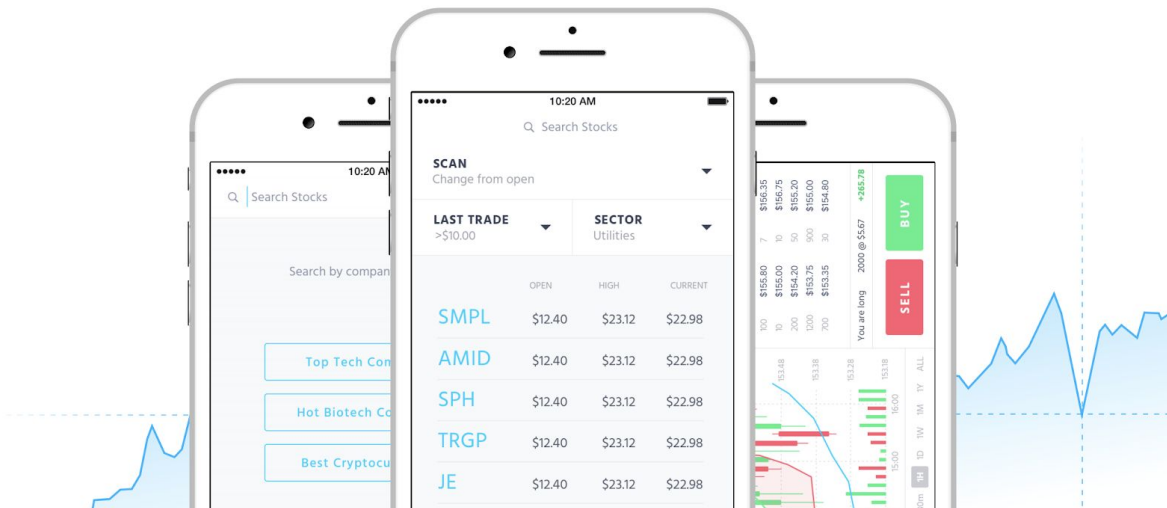


## Top Deal: The Next Billion Dollar Brokerage Account

**BluMartini** is a stock trading app targeting **millennials**, by offering **industry-leading** tools, **commission-free**.



<https://wefunder.com/blumartini>

### Key Deal Stats:

- Raising platform: Wefunder
- Valuation cap: \$8M
- Raise type: Seed
- Security: Wefunder SAFE (Wefunder's equity crowdfunding-specific version of a SAFE)
- At time of publication, October 16, BluMartini had raised \$7,358

*The BluMartini team has been selected as a "Top Deal" by KingsCrowd. This distinction is reserved for deals selected into the top 10% of our deal diligence funnel. If you have questions regarding our deal diligence and selection methodology please reach out to [hello@kingscrowd.com](mailto:hello@kingscrowd.com)*

*You can also see our Founder Profile with Founder & CEO of BluMartini, Brian Williams [HERE](#), which was performed as part of our due diligence process.*

## **Millennials Are Killing...**

We've all seen the phrase multiple times before followed by something that millennials just so happen to be killing. There are plenty of characteristics that make millennials different from previous generations and many would even say that the root of all evil stems from this generation.

Millennials are different because they grew up differently than all previous generations. They are the demographic cohort that welcomed digital technology, new-aged communication, and social media.

Millennials are also the ones who witnessed the 2008 financial crisis and its effects starting at a young age. They tend to value work and education more than family and have delayed starting a family for longer compared to previous generations.

From this, we can infer why [83% of millennials are not investing in the stock market](#). Millennials want to feel safe and secure and as of now, the perception of the stock market to them is anything but that. There are currently over 176 million stock market investors and 93 million millennials. Of those 93 million, 77 million do not invest yet 1 in 6 millennials have over 100 thousand dollars in their savings.

Companies like Robinhood, Fidelity Investments, Charles Schwab, and TD Ameritrade all have brokerage solutions that aim to give anyone the ability to be an investor. With the plethora options out there that allow individuals

to participate in the stock market, it is surprising that so many millennials do not invest.

That's because there isn't a solution that services the millennial population like the company we are recommending today.

## **The Solution**

BluMartini is a millennial-targeted mobile stock trading app with zero commissions on a mission to make the stock market a friendly and navigable place. BluMartini operates on the idea that millennials do not invest because they don't understand the market due to the lack of educational tools provided by other mobile trading options. BluMartini is making education a cornerstone to their platform and is providing all the tools one would need to make smart trades.

Trading on the platform is tailored to first-time traders. The app has options for somebody that has no idea how to get started. There's a whole tutorial that walks them through how to begin and at the push of a button on a scanner, individuals can pop up a bunch of companies they have never heard of before. These traders understand the concept of buy low and sell high. BluMartini's educational system backs that up and reinforces it.

The company was formed in 2017 and kicked off full development of its platform in April 2018. With plans to onboard over 900 thousand users in its first year, BluMartini wants to make sure that they address the problems facing the platforms of its competitors.

Not only does BluMartini want to differentiate their platform through their features but they are also implementing unique B2B as well as B2C

revenue streams that will allow them to focus on their founding values rather than on desperately trying to siphon money from the pockets of their users.

## **Robinhood meets BluMartini**

There is no doubt that BluMartini's biggest competitor is Robinhood. As co-founder Brian Williams expresses, "we are indeed compared to Robinhood on a daily basis." The biggest similarity between these two platforms is certainly the fee-free aspect of their value proposition. Although the fee war ended before it even started, BluMartini is taking steps to give the 58% of pre-registered users that came from Robinhood an unrivaled experience that focuses on enabling educated investing rather than just monetizing their users.

