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PRESENTATION

Operator

Good day, and thank you for standing by. Welcome to the comScore Fourth Quarter 2021 Financial Results Conference Call. (Operator Instructions)

Please be advised that today's conference is being recorded. (Operator Instructions)

I would now like to hand the conference over to your host for today, John Tinker. Please go ahead.

John Tinker *comScore, Inc. - VP of Investor Relations*

To begin our prepared remarks, I'd like to remind all of you that the following discussion contains forward-looking statements. These forward-looking statements include comments about our plans, expectations and prospects and are based on our view as of today, February 28, 2022. Our actual results in future periods may differ materially from those currently expected because of a number of risks and uncertainties. These risks and uncertainties include those outlined in our 10-K, 10-Q and other filings with the SEC, which you can find on our website or at www.sec.gov.

We disclaim any duty or obligation to update our forward-looking statements to reflect new information after today's call. We will be discussing non-GAAP measures during this call for which we have provided reconciliations in today's press releases and on our website.

I'd now like to turn the call over to comScore's Chief Executive Officer, Bill Livek. Bill?

William P. Livek *comScore, Inc. - CEO & Executive Vice Chairman*

Thank you, John. And thank you, everyone, for joining us today. With me are Jon Carpenter, our Chief Financial Officer and other members of our management team.

I'm proud to report to you that comScore had another quarter of growth in the fourth quarter. Our revenue results in the quarter represent our highest year-over-year growth since 2018. Our execution in the second half of the year is evidence that we've turned the corner at comScore and is one of the reasons I'm so excited about 2022.

Secondly, we have reworked the way we run our business. At our core, comScore measures content and ads, and enables the planning and activation of media in a privacy-forward way. We built one of the largest media composition databases enabling us to deliver and optimize outcomes across all screens, television, connected TVs, digital, mobile and movies.

Jon will take you through this in more detail, but we have simplified the business down to 2 core focus points, Cross Platform Solutions and Digital Ad Solutions. At comScore, we are laser focused on the measurement of content and ads and the outcomes that we deliver for our clients.

A catalyst for our growth has been the continued rollout and acceleration of our product offerings, particularly our cookie-free products within our Ad Solutions group, along with the launch of comScore Everywhere and comScore Campaign Ratings, which I'll refer to as

CCR.

I'd like to do a bit of a deeper dive in the comScore Campaign Ratings as one example to illustrate how we're winning through our commitment to innovation and the future of the industry that we serve. comScore Campaign Ratings has gained a lot of momentum, measuring the ad campaigns during the Olympics and Super Bowl and providing insights into their performance that weren't available until now.

Additionally, the recent announcement regarding comScore's joint offering with DoubleVerify is big news for brands, agencies and sellers of media. We are developing a best-in-class ad verification and cross platform audience and measurement solution to provide the most comprehensive and innovative cross platform ad measurement today. This is further proof of comScore's commitment to innovation and to driving the future of media measurement in our industry.

As you can see, the success we're having in our products is the key to unlock wins across content and advertising solutions. In addition to the DoubleVerify announcement, we are proud of Discovery and Omni's announcement of their ongoing efforts to test comScore as new currency.

We also continue to make progress in local with our recent wins with Gray and with local agencies. We stabilized our digital business. We acquired Shareablee in part to help us shore up our digital talent as well as our product offering. This acquisition will complement our Cross Platform and Ad Solutions group by integrating advanced social video insights into our client offerings across cross-platform capabilities.

With our announcement earlier this year, comScore Everywhere will allow our customers to have a holistic view on how audiences consume content and measure where they're exposed to ads across the content ecosystem. This approach of measurement and analytics represents how advertising will be bought and sold in the future, and comScore is proud to be at the forefront of this innovation. Traditional media measurement has historically been constrained. Content was measured, but the ads were estimated due to the limitations of purely panel-based methods.

