Oracle Buys Datalogix

Creates the World’s Most Valuable Data Cloud
to Maximize the Power of Digital Marketing

January 23, 2015
Oracle is currently reviewing the existing Datalogix product roadmap and will be providing guidance to customers in accordance with Oracle’s standard product communication policies. Any resulting features and timing of release of such features as determined by Oracle’s review of Datalogix’s product roadmap are at the sole discretion of Oracle. All product roadmap information, whether communicated by Datalogix or by Oracle, does not represent a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decisions. It is intended for information purposes only, and may not be incorporated into any contract.

**Cautionary Statement Regarding Forward-Looking Statements**

This document contains certain forward-looking statements about Oracle and Datalogix, including statements that involve risks and uncertainties concerning Oracle’s acquisition of Datalogix, anticipated customer benefits and general business outlook. When used in this document, the words “anticipates”, “can”, “will”, “look forward to”, “expected” and similar expressions and any other statements that are not historical facts are intended to identify those assertions as forward-looking statements. Any such statement may be influenced by a variety of factors, many of which are beyond the control of Oracle or Datalogix, that could cause actual outcomes and results to be materially different from those projected, described, expressed or implied in this document due to a number of risks and uncertainties. Potential risks and uncertainties include, among others, the possibility that the anticipated synergies of the combined companies may not be achieved after closing, the combined operations may not be successfully integrated in a timely manner, if at all, general economic conditions in regions in which either company does business may deteriorate and/or Oracle or Datalogix may be adversely affected by other economic, business, and/or competitive factors. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of Oracle or Datalogix. You are cautioned to not place undue reliance on forward-looking statements, which speak only as of the date of this document. Neither Oracle nor Datalogix is under any duty to update any of the information in this document.
The Announcement

• **Oracle buys Datalogix**
  – Creates the world’s most valuable data cloud to maximize the power of digital marketing
  – Represents a further extension of Oracle’s Public Cloud strategy to combine IaaS, PaaS, SaaS and Data as a Service on a common cloud platform and to transform SaaS business applications and processes by integrating data within these applications
  – The transaction has closed

• **About Datalogix**
  – Provides industry-leading solutions for data-driven marketing to inform and measure cross-channel advertising
  – Aggregates and provides insights on over $2 trillion in consumer spending from 1,500 data partners across 110 million US households
  – Over 650 customers, including 82 of the top 100 US advertisers such as Ford, Kraft and PepsiCo, as well as 7 of the top 8 digital media publishers such as Facebook, Google and Twitter

• **The combination of Oracle and Datalogix provides marketers with the richest understanding of consumers across both digital and traditional channels based on what they do, what they say, and what they buy in order to personalize and measure every customer interaction**
  – Datalogix connects offline purchasing data to digital media to improve audience targeting and to measure sales impact
  – Oracle Data Cloud, a leader in Data as a Service solutions, helps marketers create cross-channel profiles of their existing and potential customers to drive relevant actions across marketing, sales and customer service
  – Together, Oracle and Datalogix will provide each marketer a complete view of relevant consumer profiles, maximizing the value of every customer interaction across all paid, earned and owned media
Effective Digital Marketing Needs to be Personalized, Data-Driven and Measurable

**Personalized**
Digital marketing needs to **connect the identity of a consumer** across all channels to personalize the experience

**Data Driven**
Digital marketing needs to build the ideal target audience based on **analytics fueled by prior purchases and cross-channel behavior**

**Measurable**
Digital marketing needs to incorporate the **performance and impact on sales** to inform future campaigns
Despite the Rise in Digital Marketing, Most Consumer Spending Remains Offline and Disconnected

44% of media time is spent online

Digital marketing spend continues to rise

93% of consumer shopping is done offline

The Marketer’s Challenge: Connecting and attributing digital marketing to offline sales impact

Sources: eMarketer, April 2014; 2013 U.S. Census Data
Datalogix Connects Offline Purchase Data to Digital Marketing to Improve Targeting and Measure Sales Impact

Datalogix’s Data-Driven Marketing Solutions:

- Leverage prior offline purchasing data to target the audience most likely to buy
- Measure the impact of digital marketing based on subsequent purchase data
- Provide marketers the insights to optimize future digital marketing campaigns

Target

Purchasing (mostly offline)

Measure & Optimize

Media (mostly digital)
Datalogix Provides Insights on $2 Trillion in Consumer Spending across Auto, CPG and Retail Industries

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<thead>
<tr>
<th>Data Assets</th>
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<tr>
<td>110 million US households</td>
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<td>$2 trillion in consumer spending</td>
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<table>
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<tr>
<th>DLX Auto</th>
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<td>99% of all US sales captured</td>
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<td>20+ years of ownership data</td>
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<th>DLX CPG</th>
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<tr>
<td>50+ grocery chains</td>
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<td>7,000+ brands</td>
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<td>300+ categories</td>
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<th>DLX Retail</th>
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<tr>
<td>10 billion transactions</td>
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<td>1,400+ retailers</td>
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<td>1,000 + categories</td>
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Oracle Identity Graph Unites All Interactions Across Various Channels to Create One Addressable Consumer Profile

- Identify customers and prospects everywhere
- Unify addressable identities across all devices, screens and channels
- Deliver a more relevant customer experience
Oracle + Datalogix will Provide the Richest Understanding of Consumers Across the Entire Customer Experience

