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26 June 2025



**Dotdigital Group plc**  
("Dotdigital" or the "Group")

### **Acquisition of Social Snowball and Trading Update**

*Influencer, affiliate and referral marketing platform strengthens Dotdigital's all-in-one offering*

**Dotdigital Group plc** (AIM: DOTD), the leading SaaS provider of an all-in-one customer experience and data platform (CXDP), is pleased to announce the acquisition of Social Snowball Holdings, Inc. ("Social Snowball"), a US-based influencer, affiliate and referral marketing platform for e-commerce brands ("the Acquisition").

The Company today also provides an update on current trading and outlook.

#### **Acquisition Highlights**

- Adds complementary capability to Dotdigital in the fast-growing influencer, affiliate and referral marketing segments.
- Social Snowball is available through Shopify with over 1,500 active subscription-based customers, including G Fuel, Blume and True Classic, strengthening Dotdigital's Shopify channel partner foothold.
- Extends capability of Dotdigital's all-in-one CXDP platform, strengthening the Group's competitive positioning and increasing its total addressable market ("TAM").
- Provides Dotdigital with an enhanced value proposition to enable Average Revenue Per Customer ("ARPC") expansion through cross-sell and up-sell opportunities.
- Expected to be immediately earnings enhancing, with a complementary SaaS business model and an equivalent margin profile to the existing Group.
- The total consideration for the Acquisition is up to USD35m, comprising an initial cash payment of USD 20m and an earnout, dependent on performance, of up to USD 15m.

#### **Social Snowball and the Influencer, Affiliate and Referral Market**

Based in Miami, Florida, Social Snowball ([www.socialsnowball.io](http://www.socialsnowball.io)) is a platform that helps e-commerce businesses grow by turning prospects, customers, influencers and affiliates into brand advocates - people who promote products in exchange for commission or rewards. Advocates are each given a unique, trackable link or code to share with their audience. When someone makes a purchase using that link or code, the advocate earns a commission or other reward, creating a trusted, performance-based marketing channel for the brand.<sup>1</sup>

Social Snowball helps businesses increase revenues and expand their reach, build trust and drive measurable results, all without significant upfront marketing spend. Social Snowball automates the entire process, from onboarding through to tracking and payout from a single dashboard. A key competitive advantage of Social Snowball is it has been built from the ground up with analytics at its core, enabling brands to measure and track when influencer, affiliate and referral activity converts to revenue, allowing clear ROI visibility beyond just clicks and views. Social Snowball was founded in 2020 by Noah Tucker who will remain with Dotdigital and continue to lead Social Snowball from its base in the US.

As social media and e-commerce continue to dominate consumer behaviour, this channel is becoming an increasingly core part of the modern marketing mix, with over 63% of brands planning partnerships with influencers in 2025 and over 25% of companies allocating more than 40% of their marketing budgets to influencer marketing<sup>2</sup>.

For the financial year ended 31 December 2024 ("FY24"), Social Snowball reported a 200% increase in revenue to USD8m, with run rate revenues greater than USD5m at the time of Acquisition. In FY24 the company reported a loss before tax of USD 0.4m and has grown to be cash flow positive during the first half of 2025. The company had net assets of USD 0.3m in April 2025 and has no debt upon Acquisition. All figures are unaudited.

#### **Acquisition Rationale**

The Acquisition is expected to be immediately earnings enhancing, providing a highly complementary addition to the Group's CXDP platform. Social Snowball strengthens Dotdigital's cross-channel marketing automation capabilities and creates a unique value proposition as the first company to bring these capabilities together. It also expands the Group's reach into the fast-growing influencer, affiliate and referral market, with affiliate marketing software projected to grow to an estimated USD5.77 billion by 2032, a compound annual growth rate (CAGR) of 18.2%<sup>3</sup>, driven by growth in the wider global influencer market and the shift toward performance-based marketing.

