



Mark Boidman

 MarkBoidman

 @Mboidman

mark.boidman@
solomonpartners.com

MAXIMIZING REVENUE WITH STRATEGIC DIGITAL MEDIA ADVERTISING

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PRESENTATION:



SOLOMON PARTNERS OVERVIEW

INVESTMENT BANK FOUNDED IN 1989

Solomon continues to grow

200+
Investment Bankers

35+
Partners & Managing Directors

INDUSTRY EXPERTS

- Business Services
- Consumer Retail
- Distribution
- Financial Institutions
- FinTech
- Grocery, Pharmacy & Restaurants
- Healthcare
- Industrials
- Infrastructure, Power & Renewables
- Media
- Technology

PRODUCT CAPABILITIES

- Cross Border
- Capital Advisory
- Leveraged Finance
- Mergers & Acquisitions
- Project / Asset Finance
- Special Committee & Fairness Opinion

MEDIA GROUP

OVER \$75B IN COMPLETED TRANSACTIONS

SELECT MEDIA COVERAGE SECTORS

MARKETING & TECH SERVICES

Advertising / Marketing Services
On-Premise and Connected Media Solutions
Professional AV
Commerce / Retail Media

ENTERTAINMENT

Distribution & Exhibition
Content Creation
Event Technology / Live Event Services
Music & Audio



Mark Boidman
Partner
Group Head



Richard Brail
Partner
M&A
Chairman



Ben Zinder
Director



Christian Bermel
Vice
President



Blake McCann
Associate



Trae Smith
Analyst



Jared Rogers
Analyst



Damascus Thorpe
Analyst



Caroline Horn
Analyst



Thomas Doyle
Analyst

WHAT FUELS DIGITAL MEDIA ADVERTISING?

