

AGENDA

3:00 PM: INTRODUCTION

Sebastian Knauf, Senior Account Director, Germany

3:10 PM: PRESENTATION: Streamlining Digital. The growing importance of Supply Path Optimisation

Matthias Juergensen, Director, Publisher Development, Central Europe, PubMatic

3:30 PM: PRESENTATION: The Buyside Perceptions of In-App Jeff Hirsch, CMO and Head of Publisher Development, PubMatic

3.50 PM: PANEL: In-App Advertising - The future or the Wild West?

- Moderator: Roger Williams, VP, International Marketing, PubMatic
- Eka Rabe, VP Programmatic, PubNative
- Jonas Wedemeyer, Technical Senior Account Manager, Adjust
- Paul Czekalla, Advertising Technology Manager, eBay Advertising

4:20 PM: BREAK

AGENDA

4:30 PM: PRESENTATION: How to attract greater brand spend with improved inventory quality Kofi Amoako, Associate VP, Customer Success Operations EMEA, PubMatic

4:50 PM: FIRESIDE CHAT: The Future of Video Advertising

- Sebastian Knauf, Senior Account Director, Germany, PubMatic
- Sabine Schmidt, Head of Programmatic & Ad Operations, Webedia

5:20 PM: WRAP UP:

5:30 PM: DRINKS & CANAPES







WITH STATUS APPRE WHAT IS HAPPENING IN SUPPLY PATH OPTIMIZATION?

OKYO MILAN NEW DELHI SYDNEY STOCKHOLM

> Matthias Juergensen, Director, Publisher Development, Central Europe PubMatic

27th March 2019

REDWOOD CITY PUNE NEW YORK MUNICH AMSTERDAM LONDON SINGAPORE HAMBURG

WTF is SPO and is it relevant in Germany?

TOKYO MILAN NEW DELHI SYDNEY STOCKHOLM

SPO - Supply Path Optimization is:



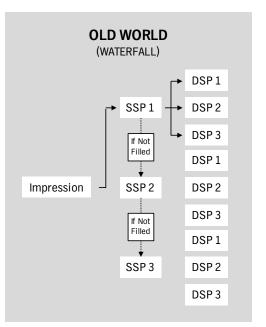


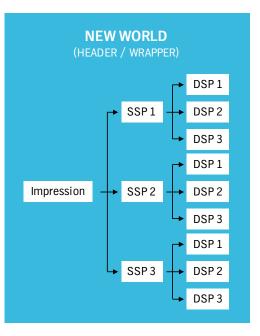


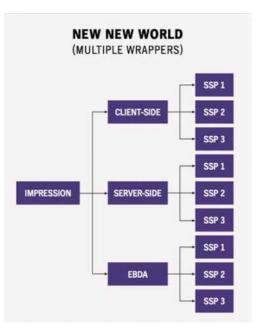




HEADER BIDDING







HEADER BIDDING

'You can get the same publishers across four or five exchanges [...]

Bill Simmons, CTO, DataXu

'If I'm buying the same impression from three different SSPs, I have to find ways to differentiate them [...]'

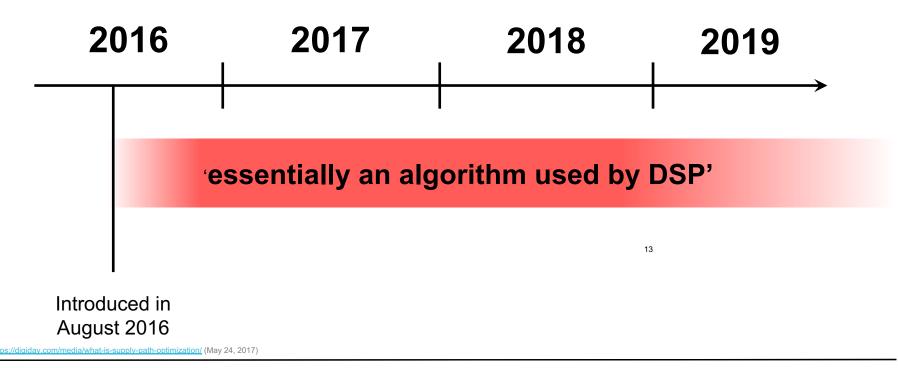
Bian Stempeck, CCO, The Trade Desk

https://www.thetradedesk.com/news/adexchanger-header-bidding-unleashed-a-huge-infrastructure-problem-and-ad-tech-will-either-sink-or-swim (April 24, 2017)





EVOLUTION OF SPO



PubMatic

TWO YEARS AGO EVERYTHING CHANGED...