**Oracle Identity Graph**

- Behavioral Data: What Consumers Do
- Social Data: What Consumers Say
- Purchase Data: What Consumers Buy

**Oracle Cloud Services**

- Oracle Commerce Cloud
- Oracle Social Cloud
- Oracle Marketing Cloud
- Oracle Sales Cloud
- Oracle Service Cloud

**Target**

**Personalize**

**Measure**
Datalogix’s Solutions Power the Digital Advertising Industry

82 of the Top 100 US Advertisers use Datalogix data

7 of the Top 8 Digital Publishers use Datalogix data

* Customer information and logos provided by Datalogix
Dr Pepper Customer Success Story
Datalogix Created Custom Audiences on Facebook which Generated 3x ROI

COMPANY OVERVIEW:
• A leading producer of flavored beverages in North America
• Portfolio includes more than 50 beverage brands including Dr Pepper, 7Up & Snapple

CHALLENGES:
• Dr Pepper wanted to reach offline Dr Pepper brand and carbonated beverage buyers on Facebook to drive brand awareness and increase beverage consumption
• Dr Pepper needed to measure the offline results of its Facebook campaign to gauge its impact on sales

SOLUTION:
• Datalogix created Facebook custom targeted audiences of heavy carbonated soft drinks buyers and light Dr Pepper buyers to reach shoppers, then measured the campaign to in-store sales

BENEFITS:
• 15% of the audience who saw the ad campaign purchased a Dr Pepper product
• The campaign generated $3 for every $1 spent on advertising, resulting in 1.5% increase in sales

* Customer information and logos provided by Datalogix
Ahold Customer Success Story
Datalogix Built a Custom Digital Audience that Generated 12x ROI

COMPANY OVERVIEW:
• Eighth largest grocery retailer in US, operating over 770 supermarkets and 120 pick-up points in North America
• Ahold USA is organized into four regional divisions – Giant Carlisle, Giant Landover, Stop & Shop New England, and Stop & Shop New York Metro – along with Peapod, the nation’s leading online grocery shopping and delivery service

CHALLENGES:
• Newspaper readership was declining rapidly which was the primary distribution channel for the weekly circular ad
• Ahold needed to find an alternate media channel to engage and communicate to a greater portion of their customers

SOLUTION:
• Datalogix took Ahold’s loyalty card database and connected it to digital media
• Loyalty card members were served banner ads designed to promote the weekly circular and drive in-store sales

BENEFITS:
• The campaign generated $12 for every $1 spent on advertising

* Customer information and logos provided by Datalogix
Lenovo Customer Success Story
Datalogix’s Targeting of Past Customers Resulted in 4x ROI

COMPANY OVERVIEW:
• $34 billion personal technology company and the world's largest PC vendor
• Has been the fastest growing major PC company for more than 4 years
• Offers a full range of personal technology, including smartphones, tablets and smart TVs

CHALLENGES:
• Lenovo wanted to re-engage an audience of past buyers and email recipients who had not opened an email in at least 18 months

SOLUTION:
• Datalogix brought Lenovo’s past buyer and email files online
• Datalogix segmented audiences into groups based on likelihood to purchase
• The top 3 most likely groups were served display campaigns promoting the Lenovo Yoga tablet

BENEFITS:
• The campaign generated $4 for every $1 spent on advertising
• The average order value was $564, double the base product price (starting at $219)

* Customer information and logos provided by Datalogix
Twitter Customer Success Story
Datalogix Helped Twitter Prove the Value of its Platform to the Auto Industry

COMPANY OVERVIEW:
• A global platform for public self-expression and conversation in real time
• 284 million monthly active users
• Offers promoted products, including promoted tweets, promoted accounts, and promoted trends that enable its advertisers to promote their brands, products, and services

CHALLENGES:
• Twitter wanted to prove to auto manufacturers and dealers that it is an effective platform to reach auto buyers

SOLUTION:
• Datalogix helped Twitter offer US auto advertisers the ability to measure actual vehicle purchases from their Twitter audience
• Datalogix measured the car purchases of the total US Twitter audience, those who follow auto accounts on Twitter, and those who received promoted tweets from 10 different auto brands

BENEFITS:
• Datalogix’s solution demonstrated that:
  – Households with Twitter users were 2x as likely to purchase a new car as the average US household
  – Those who received promoted tweets were 32% more likely to purchase a new vehicle
  – Auto brand followers were nearly 3x as likely to purchase a new car

* Customer information and logos provided by Datalogix
Oracle and Datalogix: A Compelling Combination

- Together, Oracle and Datalogix will create the world’s most valuable data cloud to maximize the power of digital marketing and fundamentally transform marketing automation

- The combination will:
  - Connect and unify a consumer’s various identities across all devices, screens and channels
  - Create a comprehensive consumer profile including what people say, what they do and what they buy
  - Enable marketers to reach consumers everywhere including digital, mobile and TV
  - Connect offline purchase data to digital marketing to improve audience targeting and measure offline sales impact
  - Deliver a complete solution for data-driven marketers that correctly identifies consumers, targets them accurately with digital campaigns, allows marketers to measure what campaigns and channels are effective, and optimizes how they reach consumers and spend their campaign resources

- Datalogix’s management team and employees are expected to join Oracle as part of the Oracle Data Cloud

For more information please visit www.oracle.com/datalogix