

NEXT15

CMD: SEPT 8th 2020

AGENDA:

Next 15

Our long-term beliefs

The impact of Covid-19 on marketing and Next 15

The areas of focus for Next 15 post Covid

Activate sales = marketing = sales

Agent3 evidence based marketing

Mach49 building growth engines for global enterprises

Wrap up

Questions

OUR BUSINESS:

An ecosystem of high-quality specialist businesses

Industry sector and audience expertise across four segments

Robust methodologies to drive execution quality

Engaged in our client's business growth activities to drive long term engagement

Values-based

PURPOSE:

We exist to help our customers and people become the best possible version of themselves

OUR BELIEFS:

Growth is ultimate metric of success

Marketing and sales are converging

Business model design will become an ongoing activity

World is flat – what next?

Values-based organizations will thrive

Marketing is a data and technology driven activity

Tech:

Customer experience is user experience

Every company is now a technology company

AI will revolutionize marketing as we know it

Data:

Marketing is about anticipating need rather than satisfying need

Predicting buyer behaviour is crucial

OUR COVID PREDICTIONS:

Sector related cuts

Travel

Retail

Auto

Event related cuts

Sports

Entertainment

Conferences

Shift to digital only

Personal/at home only

Cash would be king

COVID REALITY:

Everything AND:

Faster reprioritization of spend/programs towards sales enabled marketing

Internal comms focus

Re-evaluation of value of technology to businesses

Cash crunch didn't happen

Govt programmes softened the economic impact

K shaped recovery

US tech IPO sector woke up driving new wave of activity

Radical LT shift in remote working will change business models and 'agency culture'

Covid didn't end the war for talent

WHAT CLIENTS WANT:

B2B TOP 5

Virtual events
Demand/Lead gen
Thought leadership
Content marketing
ABM

B2C TOP 5

Social media
Customer data/CRM
Marketing automation
Web/Mobile optimization
Content marketing

Agent3

Archetype

velocity®

publitek
marketing communications

beyond

Savanta:

MIGHTY
SOCIAL
Powered by ATOM Technology

ELVIS

activate

The OutCast Agency

twogether 

planning inc

 Conversion Rate Experts

M BOOTH

ODD

NEXT15

**WHAT
CLIENTS
ARE
SAYING:**

Pre Covid they were trying to spend 23% of time on sales related activities and 77% on brand building

Post Covid 63% of resources focused on sales and just 37% on brand building

Technology will liberate/enable creativity

Go to market strategies are being transformed by Covid

Every business has been impacted by Covid

LESSONS LEARNED:

Our strategy is spot on, simply need to accelerate it but be mindful of execution

Need to embrace the amount of business change our customers are going through

Be brave while others are scared

activate

deliver better-converting demand
gen to B2B tech marketers

WHAT DOES ACTIVATE DO?

Activate helps B2B marketers drive sales pipeline using combination of data and technology

We do that by engaging and delivering qualified contacts for sales follow up – aka demand generation.

Activate has deep, long-standing customer relationships with such tech stalwarts as IBM, Dell, VMware, Oracle, Google, Microsoft, Adobe and more

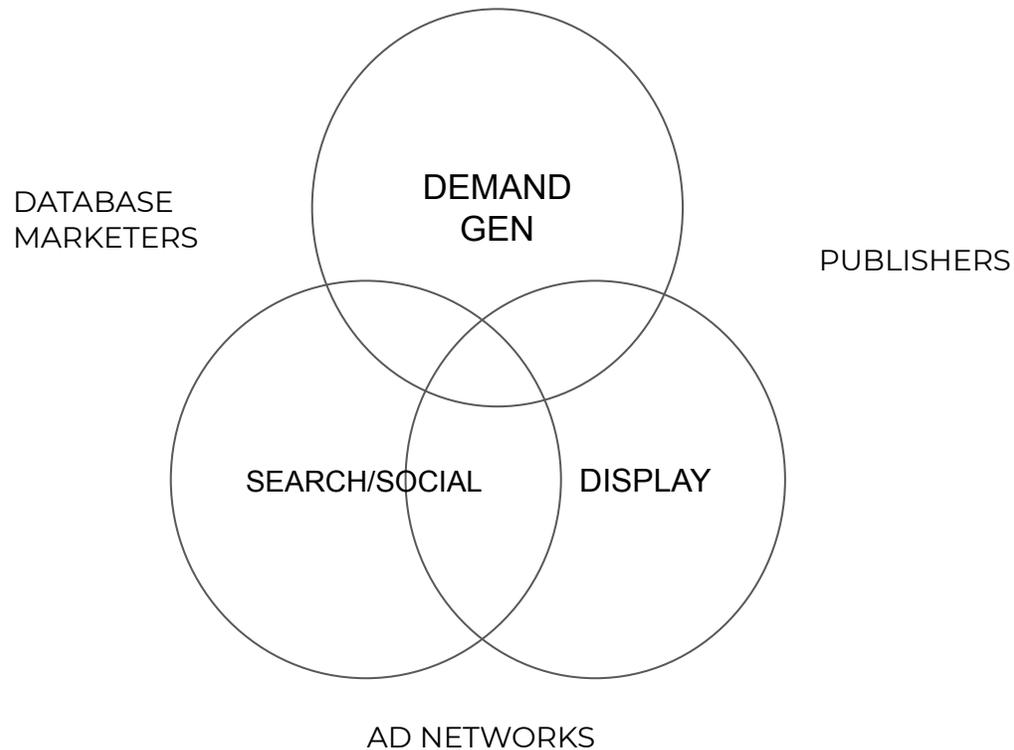
B2B TECH MARKETING & DEMAND GEN LANDSCAPE

US B2B Digital Ad Spending: \$8b in 2020

Expected growth of 22.6% in 2020

Digital B2B tech is 30% of overall market, growing at 37% in 2020

** eMarketer US B2B DIGITAL ADVERTISING 2020 Report*



INCREASING DEMAND FOR DEMAND GEN

The Rise in Digital for B2B:

70% of B2B buyer journey completed online before speaking to a salesperson

Demand Gen Winning Budget:

Attribution of marketing efforts driving spend to de-risked channels

Cloud SaaS expanding B2B buyers beyond IT

Data is ubiquitous, engagement is not

Many publishers finding demand gen too hard:
rise of Marketing Services

THE IMPACT OF COVID

What our customers are saying?

