



Next in Marketing | AppsFlyer

Episode 11: TV Advertising is Finally Becoming More Data Driven - Which Means Everything About the TV Ad Business Needs to Change

Mike (19s):

Hey guys, this is Mike and this week on Next in Marketing I got to talk to **Nicolle** Pangis, CEO of Ampersand. We talked about why it's taking so long for the TV industry to start selling ads like digital media, why the pandemic is permanently shaken up the TV upfronts, why both brands and agencies are likely to face a wave of painful consolidation. Let's get started. Hi, Nicolle.

Nicolle (39s):

Hi, how are you doing Mike?

Mike (39s):

I'm alright. Thanks for joining us today. So I thought an obvious place to start is Ampersand is a company that has been rebranded, it's a relatively new brand, the company has been around for, in different forms for while, but maybe if you just give us the basic, who are you guys story.

Nicolle (56s):

Yeah, sure. So the company was founded in the early 1980s and really the premise of the company, back then was, you know, cable operators then, and still now each have their own individual footprint. And the company was actually founded in the Boston area and a couple, a husband and wife realize that in order for a Boston-based advertiser who wanted to advertise in Boston and Boston DMA they'd have to work with, I don't remember exactly the number, I knew



this story when I first started, but let's say it was like 25 different cable operators or 30 different cable operators because everybody had their own <inaudible>.

Mike (1m 30s): Just to target Boston?

Nicolle (1m 33s):

In Boston, exactly. It was some, you know, some large number of cable operators at the time. I dunno if it was 20 or 25, whatever it was.

Mike (1m 41s):

You think cable is just one game in town or something, but it's not when the town is Boston.

Nicolle (1m 45s):

Exactly. So and so it was like the Boston area and so they started going to all the different cable operators and says, Hey, if we all worked together, we can create an interface on your collective behalf to work with advertisers in the area to effectively bring more money to all of you, right, to create an advertising business in Boston. Long story short, it was successful. They realized that in every, basically, every major DMA, every area in the country, the same problem was the case. And so they just expanded, expanded, expanded long story short, now, even just before I joined, 85 million households, 120 cable networks and all of the major cable operators, but also they folded in over the years, all of the satellite operators and all the telcos as well, you know?

Nicolle (2m 29s):

So the Verizons, the AT&Ts et cetera, you know, <inaudible> dish all the way, you know, so we're really partners with all the major players. All the MVPDs in the marketplace. When I joined two years ago, we pivoted not just into that sort of multi-region local linear business that had, you know, made the company nearly \$2 billion business, believe it or not just in that example that I



gave you. But now we also pulled together all the national addressable across Comcast, Cox and Charter, and then Verizon joined us months ago as well.

Nicolle (3m 3s):

And so we're really pushing into the national addressable space, which is sort of the next frontier of collaboration that all these companies that I just described need to do in order to create, you know, a consistent interface for the buy side to make it again, simpler to buy addressable, which is sort of the new difficult TV place to buy.

Mike (3m 20s):

All right. So let me, let's try and break that down because I'm gonna assume a lot of the audience understands how the mechanics of cable inventory, but maybe not. So tell me where I'm wrong here. If you are Time Warner Cable, I used to have in Manhattan it's not called that anymore, but those guys' control every hour, they control a couple of a couple of minutes, two minutes of advertising, right, whereas in broadcast to a similar dynamic where the local CBS station controls local station time. That's traditionally, that was not that wasn't addressed, but you were talking about the Boston car dealer or trying to reach just people in Boston and things like that right.

Nicolle (3m 58s):

That's right. Yeah, exactly. What NCC did, umm, was effectively Mmm. If there was a let's let's say a Ford, so Ford has basically three ways of buying. They have, you know, a single car dealer on a street corner in the local from town, right. And then there is sort of a regional car dealers as well. And then of course there's the national Ford campaigns. And so what Ampersand NCC at the time would do is work with the regional Ford dealers that were, you know, advertising in multiple areas of the country and pulled together, you know, scaled inventory on behalf of those of those, advertisers.



Mike (4m 40s):

Right? So we're not, we're not talking, you know, data matching addressable, this was more scientific than, than perhaps, you know, blunt to national television had a band, but this was more, this was not addressable yet.

