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<<Laura Martin, Analyst, Needham & Company>>

Hi, I'm Laura Martin, and I'm a Senior Media Analyst at Needham & Company, Internet and Media. And I'm welcoming to my stage Jon Carpenter, CEO of comScore. And I'm going to start with my professional question. I guess it's really a personal question, but it's in a professional framework, which is, what is the most impactful professional conversation you've ever had, and how did it change your path?

<<Jon Carpenter, Chief Executive Officer>>

I don't know that I could boil it down to one specific conversation. I would say I was really lucky early in my career to have gone through General Electric's leadership programs. I think what I learned very early on from the leaders that I work for are really three things probably that I share with, especially young professionals that are coming up is one, just be someone who gets stuff done. I think it sounds really simple, but if you demonstrate a level of intellectual curiosity to solve problems rather than just highlight them and actually be somebody to go to, to get the work done, that work by leaders in that organization will absolutely get noticed. So just getting stuff done and being – it sounds super simple is one.

Two, I think, I learned early on to take the jobs that nobody wants. There is a lot to be said in terms of the resilience that you get from experiences that are tough, that people shy away from. And I've certainly had plenty of that in my career, and I think that's benefited me tremendously in terms of how I think about problems, how I think about how to approach certain things. So take the jobs that nobody wants, or the tough jobs, and you'll find that that hard work certainly will pay off. And then lastly, hire people that are smarter than you. Don't be afraid to hire people that have got a skill set that's different than yours. And then not just hire them, but then empower them to make decisions. Don't tell them what to do, empower them to make decisions. And I kind of always subscribe to the fact that you don't hire smart people and tell them what to do. You hire smart people to make you personally and professionally better as an organization. Those probably three things that I learned early on in my career that I've kind of taken along the ride with me.

<<Laura Martin, Analyst, Needham & Company>>

So, one of my theories about, why women don't progress as much as men do is because men take bigger risks. And this notion that you're going to take jobs other people won't, bought, by definition, means you're taking risks that other people weren't willing to take, that you really could fail. Otherwise, somebody else would have taken the job. So do you think of yourself as a risk taker in an organizational point of view?

<<Jon Carpenter, Chief Executive Officer>>

I don't know that I'm – that I would consider myself a risk taker. I think, I benefited from being in situations uncomfortable – making yourself uncomfortable, getting comfortable with being uncomfortable, being comfortable with not knowing all the answers out of the gate up front and the more that you do that, the more you learn, the more that you grow. Success doesn't come – success comes from failure a lot of times, and learning from those and figuring out how to grow and pick yourself up off the floor. And so I don't know that that necessarily makes me a risk taker. I think we tend to look at our problems through a practical lens and try and approach them in a very thoughtful way as we – certainly as what we're thinking about with comScore and what we're trying to do.

You don't – we're not swinging for the fence on all the things that we're trying for, right? Get men on base, get a leadoff walk, and good things start to happen. And that's the way we've kind of approached things around our organization. We live in a world business personally, where you want instant gratification. You show up to the gym on the first day and you expect to see the results. You realize success takes time. It takes discipline. It takes putting in the hard work. And I think if you approach most things with that mentality, over time, good things – good things happen.

<<Laura Martin, Analyst, Needham & Company>>

Okay. All right, so you're turning the ship around at comScore. comScore is a great example of you taking a job no one wanted.

<<Jon Carpenter, Chief Executive Officer>>

I don't know what that is...

<<Laura Martin, Analyst, Needham & Company>>

You're the 6th CEO in my tenure that's taken the job that no one wanted. So here you are. But anyway, you're turning the ship. Can you talk about products you're most optimistic about and what you think are the key revenue growth drivers for 2024 and 2025?

<<Jon Carpenter, Chief Executive Officer>>

I think running this company is a privilege, and I'm incredibly grateful to the board, to our shareholders, to our employees, who have given me this opportunity day in and day out. What we're focused on, I think, is what we believe is where the puck is going for this industry and that is very much omni-channel. It is cross-platform. And if you look at the products that we're investing heavily in, if you look at where our resources and capital allocation is going across this organization, it is to our cross-platform products. And right now, that is a product – a suite of products that include Proximic by Comscore, which is our cross-platform audience activation. It's both ID and ID-free audience activation capabilities that are cross-platform.