55% have increased demand gen

Reallocating event budget

Pressure to keep pipeline flowing

Measure and be measured

Marketers are focused on shifting budget to attributable channels

B2B Marketers are increasingly measured on *revenue* metrics

Demand increasing from new and existing customers

June 2020 Activate's highest revenue month ever
Q2 48% over same period last year

POST COVID

Winds at our back over the long-term

Digital strength continues:

eMarketer: When B2B marketers could no longer connect with buyers in person, digital ads had to work overtime and have been a primary touchpoint to get in front of targeted audiences. We estimate that US B2Bs will spend \$8.14 billion on digital ads this year, up 22.6% from 2019.

Demand strength within digital outperforms:

Digital growing as a portion of overall B2B marketing budgets

Only 33% of B2B marketers say event budgets will return to normal post-Covid

Quality leads win by driving ROI:

Activate State of Demand Gen 2020: #1 challenge facing B2B tech marketers is finding sources for quality leads

80% of respondents said they'll focus on quality over price

Agent 3

**Leading Global
Account Based
Marketing**

What problem do we solve for our customers?



The problem

Every leading B2B TMT solution provider derives 80% of its revenue from 20% of its customers.

To grow, they need to defend, cross sell and up sell in their key accounts.



They are challenged to do this by factors that include:

- A lack of sales and marketing alignment
- An ever more fragmented buying centre within key accounts
- Incomplete customer data and inability to utilise the data they hold
- Reliance on traditional 'broadcast' sales and marketing approaches which are not predictable, not insight driven, and not tailored to the needs of the buyer

What problem do we solve for our customers?

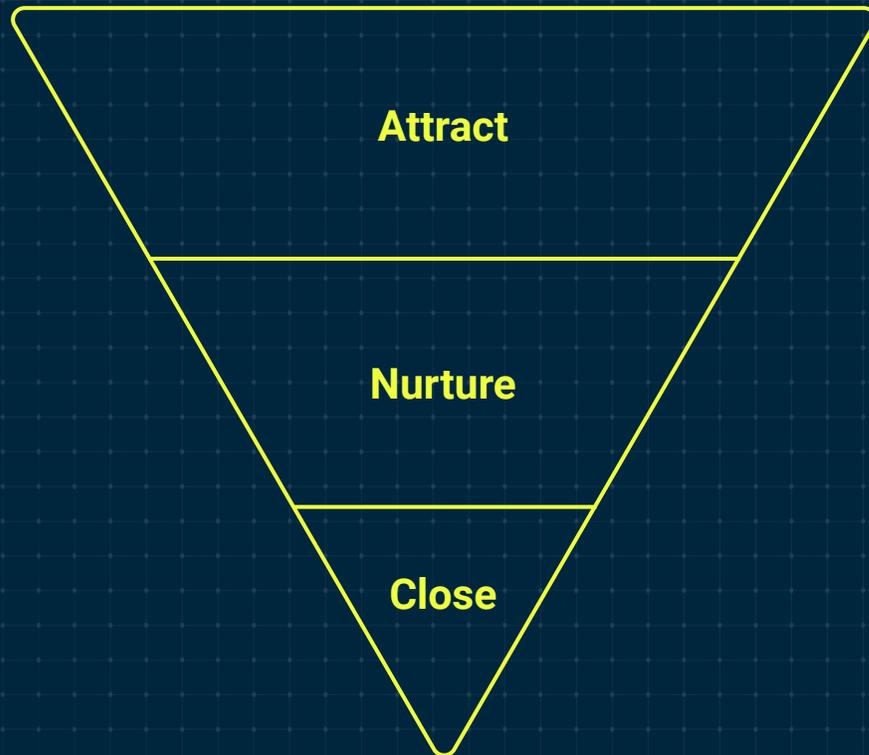


The answer

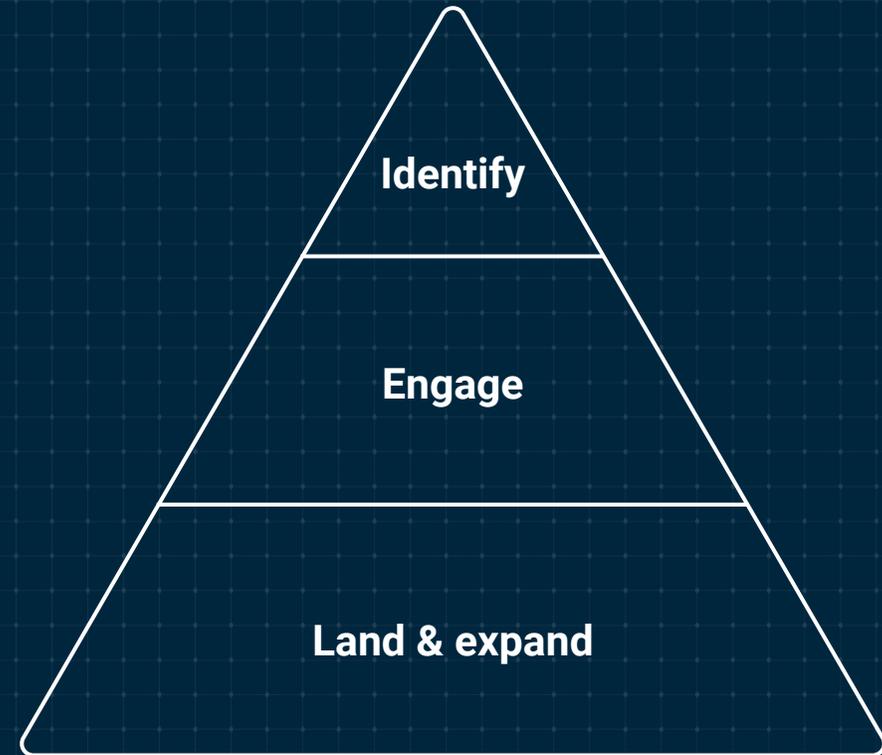
We help our clients sell more to key and named accounts by delivering Account Based Marketing (ABM) programs that combine **data**, **technology** and **content** to drive **better outcomes** than they have seen previously.

What is ABM?

