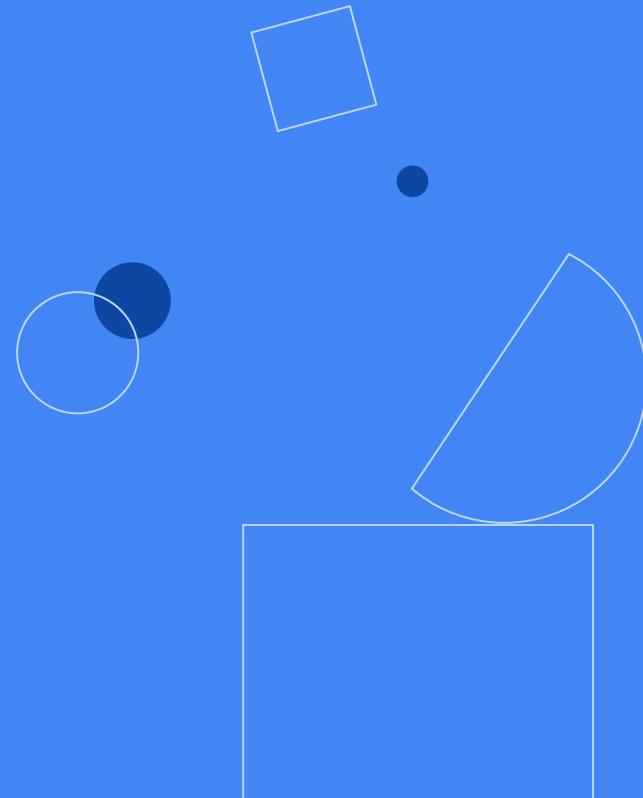


Google

Google Fi QBR

Q2 Performance Review & Q4 Growth Plan

August 2020



Q2 Plan recap

Objectives

- Drive maximum number of new subscribers within goal

Campaign DR Goal:

- \$600 Blended CPA
- \$850 Max Marginal CPA

Core Audiences

- Switchers (In-Market, Custom Intent)
- Google Fans (1P + 3P)
- RKMT

New in Q2:

- Parents
- Lookalikes (Separated from 1P / RMKT)
- Lifestyle Changers (Social Only)
- Tech Forward (Social Only)
- Flexible (GDN Only)

Budget // Flight

- Original Media (3/13): \$15M (MV) // \$6.8M (CV)
- Revised Media (5/2): \$11.9M (MV) // \$3.4M (CV)
- Final Delivery (EOQ): \$11.6M (MV) // \$3.3M (CV)
- 4/1/20 - 6/30/20

Markets live:

