



# Display buyside Product Strategy (+ GDN deep dive)

February, 2016

**PTX0312**

**1:23-cv-00108**

# Agenda

1. The future of Display Buyside: where does this marriage take us?
2. GDN and DBM positioning & key pillars
3. GDN strategy deep dive
  - a. Programmatic foundation for GDN
  - b. Asset Based Creatives
4. CAWFE prioritization options

Google

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The future of Display Buyside:  
where does this marriage take us?

Google

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Vision

**Deliver the perfect ad to users, while supporting the open web.**

## Implications

**Better user experiences:** Deliver relevant, useful, unobtrusive ads (“the perfect ad”) to users, while supporting the open web by providing sustainable monetization to content producers.

↓

**Large Footprint:** To do that, we need a large advertiser and publisher footprint, so we can have a material impact on the industry and user’s lives.

↓

**Best Advertising Tools:** To achieve a large footprint, we need to offer the best buy and sell-side advertising tools for publishers and advertisers of all sizes.

↓

**Segmentation, Performance and Efficiency:** To create the best tools for sellers and buyers, we need to offer (1) clear segmentation, (2) strong performance and (3) operational efficiencies, while balancing the needs of consumers.

# Better User Experiences (ex: Moments/Assist)

Privileged and confidential

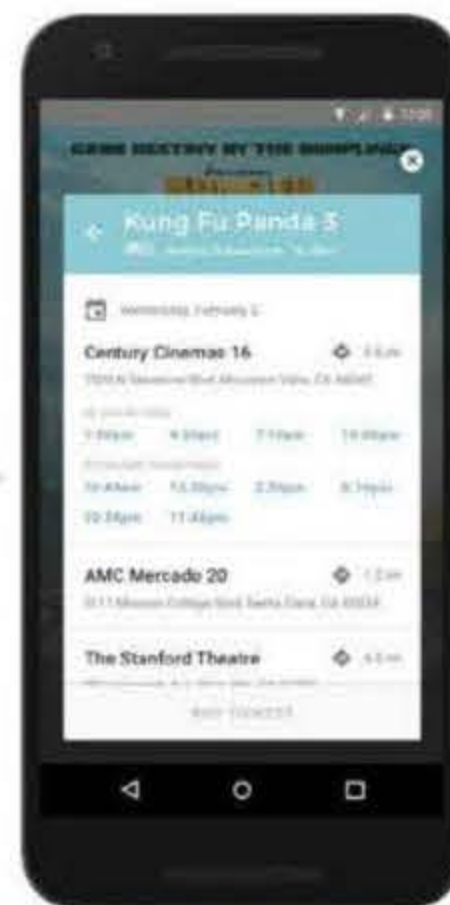
- Watched animated film and action movie clips
- Searched for "new movie releases"
- Visited **certain** theaters in the last 3 months

**Moments for Awareness**  
Triggered when users seek entertainment or are wasting time.

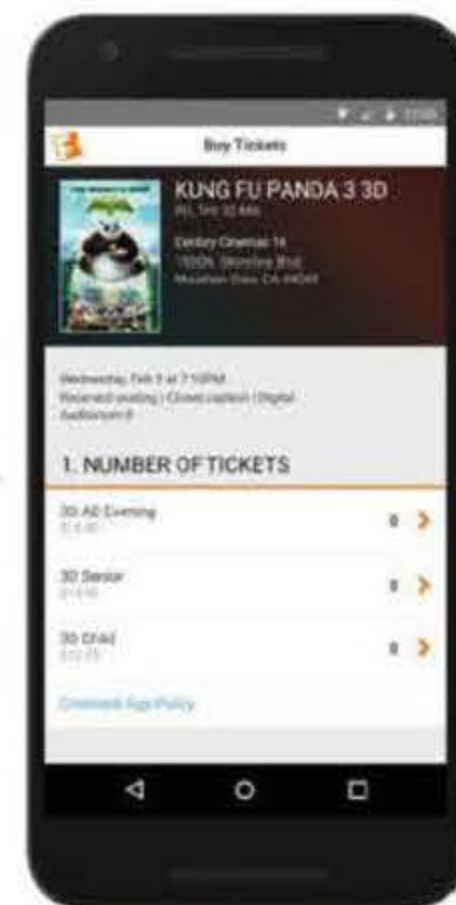
**Assist for Consideration, Evaluation**  
Triggered before or during high-utility periods, personalized to user taste.



Surface a recently-visited theater



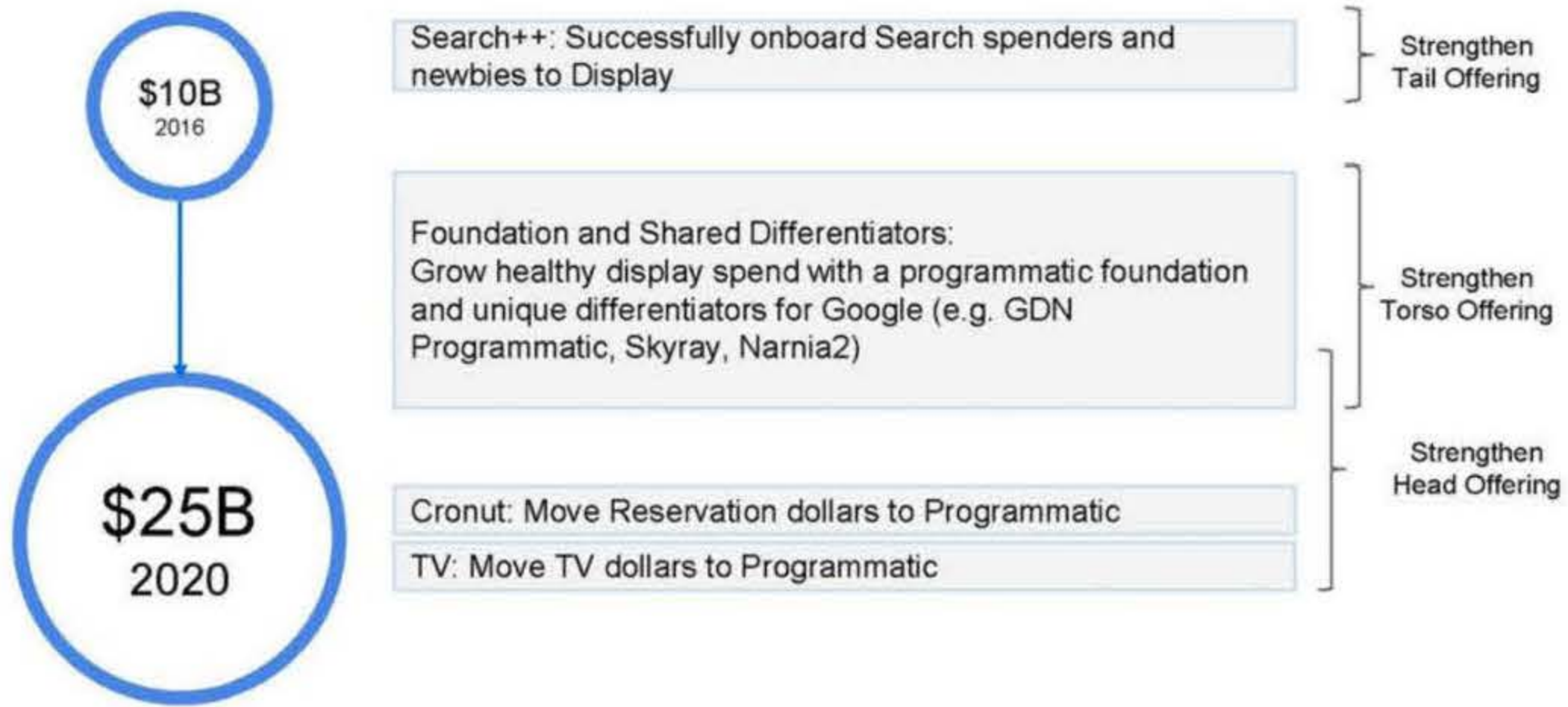
Select showtime from ad



Purchase ticket directly from Fandango site



## Opportunity and strategic levers



# GDN and DBM Positioning & Key Pillars

Google

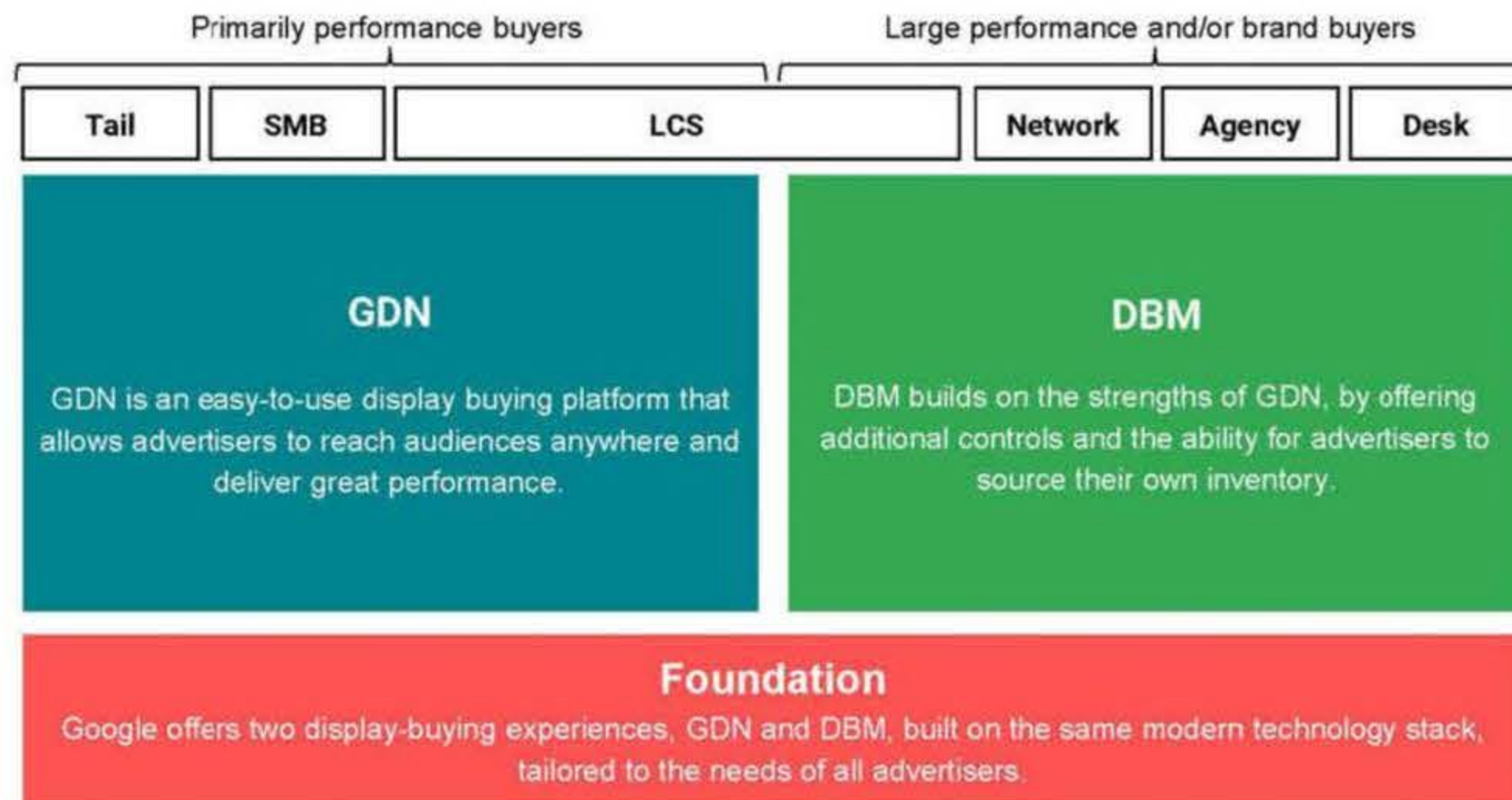
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v/o



## Short-term: Clarify DBM and GDN Positioning

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1/3rd & 2/3rds (LCS)