Traditional Marketing



Account Based Marketing

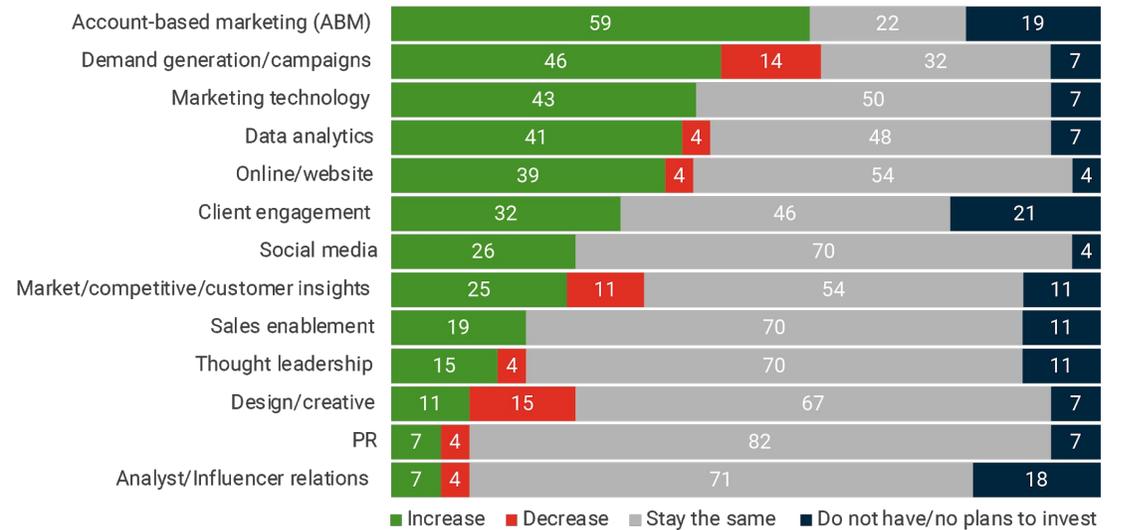


There is a surging market demand

What are your investment plans for the following centralized teams or centers of expertise?

% of respondents (N~28)

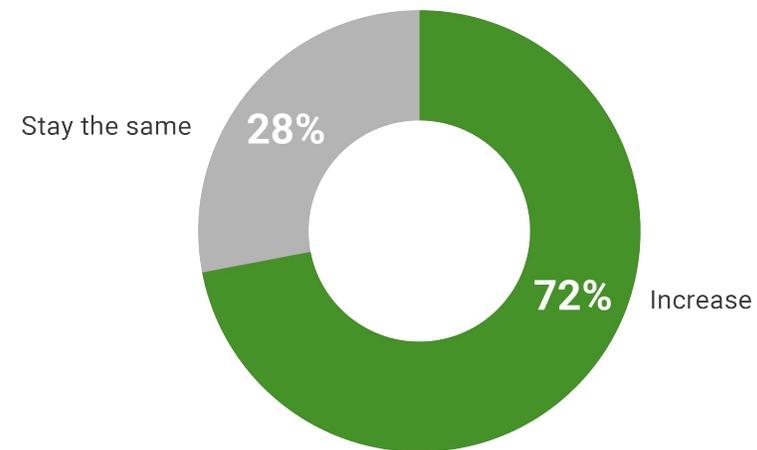
Source: ITSMA, 2020 Services Marketing Budget Allocations and Trends



What are your spending plans in FY2020 for ABM?

% of respondents (N=18)

