

REDWOOD CITY PUNE SYDNEY BEIJING
NEW YORK MUNICH AMSTERDAM STOCKHOLM
LONDON SINGAPORE HAMBURG MADRID

What makes media great: from the experimental to mainstream

TOKYO MILAN NEW DELHI SEOUL PARIS
FUELING ADVERTISING INNOVATION

Name, Date 2023

ECOSYSTEM EVOLUTION



**AD NETWORKS
EMERGED TO
MONETIZE UNSOLD
INVENTORY**

Ad tech companies served as the middleman between sellers & buyers



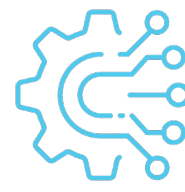
**PROGRAMMATIC
ENABLES
MARKETPLACE
EFFICIENCY &
EFFICACY**

Ad tech companies split between buyer- and publisher-focused optimization



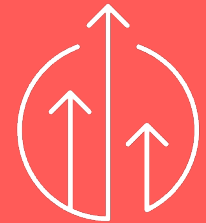
**PROGRAMMATIC
PROVIDES
AUTOMATION
ACROSS DIRECT
SOLD & RTB**

Ad tech companies began to expand beyond core DSP and SSP functionality



**PROGRAMMATIC
IS EMBRACED AS
AN OMNICHANNEL
BRANDING SOLUTION**

Ad tech companies innovated around supply and demand path optimization



**PROGRAMMATIC
UNLOCKS TANGIBLE
VALUE ACROSS
THE ECOSYSTEM**

Ad tech components and capabilities can be leveraged to customize the supply chain