Nicolle (4m 52s):

Yeah, exactly. It's called it's called national spot, that's what it's called. Get a national footprint, but you could, you could target it. Right? And so, you know, national networks only do national buys. In our case, you can, you can target across a national footprint, but we would, you know, target, let's say New York area to the Chicago area, you know, and LA depending on what an advertiser would want it to have a <inaudible> up in. Yeah.

Mike (5m 16s):

Right, now, and I'm sending us down a little bit of a TV history rabbit hole here, but there's been a lot of attention in the last few years on the data-driven, now that we're making sure to make TV more like digital, we are going to addressable's hot, OTT is hot, but addressable has been around for a considerable amount of time, but it was also fragmented and scattered. Correct?

Nicolle (5m 38s):

Exactly. Yeah. It's been around, but I would say, you know, I've only been on the TV side, cause as you know, I'm a digital girl, a digital girl in the TV world, all that. I don't know how long I can keep saying that?

Mike (5m 47s):

You're gonna lose cred eventually.



Nicolle (5m 48s):

Exactly. But even just in the two years, the reason they bring that up, its just in the two years that I've been sort on the TV side of the business has been a huge amount of evolution in our ability to just create consistency and simplicity in the market place in national addressable. There's also a lot more scale. So you're right. That addressable has been around a long time, but there's a lot more addressable inventory available in the market place in the last again, just a 24 months, I've sort of have been around.

Nicolle (6m 22s):

And so its really looking like its really in a scale of mode right now, and a lot of what we're working on at, Ampersand because we are, you know, we have 60% of the total addressable footprint, 41 million households, which is by far the largest footprint in addressable. So what we're doing is because we work with, you know, four of the addressable players, Comcast, Cox, Charter, Verizon, we manage a single interface to the by side so that there are looking to target an audience.

Nicolle (6m 52s):

We match that audience across all of the operator's that I just told you about and just make it very simple by pulling comprehensive reporting, comprehensive targeting, single point of sale, for all of those advertisers. So it's really simplification of the market place with the scale that we have in the marketplace using, you know, audience data.

Mike (7m 12s):

Right and that is primarily linear television still. We're talking about

Nicolle (7m 15s):

You know, it's linear television, it's VOD. It's a variety of digital inventory. Yeah.



Mike (7m 21s):

Cause I was going to ask you what your, it, people define what addressable television in differently or advanced TV differently in your case that encompasses so you're using some kind of data to target particular households or consumers and it's a few minutes about and hour or, or VOD or

Nicolle (7m 40s): Yup.

Mike (7m 40s): What else?

Nicolle (7m 40s):

Your addressable VOD. We have access and on the digital side too, a lot of OTT inventory as well, we worked with like the Pluto's of the world, etc. Right? So, you know, in some cases advertisers really just want linear, addressable and VOD for example, and they wanna cut it off there. But if your looking to target an audience over time, when you're talking about what is addressable or advanced TV, to me it's using a more robust data than has historically been present to better target audiences.

Nicolle (8m 13s): Right?

Mike (8m 14s):

Tell me if you'd make the distinction, there are several companies that are trying to eat well, the, some of the big media companies like NBC and Warner, do they have, where everyone is referring to is indexing where you're using data to find the more of an audience you want, but its not, you're still getting to the whole audience of a show like you were trying to reach people that like salsa.



Nicolle (8m 32s): Yep.

Mike (8m 32s):

And you put them on this certain schedule, but that's not what you're talking about in this case.

Nicolle (8m 36s):

No, I'm not no, but that's possible too. Right? That's indexing on linear television, which by the way, isn't advancement in television, so I agree with you. This is like our sin in advertising all the time, right? Which he was just like throw terms around. But to me, all of these things are heading toward a common goal, which is better targeting through better data and better targeting in linear because you can't do household by household and analog, linear television. What you just described indexing is actually a far better way to reach an audience and minimize waste.

Nicolle (9m 10s):

So that's actually a really good advancement for linear television because the dirty little secret as most of the \$70 billion television industry is still linear. Right? Even more and more is becoming digital, of course in that will continue. So these, these two ecosystems, although they are part of one ecosystem, but these two pieces of the same ecosystem will coexist for a while. So for linear television, we will make it, you know, more informed, more efficient and on the addressable side you can get a lot more targeted, you are right.