Source: ITSMA, 2020 Services Marketing Budget Allocations and Trends



Our point of differentiation



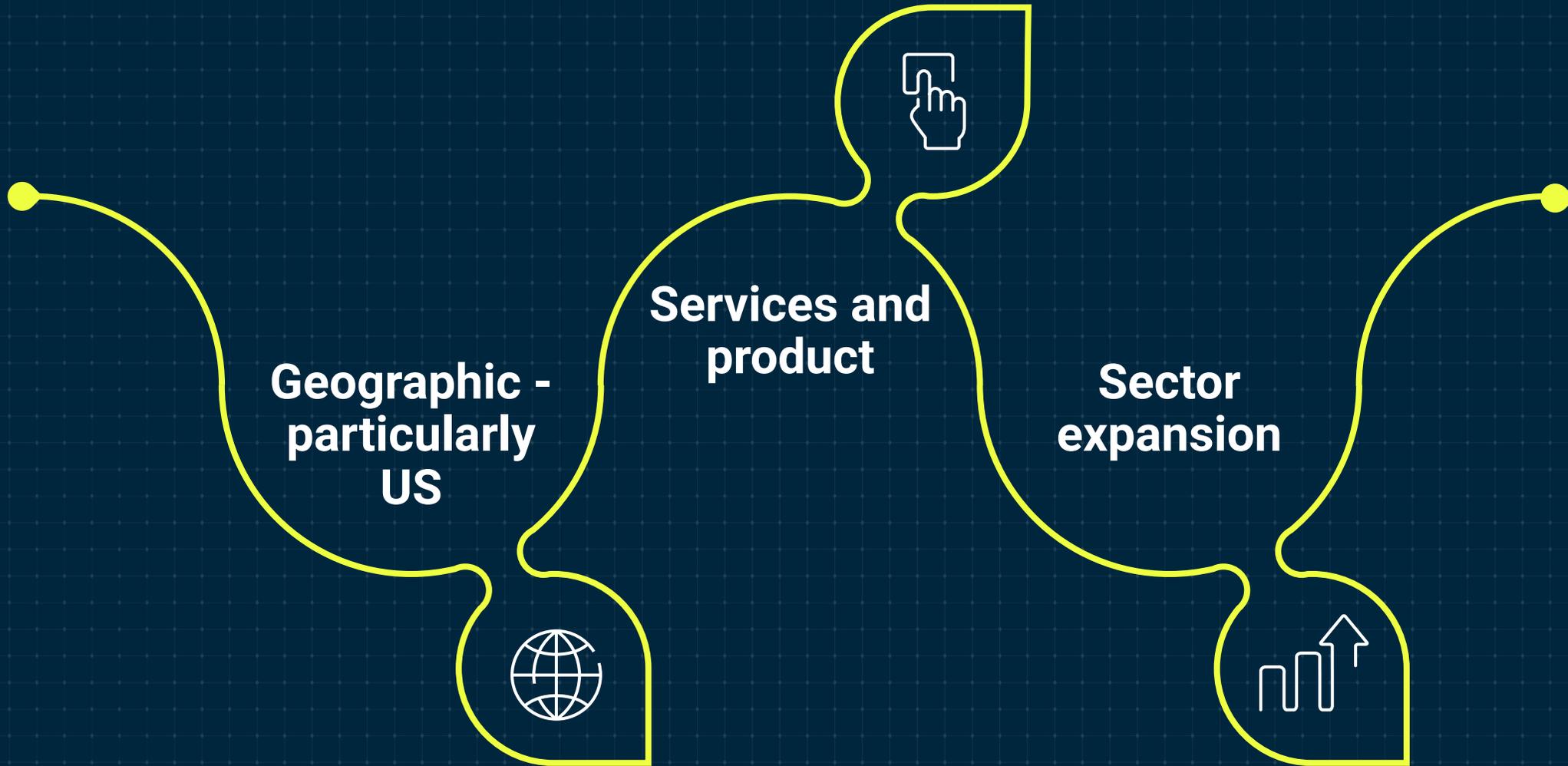
Traditional
services based
agencies

Agent3

solutions that
drive outcomes

Technology
vendors

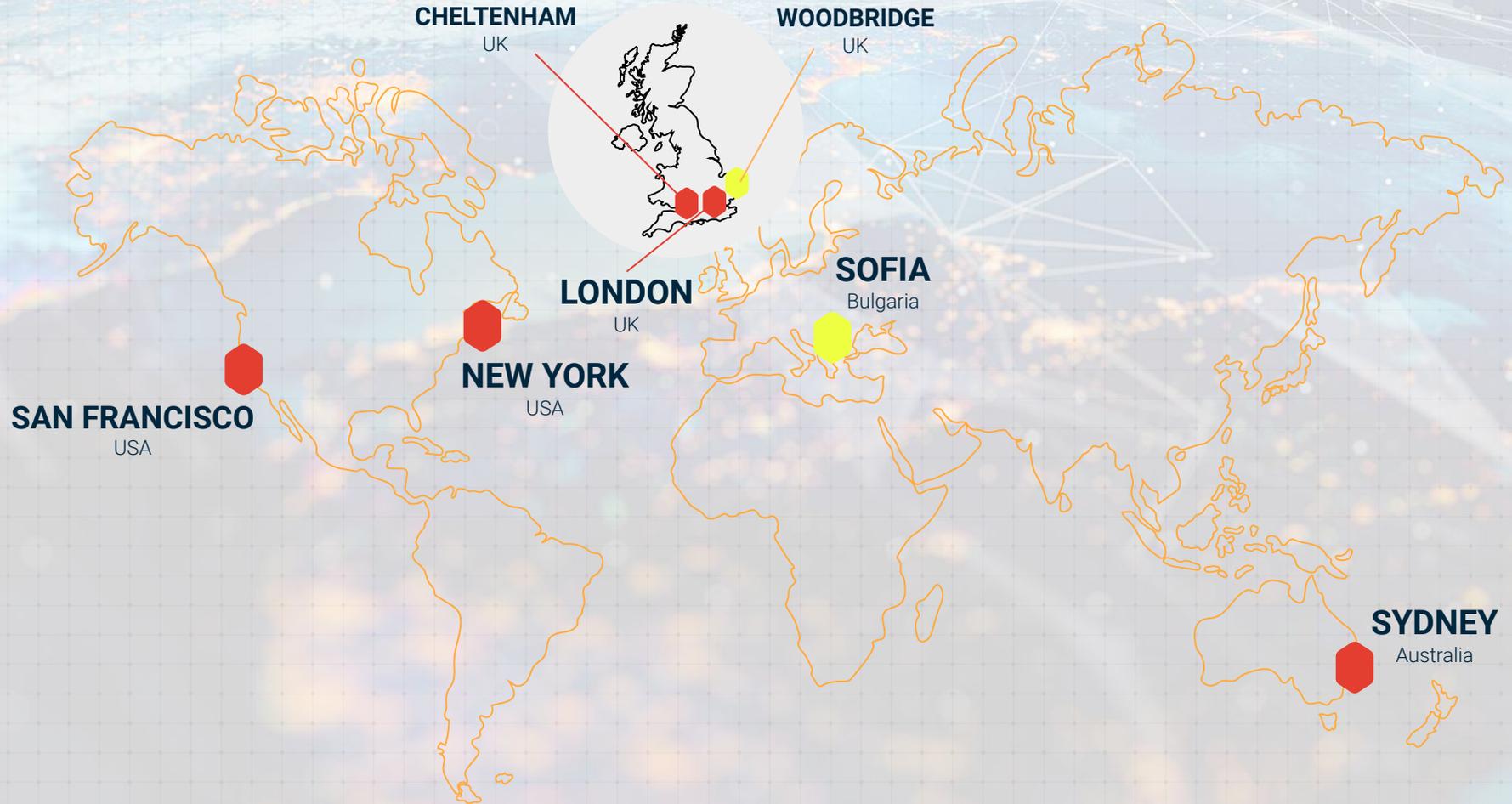
Growth drivers



Global coverage

We are a global team and work with many customers on a domestic, regional and international basis.

Client service teams sit in London, New York, San Francisco and Sydney, while innovation and data teams sit in London and Sofia.