'We serve ads to consumers through a non-transparent media supply chain with spotty compliance to common standards, unreliable measurement, hidden rebates and new inventions like bot and methbot fraud'

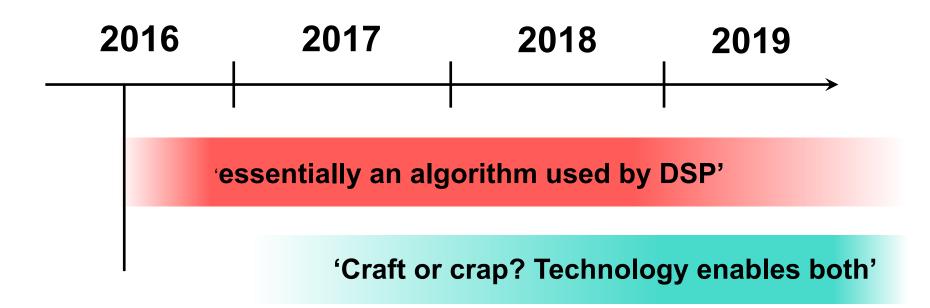
 Marc Pritchard, CBO, P&G, at IAB Annual Leadership Meeting 29th of Jan 2017



https://www.marketingweek.com/2017/01/30/pg-media-buying/ (30 Jan 2017)



EVOLUTION OF SPO



https://digiday.com/media/what-is-supply-path-optimization/ (May 24, 2017)



'We have a media supply chain that is murky at best and fraudulent at worst'

"Selbstverliebte Marketingfuzzis produzieren Schwachsinn"



Christian Meyer, Head of Digital, Müller Gruppe

https://www.wuv.de/digital/mueller milch rechnet mit dmexco und digital hvpe ab (1. September 2016)



SPO = RESPONSE to these challenges:

- 1. Transparency
- 2. Measurement
- 3. Latency
- 4. Privacy
- 5. Viewability

- 6. Fraud
- 7. Adverse Context
- 8. Ad Blocking
- 9. Digital *Duopoly*
- **10.** Fragmentation

http://blog.pixalate.com/digital-supply-chain-guality-transformation-dmexco-2017 (September 14, 2017)

'Agencies are waking up to the fact that they need to lean in beyond the DSP'

| Auction Type file matching intended for Publisher Fee Vis and [SSP] exc Company does not run first price auctions if auction type=1 is not sent in the device above the If auction type is not 1, Company does not increase floors, dynamic floors, company-generated floors, etc. Detection If this reporting take rates and take rate |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
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2018 SCORECARDS



IAB framework for apps-ads.txt launched

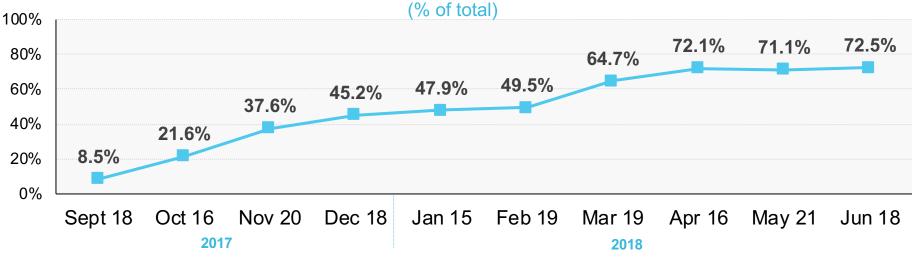
Removal of "buy-side" fees by most SSPs



2018 SCORECARD: PROGRESS

Broad roll-out of ads.txt on desktop

Share of Websites Worldwide that Have Implemented Ads.txt



Pixalate, "Q2 2018 ads.txt Trends Report", September 2018

PubMatic

CASE: GOODWAY GROUP

PubMatic and Goodway Group Introduce First Fully Transparent, Agency-Controlled SSP Fee Model he Next Evolution of Programmatic Transparency Increases Advertiser ROI and Drives Sustainable Digital

d Growth for Publishers

redwood City, CA - (February 7, 2019) - PubMatic and Goodway Group announced sday they have signed an agreement to place the management of the supply ad tech fee in he buyer's control. This partnership between PubMatic and Goodway Group is the first to stroduce a 100 percent transparent, agency-controlled fee model that empowers buyers to nprove the efficiency of their programmatic supply path and drive sustainable increases in igital advertising revenue to publishers.

s brand spend continues to drive growth of the programmatic industry, marketers have ushed for greater fee transparency. According to a World Federation of Advertisers (WFA) urvey, more than 85 percent of advertisers worldwide prioritized ensuring a fully ansparent relationship with their programmatic partners (source: eMarketer). To that end, oodway Group has negotiated a single fee to be paid for all media buys transacted on the ubMatic platform.

he fee will replace the standard publisher fee to become the only fee charged for these ansactions. This goes beyond other industry approaches to share the fee in the bid squest, which requires complete coverage by publishers and introduces operational hallenges for buyers, limiting their ability to leverage spending power to improve the conomics of their preferred SSP relationships.