EARLY 2000s



2006



2010

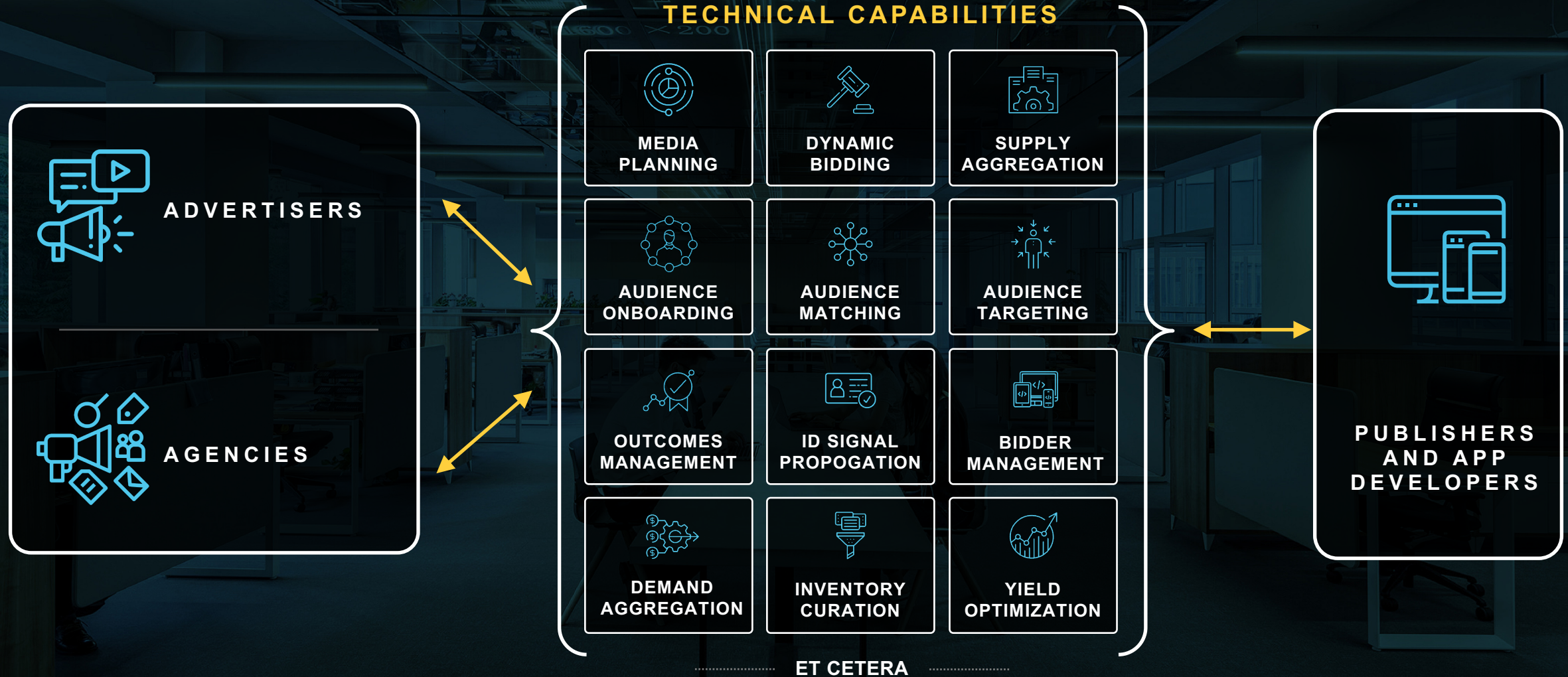


2020



TODAY

ECOSYSTEM EVOLUTION: CURRENT REALITY





PubMatic is an independent technology company maximizing customer value by delivering digital advertising's supply chain of the future.

MACRO TRENDS



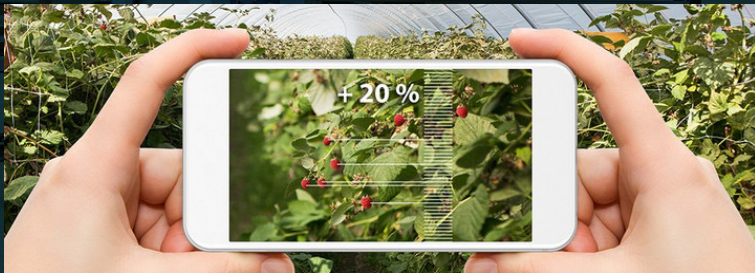
**Growth of
Sell-Side Targeting**



**Omni-Channel
Video**



**Commerce
Innovation**



**Responsible
Media**

WHAT IS SELL-SIDE TARGETING?

A privacy-safe strategy advertisers use to streamline audience targeting through sell-side vendor tools to gain greater control over how inventory and data are packaged and transacted to drive greater ROI.

SELL-SIDE TARGETING DRIVES GREATER VALUE



GREATER REACH & PERFORMANCE

Data applied through Connect has helped campaigns double reach and increase viewability and CTR.



BETTER WORKFLOW

Limited activation steps to streamline setup and measurement.



LESS DATA LEAKAGE

Mitigate fraud with less data leakage and understand performance with near real-time analytics.



FLEXIBILITY & CONTROL

Target whomever, whenever, and however you want with data direct from the source.

APPLY A PORTFOLIO APPROACH TO AUDIENCE CAPABILITIES

Connect enables advertisers to reach, engage, and drive performance with target audiences across the open internet.



ADVERTISER
CRM MATCH



PUBLISHER
CURATED
SIGNALS



SELLER-
DEFINED
AUDIENCES



CONTEXTUAL
TARGETING



PARTNER
AUDIENCES

CASE STUDY: **CONNECT**

PubMatic and Havas Exceed Viewability Target with New Cookieless Targeting Solution



CHALLENGES

- Havas Media was looking for help to activate addressable audiences for brands, in cookieless environment. It was important to activate the audience via Converged, Havas Media's audience and data platform.

SOLUTION

- Data segments created in Converged (which is powered by Mediarithmics) were converted to ID5 IDs, then seamlessly onboarded into PubMatic's Connect, so that these audiences could be matched to publisher inventory.

73%

VCR EXCEEDING THE 70% BENCHMARK

77%

VIEWABILITY VS. TARGET OF 70%

SHORTLISTED FOR **THE BEST USE OF DATA** ACROSS THE FOLLOWING AWARDS



Source: Havas — Sourced data, Dec 2022

MACRO TRENDS



**Growth of
Sell-Side Targeting**



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**Responsible
Media**

GROWING COMMERCE MEDIA SPACE: FIRST-PARTY DATA UNLOCKS BUYER OPPORTUNITIES

Number of buyers using commerce data is expected to triple this year, as 74% of brands plan to dedicate budgets to retail media networks.

01

First-party **audience reach and closed-loop measurement** to drive awareness and reach new households

02

Increase wallet share and run conquering campaigns against competitors

03

Offsite activation expands the reach and application of a retailer's audience to support **full-funnel campaigns**

Source: MediaRader, "The State of Retail Media", March 2022

A woman with long brown hair, wearing a blue and white striped shirt, is smiling and looking up and to the right while holding a smartphone. She is in a grocery store, with shelves of products visible in the background. The image has a dark blue overlay.

