

## PROYECTO DE INVERSION #317

Social Tools. The leading Social Media Marketing Suite in Latin America

### Sector

TECHNOLOGY

### Subsector

INTERNET

### Brief description of the business opportunity

Social Tools is a Social Media Marketing Suite that enables Agencies and Marketers to run low cost promotions and contests and optimize their ads campaigns on Facebook, twitter, instagram, & vine in a few minutes.

### Brief description of the product/service

Social Tools generates revenue as Self Serve SaaSPlatform. With a Freemium model, the customer can choose between buying an specific app (one shot) or to subscribe to a monthly fee that ranges from USD25 to USD 900 depending the size of their fan page.

### Brief description of the target market(s) of the product/service

The target market are small business, online agencies, and freelancer community managers. Social Tools initial target markets are Latin American economies, which is the fastest growing market in terms of Social Media Penetration in the world. Social Tools is positioning itself as the leading Self Service Social Media Marketing Suite in Latin America. Some important players in the US, are Wildfire, NorthSocial, Woobox, and Involver but with no big presence in Latin América. Some LantinAmerican players like 55Social, are focusing only in big brands and Enterprise sales.

### Brief description of the advantages of the company or cooperative to carry out the investment project

Revenue growth: Social Tools is growing 25% in revenue every month during the last 21 month. This start up closed a deal with Movistar as an affiliate sales partner and started the Facebook PMD program. Social Tools has developed an expansion strategy that is already running and showing excellent results. Wayra Argentina, 500 Startups and Juan Cruz Valdez Rojas (Angel Investor) are the main investors of Social Tools.

### Brief description of the context of the investment opportunity

By the end of 2014 there will be 1.9 billion people using Facebook and 70 million Fan Pages. According to Nielsen, 80% of internet users prefer to connect with brands on facebook and they are 4 times more inclined to buy if it is recommended by a friend or contact. In Latin America, 86% of brands planned to increase spending on social media marketing in 2014 (Forrester, 2013). Every company is trying to bring Facebook into their marketing mix. Latin American market is pretty much unattended since 50% of Facebook marketing spending is done in the US.

### More information about the investment project

**City/Area:** Cordoba capital, Córdoba, Argentina

**Total amount of the Investment Project: US\$** 1.000.000,00

**Percentage of the investment contributed by the Company or cooperative submitting the project:**

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N/D

**Minimum amount required from investor: US\$ 500.000,00**

**Payback period:** 2-5 years

**Purpose of the Investment:** Other (specify) - Business Global Expansion

**Destination of the Investment:** R&D and innovation activities, Sales and Marketing, Working Capital

**Investment Project's stage of development:** Advanced development - More than 100k companies from more than 40 countries are already using SocialTools.

**Brief description of the main stages of the project:**

Year	Amount	Destination
1	1.000.000,00	Working Capital, I+D, Marketing
2		
3		
4		
Rest		
<b>Total</b>	1.000.000,00	

**Type of public incentives available for the Investment Project:** Tax breaks, Subsidised credits, Direct subsidy, Technical assistance, Financial facilities, Investment reimbursement

**Type of investor required:** Strategic investor

**Preferred investment mode:** Equity

### Información de la empresa/cooperativa titular del proyecto de inversión

**Length of time in business:** < 5 years

**Annual sales of the Company/Cooperative (in US\$ millions):** < 2

**Percentage of annual sales derived from exports:** 25% - 50%

**Number of employees:** < 50

If you're interested in learning more about this project, send an email to [bapip@mrecic.gov.ar](mailto:bapip@mrecic.gov.ar)