MEDIA FRAGMENTATION
AND TECH



TV



Radio



Print

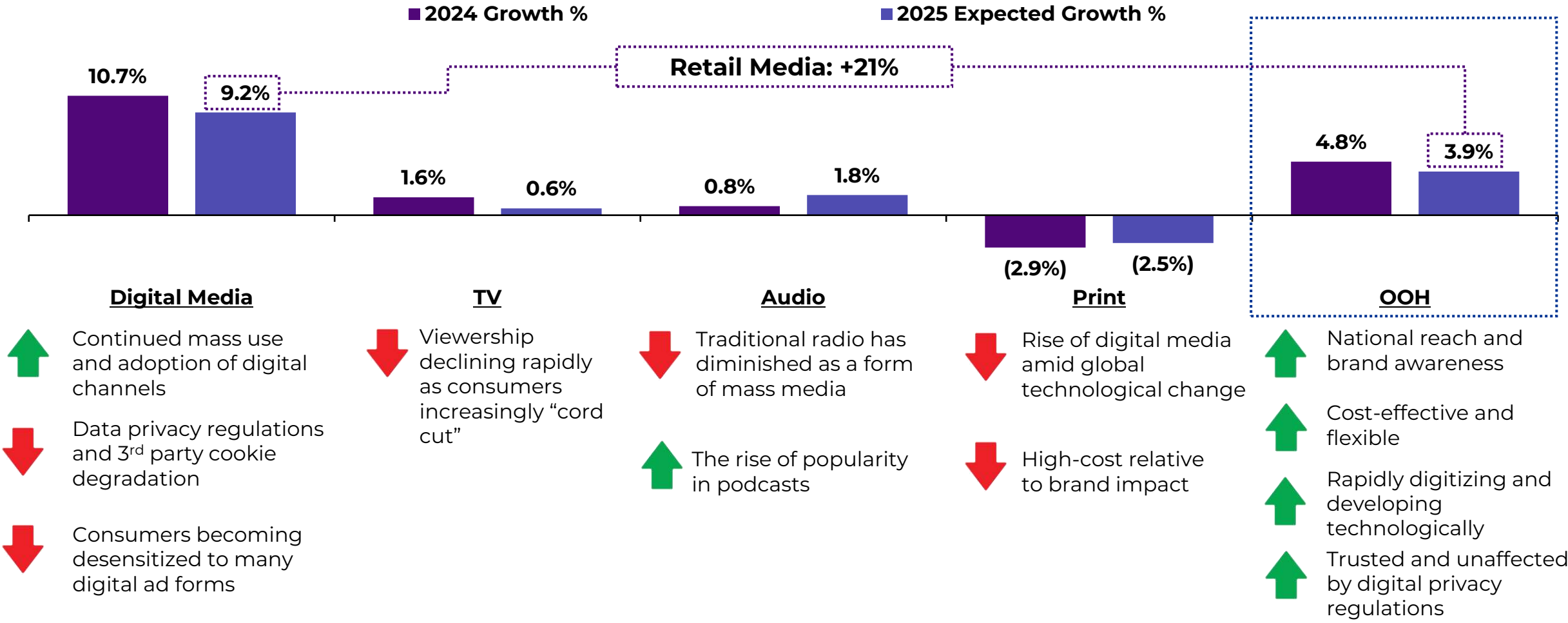


Digital /
Mobile Media

ADVERTISING MARKET IS SHIFTING

RETAIL MEDIA SHOULD TAKE SHARE FROM OTHER CHANNELS AND BOOST DIGITAL AND OUT OF HOME

GLOBAL ADVERTISING MARKET – GROWTH BY CHANNEL



Digital Media

- ↑ Continued mass use and adoption of digital channels
- ↓ Data privacy regulations and 3rd party cookie degradation
- ↓ Consumers becoming desensitized to many digital ad forms

TV

- ↓ Viewership declining rapidly as consumers increasingly “cord cut”

Audio

- ↓ Traditional radio has diminished as a form of mass media
- ↑ The rise of popularity in podcasts

Print

- ↓ Rise of digital media amid global technological change
- ↓ High-cost relative to brand impact

OOH

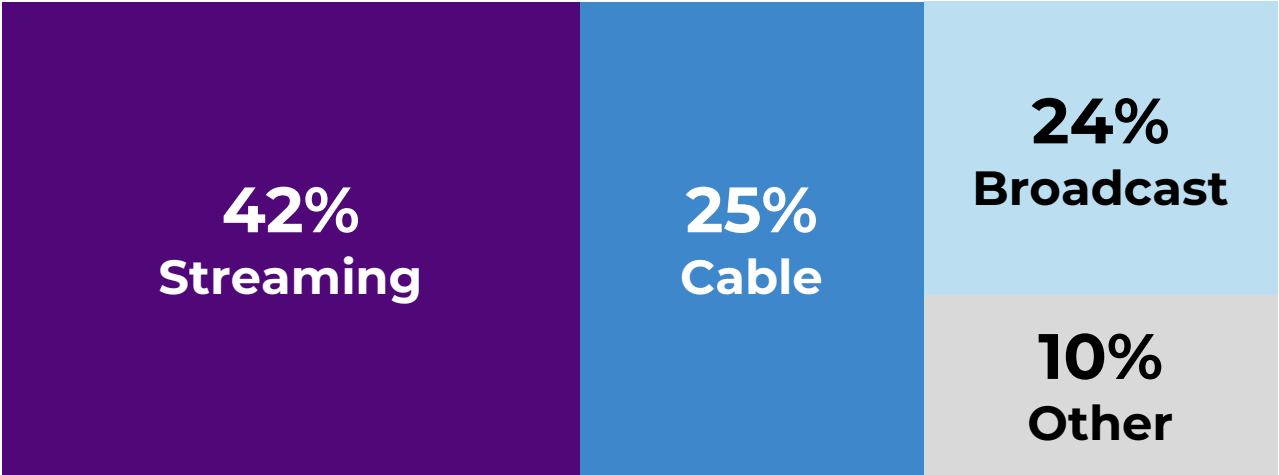
- ↑ National reach and brand awareness
- ↑ Cost-effective and flexible
- ↑ Rapidly digitizing and developing technologically
- ↑ Trusted and unaffected by digital privacy regulations

FRAGMENTATION OF MEDIA – CREATING CHAOS

INCREASINGLY DIFFICULT FOR ADVERTISERS TO REACH A MASS AUDIENCE

AUDIENCES SHIFTING FROM LINEAR TV

Share of Total Television Usage in the U.S. in June 2024, by Type



2024 Streaming Hit 40% of U.S. TV Usage

SOCIAL MEDIA AND SHORT-FORM CONTENT CAPTURING CONSUMERS' ATTENTION

Average Time Spent on Mobile Devices (Non-Voice)

