



## making brands famous

Results Presentation | H1 2015



## OUR BUSINESS

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Chief Juicer



**We do everything and anything, and we do mean ANYTHING to promote 5-Star Marketing that brings joy to our clients' customers and fame and profitable growth to brands who achieve it.**

Most decisions are quick intuitive emotional (System-1)

We don't weigh up options (System-2)

We choose on auto-pilot between 3 or 4 choices

Profitable growth needs creative focus on 3 things:

**Fame** How readily your brand comes to mind

**Feeling** How strongly people feel about your brand

**Fluency** How easily people recognise your brand



Voted the most innovative MR agency

Pioneered new to the world methods

Turned insight into business advantage

Built a System-1 Operating System

Helped create famous 5-Star marketing

Qu's? [chief.juicer@brainjuicer.com](mailto:chief.juicer@brainjuicer.com)

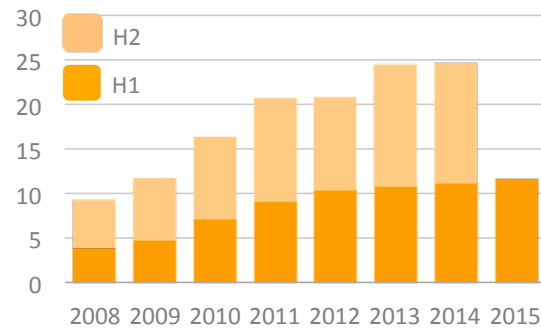
## SUMMARY

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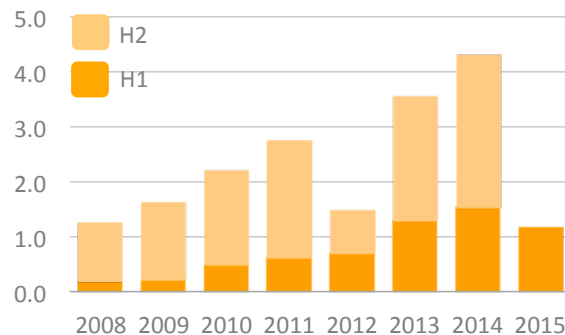
- 🔥 H1 2015 revenue grew modestly as we transitioned Juice Gen to Brand Strategy
- 🔥 One-off costs reduced operating profit by 24%
- 🔥 Core System 1 quantitative services continued to grow well
- 🔥 Zero debt and strong cash position
- 🔥 Evaluating investment opportunities to enhance growth

## FINANCIAL RESULTS | GROUP

Revenue (£m)



Operating profit (£m)



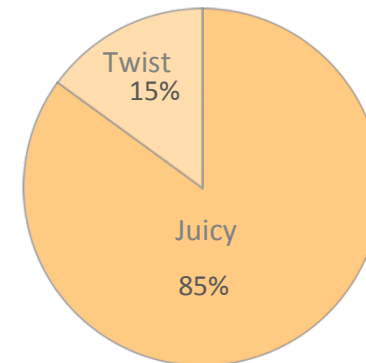
- 🔥 Revenue up 4%
- 🔥 Overhead costs up 12%
  - Includes £0.32m one-off costs for new office and aborted acquisition
  - Underlying overheads (before one-off costs) up 8%
- 🔥 Operating profit down 24%
  - Underlying operating profit (before one-off costs) down 3%
- 🔥 PBT down 25%
- 🔥 PAT down 25%
- 🔥 Diluted EPS down 25%
- 🔥 £5.29m cash and no debt

## FINANCIAL RESULTS | SEGMENTS

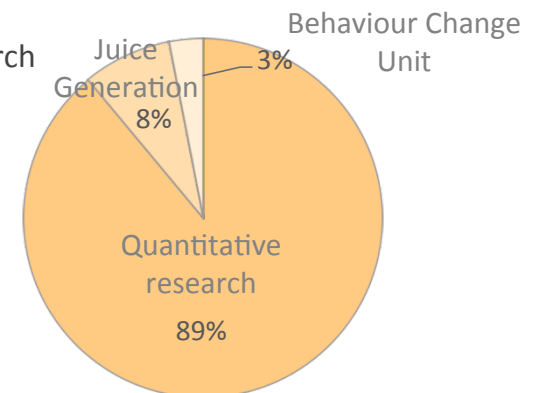
| Revenue – H1 2015     | Juicy  | Twist  | Total   |
|-----------------------|--------|--------|---------|
| Quantitative research | £8.55m | £1.77m | £10.32m |
| Juice Generation      | £0.89m | -      | £0.89m  |
| Behaviour Change Unit | £0.40m | -      | £0.40m  |
| Total                 | £9.84m | £1.77m | £11.61m |