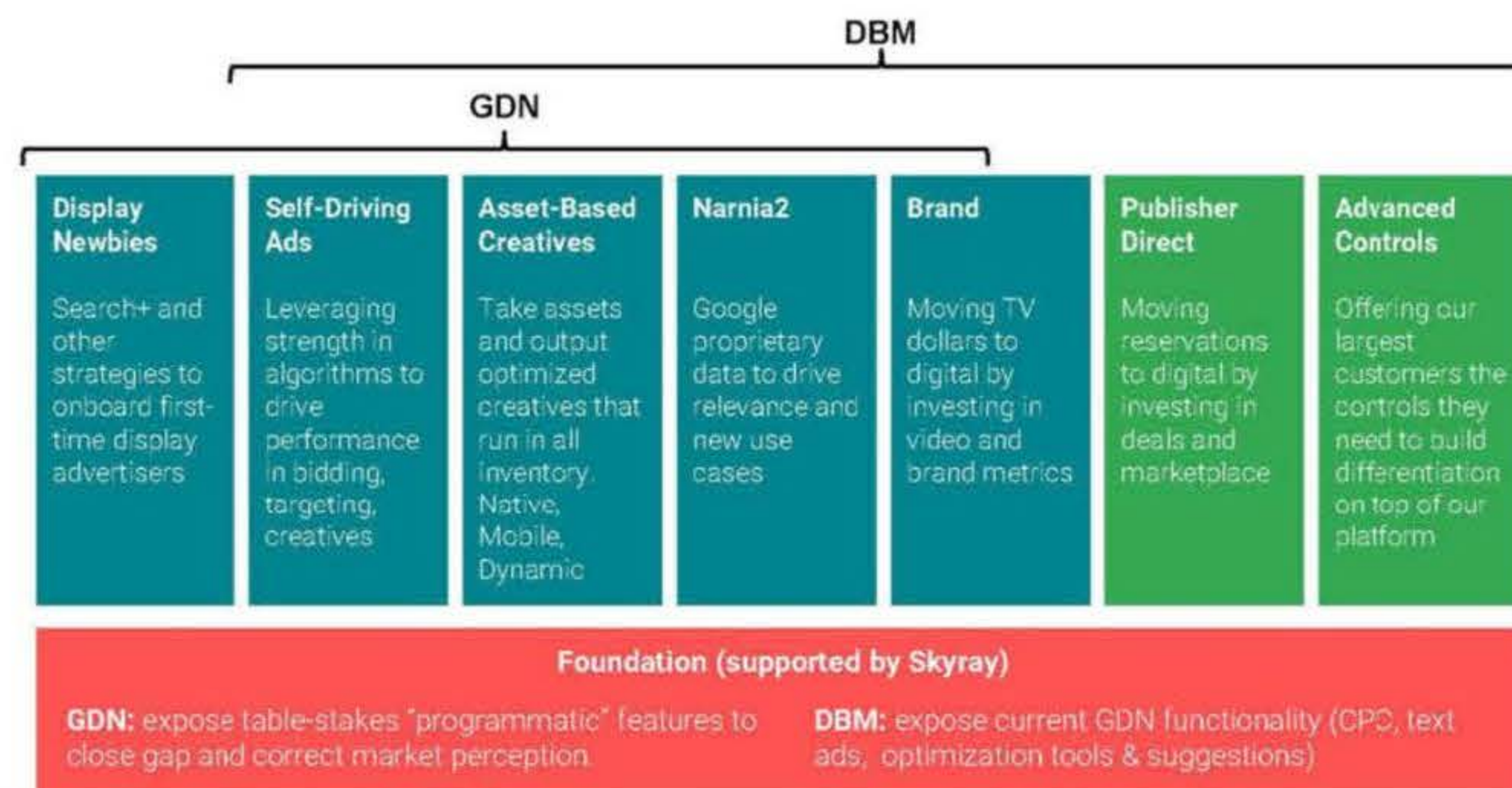
Note: clarifying short-term segmentation in the market

Changing

Publishers & data silo + contract size (throttle)

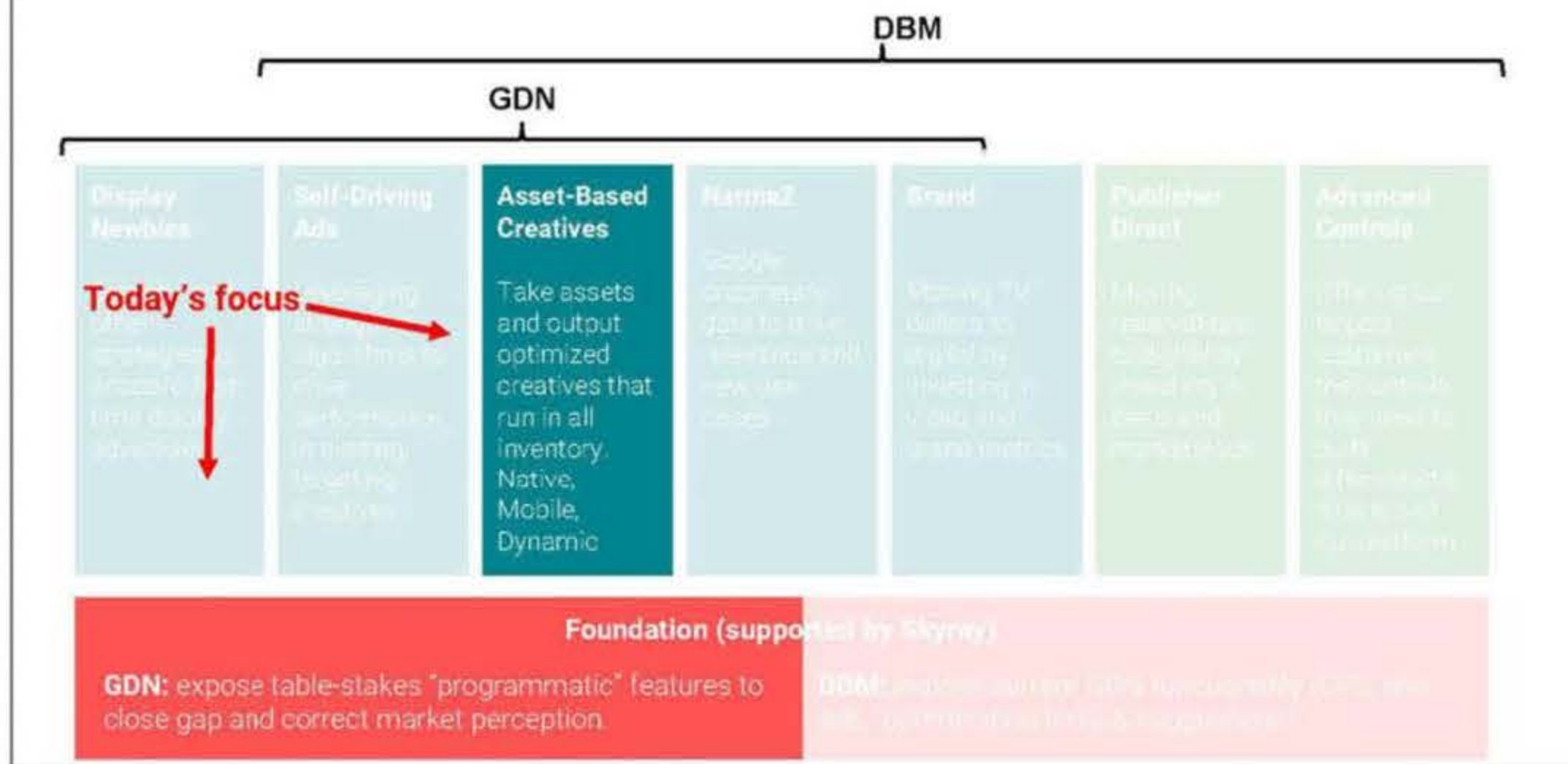
# GDN and DBM Feature Pillars for Next 2 Years

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# GDN and DBM Feature Pillars for Next 2 Years

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# GDN Strategy Deep Dives

Google

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# Programmatic Foundation for GDN

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## PROGRAMMATIC FOUNDATION

Areas where we are behind in industry's "programmatic" story.

Table-stakes features to close gap with competition and correct market perception.

### Inventory Strategy

- Access cross-exchange and other 3P inventory sources to change performance & perception
- GDN's approach will be paternalistic, inline with the segmentation principles

### 1P/3P data ingestion

- 1P/3P data support seen as building credibility in "DSP" positioning
- Revenue opportunity remains to be seen for options outside Customer Match

### Simple, audience centric advertiser UI

- Marketers' focus changing to audience buying and users find Display in AWFE complex
- Simplified, better guided flows to encourage best practices

### Repositioning & Rebranding

- GDN has strong brand equity but still strongly associated with "network"
- **AI:** To kick off workstream with marketing.
  - Ask: Paul to ensure we have resources to support.

more data points on UI complexity: here

WAVE survey:


[https://docs.google.com/presentation/d/1HryCKpTEMcoISE0hDLMhps\\_fsZruWMpE7zIdeGXbzK4/edit#slide=id.gcab0ca363\\_0\\_0](https://docs.google.com/presentation/d/1HryCKpTEMcoISE0hDLMhps_fsZruWMpE7zIdeGXbzK4/edit#slide=id.gcab0ca363_0_0)

# Programmatic Foundation for GDN

## Deep dive: Inventory strategy

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***Will unlock cross-exchange inventory for select use cases based on strategic competitive pressure, and measure total revenue potential for adding full mid-funnel***

Area	Status	Notes
AWBid for RMKT (+ Doppelganger)		<ul style="list-style-type: none"><li>• AWBid driving +6% to RMKT volume</li><li>• ~\$400M revenue potential (currently realizing ~\$120M)</li><li>• Testing Doppelganger using in-page signals. Similar audiences considered part of RMKT use case in industry</li></ul>
AWBid for mid-funnel (IM, CustomIM)		<ul style="list-style-type: none"><li>• Currently not a strategic imperative</li><li>• Revenue oppty of \$400M-800M</li><li>• Revisit when mid-funnel audience competition becomes more critical</li></ul>
DFP First Look		<ul style="list-style-type: none"><li>• Beta, 100+ publishers, \$22M ARR</li><li>• Public launch of DFL in Q1</li></ul>
Non-Open Auction Strategies		<ul style="list-style-type: none"><li>• Investigating Private Auction, Programmatic Guarantees (at network level) options</li></ul>

DFL - 27% boost to RMKT on pubs that adopt ([https://docs.google.com/presentation/d/1ePbTS-MGoagFOKBCblQQ0O8VXdW9FgA7w6MvNeFyQSo/edit#slide=id.g10978fab67\\_4\\_6](https://docs.google.com/presentation/d/1ePbTS-MGoagFOKBCblQQ0O8VXdW9FgA7w6MvNeFyQSo/edit#slide=id.g10978fab67_4_6))



# Programmatic Foundation for GDN

## Deep dive: 1P data

**1P/CRM data is important seed for the entire funnel. Offer customer match on GDN.**

### Current status for 1P data/DMP:

- DBM: ~\$162M ARR. Top-heavy.
- GDN: ~\$22M ARR in whitelist alpha.

### GDN Strategy:

1. Primary focus: Customer Match on GDN:
  - AW UI for direct upload of PII, match to GAIA for signed-in traffic.
2. Extend Customer Match with CRM onboarders
  - Signed-in coverage expected to be 30-40%; supplement coverage with CRM onboarders (e.g. Liveramp) matching to Biscotti.
  - **Option 1:** Use Customer Match UI in AW
  - **Option 2:** Direct advertisers to CRM onboarders' UI (a la DBM)
3. Secondary focus: Enable DMPs to upload 1P data (email lists and biscotti lists). LCS-whitelist feature, commercialize properly.

Woojin's notes: <https://docs.google.com/document/d/1v5gC7vFr3VI90x5SA4WwZHrvcQcVvfP8nCwh9K3gQG/edit#>

Jyoti's deck: <https://docs.google.com/presentation/d/1JqLdsknsRFPEfSZ9uulxJ08Q60xprB8Yfp0vNGxXArM/edit>

Why is it important?

