

Instant help from expert tutors - Faster & more interactive than Chegg; More reliable than ChatGPT!

PITCH VIDEO INVESTOR PANEL

Unlimited Homework Help

Get step-by-step solutions from expert tutors within minutes

Download on the App Store

Inc. TechCrunch EdSurge AWS EdStart Forbes

kunduz.com/en_us New York NY Marketplace

LEAD INVESTOR

Cagakan Yigit Kucuk Director

Among the university and high school entrance requirements in Turkey and globally, students must pass certain tests. It is an inevitable problem of limited opportunities, especially in developing countries where the young population is dense. It enables startups like Kunduz to solve this problem by providing a fast and economical solution. Kunduz does not only provide students with academic support services but also creates extra income for thousands of tutors. Being independent of location is especially important in geographies where access to educators is limited. Kunduz is well-positioned to capitalize on the rapid growth in edu-tech industry by providing an innovative and easily accessible platform for students to receive academic assistance and tutoring. Kunduz has a strong team of experienced and successful entrepreneurs which is the driving incentive for believing in the company. Kunduz leverages AI and natural language processing to provide personalized and accurate answers to students' questions. This technology has the potential to disrupt traditional tutoring and academic support services and provide a competitive advantage to Kunduz. Kunduz has a highly scalable business model. I believe the company can easily expand to the world quickly by adapting its services to other languages and regions in the world. Additionally, one of the most prestigious startup accelerators in the world, Y Combinator, has supported Kunduz. I believe this validates the company's business strategy and can draw additional funding and collaborations.

Invested \$400,000 this round

Highlights

- 1 Projected \$5M+ ARR in 2023 (not guaranteed)
- 2 Our AI can automatically answer 90% of student's questions and gives SaaS-level gross margins
- 3 100M questions answered by 35M+ tutors through Kunduz
- 4 \$114 LTV; \$10 CAC; 76% gross profit margin
- 5 50K+ paying users with 95% monthly retention

Our Team



Basar Basaran Co-founder & Co-CEO

3-year consulting and M&A in education; MBA & MA Education at Stanford; Ex-McKinsey; Raised in an educator family.

We are three lifelong friends who started Kunduz because we saw a global need for affordable education services. The most successful students rely upon expensive private tutors to get into college. Kunduz is the pursuit of sharing that high-quality educational experience.



Melih Sener Co-founder & Co-CEO

Previously brand manager of Lays for 32 countries; Brand & P&L management at CPG; International marketing, product launch & competitive strategy

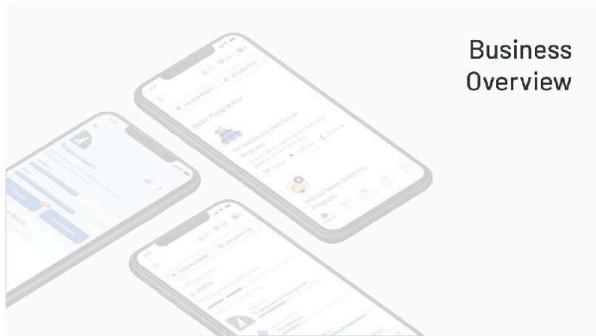
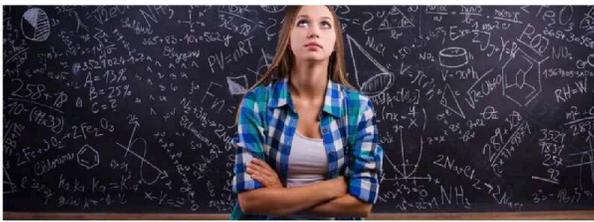


Baris Bilgic Co-founder - CTO

3rd time entrepreneur in emerging markets and Europe w an exit; Full-stack dev. at global firms in London; 14 years of active development experience

Pitch





Business Overview

20 years of friendship with a unique set of experience in education, business, & technology