Our world-class media consumption data assets and data science have allowed us to turn this problem on its head, through our ability to measure second-by-second content and ad consumption with audience metrics all done in a privacy-forward manner. This creates the framework to build the measurement and ad analytics solutions needed now and in the future. It's why so many out there, like DoubleVerify want to partner with comScore.

comScore Everywhere is a single-source cross-platform currency, which builds on the success of comScore Campaign Ratings. The first in the market advertising measurement solution to provide a complete view of video across TV, CTV and digital to agencies and brands. It will combine more than 15 years of cross-platform experience powered by a massive data TV footprint across CTV, digital and social to provide a common comparable audience definition across media and screens.

In October, we announced our partnership with Google and became the first measurement provider to deliver deduplicated audience measurement across YouTube's largest platforms with PC, mobile and Connected TV, which includes co-viewing of the CTV screens. YouTube's addition to CCR is a game-changer for brands and agencies to truly assess the incremental impact on YouTube within media plans. So much of the CTV reach in the U.S. falls only on 5 streaming services. And remember, only 2 are ad supported as we have reported before.

The success that we've had with product launches like CCR leads us to the kind of announcement you've heard from DoubleVerify and comScore last week, where we jointly announced the industry's first cross-platform ad verification and audience measurement solution. With our joint offering, advertisers will be able to view deduplicated reach, frequency and audience composition across TV, CTV and mobile while ensuring the digital audiences are free from invalid traffic, delivered in view into the correct geography and brand environment.

The ongoing currency discussion with the industry has shown us strong advertiser demand for more accurate, deduplicated

cross-platform audience measurement. With the inclusion of ad verification, we are excited to bring advertisers even a more differentiated and superior offering. We plan to launch the joint offering in the second quarter to a select group of advertisers.

We are gaining momentum among clients and partners, and it goes beyond our relationship with DoubleVerify. As I mentioned earlier, we have a number of exciting developments on the partnership front. For example, Omni Media Group and Discovery with some large and iconic Omni clients, including insurance, and telecom giants such as State Farm and AT&T, will begin testing new ways of tabulating audiences using new currencies including comScore. This is a terrific opportunity for comScore as Discovery, which operates Food Network, HGTV into the Discovery Channel will have plenty to say about the future of measurement. We are excited to participate in this important move by Discovery and Omni.

Another example of our currency momentum is with Warner Media's announcement earlier this year that we were selected to work with them on alternative currencies for national television and cross platform. We are incredibly excited about the momentum we continue to see with all of our clients, including in the local marketplace, where the adoption of our services continues to increase. We've added more than 30 local ad agencies throughout last year, and over half of them occurred in the fourth quarter alone. As part of these deals we secured 2 of the nation's largest furniture retailers are using comScore as currency.

The advancements represented by comScore Everywhere and our CCR products are resulting in marketplace adoption. I am pleased to report that one of the largest tech companies in the world utilized our CCR currency with multiple large advertisers during the Super Bowl to highlight the incremental reach that can be achieved on these platforms above and beyond the campaign that they ran during the Super Bowl. Similarly, one of the largest holding companies is also evaluating the performance of a number of iconic advertising campaigns during both the Olympics and the Super Bowl, each utilizing comScore currency.

Finally, the fourth quarter has always been our largest quarter as the majority of our enterprise accounts tied to year-end renewals. comScore secured key enterprise renewals across local, national television as well as our digital solutions.

We also added [34] local broadcast and stations in the quarter, including stations with NBCU, Univision, Entravision, Gray and Allen Media. We are now the currency in most of Gray's markets who will use comScore's audience data as the primary selling currency in 95 of their 113 markets. Great progress by our entire team.

As we shift our focus toward 2022, you can probably tell that we have plenty of momentum, and we are laser-focused on driving profitable growth. We will accomplish this by staying true to what we do best, measuring content and ads in a privacy-forward manner by world-class data science and assets.

To give you an example of our privacy-centric approach in building products and delivering insight, our CCR was expanded to include YouTube and YouTube TV. It was implemented through a tactless integration with Google Ad Data Hub. This enabled our clients to measure the impact of their ad campaigns on their entire YouTube universe in a privacy-first manner. It's also worth noting that Google made it a point in their fourth quarter call to highlight the use of our CCR product.