Strong demand from DR advertisers to reach customers using their CRM/offline data (FB ~\$3B+ on Customer Match)

1P data is an important seed for mid-funnel targeting (SA) & optimization

DMPs and CRM-onboarders strong foothold in NA. ~20% of NA accts work with a DMP (represent \$400M in spend)

# Programmatic Foundation for GDN

## Deep dive: 3P data

**3P audience data a programmatic "checkbox"; plan to expose in GDN for managed advertisers with basic UI improvements over existing beta**

### Key use cases:

- 3P data segments stronger than Google IBA in some use cases.
- Consistency with DBM
- "All you can eat" data deals

### Current status:

- DBM: ~\$240M ARR, slowing growth due to shift to Google audiences
- GDN: ~\$50M ARR in whitelist beta

### GDN Strategy:

Nominally & minimally support 3P data for all managed customers (LCS)

Basic UI improvements over existing beta:

- Separate audience picker from RMKT
- Show pricing
- Basic sort/filter (e.g. on provider)
- Clear messaging on recommended use (or lack thereof)

Woojin's notes: <https://docs.google.com/document/d/1v5gC7vFr3VI90x5SA4WwZHrvcQcVvfP8nCwh9K3gQGg/edit#>

Christian Shoemaker's deck: [https://docs.google.com/presentation/d/1iplwib31\\_E4k-](https://docs.google.com/presentation/d/1iplwib31_E4k-KG76YjcKhG5HpiWja_SsjsUk4T8Gmk/edit#slide=id.p)

[KG76YjcKhG5HpiWja\\_SsjsUk4T8Gmk/edit#slide=id.p](https://docs.google.com/presentation/d/1iplwib31_E4k-KG76YjcKhG5HpiWja_SsjsUk4T8Gmk/edit#slide=id.p)

Mat Varghese's doc: [https://docs.google.com/document/d/1tCATxfX4h3dOxMtH74LKsU86W52tF0Bg\\_5VjgqW\\_Mto/edit](https://docs.google.com/document/d/1tCATxfX4h3dOxMtH74LKsU86W52tF0Bg_5VjgqW_Mto/edit)

Cross-exchange IBA:

[https://docs.google.com/presentation/d/1fndoma8XRwgOUF0MjeGV9sFGd5Buc4l6kyxj\\_FAsYWg/edit?ts=56b4929b#slide=id.gfc57e87ae\\_0\\_5](https://docs.google.com/presentation/d/1fndoma8XRwgOUF0MjeGV9sFGd5Buc4l6kyxj_FAsYWg/edit?ts=56b4929b#slide=id.gfc57e87ae_0_5)



# Programmatic Foundation for GDN

## Deep dive: Audience-centric UI

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### **The case for an audience centric advertiser UI**

More detail [here](#)

- Users find Display in AWFE complex
- Marketers' focus changing to audience buying
- Vision - Audience centric UI to simplify the buying and improve market perception

#### **Simplified, audience centric UI**

V1 - Construction w/1P/3P lists **Today**  
V1 - Reporting/Campaign Management  
Audience, Tag Mgmt  
1P data onboarding

Immediate focus - MVP

#### **Feature differentiators (also simplify the UX)**

New vs. Existing user bids for DR  
Unified expansion  
Custom InMarket  
0-eligibility  
Auto-feed, auto-tag for Dynamic

Separate efforts to be surfaced when ready

go/audnext-drops  
Problems:

Sales strategists are confused  
"I don't really know what bids to set, it is pretty up in the air" MMS AS

Advertisers are confused  
"make the display options and retargeting audiences more simple and easy to understand. I don't know if I am even doing it right." Wave survey 2015

# Audience Next Construction

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Help advertisers answer:

- What available **performance target** fits my marketing objective? (e.g. get leads)
- Who should I **target**?
- What should be my **bid strategy** and how much should I **bid**?

## Mocks


- Current mocks [here](#)
- Partial flow only, work in progress
- Going into the next round of user testing in 2 weeks
- Targeting AP PR/UXR in March
- Based on AW Next approved framework


Need will be magnified as we allow zero eligibility to tCPA and ROAS  
Important to drive CPA/ROAS adoption


# Audience Next Mocks


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### Choose a campaign type

**Search Network**  
This campaign type is not yet available.


**Display Network**  
This campaign type is not yet available.


**Shopping**  
This campaign type is not yet available.


**Video**  
This campaign type is not yet available.


**Universal app**  
This campaign type is not yet available.


### Choose a campaign goal


 Ad impressions


 Content engagement


 Website visits

 **Sales or leads**

 Calls to your business

 Visits to your business

 Mobile app installs

 Engagement on your app

#### Based on your choice, we'll start you off with


**Our recommended targeting for driving sales and leads**

- Remarketing to all website and app visitors
- Similar audiences
- Optionally in-market or custom in-market audiences

**A performance focused bid strategy**

- Target cost per click

You can edit these settings in the next steps.

 **Next step**

Who do you want to reach?

### How to drive sales or leads

Add remarketing to reach your existing customers, and include similar audiences to find new customers with high conversion potential.

 **Ergebnis:**

Reacts people who have engaged with your brand

I recommend: -

 Similar audiences

Reach people we find similar to your existing customers

More options

**+** In-market audiences:

Reach people looking to buy your product or service

5 recommended

- Custom in-market audience

Find your audience by describing their interests

- 3rd party audiences

Target customer lists imported from 3rd party sources

## Edit demographics

Choose the demographics your ads are allowed to show to:

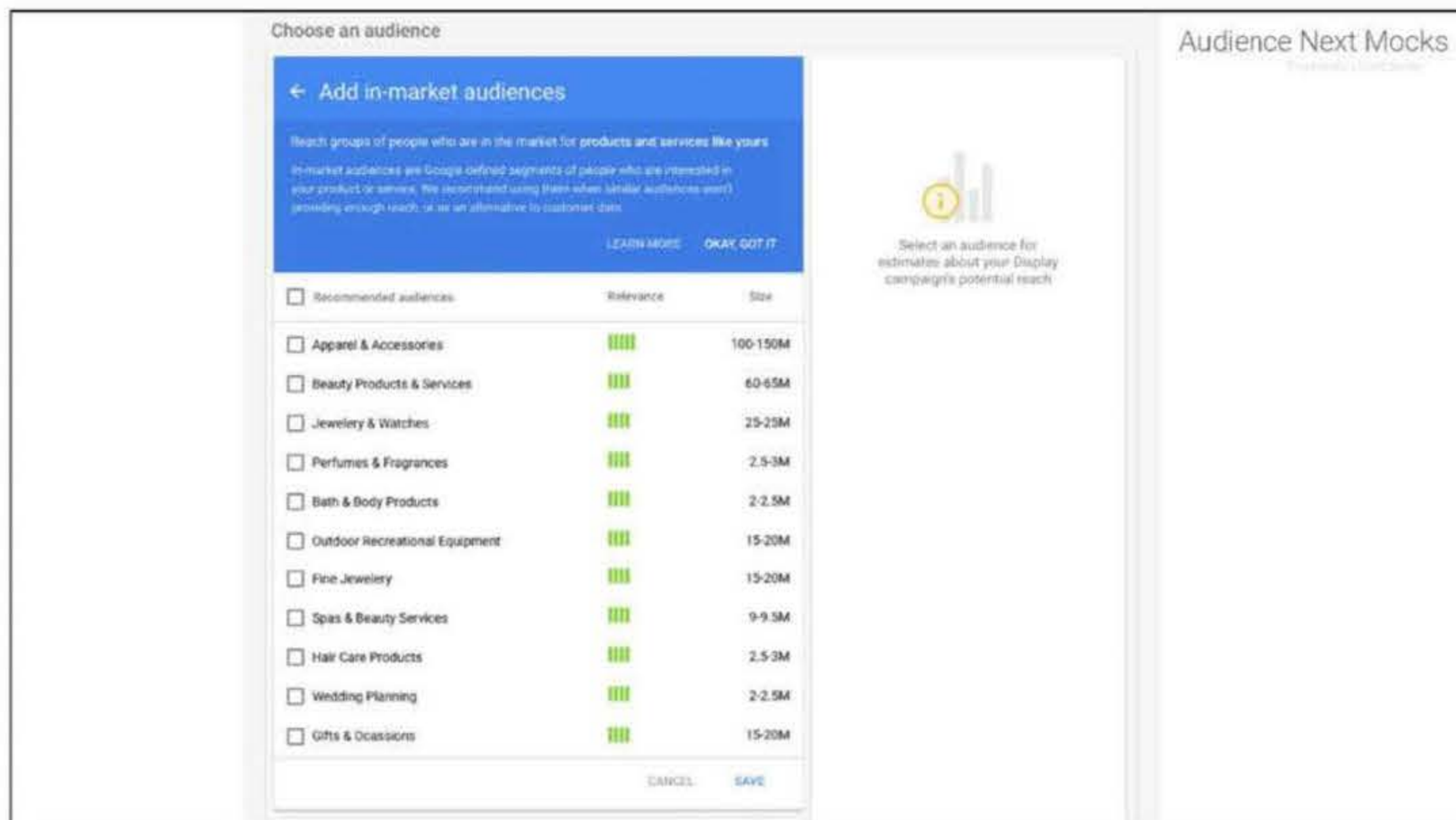
 Any age

 Any gender

Any parental status







Choose an audience

← Add in-market audiences ⓘ

RECOMMENDED

VIEW ALL

1 selected

Search by word, phrase, or URL

☐ Apparel & Accessories

☐ Autos & Vehicles

☐ Baby & Children's Products

☒ Beauty Products & Services

☐ Business Services

☐ Computers & Peripherals

☐ Consumer Electronics

☐ Dating Services

☐ Education

☐ Employment

☐ Financial Services

☐ Gifts & Occasions

☐ Home & Garden

☐ Real Estate

CANCEL

SAVE

Suggested bids

☐ Conservative bid

Conservative bid with fewer clicks

\$3.00

☒ Balanced bid

Balanced volume and cost

\$4.25

☐ Aggressive bid

Maximize clicks

\$5.50

Max cost-per-click

Or set a custom bid

Estimated performance per week

With selected targeting and bid

Clicks

3,500-12,000

Unique people reached

5,000-15,000

Impressions

30,000-40,000

Audience Next Mocks

Choose an audience

Who do you want to reach?

How to drive sales or leads

Add remarketing to reach your existing customers, and include similar audience to find new customers with high conversion potential

+ Remarketing

Reach people who have engaged with your brand

2 recommended

+ Similar audiences

Reach people we find similar to your existing customers

More options

+ In-market audiences (5)

Apparel & Accessories

Beauty Products & Services

Edit

+ Custom in-market audience

Find your audience by describing their interests

+ 3rd party audiences

Target customer lists imported from 3rd party vendors

Demographics

Choose the demographics your ads are allowed to show to

Any age

Any gender

Any parental status

Suggested bids

☒ Conservative bid

Conservative bid with fewer clicks

\$3.00

☐ Balanced bid

Balanced volume and cost

\$4.25

☐ Aggressive bid

Maximize clicks

\$5.50

Max cost-per-click

OR set a custom bid

Estimated performance per week

With your selected targeting and bid

Clicks

2,000-10,000

Unique people reached

3,000-15,000

Impressions

14,000-20,000

Audience Next Mocks

# Asset-Based Creatives

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## Asset-Based Creatives

Responsive layouts running on all devices.

Ad content and style (color, font, etc.) dynamically optimized per impression.

Driving demand to all formats (native, text, image, and new formats)

Helps secure key publishers, who are native only.