The current SSP fee model is broken. Despite the massive push for transparency in our idustry over the last few years, SSP and exchange fees have continued to be hard to pin own and out of most buyers' negotiation reach," said Jay Friedman, president of Goodway roup. "Goodway is proud to partner with PubMatic to gain full cost control through the

RECENT PRESS RELEASES

New Independent Research Study Uncovers Why Buyers Are Embracing Programmatic In-App Advertising

PubMatic Doubles Down on Mobile and In-App Video for Publishers, **Releasing Key Growth Numbers** for 2019

New PubMatic Research Reveals Mohile Header Ridding Volumes

Industry-first, fully transparent, agency controlled SSP fee model

- Moves the SSP fee to the agency ٠
- Understand the true cost of media
- All buyers are still treated equally ٠ in the aucion

https://pubmatic.com/blog/agency-supply-path-optimization/ (February 7, 2019)



THE MEANING TO PUBLISHERS

'[...] we believe there is a lot of upside potential to increase revenue as buyers will start to push more spend through supply chains offering 100 percent transparency.'

Jaan Janes VP, Customer Success

EXPECTED TIMING: NEXT 12 MONTHS

For all major holding companies and top advertisers



THE MEANING TO DACH MARKET



Consolidation of efforts, more in-depth conversations with a smaller landscape of providers



Evaluation of e.g. inventory quality, prices, usability and fraud to assess which SSPs is stronger



Getting a sense of where they can access certain publishers through specific SSPs

Source: https://www.emarketer.com/content/how-groupm-utilizes-supply-path-optimization



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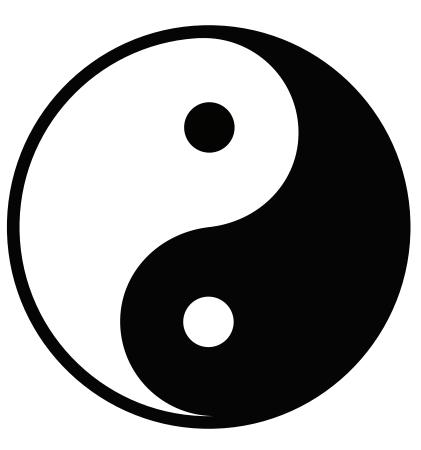
THANK YOU



THE FUTURE OR THE WILD WILD WEST HOW MEDIA BUYERS ARE APPROACHING IN-APP

Jeff Hirsch, CMO & Head of Publisher Development, PubMatic

27th March 2019



| pixalate | Products v Seller Trust Indexes v Press Blog Careers | |
|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| | FRAUD IS HIGHEST ON KING APPS, AT 23% | ps Installed On Millions Of Android ones Tracked User Behavior To cecute A Multimillion-Dollar Ad aud Scheme |
| January 24, 2019 | Contemport by Nicole Perrin Feb 6, 2019 36 mi | n read |
| Mobile ad fraud continue — with in-app fraud incre Tanya Dua Dec: 11, 2018, 6:00 AM | Digital Ad Frau Mobile and Video Remain Ris Report Deck | |
| PubMatic | | |





App downloads across iOS & Google Play up 10% to 113B in 2018, consumer spend tops \$76B

33

SO WHAT DOES THE **RESEARCH SHOW?**



CONFIDENTIAL & PROPRIETARY

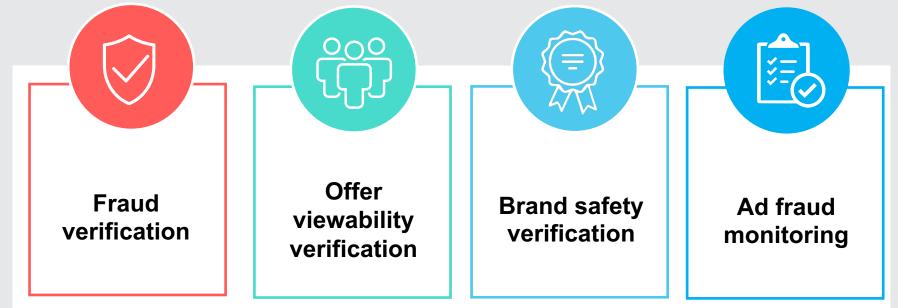
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YES, THERE ARE CONCERNS FROM BRANDS IN EMEA





AND THEY WANT TECH PARTNERS & PUBLISHERS TO TAKE ACTION TO ALLEVIATE THESE



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BUT BUYERS ARE ALLOCATING MORE SPEND TO DIGITAL....