Our growth will always come down in the backs of both internal progress, and that's as we continue to launch world-class products like CCR and Predictive Audience solutions as well as with partnerships like the one we just announced with DoubleVerify. Our ability to execute quickly will unlock new client wins and allow us to take share in the markets that we play in.

Building off our second half execution and the recent acquisition of Shareablee, we are turning around our digital business. With Shareablee, we inherited an experienced and talented team that will help us lead this turnaround led by Tania Yuki. Along with Tania, we believe Greg Dale and Jon Lieberman will play critical roles in our future digital offering. It is important to note that Tania and Greg played important roles at comScore in our formative years as key executives before starting Shareablee.

As always, our ability to deliver content and ad measurement with speed, transparency and unbiased view will ensure comScore continue to expand its currency offerings in both local and national TV markets. We will continue to work closely with the MRC to win national and local TV accreditation. And all this goes without saying all this executing and delivering world-class products and our clients and

profitable growth as our shareholders comes from a commitment of our people.

And now I'd like to turn this call over to Jon Carpenter to discuss financial details. Jon?

Jonathan Carpenter *comScore, Inc. - CFO*

Thanks, Bill. As Bill mentioned, we closed the year strong, generating \$96.5 million in revenue, up 7% year-over-year, and \$12.4 million in adjusted EBITDA, a 32% increase over the fourth quarter of 2020.

Breaking down our revenue in the quarter a bit further, we had several key drivers across the portfolio. Within Ratings and Planning, we generated \$64.7 million in revenue, a 2% increase over the fourth quarter of 2020, largely driven by double-digit growth in our national and local TV measurement products, partially offset by our syndicated digital business which was down year-over-year but essentially flat Q3 to Q4.

We generated \$23.4 million in activation and optimization revenue, up 21% year-over-year, largely on the back of another solid quarter in our Activation offering, where we were up 43% year-over-year. It's worth noting and while it's still scaling, our Predictive Audience product, that is our cookie-free solution within our Activation offering ramped nicely throughout the second half of the year, which gives us a lot of solid momentum heading into 2022. Finally, our Movies business continued to rebound. We delivered 19% year-over-year growth and generated \$8.5 million of revenue in the quarter.

This is what it all looks like for the year. \$367 million in revenues, up 3% from the prior year. With the solid print in the fourth quarter, our Movies division generated \$31 million in revenue and really a tale of 2 halves, where the first half was down year-over-year, but the second half finished up by approximately 10% year-over-year. Within the Analytics and Optimization business, we generated \$81 million in revenues. That was up 18% for the year.

Our Ratings and Planning teams delivered \$255 million of revenues, an increase of 1% versus 2020. With that revenue delivery, we generated \$32 million in adjusted EBITDA.

As Bill mentioned, it was important to the management team that we redefine our revenue solution groups to better report on and simplify the way we run our business. At the end of the day, comScore measures content and ads for buyers and sellers of media. This is about providing transparency into the way that we operate and ultimately how we plan to deliver profitable growth and generate cash.

Getting into it, as we highlight here, we're moving away from the 3 revenue solution reporting groups we have today, Ratings and Planning, Analytics and Optimization and Movies, to a structure of 2 revenue solution groups, Digital Ad Solutions and Cross Platform Solutions.

Digital Ad Solutions is where we house our syndicated media and video metric products as well as our ad measurement products, Activation and comScore Campaign Ratings, where our offerings provide privacy safe, solutions at scale, next-generation contextual targeting that is, did my ad reach, my desired audience on the right piece of content, and the ability for media buyers to reach valuable audience personas. Our success here depends on our ability to scale our digital audience business with growth in new subscribers helped in part by our acquisition of Shareablee and second, through broad client penetration of our Activation and comScore Campaign Ratings product, both of which will scale throughout the second half of this year.

Our Cross Platform Solutions grouping includes our national and local TV measurement products as well as our Connected TV solutions and movie measurement capabilities. Our offerings are geared toward delivering currency-grade, cross-platform measurement solutions to our clients. Our success will be driven by our ability to expand our national and local currency efforts that is more markets and a greater share of the total ad spend as a percentage of our revenue along with broadening our Connected TV offerings and ensuring our comScore Everywhere solution is broadly adopted.