### Enhanced Text Ads

- Target launch: July in AW3; AWNext dates not set
- Use case: Text & lightweight Native Ads
- "Compatible" with Search Ads and tools (API, AWEditor)

### CreativeNext Asset-Based Creatives

- Target launch: Q3 in AWNext
- Use case: full-on display-centric creative for Native, Dynamic, rich text/display
- Preferred for UI-based Display-only advertisers

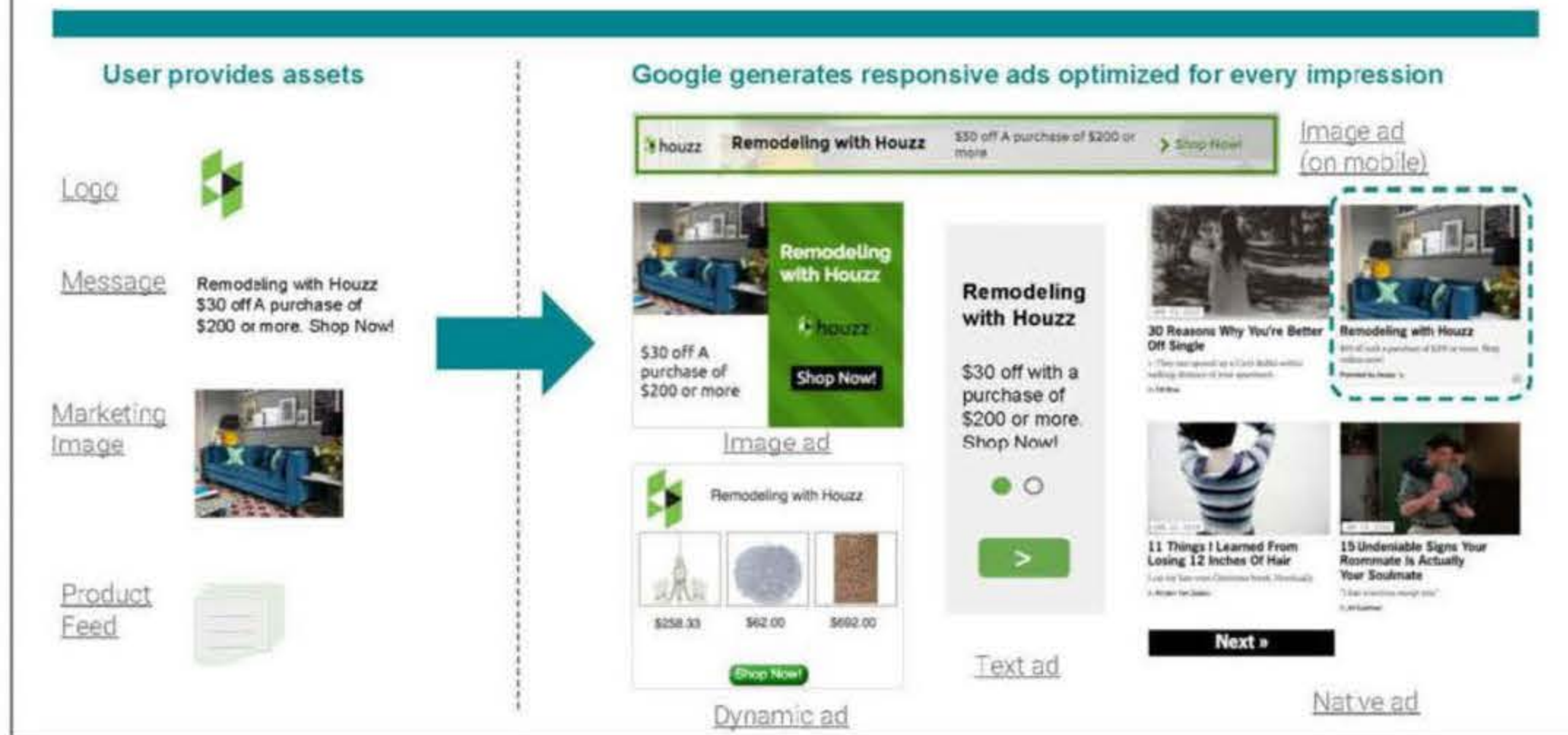
### Also, "Poor man's version of CreativeNext":

#### AW3 DAB template for Asset-Based Creatives (aka "Template 491")

- Target launch: March in AW3
- Use case: focused on Dynamic RMKT
- Use case to be superseded by CreativeNext

# Asset-Based Creatives

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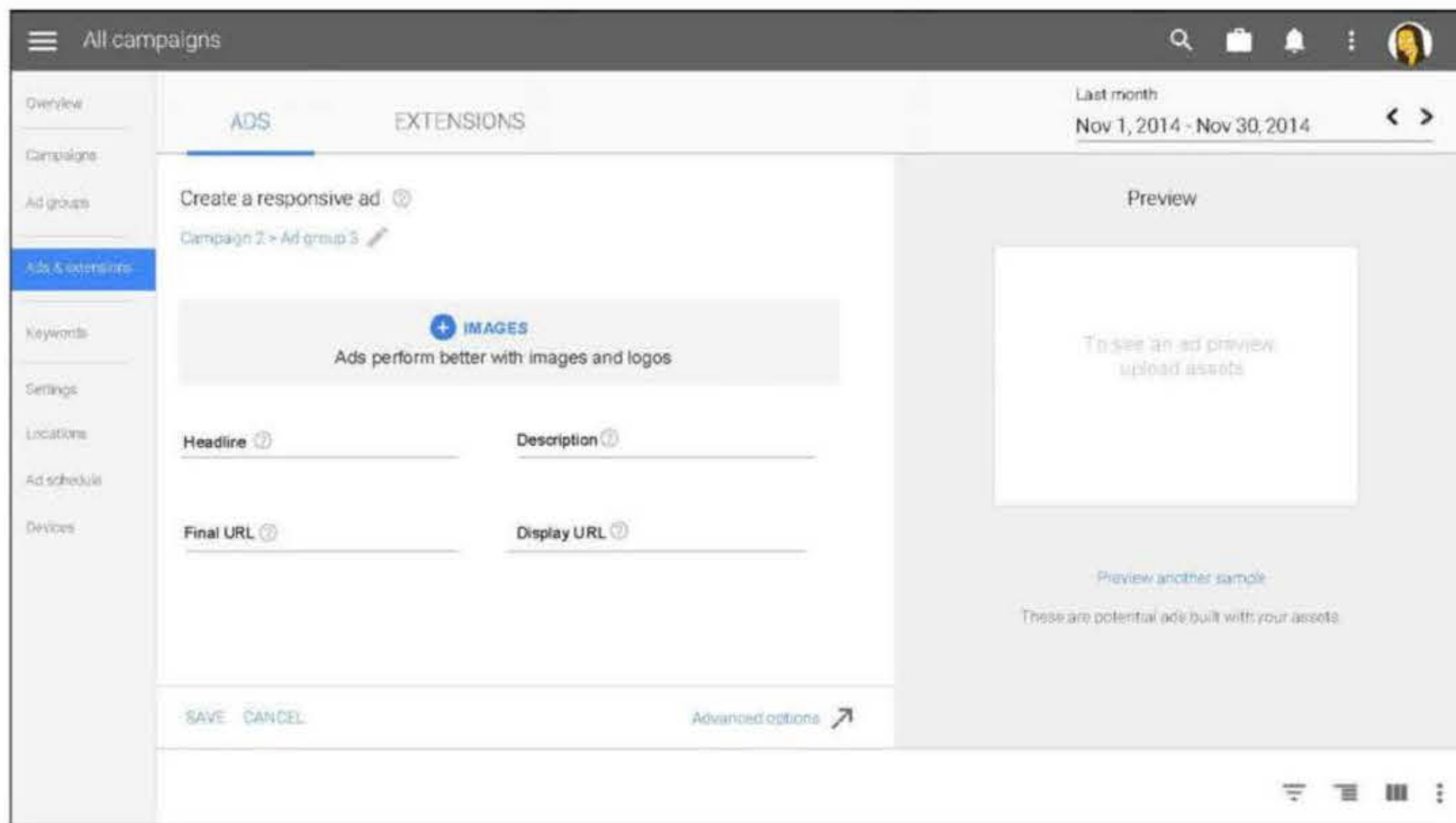


## Creative Next InPage workflow

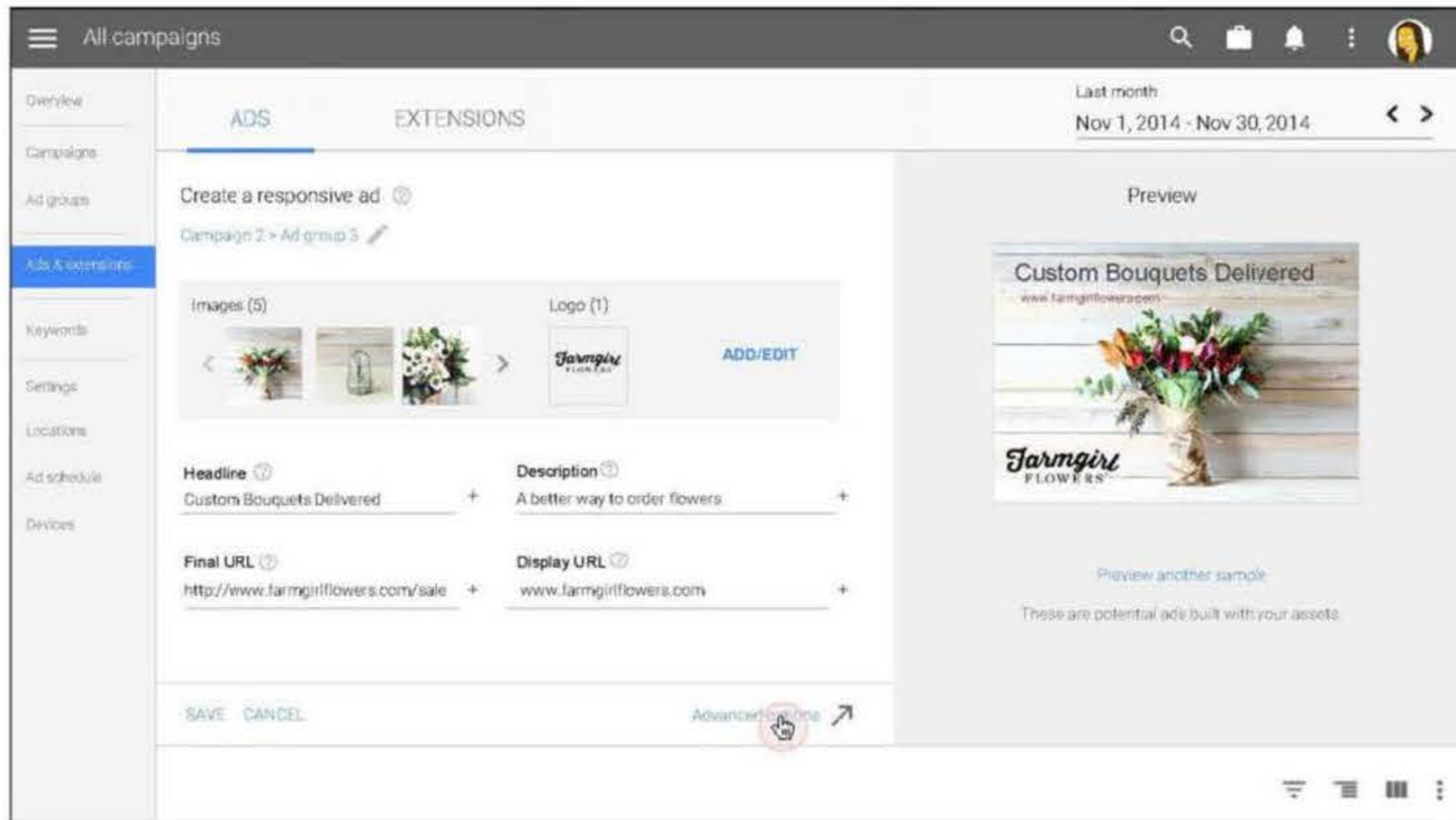
### Mocks

- Current mocks [here](#)
- Approved in AP PR/UXR
- Based on AW Next approved framework