 Melih Sener Ops & Growth	 Basar Basaran Product & Expansion	 Baris Bilgic Technology
<p>Most recently, brand manager of Lays for 32 countries</p> <p>Brand & P&L management at CPE International in marketing, product launch & competitive strategy</p> 	<p>Strategy & business development in 5 countries and 6 sectors at McKinsey</p> <p>3-year consulting and MBA in education</p> <p>MBA & MA Education at Stanford</p> <p>Raised in an educator family</p> 	<p>2nd time entrepreneur in emerging markets and Europe w an exit</p> <p>Full-stack dev. at global firms in London</p> <p>15 years of active development experience</p> 

Tens of millions of students need instant help for test prep and school multiple times, every day

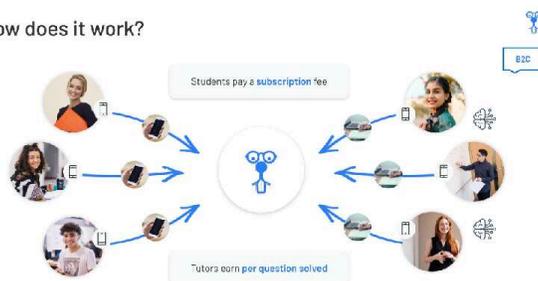
<p>Students have so many questions</p>  <p>They need fast, affordable and personalized help</p>	<p>... with few options for help</p>  <p>private tutoring, TAs, cram schools</p>	<p>... which don't really help</p>  <p>time consuming and too costly</p>
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Tutor on your phone – anytime, anywhere

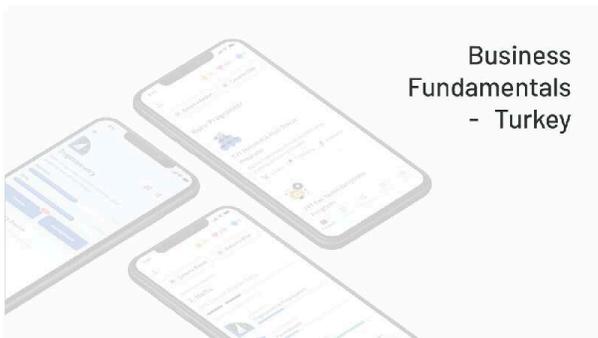
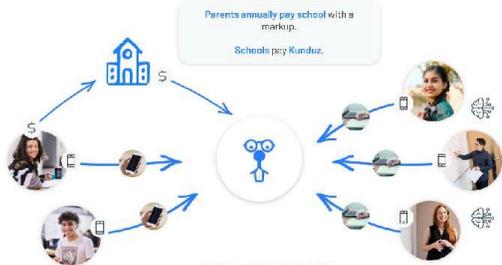
-  Take a photo of a question
-  Send to network of 35K tutors
-  Get answered in 10 min



How does it work?

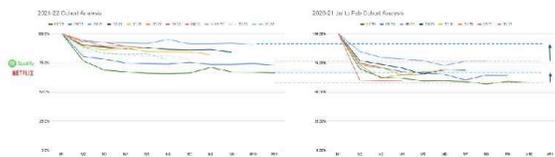


How does it work?



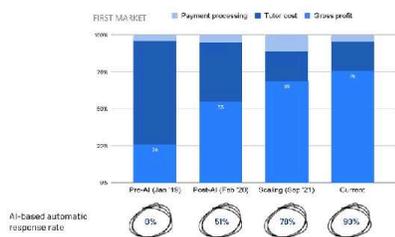
Business Fundamentals - Turkey

We are having an unprecedented retention with ever-increasing commitment from our students



Note: Our experience shows that cohorts flatter after Month 4 and stay at these levels for the rest of the school year.