In terms of the guide for 2022, we expect our revenue to grow mid- to high single digits with our Digital Ad Solutions Group delivering low to mid-single-digit revenue growth as our syndicated offering turns around and our Activation and CCR product offering continues to

accelerate at an attractive double-digit clip. Cross Platform Solutions is expected to deliver high single-digit to double-digit growth primarily on the backs of expanded measurement efforts.

From a margin rate perspective, we expect to deliver adjusted EBITDA margin over the full year that is consistent with the 9% we delivered in 2021, although I do expect the rate to ramp throughout the year as it did in 2021. With that, I'd like to turn it back over to Bill.

William P. Livek *comScore, Inc. - CEO & Executive Vice Chairman*

Thank you, Jon. In summary, our new structure allows us to stay focused on our strategic priorities and be committed to delivering for our clients and our shareholders as we return to growth and our focus on delivering and driving change in the great industry that we serve. I'd like to thank all of our comScore employees for their hard work and dedication each and every one of them that dedicate their efforts each day.

Finally, before I turn the call over to our audience for questions, I'd like to make an announcement about myself. Part of being an effective CEO is to establish a vision and drive a company forward, but another key element is to provide a seamless transition to the next generation of leadership. And I have determined that now is that time.

And why now is this time I chose to retire? Well, I've agreed with the Board to begin this process to select my successor. I've made a commitment to the Board that I will continue to serve as Vice Chairman for my full term. Now my full term does not expire until mid-2024. And when we do find a new CEO, I will assist and serve that new CEO for a seamless transition, and that's very important to all of us.

I've made this decision now because I believe comScore is in a stronger position than it's ever been. I am proud of the turnaround of the business and our direction forward, which is evident by our success in the fourth quarter. This success is why I'm so excited about the next phase of comScore story. I also recognize that I'm just one small part of these accomplishments. comScore's remarkable people and the culture that these individuals have worked so hard to cultivate is the foundation on which the company's success has been built.

As I work with the Board to determine my successor, this will be in a thoughtful and deliberate manner. I know this process will go a long way toward ensuring comScore's continued success. I thank you all for your support, and I thank you for trusting us with your investment.

Now operator, with that, I'd like to open it up for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Our first question comes from Laura Martin of Needham.

Laura Anne Martin *Needham & Company, LLC, Research Division - Senior Research Analyst*

So Bill, sorry to hear you're leaving, but congratulations on your retirement.

William P. Livek *comScore, Inc. - CEO & Executive Vice Chairman*

Thank you, Laura.

Laura Anne Martin *Needham & Company, LLC, Research Division - Senior Research Analyst*

So my first question, Bill, I'd love to learn more about the competitive environment. I feel like 3 years ago, it was Nielsen would win big markets, comScore would win everything local and under sort of market 100. And now I feel like headlines every day. Video Amp is getting more business and TVSquared, which was bought by Innovid, and they're launching an end-to-end sort of CTV linear solution. You guys just did a deal with DoubleVerify, which they are equally complementary as you are of that joint venture partnership.

My question is could you walk us through the competitive landscape today? And sort of who's -- you never read about Nielsen anymore. So who's winning? Who's losing? And why is it getting so much more fragmented than it was even 3 years ago.

William P. Livek *comScore, Inc. - CEO & Executive Vice Chairman*

Laura, that's a great question. I continue to believe that this is a 2-company race. It's like goalpost. This is complicated stuff that we do. And our ad agencies and our sellers need 2 currencies to look at. And then our judgment is rendered.

I do believe that Connected TVs has launched a number of companies that essentially offer tools. And I think they've adopted our phrase of currency to suck underneath our success. So I believe these companies, these additional ones that you had mentioned will be out there. But I do believe that this is comScore as a primary currency, and then Nielsen will remain.

