



HOW PELOTON DROVE GROWTH

MMA MOBILE MARKETING LEADERSHIP FORUM

MAY 10, 2017

A Peloton stationary bike is the central focus, positioned in a modern living room. The bike is black with a large flywheel and a digital display. The room features large windows, a dark sofa, and a gold-colored floor lamp. The text is overlaid on the image in white and red.

PELOTON IS A TECH COMPANY
DISRUPTING THE FITNESS SPACE.

WE BUILT A STATIONARY BIKE THAT ALLOWS YOU TO TAKE
STUDIO CYCLING CLASSES

LIVE & ON-DEMAND

FROM OUR STUDIO IN NYC

ANYTIME, ANYWHERE

PELOTON BY THE NUMBERS

PELOTON LAUNCHED

2014

NPS SCORE

91

ONE-YEAR RETENTION RATE

96%

GLOBAL RIDERS

400,000

BIKES SOLD

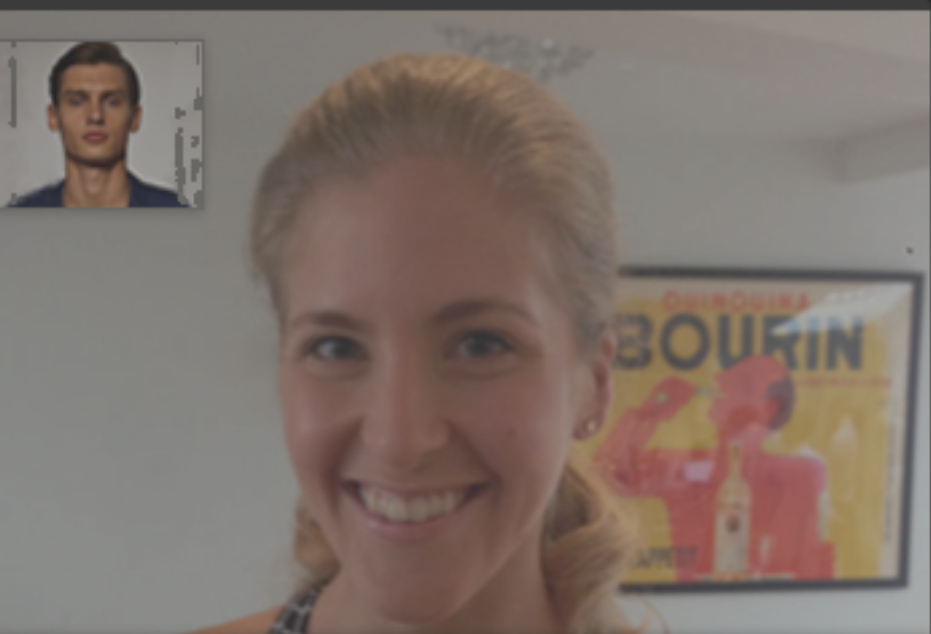
100,000+

WORKOUTS TAKEN

7.9M



12:27 LEFT


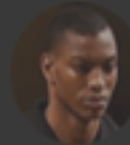
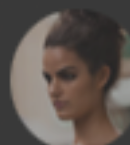

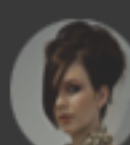
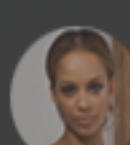




End Chat

Volume control slider

Leaderboard Filters

ALL RIDERS (192) TOTAL OUTPUT

15	 Susanna 3.14.2013 NEW YORK	591
PERSONAL BEST		580
16	 Jonathan 12.31.2012 TORONTO	532
17	 Rachel 1.31.2013 ATLANTA	491
18	 Clementine 7.1.2012 NEW YORK	482
19	 Alice 10.1.2012 WONDERLAND	447
20	 Jamie 6.16.2012 BOSTON	399
21	 Margaret 11.11.2012 SEATTLE	311
22	 Tom	201

Peloton is the most immersive, socially motivating fitness experience

Distance: 15.4 MILES

Speed: 20 MPH

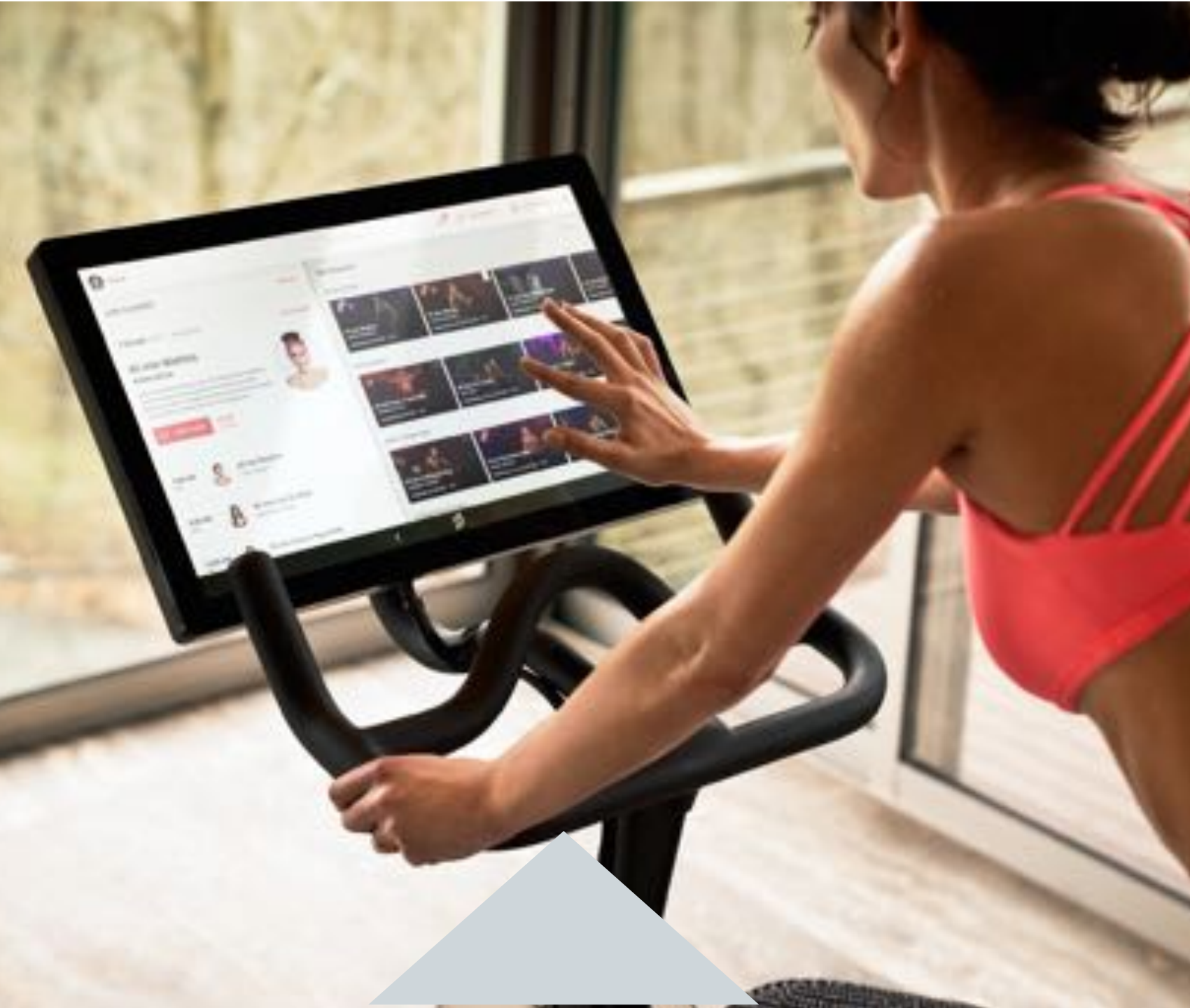
Cadence: 72 RPM (AVG: 92, MAX: 112)

