# AdTech Overview

Summer 2026

# Agenda

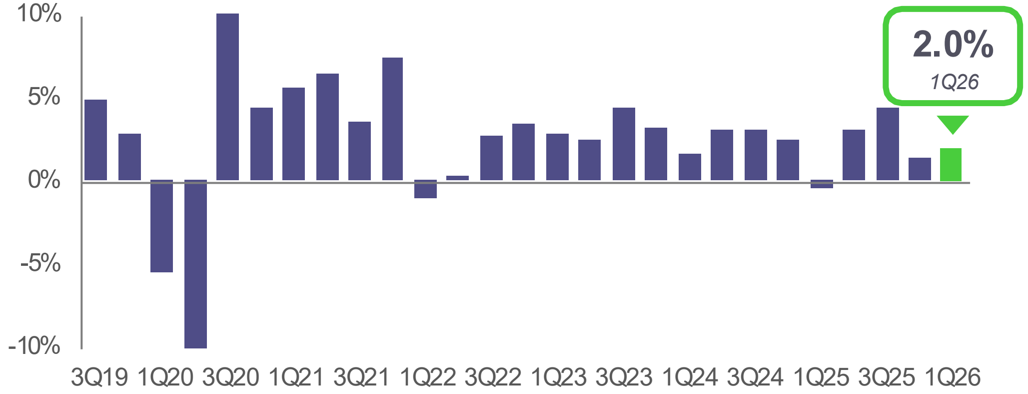
# I. Market Perspectives and Overview

# Macro View: Earnings Growth and AI Driving Positive Momentum

Resilient economic momentum supports a constructive outlook for 2026, with improving visibility despite pockets of macro uncertainty

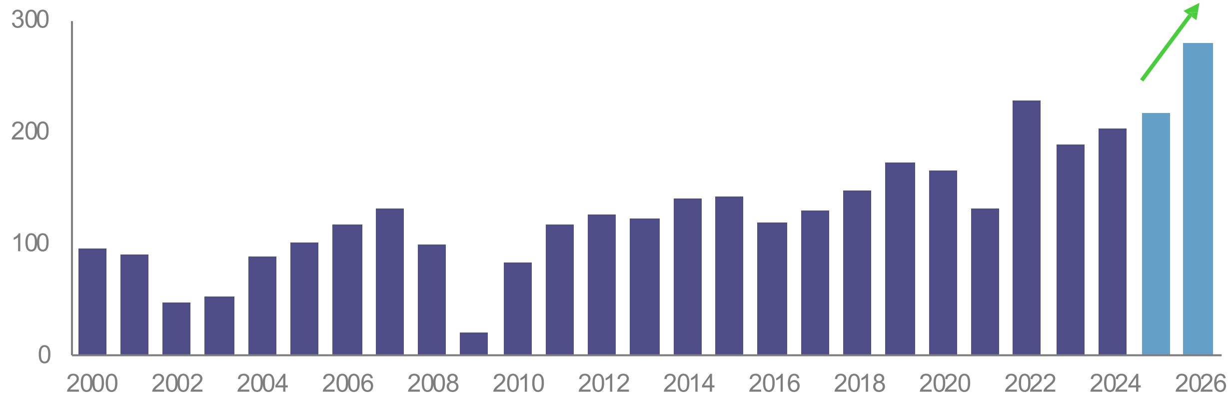
## U.S. Real GDP Remains Resilient Starting 2026 [1]

*U.S. Real GDP, QoQ Change %*



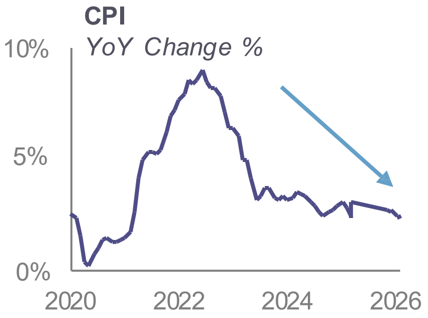

## Earnings Growth Continues to Offset Recession Risk [2]

*S&P 500 12-month Real EPS, inflation adjusted*

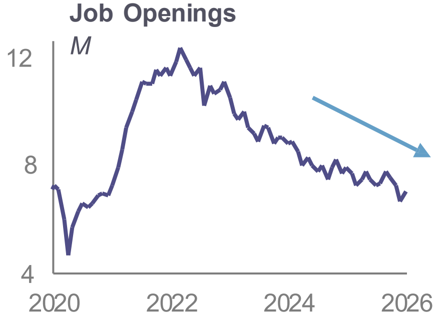



## Positive Signals from Factors Driving the Macro Picture [3]

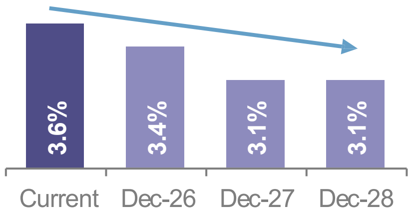
**Inflation:**
Inflation remains manageable, though underlying pressures in services and shelter keep the Fed cautious




**Labor:**
Labor is softening at the margin but remains healthy, with unemployment still in the low 4% range




**Interest Rates:**
Additional rate cuts likely in 2026, waiting to see impact of new Fed Chairman on policy



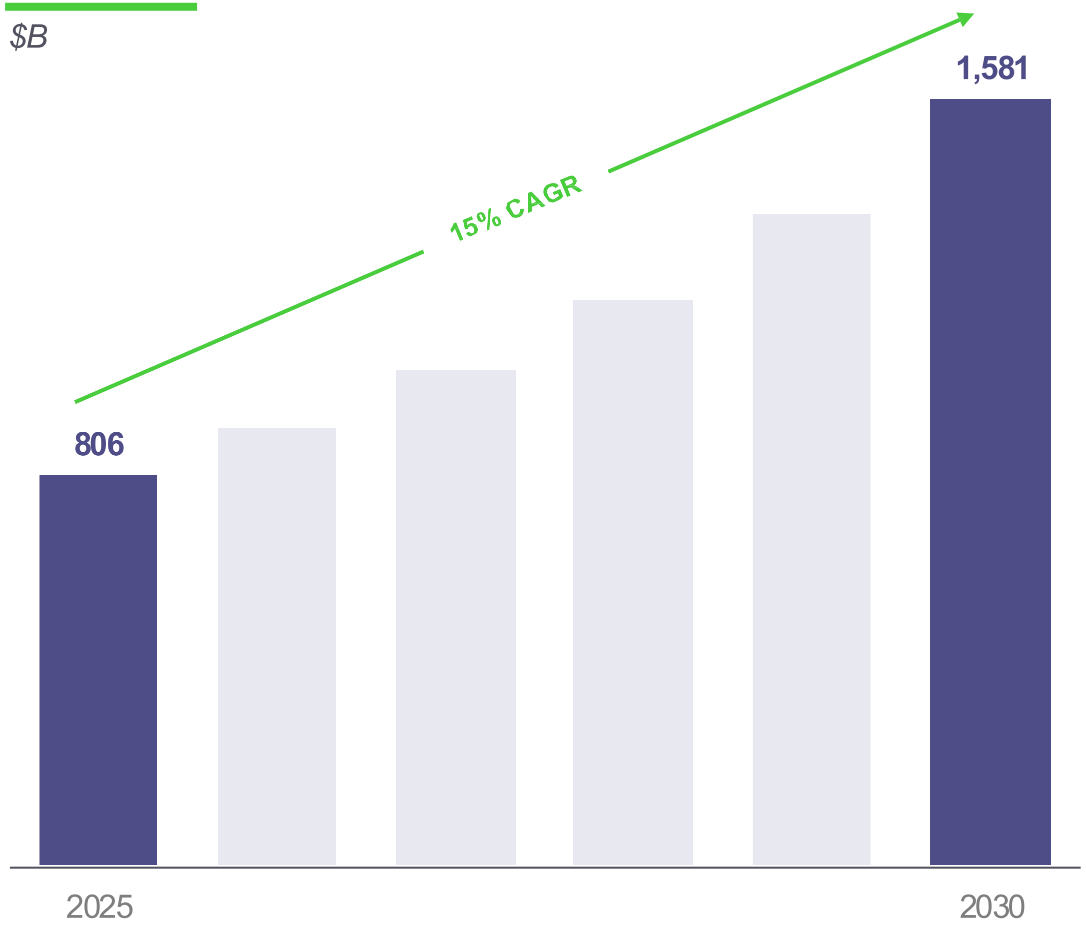

Sources: (1) Bureau of Economic Analysis, (2) Goldman Sachs, (3) Federal Reserve

# The AdTech Market is Shifting Toward Smarter, Measurable Growth

AI agents, retail media, and walled-garden consolidation are reshaping how ads are bought, measured, and optimized

**Digital AdTech Market Size Growing at ~15% CAGR (1)**

*$B*




## New Growth Playbook for the AdTech Market

### AI and agentic automation are no longer just an optimization layer

- Gen AI now powers creative production at scale and AI agents autonomously plan media, bid in real time, and optimize outcomes
- Humans are shifting roles from execution to strategy, governance, and creative oversight

### Walled gardens tighten control as open-web signals fade

- Leading enterprise players are capturing more ad spend as cookies weaken and buyers shift to clean, first-party data and AI tools
- Targeting and measurement become more platform-controlled, pressuring open-web AdTech on attribution, optimization, and scaled audience access

### Retail media and CTV are becoming the performance engines

- Retail media and CTV are attracting more budget as buyers seek high-intent audiences, commerce data, and measurable outcomes
- Ad spend is shifting towards channels that connect media exposure more directly to sales, conversions, and closed-loop performance

(1) Grand View Research

# Digital Advertising Has Displaced Traditional as the Dominant Medium

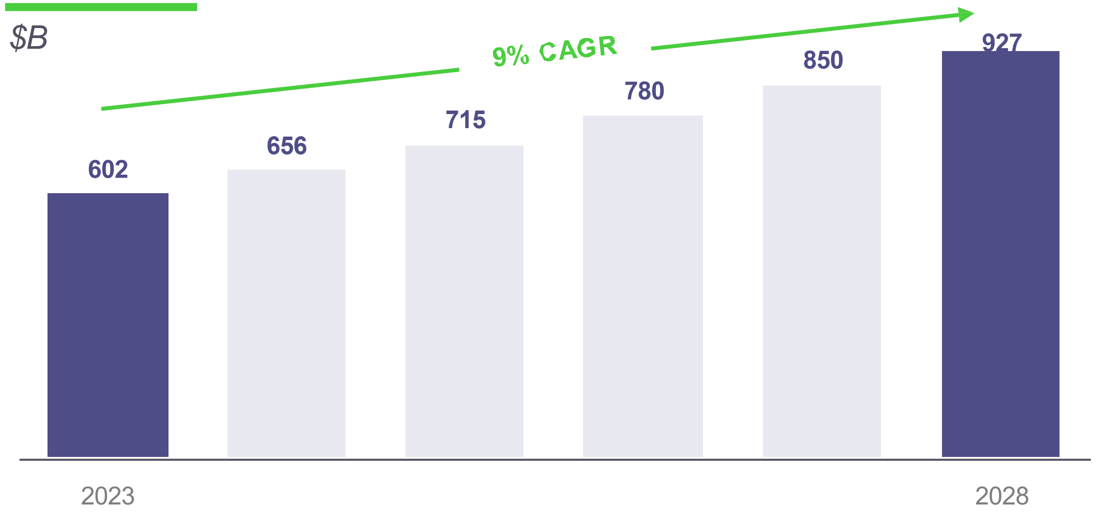
## Worldwide ad spend expected to surpass the $1T mark in 2026, driven by digital, AI-enabled buying, and measurable performance channels

**70%** of global ad spend **accounted for by digital media**, as buyers shift toward measurable, automated channels with **stronger targeting and ROI visibility**

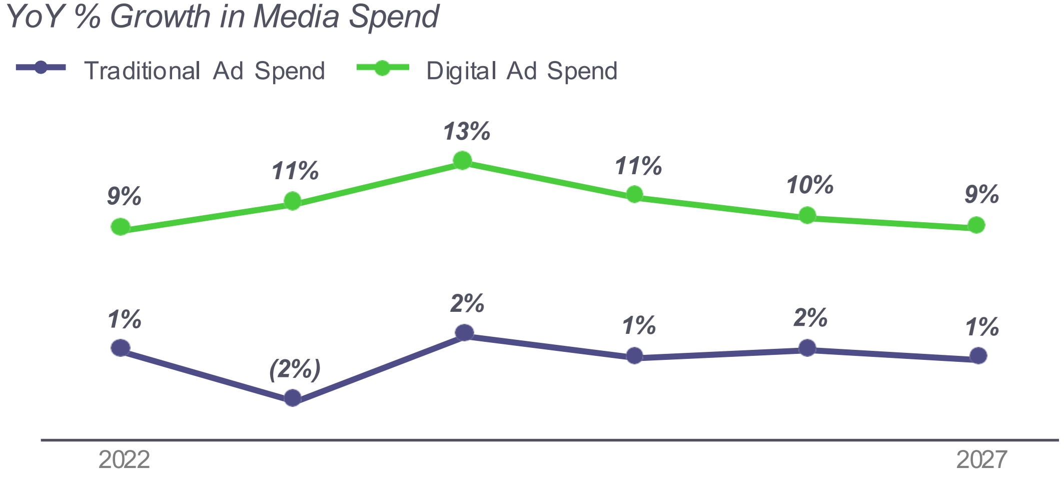
**72%** of global ad spend expected to be **algorithm-driven**, as AI reshapes **planning, buying, optimization, and real-time media allocation**

**14%** **retail media growth**, as brands shift spend toward **commerce data, closed-loop attribution, and high-intent audiences**

### Digital Ad Spend Growing at ~9% CAGR (3)




### As Consumer Habits Shift to Digital, Media Spend Follows (4)




(1) Dentsu, (2) (2) IAB, State of Data 2025 (3) Statista, (4) eMarketer

# Agencies Are Evolving Beyond Execution Into Strategic Partners

## The Impact of Ad Spend Shifts and AI on Marketer Relationships

### Holding Companies are Losing Share to Brand-Direct Buying

- **Big-six holdco decline**: AHC share of US ad spend has fallen from ~45% in 2019 to ~28% in 2024, while brand-direct buying has tripled to ~30%; independent agencies have held steady at ~42% of the market (1)