The combined offering is expected to create new high-margin, recurring revenue by opening up additional customer acquisition opportunities as well as through cross-selling of add-on, highly relevant functionality across the enlarged base, driving greater retention and increased revenue per customer. In addition, Social Snowball's integration with Shopify is expected to strengthen Dotdigital's foothold in the e-commerce platform's ecosystem, further diversifying the Group's partner channel and supporting its expansion among e-commerce merchants, which represented 30% of Group revenue in H1 FY25.

## Consideration

The total consideration for the acquisition is up to USD 35m, comprising an initial cash payment of USD 20m and up to USD 15m in contingent cash consideration over two years, payable if Social Snowball maintains its historical growth rate at sufficiently accretive margins for the Group. Should performance targets be achieved, resulting in the maximum total consideration being paid, the revenue multiple will equate to less than two times run rate revenues. The initial cash payment and contingent consideration will be funded through the Group's existing cash reserves.

## Current Trading & Outlook

The Board remains focussed on driving high margin, high quality recurring SaaS revenue through the continued development of its leading all-in-one CXDP platform. In line with its growth strategy, the Board has decided not to renew a non-core, low-margin £4.4m per annum transactional SMS contract due to unprofitable pricing requirements. The Board expects FY25 revenue to be in line with market consensus on a constant currency basis and after adjusting for a £0.7m current year revenue impact of this contract non-renewal. The full revenue impact will take effect in FY26, however, given the low-margin nature of the contract, the impact to current FY25 and FY26 market expectations (before taking account of the Acquisition) for adjusted EBITDA and adjusted PBT will be minimal<sup>4</sup>. The Board believes this decision aligns the Group's business model and resources to support the scaling of its innovative, higher margin solutions within fast growing market segments.

Underpinned by a robust balance sheet, the Board continues to explore strategic M&A while assessing targeted investment aligned with its strategic priorities, including strengthening go-to-market leadership and reinforcing the operational foundations of the business to support the Group's long-term growth ambitions.

A further update on trading for the year ended 30 June 2025 will be announced in late July.

**Noah Tucker, Founder and CEO of Social Snowball, commented:** "We are excited to be joining forces with the Dotdigital team. What sets Dotdigital apart is the Group's clear strategic vision, strength of product offering and a culture that deeply aligns with our own. From the onset, it was clear that this was the right fit for both our team and our customers. I look forward to working together and helping more customers increase revenues, expand their brand awareness, boost engagement and drive growth."

**Milan Patel, Chief Executive Officer of Dotdigital, commented:** "This acquisition marks another milestone in our CXDP vision. Social Snowball brings a highly complementary asset to our product portfolio, enhancing our market position as a one-stop-shop for seamless, cross-channel marketing automation and creating valuable cross-sell opportunities. Against an evolving landscape, we are seizing the opportunity with innovative technologies to help enterprises adapt quickly, personalise at scale, and build trust with their customers through authentic, data-driven engagement. We are delighted to welcome Noah and his team to the Dotdigital family, and we look to the future with confidence."

<sup>1</sup> A demo of Social Snowball can be viewed [here](#)

<sup>2</sup> Influencer Marketing Hub, [Influencer Marketing Benchmark Report, 2025](#)

<sup>3</sup> Credence Research, [Affiliate Marketing Software Market, 2025](#)

<sup>4</sup> Market consensus at the time of publication is:

FY25: revenue of £86.1m, adjusted EBITDA of £26.6m and adjusted profit before tax of £18.4m

FY26: revenue of £92.8m, adjusted EBITDA of £28.7m and adjusted profit before tax of £19.8m

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## About Dotdigital

Dotdigital Group plc (AIM: DOTD) is a leading provider of cross-channel marketing automation technology to marketing professionals. Dotdigital's customer experience and data platform (CXDP) combines the power of automation and AI to help businesses deliver hyper-relevant customer experiences at scale. With Dotdigital, marketing teams can unify and enrich their customer data, identify valuable customer segments, and deliver personalised cross-channel customer journeys that result in engagements, conversions, and loyalty.

Founded in 1999, Dotdigital is headquartered in London with offices in Manchester, Southampton, New York, Melbourne,

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