Output: 119 WATTS (Total: 111, AVG: 216, MAX: 508)

Resistance: 68 PERCENT (AVG: 23, MAX: 27)

Calories: 484 BURNED

Heart Rate: 155 BPM



TRACK METRICS

SEE HOW YOU STACK UP
AGAINST OTHERS
IN REAL TIME



**22 IN. SWEAT-PROOF
HD TOUCHSCREEN**

UP TO
14 LIVE CLASSES DAILY



**IN YOUR HOME
ON YOUR SCHEDULE**

4000+ CLASSES ON-DEMAND

THE BEST INSTRUCTORS IN NYC (BUDDING CELEBRITIES)



UNIQUE VERTICALLY INTEGRATED BUSINESS

Award-winning bike and bike design



Hardware

Tablet computer, 4x bigger than iPad;
CM founded by team from Foxconn

Client-side SW: Custom Android /
Linux Operating System

Software



Python Cloud Services handling
5K real-time requests per second

12 hours of live television
quality video streamed daily



Media

4,000 on-demand classes accessible
anytime from the cloud

20 retail stores in luxury malls and
high-end locations nationally

Retail



Robust inside sales team / operation
complementing ecommerce website

Growing national operation of Peloton
Mercedes Sprinter delivery vans



Logistics

Peloton employees extending brand
via best-in-class, in-home deliveries

Entire Tech Stack





VS



“

OUR RIDERS LOVE PELOTON

Access to live classes from home? There's nothing easier.

- MICHELLE R.

Not only do you have the best spin bike, the best instructors in the world, but all the fellow rider support too!

-TRICIA B.

Initially, I had doubts. But now I can't see my life without Peloton. It always works on my schedule.”

- DEMETRI Y.

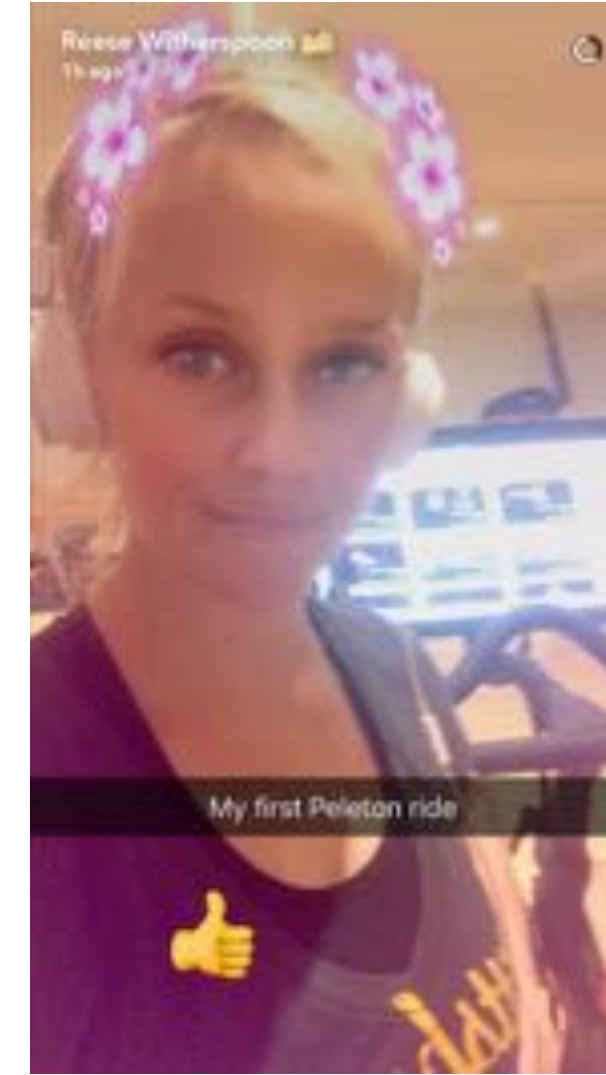
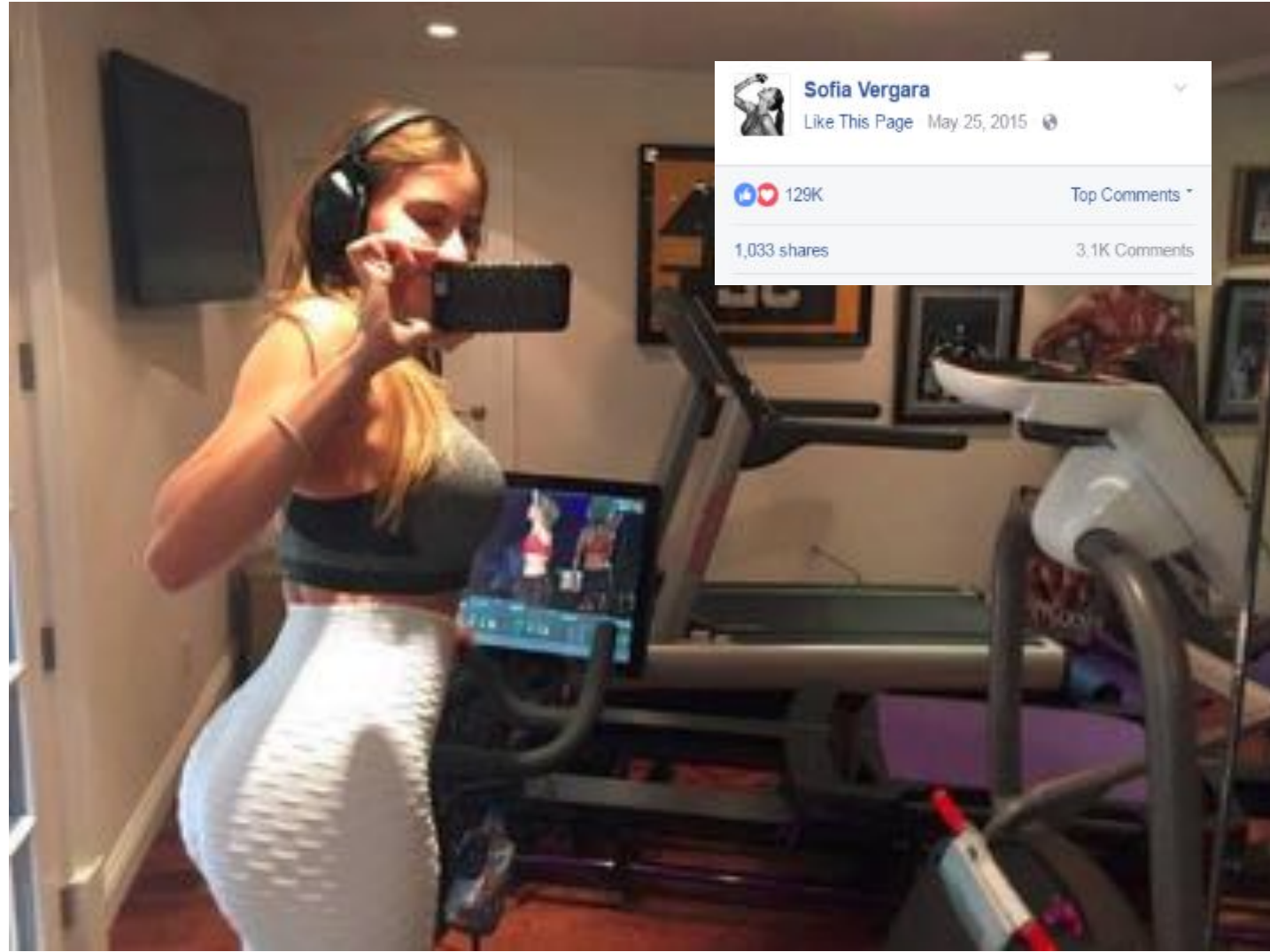
If you're new to this, I've some bad news for you. It's addictive. Beyond anything I've done before.