Our proprietary AI bring growth with high profitability



Organic is the backbone of our scalable growth



\$ 10

customer acquisition cost in Dec '22

2

months of payback period

73%

organic ratio of conversions

LTV/CAC has been historically lucrative thanks to the low CAC and high profitability

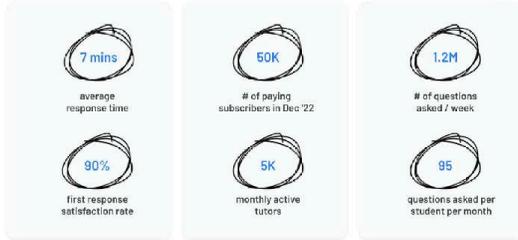


$$\text{\$114} / \text{\$10} = 11.4$$

LTV CAC LTV/CAC

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Operational excellence in Turkey remained top-notch



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B2B2C partnership agreements **already grew by 3x YoY** in number of students for 2023-24



✓ Number is based on the deals already made for next school year. Kunduz Sales Team will continue closing new deals until September 2023.

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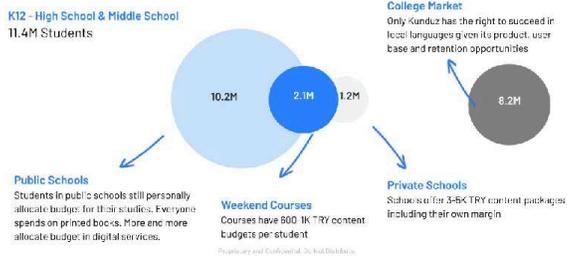
Forward-looking projections cannot be guaranteed.

Despite lower basket size, B2B2C is attractive from every aspect

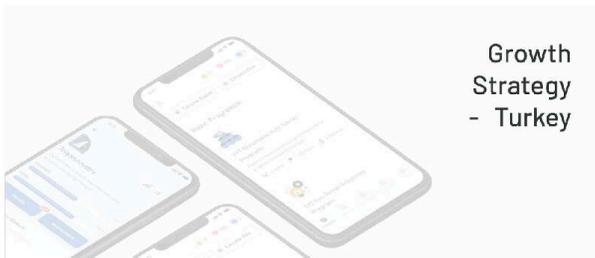


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Winning the Turkish market has a high stake



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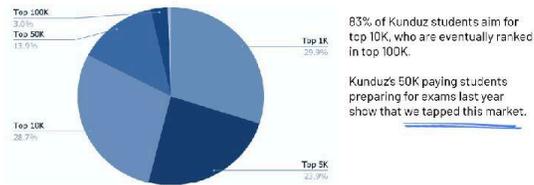




Half of top 100K students studying with Kunduz but...



Kunduz students report to aim for..

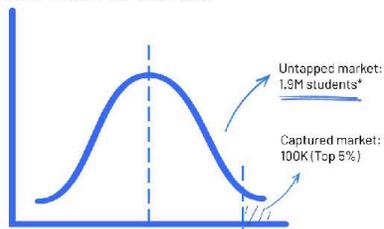


83% of Kunduz students aim for top 10K, who are eventually ranked in top 100K.

Kunduz's 50K paying students preparing for exams last year show that we topped this market.

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...top 100K makes **only 5%** of the college test prep market; it's time to aim for the rest!



Note: Number (*) includes students taking university entrance exams. There are over 10 million students from 5th to 12th grade in Turkey.
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Average student seeks guidance

"I want to be told what to study when I sit down on my desk"

All you need in one app



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We are building a product that entails the set of features that guide students in their own way...



...with 30K+ minutes of video lectures and 200K test questions from 5th to 12th grade

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A product that tracks and helps them monitor their progress

every day,
every week,
every month
throughout the year.



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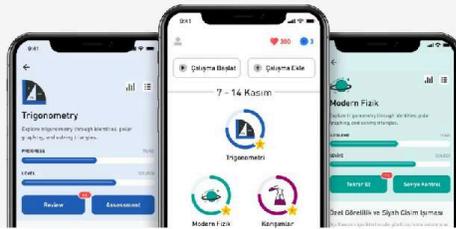
Joining forces with the most effective Q&A service in the world, it will have everything a student needs...

...10x more affordable,
personalized
& effective.