In addition, BluMartini will be focusing solely on a mobile product to provide an industry-leading experience for millennials who more often than not prefer to use their phones.

Williams believes Robinhood executed poorly on planning out their infrastructure in its early stages and is now trying to amend their mistakes by extending their offer to the web whereas, as Williams states, "from day 1 we have developed our backend infrastructure with large, heavy use, in mind to ensure a reliable platform."

Not only is BluMartini attracting Robinhood users, but they are also enabling more traditional brokerages to win over more millennials with white-labeled solutions that look and feel like a Robinhood.

Due to their attractive platform, they are able to quickly scale at a low

customer acquisition cost. The 350 thousand pre-registered users have cost the company pennies to acquire. This company is excelling where other entrants have fallen short while validating their value proposition.

BluMartini is doing a good job of finding avenues to make themselves a strong #2 entrant with its more sustainable approach to growth.

### **Why We Like It**

**Traction:** Since the company's official launch in January 2017, BluMartini has been able to cultivate a large following on Instagram with over 245 thousand followers. In addition, the company has secured over 350 thousand pre-registered traders in just five months at a very low customer acquisition cost. The company has also stated that they have partnerships in place to reach 900 thousand monthly users very soon through a B2B partnership.

Not only has the company gained a following, but they have also been able to get themselves known via national outlets including being featured on Bloomberg TV, UnicornTV, and various other networks. They are also featuring themselves in a series of celebrity videos highlighting classic stock traders from the past and present.

Through this approach, the company has found various partnerships from the service side to the marketing side. They receive their trade execution free-of-cost, account creation free-of-cost, live data free, and have created their internal platform processes for a fraction of the cost of large brokerages.

**New Technology:** The team is giving those who desire a new and better

platform something they call a “real-time guided experience” which has been developed for a year plus and is utilizing best in breed AI/ML technology. Like we mentioned above, the strategic focus on mobile only we think is key to driving differentiation and market positioning as the #1 mobile brokerage account.

BluMartini is most differentiated from its competitors because of its adjustable stock charts and indicators, as well as their integrated research tools, which are limited on other providers like Robinhood. The fact that the team is also providing similar trading, and no trading fees ensures the quality of experience people have come to expect on mobile brokerage accounts is not only met but exceeded.

**Diversified Business Model:** Unlike traditional trading platforms and brokerage companies, BluMartini does not rely on the number of trades executed on their platform in order to make money.

The company heavily emphasizes their value-based approach to servicing their users. Williams states “we believe that a brokerage should not be created with a focus on how much money they can raise, but with how much help they can give their customers. The goal as the growth occurs should not be on how many new services they can create for their customers to sell to them, but how the business can take advantage of existing opportunities, and create new ones, that will make them profitable without digging into their customer's pockets.”

BluMartini has identified multiple potential revenue streams unlike that of any other trading platform company. The company is deciding to implement different subscription services including its Sapphire program, which is a freemium real-time guided experience that is free for the base version and \$9.99 per month for the upgraded version. In addition, the company is

looking to have two tiers of subscription models for pre-market, after-hours trading, and other perks for \$4.99 per month and \$9.99 per month.

Lastly, the company plans to white label their technology giving other companies the rights to use it, in turn, generating revenue and providing an at-scale customer acquisition solution.

**Customer experience:** Brian and Andree both recognize that selling a product means more than advertising and selling nowadays, especially to the millennial generation that always expects more. Personalization and value-add is at the forefront of marketing today and BluMartini is ensuring that they can capture users by making their platform an experience as opposed to just another trading platform.

The TD Ameritrades, Fidelity's, and Schwabs of the world leave you to fend for yourself on their platforms and expect you to have had trading experience. Many other platforms share the same notion, but BluMartini's goal is to turn what seems like a daunting task into a learning experience. This is emphasized with the fact that education is noted as the cornerstone to their product as they understand that many people simply do not know how to invest.

## **About The Founders**

Andree Ng and Brian Williams are both experienced traders with 21 and 12 years of trading respectively. Ng has a Masters in Electrical Engineering from UC Santa Barbara, studied Management Science and Engineering at Stanford, and received his Bachelor's in Electrical Engineering from UC Irvine. Williams is a serial entrepreneur with an exit.

After speaking with these two on the phone, we strongly support the vision that they have for BluMartini. Their passion for BluMartini originates from their years of trading experience and their deep desire for others to learn about something they love.

They have a CTO ready who is a former EA Sports and AMD senior engineer. Their sales executive will also be brought on the team to focus on growing the B2B revenues.

### **The Recommendation: Top Deal**

This recommendation comes down to one main idea, the idea that everyday people can become intelligent investors. There are currently plenty of platforms out there that give individuals the means to be an investor. Despite this, we believe BluMartini is currently the only company providing the necessary educational tools and differentiated resources that can attract the 83% of millennials who aren't investing right now to get on their phone and to learn how to be that savvy investor.

Further bolstering the strength of this investment is the fact that BluMartini is taking a sustainable approach to building the business. With plans to raise \$250K in order to produce their B2B version first, BluMartini will be enabled to draw over \$1M in first-year revenues, and become profitable within the first 4 months.

With this type of focus on cost control and scale that won't rely on endless rounds of financing, we think the team is well positioned to serve their early investors well. To keep CAC low, churn low, burn low, and conversions high make BluMartini a Top Deal that we are excited to watch go to market!