And then, of course, our cross-platform ad measurement products, CCR, that today makes up our suite of cross-platform offerings. And that's where we're seeing really robust and attractive growth. And of course, those two products, that product suite doesn't come to existence if not for comScore's rich heritage in traditional television and, of course, our traditional digital audience measurement. Those two world class products are what really anchor our cross-platform capability today and that's why we're having – I believe the success that we're having with them.

<<Laura Martin, Analyst, Needham & Company>>

And so in both of those are video products, right? Right. Because when you say cross-platform, it's – they're both video...

<<Jon Carpenter, Chief Executive Officer>>

Video..

<<Laura Martin, Analyst, Needham & Company>>

It's basically linear CTV...

<<Jon Carpenter, Chief Executive Officer>>

Video, but on the digital side, we're also measuring. We've got display capability, so it's – but primarily video.

<<Laura Martin, Analyst, Needham & Company>>

Okay, so the future for comScore is video.

<<Jon Carpenter, Chief Executive Officer>>

It's about helping our audiences' leverage the holistic media plan to surface their audiences in ways that help drive true incrementality on behalf of the advertiser, on behalf of the publisher and the focus is absolutely video. It's where the bank dollars are.

<<Laura Martin, Analyst, Needham & Company>>

Okay. So those are your – so the products – those are the two products that are going to drive growth in 2024 and 2025.

<<Jon Carpenter, Chief Executive Officer>>

And beyond, yes.

<<Laura Martin, Analyst, Needham & Company>>

And beyond. Okay, great. In January, when you were on my stage, you said that the balance sheet was a high priority. Can you give us an update?

<<Jon Carpenter, Chief Executive Officer>>

I wish we could say we've made more progress than we have in full transparency. We hear directly from common shareholders who remain interested in the work that we're doing, certainly see the vision and the strategy of what we're putting forth, and that has landed with many of our shareholders. But what ultimately ends up coming almost full upfront is that there is a capital structure. And while we've made some progress, we've not made as much as I would have hoped here almost five months into the year in terms of making that a simpler story for common shareholders to understand. So we've got work left to do, and it remains a very high priority for myself and our board of directors recognize it as well. And it's just a matter of figuring out what the right – what the right outcome is that benefits all shareholders here.

<<Laura Martin, Analyst, Needham & Company>>

Okay. So Walmart Vizio has come up in every meeting. So here is how I'm going to frame that question to you. For the last five years, Vizio has been selling its ACR data to new competitors, to Nielsen, as a backbone of new measurement products for connected television. You guys already had an entrenched – you buy Vizio content. I know that. But my opinion is that Walmart will shut that down because it has its privacy risks from the EU or from America. So I think Walmart doesn't want the headache. They will shut that down. My question is, is that a benefit to you because of all the other sources of measurement material? And does that take away some of your competitors if in fact Walmart shuts down the Vizio?

<<Jon Carpenter, Chief Executive Officer>>

What did Vizio say?

<<Laura Martin, Analyst, Needham & Company>>

They aren't allowed to say because they – that is a Walmart question. Walmart has the right to make that answer right, that they wouldn't renew contracts when they come up. Vizio doesn't have a point of view on what Walmart is going to do about that all.

<<Jon Carpenter, Chief Executive Officer>>

Well, we have a longstanding partnership with Vizio that we're very proud of. It is an important piece, but it's one of many pieces in terms of our cross-platform offering. Our contract is with Vizio, and we feel like we've got a really good standing in terms of what that contract looks like. It's multi-year in nature and they've been nothing but a great partner to us and we fully expect that that is going to continue. And I don't want to speculate what Walmart's intentions are here, but I would say we're extremely confident in the contract that we have with Vizio and fully expect them to see it through the terms.

<<Laura Martin, Analyst, Needham & Company>>

Okay. I assume it doesn't get renewed. That's my assumption that Walmart won't renew any of them. Where does that leave you? I assume it's bad for you, but is it as bad as for everybody else?

<<Jon Carpenter, Chief Executive Officer>>

I don't know about everybody else and how they've integrated that product into their offering, but I can say it's one of many. When you think about comScore and our offering, it includes, on the digital side, many direct integrations with streaming platforms. It includes the tens of thousands of publisher integrations that we have globally. It is our digital panel and our total home panel. And then on the traditional TV side, it is virtually every MVPD player in the space, every satellite player virtually in the space, coupled with other data sources that we bring in, in addition to Vizio. So if Vizio were to not renew, that would be not – that's certainly not my best case scenario, but I would say it would be manageable given the other...