Nicolle (9m 41s):

And what I'm talking about when I say your addressable, I mean linear addressable in VOD, the more highly targeted inventory. Yeah.

Mike (9m 50s):

Okay. It's got to be interesting because their, there are a number of companies swirling around television. Some of them are like from classic ad tech, some of them are their TV networks that are



trying to evolve. You're a programmatic person who went to a company that has been around since the eighties. So that's gotta be really different than I dunno, a startup that's just trying to come in and be an interloper. What are some of the pluses and minuses of that?

Nicolle (10m 13s):

Yeah. Well the plus is we have a tremendous amount of scale. So like we, we deliver advertising on something like 3 billion hours of programming a month. I mean, it's just an absurd amount of inventory, we have access to. We're actually the largest single supplier of television in the United States.

Mike (10m 33s): That's crazy.

Nicolle (10m 33s):

Yeah. It's crazy, right? And it's a company that, I mean, again, I'm not television person full disclosure, which you said multiple times, but I had never heard of the company when they reached out to me for the job.

Mike (10m 44s):

I remember when you got that job, that was like, what is that?

Nicolle (10m 46s):

People thought I'd lost my mind, like what are you doing, like NCC? But there's a tremendous amount of scale and, and notably all the companies that I mentioned right, you have Comcast, Cox, Charter, Verizon LTS, AT&T, all partners of this company, right? And so, and the history of the company is major players working together to, you know, to provide consistent solutions. So the great part about going to a company that has scale, is in a world where you need scale and media, it's a great place to be.



Mike (11m 21s):

Yeah, you don't have to convince anybody to join this consortium, they're in already, right?

Nicolle (11m 25s):

Exactly. Exactly. And so its actually sort of a, kind of a perfect marriage because where, what I know is pulling together data sets in a compliant way for purposes of targeting media, right? That's as you know, what I've done for a majority of my career and really do, you know, create more automation, you used the word programmatic, but programmatic doesn't necessarily everybody's mind to real time bidding when you say programmatic, that's not what I mean by programmatic.

Nicolle (11m 58s):

There's a lot more automation than exists in television. What I was shocked and actually when I got to the company was how much automation was possible without that much of a heavy lift, because of the world I came from, almost everything was automated, right? Everything went through systems and machines and stuff. There's a lot of manual processes at then NCC when I got their, and we spent a lot of over the last two years, besides all of the sexy stuff, that we talk about pulling together the data insights and the launch of the and platform and you know, growing the addressable business with the addition of Verizon, et cetera, et cetera, et cetera, we've been spent a lot of time just automating the linear side of the business, cause there's just a lot of efficiencies that can be gained that can allow for advertisers to, you know, buy linear TV in a much more seamless fashion.

Mike (12m 51s):

What was surprising though? It was not automated. It was like a picture of people are using VCRs in putting in the commercials in it. But, or is it more legit than the, like the actual order taking and?



Nicolle (12m 60s): It's more that,

Mike (12m 60s): ... the management things like that.

Nicolle (13m 2s):

Yeah, exactly. That's exactly right. Your thinking of like the tape and the head end, I think is, I mean more of the, sort of the buying process from the, the agency are advertisers to the supply side and then the billing back to the agency and make good. And you know, like there's a lot of things that happened that are much more manual than they should, than they need to be. So a lot of time is spent on that. Of course you don't talk about that in the press as much cause its not like that interesting, although I am, cause I'm like, I love operations stuff, but so I think it's very sexy, but you know, that's the stuff we've been doing in the background as well.

Mike (13m 40s):

That's funny, you, you reminded me. I started my career at the agency world in the late nineties and I remember like an account executive of having to jump a cab late and the day with a tape to bring it over. We got to give this to Fox because that's how things were done like 30, that was a hundred of years ago. Okay. So the obvious question for everyone has been talking about this the last few months. About what were the trends short term? When the pandemic hit, everybody has a polar campaigns or adjust, what is this going to mean for, for the long term and, and that the word has been acceleration. Everyon'es talking about how it's everyones, so what have you seen or did most of your clients' slow down will have to re adjust everything.

Mike (14m 16s):

Are there, are you seeing a lot more brands coming on board, addressable television what's what's been going on lately,

Nicolle (14m 22s):



So let's, let's start sort of at the beginning and then, and then kind of

Mike (14m 26s):

Right, cause he has been like five different stages.

