

**shopkick, Inc. Reaches Profitability In Q4 2012 And  
Drives More Than \$200M In Revenue For Its Partners in 2012**

*Most Widely Used Real-World Shopping App Turned Profit In Q4 with 60 Silicon Valley-Based  
Employees; Doubled Revenue Impact for Partners In 2012*

**PALO ALTO, Calif. (January 16, 2013)** – shopkick, the most widely used real-world shopping app, announced today that it reached its first profitable quarter in Q4 2012. The 60-person Palo Alto-based team launched its new app version shopkick 3.0 in October 2012, which led to a very large holiday spike in both consumer usage and revenue – for shopkick and its partners.

“We have only been in the market for little over two years, and did not plan or expect to reach our first profitable quarter so quickly,” said Cyriac Roeding, CEO and co-founder of shopkick. “Of course Holidays are always the sweet spot for retail, but this far exceeded even our hopes. With this milestone, shopkick is ready for 2013, when mobile payments and mobile loyalty will start to converge, which puts shopkick in a position to get even bigger this year.”

Shopkick’s role as mobile revolutionary in retail is recognized next week at the World Economic Forum in Davos as a Tech Pioneer 2013. Shopkick is also a [Kleiner Perkins Caufield & Byers](#) iFund investment.

**Foregoing Ads for Engagement, shopkick Monetizes Mobile**

While the mobile phenomenon rocks the world, making money – even with millions of users – has proved challenging to many companies, particularly startups, where mobile ad CPMs are low and inventory is plentiful. Shopkick’s business model, in contrast, is designed to be the first 100 percent performance-based model in the physical retail world, where users earn rewards just for visiting stores; retailers get foot traffic, their most desired benefit; and brands get product interactions via mobile scans directly at the point of purchase.

Shopkick has driven more than \$300M in revenue to its alliance of retail partners and brands, with more than \$200M in 2012. Each engagement on shopkick is valuable to brand and retail partners, and is a revenue event for shopkick: every walk-in to a partner store, every product scan, and every purchase. To date, shopkick has driven more than 16 million verified walk-ins to stores (2 million per month in Q4), 26 million product scans and millions of transactions.

“Known business models proven on other channels don’t translate 1:1 to mobile, but what shopkick has achieved is the equivalent to mobile adwords for retail. The impact can be as big as adwords have been for the Web, specifically because this too was built specifically to serve the value chain of the audience: in this case, retailers and brands,” said Reid Hoffman, partner at Greylock Partners, co-founder and chairman of LinkedIn, and investor in shopkick. “The key to mobile is making an experience that can’t exist without a mobile phone, based on performance-based business models, and that’s why shopkick is performing so well.”

The recent further accelerant of shopkick’s pace was its recent addition of connecting the “couch mode” of consumers – browsing “lookbooks” of products before consumers even reach the store – with its unique “store mode,” where consumers are rewarded with loyalty points just for walking into their favorite stores with the shopkick app. This “arc from the couch to the

store” can only be created by shopkick, because shopkick has deployed its high accuracy location technology at over 7,500 stores throughout the United States.

Since launching in 2010, shopkick has accumulated 15 national retailers, including Target, Macy’s, Old Navy, American Eagle, Best Buy, Crate & Barrel, Toys”R”Us, ExxonMobil and Simon Malls, and more than 70 brands such as Procter & Gamble, Kraft Foods, Disney, Revlon, Unilever, Pepsi, and top financial institutions, Visa and MasterCard, as partners.

Shopkick offers rewards in the form of “kicks™,” shopkick’s cross-retailer reward currency, to shoppers, for walking into stores, scanning products and making purchases. Right in the shopkick app, shoppers can redeem kicks to treat themselves with store gift cards, free coffee and dinners, Coach handbags, song downloads, movie tickets, Facebook Credits, donations to charity and more.

Shopkick is available for free on the iPhone from the App Store at [www.itunes.com/appstore/](http://www.itunes.com/appstore/) and for Android from Google Play at <https://play.google.com/store/apps/details?id=com.shopkick.app>. See how shopkick works here (video): <http://youtu.be/ejx1LdgcUPA>.

#### **About shopkick, Inc.**

shopkick, Inc. is the largest real-world shopping app, and the first mobile application that hands consumers high-value rewards, offers and exclusive deals at its national retail partners simply for walking into more than 7,500 stores and malls, and for interacting with partner brand products at over 250,000 locations nationwide. In 2012, Nielsen rated shopkick the most widely and often used real-world shopping app, ahead of any physical retailers’ apps. 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 4 million users in little over two years. The free shopkick app is available for the iPhone and Android.

Shopkick’s growing Partner Alliance includes American Eagle Outfitters, Best Buy, Crate and Barrel, ExxonMobil, Macy’s, MasterCard, Old Navy, Simon Property Group, Sony, The Sports Authority, Target, Toys”R”Us, The Wet Seal, Visa, Procter & Gamble, Kraft Foods, Revlon, Unilever, Levi’s, Intel, HP and more. The Palo Alto-based startup is funded by Kleiner Perkins' iFund, Greylock Partners and Reid Hoffman, founder of LinkedIn, and investor in Facebook and Zynga. In 2012, the World Economic Forum (WEF) named shopkick a Tech Pioneer, an honor previously given to Google, Twitter, and Wikipedia.

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