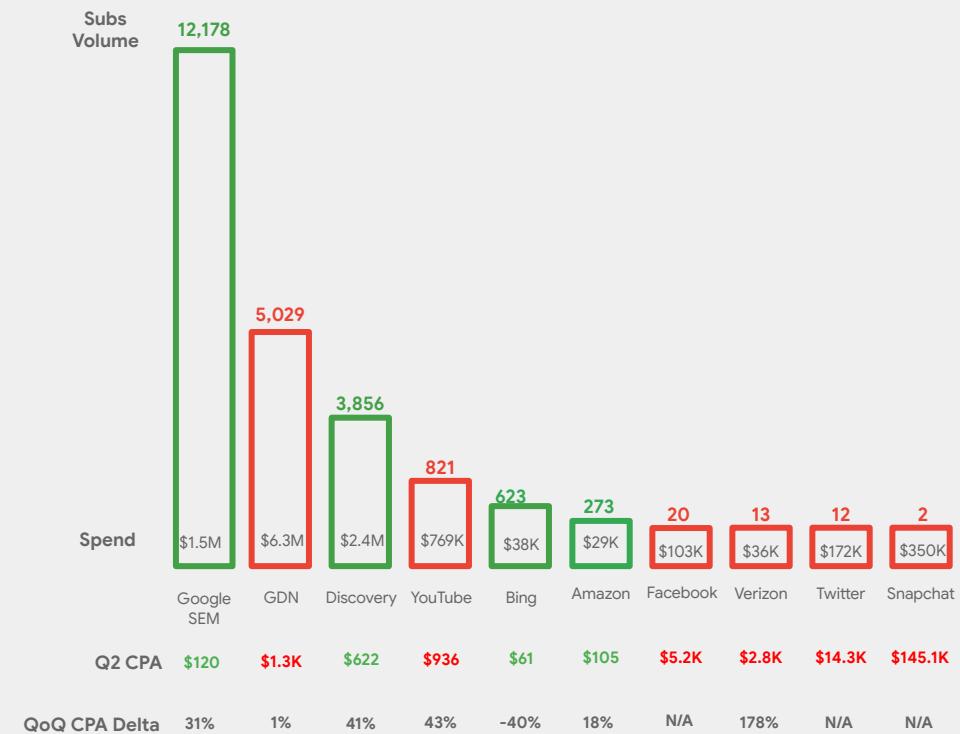
- US // NA

Creative Notes

- Display
 - NEW - HTML5 (5/26 - 6/30)
 - NEW - RDAs (4/20 - 6/30)
 - Concepts: Tether, Family, Device, Solo, Flexible
- Video
 - Unlimited :15s (4/1 - 4/6)
 - Pixel 3a :15s (4/1 - 6/4)
 - NEW - Unlimited :30s (5/6 - 6/30)
 - NEW - Flexible :30s (5/6 - 6/30)

What We Got For \$11.6M Media Spend

	Planned*	Delivered	% of Planned Achieved
Budget	\$11.9M	\$11.6M	97%
Conversions	25,488	22,827	91%
CPA	\$434	\$510	+16%



*Planned conversions and CPA are pulled from the External PO Tracker's [Q2 Reforecast](#)

**Red - above CPA goal; Green - under CPA goal

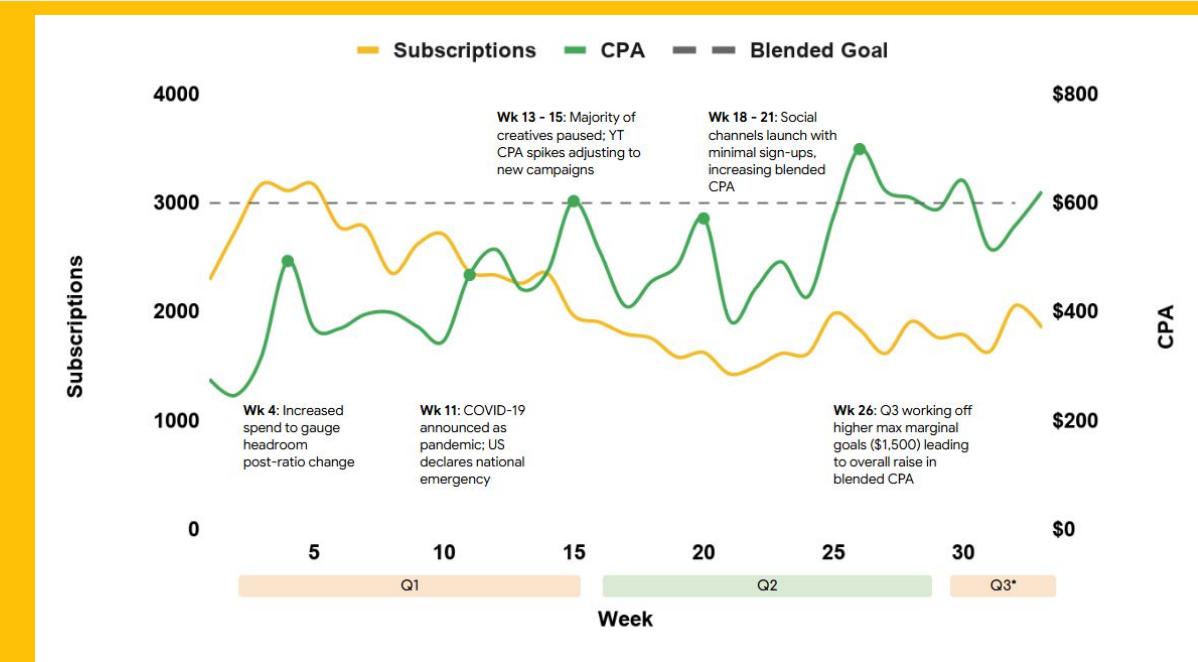
***Snapchat - \$59.7K out of \$350K is AV

Performance Dashboard

1

PERFORMANCE OVER TIME

Early Q1 performance had Fi on track for our 2020 sign-up goal, but impacts from COVID-19 beginning mid-March led to -36% CVR and pushed CPAs above goal in Q2



