

Persollo

Social e-commerce and influencer marketing

Persollo is a data-driven tech company that specialises in conversion through effective influencer marketing and social e-commerce. Persollo goes beyond generating brand awareness, engagement and cheap content by driving direct - response sales and app downloads. The platform enables brands and influencers to convert social and digital media engagement into sales in less than 15 seconds. Designed for mobile and social media, the tech allows click through payments straight from social networks, digital magazines, videos, blogs and influencers. Persollo has been backed by Telstra's muru-D accelerator for start-ups and the University of Sydney's Innovate program.

Background

Persollo was founded by Olga Oleinikova, Kyrlo Medvediev, Stanislav Prisiazhnuk and Jaroslav Prisiazhnuk in 2015. The company came through the University of Sydney's Innovate program before going on to being one of 8 companies out of 300 chosen for Telstra's muru-D accelerator program.

Business model and strategy

Persollo bypasses online shops and cumbersome shopping carts, capitalizing on impulse purchasing behaviour at the point of interest, ultimately optimizing conversions. The company has already helped more than 500 e-boutiques (in 13 countries) by increasing their conversion from social and on mobile by 300%. Persollo has worked with several household names including New Balance, Australian Uggs Original, Better Homes and Gardens, and Marie Claire.

Persollo operates two business models: a pay-as-you-sell model which has no set up fees or technical skills required and a campaign-based model which offers fully-managed influencer marketing campaigns with the option to promote the brand's mobile App, service or utilise Persollo's instant checkout for product sales. The pay-as-you-sell model charges 5.9% + 30c of the transaction costs. For influencers with more than 2000 followers on social media, it's free to join the platform. The company's point of difference is that it gives a personal URL to every customer that bypasses standard payment methods and allows for a simpler payment process. It can do this because it has partnered with US fintech giant, Stripe, to utilise its online payments platform.

Market size and Competition

The global market for influencer marketing was US\$4.8b in 2015 and is estimated by eMarketer to growth to US\$11.1bn by 2018. Persollo positions itself between e-commerce and influencer marketing tech-platforms. Among the e-commerce platforms, Persollo sees GumRoad and Selz as its main competitors. Among influencer marketing platforms its competitors include Hypetap (net revenue of A\$0.8m) Tribe (net revenue of A\$0.2m) Scrunch.com (net revenue of A\$0.24m) and Vamp (net revenue of \$0.126m).

Share details

Investment to date	\$0.3M
Number of shareholders	<10

Market size

eMarketer has estimated the size of the global influencer market in 2018 as US\$11.1b. Persollo currently operates in 25 countries.

Upside Case

- Backed by some of Australia's most influential accelerator programs
- Influencer marketing of increasing importance with 84% of marketers intending to launch at least one influencer campaign in next 12 months
- Highly fragmented market with opportunities for consolidation

Downside Case

- Low barriers to entry
- Social influencers can come in and out of favour in a short time frame
- Exposed to general economic cycles

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