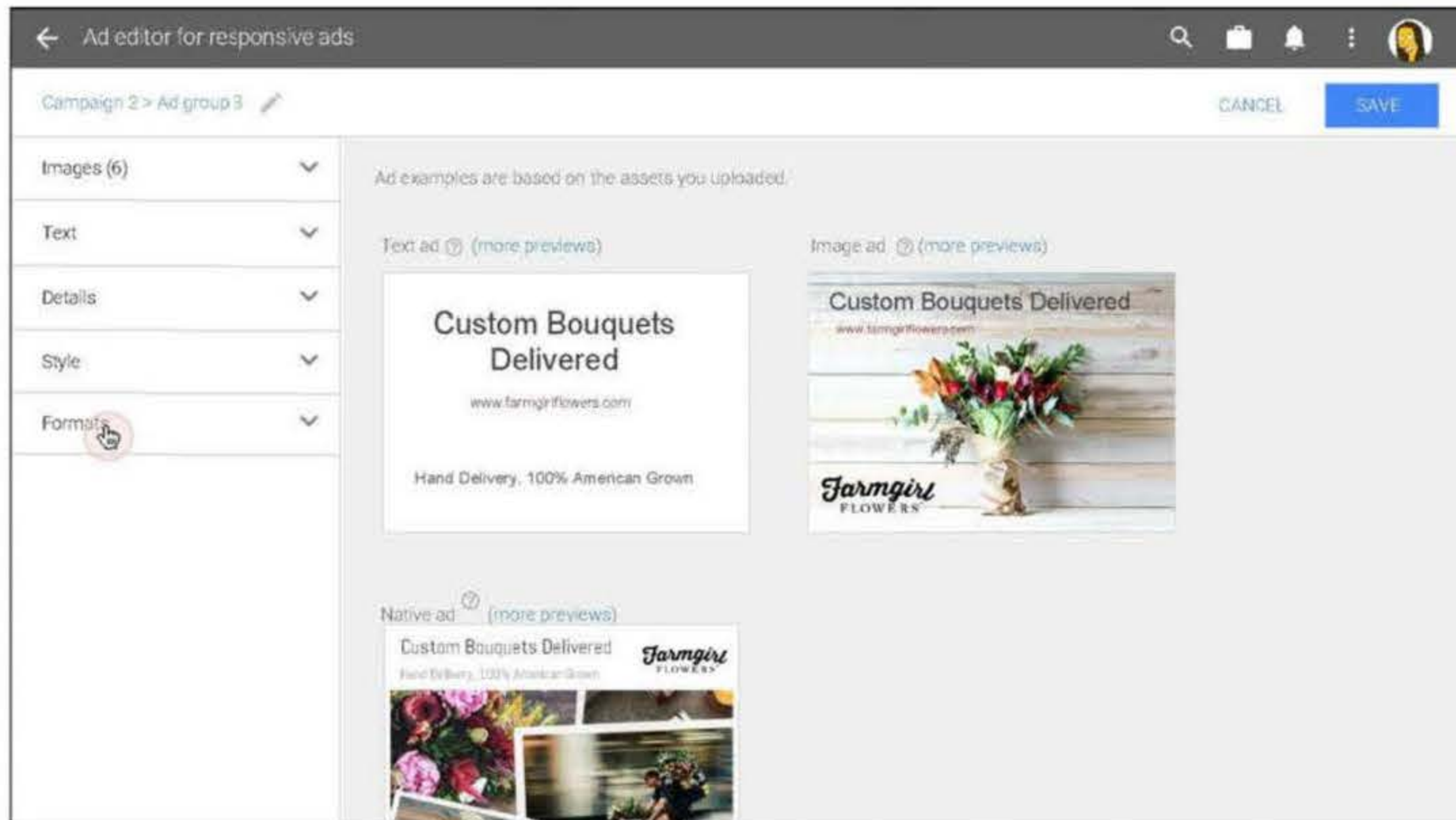




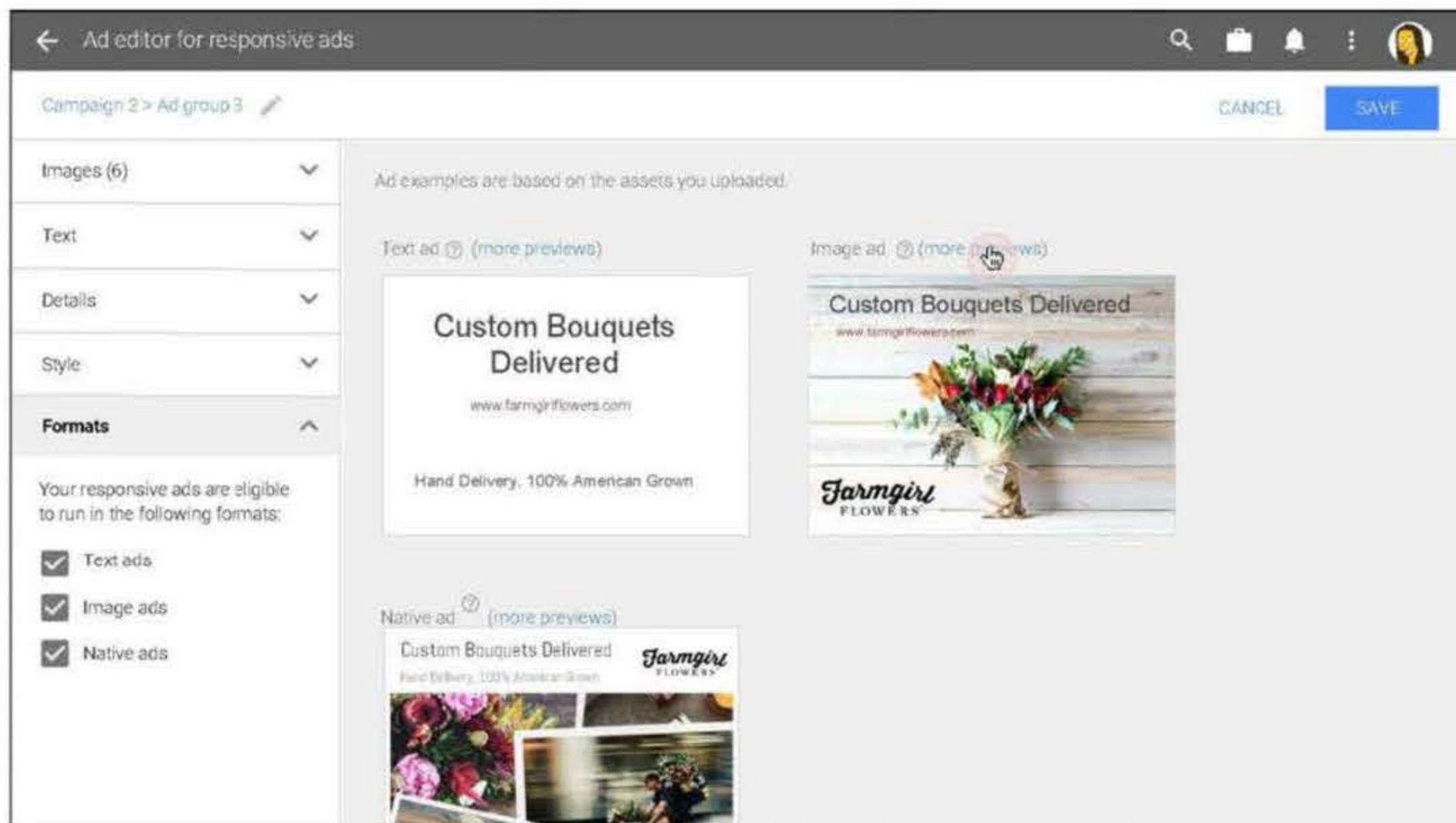
New responsive ad creation in AdWords Next



Assets added, preview appears, previews rotate to show ad variations . Can optionally go to the full ad editor/advanced options.

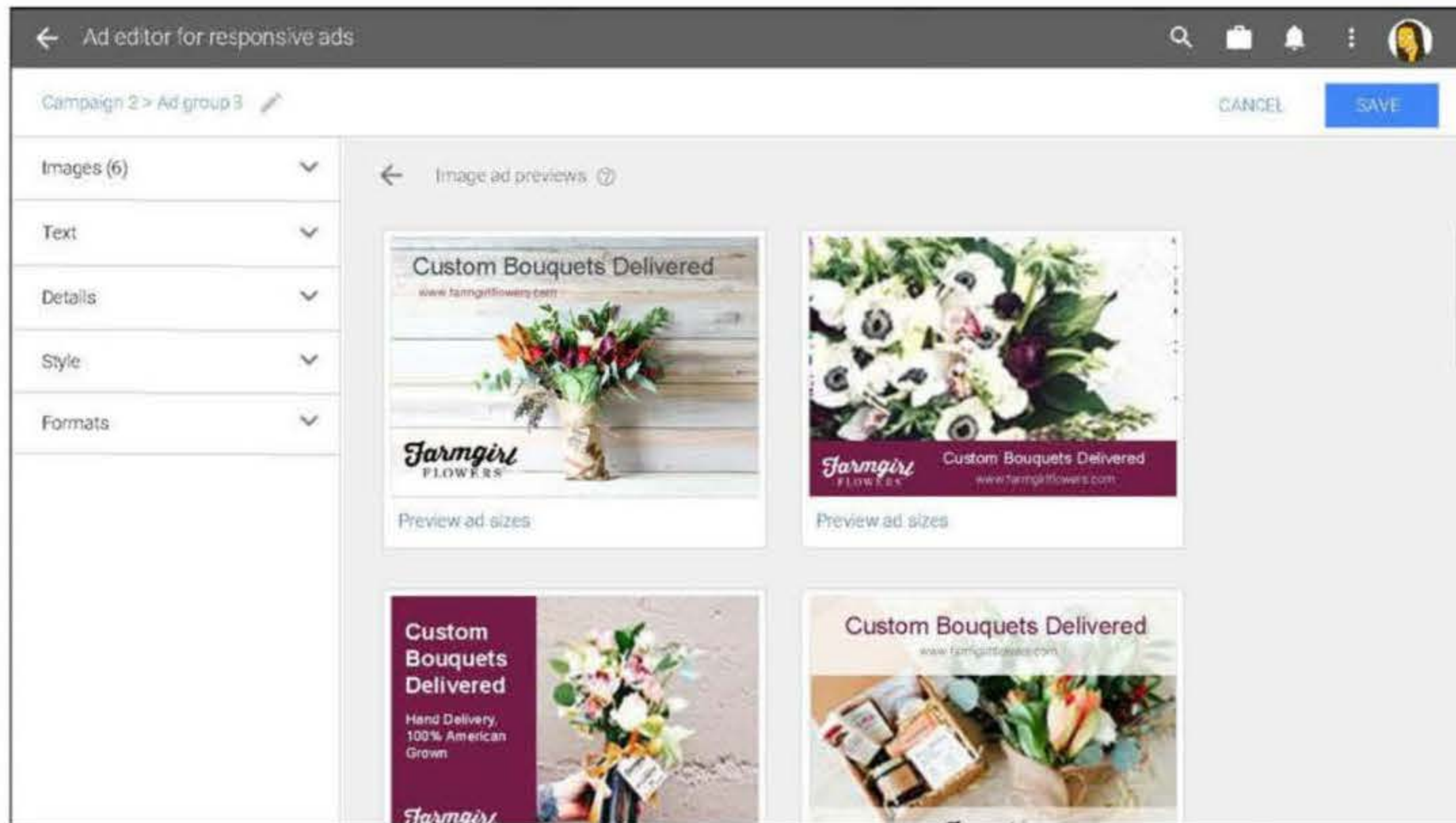


Advanced options - full ad editor view. Only surface Ad format opt-out control in advanced view  
Default: one preview per ad format; drill in to see more previews for each format



Advanced options - full ad editor view. Only surface Ad format opt-out control in advanced view  
 View more previews for a particular ad format.  
 Default: one preview per ad format; drill in to see more previews for each format





One sample from each layout for image ad;  
Link to preview more ad sizes for each layout

## CAWFE prioritization options

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## CAWFE 2016 prioritization options

Options	
1. "All In"	All-in on GDN is Programmatic V1 of Audience Centric UI by Q3/4
2. "Business as usual"	All requests (incl. programmatic) prioritized on quarterly basis. AWN timeline moves accordingly.
3. Add resources	Fund immediately with additional heads to make progress across the board (Programmatic, AWN, other, high-priority items)

More details  
next slide

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[More detail on HC options here](#)

## Option 1: All-in Programmatic - Audience Centric UI by Q3/4

	Q3/4 (LCS only)	Q4/1	2017 (full launch)
AW Next	<b>Audience Next v1</b> <ul style="list-style-type: none"> <li>Construction w/1P lists and 3P segments</li> <li>Reporting/Campaign Management (Audience Tab)</li> </ul> <b>CNext InPage w/Native</b>	<b>CNext Lightbox</b>	<b>Audience Next v2</b> <ul style="list-style-type: none"> <li>Audience, Tag Mgmt</li> <li>1P data onboarding</li> </ul> <b>CNext Mobile,Gmail</b>
AW 3	<b>1P in Shared Library</b> <ul style="list-style-type: none"> <li>Customer Match improvements</li> <li>Potential CRM onboarder integr.</li> </ul> <b>CNext Lightbox (in Q1'16)</b>	<b>CNext InPage w/Native</b>	

More detailed stab at mapping of features to phases [here](#)

- Requires a high visibility effort to align multiple teams and priorities (UX, AP, TEA)
- Will limit most anything else we can take on
- Some timing risk