Q2 2020 CAMPAIGN SUMMARY

CHANNEL/TACTIC BREAKDOWN

Despite CVR declines cross-channel, Q2 remained below the \$600 blended CPA goal



Tactic	Spend	Conversions	Δ QoQ	CPA	Δ QoQ
Google SEM Brand	\$245.8K	11,572	-13%	\$21	+73%
Google SEM Non-Brand	\$1.2M	606	-37%	\$2,011	+22%
GDN	\$6.3M	5,029	-30%	\$1,262	+1%
Discovery	\$2.4M	3,856	+1,157%	\$622	+41%
YouTube	\$768.8K	821	+8%	\$936	+43%
Bing SEM Brand	\$24.3K	619	-47%	\$39	-22%
Bing SEM Non-Brand	\$13,640	4	-72%	\$3,410	+26%
Verizon	\$36,136	13	-95%	\$2,779	+178%
Facebook	\$103,347	20	-	\$5,167	-
Twitter	\$172,034	12	-	\$14,336	-
Snapchat	\$290,297	2	-	\$145,148	-
Amazon	\$28,734	273	-49%	\$105	+18%
Q2 2020 TOTAL	\$11.6M	22,827	-35%	\$510	+33%

DR Scorecard

How do our accounts score against optimization metrics?

	SEM	GDN	Recommendation
OPTIMISATION SCORE	83%	99%	[SEM] Review engine recommendations, implement SEM restructure
RSA & RDA ADOPTION	99%	100%	Continue full adoption of RSA/RDA
AD STRENGTH	2.3	3.99	[SEM] Per engine, align headlines and descriptions more tightly with keywords
ASAP AUDITOR	99%	–	[x-channel] Identify the ads that don't have a strong CTA and re-work copy.
IMPRESSION SHARE LOST DUE TO BUDGET	BK: 0% SK: 0%	0.5%	No action, continue to control pacing through CPA target manipulation.
Automation Compliance	99%	98%	Flags are addressed on a rolling basis, most current report has us at 100% compliance across the board.

Key Learnings

What We Learned

- 1 BKWS volume was down significantly QoQ due to COVID-19
- 2 Despite overall decline, Discovery has proven to be an effective channel, delivering 17% of Q2 subs
- 3 Growth is increasingly reliant on low-funnel audiences, with in-market and RMKT campaigns providing only 50% of sign-ups in Q1, to 92% in Q2

BKWS volume was down significantly QoQ due to COVID-19

WHY CARE

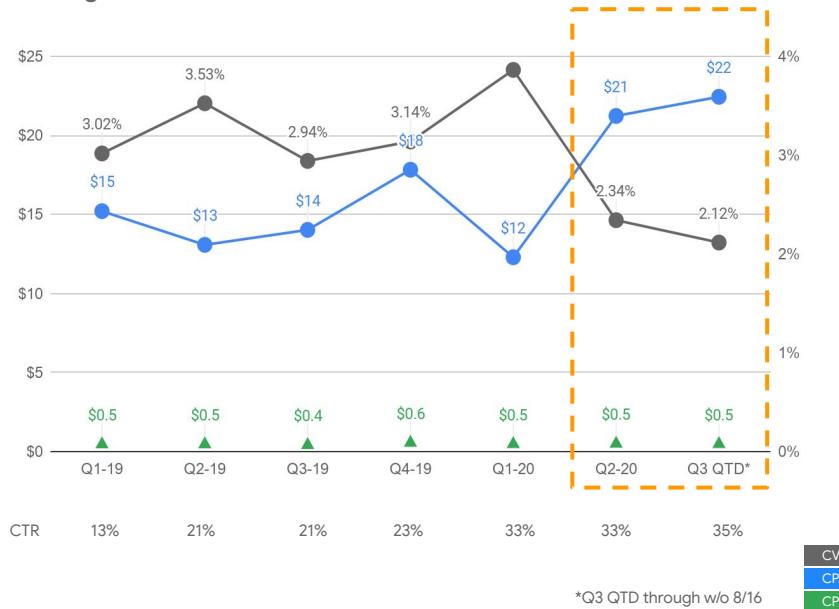
Search, our key performance driver, experienced a steep decline in volume and CVR in Q2, which led to CPA inflation.

QoQ BKWS impression was down by ~24%, Subs ~49% and CVR ~40%. With that, we saw a ~60% increase in BKWS CPA, concluding the quarter with a CPA of \$22.

When looking at the YoY trend, Google BKWS CPA peaked this Q2 while CVR dropped to the lowest point in seven quarters. CPC remains stable, which indicates the performance fluctuation was driven mainly by demand than competitions.

Overall the 1H DR program was impacted greatly by COVID-19. YoY we saw a 150% increase in CPA and CVR declined by ~75%.

Google BKWS YoY Trend



KEY TAKEAWAY

Re-evaluate H2 investment given the current climate. Scaled back Q3 spend by 15% to bring the projected CPA closer to target, also reforecasted Q4 to efficiently capture max-avails.

Despite overall decline, Discovery has proven to be an effective channel, delivering 17% of Q2 subs

WHY CARE

While several tactics gave funds back by the end of Q2 due to efficiency declines, Discovery took on incremental and delivered ~17% of total Q2 subs. It was the most efficient mid-funnel channel, concluding Q2 at a 40% lower CPA than mid-funnel avg*.