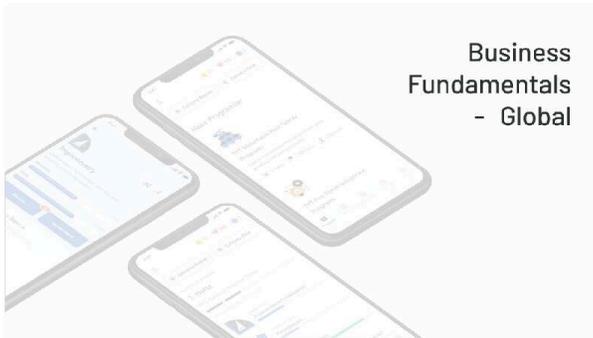


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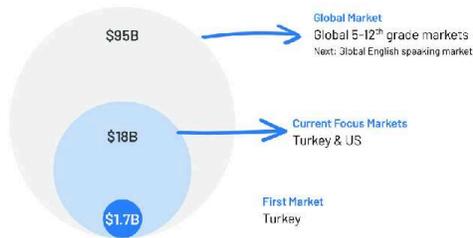
and more to come to address students' needs...



Business
Fundamentals
- Global



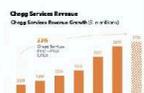
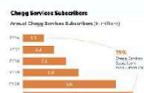
Q&A is a global opportunity



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Chegg reached 4B USD market cap due to two factors:
large TAM and high gross margin...

Rapid Growth of Chegg Services



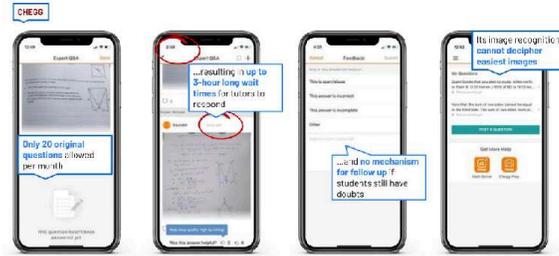
Business Outlook

	Q4 2022 Results	Q4 2022 Guidance	Full Year 2022 Outlook
Total Net Revenue	\$1.65B	\$1.60B - \$1.65B	\$7.0B - \$7.05B
Chegg Paid-For Revenue	\$1.25B	\$1.20B - \$1.25B	\$5.2B - \$5.25B
Gross Margin %	71%	70% - 71%	70% - 71%
Adjusted EBITDA	\$150M	\$150M - \$170M	\$600M - \$650M
GAAP	\$100M	\$100M - \$110M	\$400M - \$450M
Free Cash Flow	\$40M	\$40M - \$50M	\$150M - \$170M

Q&A services revenue: Q&A revenue of Chegg, which brings 96% of Chegg's revenue

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...but students deserve more than just a solutions manual



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Now it's time to expand our know-how to the global



Fast

Get help in 15 minutes!



Interactive

Chat over the solution with a tutor if needed!



Unlimited

24/7 at \$25 / month!

“With Kunduz, I'm not walking for a TA and wasting time. Kunduz solves my questions in minutes.”

Gabriel, NY

“Unlike most of what's out there, it's not a solutions manual. There is a tutor who'll help me learn where I am stuck.”

Karin, TX

“Unlike with Chegg, I wanted to be able to get support without a limit. Kunduz became my tutor in every course, 24/7.”

Sushil, CA

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High engagement and efficient growth is proven in our Beta...



6%

revenue conversion rate in app

54

questions asked per student every month

45

months of estimated lifespan with Kunduz

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... thanks to our operational excellence that is unparalleled to any other service in the market



91%

first solution satisfaction rate

Ultimate satisfaction rate increases to 94% after follow-up chats

14

minutes of median response time

Most popular course, Math, is currently at 10 minutes

62%

students follow up with tutors over chat

Students want to learn. They dig further when they don't quite grasp it

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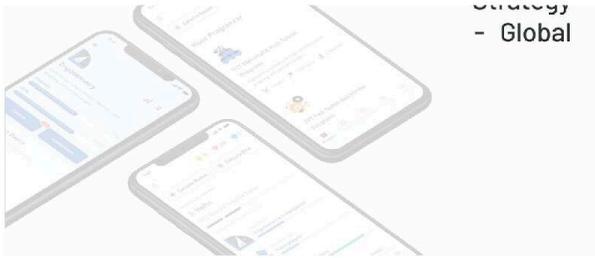
What students want is consistently fast and reliable support and it's missing