<<Laura Martin, Analyst, Needham & Company>>

And they wouldn't renew anybody. In my scenario, they don't renew anybody. So you're not at a competitive disadvantage.

<<Jon Carpenter, Chief Executive Officer>>

Look, the other advantage that we have here, and I think you saw that play out in terms of the progress that this team has made, is we are the only big data TV audience measurement product that's MRC accredited and JIC certified in this ecosystem. And that my point is, one, that's a really big deal, but two, we've been at this game for almost 25 years now in terms of our ability to integrate big data, leverage the incredible data scientists and research that – researchers that we have and staff that know how to handle this. We're ingesting new data sets all the time. We're replacing new data sets all the time. And so if one or another were to come out, it's not anything that would be unusual for us in terms of how we manage our offering.

<<Laura Martin, Analyst, Needham & Company>>

And what's the latency of measurement down to? I know you have these different tiers. It used to be two weeks and then you got it shorter. What are the different products latency in terms of getting measurement results to your clients?

<<Jon Carpenter, Chief Executive Officer>>

So on the traditional TV audience measurement product, we can post out with 95% accuracy within 48 hours across all 210 markets and nationally, which is no one comes close to the speed with which we can turnaround traditional TV viewership data. On the digital side, it's – our traditional digital product right now is essentially a day that's down from what was multiple weeks. And so that's a major improvement that the team has made. And so when you start talking

about cross-platform and what that means for our capability for an advertiser, who not only wants to optimize, not only wants to advertise nationally, but help them advertise nationally and optimize down to local levels, the speed with which our data gets filtered back to them is an incredible advantage.

Burger King is a great example. They advertise nationally. But for Burger King to know where they underperformed or over performed in any given market, where they have a store or down to a zip code level, is highly valuable for them, for us to be able to say, look, here's your national campaign. You may have met your GRPs, you may have met the audience that you wanted to reach, but in these 15 markets where you are, here is how you over/under performed the average GRP performance, and that's the power of the scale that comScore has. Then you layer in our digital data, and now you can start to have a conversation with, well, let us help you optimize your in-flight digital campaigns against what's in-flight on the linear side, and help you optimize that real time, oh, by the way, against segments that we can provide for you in terms of your target audience.

<<Laura Martin, Analyst, Needham & Company>>

And how long is a typical ad campaign? Like, if you're giving them feedback, within 48 hours, let's say, how long is a typical ad campaign?

<<Jon Carpenter, Chief Executive Officer>>

It varies. I mean, some of them are days, some of them are weeks. In the case of the Super Bowl, it's maybe a couple of weeks leading up to the Super Bowl. In some cases, the campaign may be live for a month.

<<Laura Martin, Analyst, Needham & Company>>

Okay, so the 48 hours is helpful as long as it's not a four day campaign. But most of the guys don't do four day campaigns, right?

<<Jon Carpenter, Chief Executive Officer>>

No. I mean, you obviously get some, but no, the vast majority of it is how is my – how can you help me plan and put my campaign in-flight, leveraging my ability to reach audiences where they are and then measure them and make measurement not this reactive after my campaign ran.

<<Laura Martin, Analyst, Needham & Company>>

Right.

<<Jon Carpenter, Chief Executive Officer>>

Tell me how I did. Help me optimize that in-flight and help me optimize my non-linear campaign against the stuff that I have in-flight on the linear side, so I can adjust in real-time.

Now, we're slowly kind of getting to that point, but that's where the puck is going and that's the power of our cross-platform capability that we're able to deliver for our audience, for our...

<<Laura Martin, Analyst, Needham & Company>>

Let's talk about where the puck is going because one of the things I see going on real time in CTV is this drive to bottom of funnel to drive to purchase being really brought on by Amazon's decision on January 24 to turn all of its 200 million Prime Video subscribers into ad driven subscribers and then Walmart's decision to buy Vizio to sort of – if you want to answer the Amazon threat. So I actually see connected television leaving top of funnel and pulling downstream into the purchase tying the ad to an actual purchase, return on capital. Isn't that bad for the measurement business because measurement is a proxy, right? You reach this much and therefore we'll assume it's a 10% buy rate, but there's no actual feedback loop. It's just an assumption. And if we actually are going to get actual CTV ads tied to purchases, doesn't that devalue the top of funnel connected television or cross-platform advertising product?

