35.0%	-5.1%	27.3%
<b>Median of Industry Public Companies</b>	<b>-1.1%</b>	<b>-13.3%</b>	<b>-2.9%</b>	<b>0.8%</b>	<b>6.0%</b>	<b>11.9%</b>	<b>-1.1%</b>	<b>94.4%</b>	<b>24.0%</b>	<b>-22.2%</b>	<b>44.2%</b>

(Multiple year periods are calculated as the average annual return.)

## Median Quarterly Revenue Growth of All Social Media Analytics Companies



## Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



## Median Public Company Multiples of the Social Media Analytics Industry

Date:	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	9/30/2015
EV/Revenues Multiple	3.5x	3.3x	3.8x	3.3x	2.9x	3.2x	2.4x	2.6x	1.6x
EV/EBITDA Multiple	18.7x	27.0x	32.5x	16.3x	9.6x	10.3x	9.6x	10.2x	10.2x
Price/Earnings Multiple	36.3x	53.5x	50.5x	40.7x	43.1x	30.4x	27.9x	31.6x	36.8x
EV/Gross Cash Flows Multiple	34.0x	55.6x	58.8x	56.1x	29.1x	25.8x	29.9x	25.0x	17.9x

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## Industry Initial Public Offerings (dollars in millions, except share prices)

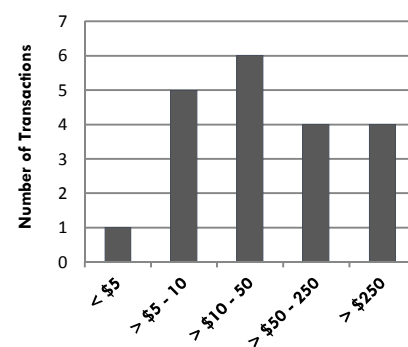
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
4/26/2012	Acquity Group Limited	\$6.00	5.6	\$33.3	\$79.5	\$0.0	\$106.7	\$19.4	\$8.6	\$20.3
2/23/2012	Bazaarvoice, Inc.	\$12.00	9.5	\$113.8	\$46.8	\$0.0	\$94.0	(\$19.5)	(\$22.6)	(\$17.5)
5/19/2010	ReachLocal, Inc.	\$13.00	4.2	\$54.2	\$101.5	\$0.0	\$224.0	(\$3.3)	\$10.0	(\$1.5)
6/26/2007	comScore, Inc.	\$16.50	5.3	\$87.5	\$45.5	\$3.3	\$70.0	\$11.4	\$7.1	\$14.4
11/10/2005	IHS Inc.	\$16.00	14.5	\$232.2	\$743.0	\$0.3	N/A	N/A	N/A	N/A
6/22/2004	salesforce.com, inc.	\$11.00	10.0	\$110.0	\$67.9	\$0.2	\$81.5	\$0.5	\$2.5	\$2.8
<b>Median of All IPOs</b>		<b>nm</b>	<b>nm</b>	<b>\$98.7</b>	<b>\$73.7</b>	<b>\$0.1</b>	<b>\$94.0</b>	<b>\$0.5</b>	<b>\$7.1</b>	<b>\$2.8</b>

nm: not meaningful, N/A: not applicable

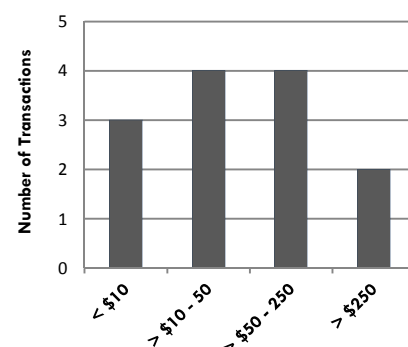
## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/Revenues
7/2/2015	Taj Media, LLC	Sober Media Group, LLC	\$5.5	100%	N/A	N/A
6/24/2015	Market Motive Incorporated	Simplilearn Solutions	\$10.0	100%	N/A	N/A
3/20/2015	SwellPath, Inc.	6D Global Technologies	\$5.6	100%	\$1.8	3.0x
3/16/2015	glispa GmbH	Market Tech Holdings	\$26.5	75%	N/A	N/A
12/10/2014	Conversant, Inc.	Alliance Data Systems	\$2,448.9	100%	\$593.8	4.0x
9/12/2014	Mobilethink A/S	Spirent Communications	\$20.0	100%	\$8.2	2.4x
5/30/2014	Vocus Inc.	GTCR, LLC	\$480.6	100%	\$186.3	2.4x
3/30/2014	Cision AB	Meltwater Drive Sverige	\$7.1	5%	\$127.0	1.4x
2/28/2014	Matrix-Data Ltd.	Market Metrics, LLC	\$13.3	40%	N/A	N/A
12/23/2013	Clickability, Inc.	Upland Software, Inc.	\$12.7	100%	N/A	N/A
12/2/2013	Topsy Labs, Inc.	Apple Inc.	\$200.0	100%	N/A	N/A
10/16/2013	Optimal, Inc.	Brand Networks, LLC	\$35.0	100%	N/A	N/A
9/10/2013	BMC Software	Insight Venture Partners	\$8,377.1	100%	\$2,201.4	3.1x
10/31/2012	CNW Group	PR Newswire	\$48.6	50%	\$49.7	2.0x
10/11/2012	Friars 573	The Mission Marketing	\$5.1	100%	\$10.1	0.5x
7/26/2012	AKQA	WPP	\$540.0	100%	\$189.0	2.9x
2/24/2012	iContact	Vocus	\$235.9	100%	\$47.9	4.6x
2/9/2012	Xtract Oy	Comptel Oyj	\$2.7	100%	\$3.2	0.9x
2/6/2012	OutStart	Kenexa	\$83.9	100%	\$22.6	3.5x
1/27/2012	Alterian	SDL	\$106.0	100%	\$56.9	1.8x
<b>Median of the 20 M&amp;A Transaction Targets</b>			<b>\$26.5</b>	<b>100%</b>	<b>\$48.8</b>	<b>2.6x</b>

Size of M&A Transactions



LTM Revenues Reported



### Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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