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RETAIL HOLY GRAIL AND THE 'SHOWROOMING' ANTIDOTE: SHOPKICK DRIVES MORE THAN \$110 MILLION IN REVENUE FOR RETAIL AND BRAND PARTNERS IN 2011

Pushing the Retail Innovation Envelope through Path to Purchase Promotions Pays Off

PALO ALTO, Calif. (January 31, 2012) – shopkick, the largest location-based shopping app that rewards shoppers simply for walking into stores and interacting with products, today announced that it helped drive more than \$110 million in-store revenue for partner retailers and brands in 2011, its first full year operating the app, and is poised to do even more in 2012. Shopkick partners with hundreds of products across dozens of brands, 11 national retailers and several entertainment entities spanning categories from grocery to fashion to electronics and beyond. The end result is a 360-degree retail revolution. With more than 3 million active users, the model clearly serves the customer need, without relying on practices that undermine retailers.

“Some mobile services drive people *out* of stores, not *into* stores, with online comparison shopping that turn stores into ‘showrooms.’ Shopkick does the opposite,” said Cyriac Roeding, CEO of shopkick. “Shopkick drives people into stores by rewarding them with things they love just for visiting. That helped drive \$110 million in revenue with shopkick partners – last year alone. It’s a win-win-win between retailers, brands and consumers.”

According to former president Bill Clinton’s keynote at the National Retail Federation’s “Big Show,” the retail sector is responsible for 20 percent of GDP but 25 percent of all jobs in the U.S.

“The demise of retail would have some seriously bad effects on the country’s economy,” Roeding continued. “What we’re doing is good for the industry and good for the shopper; it’s a fine, but important balance.”

Path to Purchase

Shopkick aims to be the single location-based shopping app for retailers, brands and shoppers alike. People don’t switch wallets or outfits going from the grocery store to the mall, so assuming they’ll want separate apps for the various ways and places they shop ignores consumer preferences. To best serve all its constituents, shopkick rewards behavior throughout the path to purchase, including:

- Discovery: shopkick users interact with stores in the app 150 million times per month, and that allows brand and retailers to reach them at home and on-the go. Media partnerships with InStyle and the CW amplify the discovery
- Visits: patent-pending presence detection technology rewards shoppers simply for *walking* into partner stores, such as Target, Best Buy, Macy’s, Old Navy, Toys”R”Us, American Eagle, Crate & Barrel, and Simon Malls
- Interaction: scan missions and other programs encourage shoppers to pick up and interact with partner products

- Purchase: in partnership with Visa, shopkick rewards shoppers when they make a purchase at a participating partner retailer using their Visa debit or credit card as part of the Buy & Collect program

To provide high-value rewards to shoppers actually walking-in stores, the shopkick app detects a shopkick signal, emitted from a patent-pending device located in each participating store and picked up by a shopper's phone's microphone. Because the store knows it is rewarding actual visitors, it then delivers rewards called "kicks," which can be collected at all participating partner store locations. Kicks are redeemed for in-store gift cards, song downloads, movie tickets, Facebook Credits, donations to 30 different causes and charities and more.

Because shopkick is able to detect actual presence inside stores, partner retailers ensure that marketing dollars put into the shopkick program are being spent to reward customers who are actually present in the store, translating into higher value rewards for the shopper. Presence detection is something not possible with traditional location-based applications, which rely on GPS technology that has a typical error radius of 500 yards on mobile phones. And, because the detection occurs on the user's mobile device, the privacy of presence information is completely under the user's control.

Launched in August 2010, shopkick quickly became the largest location-based shopping app in America. It is available for free on the iPhone from the App Store at www.itunes.com/appstore/ and on Android Market at <http://shopkick.com/android.html>.

About shopkick, Inc.

shopkick, Inc. is a Palo Alto-based startup funded by Kleiner Perkins' iFund, Greylock Partners and Reid Hoffman, founder of LinkedIn, and investor in Facebook and Zynga. In August 2010, shopkick launched the first mobile application that hands consumers high-value rewards, offers and exclusive deals at shopkick's national retail partners simply for walking into stores and malls. Even more rewards can be earned for scanning partner brand products at over 250,000 stores nationwide. In combination with a groundbreaking new location technology called "shopkick Signal", the app can verify location within feet, and because the detection occurs on the phone, privacy of presence information is completely in the users' control. shopkick's growing partner alliance includes American Eagle Outfitters, Best Buy, Crate and Barrel, Macy's, Old Navy, Simon Property Group, The Sports Authority, Target, Toys"R"Us, west elm, The Wet Seal, Visa, Kraft Foods, Procter & Gamble, Unilever, Intel, HP and more. shopkick is the only 100% performance-based marketing platform in the physical retail world, with measurable foot traffic and transactions at stores. The app grew to 3 million users in its first 18 months. The free shopkick app is available for the iPhone and Android.

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