Figure 1

"Approximately what percent of your digital advertising budget is allocated to each of the following channels?" (Showing mean percentages)

22.3 Mobile in-app

22.2 Mobile web

19.9 Digital out-of-home

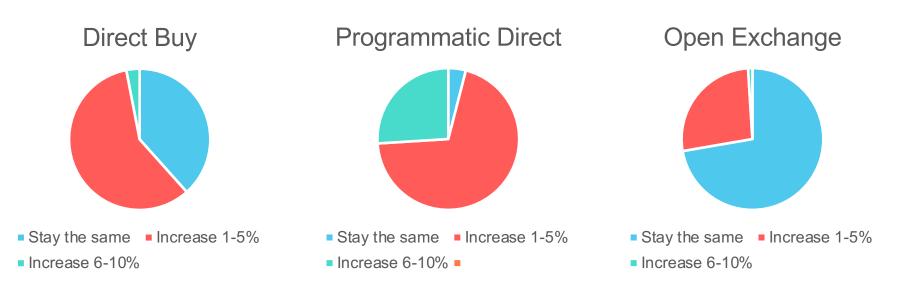
18.0 Desktop

17.7 Connected television

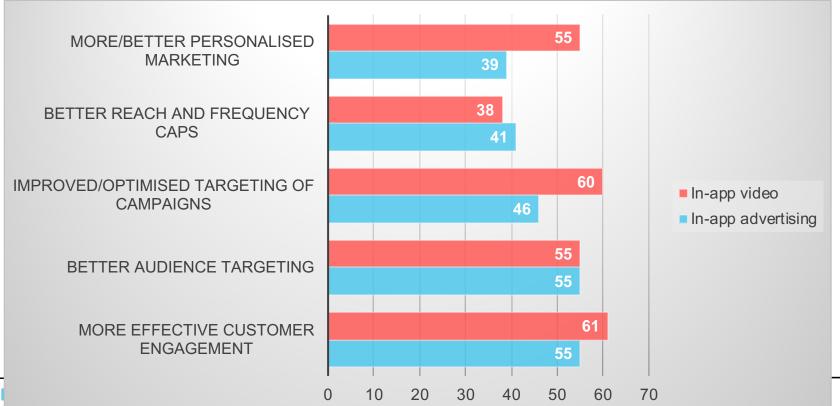
Base: 336 media-planning/-buying decision makers in the US, EMEA, and Singapore Source: A commissioned study conducted by Forrester Consulting on behalf of PubMatic, November 2018

PubMatic

...AND THEY WANT TO INVEST MORE – ESPECIALLY PROGRAMMATICALLY



4. SO WHAT DO BRANDS SEE AS THE BENEFITS OF IN-APP?



"I think the targeting options are much greater, and therefore can impact different, more personalized iterations of creative.

Being able to follow people through the full customer journey is another thing. A lot of the targeting options, we wouldn't be able to get from mobile web."