1.5 hrs 2012 → 4.5 hrs 2024

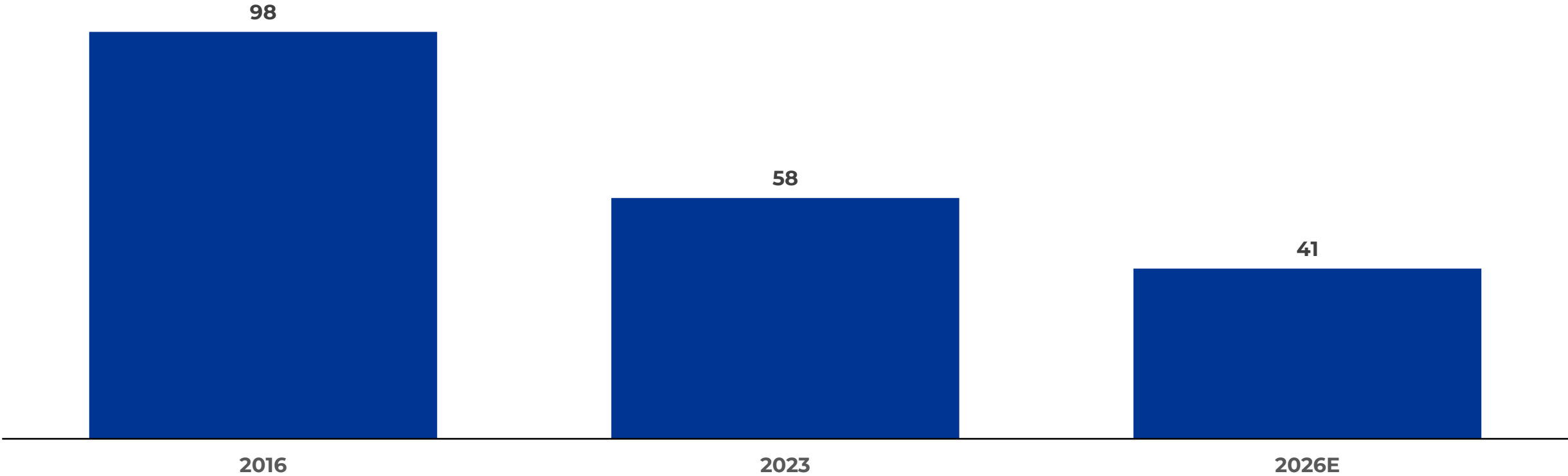
IN AN INCREASINGLY MOBILE SOCIETY, MEDIA IN THE PHYSICAL WORLD WINS

TRADITIONAL MEDIA COMPANIES FUTURE UNCLEAR

TV NETWORKS LOSING VIEWERS AND ADVERTISERS

(millions)

Number of Pay TV Households in the U.S.



