

# Albert Technologies Ltd

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## Albert Technologies in no doubt it is the future of advertising

At the heart of Albert Technologies Ltd. (LON:ALB) is the conviction that machines do some things much better than people.

Albert's core business is an artificial intelligence (AI) software that crunches vast amounts of numbers and executes advertising campaigns without human intervention.

READ: Albert Technologies more than doubles revenue in 2018 as it accelerates growth

Or Shani, chief executive, is certain that when it comes to data, analysis humans have had their day.

"What Albert is doing is the future," he told Proactive.

"It goes without saying that [going forward] AI will do the heavy lifting in data.

"When you see it in action, it's inevitable.

"Everything data-related will be controlled by machines."

Shani believes the technology is applicable anywhere though Albert is currently focused on the advertising and marketing sectors.

But it's not time for ad agency workers to get their coats just yet, he adds.

There are things that the technology cannot do.

A machine cannot bring relationships, vision or strategic thinking, he says.

Combination best option

So, the best combination for a brand or advertiser is to work with Albert on execution and with an agency on strategy and the thinking process.

And the strategy is to build relationships with large companies to augment their marketing and advertising.

It has been steady progress so far but Shani says this is the nature of a new and truly disruptive technology.

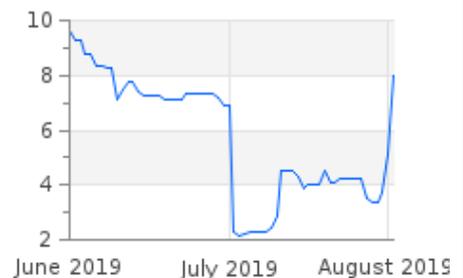
He highlights the iPhone or cloud computing or storage (think Dropbox/ or AWS) as an example.

Ten years ago, there were early adopters swearing by it while (he) and others were still delighted by their Nokias and Blackberrys.

Now the iPhone is almost everywhere.

Cloud storage or computing used to be considered madness and IT professional couldn't imagine a world where they

### 1 Year Share Price Graph



### Share Information

**Code:** ALB  
**Listing:** LSE  
**Sector:** Software & services  
**Website:** albert.ai

### Company Synopsis:

*Welcome to the Future of Paid Search, Social and Programmatic Campaigns*

*At Albert Technologies, we're building a future where an autonomous AI colleague works alongside humans as a team member doing the impossible and raising everyone's game. Albert is a cloud-based artificial intelligence platform that plugs into a digital marketer's existing tech stack and operates it.*

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do not physically touch their servers. Today, it's the standard.

Albert is at a similar stage in its development to the iPhone ten years ago, says Shani, with the company targeting the early adopters at its client companies - chief marketing officers, heads of brands, those who really want to do something at the cutting edge.

Few advertisers are prepared to risk all their marketing spend, but this is something that is gradually happening, states Shani.

Land and expand

Land and expand is the plan. Once a company sees the benefit on one brand, it sells itself.

Retailers and consumer goods corporations are very keen while telecom companies' interest is also growing rapidly.

Retailers, in particular, are struggling to execute campaigns that improve sales in store as there is no connection between what they advertise and what people buy.

Albert's latest trading update reflects the rising momentum.

Revenues in 2018 were US\$4.6m or more than 2.5 times the previous year's US\$1.7m, which itself was an eight-fold increase.

The company uses a SAAS (software-as-a-service) model and average monthly spending has doubled to US\$10,000 per on average.

As it is still in its infancy, Albert is heavily loss-making (US\$6.7m in the first half) and that situation seems unlikely to change in the near future while the focus is to build a market presence.

Profit or presence?

Shani is not unduly concerned.

"Do you want us to be profitable or be the first company doing what we do to be worth a billion dollars?" is his stock reply.

"We need to grow market share because what we are doing is so new and generally disruptive.

"We are a tech company, not an ad tech."

Funding has not been a problem. Having raised £27m when it floated on AIM in 2015 at 133p, the company raised an additional £13.6m last June at 37p.

However, the difference in the share prices of these respective funding rounds highlights it has not all been plain sailing.

A profit warning just four months after the 2015 listing hammered the share price.

Shani explains that in the early days on AIM, most revenues came from a media trading division that essentially disappeared when the exchanges for media slots were taken over and shut down by such as Google, Facebook and AOL.

At the time, the company was called Adgorithms.

Long-term potential

The long-term focus was always the Albert AI technology, he adds, so when that became the group's sole business, it made sense to change the name.

Many investors who bought in at the IPO have stayed loyal through the turbulence, he adds, as they see the long-term potential.

At 28p, the market value of £28m is still way off 2015's valuation but looks appealing if Albert can achieve even a fraction of what Shani says are its capabilities.

"I was a pretty good data analyst, but I can only work nine hours a day and can't do complex calculations in my head.

"The machine has no limits and 24/7 does a much better job."

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