<<Jon Carpenter, Chief Executive Officer>>

Well, I would agree that no doubt, media is becoming more performant. I think I would start – let's just start at top of funnel for it. I mean, the first outcome that matters in your media plan is, did I reach the right audience with the right frequency, right? Let's start there. Did I optimize my reach and frequency effectively? And who's the measurement provider that's best suited to make sure that that happens? Well, once you've got the capability, which we do, to ensure that the incrementality is there, that the true de-duplicated nature of that reach and frequency is accurate, well, now I can layer on all kinds of research and insight solutions that I can provide that help kind of full funnel attribution and outcome based measurement ladder off of a true measurement player that gave you confidence in the first place that your reach and frequency was accurate. So we believe we're incredibly well positioned as the market moves more performative. We view – look, retail media networks still highly fragmented.

<<Laura Martin, Analyst, Needham & Company>>

That's true.

<<Jon Carpenter, Chief Executive Officer>>

And so the role that measurement plays in bringing clarity to that, bringing clarity to how is retail media network working inside my whole plan, my whole media plan, I think, is something that we bring to the table that is much needed for an industry that's still grappling with where's all this ad load that's going, that's coming, that's moving away from linear? Where is it showing up? How much of it is showing up on CTV? How much of it showing up in retail media? How much is showing up in gaming? How do you help me reach my audiences and tell me whether or not that was true incrementality, whether or not it drove the outcome that I needed? And that's where we come in.

<<Laura Martin, Analyst, Needham & Company>>

No, you've lost me. No, I'm confused. So we have this top of funnel. My argument, which may be invalid, is that, like, they're taking 10% of that and putting it bottom of funnel, and then the CFO sees that that works because there's a piece in CTV and it's going directly to purchase, so the CFO sees it in the quarter. And when the guy comes back and says, I want to take another 10% and put it down there, he says, yes, because there is a clear. So I don't understand...

<<Jon Carpenter, Chief Executive Officer>>

Yes, if that's – if that's where – it's – look, if you're an advertiser and you're only placing your media inside a particular retail media network and that's the only place it's sitting and you can directly – sure, maybe we're not adding a lot of value in that scenario, but more often than not, your campaigns are running a cross-platform. And how do you know the price point at which you should be paying for a piece of inventory that's staying here versus on CTV versus in another channel? And that's where the power of our data helps our clients plan more effectively with confidence, with all this cross-channel consumption that's taking place.

<<Laura Martin, Analyst, Needham & Company>>

And does this...

<<Jon Carpenter, Chief Executive Officer>>

And by the way, that's not just for everybody. Like, if you're Ford, right, you don't care about, like – like that consideration set is much longer than if you're a CPG brand showing up in...

<<Laura Martin, Analyst, Needham & Company>>

Toothpaste.

<<Jon Carpenter, Chief Executive Officer>>

In toothpaste.

<<Laura Martin, Analyst, Needham & Company>>

Yes.

<<Jon Carpenter, Chief Executive Officer>>

And so not everything – while retail media is an important part of the equation here, there are many of advertisers where the consideration set is much longer. And how do you find the right balance there in terms of how your media gets placed across all these channels?

<<Laura Martin, Analyst, Needham & Company>>

One of the things that came up earlier was that we had a panel that just said, what are the biggest digital issues? And one of them was the complexity. The complexity is just exploding as we get fragmented audiences. Is comScore a solution for that complexity? Does it simplify or standardize the measurement? Is that one of the big positive benefits?

<<Jon Carpenter, Chief Executive Officer>>

We believe we bring a level of standardization across all of this in terms of how we measure impressions across all these platforms.

<<Laura Martin, Analyst, Needham & Company>>

And would you agree that complexity is one of the three biggest problems with digital advertising?

<<Jon Carpenter, Chief Executive Officer>>

Yes, I mean, 100%. I don't know that I could argue that it's not complex. The thing that's making it more complex, when you think about it is just linear is still the most effective reach vehicle. And the ad mode that exists on linear is so much greater than connected TV.

<<Laura Martin, Analyst, Needham & Company>>

Sure.