Discovery also introduced **carousel ads**, which opened up more inventory and contributed more growth to the program. (4%+ CVR than regular ads)

Without inclusion of Discovery in Q2, conversion loss from COVID-19 would have been -29% worse QoQ, as the tactic **contributed 17% of total Q2 sign-ups**

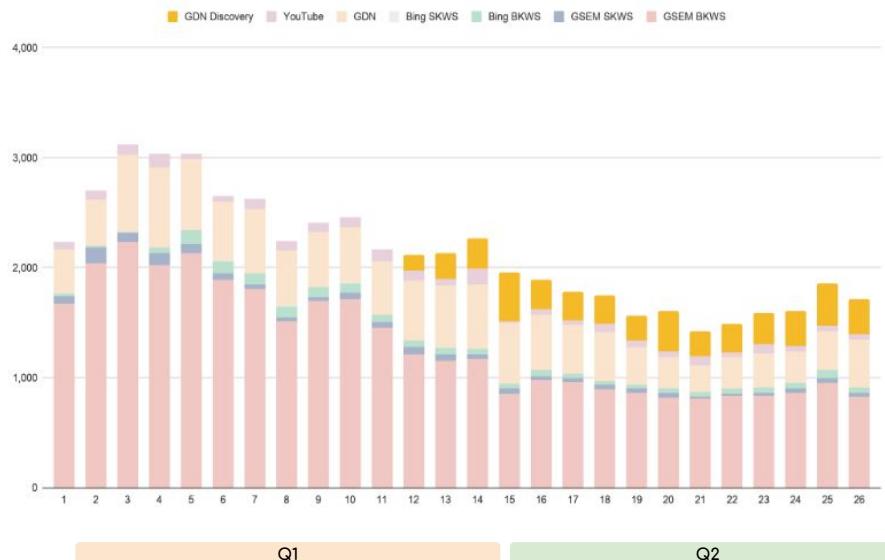
QoQ DR Program

-35% Conversions

QoQ Excluding Discovery

-46% Conversions

H1 Sign-Ups



*Q2 Mid-funnel: GDN, Discovery, Facebook, Snapchat, Twitter, Verizon, YT

[Discovery Format & Examples](#)

KEY TAKEAWAY

Discovery continues to show room for growth while delivering a CPA under goal (\$841 Q3 QTD). Including new audiences on Discovery for Q4 will increase the tactics investment by +9% QoQ

Growth is increasingly reliant on low-funnel audiences, with in-market and RMKT campaigns providing only 50% of sign-ups in Q1, to 92% in Q2

WHY CARE

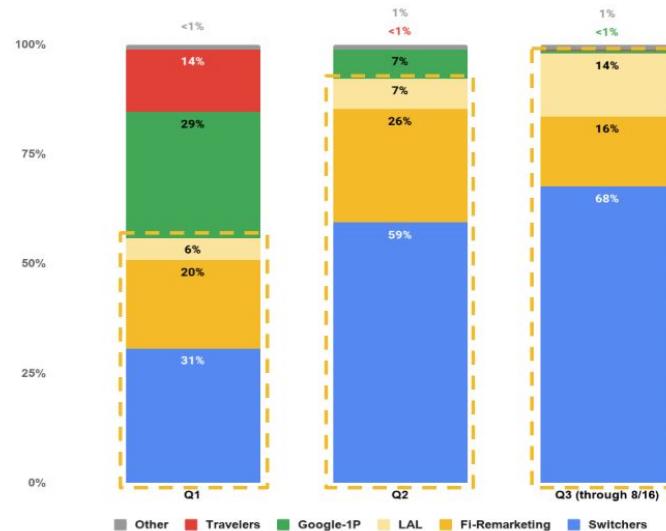
By the end of Q1 (Wks 11-13) Switchers, **an audience actively raising their hands to switch plans**, was the only target to show CVR growth from the first 10 weeks of Q1.

Switchers remained the most valuable audience in Q2 delivering **59% of total sign-ups** (+90% from Q1). RMKT and LAL, another highly engaged audience for Fi, also grew it's sign-up contribution QoQ.

Combined, these low funnel audiences drove **3,593 incremental subscriptions** from Q1.

Q3 to date, prospecting and mid-funnel audiences like 1P, Tech Forward and Family have brought in <2% of total sign-ups.