COMMERCE AUDIENCE EXTENSION

Access and reach high-valued first-party shopper audiences across premium inventory to deliver on ROI in the open web

UTMOST FREEDOM IN SELECTING THE RIGHT APPROACH BASED ON YOUR GOALS

Enabling greater buyer freedom and flexibility in how to activate commerce audiences to deliver on ROI

 **Convert**

DATA PERMISSIONING:
1 BUYER : 1 PARTNER

 **Connect**

DATA PERMISSIONING:
1 BUYER : MANY PARTNERS

MACRO TRENDS



Growth of Sell-Side Targeting



Omni-Channel Video



Commerce Innovation

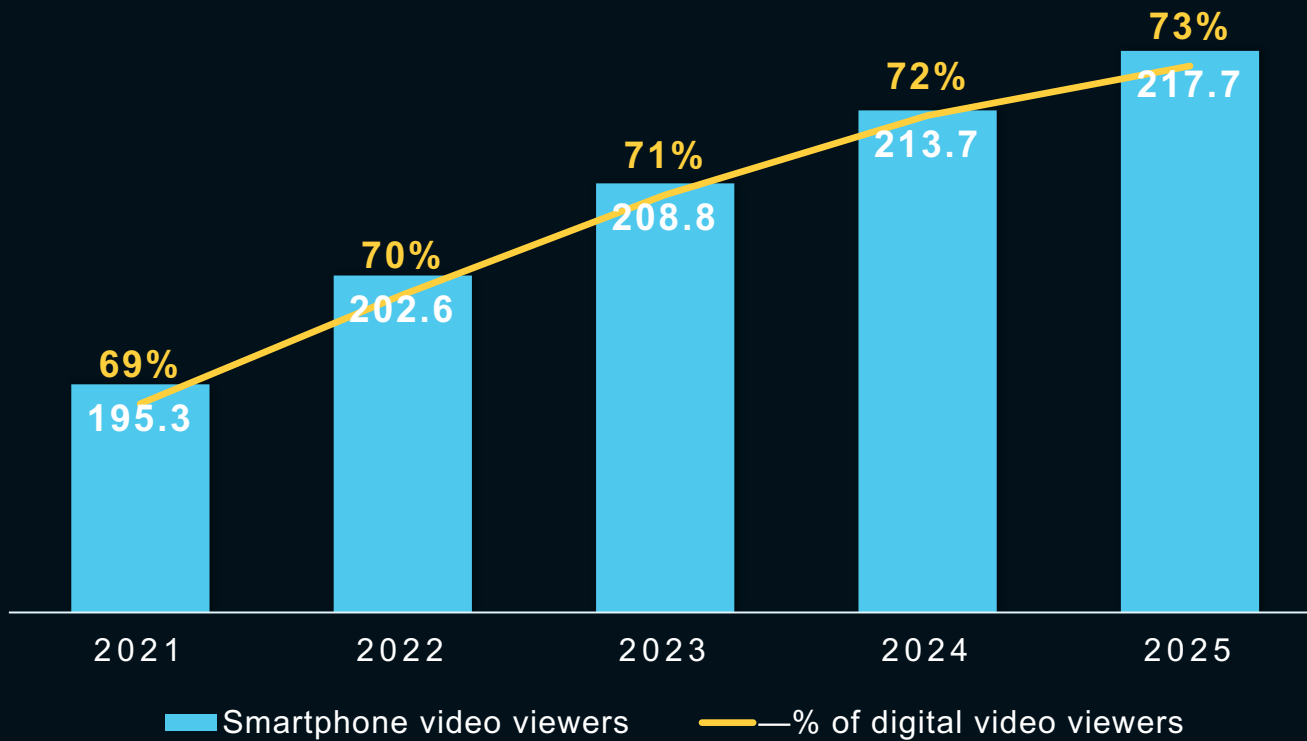


Responsible Media

THERE IS NO SHORTAGE OF DIGITAL VIDEO VIEWERS

SMARTPHONE VIDEO VIEWERS IN WESTERN EUROPE, 2021-2025

(millions, and % of digital video viewers)



Especially younger
demos who are
heavy mobile users

Source:

WHAT WE'VE HEARD

DIRECT → PROGRAMMATIC

- Investment leads are looking to shift Direct IO budgets to Programmatic while retaining control.

ENHANCE CONTROL & EFFICIENCY

- Programmatic leads want greater control over their SPO deals.