### Independent Agencies Now Command the Largest Single Segment

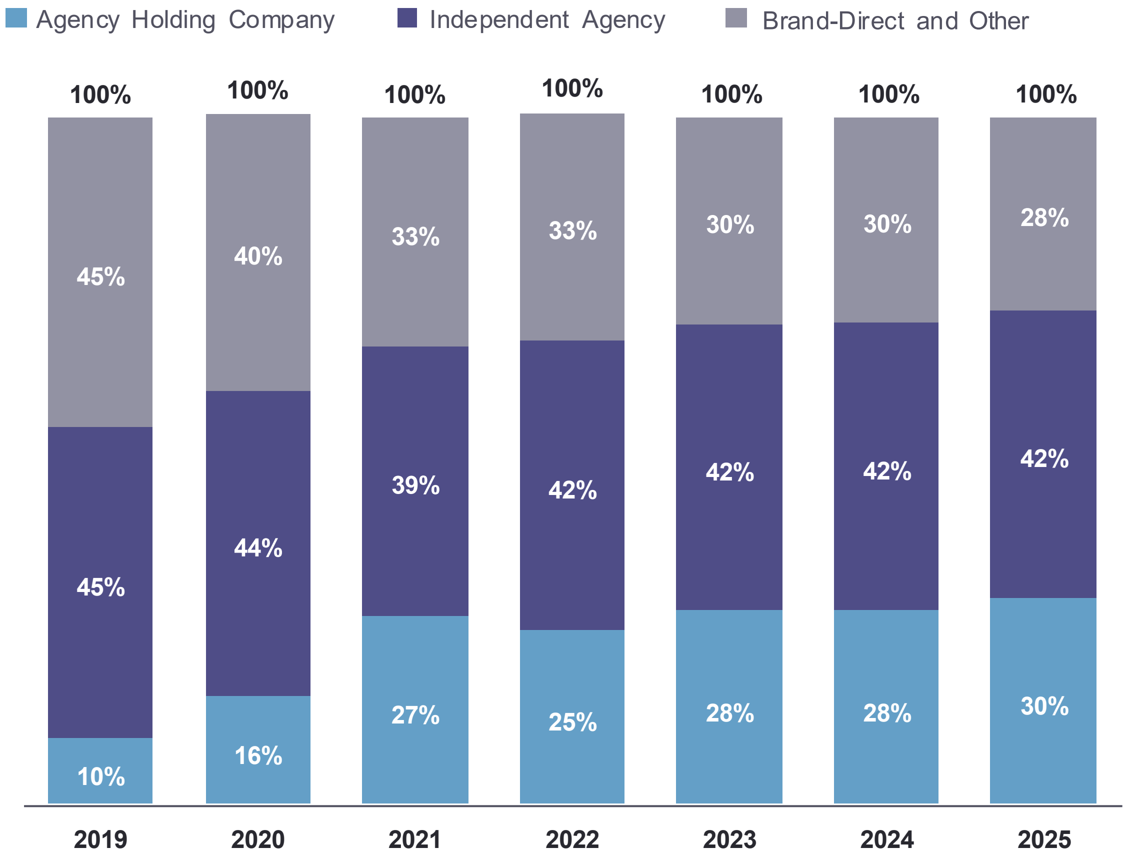
- **Resilience through specialization and agility:** Independents – from scaled players like Stagwell and Horizon Media down to specialist boutique in retail media, AI, healthcare, and creator marketing – held ~42% of US ad spend, winning on faster turnaround, hands-on partnership, and dep category expertise that fragmented holdco networks have struggles to match

### Holdcos Respond with Consolidation and a Move Up the Value Chain

- **Strategic M&A and scale plays**: The Omnicom-IPG merger (late 2025) created the world's largest holdco by revenue, with Omnicom retiring FCB, MullenLowe and DDB as standalone networks; WPP, Publicis, and Stagwell are pursuing their own integration moves - a structural response to share loss and the need for scale to fund AI investment(1)

### US Ad Spend Breakdown by Buyer Type (1)

*% of Total Ad Spend by Buyer Type*



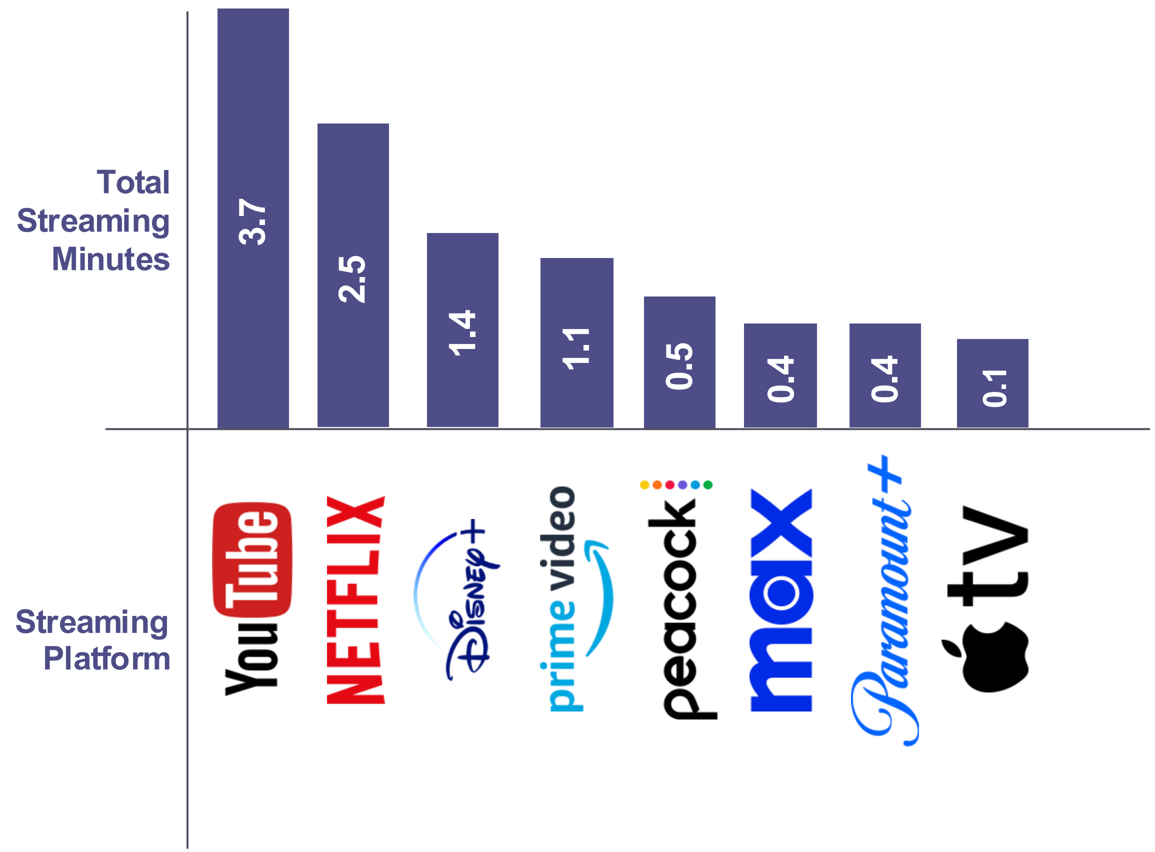

(1) Advertiser Perceptions

# Content Owners and Publishers Navigate New Revenue Models

## Attention Is Concentrating Into Scaled Streaming Ecosystems

### U.S. Streaming Minutes By Platform

*CY 2025, trillions*




### Consolidation Reshaping Media Landscapes

- **Publishers diversifying beyond traditional display**: Publishers expand through commerce media, branded content, and first-party data monetization. Programmatic direct and private marketplaces now account for over 80% of display ad dollars as open exchange reliance declines
- **Warner Bros. Discovery merger reshapes ad inventory landscape**: The $43B powerhouse launched NEO ad platform, unifying premium video inventory across streaming, linear, FAST, and syndication. AdTech platforms and smaller publishers must integrate or lose access to premium inventory and budgets

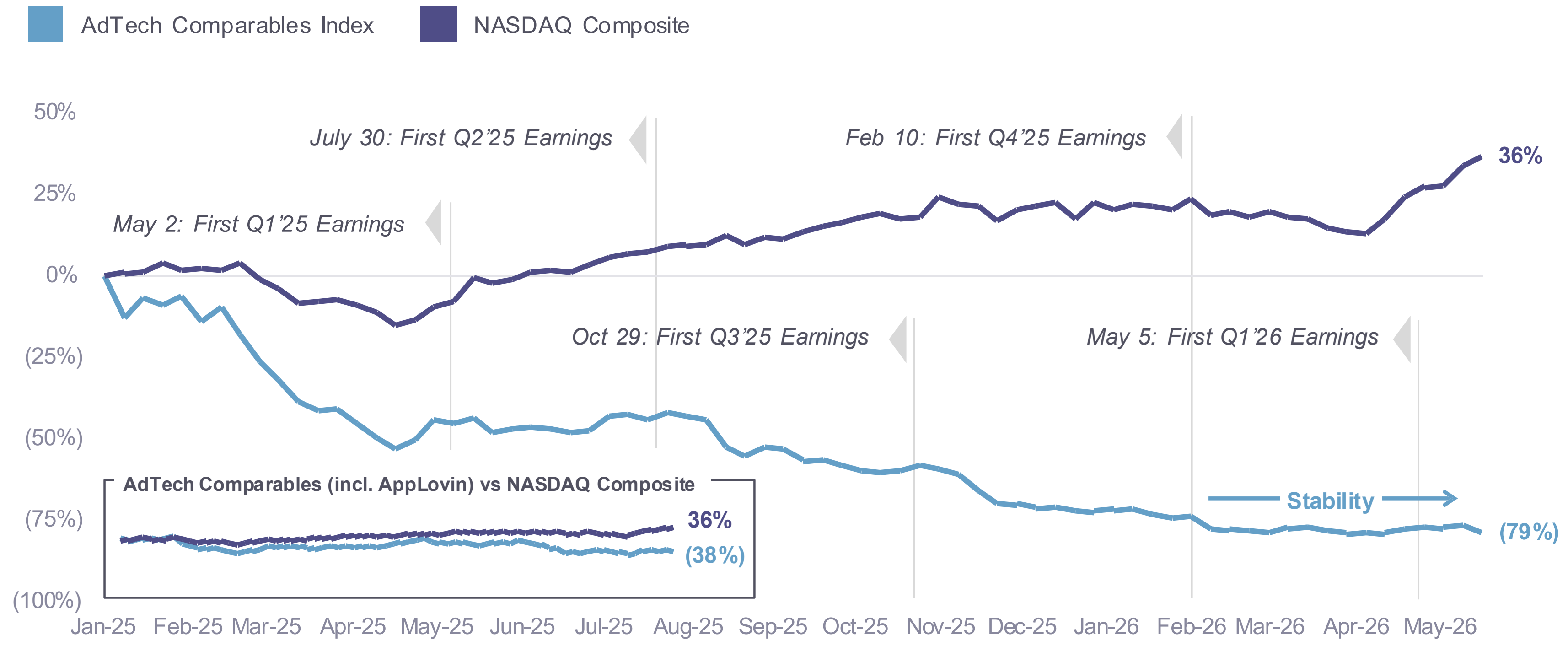
### Concentration Creates AdTech Winners and Losers

- **Streaming consolidation concentrates ad share**: Viewing consolidates into YouTube, Netflix, Disney, and Amazon, giving scaled CTV pipes and identity-rich platforms disproportionate share through first-party data and measurement advantages
- **Long-tail publishers face structural pressure**: Fragmented publishers, smaller AVOD services, and generic SSP aggregators lose ground as advertisers consolidate spend with platforms offering integrated reach, identity, and measurement in a single buy

Source: MoffettNathanson

# AdTech Public Markets: Clear Recovery Trend, Pressure Remains

## AdTech Comparables (excl. AppLovin) vs NASDAQ Composite




## Progress Perspective: Q1'26 Earnings

**AI Becomes the Operating Layer**

AI is shifting from product feature to core infrastructure, widening the gap for platforms that can automate buying, optimization, measurement, and margin expansion.

**CTV Control Points Compound Advantage**

CTV growth is concentrating around platforms with scarce access to premium supply, home-screen inventory, transparency, and measurable outcomes.

**Quality of Growth Drivers Dispersion**

The market is separating leaders with durable growth, margin leverage, and cash flow from weaker models facing mix pressure, integration costs, or open-web exposure.

## AdTech Index Constituent Companies

APPLOVIN, CRITEO, Digital Turbine, Direct Digital Holdings, DoubleVerify, illumin, Magnite, mntn ●

nexxen, PERION, PubMatic, Taboola ●, teads, theTradeDesk, VIANT ●, ZETA ●

1) Equal-weighted index
2) Sources: Market data as of 5/20/26, Pitchbook, Progress Partners Intelligence

● = Raised 26' (All others Maintained 2026 guidance)

# AdTech Public Markets: AI and Control Points Are Redefining Durability

Winners are consolidating around AI-native optimization, premium CTV access, proprietary data, and margin-accretive growth

## Control Points Are Redrawing the Strategic Map…

*Largest M&A opportunity since 2021, driven by consolidation around AI-native platforms, CTV infrastructure, and data ownership*

**AI-Native and Data Control Leaders**

- AppLovin
- Criteo
- DoubleVerify
- theTradeDesk
- Viant
- Zeta

**Premium Scale**

- Magnite
- mntn
- nexxen
- PubMatic
- teads

**Legacy Exposure Remains**

- Direct Digital Holdings
- Taboola

## …With Durability Defined by Control, Automation, and Yield

### AI Decisioning Moves into the Core

- AI driving improvements in yield, conversion, and workflow
- Automation shifting from campaign tools to platform-level OS
- Leaders monetizing AI through revenue density, not just product narrative

### CTV Becomes the Scarcity Layer

*CTV growth is broad-based, but durable value accrues where platforms control:*

- Premium Supply
- Home-Screen Access
- Measurement & Yield

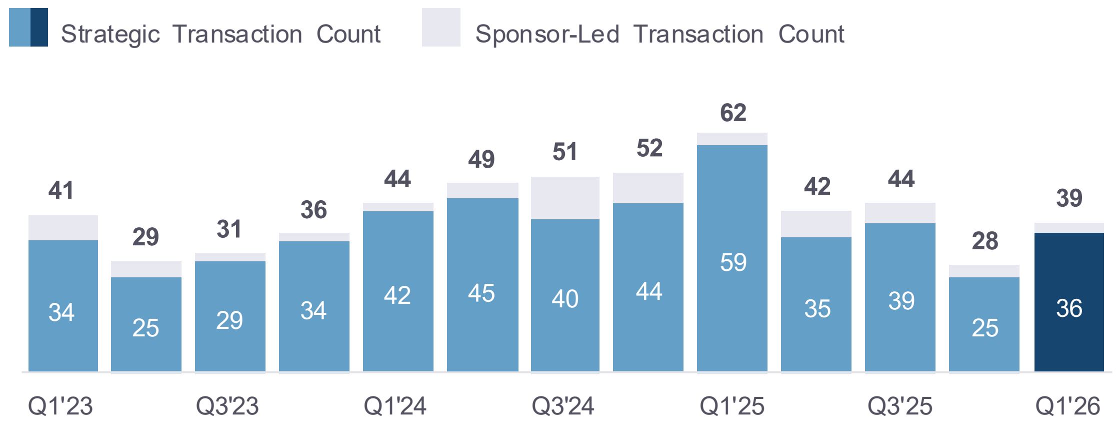
### Profitability Separates the Field

- Scaled leaders pairing growth with margin expansion and FCF
- Mid-market platforms balancing growth against mix and integration drag
- Investors underwriting quality, control, and cash conversion over TAM alone