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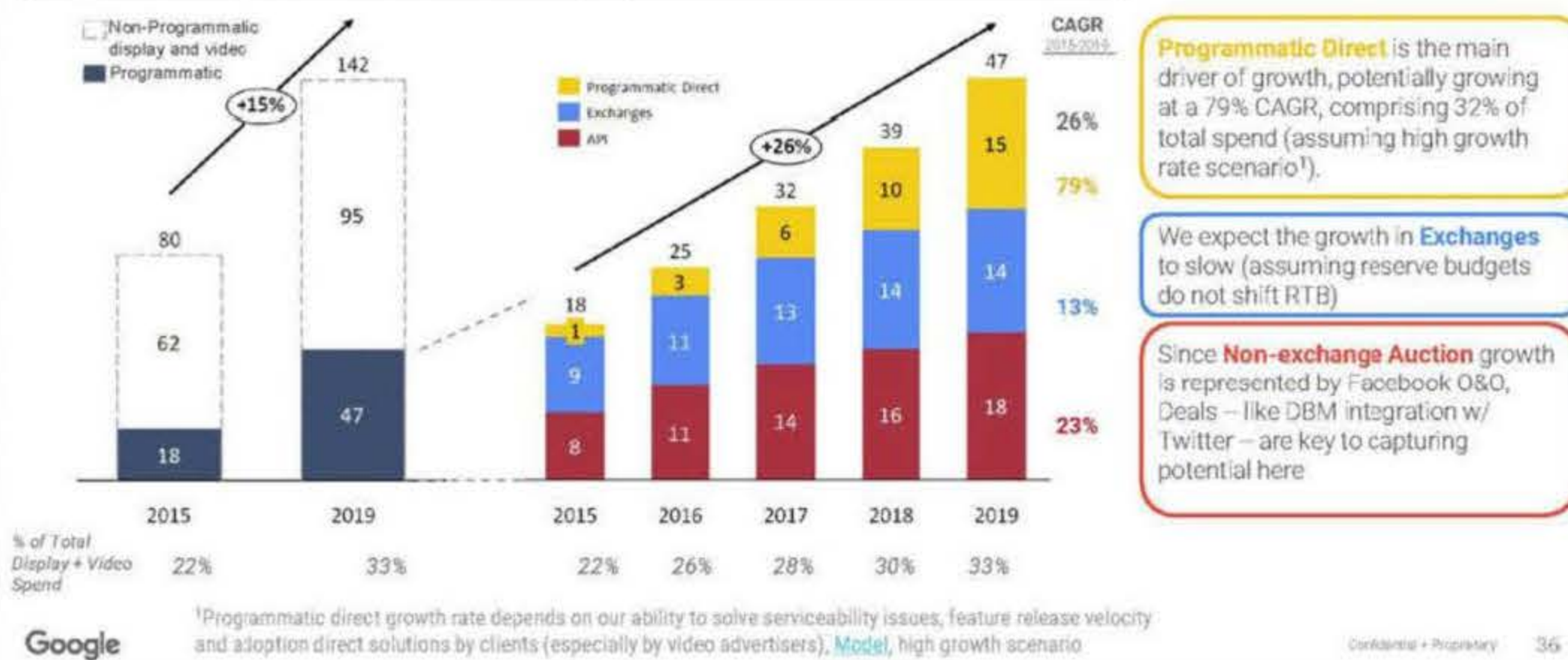
# Appendix

Google

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Programmatic spend is expected to reach \$47Bn in 2019, growing at a 26% CAGR, comprising 33% of total display and video spend

Programmatic spend Growth estimates (\$B)



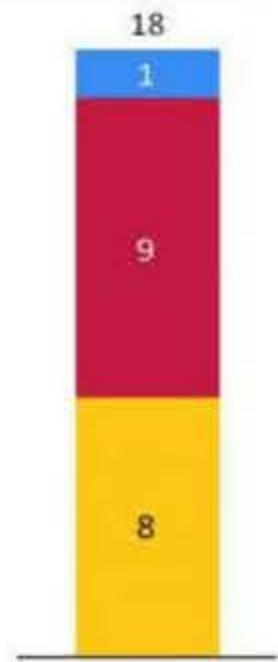
RTB, API; ex: Networks including GDN



## Google's volume of programmatic @ ~18% with FB

Programmatic Direct Exchanges API

Total market



2015

Player	Managed Revenue (\$M)	Volume (incl. API)
Google	3300 <sup>1</sup>	18%
Facebook <sup>7</sup>	10 000	56%
Appnexus	~3 600 <sup>2</sup>	20%
Criteo	520 <sup>3</sup>	3%
Rubicon	1 100 <sup>4</sup>	6%
Turn	700 <sup>5</sup>	12%
TubeMogul	350 <sup>6</sup>	3%

Google

Notes: Shares of players will not sum up to 100% due to double counting, for example Criteo is both on AdX.  
 Sources: 1 - go/rexhistory (DBM+AdX Buyer); 2 - assuming 70% growth y/y; 2014 revenue; 3 - 2015 Q1 estimate; 4 - Revenue forecast and take rate data; 5 - 2014 revenue, assuming constant growth rates; 6 - assuming that API is 40% of revenue, based on inter/cws/Google analog; go/industrymetrics

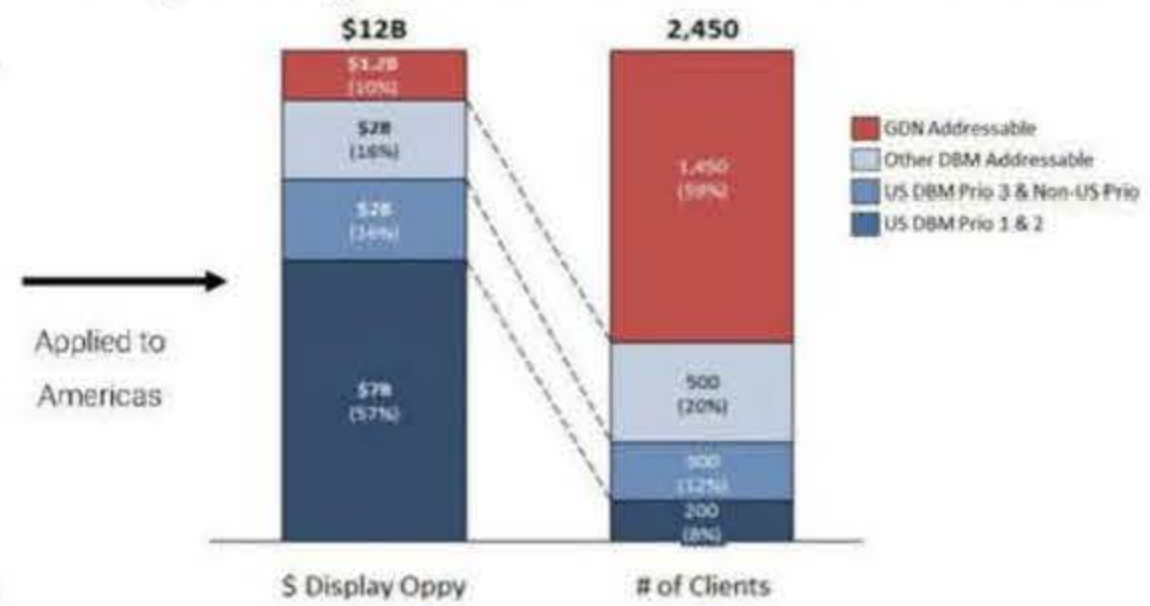
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## DBM will focus on priority customers using eligibility criteria

How to draw the line using new segmentation



Using new segmentation to draw the line in Americas



In the [Americas](#), DBM will focus on 500 "priority customers" and 500 "DBM-ready customers"

- 500 "DBM Priority" customers: ~75% of total opportunity (\$9B); 20% of all clients
- 500 "DBM-Ready" customers: ~2,000 remaining customers; ~25% of total opportunity (\$3B); 25% of remaining clients

## Regional Summary: GDN/DBM Customer Segmentation in 2016

Region	Target w/ DBM			Target w/ GDN		
	# of parents <sup>1</sup>	Share of LCS GDN+DBM revenue, 2015 YTD <sup>4</sup>	(GDN+DBM) / parent, 2015 YTD	# of LCS parents <sup>1</sup>	Share of LCS GDN+DBM revenue, 2015 YTD <sup>4</sup>	(GDN+DBM) / parent, 2015 YTD
AMER LCS	1,000 (incl. 500 in channel)	~70%	~2.8M	1,450	~30%	~0.7M
EMEA LCS	1067 <sup>2</sup> + (~1800 in channel <sup>3</sup> )	~40-50%	~0.8M	3,793* (prioritization pending)	~50-60%	~0.3M
APAC LCS	414 + (671 in channel <sup>3</sup> )	~30-40%	~1.0M	1,115	~60-70%	~0.7M

### Caveats:

- Segmentation seeks to clarify which parent accounts are **targeted** to adopt DBM or maintain/upsell GDN in 2016
- Depending on client needs, a mix of both products may be necessary to meet all use cases, particularly in near-term
- Advertisers buying through agency trading desks/channel may also mean that display pitches for "GDN target" parents may involve DBM actioned through the agency.



# Metrics: Google Display Network (Summary)

Updated on 2/14

Key  
85% 9  
Color indicates above/below target  
Percent change in last 3 months

	Revenue		Primary Metrics					Secondary Metrics			
	EOQ GDN Revenue (\$M)	EOQ GDN Y/Y	Opt-in % Display (GDN+DRM)	RMKT % of GDN Revenue	mGDN % of GDN Revenue	Auto-Bidding % of GDN Revenue	Opt-in % of GDN (excl. DRM)	% of mWeb opted in to Mobile Ads			
US	\$498M	16%	77.6%	24.8%	47.5%	61.2%	71.9%	79.4%			
CA	\$22M	-7%	87.9%	33.6%	41.7%	39.1%	80.1%	87.8%			
BR	\$18M	-6%	87.5%	30.7%	42.4%	56.2%	86.1%	84.5%			
Americas/LCS	\$558M	13%	78.4%	24.7%	47.4%	59.3%	72.8%	81.7%			
SMB	\$380M	1%	85.4%	23.2%	52.6%	59.2%	84.9%	83.1%			
GB	\$48M	10%	65.2%	23.4%	54.2%	62.0%	84.4%	82.5%			
DE	\$90M	12%	82.9%	36.6%	40.2%	58.4%	80.2%	71.9%			
NL	\$16M	42%	92.8%	65.0%	31.9%	59.7%	86.3%	83.0%			
FR	\$11M	-20%	66.1%	35.5%	43.6%	61.9%	60.8%	76.3%			
IL	\$22M	67%	65.9%	11.3%	73.2%	80.4%	62.0%	31.4%			
EMEA/LCS	\$253M	15%	77.1%	29.8%	48.5%	59.1%	70.8%	77.8%			
SMB	\$295M	9%	84.7%	23.7%	51.3%	55.8%	83.8%	79.9%			
JP	\$94M	22%	85.8%	52.1%	63.0%	54.7%	85.7%	78.9%			
AU	\$10M	-24%	73.1%	30.4%	48.4%	58.1%	87.8%	81.0%			
IN	\$36M	21%	95.3%	26.3%	56.7%	66.1%	88.7%	80.3%			
CN	\$86M	67%	98.9%	20.7%	63.6%	71.9%	94.9%	65.1%			
APAC/LCS	\$279M	30%	91.2%	31.9%	62.4%	62.3%	87.6%	79.8%			
SMB	\$193M	17%	86.8%	27.5%	66.5%	57.8%	85.5%	82.7%			
Global XC	\$1,950M	13%	70.3%	26.1%	52.9%	59.0%	66.4%	81.2%			
LCS	\$1,081M	18%	79.2%	27.5%	51.1%	59.9%	73.8%	80.1%			
SMB	\$869M	7%	86.0%	24.4%	55.2%	57.7%	85.8%	82.0%			

1 Larger GDN countries (US, JP, CN) also among fastest growing. Driven by growth from existing spenders (opt-in flat)

2 GB & AU show more distinct shift to DBM based on revenue mix and opt-in; lower overall display opt-in

3 High Remarketing adoption in APAC but declining as a % of total. Addressing saturation via AwBid) & mid-funnel expansion

4 Mobile now >60% of revenue globally, driven by SMB and APAC LCS. Still work to do in AMER and some EMEA markets

5 High adoption of automated bidding, steadily rising & continuing trend of 2015

[Appendix - Additional Metrics](#)

Definitions: Detailed Metrics: Note: Threshold for colors are green for above Global Channel average and red for below. Delta for Arrows compare ppt difference (1 basis point for Extension Depth) against 11/15/15 data and show '-' when variance is less than +/- 0.5%. Opt In threshold defined as 1% of Media spend. Individual markets are LCS channel only.