| Growth – year on year | Juicy | Twist | Total |
|-----------------------|-------|-------|-------|
| Quantitative research | + 12% | - 12% | + 7%  |
| Juice Generation      | - 32% | -     | - 32% |
| Behaviour Change Unit | + 78% | -     | + 78% |
| Total                 | + 7%  | - 12% | + 4%  |

Juicy vs Twist



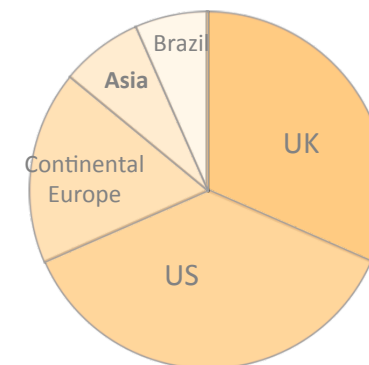
Type of research



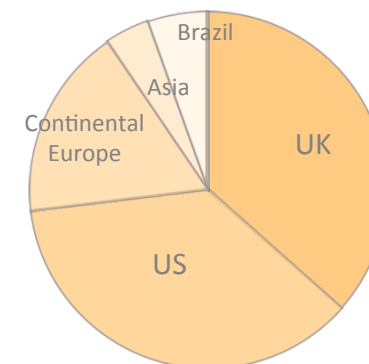
## FINANCIAL RESULTS | GEOGRAPHY

| Region                  | Gross profit  |             | Operating profit |              |
|-------------------------|---------------|-------------|------------------|--------------|
|                         | £m            | %           | £m               | %            |
| UK                      | £2.92m        | - 9%        | £1.81m           | - 21%        |
| US                      | £3.42m        | + 15%       | £1.81m           | + 14%        |
| Continental Europe      | £1.62m        | + 23%       | £0.86m           | + 93%        |
| China   Singapore       | £0.63m        | + 21%       | £0.24m           | + 16%        |
| India                   | £0.05m        | - 69%       | £(0.04)m         | NM           |
| Brazil                  | £0.61m        | + 11%       | £0.26m           | + 1%         |
| <b>Total</b>            | <b>£9.25m</b> | <b>+ 6%</b> | <b>£4.94m</b>    | <b>+ 1%</b>  |
| Central Costs           |               |             | £(3.77)m         | + 12%        |
| <b>Operating profit</b> |               |             | <b>£1.17m</b>    | <b>- 24%</b> |

Gross profit



Operating profit



## FINANCIAL RESULTS CASH FLOW

|                               | H1 2015  | H1 2014  |
|-------------------------------|----------|----------|
| Operating cash flow           | £1.27m   | £0.59m   |
| Tax paid                      | £(0.48)m | £(0.65)m |
| Capex                         | £(0.23)m | £(0.09)m |
| Cash flow before financing    | £0.56m   | £(0.15)m |
| Interest                      | £(0.03)m | £(0.01)m |
| Cash returned to shareholders | £(0.40)m | £(3.42)m |
| Net cash flow                 | £0.13m   | £(3.58)m |
| Period end cash (no debt)     | £5.29m   | £2.53m   |

- Consistent cash flow
  - Main difference year-on-year is staff bonus
  - Large 2013 bonus paid in 2014
  - Smaller 2014 bonus paid in 2015
- Small increase in Capex
  - London office fit-out
- Organic growth to date

## OUTLOOK

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- 🔥 Continued modest growth with upside potential
- 🔥 Continued strong cash flow
- 🔥 Limited downside risk
- 🔥 Differentiated positioning which is difficult to replicate
- 🔥 Well positioned for long term sustainable and profitable growth
- 🔥 Evaluating investment opportunities to enhance growth
  - May require significant revenue investment



## APPENDIX | HISTORY

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2000  
to  
2004

Founded company in 2000 – innovative online market research  
Developed MindReader and FaceTrace  
Moved into Holland  
0 – 21 employees  
0 – 70 clients