# Recent M&A Activity Highlights Data-Driven, AI-Led AdTech Shift

Strategic buyers and financial sponsors are consolidating to enhance targeting, automation, and cross-channel optimization

## Strategic M&A Driving AdTech Deal Activity




## Key Trends Driving Activity

### Proprietary Data Becomes the Prize

Buyers are targeting identity, attention, and measurement assets that improve AI differentiation and activation across fragmented media

### Workflow Consolidation Expands Budget Share

Acquirers are connecting planning, activation, and measurement into one operating layer to capture more marketer workflow

### Strategics are Setting the Pace

Strategic buyers can justify higher valuations through data ownership, measurement control, and channel synergies

| | Date | Target | Acquirer |
|---|---|---|---|
| | May-2026 | TVISION INSIGHTS | VIANT |
| | May-2026 | LiveRamp | PUBLICIS GROUPE |
| ● | Apr-2026 | Rocket Lab | MiQ |
| ● | Mar-2026 | keynes * | VOLITION CAPITAL |
| | Mar-2026 | GroundTruth | ZERO TO ONE |
| | Mar-2026 | adsmovil | MiQ |
| | Mar-2026 | traffective | SHOWHEROES |
| | Mar-2026 | adge | PUBLICIS GROUPE |
| | Mar-2026 | Aryel | onetag |
| | Mar-2026 | PathFactory | kaltura |
| | Feb-2026 | CATALINA | INFILLION |
| | Feb-2026 | IndiCue | CINEVERSE |
| | Jan-2026 | splicky | adform |
| ● | Dec-2025 | tvScientific | Pinterest |
| | Dec-2025 | VuePlanner | Cadent |
| | Dec-2025 | TITAN OS | HIGHLAND EUROPE |
| | Nov-2025 | Nativo | Life360 |
| ● | Nov-2025 | TRUEDATA | ID5 |
| ● | Sep-2025 | IAS | NOVACAP |
| | Sep-2025 | captify | verve |

● Denotes Progress Ventures portfolio company
● Denotes Progress Partners-advised transaction
* Minority Investment In Keynes | Sources: PitchBook, Progress Partners Intelligence, S&P Capital IQ

# Publicis/ LiveRamp: When a HoldCo Buys the Identity Layer

## The deal signals that owning technology and data, not media buying scale, will define who leads the market

**~$2.2B Enterprise Value** | **3.0x EV / Revenue** | **21.8x EV / EBITDA**

### Differentiated deal gives Publicis control of the identity layer

- Publicis is acquiring core identity infrastructure, not just another data asset, giving it control of a widely adopted layer for activation, measurement, and clean-room collaboration
- RampID moves from a neutral identity currency used across DSPs, SSPs, publishers, and retail media into a competing HoldCo's stack

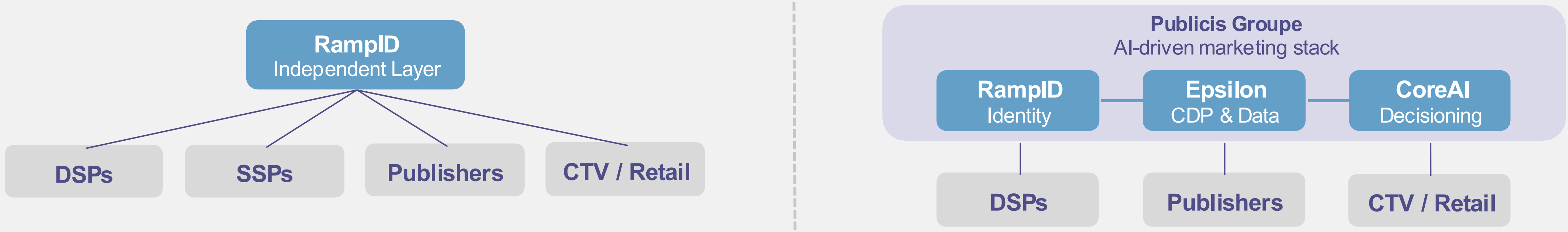
### Ecosystem signal shows identity consolidation is accelerating

- The window for independent identity infrastructure is narrowing as major platforms and HoldCos consolidate the tools needed for targeting and measurement
- Competitors may need to accelerate M&A or partnerships to secure comparable identity, CDP, clean-room, and measurement capabilities

### RampID's Position in the Identity Layer: Before Vs After

**BEFORE**
Neutral identity hub | All buyers and sellers on equal terms

**AFTER**
Inside the Publicis stack | Rivals must build or buy for equivalent capability




Sources: Publicis Groupe, LiveRamp

# Progress Partners – Our EIR Takes:

**Howard Homonoff**

*Principal, Homonoff Media Group*

"The ad tech market seems to be stratifying as more established companies like Zeta, Nexxen and PubMatic, which have accumulated massive proprietary data sources not readily available in the market, may be separating themselves from the flood of "AI in a box" ad tech firms trying to break in or break out. **When AI can conceivably recreate almost any business application, one of the most important challenges for many in ad tech is to differentiate themselves in the market and clearly explain and demonstrate what they provide that cannot be easily replicated elsewhere.**"

**Abeed Janmohamed**

*Founding Partner, Volando Partners*

"We're seeing M&A shift from opportunistic consolidation to strategic necessity. **Buyers are increasingly pursuing assets that strengthen data ownership, AI-driven outcomes, and workflow control, particularly across identity, CTV, retail media, and measurement/attribution."**

**Thomas Morgan**

*Principal, MediaD.tv*

"**2026 growth is expected to be driven by AI-resilient media channels including CTV and mobile in-app, supported by scaling enterprise adoption, increasing end-to-end platform utilization, accelerating mobile in-app revenue**, the Company's exclusive CTV media and data partnership with V (formerly VIDAA) and growing traction with Nexxen TV Home Screen."

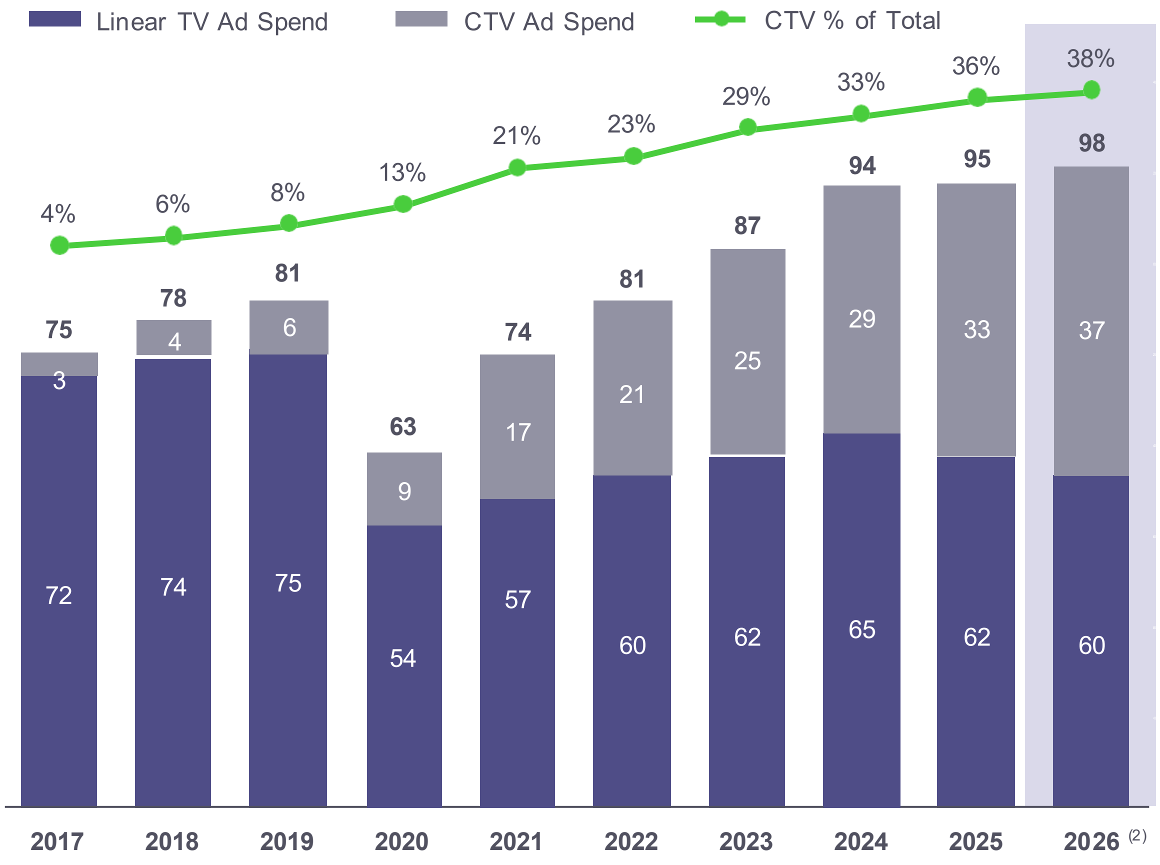
# II. A) CTV Market Overview and Transformation

# Television Advertising Market Overview

## Audience Migration and Ad-supported Expansion Drive CTV's Growing Share of Television Ad Spend

### CTV's Increasing Capture of TV Ad Spending (1)

*Linear and CTV Ad Spending ($ billions)*




### Why: Audience Moved

- **Streaming overtook linear viewing**: streaming captured a record 47.5% of US TV viewing in December 2025, with Netflix's ad tier surpassing $1.5B in revenue (expected to double in 2026), Disney+ reaching 157M ad-supported viewers, and Amazon Prime Video's auto-enrollment normalizing ad-supported streaming as the default consumer experience

### How: Supply Responded

- **Streamers expanded ad inventory aggressively**: 9 streaming services will generate $1B+ in ad revenue by 2026, up from just 2 in 2020; FAST services (Tubi, Pluto, Roku Channel) emerged as a meaningful free tier, while biddable CTV inventory grew from 34% to 47% of supply between 2024 and 2025

### Result: Advertisers Followed

- **Linear-to-CTV reallocation is now mainstream**: marketers on average reallocated 36% of linear TV budgets to CTV in 2025; pharma, healthcare, and retail are leading the shift, and on current trajectories CTV ad spend is projected to overtake linear TV outright by 2028
- **AdTech infrastructure absorbing that reallocation** - programmatic SSPs, identity, measurement, performance attribution - is where public-market durability is increasingly concentrating.

(1) eMarketer, Newspaper Association of America; (2) Progress Internal Model Estimate.

# Advertiser Demand Is Accelerating the Shift to CTV

## Younger Audiences, Ad-Supported Streaming, and Industry Consolidation are Expanding – and Fragmenting – CTV

### Market Forces are Driving CTV Growth

- **Consumer acceptance drives ad-supported streaming expansion**: 60% of consumers accept video streaming with advertising, enabling platforms to expand ad tiers and inventory supply for advertisers
- **Linear TV decline drives advertiser shift to CTV**: Advertisers migrate to CTV to reach cord-cutting households as linear viewership ages and declines
- **Consolidation reshapes the landscape**: Traditional media companies acquire streaming platforms to expand reach - Comcast bought Xumo, Fox acquired Tubi, ViacomCBS purchased Pluto TV, and Fubo merged with Disney's live TV business - while pure-play streamers add ad-supported tiers to capture advertiser demand
- **Streaming profitability pressure pushes platforms toward advertising**: As content and sports rights costs compound, subscription-led streamers like Netflix and Disney+ lean into ad-supported tiers to defend EBITDA. Netflix and YouTube's DTC margin lead ($13.7B and $8.4B EBITDA in FY25) sets the benchmark the rest of the industry is chasing

COMCAST >>> XUMO
FOX >>> tubi
VIACOMCBS >>> PLUTO TV
fubo >>> Disney
frndly TV >>> Roku

### Result: Fragmented but Expanding CTV Supply

| | | | |
|---|---|---|---|
| Streaming Network Extensions | discovery+ | HBO max | peacock |
| Smart TV Manufacturers / OEMs | LG | SAMSUNG | VIZIO |
| TV Station Group | SINCLAIR BROADCAST GROUP | HEARST ANYSCREEN | Nexstar MEDIA GROUP, INC. |
| CTV Devices | fire tv stick | Roku | tv |
| AdTech Platforms | FREEWHEEL A COMCAST COMPANY | Magnite | theTradeDesk |
| OTT Platforms | prime video | YouTubeTV | NETFLIX |

Source: Forbes

# Performance Marketing is Coming to CTV

## Improved Measurement Capabilities Drive Performance Advertisers Migration from Linear TV and Expansion Beyond Search and Social

### Performance Advertisers Shift Budget to CTV

- **Performance budgets shift from search and social to CTV**: Performance marketers spent $130B+ on search and social last year; CTV's improved attribution capabilities enable re-allocation of ad spend from digital and linear channels to connected TV
- **Performance advertisers increase CTV investments as measurement and attribution improve**:
  - **~80%** of linear TV advertising dollars are represented by the top 500 brands who are now expanding into CTV (1)
  - **~54%** of advertisers planning to increase programmatic CTV investments next year (2)

### Why: Performance Marketers Are Moving to CTV

- **CTV offers performance marketing capabilities previously only available in digital channels with 3 clear reasons**
  1. **Attribution & measurement**: CTV technology is built on the same infrastructure as search and social, enabling performance tracking
  2. **Accessible inventory**: Programmatic buying makes CTV accessible to advertisers of all budget sizes
  3. **Proven ROI**: Early adopters are seeing results comparable to other performance channels

**Major Performance Advertisers in CTV**

GEICO | Verizon | Progressive | State Farm | AT&T | T Mobile

Sources: Stephens, eMarketer

# II. B) CTV Market Structure and Mechanics

# CTV: Not Linear, Not Display

## CTV is Unique to the Market, and Advertisers Seek Efficiency and Scale When Buying

### Programmatic Dominance in CTV

- **8 in 10 CTV ad dollars transacted programmatically**: CTV currently accounts for 16% of total U.S. display programmatic spending, with YouTube representing ~50% of U.S. CTV programmatic ad spending and driving growth forecasts[(1)]
- **Upfront deals persist but programmatic grows**: Some streaming services still prefer traditional upfront deals (like TV networks), but advertisers increasingly favor programmatic for flexibility and measurability[(1)]

### CTV Commands Premium CPMs

- **High Engagement justifies premium pricing:** CTV ads are more expensive than other digital formats because they (i) can't be easily blocked or skipped, (ii) have less visual clutter than web, and (iii) are viewed from start to finish
- **Superior measurement + targeting unlocks higher ROI:** Advertisers pay up for CTV because it combines TV-scale reach with digital-level targeting and attribution, making performance easier to prove than linear TV

#### Traditional TV

Variance in CPM by Type
**(13 min/hr. Avg)**

| | | |
|---|---|---|
| CPM Primetime | = | $45 |
| CPM Scatter | = | ~$25 |
| CPM Average | = | $10 |