<<Jon Carpenter, Chief Executive Officer>>

And so as linear falls in terms of the amount of time and attention it commands and shifts towards digital platforms, how do you replace that ad load scale that you were getting through the efficiency of linear? How do you know how much connected TV you should be buying? How do you know how much digital video you should be buying, how much short form video you should be buying?

And I think what we are able to do with our suite of assets is bring that to light in terms of where those audiences are, help answer those questions. Okay?

<<Laura Martin, Analyst, Needham & Company>>

Do you feel that the clients that you call on or that you service view TikTok and YouTube user generated content as a substitute or equally to CTV, which I think of as premium content top and bottom of the funnel?

<<Jon Carpenter, Chief Executive Officer>>

Yes, probably. But I don't know that's comScore's place to arbitrate what's premium versus...

<<Laura Martin, Analyst, Needham & Company>>

Keep spending money across the funnel. And when you think across the funnel, you put user-generated content to reach? Because reach...

<<Jon Carpenter, Chief Executive Officer>>

Yes, 100%.

<<Laura Martin, Analyst, Needham & Company>>

Okay. Okay, interesting. Yes. That was a big argument earlier today about what's TV, what kind of content is TV? And I think there is, I think, reasonable then may differ. And I think there's quite strongly held opinions on both sides of that. Interesting.

<<Jon Carpenter, Chief Executive Officer>>

For sure.

<<Laura Martin, Analyst, Needham & Company>>

Okay, let's talk about upfronts. So we're in the middle of upfront week. Disney's right now, yesterday was NBC and Fox, tomorrow is, I guess, Warner Brothers. What will the content this year in the upfronts? What's comScore going to be used at by the upfront guys, what's Nielsen and then VideoAmp was on my stage earlier and they said they're going to get a bunch of currency contracts like NBC came to mind.

Tell me what you think is that upfronts unfold, number of currencies that will get used for the upfront?

<<Jon Carpenter, Chief Executive Officer>>

I think you'll see – well, I mean, let's be honest, to the extent that there's still upfronts transacted largely on broad based demos, I mean, that's historically been Nielsen's strong suit. I don't know that that necessarily changes. I don't know that for comScore that necessarily matters. Broad based demos is a – is a big portion of the upfront market. It's a big portion of the...

<<Laura Martin, Analyst, Needham & Company>>

The reach, reachable.

<<Jon Carpenter, Chief Executive Officer>>

However, that's shifting dramatically to audience based buying. And that's where...

<<Laura Martin, Analyst, Needham & Company>>

So wait, so stay at that. Is that true?

<<Jon Carpenter, Chief Executive Officer>>

It's certainly, I would – I don't know this is – I would say the vast, vast majority is still demo based. In terms of the upfront.

<<Laura Martin, Analyst, Needham & Company>>

I would call it content based. Correct, okay.

<<Jon Carpenter, Chief Executive Officer>>

Yes. Yes, content based. But in terms of like, what the guarantees based off of traditional demos, that's Nielsen's game. But I think I'll point to a Digiday article that just came out yesterday where they surveyed all major advertisers and agencies on who they were leveraging in the upfront as their currency of choice.

<<Laura Martin, Analyst, Needham & Company>>

Yes.

<<Jon Carpenter, Chief Executive Officer>>

No surprise, it was Nielsen at about 50%, I think roughly; comScore number two, at roughly 46%, 47%.

<<Laura Martin, Analyst, Needham & Company>>

Okay.

<<Jon Carpenter, Chief Executive Officer>>

And then a very, very distant, like, it wasn't even close. Everybody else, you throw Oracle, Moat, iSpot, VideoAmp into that mix. And so what you see here is a very clear delineation between who the clients that sit on the buy and sell side of the equation are looking to when it comes to trusting an outcome based where they're putting billions of dollars of advertising, hundreds of billions of dollars of advertising to work. And it's no surprise Nielsen, but it's us in terms of a very, very close.

<<Laura Martin, Analyst, Needham & Company>>

But it's a local or national Nielsen?

<<Jon Carpenter, Chief Executive Officer>>

No, that was, there was an upfront based. Who are you using in the upfronts?

<<Laura Martin, Analyst, Needham & Company>>

The local broadcast is in the upfront.

<<Jon Carpenter, Chief Executive Officer>>

No, no TV up front.

<<Laura Martin, Analyst, Needham & Company>>

That surprises me. I am surprised you're almost equal to Neilson in the upfront.