Nicolle (14m 28s):

Exactly, it's like, we've had, like five out of nine lives already. So at the beginning sort of the, the obvious thing when it first started is when the sports, the live sports events were canceled. Right? You had like the final four that got cancelled. And then you have the Olympics that got a called, like there's a lot of things that happen sort of in sequence from one another, just sort of like weeks apart from one another. So what happened there? Of course she was like, you know, if I'd be lying, if I said we don't have softness and this is of course we did where now Advertising everybody and softness in their business.

Mike (15m 1s):

Yeah. And you'll ha sport's so I'm sure I'll be of course. Yeah.

Nicolle (15m 3s):

Exactly, but, but what we saw was, you know, thank goodness over the last two years, we have sort of built out these audience products because what we had the ability to do is go to our partners, our agency partners and say, Hey, we know blah-blah-blah got canceled, but this is the audience you were looking to reach and using our platform we know that those same audiences are in these six places too. Right. And so that was a great opportunity to do two things. One is, you know, obviously from business perspective instead of pulling money, which doesn't help.

Mike (15m 35s): Move it around hopefully.



Nicolle (15m 37s):

Yeah. It doesn't help the brand. It doesn't help the agency. It doesn't it, you know, the whole ecosystems is affected. So its not like a selfish motive. Its actually like collectively beneficial for everybody to do this. Is that we were able to find places that weren't just putting money for the purposes of putting money. But for real strategically, like strategically backed reasoning, leveraging data, which is important at a time where money gets tight write is that, Hey, we can actually show you the data

Mike (16m 3s):

You gotta, you have to buy everything right now. Cause it's scary.

Nicolle (16m 6s):

Great, great, great meeting. It was good though. We had the platform where we could actually show the data and the platform, you know, using the 38 million households of data that we have, that is a deterministic data set that has validated at all that sort of stuff. So that was at the beginning of it. The more recent narrative as you well know, is around, you know, the changing the evolution of the upfronts and what this means to how the upfronts who are conducted in this year and then, you know, moving forward.

Nicolle (16m 38s):

And, and again, because we have so much to my earlier discussion about how much scale we have in television, we have an opportunity to help our agency partners and our advertiser partners, place dollars side by side with the up fronts because what advertisers and agencies need right now is a lot of flexibility because they don't, you know, they're worried about commitment because who knows that, is there going to be another wave later on in the year? There's all of these unknowns right now.

Nicolle (17m 9s): Right, right.



Mike (17m 11s):

Yeah. We're talking about it. Everyone's going back now, it's like, Whoa, we're not going back to it yet.

Nicolle (17m 14s):

Exactly. That's right. And so, so, you know, my suspicion is that the up fronts are sort of forever changed. I mean, that's not anything a lot of people are saying that that's not, you know, I'm not saying anything shocking at all. Some things, something is going to change majorly because of brands and agencies are very reticent now about those commitments. And I'm not saying there won't be up front and I think they will, but I think how they are constructed will likely change to provide flexibility around, you know, around something like that.

Mike (17m 44s):

There's not a lot of appetite to be locked into something for next March or at this moment.

Nicolle (17m 50s):

That's right so for us we do it, you know we were in an upfront organization and so we, because we have so much scale and we have access to all the, you know, all the programming across 85 million households and have all of this audience data, we're working with our partners to effectively give them, you know, a vowel for additional dollars that they want to spend outside of the national upfront. So it's sort of like an it's a tangential offering so its not a substitute for the national programmers of course, but for additional, when they want additional inventory, we're, you know, a great partner for a lot of the agencies.

Mike (18m 36s):

Right, so it's almost like you were, ok, so can you go back a year ago? You're not in the upfront conversation necessarily, but now you can almost see if TV is going to be all the time purchased



all the time or more periodically. You can always, you can be an in every conversation, theoretically.

Nicolle (18m 50s):

That's right, exactly. Yeah. And that, you know, the launch of the platform, which right now we're using just internally at Ampersand But, at the intention of over the next, you know, in short order, when we launched the platform, we had announced that later on the year would make it available to clients directly is that agencies will actually be able to use the tool on their own, with the user interface in order to, by television, you know, when they, when they want it using the data that we have,

Mike (19m 18s):

What are the, I guess, what are the longterm ambitions? Because they feel like we said, there's so many, everyone's excited about bringing some element of automation, programmatic buying, data-driven to television to make it smarter. And they want that \$70 million market, but some organizations are trying to, like let's build the ultimate marketplace for digital video and mobile and addressable television and OTT whatever. Do you want to stay pretty much in the TV, TV lane or not necessarily long term?