#### Variance in Ad Loads

| | | |
|---|---|---|
| **High** | hulu | 9 min/hr |
| **Medium** | peacock | 5 min/hr |
| **Low** | HBO max | 3 min/hr |

#### CPMs by Service

| | |
|---|---|
| HBO max | ~ $40 - $50 |
| hulu | ~ $32 |
| discovery+ | ~ $20 - $40 |

#### CPMs by Media Type

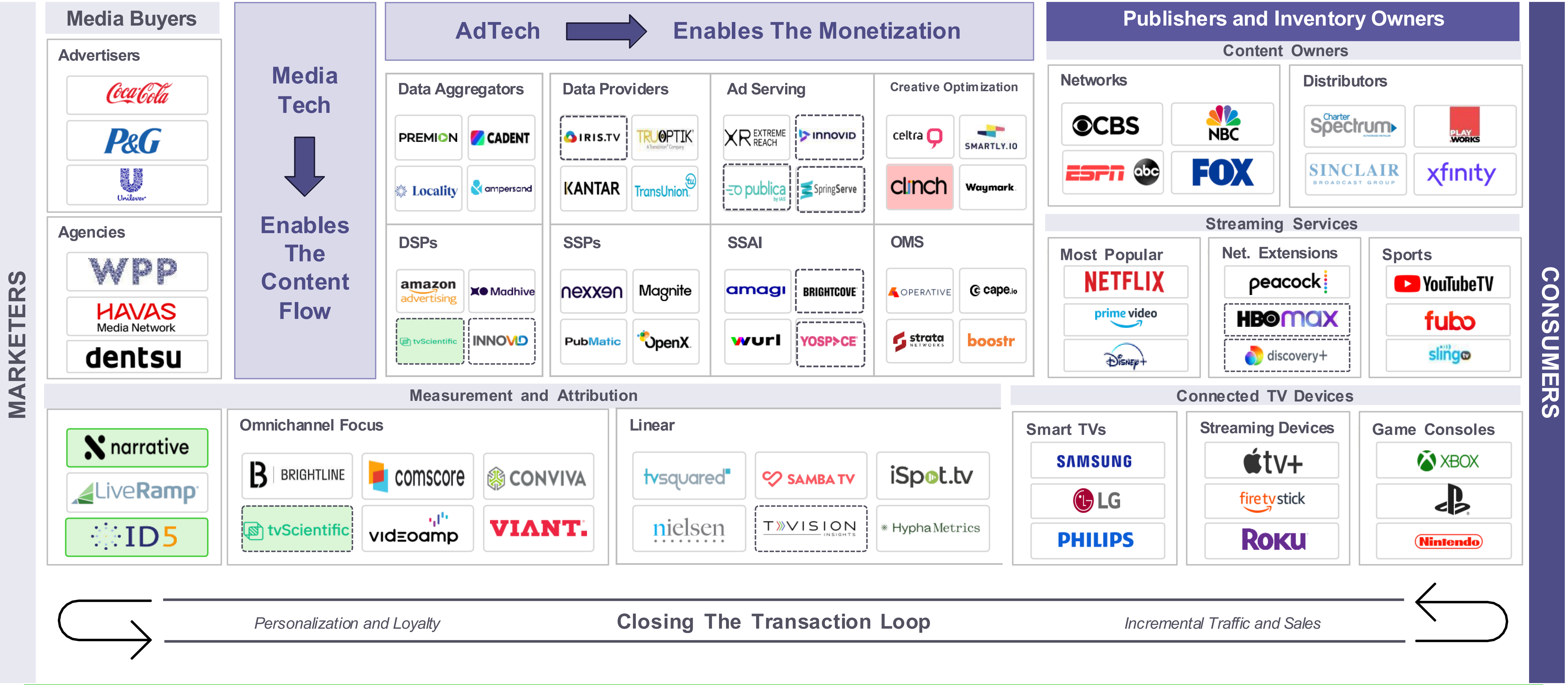
| | |
|---|---|
| Streaming live sports | ~$40 |
| TV network streaming services | $25 - $ 35 |
| Podcasts | $15 - $30 |
| Digital Display | $15 - $30 |
| Social | $2 - $30 |



Sources: (1) eMarketer, nScreenMedia, Extreme Reach

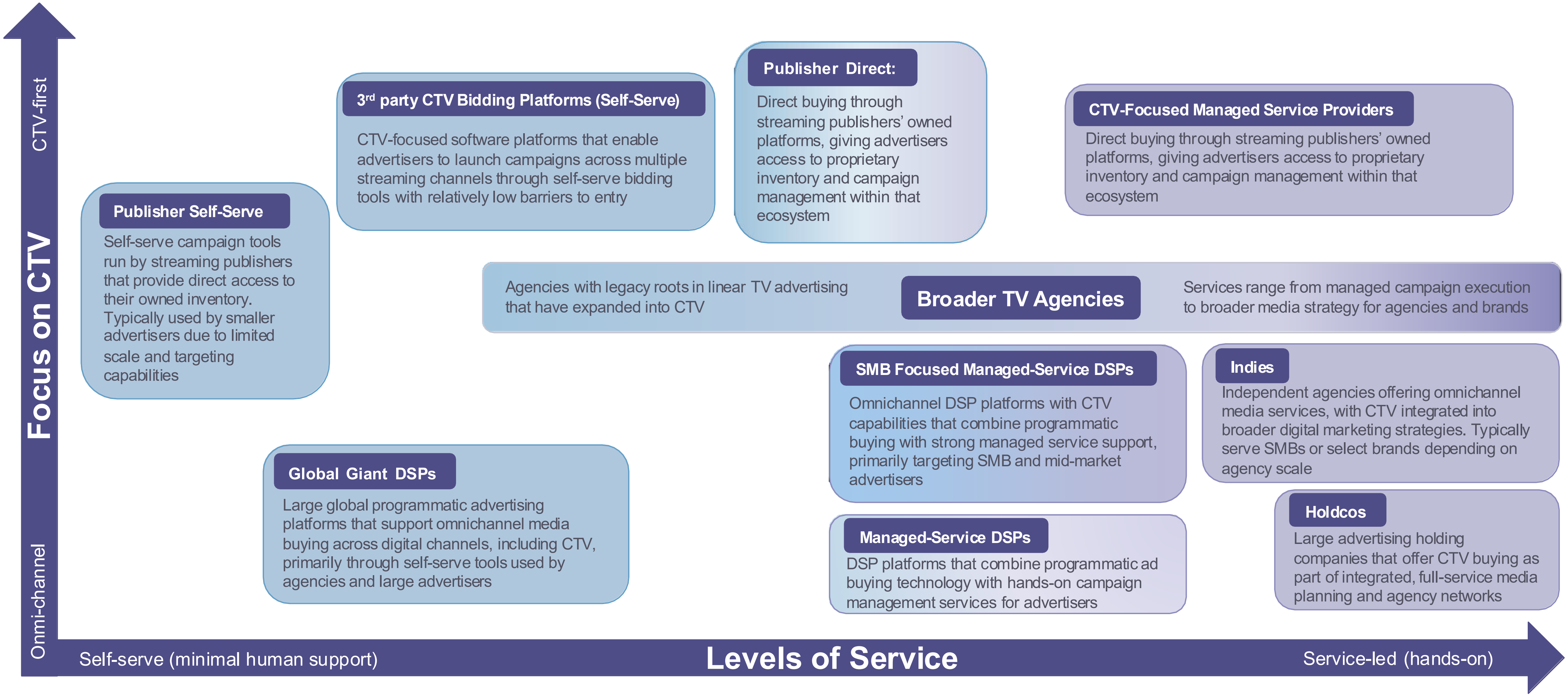
# Key Players in the CTV Landscape

## The CTV Value Chain Spans a Fragmented Network of Advertisers, Platforms, and Devices Linking Brands to Viewers



# Key Competitor Archetypes in the CTV Ad Buying Landscape

## CTV Ad Buying is Consolidating Around Managed Services, Self-Serve Platforms, and Full-Service Agencies



Need to add some logos

# Key Competitor Archetypes in the CTV Ad Buying Landscape

## CTV Ad Buying is Consolidating Around Managed Services, Self-Serve Platforms, and Full-Service Agencies

**Focus on CTV** (CTV-first → Omni-channel)

**Levels of Service**: Self-serve (minimal human support) → Service-led (hands-on)

**Publisher Self-Serve**
- Paramount ADS MANAGER
- Roku Ads Manager
- Campaign Manager

**3rd party CTV Bidding Platforms (Self-Serve)**
- vibe
- ribeye
- mntn
- Madhive

**Publisher Direct:**
- Disney Advertising
- peacock
- NBCUniversal

**CTV-Focused Managed Service Providers**
- keynes
- olyzon
- NEONPIXEL
- tvScientific
- STRATEGUS

tatari · Cadent · **Broader TV Agencies** · rainstorm direct · Locality

**Global Giant DSPs**
- amazon DSP
- yahoo!
- theTradeDesk
- Google Display & Video 360

**SMB Focused Managed-Service DSPs**
- Simpli.fi
- StackAdapt
- PREMION

**Managed-Service DSPs**
- Quantcast

**Indies**
- WPROMOTE
- Digital Remedy
- Power Digital
- rain the growth agency
- GOODWAY GROUP
- PMG

**Holdcos**
- IPG
- WPP
- dentsu
- OMG

# II. C) CTV Growth Drivers and Trends

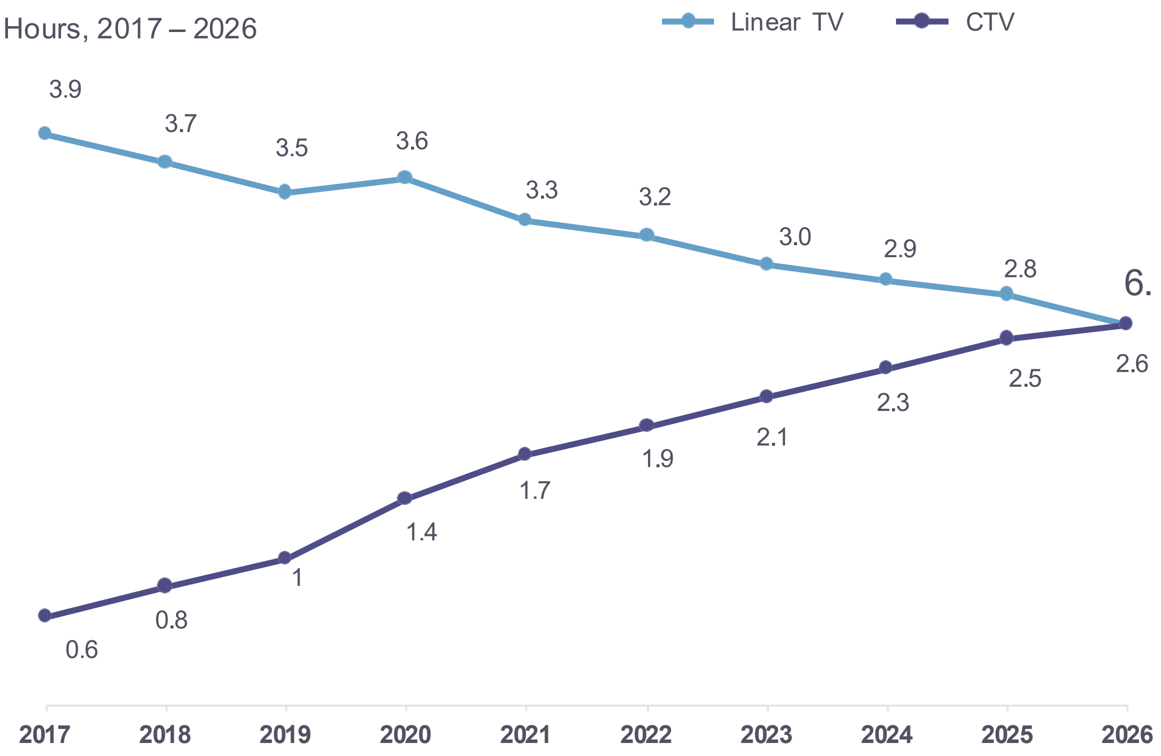
# CTV Growth Leads to Budgets of Large Advertisers to Follow

## Time Spent by Consumers on CTV is Taking Over Time Spent on Linear TV

**The share of TV viewing time on streaming platforms…**

**Average Time Spent Per Day With Connected TV and Linear TV, US**

Hours, 2017 – 2026




**… with continued CTV penetration expected to drive growth in the CTV advertising market going forward**

- **Streaming/CTV viewing has become the dominant way Americans use TV -** so brand video reach increasingly requires CTV. Nielsen's *The Gauge* shows streaming hit 44.8% of total TV usage in May 2025, surpassing broadcast + cable combined (44.2%), with streaming usage up 71% vs. May 2021
- **CTV penetration is approaching "default distribution" scale, and forecasts show it still growing.** EMARKETER projects that by 2026, over 85% of U.S. households (and nearly 70% of the population) will use connected TV—expanding the addressable audience that advertisers can reach via CTV buys
- **Penetration is creating more monetizable inventory, especially via ad-supported streaming and FAST.** Nielsen reports FAST services Pluto TV + The Roku Channel + Tubi reached 5.7% of total TV viewing in May 2025, and notes that "virtually all subscription-based platforms now have ad-supported components," increasing available CTV ad supply as streaming becomes the primary viewing mode
- **Spend is already following the audience shift—and industry forecasts explicitly call for continued CTV ad growth.** IAB estimates CTV ad spend grew 16% YoY in 2024 (to $23.6B) and projects $26.6B in 2025; IAB CEO David Cohen adds that "CTV… is a go-to channel… and is expected to continue growing," as high-quality streaming content and improved ad tech/measurement accelerate adoption by advertisers

Source: eMarketer

# CTV Growth Leads to Ad-Supported Streaming Expansion

## The Increase in Volume of CTV Inventory Available has Given Advertisers a New Way of Targeting Audiences

| Streaming Platform | US OTT video viewers (2025, m) | US subscribers ad-supported OTT penetration (2024 %) | Ad-funded models | Live sports tie-ups (non-exhaustive) * |
|---|---|---|---|---|
| NETFLIX | 197 | 21% | • Basic with Ads tier launched in the U.S. in November 2022, introducing Netflix's first ad-supported subscription option | RAW, NFL |
| prime video | 166 | 80% | • All subscribers shifted to an ad-supported model by default in January 2024, with ad-free viewing available as a paid add-on | Thursday Night Football, NBA, WNBA |
| hulu | 131 | 68% | • Ad-supported subscription tier offered alongside ad-free options as part of the broader Disney streaming ecosystem | NHL |
| Disney+ | 126 | 37% | • Basic with Ads tier launched in the U.S. in December 2022 as part of Disney's broader ad-supported streaming strategy | ESPN |
| max | 95 | 24% | • Ad-supported subscription tier launched in June 2021, offering a lower-priced option supported by advertising | NCAA March Madness |
| peacock | 91 | 78% | • Free ad-supported streaming service since launch, with optional paid tiers that offer reduced or no advertising | NBA, NFL, NASCAR |
| Paramount+ | 91 | 75% | • Ad-supported subscription tier offered since launch as CBS All Access in 2014, combining subscription and advertising revenue | UEFA |
| Roku | 87 | 95% | • Free ad-supported streaming platform monetized primarily through advertising across The Roku Channel and partner inventory | Roku Sunday Leadoff |
| tubi | 79 | 100% - exclusively FAST | • Fully FAST streaming service supported entirely by advertising with no subscription option | Super Bowl |

Source: eMarketer

* = Live sports have become the retention anchor, the CPM premium driver, and the addressable advertising opportunity that justifies platform-level investment.