Head of Planning, international advertising agency

WHAT CAN PUBLISHERS **DO TO ATTRACT IN-APP BUDGETS?**

1. SHARE & COLLECT DATA





2. DELIVER VIEWABLE EXPERIENCES





3. AUDIENCE TRANSPARENCY





4. USER EXPERIENCE IS CRITICAL





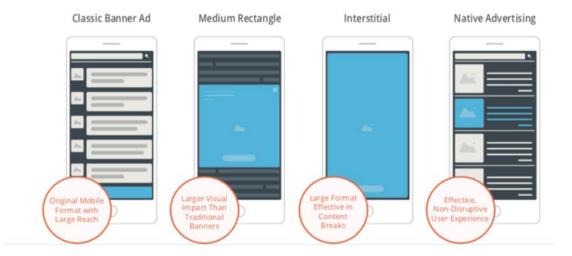
BAD ADS DAMAGE THE EXPERIENCE





GOOD ADS ENHANCE IT

Top In-App Display Ad Formats



5. UNDERSTAND THE KPIs THAT MATTER



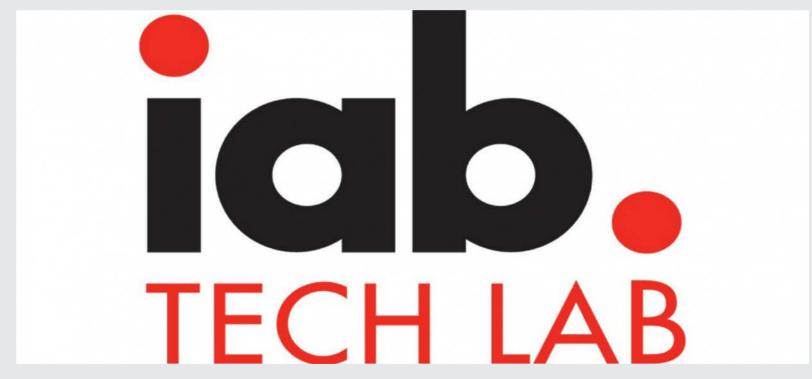


6. TRANSACT HOW BUYERS WANT TO





7. IMPLEMENT THE IAB'S OPEN MEASUREMENT SDK....





...AND SUPPORT APP-ADS.TXT

PubMatic

SOLUTIONS PR



Enforcing App-Ads.Txt: The Push For Transparency In Mobile App

FIND OUT MORE



Download the Forrester Research at pubmatic.com/reports



Read our press release on OpenBid which we launched recently at pubmatic.com/news

Access our Quarterly Mobile Index at pubmatic.com/reports









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Panel: In-App Advertising - the Future or the Wild West?

Moderator: Roger Williams, VP, International Marketing, PubMatic

- Eka Rabe, VP Programmatic, PubNative
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HOW TO ATTRAC **GREATER BRAND SPEND** WITH IMPROVED INVENTORY QUALITY

Kofi Amoako, Associate VP, Customer Success Operations EMEA, PubMatic 27th March ,2019

4 MYTHS ABOUT INVENTORY QUALITY IN DIGITAL ADVERTISING





UNDERSTANDING INVENTORY QUALITY: THINKING BEYOND BOTS



NON-HUMAN TRAFFIC





PRACTICES THAT DECEIVE & OBFUSCATE -NN NN

MOBILE IN-APP INVENTORY QUALITY



PUBMATIC'S APPROACH

- PARTNERSHIPS: We partner with MRC-accredited inventory quality vendors for brand-safety checks and inventory screening across multiple formats and platforms
- IQ TEAM: We have a dedicated team that reviews all fraud reports and investigates all fraud complaints
- FRAUD-FREE PROGRAM: If fraud is detected on our platform, demand partners don't have to pay for it
- INDUSTRY COMMITMENT: We are accredited by leading organisations and have signed up to relevant codes of conduct



Integral Ad Science

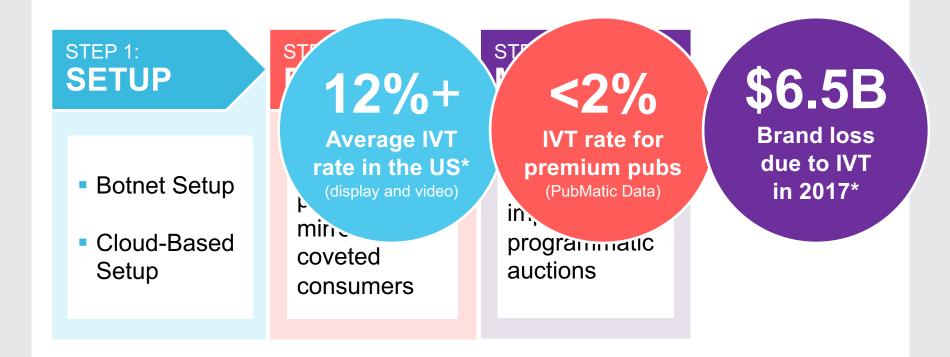
White Ops[®]





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HOW NON-HUMAN TRAFFIC WORKS



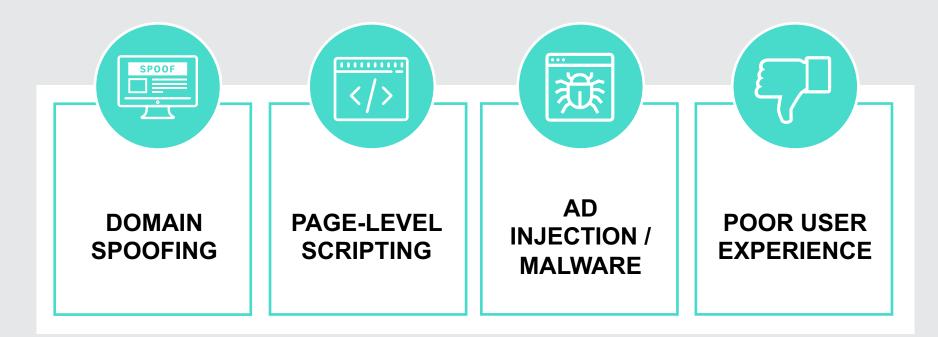
* Source: TAG Fraud Benchmark Study, December 2017