Nicolle (19m 50s):

Yeah. I mean, we are very concentrated. This is a TV first platform. It really is a TV, we're its not a digital platform that we're trying to pivot into TV. This platform actually the center of this platform, like a good chunk of it, probably 75% was actually there when I, when I got to then NCC and if it had all the issue, but the magic of this system that was there, which at the time was called Optic, so it was just an internal tool. It was connected to all the agency systems already and then all of the supply systems already and that is a heavy load.

Mike (20m 23s): That ground work is huge.

Nicolle (20m 23s):



It is huge. And I remember the first demo, they hadn't even started I after my announcement, I went, I asked if I can obviously ask my board if I could just, you know, show up and just, I wanted to meet people before my first day, just like walk around the office and so it wasn't like Snuffaluffagus, but you know, and it looks like, you know, I actually people see me and stuff and I asked if the team would give me a demo, the technology, cause that's the thing, right?

Mike (20m 48s): That's the thing right?

Nicolle (20m 52s):

And, you know, frankly, wasn't the prettiest system, we have done a lot from an aesthetic perspective, but the guts of it, I was like, wow. I mean the like a lot of the work that I thought we'd have to do is actually done. But what we've done since then is put the front end, which is the planning side of the UI using the data insights from Comcast, Cox and Charter to make actually an audience planning, UI using the data insights that we have and then, the backend, which is an attribution and measurement component.

Nicolle (21m 23s):

And we have partners like Data Plus Math and TV Squared, so what I'm describing as in like we're making the system very interoperable very much Like we did it at WPP when I was there. Like the idea, it wasn't that we had to own everything, but the idea was that we created to create like a center brain to be able to pull data in and push data out.

Mike (21m 42s):

To be plugged wherever you want to be plugged in, wherever your client might be.

Nicolle (21m 44s):

Yeah. And that really is, that's the platform that we went out with in January,



Mike (21m 49s):

Yes. I imagine that like we've mentioned that there's a, at this weird, crazy moment and in our economy and we are in our planet, I'm, I'm sure many brands our, you know, they have to pause, or they have to rethink their strategy. Some are running towards more performance, probably some are less. Or do you think will net out with television being a little bit more of a performance oriented, medium, or is that as stretch, and things will go a little bit back to normal-ish in a few in six months.

Nicolle (22m 19s):

Got it. We'll be, you know, I worry about saying like performance-based just because I think it would be to the detriment, not just a television show, but frankly to the industry too, like we have to be careful about making everything performance <inaudible>. Cause as we well know, you know, brand advertising contributes to performance advertising because you, you know, were to click on an ad, you need to know what the brand is

Mike (22m 43s):

Right. You're not going to turn TV into to search overnight or something. Right.

Nicolle (22m 46s):

Exactly what I think will start happening though. And I'm already seeing it actually, you know, again, and again, I will say this much, like I said about sort of how addressable has evolved where the last two years it has been a tremendous amount of evolution, to how we can take the data insights and we have access to and mesh them with other data in order to really tell a story about how performance of television affects the digital buying that you know, that that brands are doing.

Nicolle (23m 18s):



And we're able to really show the value of television, whether or not somebody clicks on an ad, right? Because in television you don't always click on an ad. I do think of course the television has become more interactive. And I know when, when NVC was launching Peacock, there's a lot of discussion around like the interactivity of some of the right, the ads that they were doing. And I think that's really cool. And that's definitely like, I think that's where the puck is going. I think just getting that to scale, we'll take time and you know, its complicated and all that sort of stuff. But I think, I think TV will start looking more like digital in a sense that as we see what smart TV is, like your TV is a lot more interactive.

Nicolle (23m 55s):

So why, why wouldn't we see a scenario over the years where you can see a sweater in a Gap ad on TV and click on a button in order to buy the sweater. Right? I mean, those things were already starting to happen and I think those will, those will definitely evolve. And so, yeah. I mean, look, I think the measurement part, going back to your original question, like I think the measurement part is coming, it's coming along like very well, I don't think TV is, or should be a hundred percent based on performance, but I think that we are going to get a lot more data because TV is becoming more digital, to see things like reach and frequency.