RETAIL MEDIA NETWORKS GAINING TRACTION

MAJOR BRANDS GROWING AD REVENUES

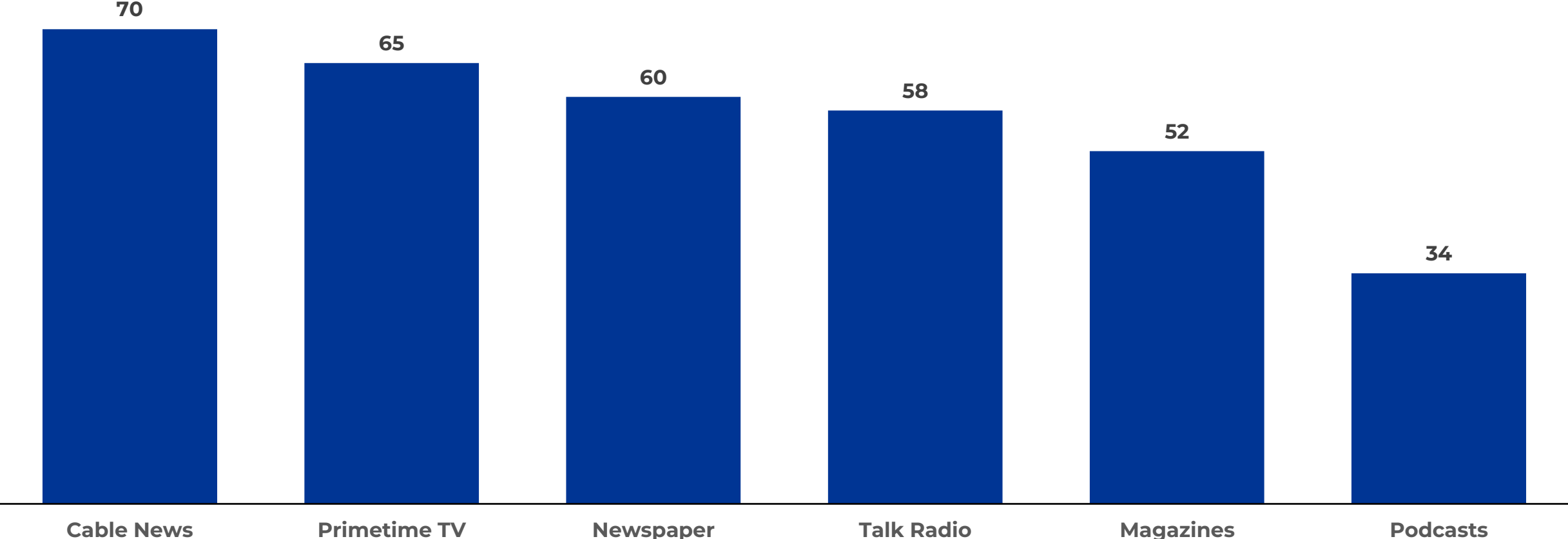
2024E AD REVENUE AS A % OF 2024E TOTAL REVENUE