ITSMA's only global partner, focused on ABM best practice and advocacy

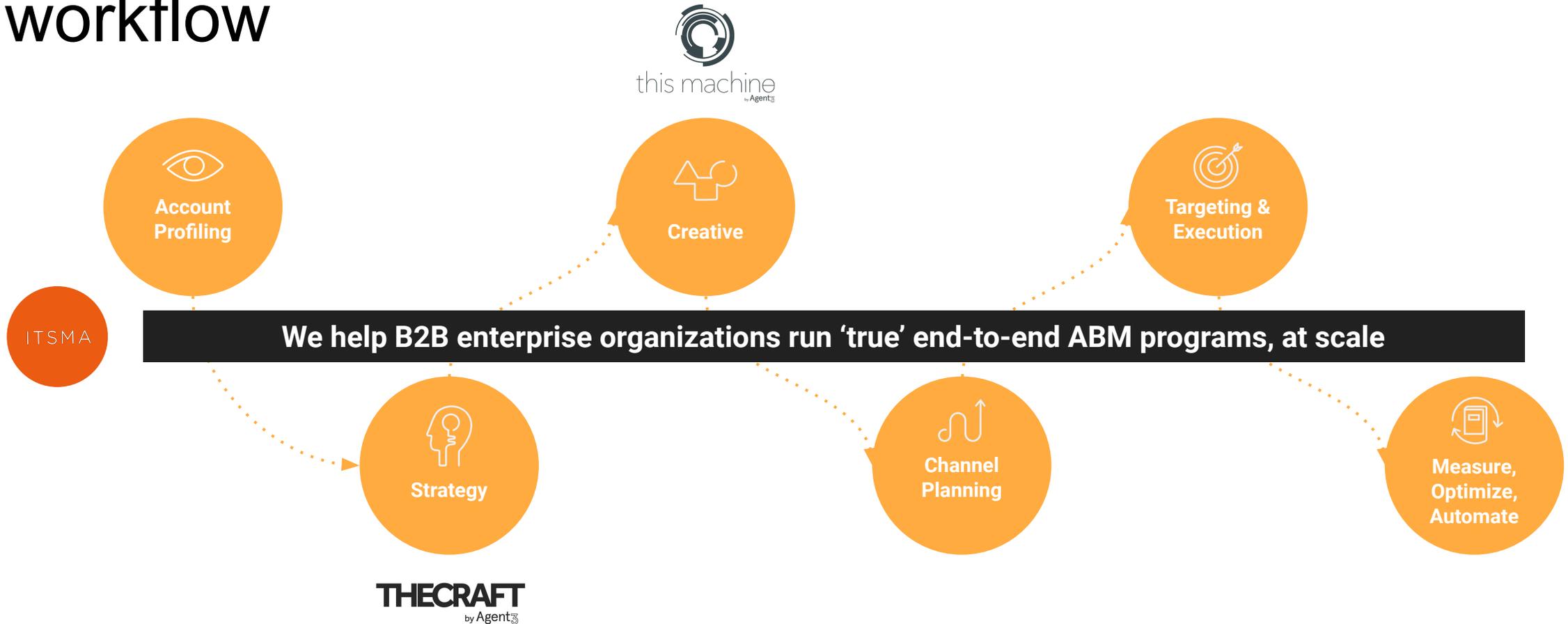


Agent3 strategy, client service, applied technology and creative services offices

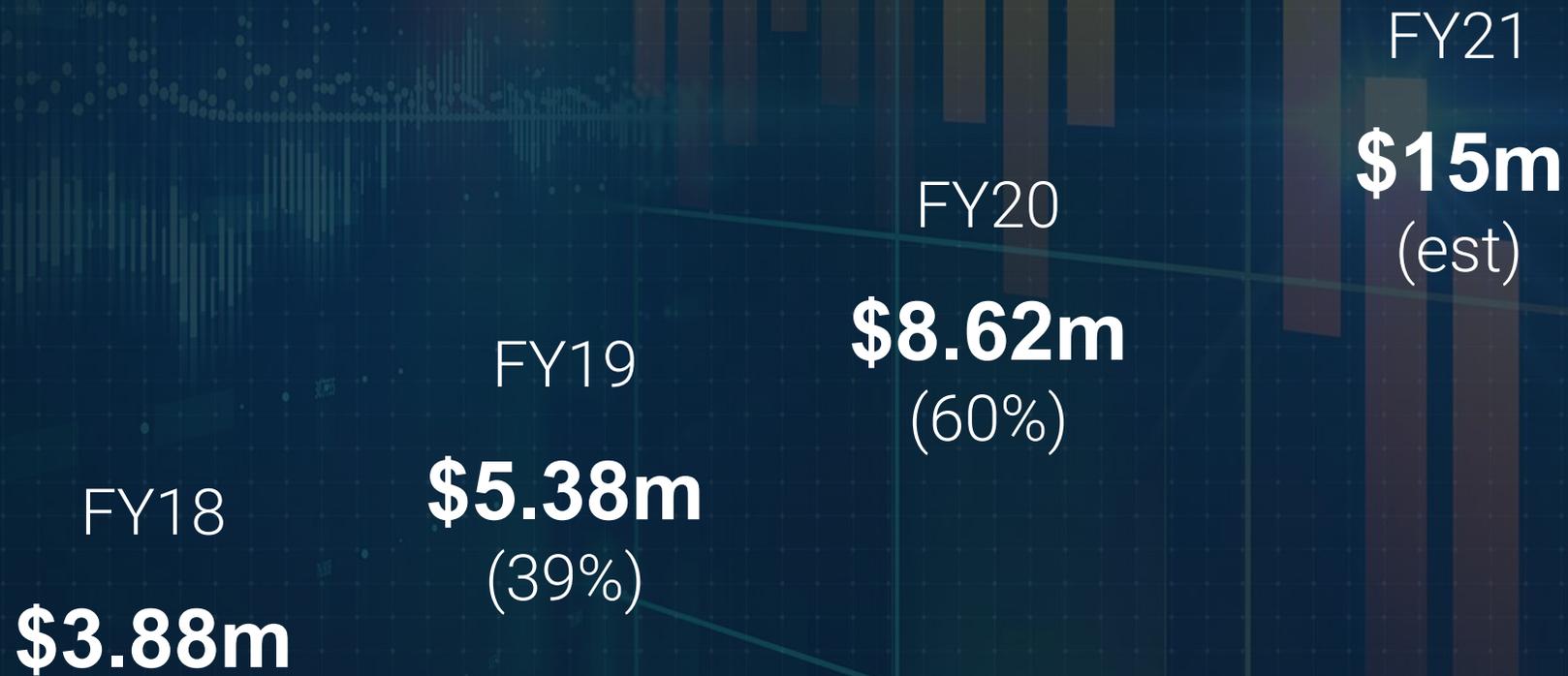


Agent3's data, technology services teams and innovation labs

A repeatable and scalable ABM engagement workflow



A growth trajectory



FY25
Goal to hit
\$50m

NEXT15 + MΛCH49™



THE GROWTH INCUBATOR
FOR GLOBAL BUSINESSES.

Disrupting InsideOut™

Creating, building and launching new ventures generated from within their organizations.

Disrupting OutsideIn™

Designing and managing world-class corporate venture groups.

Linda Yates

Chief Executive Officer

MACH49™

DISRUPTING INSIDE OUT™
DISRUPTING OUTSIDE IN™
DEVELOPING MORE DISRUPTORS™



[in /in/linda-yates-19550249](#)

Linda Yates is the founder and CEO of Mach49, the leading growth incubator for global businesses. She is a seasoned CEO with over 25 years of experience creating global strategy and driving innovation for large multinationals around the world. As a native of the Silicon Valley, Linda has an extensive local and global network — serving as a bridge between the Silicon Valley and the board rooms and C-Suites of large multinational corporations her entire career.

She launched Mach49 as the first Silicon Valley Incubator/Accelerator focused on helping global enterprises leverage their talent, ideas, brand, assets, competencies, capital, and customers to drive meaningful growth. By *Disrupting InsideOut*: launching ventures, building incubators, and seizing the mothership advantage and *Disrupting OutsideIn*: building world-class corporate venture funds, guiding Executive Investment Committees to operate as top-tier VCs and maximizing the partnership value of external startups, Linda helps global enterprises beat the startups at their own game. Focused 100% on execution, Linda is committed to developing the client's capability to create a pipeline and portfolio of new ventures on their own for the long term.