Nicolle (24m 38s):

Right? Cause what we know is the TV is highly free. Like there's there's too much frequency and some cases, but we don't know where and how to correct it. So I think the kind of data we are going to get us around, better reaching frequency at the beginning. So if you equate that to performance, then I'd say yes, but I think that's the kind of, you know, we're going to make like evolutionary movements on this kind of stuff. We're already starting to do that, we're already, stating to show brands like, Hey, there's too much reach in frequency, if you move dollars' here or there, you will get a lot more efficient.

Nicolle (25m 9s):

And that's really where the incrementality of addressable helps is that we can overlay national campaigns right along with the local campaigns we do for brand and actually show you where there's overlap in reach and frequency and things like that. And so instead of adding more dollars, let's say in the local space, we can actually do incremental reach in the addressable space and you



actually get the reach that you want instead of consistently, you know, targeting ads for the same household.

Nicolle (25m 43s):

So there's a lot of stuff that we're doing that we weren't doing just a couple of years ago. All right.

Mike (25m 47s):

A lot of what you're describing now as being much more strategic in smart about your budget up front. And I guess I wonder if you're getting a lot of questions or pressure now, like the brands that are used to this closed loop attribution that happens on Instagram. Let's say they were born, there are another coming to the TV and now they think, Oh, it's the time to ramp that up, but it's not the same medium. Like how do you answer those attribution pressure questions for television?

Nicolle (26m 14s):

I don't know that we get like, I wouldn't say that we'd get attribution pressure questions in that way, but I will give you an example, like D to C, right. Which is, which is it a very, a highly growing category in television so D to C, like those brands we're very digital, first brands, the vast majority if not all, right? And what happens actually, what they are realizing is that the attribution that they were managing towards A wasn't particularly accurate because its sort of platform based and there's a lot of other things that went into who gets credit for what ad, cause you see them on multiple social platforms and all that sort of stuff.

Nicolle (26m 55s):

So that's one thing. And two, they're, you know, as large as digital platforms are, they are not as large as television from a scale perspective. Right? And so all of the D to C brands, not all, but many of the large ones that we know are moving to television music, moving major budgets to television because they actually need the skill of television and they are starting to realize sort of the power of television. The VAB has done a lot of great work around this showing the D to C brands that have moved from digital to television for specifically that reason, to actually grow.



Nicolle (27m 31s):

What they're seeing is when they created television, you know, campaigns that they, their performance in digital went up exponentially.

Mike (27m 42s):

So then they are not coming to you, like I built Mike's Custom Socks on Facebook? And I know exactly what every ad does, so I want you to do that. TV or, you know, it's a waste of my time, they understand that.

Nicolle (27m 51s):

No, but, but in, in companies like TV Squared, which we partner with, we can show a TV ad and show how it translates into digital activity, for example. So these are the types of, you know, I don't know if you call it evolution or revolution, but were starting to tie, what is the, you know, quote unquote traditional television world with the digital world and seeing that they actually are, you know, are much more integrated than we then we thought coming from the digital side, we're used to, I always joked, like we used to <inaudible> TV like, oh, like you can target anything.

Nicolle (28m 26s):

And the truth is like, they kind of didn't, but like the technology has caught up so that we can start getting this, you know, moving and so it's moving very, very quickly. We are definitely, you're never at the end goal. I mean, programmatic is still evolving and that is part of <inaudible> Right?

Mike (28m 41s): Part of a decade in 2008



Nicolle (28m 44s):

And so you're on, you're always on a journey with this stuff, but, but it's moving, it's moving really, really quickly. And I think there's, there's a lot of innovation. I actually loved the fact that programmers and companies like ours, and the new entrants, are all doing the same thing. And to your point, there's challenges and benefits of every one of those player's doing what they're doing. But what's great about it is that everybody has the same relatively the same end goal in mind, meaning everybody is trying to use better data, better targeting and measurement to move the TV industry forward.