Correct library metrics job as listed is not indicated due to the limited coverage of their library

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After a full year of experimentation, we have a set of proven acquisition channels for the global expansion

- 1 Channel I:
SEO as a C-CAC, high scale channel
- 2 Channel II:
B2B2C through a variety of markets

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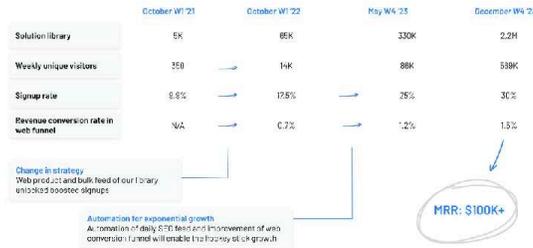
1 Billion Dollar Channel, SEO: Investing to build an extensive solution library



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Forward-looking projections cannot be guaranteed.

1 Stage I: The objective is to get to the \$1M+ ARR trajectory via SEO



Forward-looking projections cannot be guaranteed.

1 Stage II: One investment impacts every part of the business

Free traffic
0 CAC from a proven channel

Cut the best spots in Google for free to bring thousands of students every day

Top-notch experience
Best answers in seconds

Instant solutions for most popular questions by their favorite tutors

Results in top-of-the-class conversion and retention

Lucrative profitability
70+% gross margin

Accelerate to 70+% gross margins, which has been our standard in our first market

Globally relevant
regardless of country and grade

Existing traffic from all over the world: Canada, UK, Germany, Philippines...

Applicable to high school courses like Calculus and Physics

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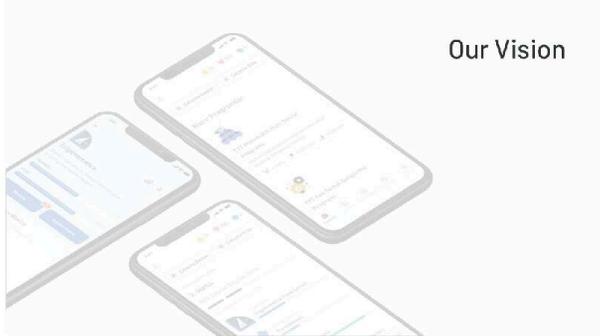
Forward-looking projections cannot be guaranteed.

2 Our proven B2B2C channel in Turkey has a strong potential to be instrumental in the global expansion

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<p>K-12 districts</p> <p>Districts with disadvantaged communities have funds for affordable online tools.</p>	<p>Colleges</p> <p>Both in and outside the US, there are year 1 private colleges that seek innovative ways to provide IT experiences.</p>	<p>Content-based online learning</p> <p>In the competitive market of C2C and test prep content-based online platforms, there is a regular search for partnerships to differentiate.</p>	<p>Other institutions</p> <p>Curators that target college students such as college loan providers look for ways to differentiate and support their base.</p>
			

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Our Vision



We want to solve one of the most critical problems defined 40 years ago:

Bloom's 2-sigma problem

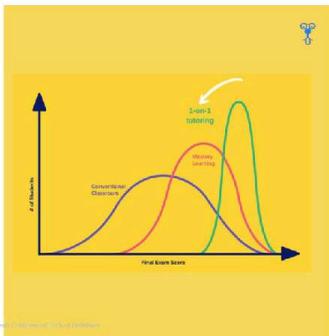
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What is the 2-sigma problem?

Tutoring can take an average student to top 2 percentile

But

Bloom in 1984: **too costly** for most societies to bear on a large scale



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What changed since 1984: Personal devices & AI

We can create a digital environment for students where they have a tutor in any course, anywhere, anytime.



Whether it's through our tutors or technology...

Kunduz is **always accessible**: affordable and convenient.