- TRISTAN M.

”



CELEBRITIES LOVE PELOTON



...AND SO DOES THE PRESS

“The Peloton is attractive, addictive, and seriously whips you into shape.”

 **USA TODAY**TM

“Peloton has become a cult favorite, thanks to its energetic teachers...”

The New York Times

“The Bergdorf's of bike studios”

TOWN&COUNTRY

“The best cardio machine on the planet.”

Men'sHealth

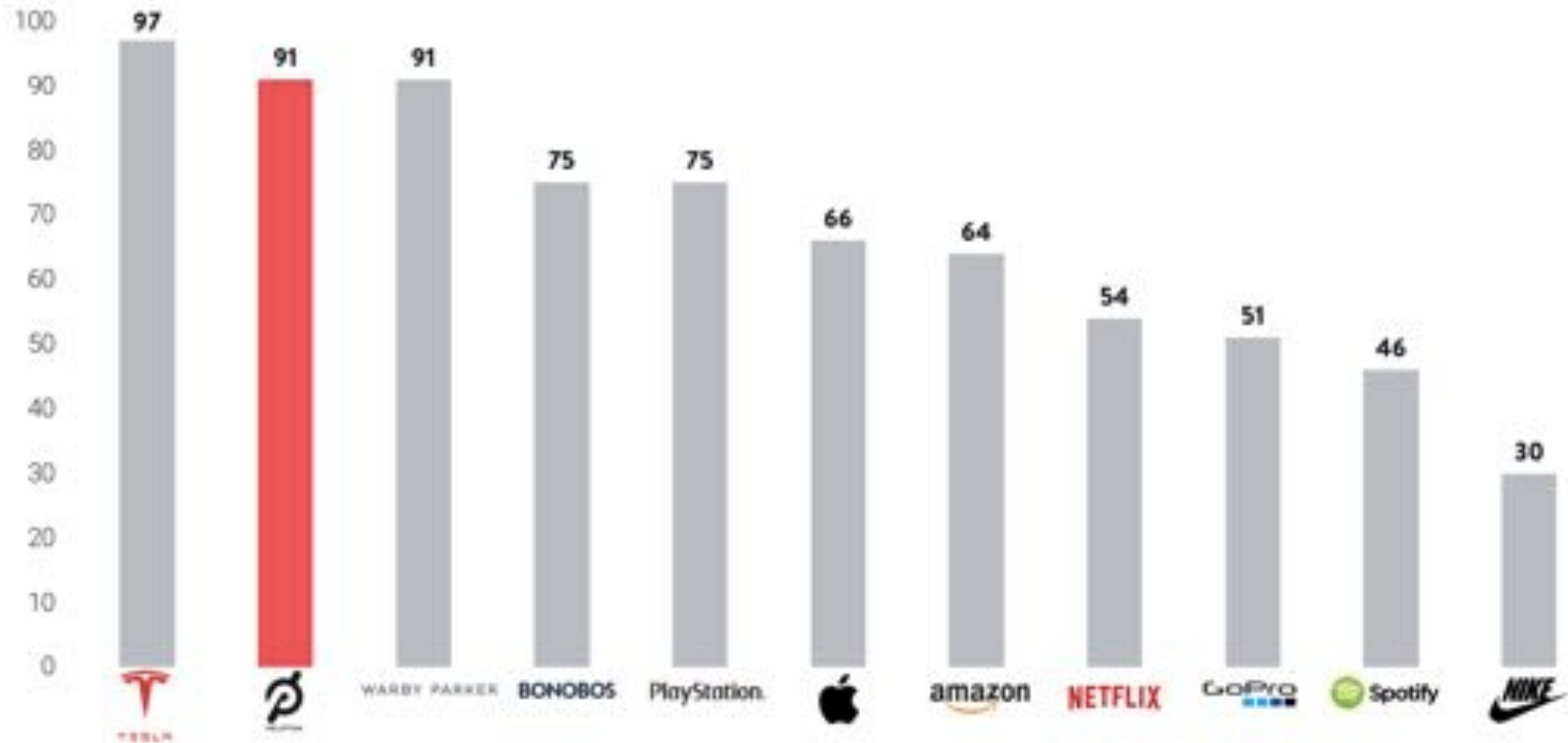
“Easily the best indoor workout.”