Nicolle (29m 16s):

So I think everybody is moving in like a parallel direction just on slightly different paths. But I think some of the paths will merge, you know, over time as, as you know, this is the one thing

Mike (29m 26s):

You kind of hinted that if you talk to them a big agency, executive, they would love, gosh, I wish I could buy a television, just like I buy media at Amazon and Facebook are just log in self-serve I got every network, boom, I've got my data and there was one marketplace. And there's been lots of talk about that, but realistically, that's not the path you guys have your, what you're doing, there's a Zander there's open EAP, there's NBCU is special thing. Are we never going to have a centralized marketplace? That's not realistic where everybody works together and has all of the same inventory in quote unquote, "advanced television."

Nicolle (30m 1s):

Well, look, this is what I'll say is that, you know, there's, there's inventory on the Google ad exchange that was also available through other means as well. And so, and so, you know, and I think again, just like on the programmatic, I attribute where television is like the data-driven side of television, right at this evolution of television. We're in early days, we're kind of like, ya know, my joke is we are sort of like the bottom of the first or second inning into a baseball game that is



going to go into extra innings. And so I think everybody's looking for the end game, but when is the end game, really?

Nicolle (30m 34s):

I mean, this was going to be your gonna see just like you are now like open AP didn't exist a few years ago. Right? Like we didn't have Verizon three months ago. And so like all of the players are like, there's more and more players working together. I understand that its not an individual pocket in, you know, all in one pocket, but over time, you know, I would suspect that there's gonna be sort of fewer and fewer scaled marketplaces. And again, the scale matters, right? Because buyer's to your point, are you guys are not going once there are some scale players, the marketplace is just going to start gravitating.

Nicolle (31m 11s):

I mean that is how Facebook and Google got so much scale right?.

Mike (31m 16s):

And all 25 sites are going to Facebook that will happen in television

Nicolle (31m 19s):

Right, exactly. They just make it easy to buy scale. That's why I think the scale and Ampersand is so relevant because we have scale that when you overlay audience data, we are still a scaled player. That is a really important component of our business is the scale of our supply. And so do I think there's only gonna be one, you know, market place and one, you know, buy side interface. Like I'd love for us to be the one buy-side in interface, but that's not gonna happen. But I think there's going to be several that, you know, that sort of come out too to create the scale of that that is needed.

Nicolle (31m 53s):

And that's all part of what and involving marketplaces. So. All right,



Mike (31m 56s):

Right. What about on the other side of that? I'm curious, you, you would probably, I'm going to take a guess you are, you guys probably deal with in terms of buyers, there's probably like addressable specialists, there's probably like a classic local advertisers is digital people. There's a, you know, just national investment guys. You should probably like that all to centralize in some fashion or some to become more streamlined is not realistic at all, on the buy side of the agency world,

Nicolle (32m 23s):

I mean, look, I haven't been on the agency side for its going to be like almost three years soon and two and a half to three years. But look, I mean there was discussions even three years ago about that right? I think, you know, particularly, I mean, again, I'm not there, but I will, I would suspect that particularly now, given the pressures of the marketplace consolidation,

Mike (32m 42s):

It might be time to reorganize.

Nicolle (32m 42s):

Yeah, exactly. Yeah, exactly. I mean, but it's going to happen again like that. A lot of these things just happen over time where there's gonna be like two teams that come together. So like local and national TV may come together first and then digital folds, you know, like all, I think all these things are going to happen in, in pieces like that. But in the meantime, the, the, the difficulty of bring some of these teams together is that they buy so differently, right? National buys differently than local, local buys differently than the digital team.

Nicolle (33m 16s):



And so the more you get to audience based buying in television, the more closely it aligns to what the digital side has been doing for the last 10 years. And so then it becomes a much more natural pull, but if you're consistently buying on Nielsen GRPs and not on audiences, then it looks a lot different than digital.

Mike (33m 42s):

I think there was some sense of it, that we were just going to pick one thing and flipped that by now, you know, we don't have a currency or a new, same way of buying things and that will happen. And it just doesn't happen that fast.

Nicolle (33m 52s):

I don't. Yeah. Now I think there's gonna be sort of side by side. So like for example, we can sell on audience's but post on Nielson, GRPs, Oh, right. So they can coexist. And I think I've, I've used the word to many times already on his podcast, but I'm a big proponent of evolution as opposed to revolution. Because I think if you throw the puck too far, too fast, you break things that you don't realize you're gonna break. So everything we are doing an Ampersand is like incrementality, because I think we'll get there faster with incrementality.