TO REACH YOUNG PEOPLE YOU NEED DIGITAL MEDIA

AGING MEDIA LANDSCAPE

Median Age of U.S. Users



MAXIMIZING REVENUE WITH STRATEGIC DIGITAL MEDIA ADVERTISING

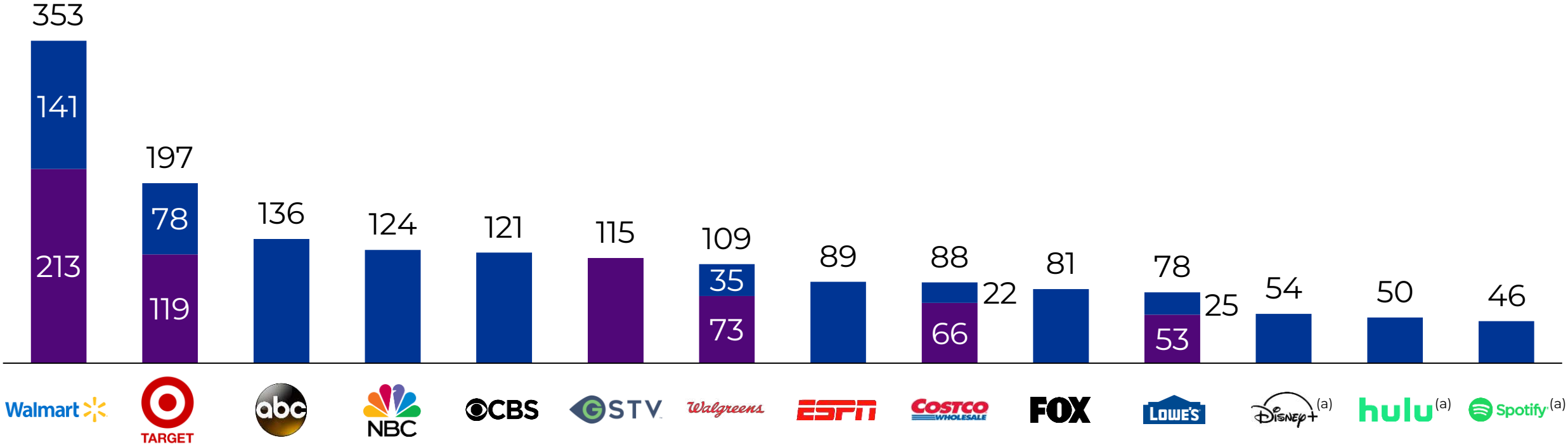
UNTAPPED POTENTIAL: CAPTURING ON-PREMISE AUDIENCES

ON-PREMISE AUDIENCES ARE GENERALLY FAR LARGER THAN DIGITAL AUDIENCES, WITH ~85% OF CPG PURCHASES STILL MADE IN-STORE

U.S. MONTHLY AUDIENCE REACH

(millions)

■ On-Premise Audience ■ Digital Audience



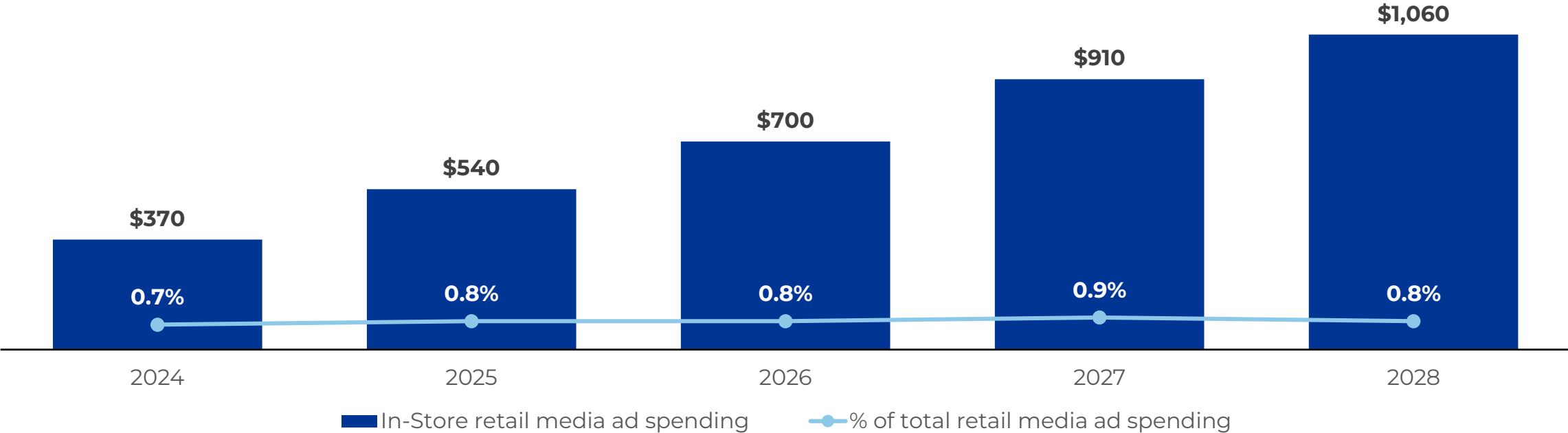
IN-STORE RETAIL MEDIA HAS ROOM FOR CONTINUED GROWTH

BILLION DOLLAR MARKET SPEND BY 2028

U.S. IN-STORE RETAIL MEDIA AD SPEND

(\$ in millions)