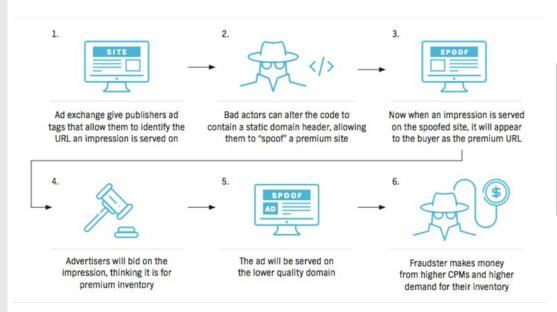


PRACTICES THAT DECEIVE





PRACTICES THAT DECEIVE & OBFUSCATE: DOMAIN SPOOFING

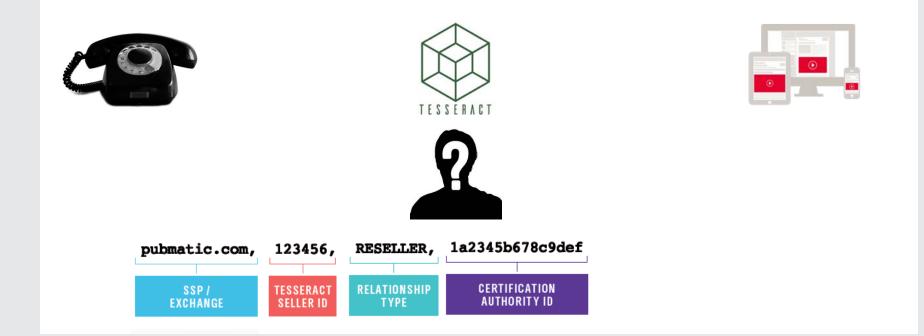


KEY TAKEAWAYS

- Domain spoofing is a problem that is on a path to extinction thanks to ads.txt
- Ads.txt does have limitations:
 - □ Doesn't work for in-app inventory
 - Cannot differentiate between ad formats (video vs. display)
 - Risk of human error (i.e. spelling errors)
 - Nefarious resellers can scam their way into publishers' ads.txt file

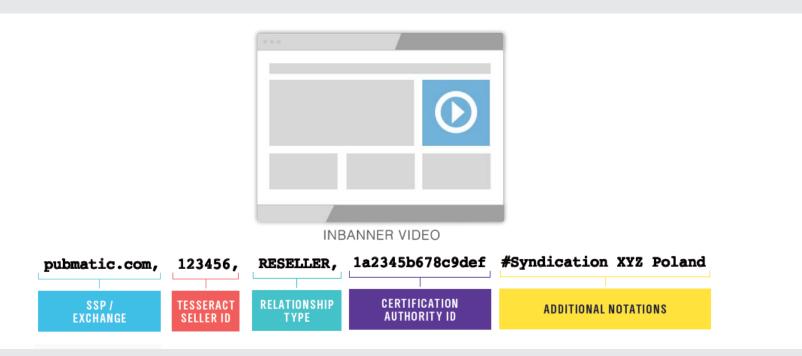


ADS.TXT IS NOT FOOLPROOF



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ADS.TXT IS NOT FOOLPROOF



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MOBILE IN-APP INVENTORY QUALITY

| | DESKTOP | MOBILE IN-APP |
|-----------------------|----------------------------------|--------------------------------------------------------------|
| Tracking | Cookies | Device IDs |
| IPs | Individual computers and servers | Cell towers, to which thousands of devices can connect |
| Fraud Detection | Scalable with crawlers | Requires SDK (difficult to monitor at scale) |
| Content Evaluation | Requires web page load only | Requires app download (difficult to monitor at scale) |

KEY TAKEAWAYS

- The signal set for mobile is very different and can't be used the same way for non-human fraud detection by third parties
- Contributing to the difficulty is accessing the signals that are available within the app itself, via SDKs
- Content and user experience are harder to monitor on apps, since the apps need to be downloaded which is hard to scale



PUBMATIC'S APPROACH

There is currently no standardized solution adopted

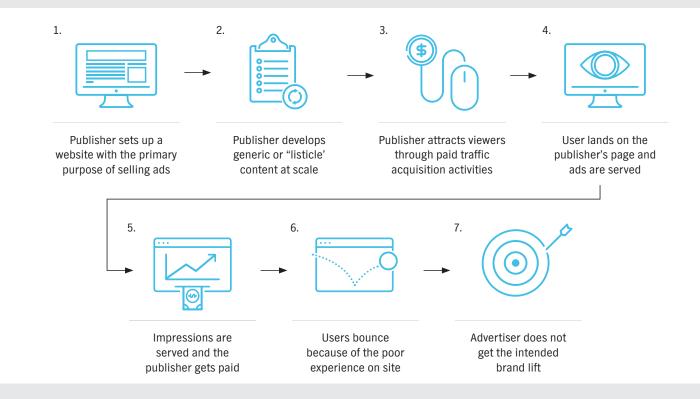
- Avoiding apps that aren't content heavy (e.g. flashlight, anti-virus)
- Look at app store reviews
- Exploring/testing unique approaches with new vendor
- A preference for top 2000 apps
- OM-SDK & App-ads.txt







HOW IT WORKS



CLICK BAIT



He Thought It Was Bigfoot's Skull, But Then Experts Told Him THIS

Experts always know best!