BARRON'S

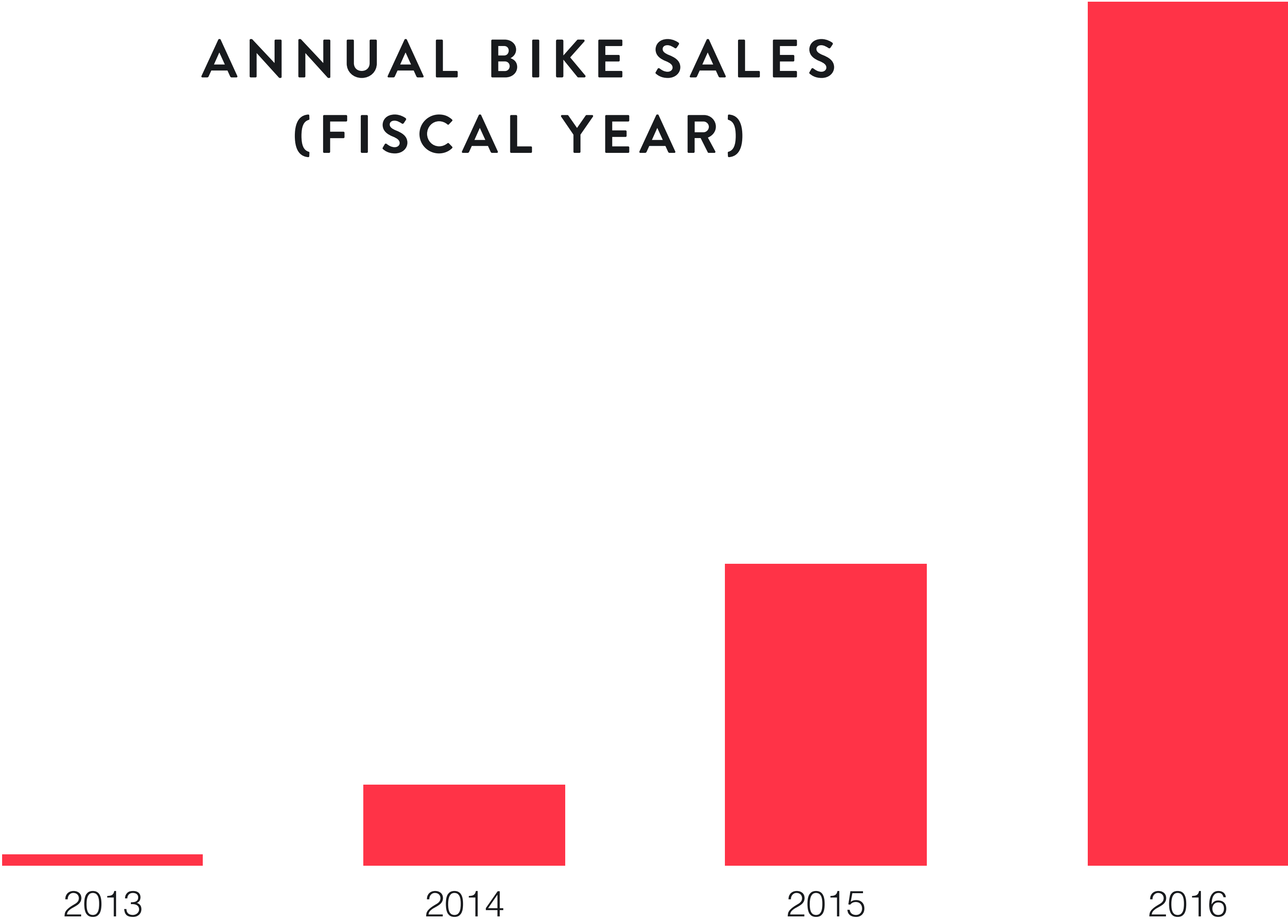
“Tried. Tested. Trusted. Genius!”

**GOOD
HOUSEKEEPING**

NPS OF 91 PUTS US IN GOOD COMPANY



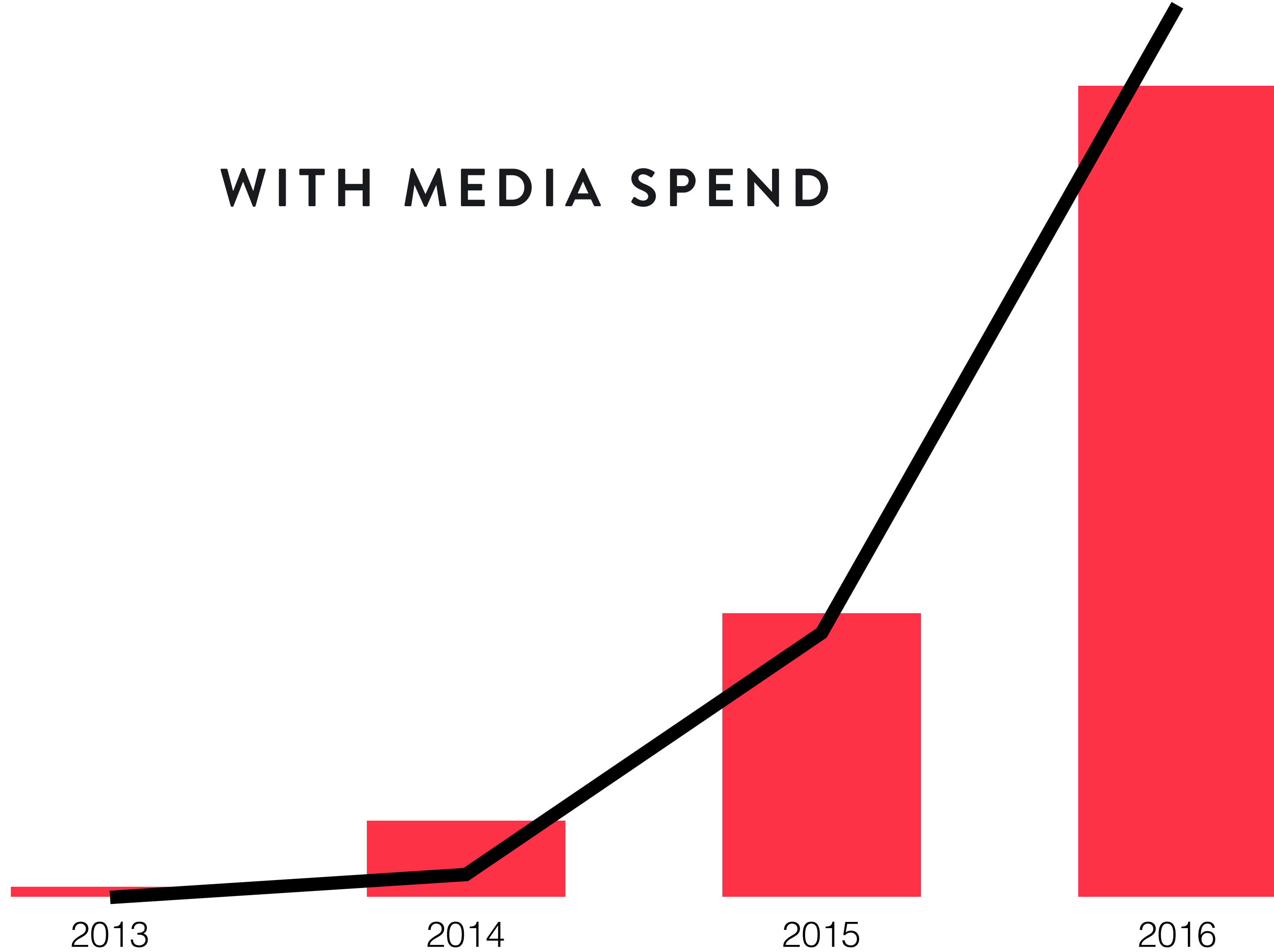
ANNUAL BIKE SALES (FISCAL YEAR)