Laura Anne Martin *Needham & Company, LLC, Research Division - Senior Research Analyst*

Okay. And these other ones will just take little niche market shares. That's your point of view on industry structure at the end?

William P. Livek *comScore, Inc. - CEO & Executive Vice Chairman*

Yes. Yes, I do. And we're going to talk more in the future about these tools that are out there. And Connected TV information has made it very easy for a company to start up. Now we've been very deliberate on what we do with Connected TV because our own data sets show, and I'd like to remind our investors that are on the phone, comScore has processes, some of which are patents, some of which are patent pending that we were first in the field to look at what a Connected TV offers versus what we know is truth. And often, and somewhere in the area of 2/3 of the time, an erroneous conclusion can be made. So I think this market segment here, advertisers, ad agencies are going to trust the companies that can prove that their information is right. Because at the end of the day, the billions of dollars that are traded on have got to be a currency that's correct.

Laura Anne Martin *Needham & Company, LLC, Research Division - Senior Research Analyst*

Okay. Cool. My last question is for Jon. So Jon, we had flat EBITDA at \$32 million in '21 and '20, and now it looks like the EBITDA round numbers is going to move to \$34 million to \$35 million. I'm sort of surprised Jon, we're not getting more operating leverage because we paid a huge fee for Comcast data, which should have been a non-same-store comp in the subsequent year. And so could you explain why we're not getting more operating leverage as the revenue grows, please?

Jonathan Carpenter *comScore, Inc. - CFO*

Yes. Thanks, Laura. Look, our business has the ability to throw off strong incremental leverage. I think you saw some of that in the fourth quarter as our revenue scales. I think this guidance here gives us room to make the investments to accelerate the revenue with at least at a minimum, not sacrificing a base-level return from a margin standpoint. And as I mentioned in my comments, we expect to see that rate scale throughout the year.

Laura Anne Martin *Needham & Company, LLC, Research Division - Senior Research Analyst*

Okay. So can I assume there's instead of just flat at this 9% margin, we're going to get some margin expansion in the out-years sort of meaning 2023 and beyond? Is that the implication of what you're saying?

Jonathan Carpenter *comScore, Inc. - CFO*

Yes, I think the way to look at it is we like the 9% is kind of the baseline floor and to build from there as the revenue scales.

Operator

Our next question comes from Jason Kreyer of Craig-Hallum.

Jason Michael Kreyer *Craig-Hallum Capital Group LLC, Research Division - Senior Research Analyst*

Bill, bittersweet announcement today. I've enjoyed these conversations with you. So hopefully, we have a few more in front of us.

William P. Livek *comScore, Inc. - CEO & Executive Vice Chairman*

We will.

Jason Michael Kreyer *Craig-Hallum Capital Group LLC, Research Division - Senior Research Analyst*

So you recently expressed some enthusiasm just around your positioning as we head into the upfront this spring. Just wondering if you can elaborate on that enthusiasm a little bit more. And then what you expect the industry to hear about comScore as we move into that?

William P. Livek *comScore, Inc. - CEO & Executive Vice Chairman*

Look, I think you're going to hear that comScore is used more and more, and more is currency. I'd like to look back at the last year, the previous upfront and the year before that, it was dominated by 1 company. We're going to play a big role. And these announcements is evidence of it that advertisers and ad agencies, they've had us for a long time, over a decade, many of them, where they've used us in planning. Now those of you who follow the media business know that you have to build a plan and you're trusting the information to build the plan.

Now in the past, they were able to use an inexact currency to buy on because the buyer and seller wanted to see or they did have wiggle, if you would. And the inexactness was something the industry tolerated. With the advent of streaming and just hyper fractionalization, the need for precision is there. And I think with the snafu that we saw with our major competitor that happened during the pandemic was just a point where everyone said, this is not going to work any longer. And I do believe that we're going to come out of this is having a comScore as a principal currency. And in the upfront, we're going to play a big role. We talked about it recently at a panel I attended on a fireside chat at the Interactive Advertising Bureau. And I believe we're going to play a big role in the upfronts and new fronts.