2024-2028 CAGR: 30%



IN-STORE RETAIL MEDIA SPEND IS LESS THAN 1% OF TOTAL U.S. RETAIL MEDIA SPEND, SHOWING A LONG RUNWAY FOR GROWTH

DIGITAL OUT OF HOME IS BETTER THAN A SUPER BOWL AD

FOUR WEEKS OF ENGAGEMENT ACROSS 25 MARKETS FOR THE COST OF ONE SUPER BOWL AD

MOVING A \$7 MILLION SUPER BOWL ADVERTISING BUDGET TO DOOH CAN ACHIEVE

1B
Impressions

across top 25 US markets

\$7.49
Average CPM

making it a cost-efficient choice for high-impact-campaigns

80%+
Average Reach

and frequency of 7+ across these markets over 4-week period

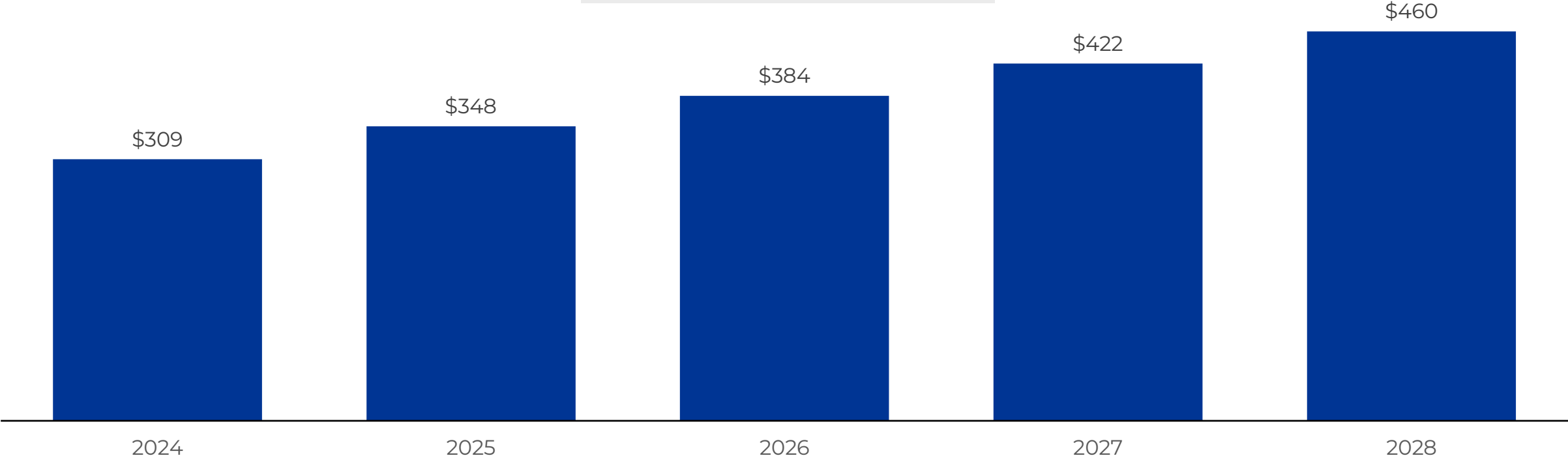
DOOH DELIVERS 7.5X MORE REACH AND 10X MORE CPM VALUE THAN A SUPER BOWL TV AD

GROWTH IN DIGITAL AD SPEND

U.S. DIGITAL AD SPEND GROWTH

(\$ in billions)