17 Stars Who Gave Up Their Children For Adoption



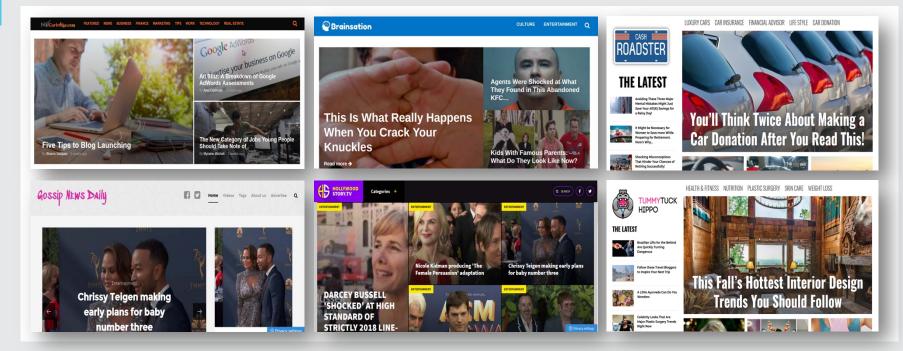
Identical Sisters Born In 2010 Have Grown Up To Become...



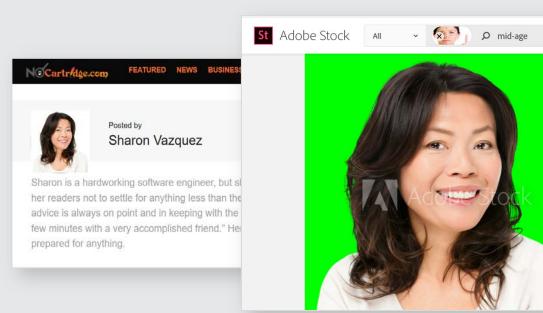
What Little Wednesday Looks Like Now Is Jaw Dropping TheViralDance



TRANSIT HUBS



FAKE AUTHORS



ROOT CANAL SERVICES IN SEATTLE

GENTLE ROOT CANAL TREATMENT

If your tooth is suffering from a large crack, cavity, severe pain, or an abscess, Dr. Rhys Spoor might recommend gentle root canal therapy to help save it. After your root canal and crown placement, your tooth will feel as good as new!



If the idea of a root canal makes you feel nervoux, don't let it! Your comfort is always our priority at Rhys Spoor DDS, and we offer oral sedation to help you relax during root canal therapy, some people even fall asleep during their root canal!

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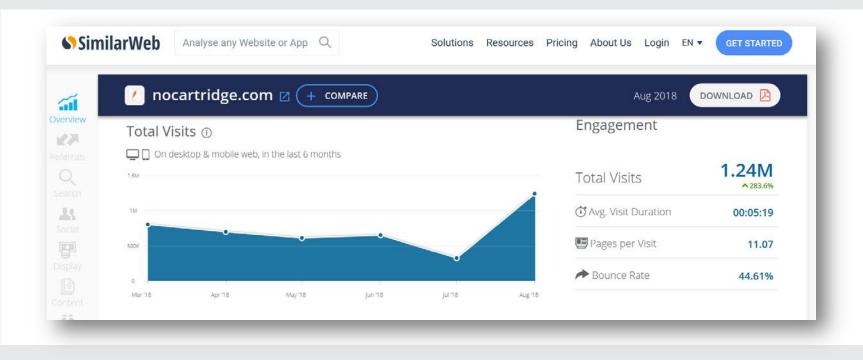
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use he

"I can't say how happy I am to have found SmartFeed. They have made my media searching for my kids better, safer and easier."