QoQ Subscriptions by Audience



*RMKT in Q1 included LAL; KAK separated mid-Q2

KEY TAKEAWAY

As prospecting audiences continue to show less intent to convert, identifying new low-funnel audiences through Google Analytics will be crucial for incremental conversions in Q4

Growth Plan & Next Steps

Growth opportunities rooted in past learnings



WHAT WE KNOW

Growth is increasingly reliant on low-funnel audiences.
Long-tail audiences became more resistant to convert as our product is less top-of-mind during COVID.

Discovery is the only channel that shows growth under COVID since launching Q1, delivering 17% of total Q2 subs at a CPA 15% lower than mid-funnel avg.

BKWS is fully funded with little room to scale. Search volume declined QoQ due to COVID



Amazon retail is efficient in driving subs at scale, delivering ~10% of total subs at a ~80% lower CPA in Q3 (QTD data through 8/16)



YouTube Audio drove 258 subscriptions at a \$775 CPA, despite having a brand message without clear call to action in Q4 '19



WHERE WE CAN GROW

Introduce new low-funnel audiences from GA and current 1PD sources to drive incremental volume growth

Expand audiences targeting on Discovery by adding top-performing evergreen DR audiences and new audiences from GA.

Seek growth opportunity by **improving search account hygiene** - ad copies and keywords to increase SOV and CTR

Capitalize the success with Amazon retail by **leveraging Amazon DSP to tap into their 1PD data** across Amazon's O&O

Build informative audio ads with intent to drive action, as is in the Explainer videos, to unlock more inventory on a core channel

Prioritize scalable growth opportunities in Q4

Growth Driver

P0

P0

P1

P1

P2

Audience Growth

Introduce new audiences, and build upon existing 1PD audience sets to drive incremental growth.

NEW GA Audiences

- Preconfigured Audiences
 - Session Quality
 - Navigation Source
 - Event based
- LAL Audiences based on
- GA Smart List
 - Customer Match

Discovery Expansion

Expand audience targeting to include evergreen DR audiences, as well as new audiences from GA

Current Targeting

- RMKT
- Switchers

To be Introduced

- Top performing evergreen audiences
- New GA and LAL audiences

Search Optimization

Improve SOV and CTR on high volume keywords

Structure and relevance

- Roll out new structure for BKWS/SKWS
- Improve RSA ad strength
- Focus on high volume keywords with low ad relevance

Amazon DSP

Leverage Amazon's 1PD shopper data on their O&O properties to drive incremental conversions

Audiences:

- Mobile/SIM card
- In-Market
- Product Remarketing

Traffic: [Fi Sim card page on Amazon.com](#)

YouTube Audio

Create DR focused Audio ads based on Q4'19 success with brand audio driving sign-ups

Top DR Audiences to test:

- Custom Intent SKWS
- Site Visitors & LAL

Resurrect Q4'19 Brand audiences:

- Tech Streamers
- Value Seekers
- Lifestyle Changers



\$834K Revenue



\$506K Revenue



\$1.2MM Revenue



\$43K Revenue



\$106K Revenue

Inc. Revenue*

Summary of Growth Drivers & Next Steps

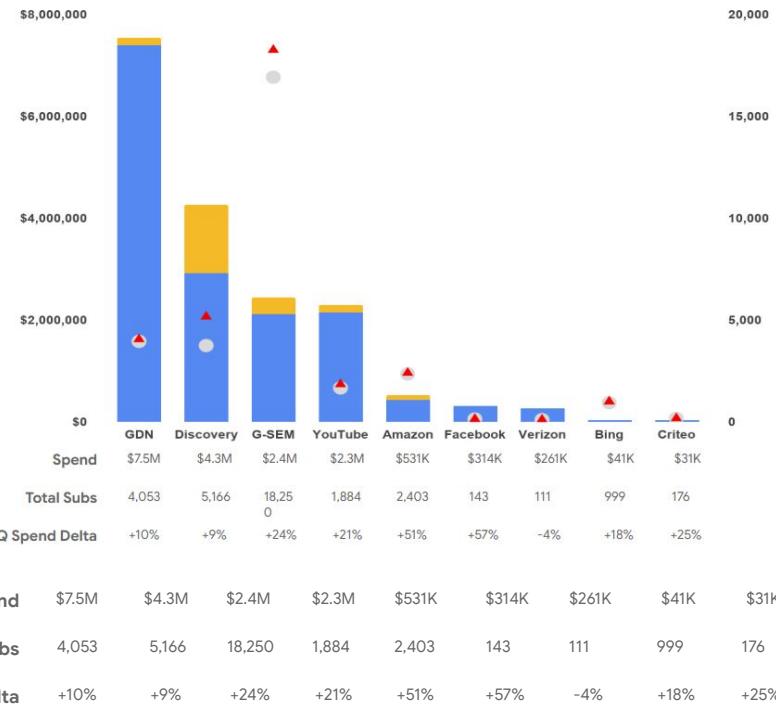
P	Growth Driver	Revenue	Status	Next Steps
0	Audience Growth	\$834K	In Progress	Google to build GA audiences based on this .
0	Discovery Expansion	\$506K	In Progress	Essence to build new placements to include new audience targeting prior to Q4 launch.
1	Search Optimization	\$1.2MM	In Progress	Essence to roll out BKWS/SKWS restructure, Prometheus automated bidding model
1	Amazon DSP	\$43K	In Planning	Google & Essence to align on the strategy
2	YouTube Audio	\$106K	In Planning	Google & Essence to align on the strategy