■ Bike Sales



WITH MEDIA SPEND



— Media Spend

■ Bike Sales



PELTON: ACCIDENTAL MOBILE MARKETER

- Started digital marketing in 2014, targeting desktop only
- Ran one Facebook campaign in October and accidentally included mobile
- Vast majority of impressions went to mobile
- *Far outperformed core campaigns*

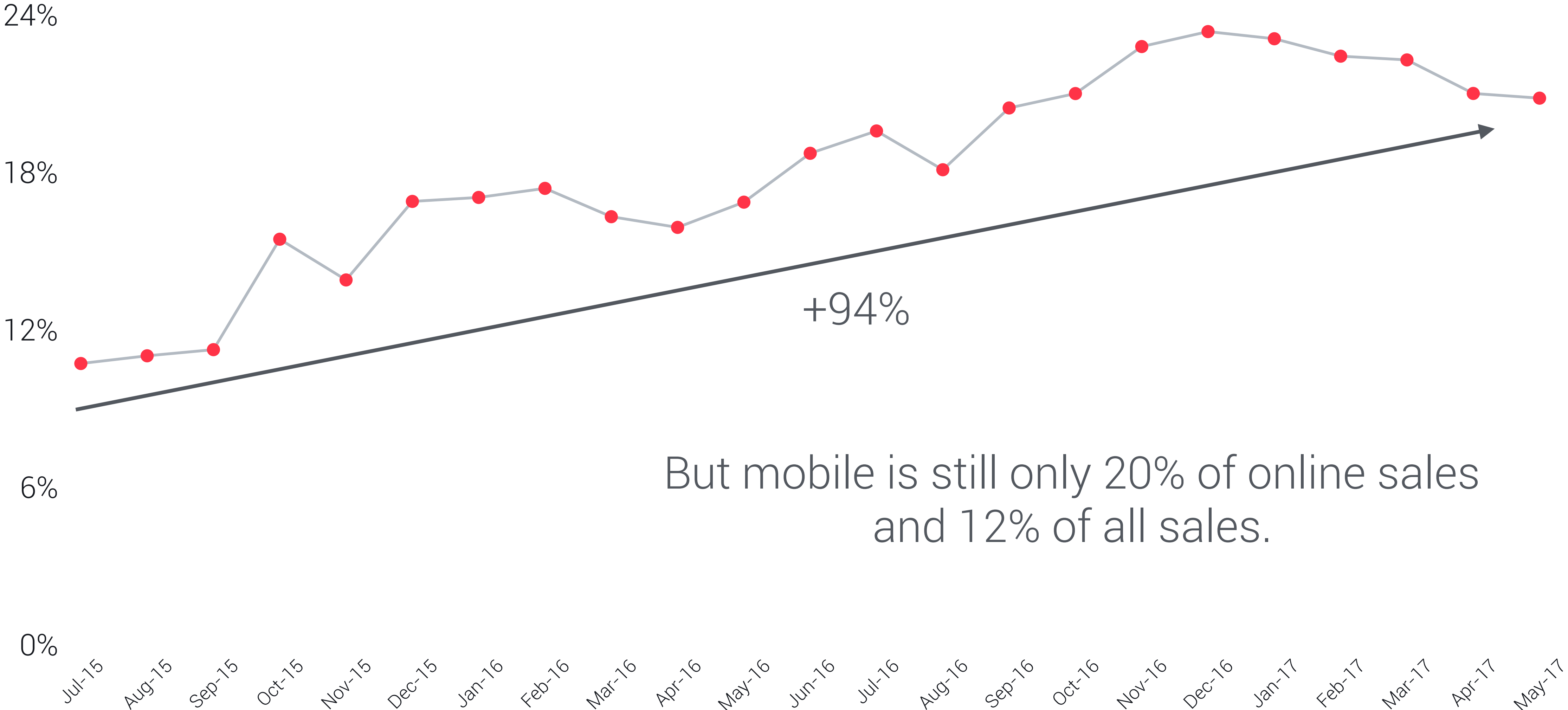


WHY DID THIS WORK?

People don't buy a \$2,000 product on mobile, do they?



MOBILE PURCHASES AS % OF ALL ONLINE



But mobile is still only 20% of online sales and 12% of all sales.