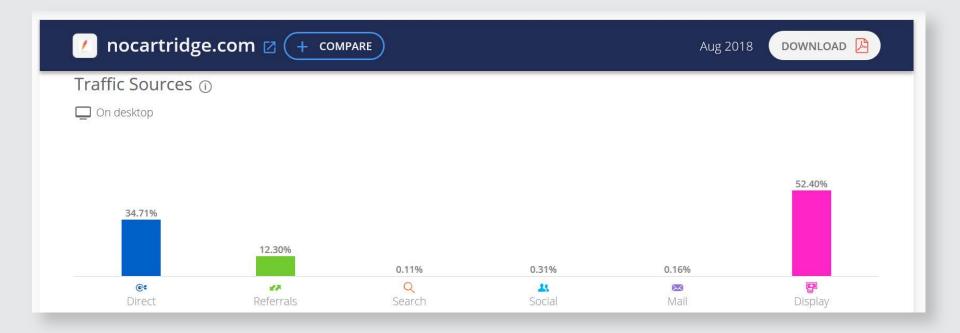
> PAULA Mother of 2

TRUST APPROACH TO SITE REVIEWS: Inconsistent Traffic Patterns





TRAFFIC SOURCE ANALYSIS



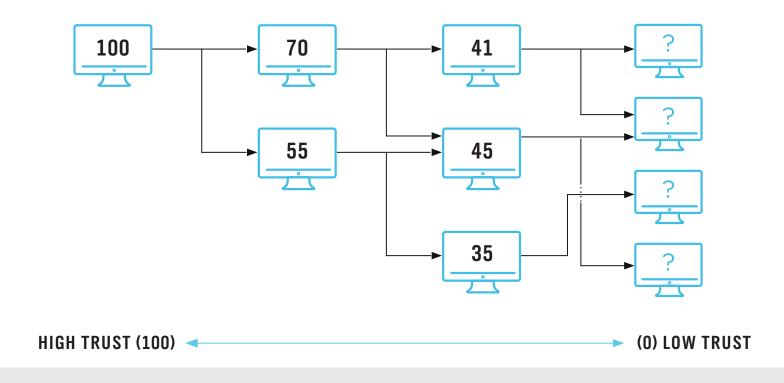


TRUST APPROACH TO SITE REVIEWS: PRIVACY REGISTRATON

| - Domain Profile NOCartr/dee.com | | | |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Registrant | WhoisGuard Protected | | |
| Registrant Org | WhoisGuard, Inc. | | |
| Registrant Country | PA | Tech Contact | WhoisGuard Protected WhoisGuard, Inc. P.O. Box 0823-03411, Panama, Panama, 00000, PA 5f4b335d24a7427d9ea05d30db013988.protect@whoisguard.com |
| Registrar | NAMECHEAP INC IANA ID: 1068 URL: http://www.namecheap.com Whois Server: whois.namecheap.com abuse@namecheap.com (p) 16613102107 | | |
| Registrar Status | clientTransferProhibited, renewPeriod | | (p) 5078365503 (f) 5117057182 |
| Dates | 882 days old Created on 2016-05-02 Expires on 2019-05-02 Updated on 2018-04-02 | _ | ~ |
| Name Servers | NS-1518.AWSDNS-61.ORG (has 9,918 domains) NS-1629.AWSDNS-11.CO.UK (has 460 domains) NS-59.AWSDNS-07.COM (has 21,474 domains) NS-639.AWSDNS-15.NET (has 9,236 domains) | | r* |



THE POWER OF BACKLINKS







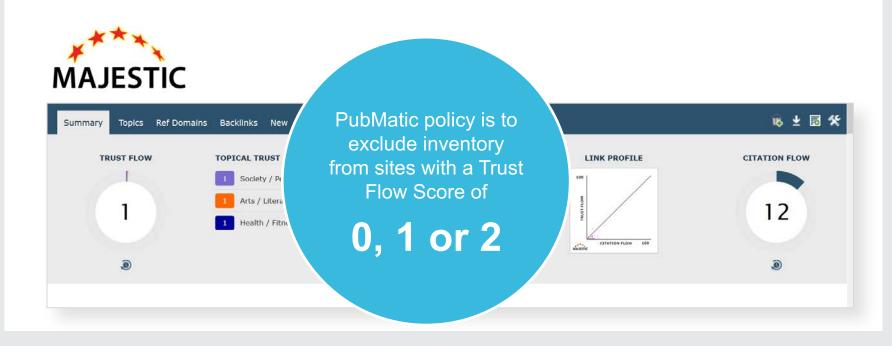




Website A Website A has an external link to Website B

Website B Website B has a backlink from the Website A

TRUST APPROACH TO SITE REVIEWS: **PRIVACY REGISTRATON**





BEST PRACTICES TO PROMOTE QUALITY

BUYERS

- Partner with accredited vendors to reduce risk (i.e. TAG)
- Recognise the importance of content and audience
- Know where your ads are running
- Don't pay for fraud

PUBLISHERS / APPS

- Incorporate third-party fraud detection
- Focus on building a loyal audience
- Build out IQ policies and practices
- Promote transparency across your business

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THANK YOU



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FIRESIDE CHAT: THE FUTURE OF VIDEO ADVERTISING

- Sebastian Knauf, Senior Account Director Germany, PubMatic
- Sabine Schmidt, Head of Programmatic & Ad Operations bei Webedia