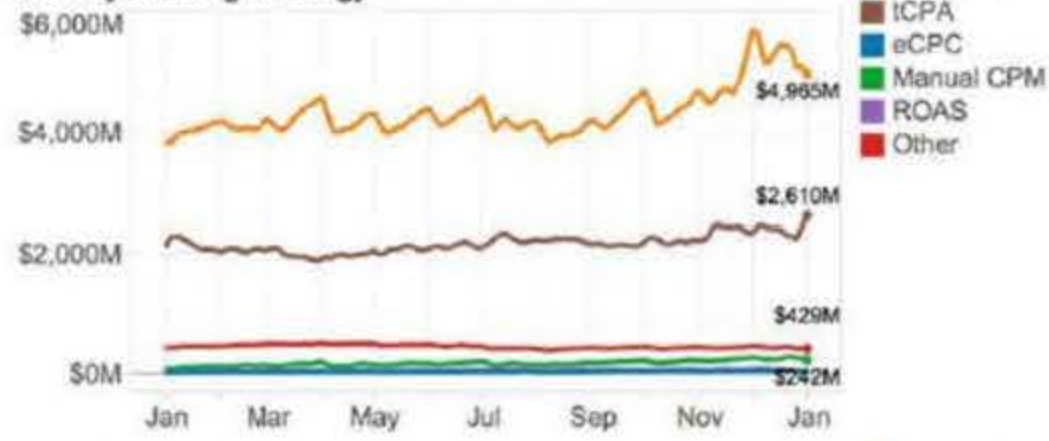
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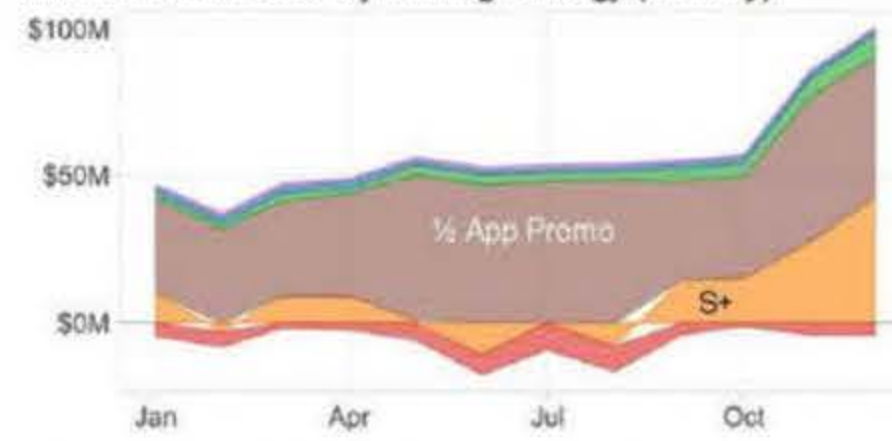


## GDN by Product (non-YT): RMKT & auto bidding key to growth

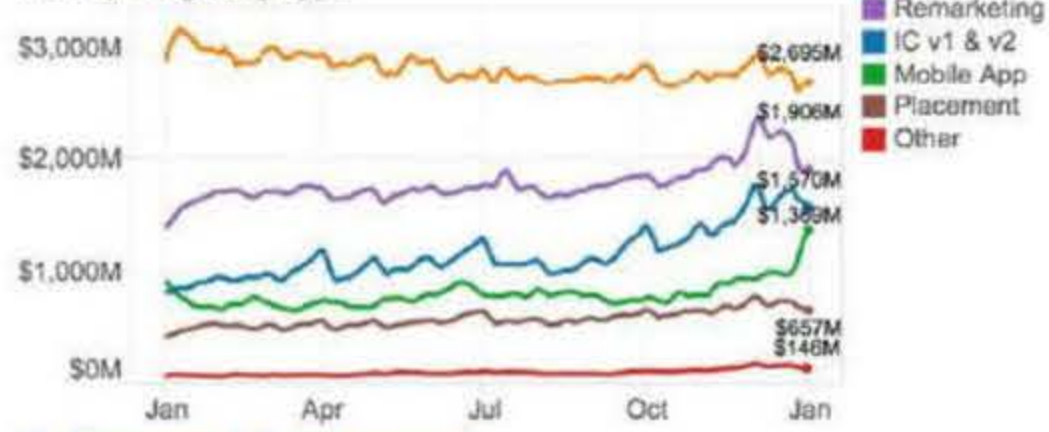
ARR By Bidding Strategy



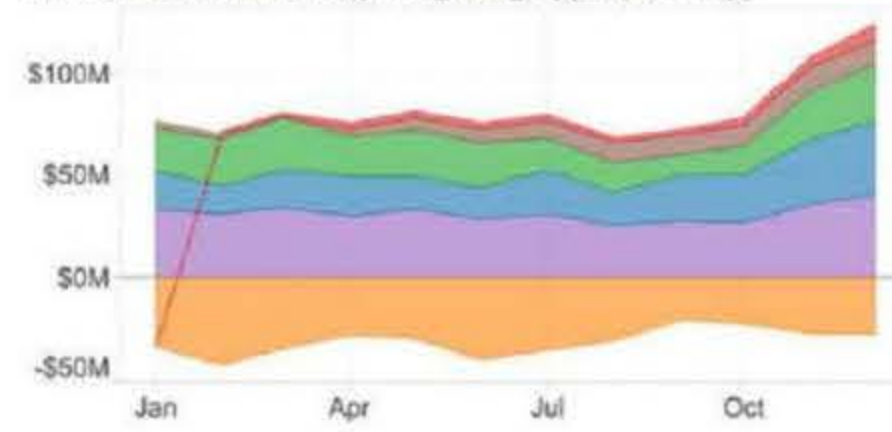
Growth Contribution by Bidding Strategy (Monthly)



ARR By Targeting Type



Growth Contribution by Targeting Type (Monthly)



[DasNav source 1](#), [DasNav source 2](#)



# Deep Dive #1: Inventory Access

**Starting to see buy side impact particularly from AWBID. First Look shows promising buy-side results. Estimated +15% RMKT rev likely not enough to close competitive gap**

## AWBID

- ~\$107M ARR, +6% conv vol
- **7 exchanges launched** and several others being integrated: (Rubicon, OpenX, CCI, Casale, Adagio, United, PlatformID)
- **AWBID Type2 V1 launched** resulting in >50% incr. rev. Huge reduction in timeouts on two biggest exchanges - Rubicon (20%) and OpenX (10%)

## Next Steps:

- **Latency:** AWBID Type2 V2 Q1, dynamic upside
- **Large exchanges not yet launched:** Other big exchanges not yet signed (AppNexus, Yahoo, Improve-Digital in EMEA, Yahoo Japan, AOL, Facebook)

## First Look (DFL)

- ~\$22M ARR GDN, ~\$11.2 eCPM (\$75M in GDN EOQ1, ~\$300M ARR EOY)
- **113 publishers live**, 84 publishers activated but not yet serving ads
- **Promising Buy-Side Results:** On FLD pubs +27% Rmkt rev, Overall +1.1% Rmkt rev

## Next Steps:

- **General Availability** date of March 15th:
- **Floor optimized/lowered:** Forecasting Rev/Impression impact based on Floor set.
- **Pub Adoption:** concern in some regions like LATAM.

**Discussion:** Estimated +15% RMKT rev likely not enough to close competitive gap. Activate Yahoo JP/ FB via API. Investigate direct deals where DFP penetration is low

From this deck: [https://docs.google.com/presentation/d/1uAhRCbRDdHNdLcKQ\\_pjAVa-dFsdFQi70PZfK6zgh4pY/edit#slide=id.p](https://docs.google.com/presentation/d/1uAhRCbRDdHNdLcKQ_pjAVa-dFsdFQi70PZfK6zgh4pY/edit#slide=id.p)

All the differences between GDN-DBM (spam, timeouts; where would we have been w/ 7 exchanges if we were buying just like DBM)

GPA timeouts are higher, around 30% and should be addressed by type2 v2 aka gpa@view time, scheduled to launch in Q1.

Other markets where we don't have DFP ; Brazil/China

Is this enough to win competitively since competitive gap can be 1.5X-3X conv vol?

On FLD pubs, we see +27% revenue, +21% conversion volume at -2.1% MH-CPD for remarketing.

Overall, this amounts to +1.1% revenue, +0.5% conversion volume at -0.1% MH-CPD of all remarketing.

DFP: Prioritize publishers have an account manager, revenue potential, everything is opted into DFP, they can opt out parts of inventory using rule system. In some markets difficult to convince sell side sales team to talk about DFL like Brazil, since GDN Rmkt is weak. 65-75% spend comes from Adwords; Criteo 20% range. Buyers pushing pubs to opt'in . Identify publishers working with criteo, optimize them lower floors increase volume

Latency Savings Approx. 10ms @ 95%le.; where are things with Yahoo JP private deal with Criteo even DBM cannot run

Dyn Rmkt? AOL issue double acquisition; agreement w/ next age, millennial media. AppNexus not willing to

Cookie matching free loading off of DBM (what cookies do we have on our lists that DBM never buys impressions on).

Smarter x-change buying , buy the same way

(~\$50M ARR w/ +2.5% conv vol )

Q4 OKR: \$200M ARR (\$80M ARR for Dyn Rmkt), +10% conv vol

DRX First Look Product Status:

Alpha complete with 10 pubs live, ~\$7.5M ARR

Q4 goal 50 pubs live. 200 top pubs to be pitched with est. 25% pitch win rate. Self-Service UI with caveats

Promising Early Results:

For the pubs activated seeing gains on Rmkt of +9.5% conv vol at -3% CPD (overall ~0.04% conv vol)

Key challenge is activating more Pubs at scale.

Exchange integration bugs delayed onboarding first exchange Rubicon

Access to pub's inventory ahead of all demand. For GDN RMKT and AdX RMKT buyers



# Programmatic Foundation for GDN

## Deep dive: Cross-device targeting

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Where are we today		Next Steps
Using Google Data	Currently ramping up a new 5% experiment with expanded Constellation links <ul style="list-style-type: none"><li>3x graph size compared to previous experiment</li></ul> Results ETA: EOQ1	Launch Plan on Record: Couple w/ N2 Roll-out <ul style="list-style-type: none"><li>Launch Constellation-based anonymous x-device targeting with N2 for consented users (regardless of sign-in state)</li><li>Switch to GAIA-based x-device when GAIA stack is ready, post N2.</li></ul>
	CRM-ID RMKT previously used advertisers own device links for RMKT without pooling them across advertisers. <ul style="list-style-type: none"><li>Up to 17% ROAS increase, but uneven across advertisers</li><li>Analysis shows that pooling can increase query coverage and x-device benefits for some advertisers by up to 16%</li><li>Links overlap with Constellation only by ~30%.</li><li>However need scale (1000+ advertisers) to make this a significant link source to Constellation.</li></ul> Currently ramping up a new beta to pool links across advertisers. Results ETA: EOQ1	Additional value proposition:  CRM ID is valuable beyond x-device targeting to leverage other offline data (eg: LTV, transaction id/sku, loyalty program info) for optimization and targeting.