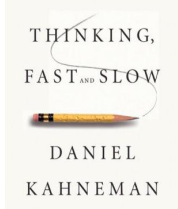
2005  
to  
2009

Floated on AIM in 2006  
Developed Predictive Markets and ComMotion  
Established Juice Generation  
Moved into US, Switzerland and Germany  
34 – 70 employees  
81 – 140 clients



2010  
to  
2014

Developed behavioural model  
Established Behaviour Change consultancy  
Moved into China, Brazil, France, Italy, India and Singapore (and out of Italy)  
Voted most innovative agency 4 years on a row – GRIT awards  
91 – 152 employees  
165 – 235 clients



## APPENDIX | FACT SHEET

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- 🔥 **13 offices in 11 countries**  
UK (two), Switzerland, France, Germany, Holland, US (three), Brazil, Singapore, China, India
- 🔥 **152 employees (average headcount) in 2014**  
Up 10% over 2013
- 🔥 **955 projects delivered in 2014, average revenue per project £26,000**  
892 projects delivered in 2013, average revenue per project £27,000
- 🔥 **235 clients in 2014 (most of which are major consumer companies)**  
224 clients in 2013
- 🔥 **Revenue from largest client in 2014 8%, and from 20 largest 50%**  
Revenue from largest client in 2013 9%, and from 20 largest 57%
- 🔥 **Repeat business: 85% of 2014 revenue from clients returning from 2013**  
82% of 2013 revenue from clients returning from 2012

## APPENDIX | OUR RESEARCH APPROACH

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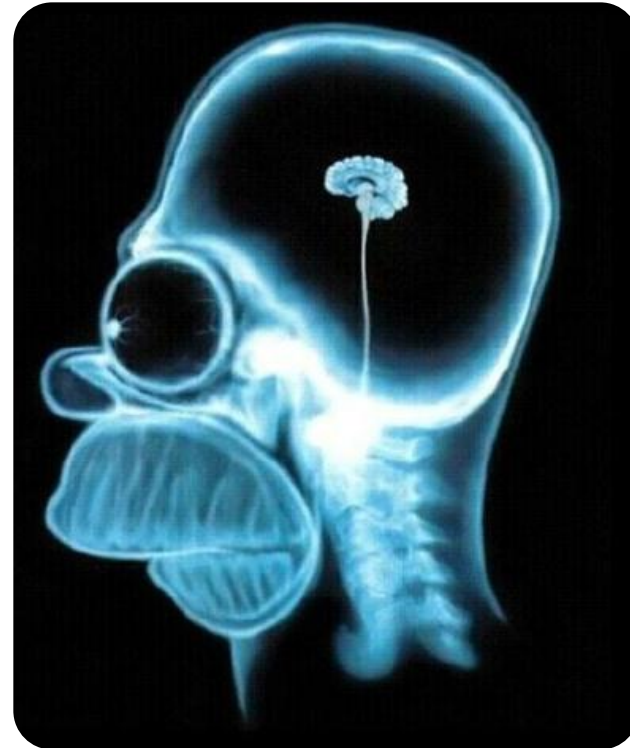


- We are unreliable witnesses to our own behaviour...

## APPENDIX | OUR RESEARCH APPROACH

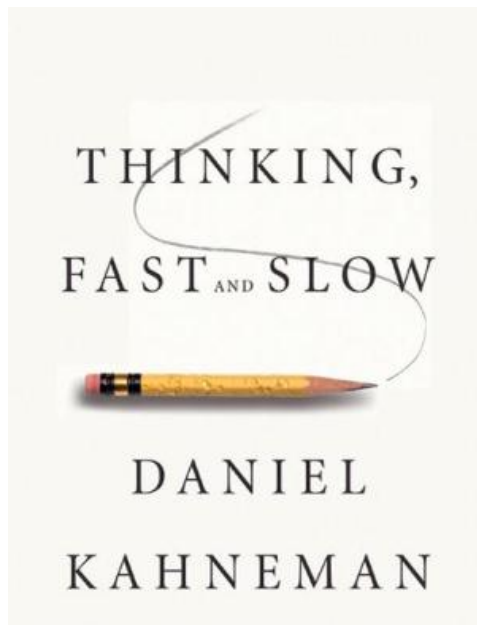
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- 💧 Because we think much less than we think ...
- 💧 We are first and foremost emotional creatures, not thinking brains!



