

Quarterly Metrics

		QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD
		September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017
Revenue (\$000s) (1)	Marketplaces (2)	\$ 23,348	\$ 23,631	\$ 23,487	\$ 24,690	\$ 23,965	\$ 23,773	\$ 23,893	\$ 25,283	\$ 22,862
	Digital Marketing	4,771	4,660	4,512	5,492	4,577	4,505	4,345	5,158	4,400
	Other (2)	3,559	3,641	3,575	4,607	3,782	4,382	3,207	3,664	2,835
	Total Revenue	\$ 31,678	\$ 31,932	\$ 31,574	\$ 34,789	\$ 32,324	\$ 32,660	\$ 31,445	\$ 34,105	\$ 30,097
	Total Revenue Y/Y Change	(2.0)%	(2.2)%	0.4 %	2.0 %	7.4 %	8.9 %	11.0 %	7.4 %	7.5%
	Fixed Revenue	\$ 25,831	\$ 25,697	\$ 25,450	\$ 25,658	\$ 25,706	\$ 24,766	\$ 23,965	\$ 24,937	\$ 23,880
	Percent of Total Revenue	81.5 %	80.5 %	80.6 %	73.8 %	79.5 %	75.8 %	76.2 %	73.1 %	79.3%
	Fixed Revenue Y/Y Change	0.5 %	3.8 %	6.2 %	2.9 %	7.6 %	9.7 %	8.4 %	10.6 %	6.9%
	Variable Revenue	\$ 5,847	\$ 6,235	\$ 6,124	\$ 9,131	\$ 6,618	\$ 7,894	\$ 7,480	\$ 9,168	\$ 6,217
	Variable Revenue Y/Y Change	(11.7)%	(21.0)%	(18.1)%	(0.4)%	6.5 %	6.3 %	20.2 %	(0.4)%	9.8%
Operating Metrics	ARPC (TTM basis) (3)	\$ 47,005	\$ 46,757	\$ 46,530	\$ 46,286	\$ 46,073	\$ 45,029	\$ 43,920	\$ 42,693	\$ 41,748
	ARPC Y/Y Change	2.0 %	3.8 %	5.9 %	8.4 %	10.4 %	9.7 %	9.7 %	8.5 %	8.7%
	Number of Customers (4)	2,718	2,715	2,774	2,833	2,815	2,829	2,855	2,840	2,902
	Number of Customers Y/Y Change	(3.4)%	(4.0)%	(2.8)%	(0.2)%	(3.0)%	(2.6)%	(1.7)%	(1.2)%	0.8%
Financial Metrics (\$000s, except shares, EPS or as noted) (5)	Non-GAAP Gross Profit	\$ 24,834	\$ 25,027	\$ 24,430	\$ 27,526	\$ 25,016	\$ 25,777	\$ 24,309	\$ 27,239	\$ 23,086
	Non-GAAP Gross Margin	78.4 %	78.4 %	77.4 %	79.1 %	77.4 %	78.9 %	77.3 %	79.9 %	76.7%
	Non-GAAP Operating Income (Loss)	\$ 3,547	\$ 1,387	\$ 1,098	\$ 3,782	\$ 733	\$ (418)	\$ (418)	\$ 2,379	\$ (1,281)
	Non-GAAP Net Income (Loss)	\$ 3,495	\$ 1,463	\$ 1,069	\$ 3,769	\$ 687	\$ (448)	\$ (424)	\$ 2,354	\$ (1,215)
	Diluted Weighted Average Common Shares Outstanding	28,754,679	28,796,966	28,955,285	28,731,489	28,867,276	27,180,435	26,739,331	28,023,912	26,439,830
	Non-GAAP Diluted EPS	\$ 0.12	\$ 0.05	\$ 0.04	\$ 0.13	\$ 0.02	\$ (0.02)	\$ (0.02)	\$ 0.08	\$ (0.05)
	Adjusted EBITDA (6)	\$ 5,167	\$ 3,015	\$ 2,624	\$ 5,374	\$ 2,305	\$ 1,060	\$ 1,043	\$ 3,893	\$ 360
	Adjusted EBITDA as a Percentage of Revenue	16.3 %	9.4 %	8.3 %	15.4 %	7.1 %	3.2 %	3.3 %	11.4 %	1.2%
Cash and Cash Equivalents at Period End (\$M)	\$ 48.2	\$ 49.0	\$ 48.4	\$ 47.2	\$ 48.9	\$ 50.9	\$ 54.7	\$ 53.4	\$ 54.2	

- (1) All revenue numbers are presented on a GAAP basis.
- (2) Certain prior period amounts have been reclassified to conform to the current period presentation. These reclassifications had no impact on reported total revenue and/or reported income (loss) from operations or net income (loss) for the periods.
- (3) Average revenue per customer (ARPC) is revenue for a particular period divided by the average monthly number of customers during the period, which is calculated by taking the sum of the number of customers at the end of each month in the period and dividing by the number of months in the period. For each quarter period, it is calculated on a trailing twelve-month basis.
- (4) Number of customers for the period represents all customers who subscribe to at least one of the company's solutions, as well as strategic partners from which we receive revenue.
- (5) Financial Metrics, except for weighted average common shares outstanding and cash and cash equivalents, are provided on a Non-GAAP basis. Non-GAAP measures exclude certain non-cash items such as stock-based compensation expense and other one-time items. For reconciliations of Non-GAAP to GAAP, see the subsequent pages of this document.
- (6) Adjusted EBITDA is defined as net income (loss) plus or minus: income tax expense, interest (income) expense, net, depreciation and amortization, and stock-based compensation. For some periods, non-recurring costs such as severance and related costs have also been excluded.