Jason Michael Kreyer *Craig-Hallum Capital Group LLC, Research Division - Senior Research Analyst*

Can you take that just a step further? If you see the success you think you'll see in the upfronts, what does that do for the rest of the business over the balance of the year? Where does that create greater opportunities for comScore?

William P. Livek *comScore, Inc. - CEO & Executive Vice Chairman*

Yes. It's in all of our businesses. It's in our digital business. It's in our television business. And we didn't spend a lot of time talking about our Movie business. People have returned to the movies. And as Jon talked about it, our Movie business is the tale of two halves of the year. And in the second half, when people felt comfortable to go back to the movies, and we also saw the content companies giving them a real-live view of what the world would look like without the theatrical experience. The theatrical experience allows individuals to use social media to promote great content.

Now it also kills bad content faster than ever before. But I think the big win here is that companies, movie companies, content companies are going to create better and better theatrical content to drive social media that will then drive subscriptions to their streaming platforms. And you all listen to the earnings calls from our clients, that's what the CEOs are talking about. And we're in a great place with all of our businesses. They're beautiful as they all work together.

Jason Michael Kreyer *Craig-Hallum Capital Group LLC, Research Division - Senior Research Analyst*

And then, Jon, welcome to the call. One for you. Just wanted to see if you can give a little bit more transparency on the renewals process. I know Laura highlighted earlier kind of the investments you made before on Comcast data and things like that. Is there a way to frame these renewals? And you talked about a few of them in the release, that, where you can provide a metric like a net retention rate? Or anything that helps investors understand the rate of increase or the bigger opportunity that comScore sees as you go through that renewal process?

Jonathan Carpenter *comScore, Inc. - CFO*

Yes, sure. I guess the way that we like to think about it, especially when we talk about our Cross Platform products is, one, how are we doing on the renewals and while we don't, I think, quote that number publicly, very, very high in terms of our overall renewal rates. But I guess the way that we think about it internally is how do we capture a greater share of the ad spend. And if you look at some of our bigger competitors in the marketplace, our goal here is to get -- capture upwards of a point on the ad spend as our business scales. That's ultimately the goal here in terms of what our opportunity is. And so we tend to look at our local and national renewals against that metric. Are we getting a greater share of the ad spend as 1 key component alongside the overall renewal rate, which is very, very high.

Operator

(Operator Instructions) Our next question comes from Matthew Thornton of Truist Securities.

Matthew Corey Thornton *Truist Securities, Inc., Research Division - VP*

Maybe one for Bill and one for Jon, if I could. Bill, can you talk about, as we think about '22, I'm curious as we start the year, are you seeing any headwind from kind of everything that's going on in the supply chain, obviously, it's impacted advertising in a couple of verticals. I'm curious if that impacts any of your kind of shorter cycle project revenue.

And then as we start to exit the year, maybe you can just remind us what type of lift do you see from political in a year like '22 and how we can think about that?

And then just, Jon, a couple for you. I guess, first, the balance sheet, I'm just curious how you're -- now that you've been in the door for a couple of months now, I'm kind of curious how you're feeling about the balance sheet, whether you've got enough wiggle room to kind of make the investments and kind of do what you want to do? And then just secondly, from a housekeeping perspective, Shareablee, I'm just wondering if you'd be willing to share what that contributed in the fourth quarter and what that might contribute in 2022?

William P. Livek *comScore, Inc. - CEO & Executive Vice Chairman*

Thanks, Matt. Let's start with political. As we all know, every political campaign is local, even national campaigns, and the politicians look to influence. ComScore's tools have been used for a long time since the Obama campaign to help the sellers of media convince the candidates through their agencies. So political is certainly helpful because it continues to show the importance of what we do with all of our media clients. And we also announced earlier, maybe a quarter ago, a deal that we did on our digital side with our L2 segments. So we think we're in a really good place with political.

In terms of the supply chain shocks, clearly, that does not affect us directly because we're not buying anything. We're an information infrastructure business. Now what -- has it affected our clients with certain reduced advertising in some areas? Yes. But I'd like to point out that the sellers still need to make up that difference. So they need us more in that environment. So I don't like -- I think all of us as citizens of the world do not like what's going on, but this is a good environment for comScore to thrive in all of our businesses. Jon, over to you on Matt's questions.