Nicolle (34m 25s):

It was this same thing that we did at Axis when I ran product and tech there, it was like incrementality. When you can sell against the audience's, but still hit GRPs required by the agency's and their clients for the purposes of billing and purposes of measurement and all that sort of stuff that needs to be consistent. Because also when you start buying on a new, in a new way, like audiences, those have to be verified by somebody as well. Right? So not so bold to say, Hey, we have this Data like, I get that agencies are going to say, well, how do we verify that that's accurate?

Mike (34m 58s): Especially right now.



Nicolle (34m 60s):

And then, and I'm not shy about tha, like, I'll be the first one to say it. Like, I think there needs to be some sort of verification slash audit, have any anybody selling stuff in, but the question is that's never happened in an audience based televisions so what is the protocol to do that? What is the process? That's what I mean, when I say we're so early in the game like that, we're trying to figure it out.

Mike (35m 21s): Right you're bulding.

Nicolle (35m 21s):

Yeah, exactly. Yeah, you have to build at first, before you figure out how to measure it and audit it.

Mike (35m 27s):

You mentioned something in that I want to wrap on maybe on this one is a little bit of a left turn, but you met your agency life and the work you get to build a programmatic. There's so many changes going on right now in that world because a variety of forces changing the way, how you target people. Identity is becoming this real challenge, what do you make of between what Apple is doing, Google's doing with Chrome, regulation is going to be, it seems like its getting a lot harder as every marketer wants to be more scientific. What are you make of all of that?

Nicolle (35m 54s):

Yeah. I mean, what I make of it is just anybody who's pragmatic is watching him saying this is going to be interesting, you know? And so and so look at it is it's becoming way more complicated right? And so, and this, the idea of like hyper-targeting by individual and you know, that's just not going to happen the way I think, you know, five, six years ago, we thought that it might, right?

Mike (36m 21s):



One to one, everyone's gonna have your own ad from everywhere you go. It's very, it's very good.

Nicolle (36m 26s):

Do you group M? Like we were, you know, we pulled together because the other, you know, the complication of it also is you don't want to be dependent on any single media provider to be your like, you know, device graph basically, right.?So what we did a Group M when I was there are over the years is we actually pulled together a whole bunch and actually tried to triangulate them ourselves as best we could, because that was the way that we're trying to get a truth for our clients, right?

Mike (36m 52s): Right.

Nicolle (36m 52s):

Which is if we can try to be like a, like the sort of the central brain for our clients, we can at least have a point of view on how it all worked together, right? And so even if we didn't own a device graph ourselves, we can sort of see what was going on with all of the price grasses. Exactly. Which ones seemed more accurate than others and et cetera, et cetera. But it's gonna, it's gonna get more and more complicated. I mean, household addressability is complicated cause for the same reason, right?

Nicolle (37m 24s):

You're using somebody's IP to target households, right? So the way that we do that is very privacy compliant as well. And so this is not going to go away obviously given the state of the world. So I think how we target and the numbers we target, you know, the idea of, you know, targeting an individual to a device is going to be, you know, happening less and less. I think it's going to be groups of people that look the same. You know, I think it's going to start looking more like that.

Nicolle (37m 54s):



All of that being said, I don't think that's bad because it's again, it's so much more targeted than we were doing any way that like we're were moving in the right direction as far as targetability, you don't need to necessarily do, you know,

Mike (38m 9s):

But you're not going back to the eighties and, and giving up on other brands, brands, appetite for this kind of advanced targeting is not going to change.

Nicolle (38m 17s):

Exactly right, but we are going to just have to navigate through this notion of that you know, the great part of technology is that we're a very targetable, the bad part of technology is we might be too targetable, right? So like how do we navigate that? And there's no perfect answer, but we just have to be again pragmatic. And there's a lot of regulation coming down as you well know, and you have what Apple's doing and what Google's doing and all that sort of stuff. And so, you know, just eyes wide open, just navigate, navigate as well as possible.

Mike (38m 44s):

Yeah. I think that's probably good advice for the rest of our careers hopefully.

Nicolle (38m 50s): Exactly. Right.

Mike (38m 51s):

All right. Well thank you so much, Nicole, terrific conversation, really interesting stuff. And we appreciate you joining us.

Nicolle (38m 56s):



Of course, nice talking to you Mike.