Across all formats



DIGITAL AD SPEND EXPECTED TO CONTINUE TO GROW WELL INTO THE FUTURE

CASE STUDY: UBER ADVERTISING

SINCE LAUNCHING UBER ADVERTISING IN 2022

\$1 Billion

annual revenue run rate

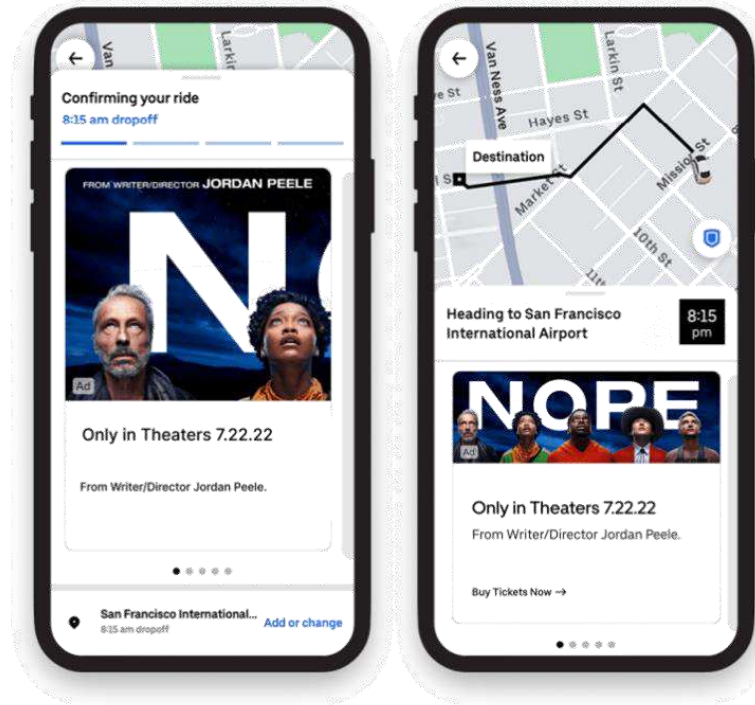
2.5%

click-through rate

70%

increase in Uber ad sale process

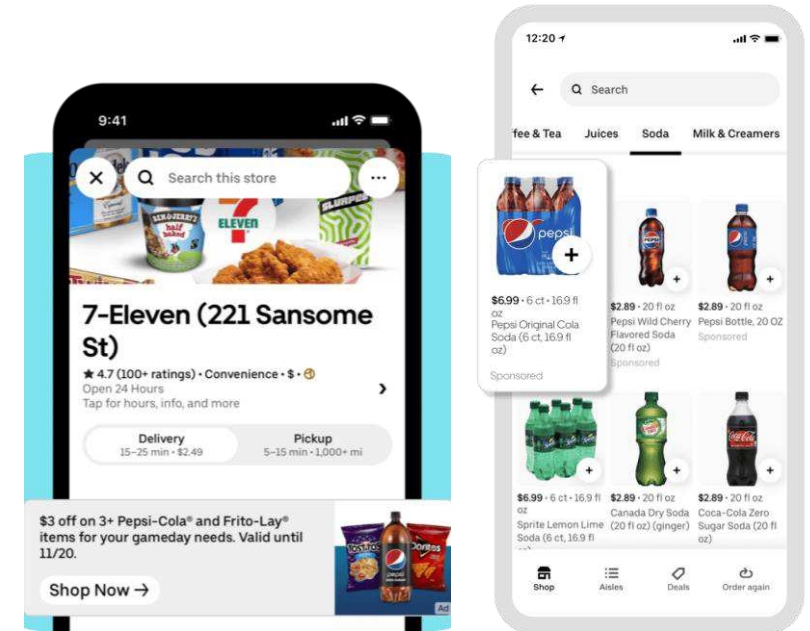
Uber Rides



Ad while waiting for pick up

Ad while on trip

Uber Eats



Uber Eats ad while shopping

Checkout page after clicking on ad

TRENDS GOING INTO 2025

NETWORKS ENABLE BRANDS TO TAILOR ADS TO AN AUDIENCE, DRIVING SALES AND ENHANCING CUSTOMER RELATIONSHIPS

1 Shoppable video Content

41% of shoppable video content viewers make purchases

2 Artificial intelligence

52% of marketers predict AI will enable highly personalized shopper experiences

3 Omnichannel audience tracking

73% of consumers use multiple channels to shop (omnichannel) and companies with strong omnichannel strategies retain up to **89%** of their customers

NETWORKS LEVERAGE THEIR OWN FIRST-PARTY DATA AND ARE LESS VULNERABLE TO PRIVACY-BASED LIMITATIONS

REACHING CUSTOMERS THROUGH IN-STORE DIGITAL ADS

IN-STORE DIGITAL MARKETING ENHANCES OVERALL SHOPPING EXPERIENCE LEADING TO MORE PURCHASES

SMART SENSORS

Provide insight into which ads are most effective by monitoring foot traffic and gathering data on how shoppers move through the store

POS DATA INTEGRATION

Correlates ad exposure with purchases to help close the attribution loop

SUCCESS OF IN-STORE DIGITAL ADS

~66%

of customers say the availability of digital in-store retail media formats boosts how much they spend

~63%

of customers say the availability of in-store digital formats impacted their decision on where to shop

~62%

of customers say they have purchased an item showcased in an in-store retail media format, e.g., digital screens on cooler doors

IN-STORE DIGITAL ADS ARE AN EFFECTIVE STRATEGY TO TARGET CONSUMERS THROUGHOUT THEIR SHOPPING JOURNEY



FOR MORE INFORMATION FOLLOW US

Mark Boidman

 MarkBoidman

 @Mboidman @Solomonptners

 mark.boidman@solomonpartners.com

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