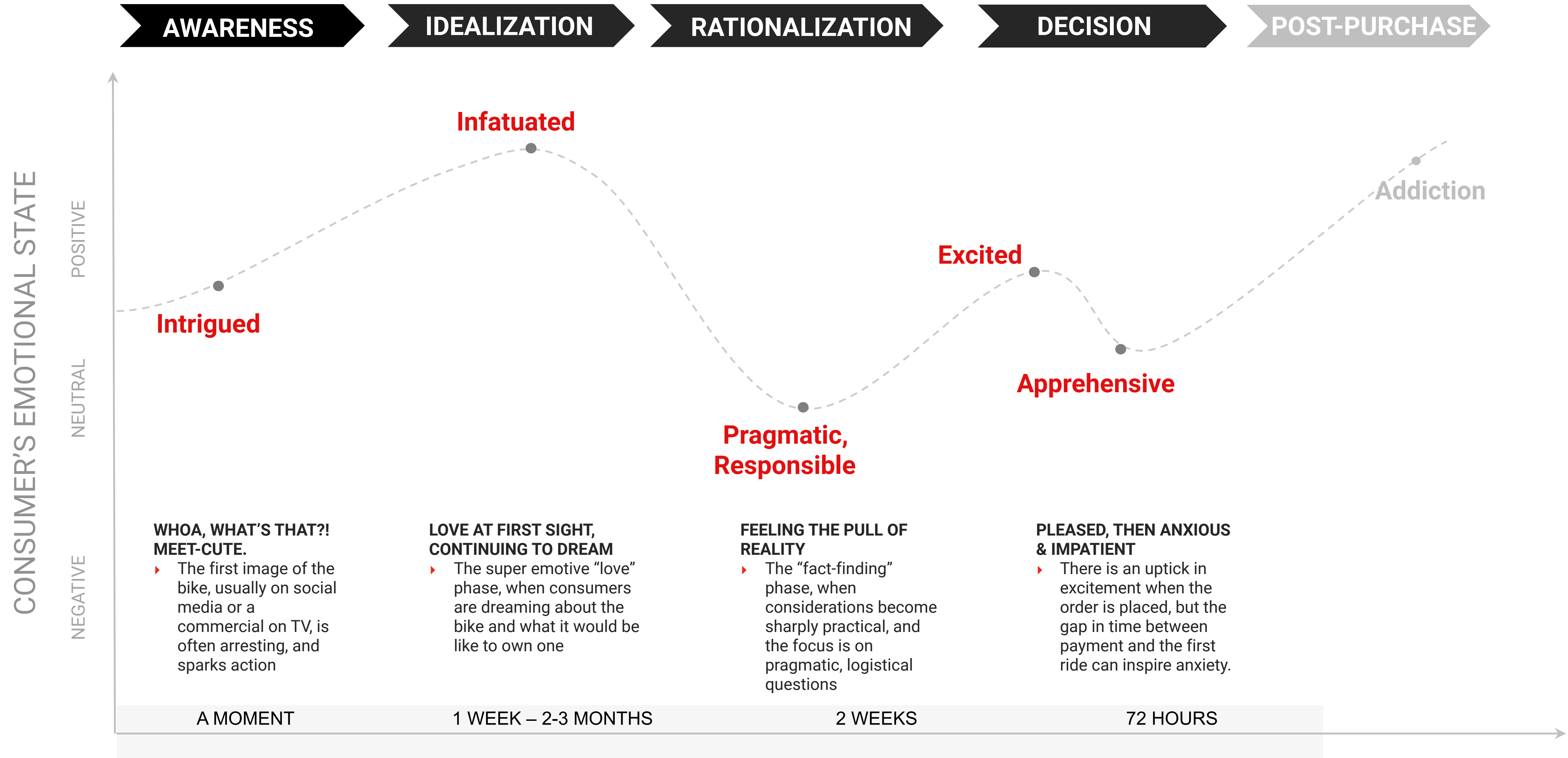


WHY DID THIS WORK?

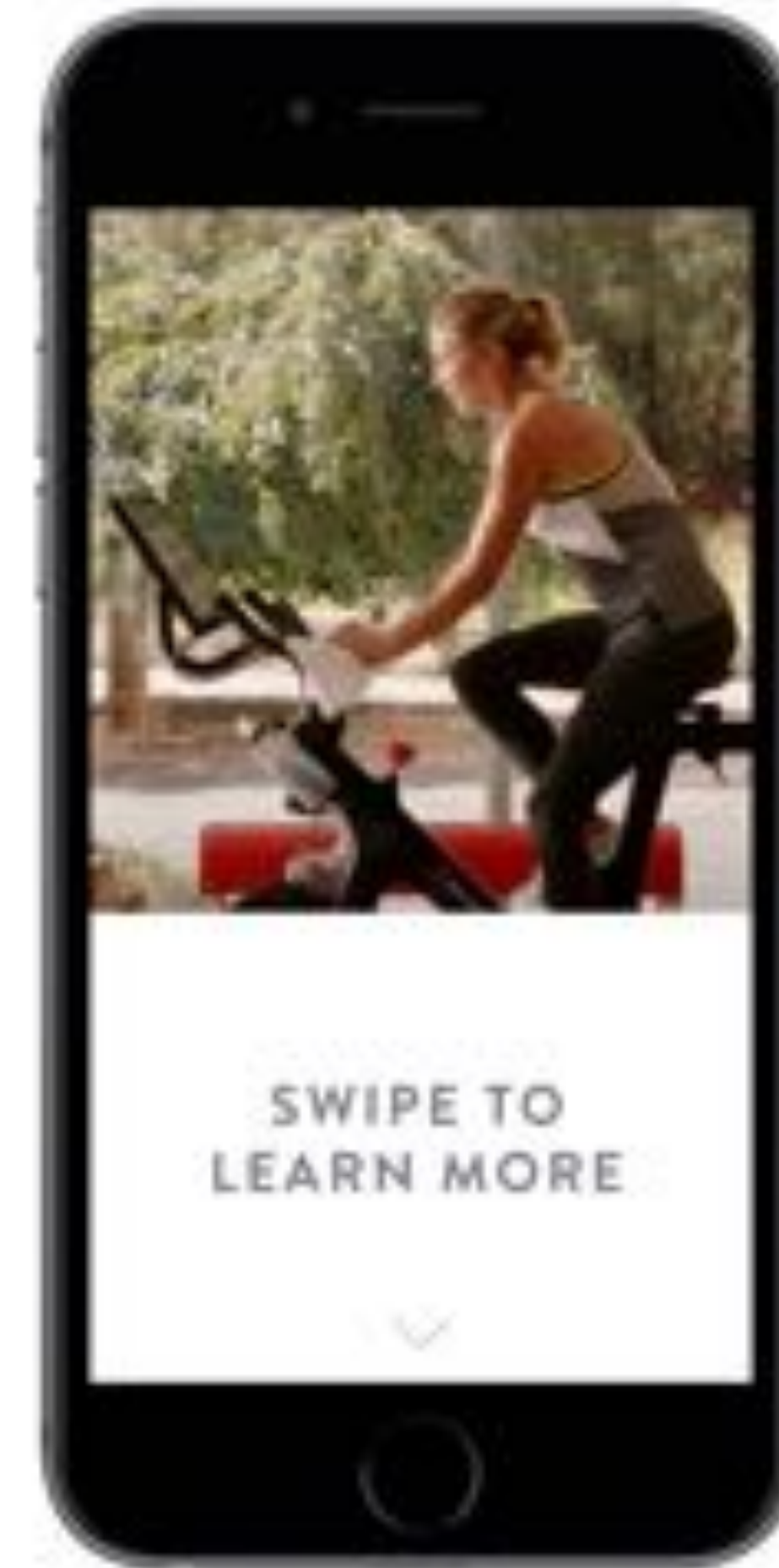
*People don't buy a \$2,000 product
on mobile, do they?*