How we'll invest next quarter - \$17.7M MV

Key changes QoQ

+10%	★	GDN
+9%	★	Discovery
+24%	★	Google SEM
+18%	★	Bing
+21%	★	YouTube
+51%	★	Amazon
+25%	★	Criteo
+57%	★	Facebook
-4%	★	Verizon
-100%	★	Twitter, LinkedIn & DV3: Remove from program due to poor performance in Q3

Total EOY Subs Projection: ~125K*



★ Includes growth from key driver

*Original Q4 Evergreen Forecast: \$19.4MM MV // CPA \$461

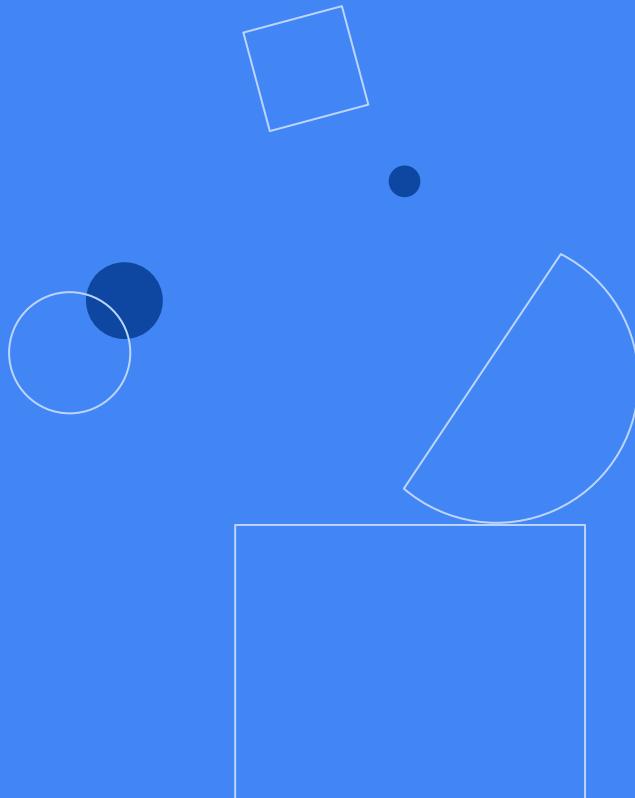
** 100K Adlingo budget is not included in the chart

***EOY subs projections do not include Pieces, Bramble and Redfin,

Base Spend
Inc. Spend fm Growth Drivers
Base Subs
Total Subs (Base + Growth Drivers)