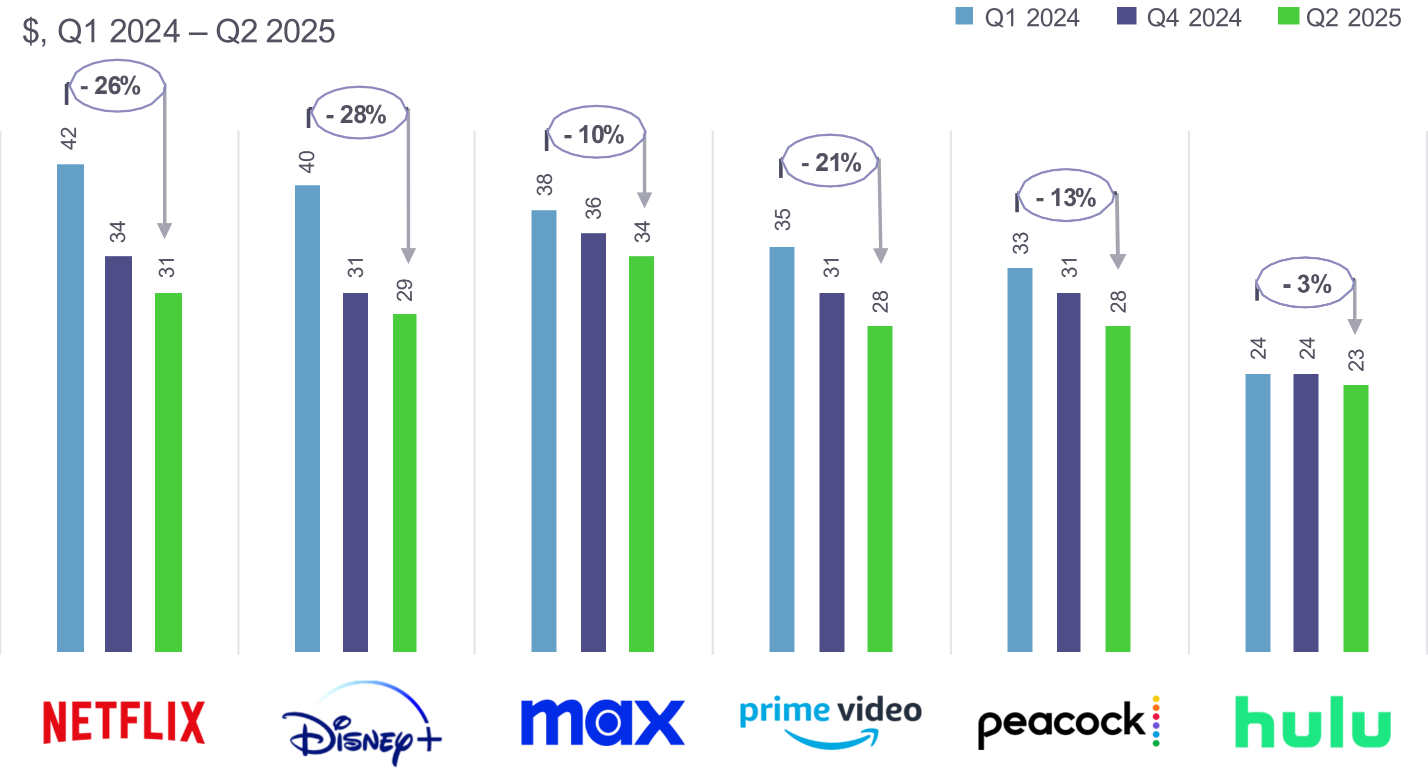
# CTV Growth Leads to Cheaper Ads and Opens Up to SMBs

## Growth in CTV has Increased Competition Between Streaming Providers and Creates Opportunity for SMB Advertisers

**The introduction of an ad-supported tier on Prime Video resulted in a significant increase in inventory, leading competitors to reduce CPMs…**

**Average US ad-supported video-on-demand (AVOD) CPMs, by platform**

$, Q1 2024 – Q2 2025




**… and opening the CTV market up to more SMBs**

- **CTV is scaling even as pricing becomes more accessible:** IAB reports CTV ad revenue reached **$23.6B in 2024** and is projected to grow to **$26.6B in 2025**, while premium AVOD CPMs declined materially
- **Prime Video's ad launch materially expanded supply and pressured CPMs downward:** Amazon entered at **~$35 CPM** and added an estimated **~50B U.S. ad impressions**, accelerating industry-wide streaming CPM compression
- Industry leadership ties self-serve + accessible pricing directly to SMB adoption: "**Self-service… accessible pricing… and ability to link spend to outcomes has empowered small and mid-size businesses.**" - David Cohen, CEO, IAB
- **Lower minimums and digital-style buying reduce traditional TV friction:** Hulu Ad Manager campaigns start at **$500 minimum**, and Roku launched a CTV buying workflow designed **for brands of any size**, lowering barriers for SMB and mid-market advertisers
- Top AVOD/FAST streaming hours **grew +35% YoY in 2025, compared with +5% for second-tier SVOD and +3% for top SVOD** - the inventory growth advertisers are chasing is concentrated in ad-supported and free formats

# Smaller Advertisers’ CTV Spend To Grow Ahead of Enterprises

## Streaming Providers Have Invested in SMB Focused Solutions as they Anticipate Faster CTV Growth in this Area

**CTV Developments Focused on SMB / Mid-market and Data Availability**

| | |
|---|---|
| NETFLIX | • **GTM Strategy**: Netflix has developed a CTV strategy targeting SMB advertisers which involves establishing reseller relationships with SMB-focused agencies and tech MSPs |
| Disney+ / hulu | • **Self-serve platform**: Disney Campaign Manager enables advertisers to launch with a minimum budget of $500 per campaign. Initially only Hulu content was available, however it has since been expanded to include Disney+ and ESPN+ inventory<br>• **Data availability**: The platform leverages LiveRamp<br>• **Creative suites**: Plans to support advertisers through the full journey with a future launch of tools to support the creation of creative assets |
| Paramount+ | • **Self-serve platform**: Paramount Ads Manager launched in July 2024, designed to attract ad dollars from small and mid-sized businesses; the platform features self-serve creative tools using genAI from Waymark<br>• **Data availability**: Investment in data, technology, and identity frameworks to expand its attribution capabilities and attract social media budgets |
| Roku | • **Self-serve platform**: Roku Ads Manager launched in September 2024 aimed at better serving SMB / Mid-market advertisers. The platform incorporates shoppable ads for Shopify merchants and action ads. In Q2 ’25 investor communications mentions “it as a tool that democratizes television bringing hundreds of net new advertisers to TV that we wouldn’t have seen”<br>• **Data availability**: Retail data partnerships i.e. Instacart; helping to drive commerce which in turn improves the ability to prove ROI |
| tubi | • **GTM Strategy**: Tubi has built a mid-market sales team focused on local / mid-sized agencies and programmatic tech platforms (i.e. DSPs / SSPs) |
| Universal Ads / COMCAST | • **Self-serve platform**: Launched in Q1 2025,  Universal ads is aimed at advertisers of all sizes and incorporates inventory from several publishers including: Fox Corporation, NBCUniversal, Paramount, and Roku<br>• **API partner program:** Launched in June 2025 with partners across measurement and creatives |

Sources: Netflix, Disney+, Hulu, Paramount, Roki, Tubi, Universal Ads, Comcast

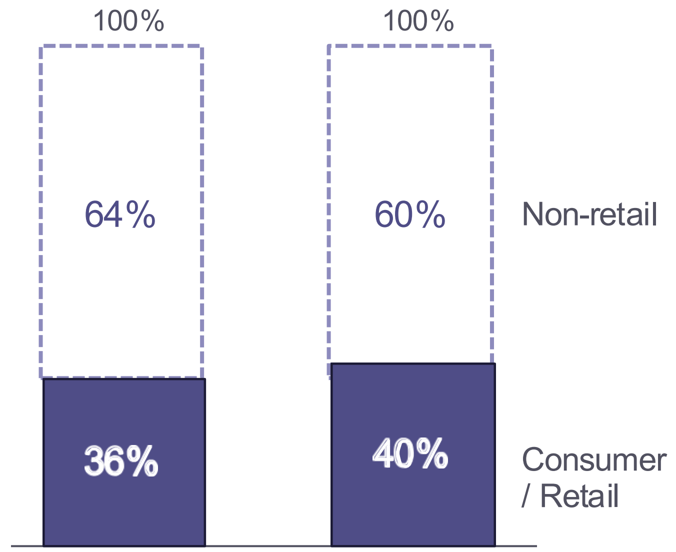
# Retail Vertical Shows Faster CTV Ad Spend Than Other Advertisers

## Commerce Accountability Is Pushing Retail Spend Into CTV Faster Than Other Verticals

### A high share of CTV / video advertising is from advertisers in the Consumer / Retail vertical

**Proportion of CTV / video advertising revenue from Consumer / Retail advertisers**

%, 2024




TVISION — Connected TV, *All businesses sizes*

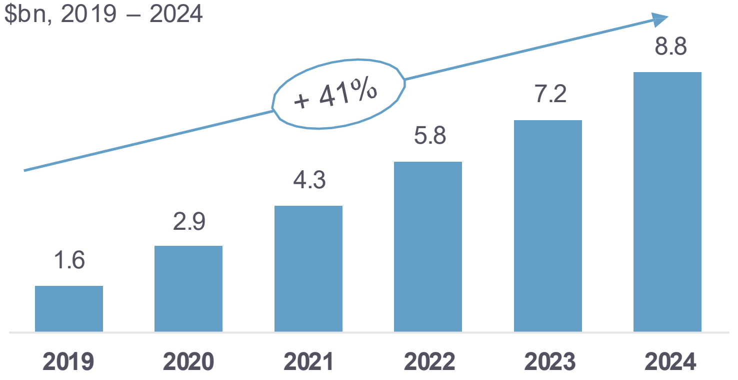
iab. — *Digital video advertising*, *All business sizes*

IAB indicated that the Consumer / Retail vertical would grow faster than the wider market (2024-25)

### Economic partners integrated with streaming providers have experienced strong growth

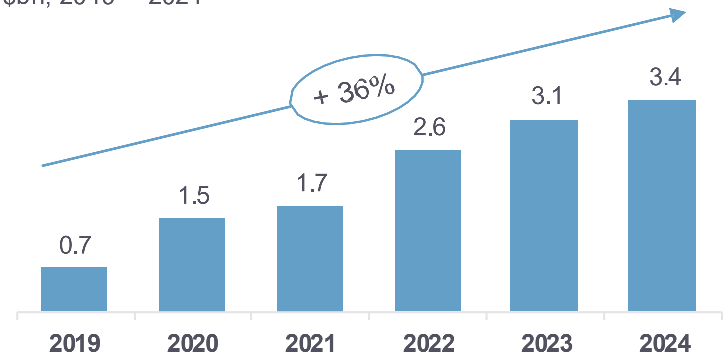
**Shopify Revenue**

$bn, 2019 – 2024




**Instacart Revenue**

$bn, 2019 – 2024




### Market experts expect CTV ad spend from retail businesses to grow faster vs. other verticals

- **Industry forecasts indicate Retail/Consumer will outpace broader CTV growth:** IAB projects continued double-digit CTV growth through 2025 and highlights Commerce/Consumer advertisers as key growth drivers
- **Retail's performance-driven model aligns with CTV's improved attribution capabilities:** As streaming platforms expand commerce integrations and closed-loop measurement (including shopper data matching and retail media tie-ins), retail advertisers can increasingly link CTV exposure to site visits, conversions, and sales - giving the vertical clearer ROI visibility than traditionally upper-funnel categories
- **Commerce integrations accelerate vertical-specific momentum:** Retail-focused ecosystems (e.g., Shopify integrations, Instacart partnerships, and retail media network extensions into CTV) are scaling rapidly, creating more deterministic targeting and purchase-based optimization - reinforcing expectations that eCommerce-driven advertisers will increase CTV spend faster than brand-only verticals

Sources: TVision, IAB, Pitchbook

# Progress Perspective

## CTV Market Highlights

| | |
|---|---|
| **Legacy Restructuring** | Legacy media business models are unraveling: Comcast spun off Versant (CNBC, USA, E!) in January 2026, Paramount Skydance is acquiring WBD for $110.9B, and Charter and Cox are combining at $34.5B EV – capital and content rights are rotating from linear to CTV faster than even bullish forecasts predicted. |
| **Sports Migration** | Live sports- long that last linear moat – is now CTV-native: Amazon Prime (NFL Thursday Night), Netflix (Christmas Day NFL, WWE), Apple (MLS Season Pass), Peacock (NFL/Olympics), and YouTube TV (NFL Sunday Ticket), collectively shifted the final tentpole driving linear retention to streaming. Sports' migration to streaming is structurally positive for CTV CPMs, addressable advertising, and identity-linked monetization - the economics that drive AdTech revenue density. |
| **Supply Concentration** | Streaming inventory is consolidating into Netflix, Amazon Prime, Disney+, and YouTube while ad demand fragments from a handful of holdcos to thousands of brand-direct and SMB buyers - creating sustained intermediation opportunity at the workflow, identity, and access layers. OS and home-screen control (Roku, Amazon Fire TV, Samsung, LG, Vizio) increasingly determines which ad ecosystems get scale - concentrating value at the device and discovery layer, not just the content layer. |
| **AI Stack Compression** | Just as programmatic compressed the digital stack, agentic AI will compress CTV planning, buying, measurement, and creative into integrated workflows – proof points already emerging via Mediaocean-Innovid, Viant-IRIS.TV/Tvision, and Pinterest-tvScientific transactions. |
| **Identity & Measurement** | Cross-platform identity (LiveRamp/Habu, ID5/TrueData), household-level measurement (Viant/Tvision, Samba/Semasio), and clean rooms are the remaining bottleneck for CTV growth – and where the next wave of consolidation is most concentrated. |