## APPENDIX | OUR RESEARCH APPROACH

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- Our methodology is based on the latest developments in behaviour economics and design thinking. We uncover the underlying System 1 / emotional responses that matter.
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- Research has historically centered around asking people to (over) think...

- Despite behaviour science telling us that an irrational and different model of customer behaviour is at play!

## APPENDIX | OUR RESEARCH APPROACH

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### System 2

How we think that we think most of the time:

*Logical*

*Slow*

*Rule Based*

*Tiring*

*Considered*



### System 1

How we really feel most of the time:

*Intuitive*

*Fast*

*Emotional*

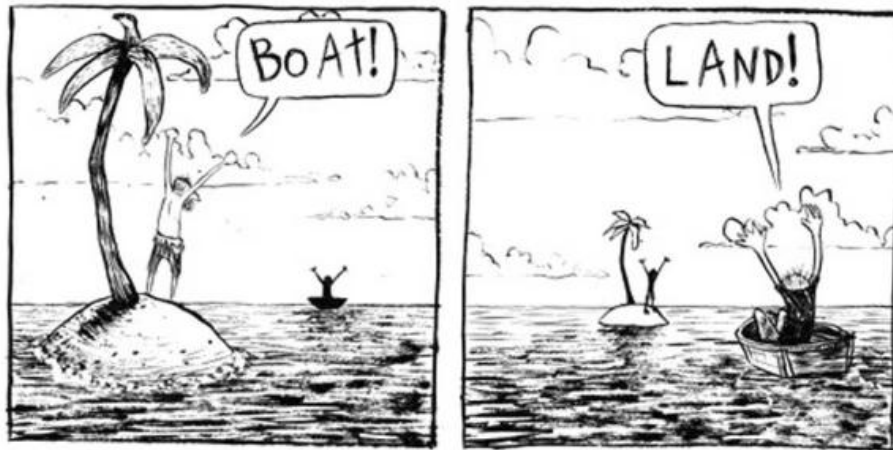
*Effortless*

*Automatic*

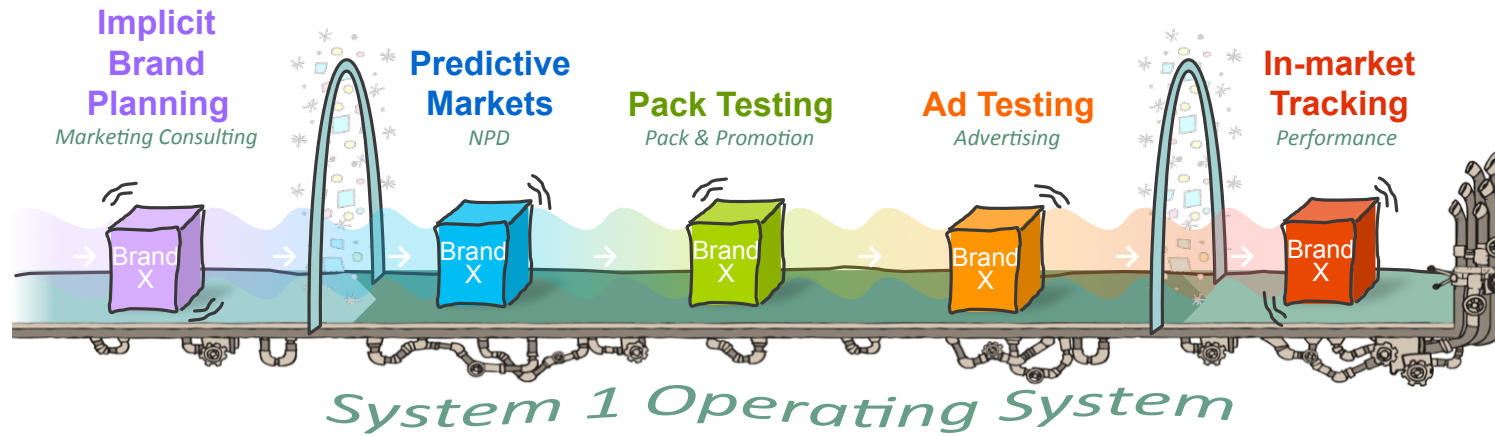
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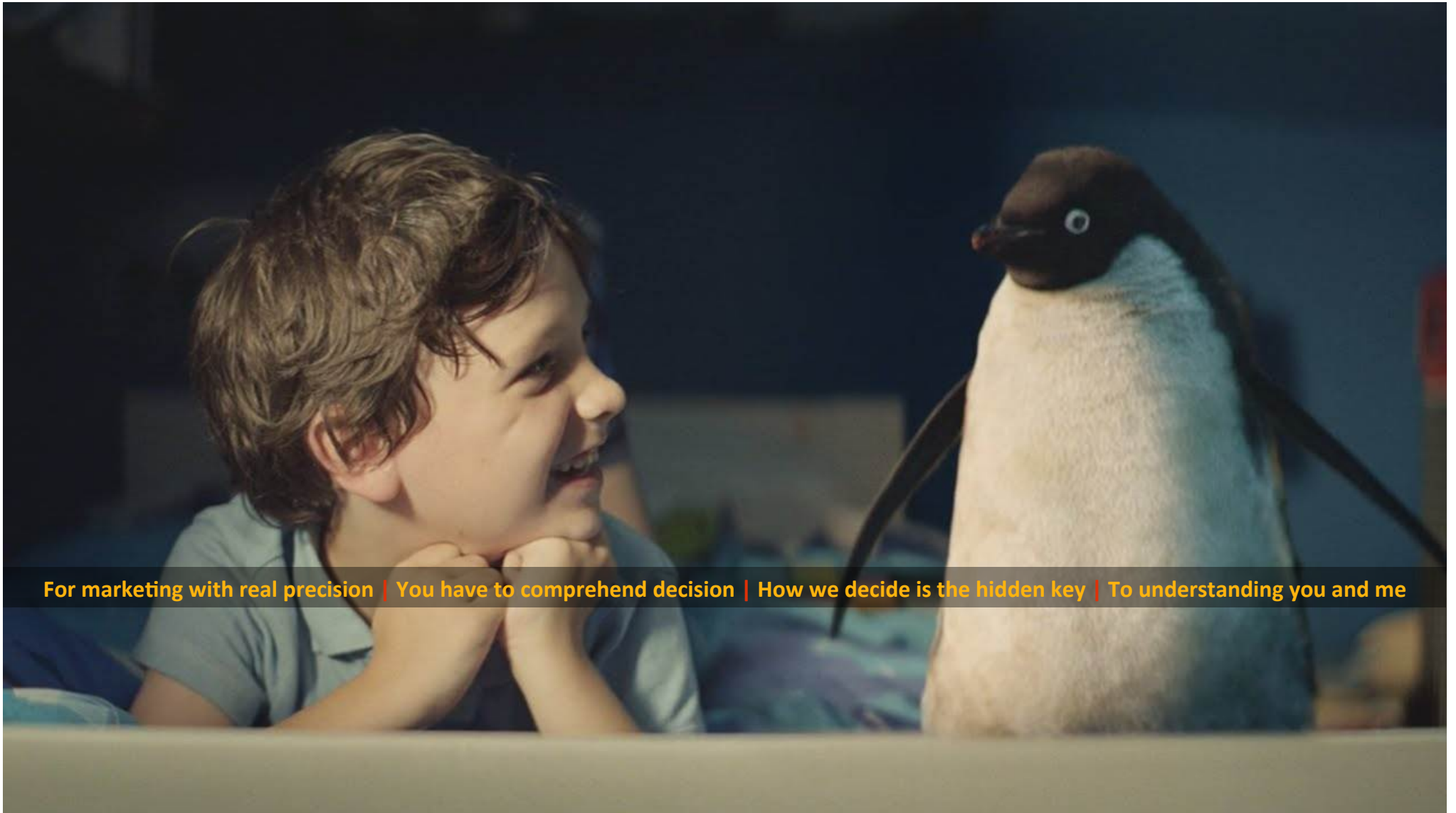
- Truth is subjective and completely connected to context. Perspective is everything.



# APPENDIX | OUR SYSTEM 1 OPERATING SYSTEM







For marketing with real precision | You have to comprehend decision | How we decide is the hidden key | To understanding you and me