<<Jon Carpenter, Chief Executive Officer>>

Well, look, I mean, we've been at this for, like I said, almost 25 years. We are the only MRC accredited TV measurement product for both local and national. We are the first big data TV audience measurement company to be certified for TV audience measurement by the MRC. We were one of two to be certified by the U.S. JIC as cross-platform transactable currency. And so to me, it's not a surprise. We put in the hard work to get our product to a place that is reliable, stable and cross-platform. And that's what clients want and that's what they're looking for.

And so, we feel like we've got work to do, but our product positioning is very focused on serving the cross-platform needs of this marketplace.

<<Laura Martin, Analyst, Needham & Company>>

But I have a question, because Nielsen doesn't have a lot of those certifications and yet they have 51% of the market. So it must not be that – and they charge ten times as much as you. So it must not be that the certifications matter. They don't matter as much as you would think they would matter, I guess.

<<Jon Carpenter, Chief Executive Officer>>

No, I disagree with that because there is very – I mean, one, there is a massive difference between comScore and Nielsen from everybody else who doesn't have those, in terms of the use case. I think you look at the relative size of the businesses in terms of command of client dollars, there is massive differences between where comScore Nielsen sit versus everybody else.

<<Laura Martin, Analyst, Needham & Company>>

Okay.

<<Jon Carpenter, Chief Executive Officer>>

In terms of where the dollars are going. And I think what the MRC provides back to the marketplace is a true understanding of a service that stood up – stood up to the rigors of an MRC audit. It can be trusted, it's reliable. We do what we say we're doing. And I think it's massively important for the industry to have a body like the MRC in the middle kind of saying, hey, who is credible here from a currency standpoint when we're talking about billions and billions of dollars of advertising changing hands.

<<Laura Martin, Analyst, Needham & Company>>

But the value of being a currency is that you have pricing power. And have you been able to close the price gap at all to Nielsen?

<<Jon Carpenter, Chief Executive Officer>>

I think the days of Nielsen style contracts are probably behind us. The historical days of...

<<Laura Martin, Analyst, Needham & Company>>

You or them?

<<Jon Carpenter, Chief Executive Officer>>

Are behind them in terms of – and we see this moving in a very different direction as audiences become more fragmented, audiences become more digital, digital is largely programmatic. That's where our focus is. And in that environment, you are talking about transacting on a percent of the ad spend, not a fixed fee model.

<<Laura Martin, Analyst, Needham & Company>>

That's true.

<<Jon Carpenter, Chief Executive Officer>>

And so I think the economics are incredibly attractive. But the model is different. Right. I am not going in with a fixed fee contract. I am going in with a model that is very much tied to the ad...

<<Laura Martin, Analyst, Needham & Company>>

Rev share. Like a Rev share model.

<<Jon Carpenter, Chief Executive Officer>>

And it's programmatic. I'm built for the programmatic. My big data gets inherently built for programmatic. So the deal that we announced with The Trade Desk earlier in this quarter is

exactly unlocking what I just said. It is our cross-platform capability tied to our cross-platform audience activation business enabled inside The Trade Desk.

<<Laura Martin, Analyst, Needham & Company>>

Okay, so let's do that slower. So that product they announced with Trade Desk is a rev share...

<<Jon Carpenter, Chief Executive Officer>>

Local cross-platform product.

<<Laura Martin, Analyst, Needham & Company>>

Local cross-platform. And a local cross-platform, I'm trying to think what that means. So a local station like ABC.

<<Jon Carpenter, Chief Executive Officer>>

No.

<<Laura Martin, Analyst, Needham & Company>>

No sorry what?

<<Jon Carpenter, Chief Executive Officer>>

That is your brand who – in simple terms, you're a brand who is targeting audiences through spending media on linear and digital channels and through programmatic pipes that we've got set up now with Trade Desk and others, you can basically leverage comScore's audience segments and comScore's cross-platform measurement to help you optimize your digital spend through the Trade Desk against in-flight linear campaigns, in almost near real time. Right.

Again, we turn around linear data in two days in every single market. So if you're – again, I go back to my Burger King example, advertising nationally you want to optimize locally, and you want to optimize your digital spend, you would leverage the comScore local cross-platform capability inside that environment.

<<Laura Martin, Analyst, Needham & Company>>

Okay. Local meaning the Burger King like by region like, right, that's what you are saying?