Source: eMarketer

# What to Watch in 2H 2026

## Three Structural Forces That Will Shape AdTech Outcomes Through Year-End

### Amazon's DSP's Expanding Gravitational Pull

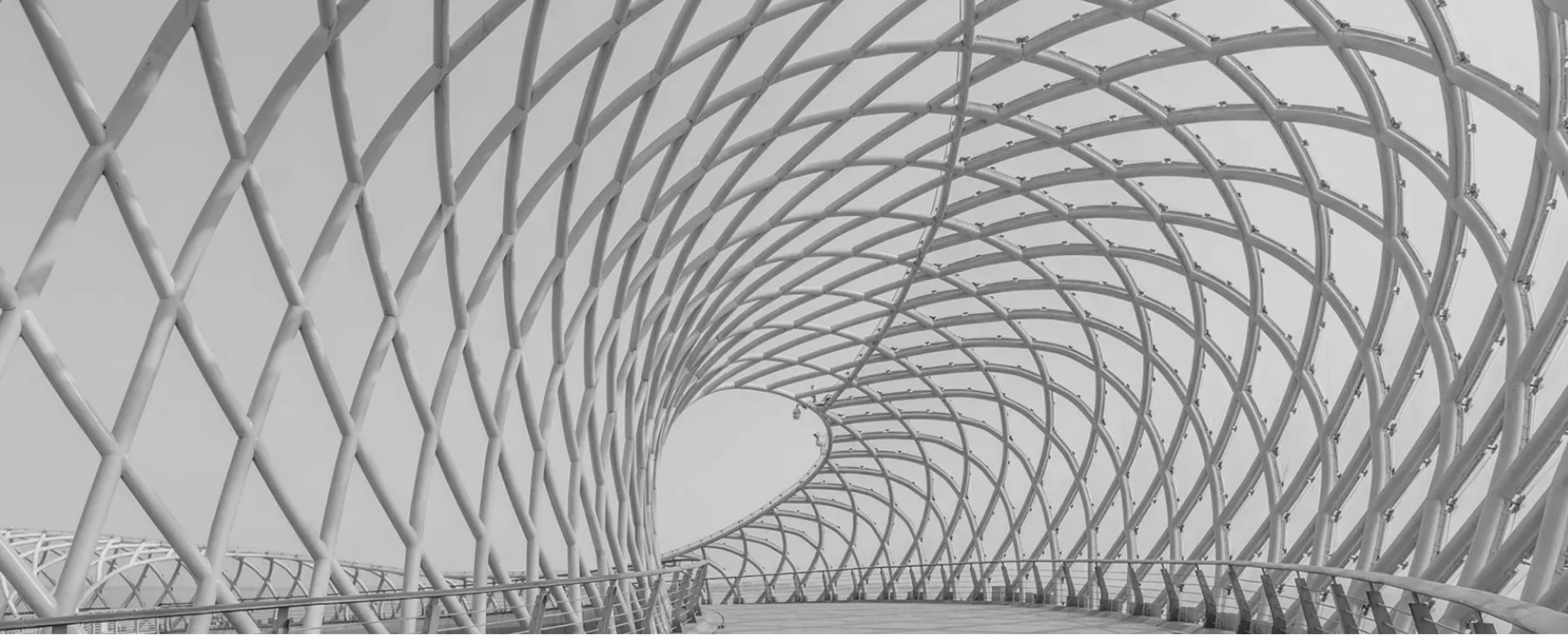
- Amazon DSP is increasingly the default cross-channel buying surface for performance budgets, pairing first-party retail signal, Prime Video CTV inventory, and Sponsored Ads into a single closed-loop stack.
- Prime Video's auto-enrollment added an estimated ~50B U.S. ad impressions and compressed industry-wide CPMs (see slide 25), pressuring pure-play DSPs on both demand and supply.
- ***Watch:*** The Trade Desk's Q3/Q4 share trajectory, Amazon's continued expansion into non-endemic categories, and how independent DSPs respond on pricing, AI workflow, and CTV access.

### AI Disruption to the Open Web

- Agentic browsers, answer engines, and AI summarization are compressing referral traffic to open-web publishers - the same publishers that anchor third-party programmatic supply.
- As open-web inventory monetizes less efficiently, ad dollars accelerate their migration to walled gardens, CTV, retail media, and creator-driven social - reinforcing the control-point thesis.
- ***Watch:*** Publisher ad revenue disclosures, programmatic open-exchange volume trends, and how SSPs and DSPs reposition toward curated supply, commerce media, and CTV.

### CTV Consolidation Accelerates

- The Paramount-Skydance/WBD combination ($110.9B), Comcast's Versant spin-off, and Charter-Cox ($34.5B EV) are reshaping where premium CTV supply sits and how it is monetized.
- Identity and measurement consolidation continues in parallel - LiveRamp/Publicis, TV/TVision, Pinterest/tvScientific - concentrating control across the buy and sell sides.
- ***Watch***: Streamers need identity and measurement; AdTech needs premium inventory and data. Expect cross-boundary M&A - identity, clean-room, and agentic buying platforms as targets, à la Publicis/LiveRamp.



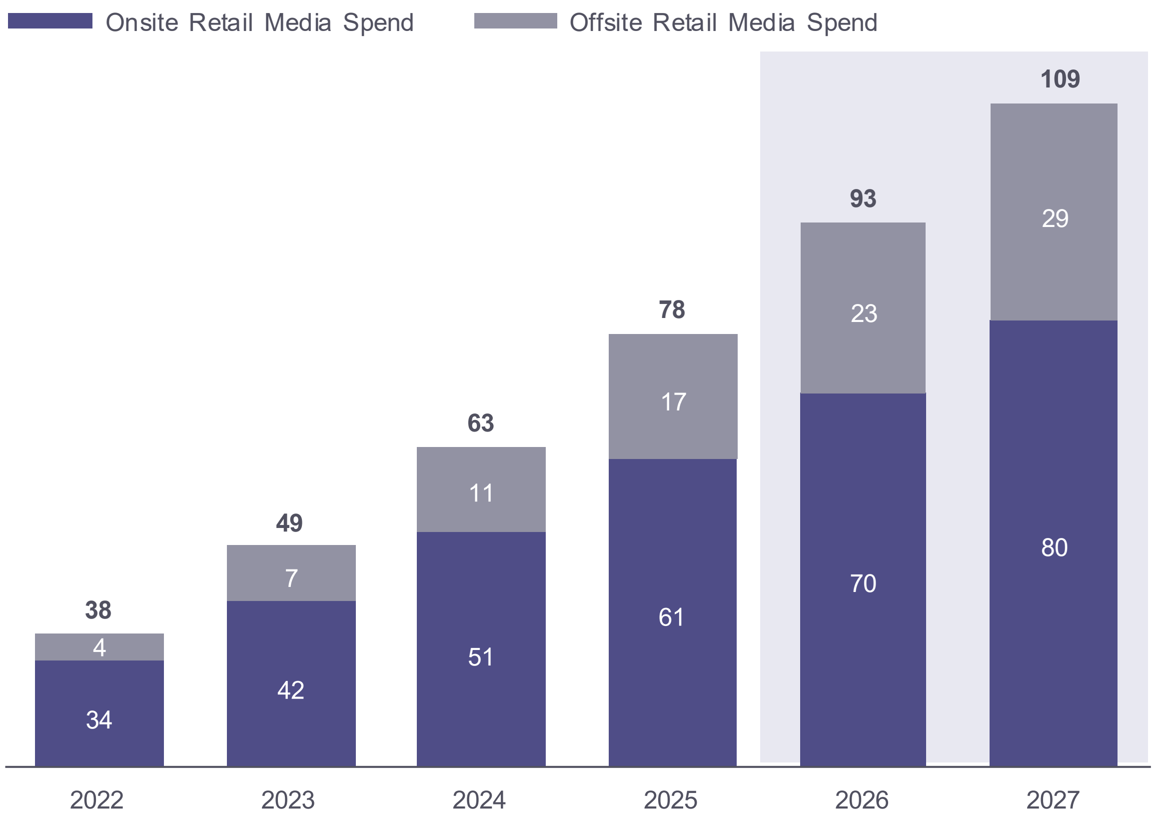
# III. Retail Media

# Retail Media Advertising Market Overview

## Digital Commerce Growth and First-Party Data Capabilities Drive Retail Media's Expanding Share of Digital Ad Spend

### Retail Media Ad Spending Growth [(1)]

*Retail Media Ad Spending ($ billions)*




### Why Advertisers Moved

- **Retail media offers closed-loop attribution**: Brands shifted ad spend to retail media networks as they provide direct connection between ad exposure and purchase, enabled by retailers' first-party transaction data and ability to measure ROI at point of sale.

### How Supply Responded

- **Retailers build advertising businesses as new revenue streams**: Major retailers launch media networks and expand ad inventory across owned properties (websites, apps, in-store), creating additional supply for brands under pressure to prove performance and reach high-intent shoppers.

### Why Scale Accelerated

- **E-commerce penetration unlocks addressable inventory**: Retail media growth is fueled by increased online shopping, proprietary customer data, and performance measurement capabilities that enable brands to target, optimize, and prove effectiveness in ways traditional channels cannot.

Source: (1) eMarketer

# The Evolution of Retail Media: Amazon Set the Stage (2012 – 2016)

## Building the Blueprint for Retail Media Dominance

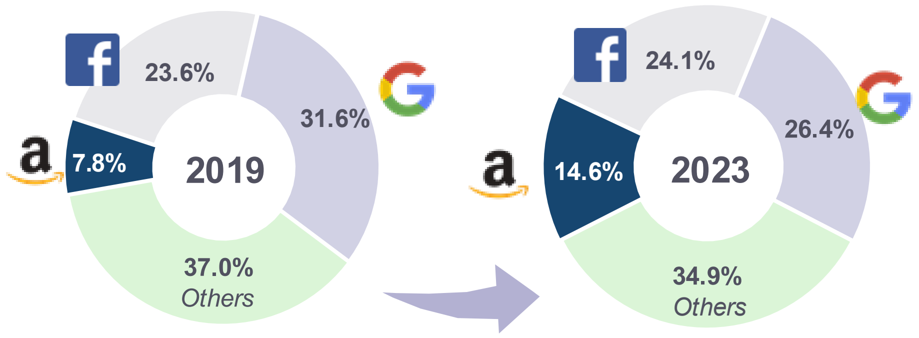
**2012 - 2016** | 2017 - 2019 | 2020 - Present

### Amazon's Retail Media Leadership

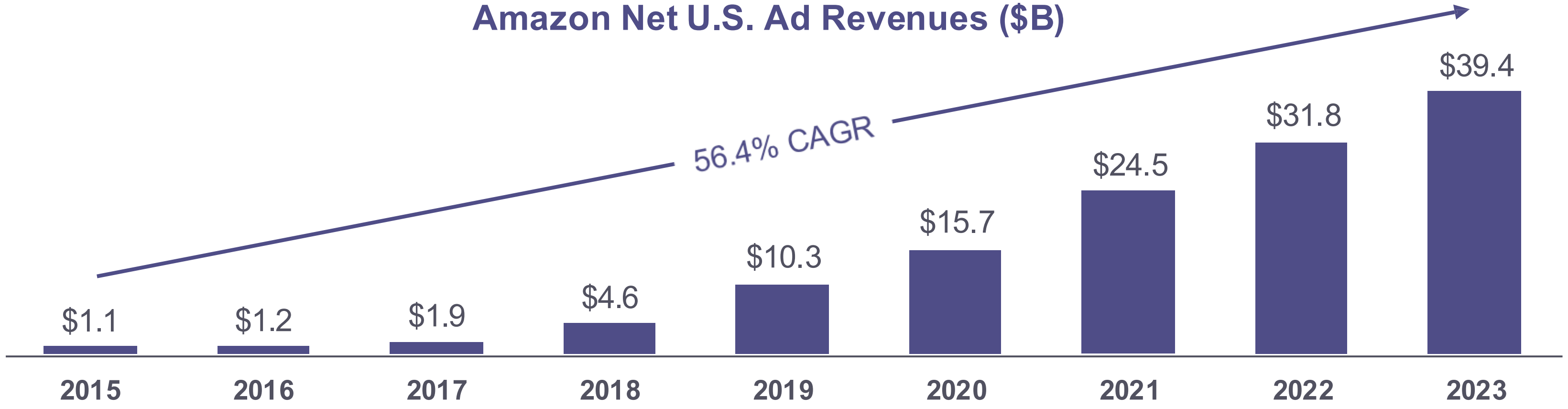
- **First-mover advantage in retail media:** Amazon was the first major online retailer to implement a retail media network; eBay followed but was unable to adapt as quickly
- **Scaled into an advertising giant:** Amazon forecasts its ad business could surpass **$67B by 2025**, positioning itself among the leading digital advertising platforms

### From Duopoly to Triopoly

*% of US Digital Media Revenue*




### Amazon Net U.S. Ad Revenues ($B)




Sources: eMarketer, Lek

# The Evolution of Retail Media: Others Follow Amazon's Lead (2017 – 2019)

## Early Success Drives Widespread Retail Media Adoption

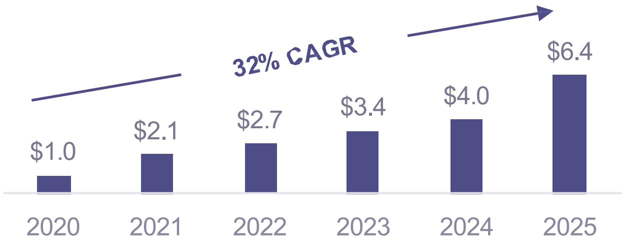
2012 - 2016 | **2017 - 2019** | 2020 - Present

### Amazon's Success Sparks Industry-Wide Adoption

- **Other retailers follow Amazon's lead:** As Amazon's retail media business began eclipsing $1B in 2016, a few other large retailers took note and began rolling out their own media networks

- **Branded as Walmart Connect**, it has created the ability to correlate online and in-store activity for advertisers

**Walmart Ad Revenues, $B** *(1)*




- **Rebranded as Roundel** 3 years after its launch in 2016, and has since partnered with Disney to inform CTV ad buys

**Target wants to build a media business to rival Amazon**

May 3, 2019 | By Hilary Milnes

- **First to expand outside traditional retail**, and has since grown to be used by over 2,000 brands


