

Message

From: Jonathan Bellack [jbellack@google.com]
Sent: 11/10/2016 4:59:59 PM
To: Eisar Lipkovitz [eisar@google.com]
CC: Brad Bender [bradbender@google.com]; Paul Muret [muret@google.com]; Joan McCaffrey [joanhunter@google.com]; Lauren Taralli [laurentaralli@google.com]; Danielle Romain [domain@google.com]; Lara Moore [laramoore@google.com]
Subject: Re: Pre-read for Buy and Sell-side Margin Discussion Tomorrow?

Yes brainstorm sounds great. Invite list now is:

"Aparna Pappu" <apappu@google.com>,
"Brad Bender" <bradbender@google.com>,
"Danielle Romain" <domain@google.com>,
"Eisar Lipkovitz" <eisar@google.com>,
"Lauren Taralli" <laurentaralli@google.com>,
"Paul Muret" <muret@google.com>,
"Sridhar Ramaswamy" <ramaswamy@google.com>

-- Jonathan Bellack / jbellack@google.com
Director, Product Management / Publisher Ad Platforms

On Thu, Nov 10, 2016 at 11:50 AM, Eisar Lipkovitz <eisar@google.com> wrote:
Who is invited?

On Thu, Nov 10, 2016 at 8:50 AM, Eisar Lipkovitz <eisar@google.com> wrote:
I went this route before, if we lower margin on the sell side we just need to acknowledge we can't recoup on DBM/AdX Buyers. I never claimed that this is a direct play of giving up margin to gain volume. This is more of competitive market situation with strategic play.

As I thought about this more my desire to lower margin shrunk, but I still think a token reduction coupled with transparency and the launch of ExchangeBidding is a powerful combo.

We should use the time to brainstorm and explain to Sridhar our current thinking and not just focus on margins.

On Thu, Nov 10, 2016 at 8:45 AM, Brad Bender <bradbender@google.com> wrote:
I also think there is some second order work still to be done - for instance if we lower sell side margin we can maintain the 32% net margin when it is a GDN/AdX combo (in effect making up any of the difference on the buy-side margin) but that isn't necessarily the case for DBM rates which are usually negotiated (and transparent) - so we could have DBM-on-AdX rate card which is lower than that. That would be ok if there was product differentiation between DBM and GDN but given Skyray we're moving towards more unification on the feature side there, not less. Basically advertisers could get the same product, for cheaper, with DBM - and beyond the margin impact, given serviceability I don't think it is the right time to do that.

On Nov 10, 2016 08:32, "Paul Muret" <muret@google.com> wrote:

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I think it will be good to brainstorm with SR in the meeting on this topic. Are you ok with that? I'll frame it as a "brainstorming", and then maybe you can present some of the information for a few minutes and then we can discuss. ? sg?

On Thu, Nov 10, 2016 at 3:31 AM, Jonathan Bellack <jbellack@google.com> wrote:

I can be there. However in the Jedi++ meeting you are going to see data that lowering the sell-side revshare does not look like it is going to have tactical benefit. It doesn't win many queries compared to the profit lost, and sales does not think it will help them win deals. So if we still wanted to do it, it would need to be for strategic reasons, belief that it would be better for our longer-term market position.

On Thursday, November 10, 2016, Danielle Romain <dromain@google.com> wrote:

+ Lara who can help with calendars as well. Thanks.

Danielle Romain

On Wed, Nov 9, 2016 at 9:18 PM, Paul Muret <muret@google.com> wrote:

I think we need Jonathan there for sure and Brad if he can make it. Jonathan, can you make 1-2pm pst for brainstorming on margin changes on sellside? Joan maybe can help with calendars.

On Wed, Nov 9, 2016 at 9:07 PM, Danielle Romain <dromain@google.com> wrote:

Paul,

Chatted with Sridhar. Let's go ahead with tomorrow's meeting. Brainstorm is fine, but might be helpful a rough outline that you want to cover so that we have a bit of structure.

Having Bellack along would be great.

Thanks,

DR

On Wed, Nov 9, 2016 at 8:14 PM, Paul Muret <muret@google.com> wrote:

We have a review at 2:15 in the sellside review on jedi+ which touches on the drops in sellside margin proposal. I think we need to go through that first, and we may need Goody's team to do an analysis. So... I don't think we have anyone on point for this right now. We can ask Bellack to join and brainstorm or we can punt. ?

On Wed, Nov 9, 2016 at 5:15 PM, Danielle Romain <dromain@google.com> wrote:

Paul, Eisar:

Checking in on this. Who's on point to circulate pre-read ahead of the discussion tomorrow display buy- and sell-side margins (Thursday @ 1pm)?

Just want to make sure that we're setting expectations.

Thanks,

DR

jbellack@google.com

<https://memegen.googleplex.com/5246758434635776>

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Eisar

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