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Next big thing: ChatGPT and the future of GPT brings a whole new set of opportunities for Kunduz



Future of Q&A
Answering student's open ended questions in an affordable way

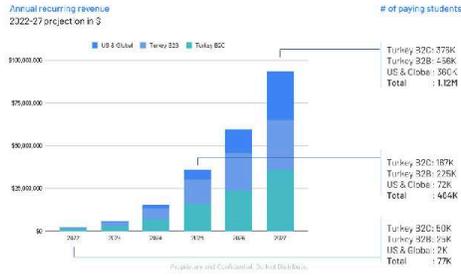


Future of guidance
Guidance and recommendations in every step of the experience can be done dramatically more human

Next era of Kunduz

What Kunduz offers is not a niche offering but a platform that offers everything a student needs at an affordable price

Next 5 years of Kunduz: \$100M and 1M paying students



Forward-looking projections cannot be guaranteed.

Perfect time to come aboard

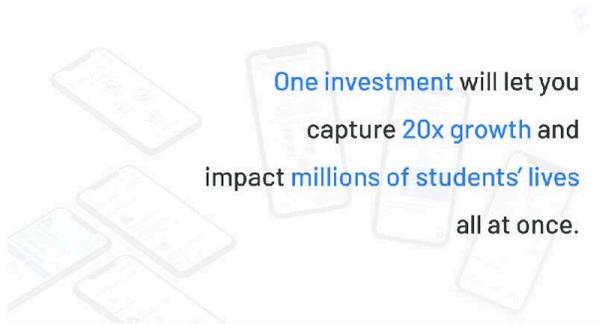


- ✓ Proven business with \$2M+ ARR, 70+% gross margin & High LTV/CAC
- ✓ Proven AI application in scale that can be applied to other markets
- ✓ Proven growth channels both in B2B and B2C2C
- ✓ Captured the half of the top tier market segment, ready to shift focus to mass
- ✓ Built leg-notch global operations and converted them into solid product metrics

- 100Ks of educational content needed to expand to all-in-one app is ready
- Local business has the premium brand recognition, most engaging product & a well-built network for B2B2C to scale
- Ready to invest in and skyrocket the global business with the a ready-proven growth channels
- Captured only miniscule segment (<2%) of both channels in the local market
- Can easily be \$1B+ business with the small fraction of Chegg's user base

More than 20x'd in value in < 5 years Ready to 20x again in 5 years

Forward-looking projections cannot be guaranteed.



Forward-looking projections cannot be guaranteed.

Contact us



✉ basar@kunduz.com

📍 New York, US

📍 Istanbul, TR

📍 Mumbai, IN

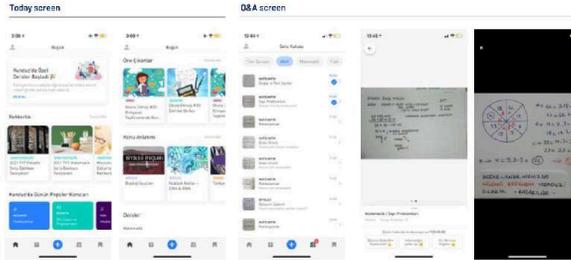


- Personalized tests based on expansion asked
 - Personalized test based on expansion asked
- 01:28 "Today" Screen & Curated and Personalized Contents**
- Personalized tests - with changeable difficulty level
 - Curated tests - tests of the week prepared by Kunduz experts
 - Subject matter contents and counselling posts
- 03:48 Bookmark and folders**
- 06:17 Referral screen**



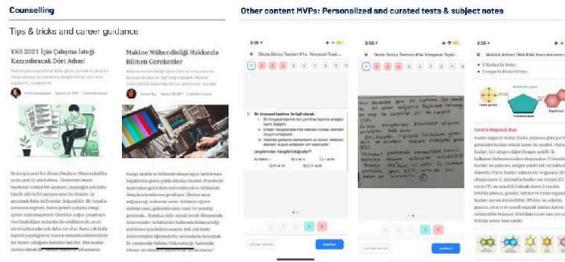
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Product screens