GAAP Statement of Operations - Quarterly

	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD
<i>(unaudited)</i> <i>(in thousands, except share and per share amounts)</i>	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017
Revenue	\$ 31,678	\$ 31,932	\$ 31,574	\$ 34,789	\$ 32,324	\$ 32,660	\$ 31,445	\$ 34,105	\$ 30,097
Cost of revenue (2)	7,251	7,096	7,529	7,567	7,606	6,975	7,353	6,953	7,309
Gross profit	24,427	24,836	24,045	27,222	24,718	25,685	24,092	27,152	22,788
Operating expenses:									
Sales and marketing (2)	12,403	14,092	14,313	14,295	14,921	15,974	14,890	15,350	14,805
Research and development	4,803	5,025	5,333	5,370	5,350	5,737	5,902	5,990	5,760
General and administrative	5,440	7,133	6,699	6,937	6,688	6,708	6,451	6,248	6,344
Total operating expenses	22,646	26,250	26,345	26,602	26,959	28,419	27,243	27,588	26,909
Income (loss) from operations	1,781	(1,414)	(2,300)	620	(2,241)	(2,734)	(3,151)	(436)	(4,121)
Other income (expense):									
Interest income (expense), net	205	211	183	159	120	106	125	73	67
Other income (expense), net	(44)	32	(20)	7	22	(1)	(19)	(23)	36
Total other income (expense)	161	243	163	166	142	105	106	50	103
Income (loss) before income taxes	1,942	(1,171)	(2,137)	786	(2,099)	(2,629)	(3,045)	(386)	(4,018)
Income tax expense	213	167	192	179	188	135	112	75	37
Net income (loss)	\$ 1,729	\$ (1,338)	\$ (2,329)	\$ 607	\$ (2,287)	\$ (2,764)	\$ (3,157)	\$ (461)	\$ (4,055)
Net income (loss) per share:									
Basic	\$ 0.06	\$ (0.05)	\$ (0.08)	\$ 0.02	\$ (0.08)	\$ (0.10)	\$ (0.12)	\$ (0.02)	\$ (0.15)
Diluted	\$ 0.06	\$ (0.05)	\$ (0.08)	\$ 0.02	\$ (0.08)	\$ (0.10)	\$ (0.12)	\$ (0.02)	\$ (0.15)
Weighted average common shares outstanding:									
Basic	28,049,199	27,925,728	27,493,049	27,330,983	27,294,134	27,180,435	26,739,331	26,583,657	26,439,830
Diluted	28,754,679	27,925,728	27,493,049	28,731,489	27,294,134	27,180,435	26,739,331	26,583,657	26,439,830
Stock-based compensation by expense category is as follows:									
Cost of revenue (2)	\$ 169	\$ 191	\$ 385	\$ 304	\$ 298	\$ 92	\$ 217	\$ 87	\$ 298
Sales and marketing (2)	—	737	1,036	661	1,003	728	752	978	931
Research and development	454	512	730	567	581	355	649	601	588
General and administrative	178	1,361	1,247	1,043	1,092	1,141	1,115	1,149	1,023
Total stock-based compensation	\$ 801	\$ 2,801	\$ 3,398	\$ 2,575	\$ 2,974	\$ 2,316	\$ 2,733	\$ 2,815	\$ 2,840
Depreciation and amortization by expense category is as follows:									
Cost of revenue (2)	\$ 1,046	\$ 978	\$ 923	\$ 939	\$ 919	\$ 875	\$ 877	\$ 920	\$ 949
Sales and marketing (2)	205	196	206	226	224	214	220	227	267
Research and development	94	93	90	91	92	90	98	100	102
General and administrative	319	329	327	329	315	300	285	290	287
Total depreciation and amortization	\$ 1,664	\$ 1,596	\$ 1,546	\$ 1,585	\$ 1,550	\$ 1,479	\$ 1,480	\$ 1,537	\$ 1,605

Non-GAAP Statement of Operations - Quarterly (see Non-GAAP reconciliation on following page)