<<Jon Carpenter, Chief Executive Officer>>

Yes, you are 100%, so down to a ZIP code level.

<<Laura Martin, Analyst, Needham & Company>>

Okay.

<<Jon Carpenter, Chief Executive Officer>>

Or connected TV piped directly into the household.

<<Laura Martin, Analyst, Needham & Company>>

Is that a currency in that – that's not a currency, right? It's a measurement.

<<Jon Carpenter, Chief Executive Officer>>

Sure. Yes, it's a currency, it's a measurement. People like to talk about currency in the traditional sense.

<<Laura Martin, Analyst, Needham & Company>>

A guarantee.

<<Jon Carpenter, Chief Executive Officer>>

Like, we don't exist.

<<Laura Martin, Analyst, Needham & Company>>

It's...

<<Jon Carpenter, Chief Executive Officer>>

Yes, we don't exist only in the context of a transaction, right. That's a specific market here. Like the currency is, can I use comScore to effectively score the audiences that were guaranteed for a particular game? You 100% can. But if that's the only value proposition that we are giving back to our clients, like, that's only one component of what we do. We then – like, we exist regardless of who your currency of choice is. Right. We live in a multi currency world.

<<Laura Martin, Analyst, Needham & Company>>

Okay.

<<Jon Carpenter, Chief Executive Officer>>

And so if you're using the incumbent currency to score your GRPs, well, we'll demonstrate to you how those GRPs play out in every specific local market that matters to you and show you where incrementality was won or lost.

<<Laura Martin, Analyst, Needham & Company>>

Okay, right. So you're not getting – you are actually getting helping with frequency capping. So you know that you are reaching every local market and not three markets a 100 times.

<<Jon Carpenter, Chief Executive Officer>>

100%.

<<Laura Martin, Analyst, Needham & Company>>

Right, okay. And are we going to be able to fix frequency capping, or is it just a byproduct of targeting that when they target me, I am just going to get too many of the same ads, and I'm not going to see any ads that you see ever.

<<Jon Carpenter, Chief Executive Officer>>

Well, the beauty of what we provide is we provide truly a de duplicated reach of audience. And part of the problem with measurement today, outside of comScore, is that there is no way to kind of – the businesses haven't done a good job of de duplicated audience. We have tested methodologies around how we de duplicate audiences across platforms so that reach and frequency that you're getting back from comScore is highly, highly reliable. And all by the way, we've got segments that are cross-platform, audience segments that have both ID-based and ID-Free based contextual signals that you can activate against, that have and have a high degree of confidence in. That is tied directly to the methodology that we built on the measurement side to demonstrate the true incrementality of what's taking place.

<<Laura Martin, Analyst, Needham & Company>>

Okay. Questions from the audience? Any questions, Jon or comScore? Okay. All right, we'll keep going.

So how much money – when you think of the revenue streams, do you have a strategic goal around currency, like, we want to be so much currency, or do you just have, like, revenue goals and you sort of don't really care about the products?

<<Jon Carpenter, Chief Executive Officer>>

Well, I think we have – we obviously think about currency. I would say being a currency grade measurement product gives us a lot of credibility in terms of all the other solutions that we bring to the marketplace. And so what was – again, we've got currency grade TV audience measurement solutions that are MRC accredited. That MRC accredited TV product is the foundation, along with our digital product, to our cross-platform offering and so currency is a big part of the talk track and a big part of who we are.

Many of our clients use us as a currency to the tune of billions of dollars of advertising that's transacted on a comScore currency. But that's not our only reason for existence, right. We provide value back to our clients, because we have a social view of audiences, a connected TV view of audience, a traditional digital view of audiences, a traditional view of audiences that can be put together in a way that helps you effectively meet your plans and outcomes that you're trying to achieve.

<<Laura Martin, Analyst, Needham & Company>>

Okay. My favorite business that you run is the movie business, which is a monopoly business.

<<Jon Carpenter, Chief Executive Officer>>

It is a great business.

<<Laura Martin, Analyst, Needham & Company>>

It's a great business. It's really small. I get it. But I really love that business. So, can you talk about what's happening in the movie business? Is M&A coming back? Are we getting more releases? Are you getting – I know the custom work has really fallen off. Are you seeing any resurgence on that?