Source: eMarketer

# The Evolution of Retail Media: Media is Everywhere (2020 – Present)

## How First-Party Data Turned Every Brand into a Media Owner

2012 - 2016 | 2017 - 2019 | **2020 - Present**

### Amazon's Retail Media Leadership

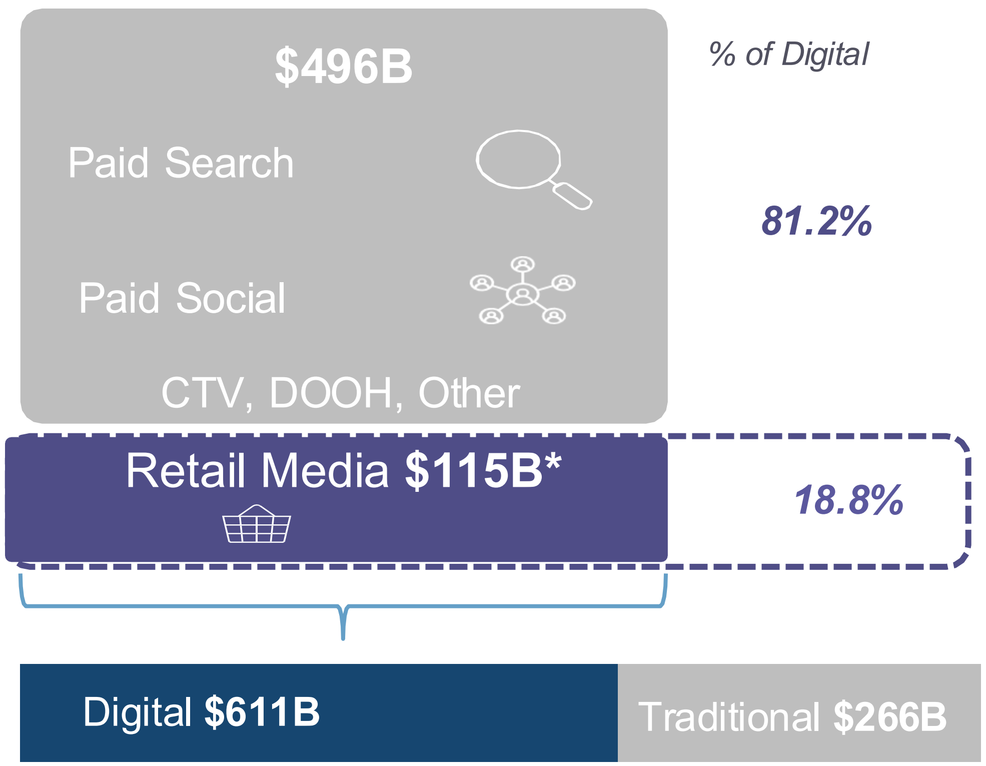
- **Retail media networks are now ubiquitous.** Their growth has been driven by the expansion of eCommerce, accelerated by Covid-19 and strengthened by increasing data privacy regulations.
- **Advertisers historically lacked clear performance attribution.** Connecting advertising spend directly to purchase outcomes was a persistent challenge.
- **Retail media enables more relevant and privacy-safe advertising.** Brands can better serve customers with personalized offers and incentives while relying on compliant first-party data.
- **Retail media now extends beyond traditional retail.** Any business with first-party data and customer touchpoints, including hospitality, travel, automotive, and banking, can participate in this ecosystem.

| | | | | | |
|---|---|---|---|---|---|
| eCommerce Marketplaces | amazon | ebay | Etsy | | |
| Merchandise Retailers | TARGET | Walmart+ | macy's | | |
| Specialty Retailers | The Home Depot | Kroger | Best Buy | Walgreens | petco |
| Intermediaries | Expedia | DOORDASH | Uber | instacart | |

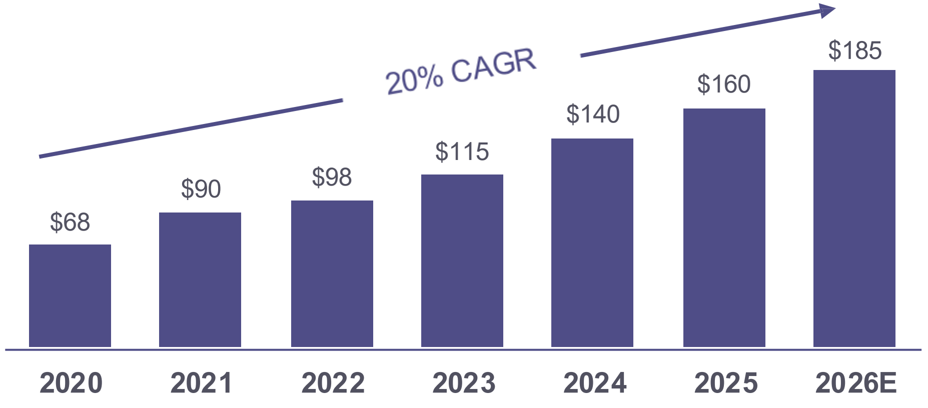
# Retail Media is Now the Third Largest Digital Channel

## Fueled by Continued Growth in eCommerce, Retail Media is the Fastest Growing Form of Digital Advertising

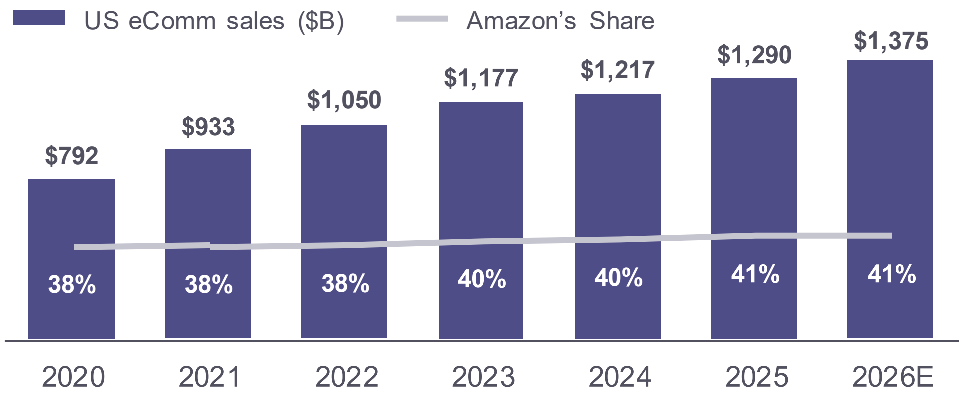
### Global Digital Ad Spend, 2023(2)




### Global Retail Media Ad Spend, $B(1)




### US eCommerce Sales and Amazon's Share, $B(1)




(1) eMarketer, (2) IAB, Forbes
* Now represents the third largest digital channel

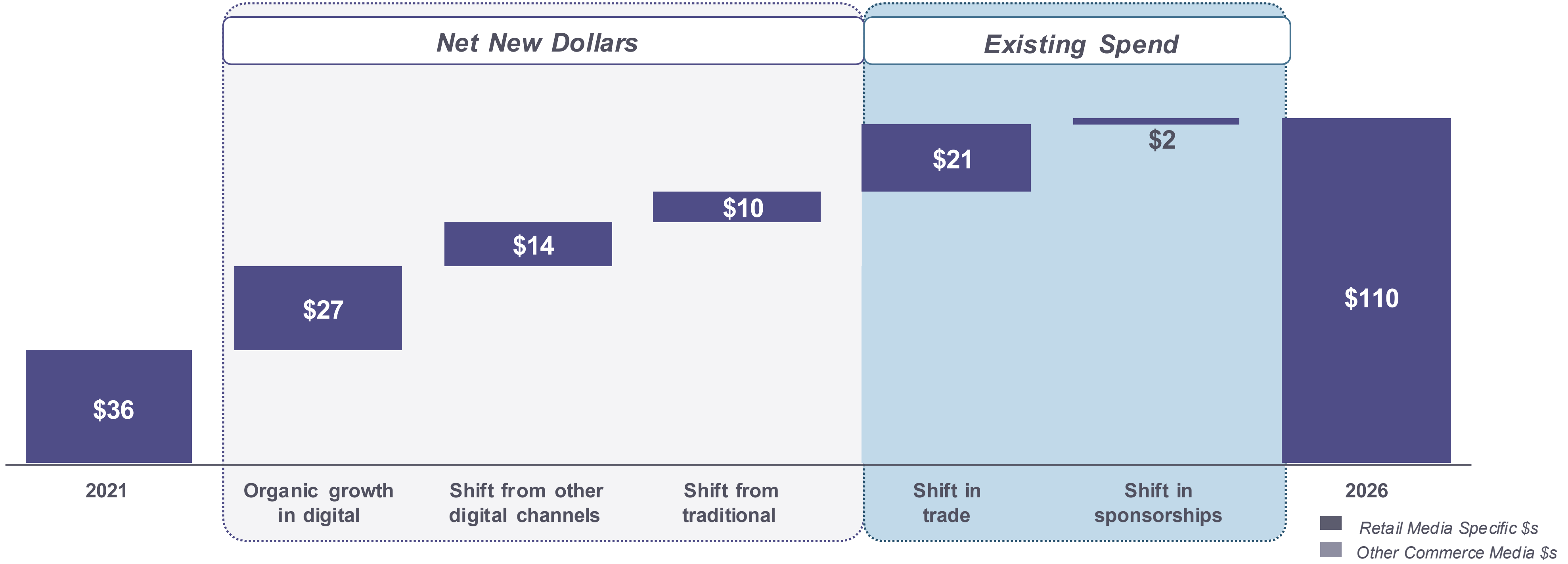
# Retail Media Will Continue to Drive Commerce Media

## The Catalyst for Commerce Media Expansion

### Amazon's Retail Media Leadership

- **Retail media is shifting brand investment from physical to digital.** It offers upper-funnel awareness placements that enable trade marketing teams to drive impact beyond the store aisle.
- **Traditional trade spend is being reallocated into retail media.** Budgets once dedicated to in-store promotions such as volume pricing and slotting fees are increasingly moving into retail media networks.

**US Commerce Media Market Growth Bridge, $B[1]**



# Key Players in the Retail Media Landscape

## Retail Media Landscape from Brand Enablement to Consumer-Facing Inventory

BRANDS

### Brand Solutions

#### Demand Facilitation
- teikametrics
- Jungle Scout
- intentwise
- perpetua
- skai
- PACVUE

#### Analytics & Attribution
- Profitero+
- Zeenk
- CommerceIQ
- decile
- Numerator
- adverity

#### Service Providers
- Amplify.
- Rise (a Quad agency)
- Flywheel
- clinch
- adlucent
- inmar

#### Fintech
- SparkPlug
- SWIFTLINE
- CHARM.IO

### Media Execution

#### Network Partners SSPs
- kevel
- osmos
- zitcha
- TOPSORT

#### Orchestration
- ADVENDIO
- VANTAGE
- kevel
- Koddi

#### Demand Parts
- CRITEO
- theTradeDesk
- loopMe
- Noloco

#### Influencer & Social Trends
- captiv8
- VIOLA
- APPRL
- aspire
- linktree
- GRIN
- MAVRCK
- CreatorIQ

### Front-End Inventory

#### Onsite

##### Retail Media Networks
- Kroger
- Expedia
- TARGET
- Uber
- amazon
- The Home Depot
- petco
- instacart

#### Offsite

##### Publishers
- Vox
- CONDÉ NAST
- Outside
- RED VENTURES
- BuzzFeed
- People Inc.
- HEARST media production group
- Insider Inc.

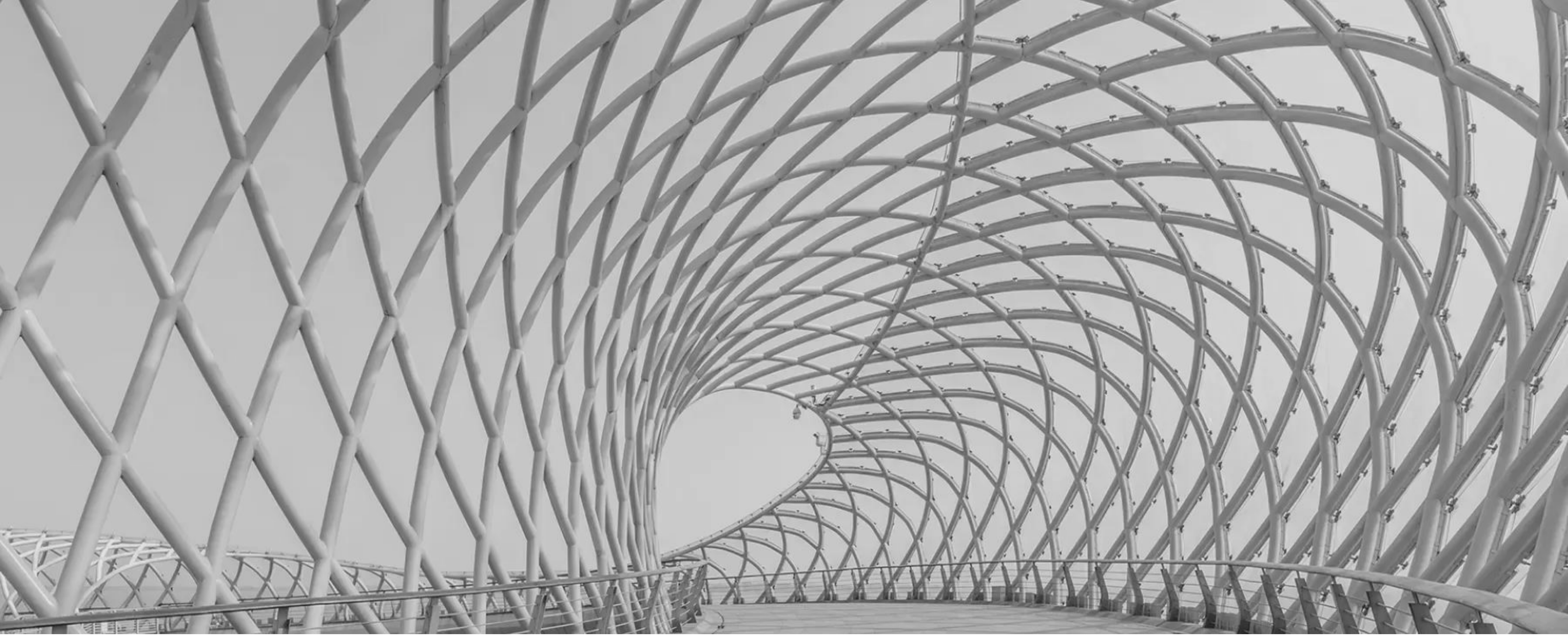
##### Social Platforms
- Meta
- TikTok
- snapchat
- YouTube
- Pinterest
- X
- Instagram
- twitch

#### Instore

##### SSPs
- venvee
- QSIC
- STINGRAY
- ADVERTIMA

CONSUMERS

*Personalization and Loyalty* — **Closing The Transaction Loop** — *Incremental Traffic and Sales*



# IV. Influencer Marketing

# The Power of Influencer Marketing

## Unveiling the Current State of Influencer Marketing

### Key Findings

- **Influencer marketing becomes a key channel for authentic brand engagement:** Influencer marketing has become one of the most effective ways for brands to engage with their target audiences; influencers create authentic, relatable content that resonates with consumers who increasingly perceive traditional advertising as inauthentic or intrusive.
- **Short-form video drives influencer marketing strategy:** With the rise of social media platforms like TikTok and Instagram, short-form video content has become a crucial component of influencer marketing campaigns; as consumers become more discerning, brands are prioritizing authenticity and transparency in their influencer partnerships.