	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD
<i>(unaudited)</i> <i>(in thousands)</i>	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017
Revenue	\$ 31,678	\$ 31,932	\$ 31,574	\$ 34,789	\$ 32,324	\$ 32,660	\$ 31,445	\$ 34,105	\$ 30,097
Cost of revenue (2)	6,844	6,905	7,144	7,263	7,308	6,883	7,136	6,866	7,011
Gross profit	24,834	25,027	24,430	27,526	25,016	25,777	24,309	27,239	23,086
Operating expenses:									
Sales and marketing (2)	12,033	13,355	13,277	13,634	13,918	15,246	14,138	14,372	13,874
Research and development	4,207	4,513	4,603	4,803	4,769	5,382	5,253	5,389	5,172
General and administrative	5,047	5,772	5,452	5,307	5,596	5,567	5,336	5,099	5,321
Total operating expenses	21,287	23,640	23,332	23,744	24,283	26,195	24,727	24,860	24,367
Income (loss) from operations	3,547	1,387	1,098	3,782	733	(418)	(418)	2,379	(1,281)
Other income (expense):									
Interest income (expense), net	205	211	183	159	120	106	125	73	67
Other income (expense), net	(44)	32	(20)	7	22	(1)	(19)	(23)	36
Total other income (expense)	161	243	163	166	142	105	106	50	103
Income (loss) before income taxes	3,708	1,630	1,261	3,948	875	(313)	(312)	2,429	(1,178)
Income tax expense	213	167	192	179	188	135	112	75	37
Net income (loss)	\$ 3,495	\$ 1,463	\$ 1,069	\$ 3,769	\$ 687	\$ (448)	\$ (424)	\$ 2,354	\$ (1,215)

GAAP to Non-GAAP Reconciliation - Quarterly

	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD
<i>(unaudited)</i> <i>(in thousands)</i>	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017
GAAP Gross profit as reported	\$ 24,427	\$ 24,836	\$ 24,045	\$ 27,222	\$ 24,718	\$ 25,685	\$ 24,092	\$ 27,152	\$ 22,788
Add: Stock-based compensation - Cost of revenue (2)	169	191	385	304	298	92	217	87	298
Add: Non-recurring severance and related costs - Cost of revenue	238	—	—	—	—	—	—	—	—
Non-GAAP Gross profit	\$ 24,834	\$ 25,027	\$ 24,430	\$ 27,526	\$ 25,016	\$ 25,777	\$ 24,309	\$ 27,239	\$ 23,086
GAAP Income (loss) from operations as reported	\$ 1,781	\$ (1,414)	\$ (2,300)	\$ 620	\$ (2,241)	\$ (2,734)	\$ (3,151)	\$ (436)	\$ (4,121)
Add: Stock-based compensation - Cost of revenue (2)	169	191	385	304	298	92	217	87	298
Add: Stock-based compensation - S&M (2)	—	737	1,036	661	1,003	728	752	978	931
Add: Stock-based compensation - R&D	454	512	730	567	581	355	649	601	588
Add: Stock-based compensation - G&A	178	1,361	1,247	1,043	1,092	1,141	1,115	1,149	1,023
Add: Non-recurring severance and related costs - Cost of revenue	238	—	—	—	—	—	—	—	—
Add: Non-recurring severance and related costs - S&M	370	—	—	—	—	—	—	—	—
Add: Non-recurring severance and related costs - R&D	142	—	—	—	—	—	—	—	—
Add: Non-recurring severance and related costs - G&A	215	—	—	587	—	—	—	—	—
Non-GAAP Income (loss) from operations	\$ 3,547	\$ 1,387	\$ 1,098	\$ 3,782	\$ 733	\$ (418)	\$ (418)	\$ 2,379	\$ (1,281)

GAAP to Non-GAAP Reconciliation - Quarterly

<i>(unaudited)</i> <i>(in thousands)</i>	QTD September 30, 2019	QTD June 30, 2019	QTD March 31, 2019	QTD December 31, 2018	QTD September 30, 2018	QTD June 30, 2018	QTD March 31, 2018	QTD December 31, 2017	QTD September 30, 2017
GAAP Net income (loss) as reported	\$ 1,729	\$ (1,338)	\$ (2,329)	\$ 607	\$ (2,287)	\$ (2,764)	\$ (3,157)	\$ (461)	\$ (4,055)
Add: Stock-based compensation - Cost of revenue (2)	169	191	385	304	298	92	217	87	298
Add: Stock-based compensation - S&M (2)	—	737	1,036	661	1,003	728	752	978	931
Add: Stock-based compensation - R&D	454	512	730	567	581	355	649	601	588
Add: Stock-based compensation - G&A	178	1,361	1,247	1,043	1,092	1,141	1,115	1,149	1,023
Add: Non-recurring severance and related costs - Cost of revenue	238	—	—	—	—	—	—	—	—
Add: Non-recurring severance and related costs - S&M	370	—	—	—	—	—	—	—	—
Add: Non-recurring severance and related costs - R&D	142	—	—	—	—	—	—	—	—
Add: Non-recurring severance and related costs - G&A	215	—	—	587	—	—	—	—	—
Non-GAAP Net income (loss)	\$ 3,495	\$ 1,463	\$ 1,069	\$ 3,769	\$ 687	\$ (448)	\$ (424)	\$ 2,354	\$ (1,215)