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Product screens - II



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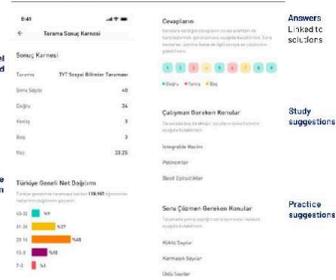
Mock test - Beta

May 2020

Mock test interface



Mock test statistics

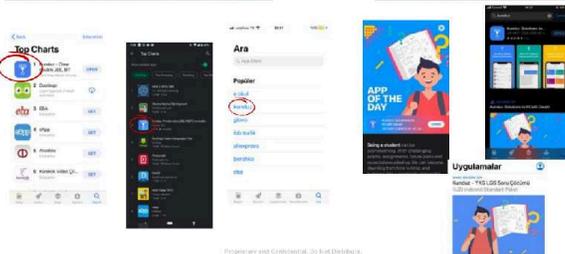


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Strong mobile presence with effective ASO

Top rated in Gross and in top 5 in free apps many times

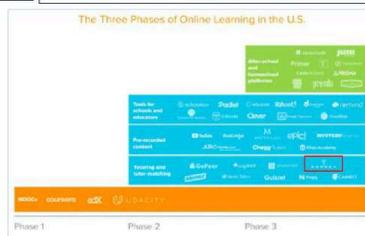
App of the Day by Apple App Store



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ANDREESSEN HOROWITZ
Software is Eating the World

Edtech's Answer to Remote Learning Burnout
by Anne Lee Skates and Connie Chan



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27. Kunduz
 Based in Istanbul, Kunduz wants to make test prep faster and cheaper than traditional tutoring by providing instant answers to students' test prep questions on their smartphones. Students pay a monthly subscription fee to ask a certain number of questions for which they'll receive detailed answers. Introduced in 2016, Kunduz is currently available for students in Turkey but plans to expand to other countries.

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Kunduz covered by major local newsletters & channels



Students with unique backgrounds, yet shared characteristics and needs



Who are they?	<ul style="list-style-type: none"> • 80%: 12th Grade & Repeater (Age 17-19) / 40%: Lower Grade (Age 13-16) - 60%: Women • Scattered all around Turkey • Middle class and upper-middle class - SED groups: A(27%) / B(33%) / C1-C2(35%) • Study at: Anatolian High Schools (52%) / Science High School (28%) / Private High Schools (10%)
Their motivations	<ul style="list-style-type: none"> • Aspirational and motivated kids, committed to achieve their targets • 76% of them follow top NCK in the town • Digital natives and tech savvy, always looking for new innovations and know all the steps to try • Looking for authentic and genuine relationships with brands/products/companies
How do they study?	<ul style="list-style-type: none"> • Solving only 160 questions on average • 75% of them follow great books and study • 35% of them going to an after school course • 25% of them asking 1-1 private tutoring support
What are they looking for?	<ul style="list-style-type: none"> • Digital services that can help them efficiently and effectively, study smart vs. study hard • Lots of questions they need to go on, fast • Ensure it's by his quality, the best service • Want to be heard

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Thousands of tutors with different motivations and backgrounds has joined Kunduz to help students



	Cem is a university prep school student and rated in 1% on the university entrance exams last year, he is very good at solving questions and generates his extra income for his studies.
	Fatih is a 10 year experienced MEB school teacher, she's solving questions in her spare times after school & on weekends and helps family income.
	Naz is a fresh teacher working at cram school and prepares students to exams, she's using Kunduz to see different question types and develop herself continuously.
	Nevrik is a retired teacher, he has time to solve many questions and has will to help students in his retirement period while gains extra income.
	Hatice is a teacher and a new mother on maternity leave, while she's taking care of her children, she wants to keep updated on courses/questions and help family income.
	Levent is a fresh graduate from education faculty and waiting for the job he has been dreaming of, but he is not appointed yet, while waiting for the job, he is constantly keeps himself fresh and has a desire to become a teacher and helps student.

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