**Key Growth Drivers:**

- Digital & Social Media Shift
- Content Variety
- Authenticity & Relatability
- Creator Economy

### Influencer Marketing by the Numbers

**88%** Influencers have inspired 88% of consumers to make a purchase, with 9 out of 10 consumers relying on reviews before making a buying decisions

**85%** Of marketers confirm the effectiveness of influencer campaigns, with 36% stating that influencer-generated content outperforms their branded content

**82%** Of brands report generating higher-quality leads through influencer marketing compared to other lead-generation channels

**80%** Of brands have a dedicated influencer marketing budget with ~69% planning to increase that budget in 2025

**30%** Of marketers are seeing up to a 30% reduced cost per acquisition (CPA) with Influencer generated content (IGC)

Sources: Stephens, eMarketer

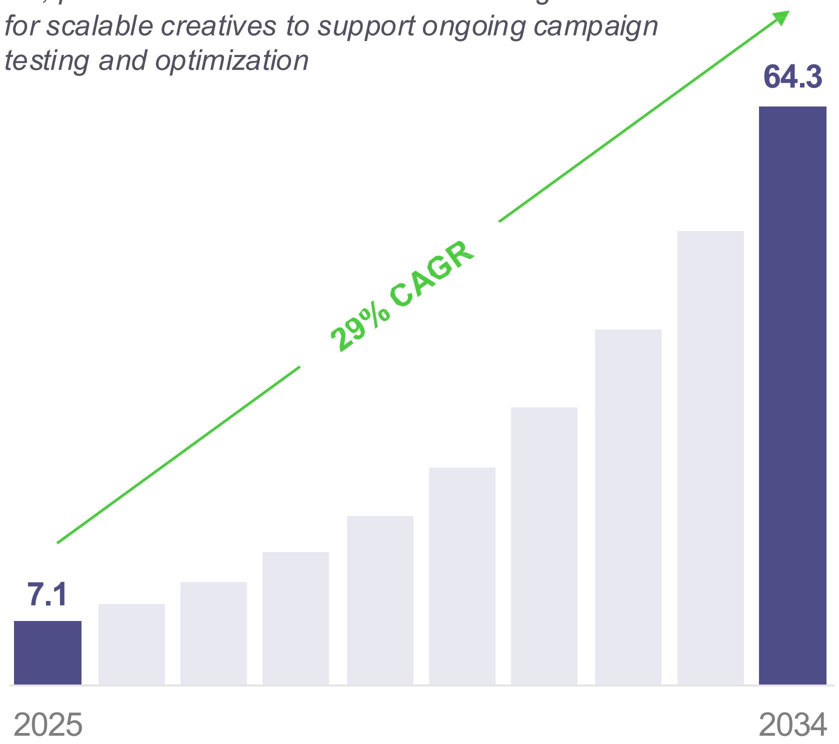
# Influencer Marketing to Benefit from Strong Creator Marketing Tailwinds

User-generated content is becoming a core component of performance marketing, driven by increasing demand for authentic, creator-led content, rapid growth in short-form video, and the need for scalable, conversion-oriented creative

## User-Generated Content Market Outlook

*$B*

*UGC growth is driven by brands shifting to creator-led, platform-native content and increasing demand for scalable creatives to support ongoing campaign testing and optimization*




## Creator Marketing's Growth is Supported by Strong Tailwinds

**Performance Marketing Adoption Accelerates with Demand for Measurable ROI**

Advertisers are prioritizing performance-driven channels, with digital advertising representing ~70% of total global ad spend and continuing to gain share, driven by demand for measurable, data-backed outcomes

**Explosion of Creator-Led Content**

Brands are increasingly moving away from highly produced advertising toward creator-led, community-driven content that feels more native to social platforms and better aligns with actual consumer behavior

**Increasing Importance of Data-Driven Creative Optimization**

Advertisers are increasingly leveraging large-scale performance data to inform targeting, messaging, and continuous creative iteration, driving improved engagement, conversion rates, and overall return on ad spend

**Short-Form Video is Accelerating UGC Demand**

Short-form, mobile-first video formats (e.g., TikTok, Reels) are driving higher engagement, with vertical video formats delivering significantly stronger engagement rates vs. traditional formats

Source: Imarc Group, Fortune Business Insights, Modor Intelligence, SNS Insider, DataReportal

# Navigating the Shifting Landscape of Influencer Marketing

## Opportunities and Challenges in the Evolving Influencer Marketing Ecosystem

### Trends Shaping the Influencer Marketing

- **Rise of Micro & Nano-Influencers:** Brands are increasingly partnering with smaller influencers who have higher engagement rates and can build stronger relationships with their followers
- **AI Integration:** AI is revolutionizing influencer marketing by automating tasks, optimizing campaigns, and providing valuable insights, from discovery to content analysis, AI is streamlining the process and improving efficiency
- **Short-Form Video Dominance:** Platforms like TikTok and Instagram Reels have revolutionized content consumption, making short-form video the most influential tool for influencers
- **Authenticity & Transparency:** Consumers are becoming more discerning, and they value authenticity, influencers who are genuine and transparent in their content are more likely to build trust and loyalty with their followers
- **Long-Term Partnerships:** Brands are moving away from one-off campaigns and focusing on building long-term relationships with influencers for more consistent brand exposure and deeper audience engagement
- **Live Streaming and Social Commerce:** Platforms like Instagram Live and TikTok Live are enabling real-time engagement and direct sales

### Tailwinds

- **Increased Consumer Trust:** Consumers trust recommendations from influencers more than traditional advertising leading to a powerful tool for building brand awareness and driving sales
- **Diverse Influencer Landscape:** The influencer landscape is becoming increasingly diverse, with influencers representing various backgrounds, interests, and demographics, enabling brands to target niche audiences more effectively

### Headwinds

- **Measurement and ROI:** It can be challenging to accurately measure the ROI of influencer marketing campaigns which require robust tracking and analytics tools to evaluate the effectiveness of their efforts
- **Platform Algorithms:** Changes in platform algorithms can significantly impact the reach and engagement of influencer content, Brands must adapt to these changes to maintain their visibility

Sources: Stephens, eMarketer

# Structural Shifts Reshaping the Creator Marketing Landscape

Creator marketing is evolving from experimental brand awareness campaigns into a performance-driven channel focused on authenticity, measurement, and commerce

### Creator Marketing as a Core Media Channel

Creator marketing is evolving from an experimental tactic into a mainstream advertising channel, with around 48% of ad buyers now viewing creators as a "must-buy" media investment, behind only social media and paid search

### Native, Social-First Creative is Gaining Share

Brands are shifting toward creator-led videos that mirror organic social content, as native-feeling creative is better aligned with platform algorithms, consumer viewing behavior, and performance marketing objectives

### Creator Matching Remains a Key Challenge

Brands continue to face friction in identifying the right creators, assessing audience fit, and managing fragmented workflows, reinforcing the need for scalable discovery, matching, and campaign management solutions

### Buyers are Prioritizing Measurable Outcomes

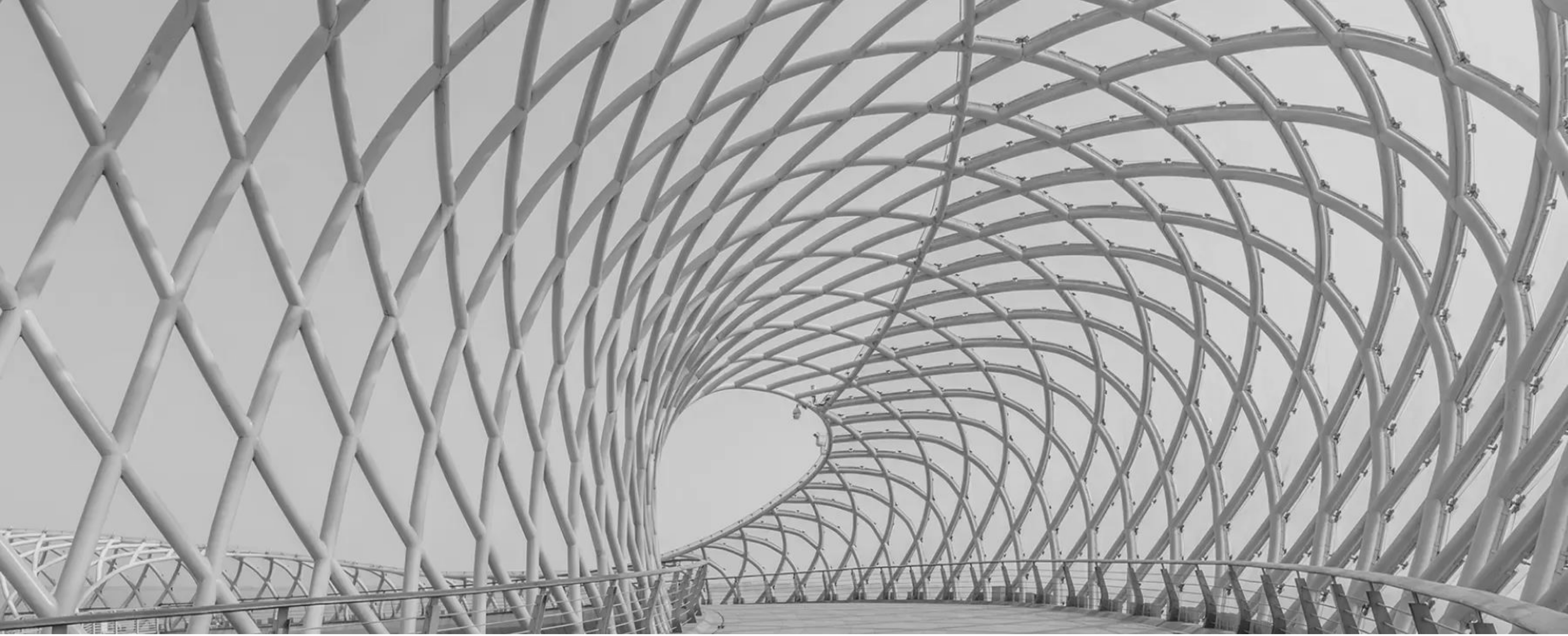
As creator marketing matures, advertisers are increasingly focused on ROI, sales conversion, and performance attribution, creating demand for platforms that can connect creator content to measurable campaign outcomes

### AI Enhancing Creator Workflows

AI adoption is accelerating across creator marketing, but brands remain focused on preserving authenticity and human connection, supporting platforms that combine automation with real creator-led content creation

**The continued shift toward performance-driven creator marketing is increasing demand for scalable platforms like Billo that enable brands to efficiently produce, test, and optimize creator-led content at scale**

Sources: IAB



# V. Progress Partners Overview

# Progress Overview

PROGRESS PARTNERS

- Founded in 2002
- Full-service technology investment bank
- Managing Directors based in Boston, New York, and Washington, DC
- Services include sell-side/buy-side M&A and capital raising
- Over 100 transactions and $10B in value

PROGRESS VENTURES

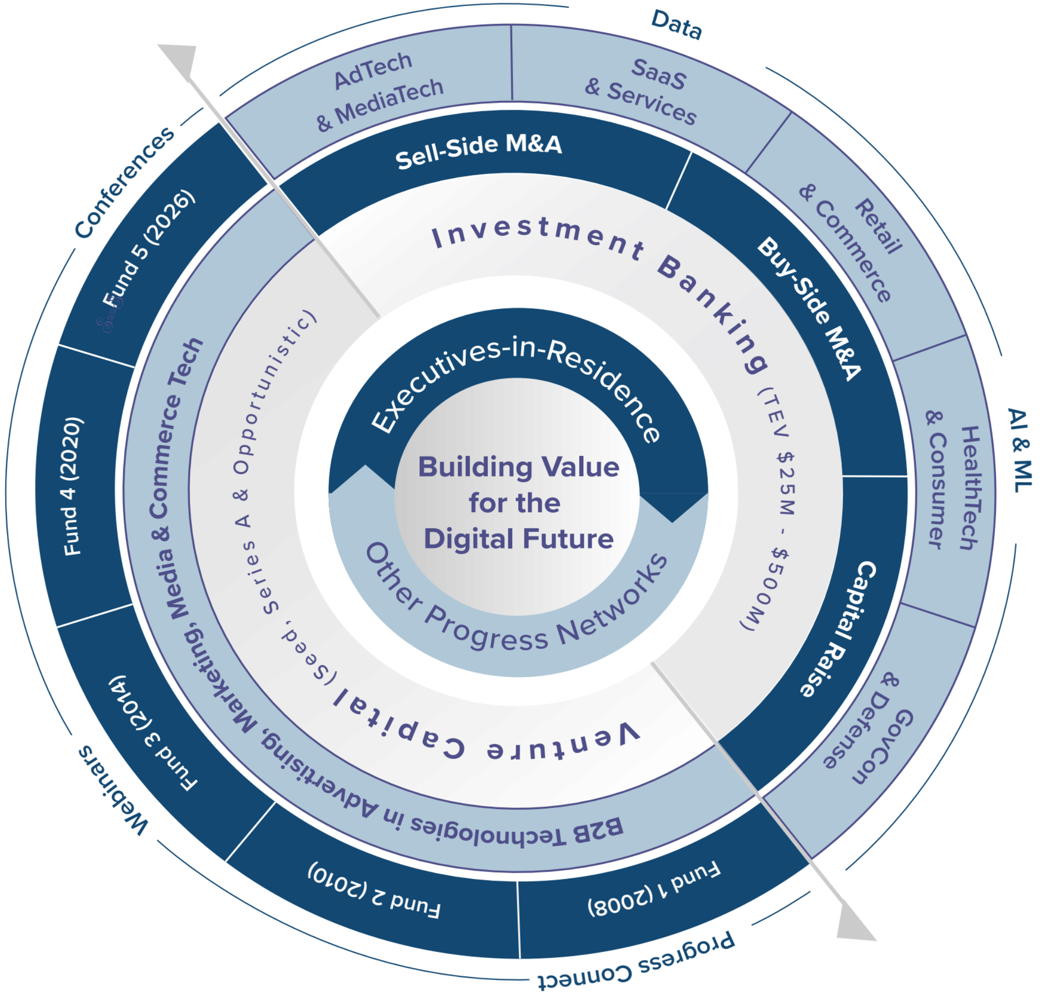
- $35M Fund IV (2020)
- $1-1.5M initial check with 2-3x reserved for follow-ons
- Areas of focus include data management, AI/ML, measurement/analytics, and media automation

| Notable LPs | Notable Exits |
| --- | --- |
| Liberty Global | IAS |
| Quad | massive |
| SINCLAIR | SIMPLI.FI |
| TransUnion | TRUOPTIK |

150+

Executives in Residence

amazon, Basis Technologies, COMCAST, dentsu, Disney, FREEWHEEL A COMCAST COMPANY, HAVAS, horizon media, INFILLION, KERV, MiQ, mntn, NBCU, NETFLIX, Nielsen, OMG, Paramount, PUBLICIS GROUPE, reddit, Roku, STAGWELL, tvScientific, WARNER BROS. DISCOVERY, yahoo!



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