## Mobile creatives:

Click-to-call



Form-fill



Passbook Ads



Google

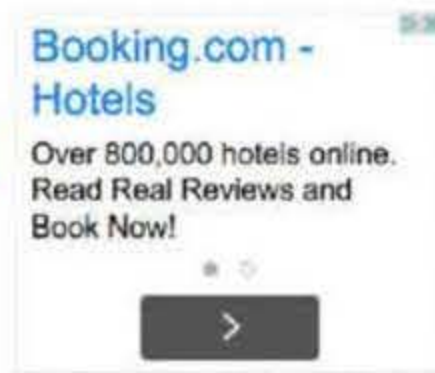
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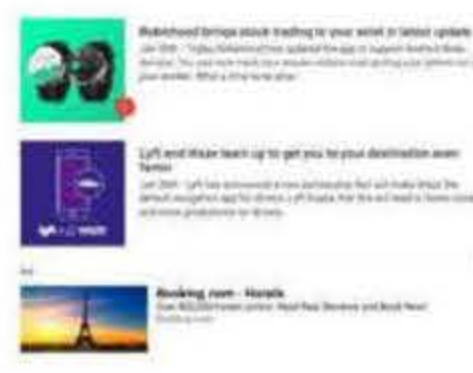
## Asset Based Creatives - formats



Static Image



Static Text



Static Native



Dynamic Image



Dynamic Text



Dynamic Native

### Responsive

- Inventory
- Sizes
- Devices

### Auto-styling

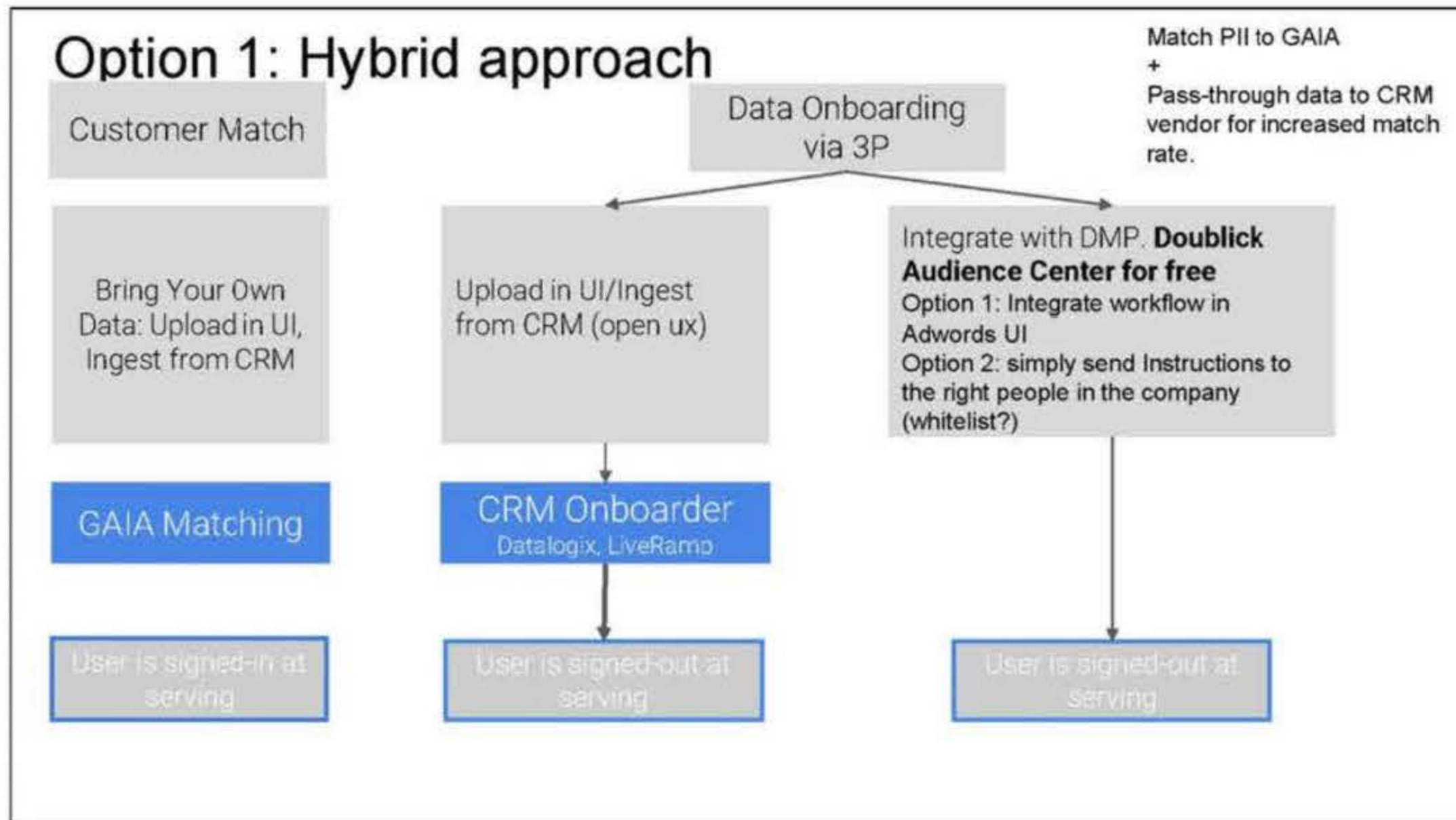
- Colors
- Fonts
- Logos

### Ease of Use

- Reduced inputs from 50 to 10

Google

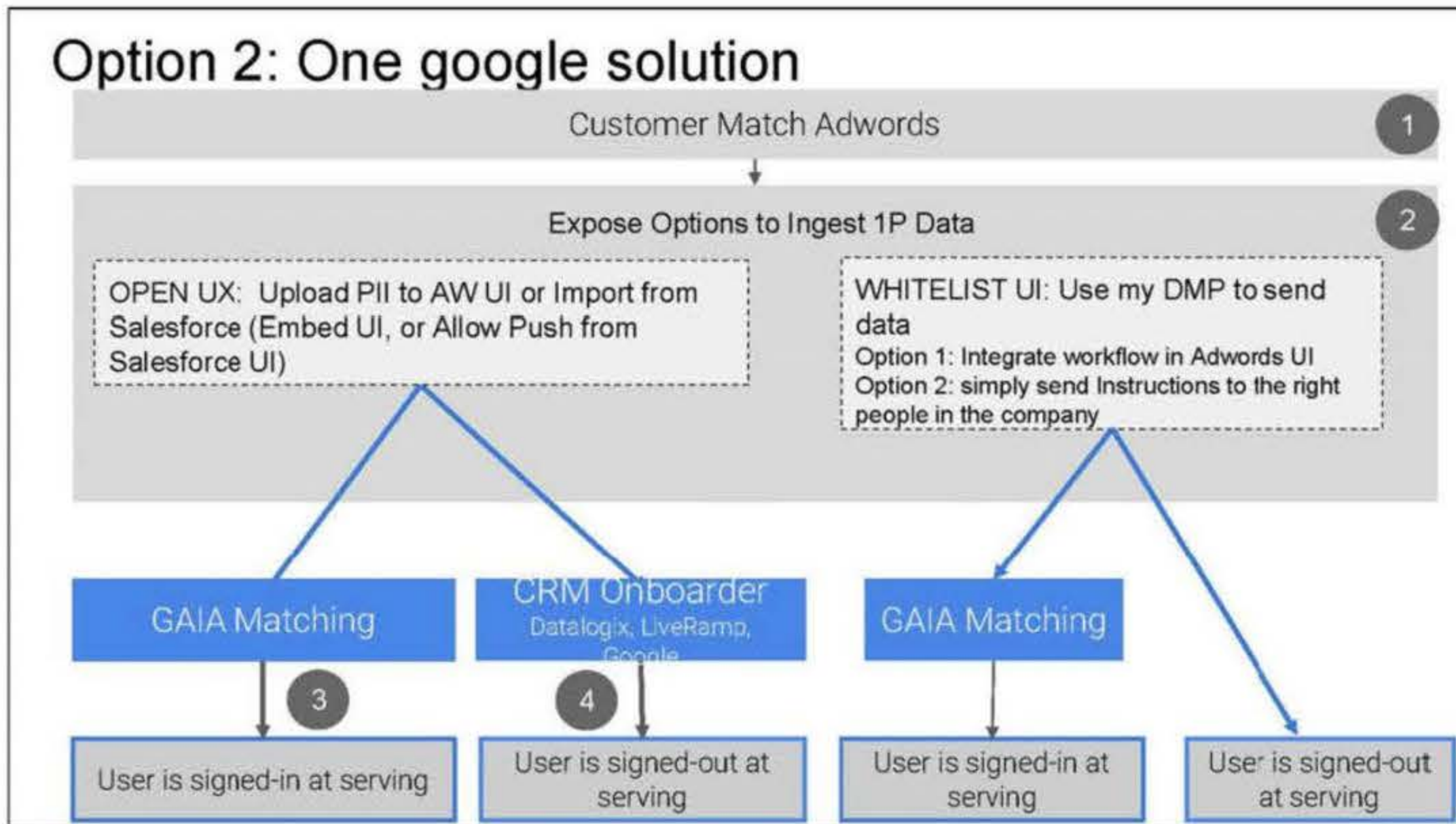
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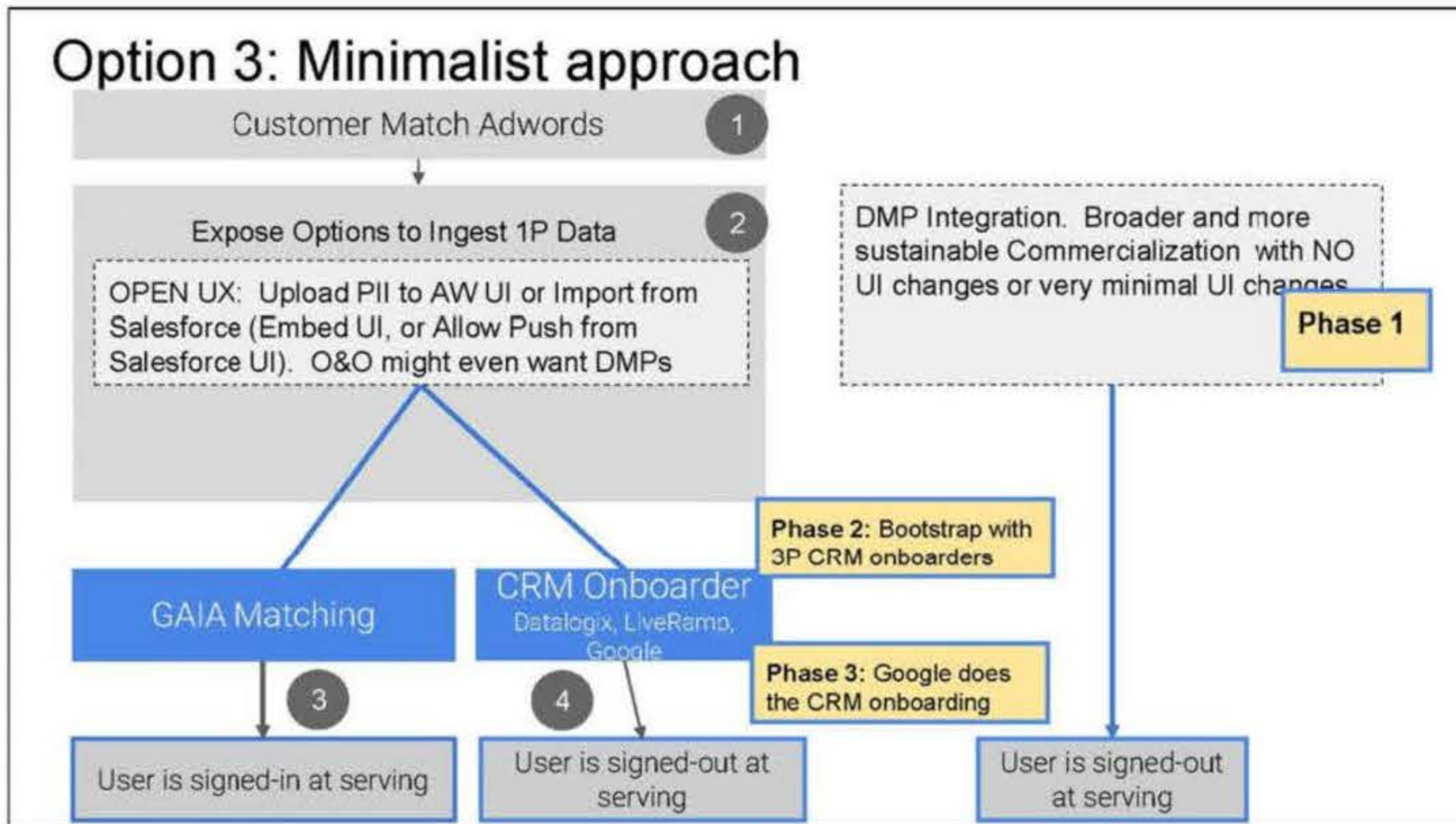
[https://docs.google.com/presentation/d/1JqLdsknsRFPEfSZ9uulxJ08Q60xprB8Yfp0vNGxXArM/edit#slide=id.g1070b9944a\\_0\\_451](https://docs.google.com/presentation/d/1JqLdsknsRFPEfSZ9uulxJ08Q60xprB8Yfp0vNGxXArM/edit#slide=id.g1070b9944a_0_451)

## Option 2: One google solution





## Option 3: Minimalist approach





## Spectrum for Deep Integration with 3P

Matching still done by 3P; several options for deep integration

DBM  
presented to  
Neal