Linda spent a decade as a member of the Board of Directors for NYSE-traded Sybase Inc. (now SAP) and has been a board member and advisor to many entrepreneurs and private companies. Linda was CEO of Strategos — pioneering the field of Corporate Innovation with Co-Founder and Chairman, Professor Gary Hamel. Prior to Strategos, she spent six years with the Mac Group/Gemini, where she was Head of the San Francisco office, co-head of the High Tech practice on the West Coast and, later, Europe (based in Amsterdam). Her career began with two years at Smith Barney in corporate finance and M&A. Linda has extensive global experience having lived, worked, or traveled to almost 70 countries.

Yates is a Henry Crown Fellow with the Aspen Institute. She is an environmental activist having built Tah.Mah.Lah (<http://www.tahmahlah.com>), considered the greenest home in the US and a 21st-century education pioneer, including working to transform public schools and co-founding Creekside Learning Lab as a demo site for best practices in 21st-century learning. She holds a BA in Foreign Affairs from the University of Virginia and a MA in International Relations and Comparative Politics from Stanford University, where she guest lectures.

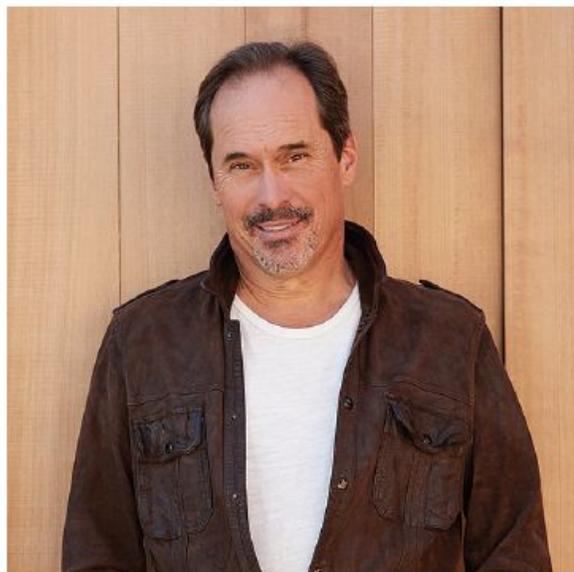
Linda is currently working on her book tentatively titled, *“Disrupting InsideOut: How Companies Can Launch New Ventures at Startup Speed to Drive Growth,”* to be published by Harvard Press, March 2021.

Paul Holland

Managing Director, Corporate Investing Practice, VC-in-Residence

MACH49™

DISRUPTING INSIDE OUT™
DISRUPTING OUTSIDE IN™
DEVELOPING MORE DISRUPTORS™



A successful veteran of Silicon Valley, Paul Holland is Managing Director and VC-in-Residence at Mach49, where he leads the company's Corporate Venture Investing Practice. Paul works with global businesses to design, launch, and manage CVC Funds that leverage the experience, deal flow, global network, and success of his team of top-tier Silicon Valley VCs. Paul supports Executive Investment Committees, bringing the discipline, portfolio mindset, metrics, and best practices needed to drive meaningful growth. He also teaches clients best-in-class methods for partnering with and leveraging external startups to drive maximum value and innovation across the core business.

Paul has been a General Partner at leading venture capital fund, Foundation Capital, for 18 years helping take startup companies from zero to \$100M to IPO or acquisition. He enjoys being on the front lines—working side-by-side with entrepreneurs developing fast-growing, dynamic new ventures—experience he is also bringing to support Mach49's work helping large companies build their own disruptive ventures.

Prior to joining Foundation, he had an equally stellar operating career, joining Reed Hastings at Pure Software, ultimately running Europe, Middle East, and Africa and helping Pure have one of the hottest IPOs of that vintage. He was later recruited by Benchmark Capital to join Mark Gainey at Kana Communications as its first C-suite executive to help Kana grow quickly and go public, ultimately attaining a \$9B market cap. In total, Paul helped generate over \$13B in market capitalization during his operating career.



[/in/paul-holland-15359469/](#)

Paul began his career at SRI International, where, as he likes to tell his kids, he was a “human Google,” conducting inquiries on a broad variety of topics for global businesses.

He received his MBA from UC Berkeley, MA from University of Virginia, and BS from James Madison University. Paul is a former president of the Western Association of Venture Capitalists, and he is the producer of the documentary *Something Ventured*, about the early days of the Silicon Valley. He premiered his newest creative endeavor for the stage: *Walls: An American Story* in January 2020. He has guest lectured on entrepreneurship at Stanford, Harvard, Dartmouth, MIT, University of Virginia, and James Madison University.