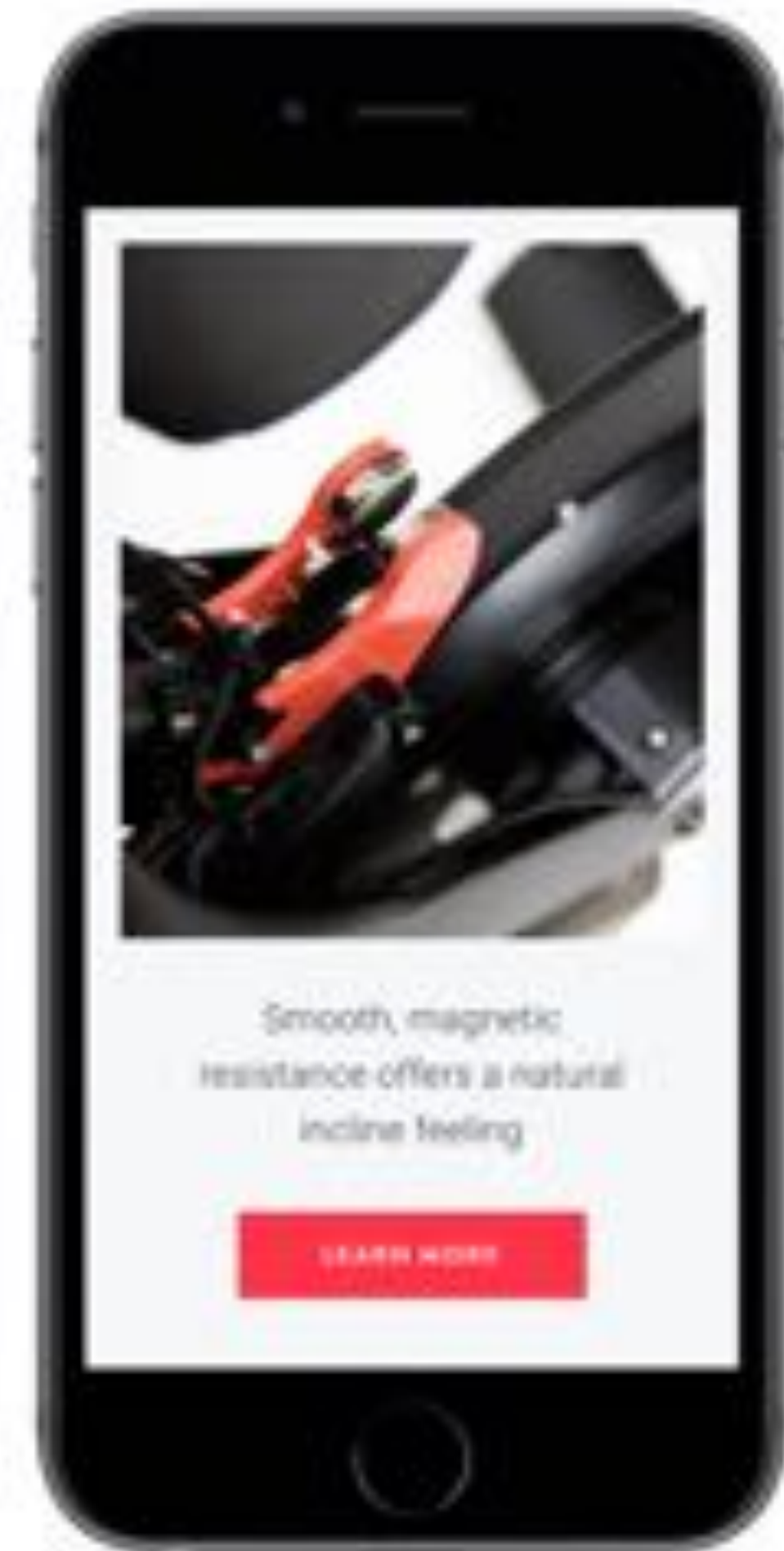
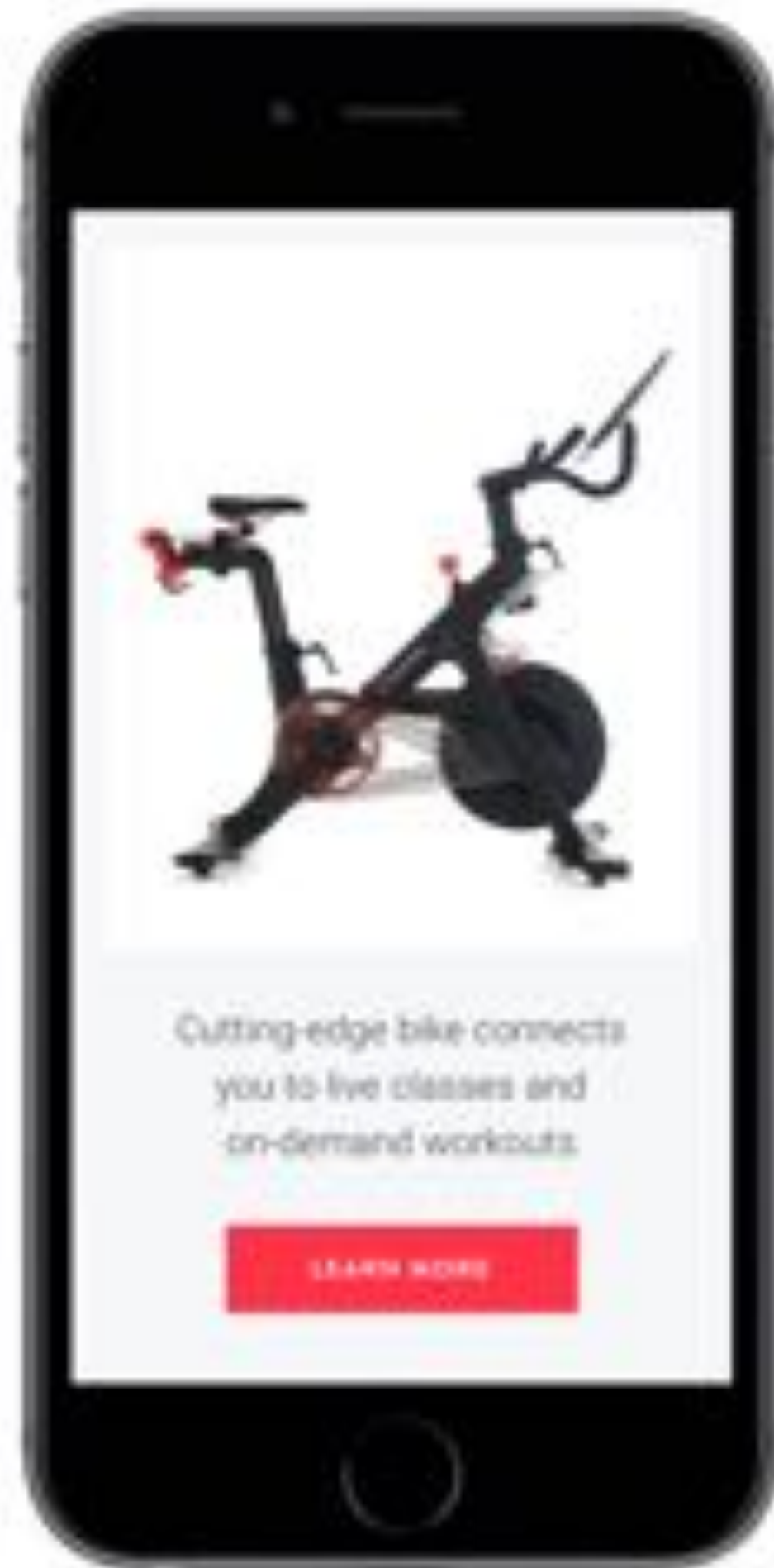
THE CUSTOMER JOURNEY: AVERAGE 2 MONTHS