Jonathan Carpenter *comScore, Inc. - CFO*

Yes. Sure. On the cash front, we feel pretty good about where we're at there. We had a good fourth quarter with regard to overall working capital metrics coming off of choppy second and third quarter. So I feel good about where the plane landed on our working capital progress in the fourth quarter. I expect that to continue as we stay laser-focused on a high conversion of EBITDA to cash as we go through 2022. We also took the opportunity to -- with the facility we have with Bank of America to give ourselves a little bit more headroom, the line increased from 25 to 40. So we feel good about where that's at in terms of the overall balance sheet here as we start the year.

And I think your second question was on Shareablee. And I think the way to think about that is we bought that asset really to help shore up our core syndicated digital offering and capabilities it has there to help spur growth in the digital side of the business, along with the talented team that we brought on board to help us do that. And we're off to a great start on that front, and I feel good about what those integration efforts are and what it means for the guide that we provided on the year.

Matthew Corey Thornton *Truist Securities, Inc., Research Division - VP*

And Jon, maybe just one quick follow-up there. Shareablee, is that predominantly housed in Ratings and Planning under the old methodology?

Jonathan Carpenter *comScore, Inc. - CFO*

Yes. Yes.

Operator

Our next question comes from Surinder Thind of Jefferies.

JiaXian Huang Jefferies LLC, Research Division - Equity Associate

This is Benjamin Huang subbing in for Surinder, and congratulations on the quarter. And just kind of curious in terms of how we should kind of think about the longer term potential for the local TV growth rates as you kind of look out beyond this year.

William P. Livek comScore, Inc. - CEO & Executive Vice Chairman

Yes. I'll turn the growth rate over to Jon, but I'd like to address local a little bit here. There was a question earlier about all these competitors out there. No one competes with us in local. And we have a competitor that's been there for a long time, but we think they're a greatly weakened competitor. No one has better viewership information that's more accurate and reliable in my opinion. No one. All of these start-ups are talking about their progress on national. Not many of them are talking about anything locally. So we are in a good place. No one has the quality and the breadth of what we have. When we think about the longer term in terms of the financials, I'll turn that over to my partner, Jon.

Jonathan Carpenter comScore, Inc. - CFO

Yes. Look, I think we feel pretty good about where we're at with local and the progress that we made. We're coming off a year that grew double digit. We see that continuing here in 2022 and beyond. Again, we're laser focused on the renewals in that space. We're highly penetrated in terms of the number of stations that we've got relationships with. And so for us, it's all about commanding a greater share of the ad spend that's flowing through the pipes. So we feel good about our currency and cross-platform offering that we've got for the local clients.

JiaXian Huang Jefferies LLC, Research Division - Equity Associate

Got it. Super helpful. And in terms of just a follow-up. And as we look at the margin side of the story, what kind of revenue growth do you guys need in order to generate margin expansion?

Jonathan Carpenter comScore, Inc. - CFO

Yes. I think you saw margin expansion in the fourth quarter, really in the second half of the year. Again, our guide here is the floor. I expect our margin as the revenue scales to be a very attractive outcome. Again, this is a model that's got the ability to throw off strong incremental leverage as revenue ramps. So we provided kind of 9% as the floor here, but we like the model as the revenue scales.

Operator

I would now like to turn the conference back to Bill Livek for closing remarks.

William P. Livek comScore, Inc. - CEO & Executive Vice Chairman

Thank you, everyone, for joining today. I hope you can hear by what we talked about that we're really excited about the future of comScore and also our new structure that's going to allow us to stay focused on our strategic priorities and deliver for our clients and our shareholders.

Thank you very much and look forward to seeing you soon on the next earnings call. Have a great evening.

Operator

This concludes today's conference call. Thank you for participating, and you may now disconnect.

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FEBRUARY 28, 2022 / 10:00PM GMT, Q4 2021 Comscore Inc Earnings Call

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