MUST-DO'S FOR THE OMNICHANNEL FUTURE:



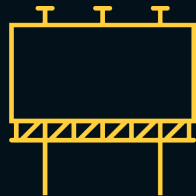
**INCREASE
EFFICIENCY WITH
FEWER HOPS**



**IMPROVED CONTROL
OVER YOUR
SPO STRATEGY**



**LOOK FOR
INCREMENTALITY
MEASUREMENT &
OPTIMIZATION**



**AUDIENCE
MATCH RATES**



**CARBON
EFFICIENT**



**GREATER
TRANSPARENCY**

MACRO TRENDS



**Growth of
Sell-Side Targeting**



**Omni-Channel
Video**



**Commerce
Innovation**



**Responsible
Media**

A DUAL APPROACH TO PURPOSE-DRIVEN GROWTH

RESPONSIBLE
OPERATIONS

DE&I



DE&I REPORTING &
PROGRAMMING

SUSTAINABILITY



DATA CENTER & OPERATIONAL
SUSTAINABILITY

JOURNALISM



INVENTORY QUALITY &
LEGAL POLICIES

FACILITATE
MEDIA BUYING



DIVERSE-OWNED MEDIA &
AUDIENCE PACKAGING



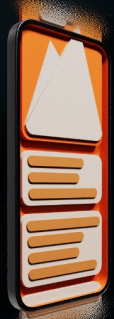
SUSTAINABILITY STANDARDS &
PACKAGING



RESPONSIBLE JOURNALISM
PACKAGING

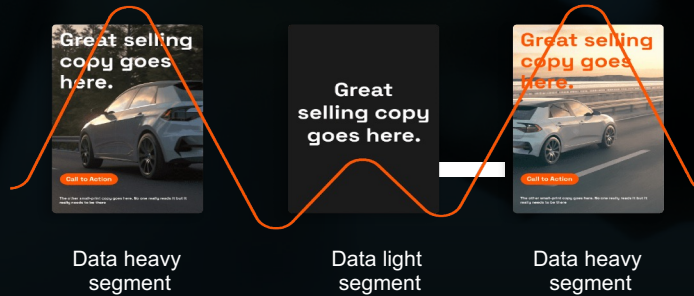
DRIVE RESPONSIBLE MEDIA: STREAM IN DISPLAY FORMATS WHILE MINIMIZING CARBON EMISSIONS VIA PUBMATIC DEAL ID

Data is only transferred for creative assets that are in-view



← Out of view = data waste
← In-view

Assets are optimized for minimum data transfer through segment-by-segment optimization



Increased attention means fewer impressions are wasted to meet targets

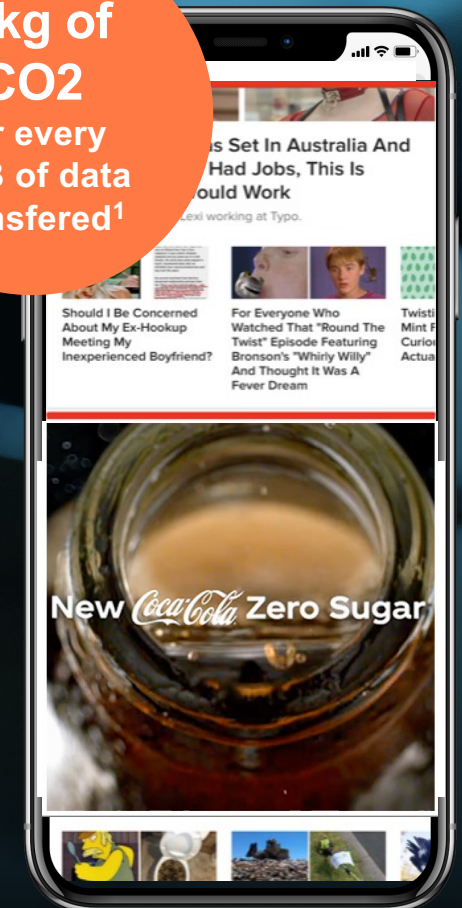
Attentive seconds
1.7x

LUMEN

File versioning is optimized for the end user's conditions



1 kg of CO2 for every 1GB of data transferred¹



Source: SeenThis; 1: Depends on scope of Internet value chain included, some sources use up to 3 kg CO2 / GB

THE SUPPLY CHAIN OF THE FUTURE = BETTER RESULTS. CONTROL. DELIVERED.

1.

OMNICHANNEL

2.

ADDRESSABLE

3.

VALUABLE

4.

SUSTAINABLE

PubMatic

THANK YOU

BY THE NUMBERS: Q2 2023 GLOBAL FOOTPRINT

537
BILLION
AD IMPRESSIONS¹

1.4
TRILLION
ADVERTISER
BIDS PER DAY²

1,750
PUBLISHERS
CUSTOMERS

877
EMPLOYEES²

PUBM
NASDAQLISTED



¹ In Q2 2023 ² As of June 30, 2023