**COMPANIES
ARE GOING
OUT OF
BUSINESS
FASTER THAN
EVER BEFORE.**

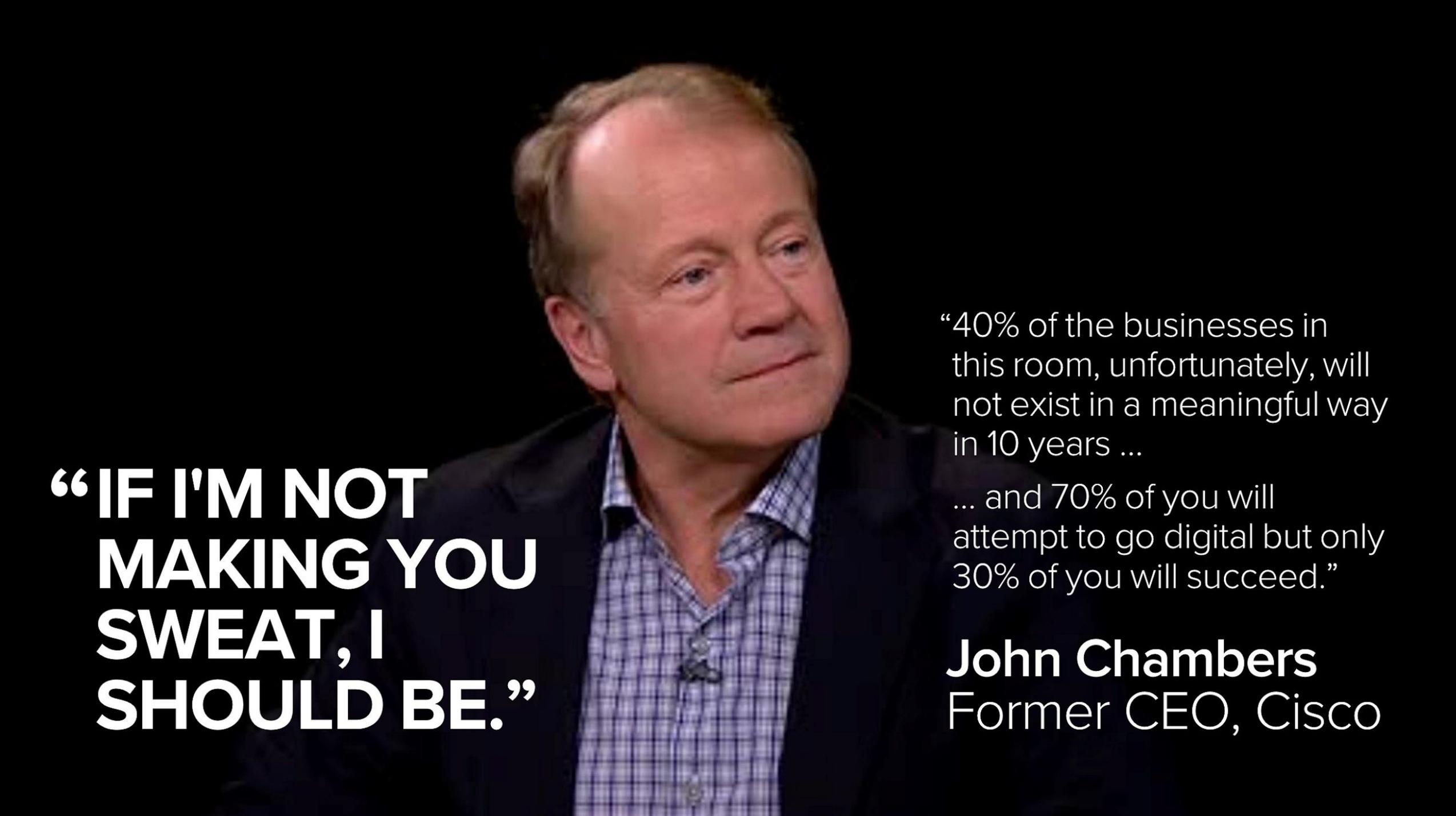


Life expectancy of a Fortune 500 company.
88% irrelevant
12% still kicking

50 YEARS AGO

TODAY

Forbes: Stephen Denning

A portrait of John Chambers, former CEO of Cisco, looking slightly to the right. He is wearing a dark blazer over a blue and white checkered shirt.

**“IF I’M NOT
MAKING YOU
SWEAT, I
SHOULD BE.”**

“40% of the businesses in this room, unfortunately, will not exist in a meaningful way in 10 years ...

... and 70% of you will attempt to go digital but only 30% of you will succeed.”

John Chambers
Former CEO, Cisco

A photograph of Marc Andreessen, a bald man with a serious expression, sitting on a dark couch. He is wearing a grey blazer over a light blue button-down shirt. His hands are clasped in his lap. The background is dark and out of focus.

IT'S TIME TO BUILD.

“Every Western institution was unprepared for the coronavirus pandemic, despite many prior warnings.

Part of the problem was clearly foresight, a failure of imagination.

But the other part of the problem is what we didn't **do** in advance, and what we're failing to do now. And that is a **failure of action and execution**, and specifically our widespread inability to **build.**”

Marc Andreessen

Co-Founder and General Partner
Andreessen Horowitz

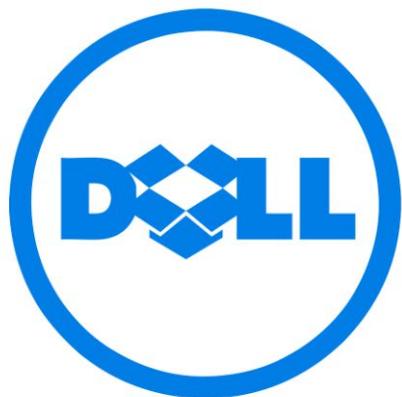
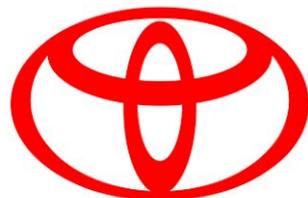
**THE G1000 IS
LEAVING A LOT
OF MONEY ON
THE TABLE.**

**490 unicorns
with a total
valuation of
\$1.6 Trillion**



**LARGE
COMPANIES
HAVE TALENT,
IDEAS, BRAND,
RESOURCES,
CAPITAL,
TECHNOLOGY,
CHANNELS, AND
CUSTOMERS.**





HOW WE SOLVE THE GROWTH PROBLEM.

We focus on four activities to help global businesses to beat the startups at their own game.



Launch Ventures

Leverage your internal talent, customers, and assets to build disruptive new ventures in 12 weeks.



Build Incubators

Create and operate an internal incubator that continuously delivers a pipeline and portfolio of new ventures.



Do Corporate Venturing

Design and manage a world-class CVC Fund, improve the performance of your Executive Investment Committee, and maximize the partnership value of external startups.



Bring Silicon Valley Inside

Build an internal ecosystem of entrepreneurs, investors, and advocates to drive growth and seize your Mothership advantage.

Mach49 is 100% focused on execution.

We're a unique cadre of successful serial entrepreneurs, top-tier VCs, and C-Suite executives — an extremely experienced team that has collectively helped generate over \$50B dollars in market value over our operating careers in companies we have invested in, created, managed or built.

We act as co-founders not consultants.

We are bilingual between **Silicon Valley and the board rooms and C-suites** of the Global 1000.

We have a teachable, repeatable, scalable methodology, that **builds client capability.**

DISRUPTING INSIDE OUT.

THE GOAL IS TO BUILD A PIPELINE AND PORTFOLIO OF VENTURES TO GENERATE MEANINGFUL GROWTH.



IDEATE



INCUBATE



ACCELERATE



SCALE





IDEATE. Mining breakthrough ideas from inside and outside the organization.

PORTFOLIO REVIEW

For many companies, ideation isn't their problem — assessing and prioritizing the ideas is where they need the most help.

CHALLENGE FRAMING

A simple way to launch the incubate phase of a new venture is to bring a group of people together to create a challenge statement and an initial stakeholder map.

NEW VENTURE COMPETITION

Challenge your next generation of internal entrepreneurs with a company-wide venture plan competition.

INCUBATE. Only 12 Weeks to Launch a New Venture.