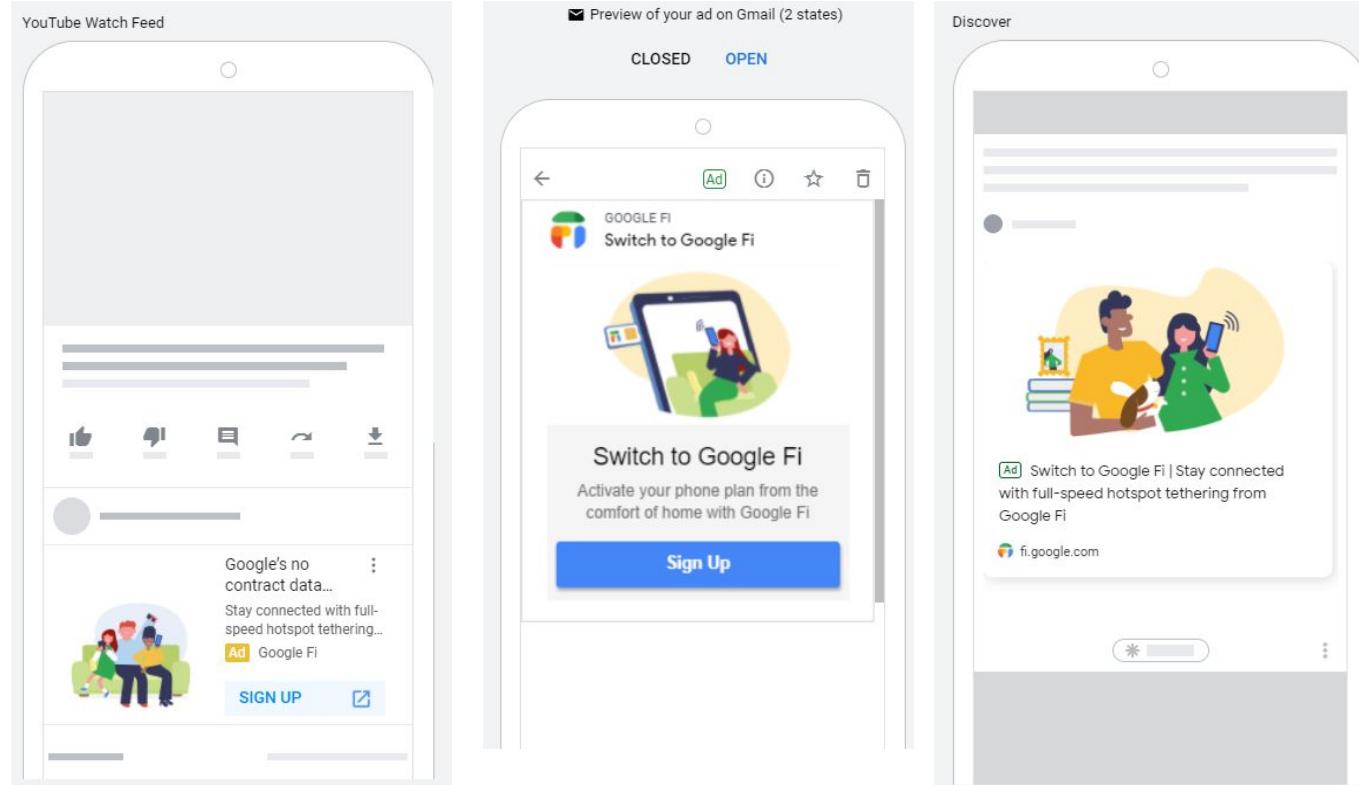
Google

That's a Wrap!



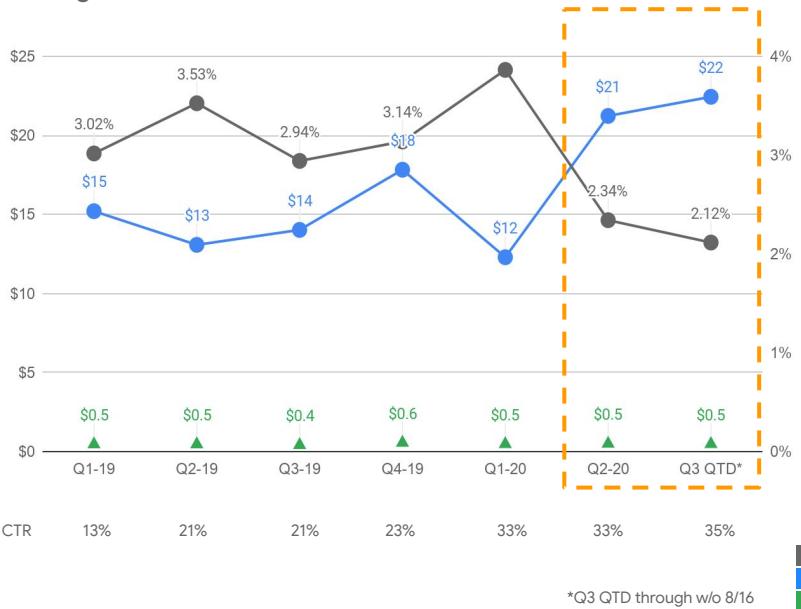
Discovery Ads - Appendix

With the ability to reach up to 3 billion people monthly on the YouTube Home and Watch Next feeds, the Gmail Promotions and Social tabs, and Discover, you can now reach more potential customers. The discovery campaign offers visually rich ads rendered natively across Google properties at scale. Advertisers can use automated bidding options to meet media performance goals.