MOBILE WORKS ALL ALONG THE JOURNEY



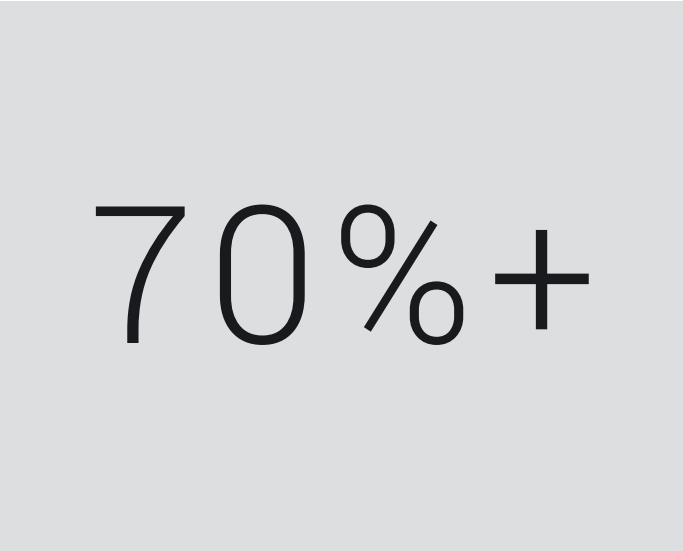
STORIES TO COVER ALL JOURNEY STAGES



MOBILE NUMBERS TODAY



Bike sales on mobile



Percent of buyers who researched on mobile pre-purchase



Percent of Facebook ad spend on mobile



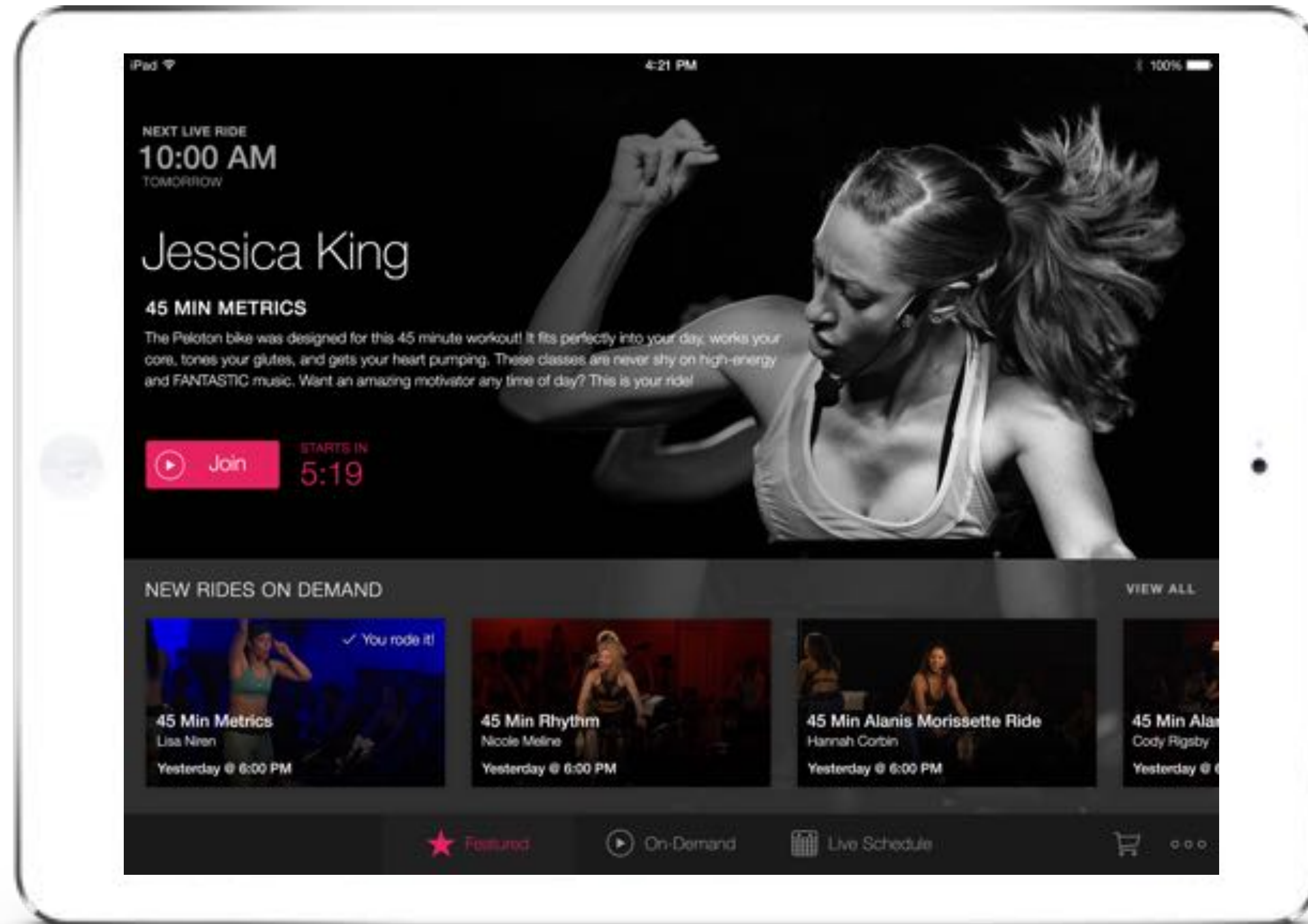
Annual TV budget (mobile device as second screen)



IOS APP FOR “TRY BEFORE YOU BUY”



PELOTON'S IOS PLATFORM HAS RECEIVED RAVE REVIEWS



“Best New App” (All Categories)

“Essential App” (Health & Fitness)

5 out of 5 Star Ratings (1,153 ratings)

Subscription model with 14-day Free Trial

Over 1.5 million workouts taken

Average subscription LTV = 12.5 months