ACCELERATE. Pilots. Product-Market Fit. Revenue. Scale.



PROCESS

**Building
the
Business**

**Build to
Learn**

Product Pilots.
Understand, Test,
and Measure
Value Delivered.

**Build to
Automate /
Standardize**

Product-Market Fit.
Product Delivery and
GTM Infrastructure Built.
First Revenue.

**Build to
Scale**

Repeatable Revenue Model.
Positive Unit Economics.
Scalable Delivery Engine.
Sales and Growth Model.

OUTCOMES

- First Revenue** Through Paying Pilot Customers
- Product-Market Fit**
- Team and Infrastructure** Ready to Scale
- Businesses Ready for **Series A Funding**
- A Self-Governing **Team**
- Validated and Proven **Business Model and Pricing**
- Repeatable and Measurable Processes.**

Funded during COVID



Providing field techs with the intelligent modern technology they deserve to be awesome at their jobs.



Thriving during COVID



Affordable solar power systems and analytics that help you to make more efficient and cost-effective solar energy choices for your home.

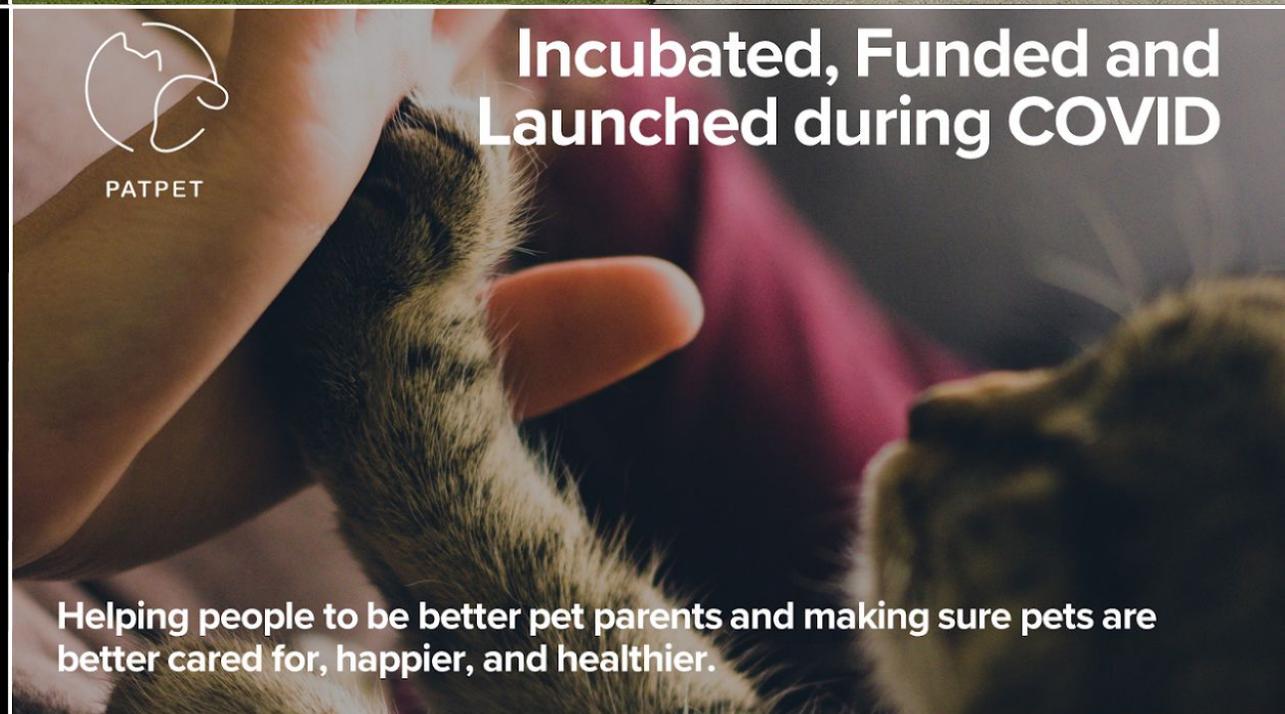
Big Exit during COVID



The First Virtual Energy Expert.



Incubated, Funded and Launched during COVID



Helping people to be better pet parents and making sure pets are better cared for, happier, and healthier.

DISRUPTING OUTSIDE IN.

WHY DO CORPORATE VENTURING?



Optimize your current business by leveraging the speed, agility, and innovation of startups.



Drive your company **into adjacent and new markets** using a portfolio approach by placing a series of small bets.



Create a channel to **stay current on emerging trends** and technologies — staying up to speed on the “art of the possible.”

OPTIONS FOR CORPORATE VENTURING.



Design, launch, and manage world-class CVC Funds leveraging the experience, deal flow, global network, and success of our top-tier Silicon Valley VCs.



Support Executive Investment Committees without a CVC, who are investing off the balance sheet — bringing the discipline, portfolio mindset, metrics, and best practices needed to drive meaningful growth.



Adopt best-in-class methods for partnering with and leveraging external startups to drive maximum value and innovation across the core business.



EXPLORING NEW FRONTIERS FROM A STRONG BASE.

€228B WW



Pernod Ricard
€8.7B



From Wine and Spirits

To Conviviality



ACCELERATE THE DISRUPTION.



FROM

TO

WHAT'S NEXT?



WHY NEXT 15?

Mach49 has had several acquisition offers and expressions of interest since our founding.

A global company with amazing leadership and well-staffed offices in all major markets.

The long-term opportunity to help move the needle for the parent organization. “Mach49 will become the cornerstone of Next 15’s previously announced plans to create a \$100m revenue innovation business.”

Independence. Next 15 leaves their portfolio companies intact as stand-alone entities running their businesses as they see fit — a really important criteria for our clients.

Next 15, provides us with a disruptive, growth-oriented platform, including a range of portfolio companies that can help our clients’ ventures scale more rapidly in the marketplace.

All-important cultural fit. In Next 15, we found the ideal partner, one who believes in our mission as much as we do but also one whose leadership and sister portfolio companies share our values.

How Companies Can Launch New Ventures
at Startup Speed to Drive Growth.



Disrupting Inside Out

LINDA K. YATES



Harvard
Business
Review

SPRING 2021.
Harvard Business Press.

NEXT15 + MΛCH49™

**BUILDING GROWTH ENGINES
FOR THE GLOBAL 1000.**

TO CLOSE:

The big traditional ad agency groups are walking a tightrope

Specialism beats scale every time

Quality beats price but value beats everything (data, data, data)

Marketing is dead, revenue growth is everything