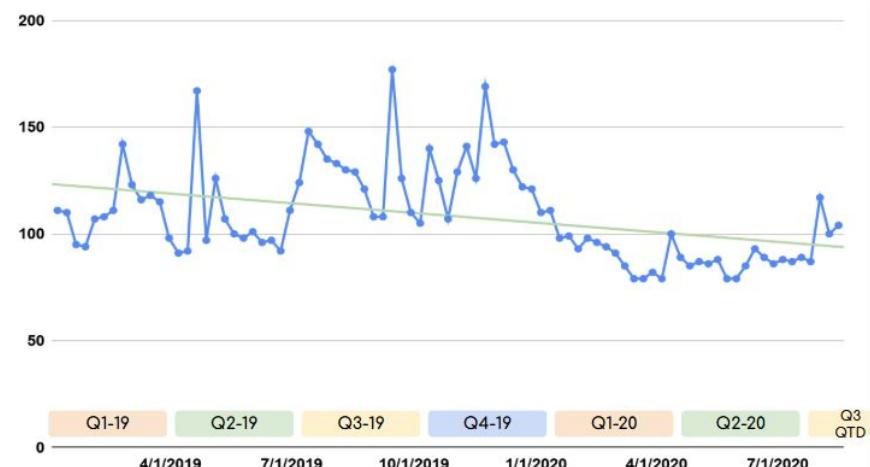


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Google BKWS YoY Trend



Weekly Indexed Searches for Google Fi

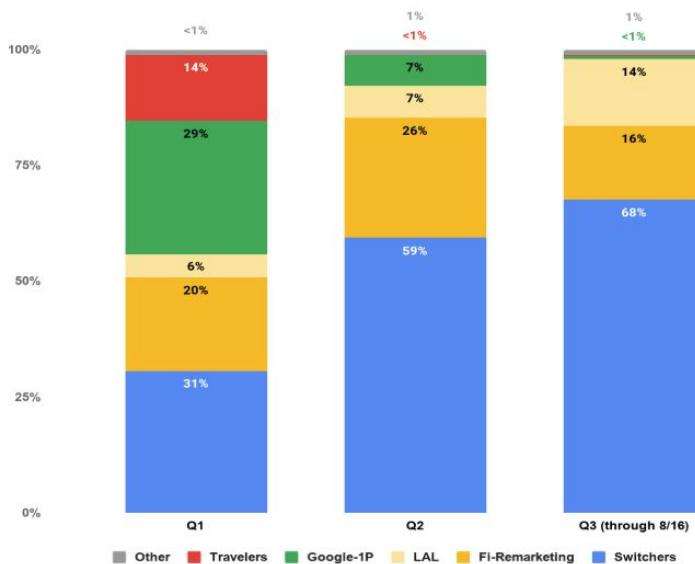


KEY TAKEAWAY

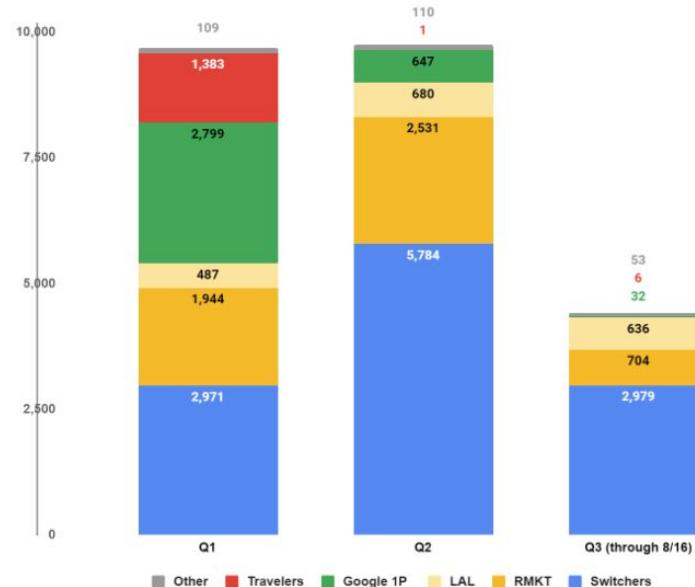
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QoQ Subscriptions Share by Audience



QoQ Total Subscriptions by Audience



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KEY TAKEAWAY

As prospecting audiences continue to show less intent to convert, identifying new low-funnel audiences through Google Analytics will be crucial for incremental conversions in Q4

Total Q2 Spend & Sign-Ups by Channel

Q2 2020				
	Platform	Market Spend (less AV)	Subscriptions	Market CPA
On-Net	Google Search	\$1,464,577	12,178	\$120
	GDN	\$6,344,158	5,029	\$1,262
	GDN Discovery	\$2,397,178	3,856	\$622
	YouTube	\$768,757	821	\$936
Off-Net	Bing Ads	\$37,958	623	\$61
Off-Net	Verizon	\$36,136	13	\$2,780
Off-Net	Facebook	\$78,347	20	\$3,917
Off-Net	Snapchat	\$290,297	2	\$145,148
Off-Net	Twitter	\$172,034	12	\$14,336
Off-Net	Amazon	\$28,734	273	\$105
Total		\$11,618,175	22,827	\$509

Note: Excludes all Added Value / Coupons