<<Jon Carpenter, Chief Executive Officer>>

The movies business has been very resilient, and we've got a really strong market leading position in terms of the box office data that we collect globally. We collect roughly 95% of global box office receipts. And we...

<<Laura Martin, Analyst, Needham & Company>>

That's China though right. You got rid of China.

<<Jon Carpenter, Chief Executive Officer>>

China we get through – we've got a third-party relationship that helps us with China so that we've got accuracy in that marketplace and longstanding sticky relationships with all the major studios. The theatrical business last year was really healthy. It did over in the U.S. and North America, did over \$9 billion in North American box office. The global box office was \$35 billion or so. Not quite back to pre-pandemic levels, but up considerably from where we were in 2021.

I think when we look at the marketplace in 2024, I think, we're somewhat conservative in terms of what we think the box office will be north of eight, probably less than nine. But you had some really big – it's hard to – you're comping Barbie and Oppenheimer...

<<Laura Martin, Analyst, Needham & Company>>

Yes, Oppenheimer.

<<Jon Carpenter, Chief Executive Officer>>

And it's hard to kind of predict. But the slate over the summer is rich with some really good titles. And so we're optimistic on our position in that space. It's a marketplace that's globally growing low-single digits, and we track to that. So it's not a high growth business, but it is a lucrative business, it is very sticky and it fits very well into our cross-platform capability that we can provide to clients given our ability to see box office data. Marry that with streaming data, and the rest of our digital and TV data. So we like that business a lot in terms of what it has to offer for cross-platform, holistically.

<<Laura Martin, Analyst, Needham & Company>>

Speaking of the balance sheet, which we spoke about, what about the idea of selling off movies, which is separable from everything else in the empire, and just taking the cash and paying down debt with that to solve your balance sheet issue?

<<Jon Carpenter, Chief Executive Officer>>

It's a question we get asked a lot. I think what it comes down to is we really like that business a lot and we know how to run it. We feel like it adds tremendous value to the rest of the portfolio. And so, we've decided not to – obviously, we decided not to sell that asset. But we're a public company, everything has a price. But we love that asset in terms of our position in it. So it'd be hard to move on from that.

<<Laura Martin, Analyst, Needham & Company>>

Okay, any questions from the audience? Okay, so my last one is sitting here a year from now Jon, what are we going to be talking about that we didn't touch on today? Like, what is Wall Street missing that's an issue that you are going to – that you see sort of bubbling up and you're going to be thinking about, or the industry is going to be thinking about whether it could be cookie deprecation or what do you think is an issue that Wall Street should be more focused on?

<<Jon Carpenter, Chief Executive Officer>>

As it relates to measurement or comScore specifically?

<<Laura Martin, Analyst, Needham & Company>>

I was more thinking like digital advertising, like something like really substantive that we're missing in the digital advertising ecosystem. You might have a perspective coming from measurement to answer that, but you guys in the operating businesses see so much more than us that we just really miss some of these big issues sometimes that are value – destructive or value creative.

<<Jon Carpenter, Chief Executive Officer>>

Yes, I think as it relates to measurement specifically, I anticipate you will see some of the noise dissipate and really correlate around products like our cross-platform capability as true market differentiators, given how omnichannel the media environment is. And so I think that sets us apart. For us specifically, we've got some pretty specific goals that we know we need to hit.

<<Laura Martin, Analyst, Needham & Company>>

Can you share them?

<<Jon Carpenter, Chief Executive Officer>>

Our shareholders want to see robust revenue growth.

<<Laura Martin, Analyst, Needham & Company>>

Yes.

<<Jon Carpenter, Chief Executive Officer>>

And I think recognize that we do serve difficult end markets in parts of our legacy business. But I think what we are highlighting here going forward is omnichannel, where the puck is going, programmatic, linear, still important, but part of a much bigger omnichannel picture of what we deliver from a management – a measurement standpoint in the growth of that product suite a year from now versus where we are today is going to look really attractive.

<<Laura Martin, Analyst, Needham & Company>>

Okay. All right. Anything else before I call time? Okay, I'm going to call it there. Thank you very much. Thanks, everybody.

<<Jon Carpenter, Chief Executive Officer>>

Thanks Laura.

<<Laura Martin, Analyst, Needham & Company>>

Thanks Jon.

<<Jon Carpenter, Chief Executive Officer>>

Thank you very much.