

Programmatic Guaranteed and Preferred Deals **Net/Gross Reporting Use Case Examples**

Report for Q1 2021 | Report for last 12 months | Checklist

Starting in January 2021, revenue metrics in Ad Manager that previously returned gross values for Programmatic Guaranteed (PG) and Preferred Deals (PD) return values net of fees to align with the rest of programmatic revenue.

Revenue is now reported in net for date ranges starting on or after January 1, 2021. All historical revenue data prior to January 1, 2021 will remain in gross.

Read more about this change <u>here</u>.

The below describes a few examples for pulling revenue reports after this change. These assume you are looking only at Programmatic Direct (PG and PD) revenue.

We highly recommend migrating all programmatic reports to net revenue, as temporary gross metrics will only remain in the Query Tool and reporting API until February 2022.

All other programmatic revenue (Private Auctions and Open Auction) is already reported in net. See here for more information.

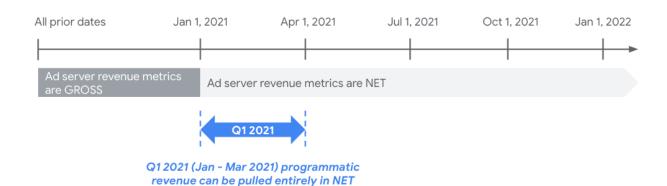
For traditional line items, there is no revenue share so gross revenue is equal to net revenue, so they are unaffected.



Report for Q1 2021

Recommended approach:

If you pull a report for Q1 2021 programmatic revenue, the entire report will be in net revenue since the entire date range falls after the January 1, 2021 change. Use the default revenue metrics, e.g., Ad server CPM and CPC revenue, to generate a programmatic revenue report in net (less your PG or PD rev share).



Alternative approach:

If you would like to compare year over year, i.e. comparing Q1 2021 with last Q1 2020, you may use the legacy gross metrics, e.g., *Ad Server CPM and CPC revenue (gross)*, that has been temporarily added to the query tool.

Note that the temporary gross metrics will only exist in the query tool up until February 2022, so we highly recommend migrating all your programmatic reporting processes to net revenue.

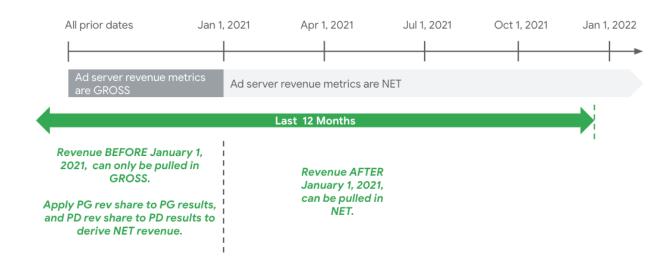


Recommended approach:

Until January 1, 2022, pulling a programmatic report for the last 12 months will include some gross revenue data. To avoid pulling a mix of gross and net values, we recommend reporting the entire time period in net revenue. To do this:

- For all dates from January 1, 2021 onward, use the default revenue metrics, e.g., Ad server CPM and CPC revenue, which will return net values for this time period.
- b. For all dates December 31, 2020 and earlier, use the default revenue metrics, e.g., Ad server CPM and CPC revenue
 - i. Add Programmatic Channel dimension to get PG and/or PD breakdown.
 - ii. Apply your PG and/or PD revenue share to the relevant transaction type results.

The total of these is your net revenue for the entire period. Remember, you can always convert previous data from gross to net by applying your PG or PD rev share.



Alternative approach:

Report for the entire time period in gross using the legacy gross metrics, e.g., *Ad Server CPM and CPC revenue (gross)*. This is suggested for year over year comparisons, but note that the temporary gross metrics will only exist in the query tool up until February 2022, so we highly recommend migrating all your programmatic reporting processes to net revenue.



- ☐ Please inform any teams that use or access revenue reporting of the January 1, 2021 change.
- ☐ Recognize that saved reports that span the change will mix net and gross values. Update any saved reports to include temporary gross metrics in order to get gross values across the timeframe.
- ☐ Update any scheduled reports or automated email reports
- ☐ Confirm any usage of metrics that rely on Ad Server revenue metrics, e.g., total revenue, etc.