



# LOCATION SCIENCES

*the mobile location intelligence company*

# VERIFY

AUTHENTICATE LOCATION  
AND AUDIENCE ACCURACY

LOCATION SCIENCES  
AGENDA



Intro Webinar



Location Sciences



Market Background



Intro To Advertising Verification



Location Advertising



Location Verification



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LOCATION SCIENCES

# INTRODUCTION

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“WE ARE A LOCATION DATA AND INSIGHTS BUSINESS”

We offer **independent** and **media-agnostic** measurement, verification and optimisation solutions to our clients.

Our proprietary mobile technology collects **ultra-precise, anonymised and consented 1<sup>st</sup> party location data** on millions of real world consumers.

This data powers our platform and products, enabling us to **attribute and verify** consumers' behaviours.

# MARKET BACKGROUND



Forecast summary	Adspend 2017 (£m)	2017 v 2016	Forecast 2018	Forecast 2019
		% change	% change	% change
<b>Internet*</b>	<b>11,553</b>	<b>14.3%</b>	<b>9.2%</b>	<b>7.1%</b>
of which mobile	5,223	37.3%	20.3%	15.5%
<b>TV</b>	<b>5,108</b>	<b>-3.2%</b>	<b>2.3%</b>	<b>3.0%</b>
of which VoD	211	7.1%	11.7%	11.8%
<b>Direct mail</b>	<b>1,753</b>	<b>0.9%</b>	<b>-4.0%</b>	<b>-4.0%</b>
<b>Out of home</b>	<b>1,144</b>	<b>1.5%</b>	<b>1.5%</b>	<b>2.9%</b>
<b>National newsbrands</b>	<b>1,032</b>	<b>-5.6%</b>	<b>-4.3%</b>	<b>-2.8%</b>
of which digital	275	19.3%	10.7%	10.2%
<b>Regional newsbrands</b>	<b>887</b>	<b>-13.1%</b>	<b>-9.7%</b>	<b>-5.8%</b>
of which digital	212	9.9%	3.1%	7.6%
<b>Magazine brands</b>	<b>776</b>	<b>-11.5%</b>	<b>-8.6%</b>	<b>-5.7%</b>
of which digital	271	-4.0%	-2.9%	1.8%
<b>Radio</b>	<b>679</b>	<b>5.2%</b>	<b>4.2%</b>	<b>4.4%</b>
of which digital	35	26.3%	20.9%	16.9%
<b>Cinema</b>	<b>260</b>	<b>3.3%</b>	<b>8.8%</b>	<b>7.0%</b>
<b>TOTAL UK ADSPEND</b>	<b>22,191</b>	<b>4.6%</b>	<b>4.2%</b>	<b>3.8%</b>

\* Broadcaster VoD, digital revenues for newsbrands and magazine brands, radio station websites and mobile advertising spend are also included within the internet total of £11,553m, so care should be taken to avoid double counting.  
Source: AA/WARC Expenditure Report, April 2018

UK Mobile Advertising is a £5b+ Market

...

Bigger Than TV and still growing

...

42% Of Total Mobile Ad Spend In 2018 Will Use Location Targeting \*

\*Source BIA/Kelsey 2017

# WHAT IS VERIFICATION



The process of establishing the truth, accuracy, or validity of something.

“Ad verification is a service that offers technology to ensure that ads appear on intended sites and reach the targeted audience.” - *IAB Ad Verification Guidelines, 2012*

Ad Verification comes in many forms but the objectives remain the same, brands need complete transparency to effectively measure and evaluate the quality of their investment.

The key principles of Ad Verification include:

- **ROI** - Improve advertising effectiveness.
- **Trust** - Ensure a brand's advertising is viewable by the correct audience in a brand-safe environment.
- **Security** - Reduce the wide number of fraudulent practises impacting the advertising industry.
- **Transparency** - Truly effective Ad verification must be led by independent, media-agnostic parties.

“Clearly it's an example where the player and referee cannot be the same person or where you cannot mark your own homework.” - *Sir Martin Sorrell, The Drum, 2016*

# WHY VERIFICATION



## Allocation of Programmatic Ad Fees Worldwide, by Service Partner, 2017

billions and % of total

	Programmatic ad fees	% of total
<b>Tech tax</b>	<b>\$34.9</b>	<b>55%</b>
—Data targeting & verification	\$15.9	25%
—Trading desk	\$9.5	15%
—Demand-side platform (DSP)	\$6.3	10%
—Exchange	\$3.2	5%
<b>Publisher revenues (assumes zero fraud)</b>	<b>\$25.4</b>	<b>40%</b>
<b>Agency of record</b>	<b>\$3.2</b>	<b>5%</b>
<b>Total programmatic ad spending</b>	<b>\$63.4</b>	<b>100%</b>

Note: read as 55% of the amount spent on programmatic ads went to a "tech tax," while 5% went to the agency of record and 40% went to the publisher (with a 0% fraud assumption); excludes search and social; numbers may not add up to total due to rounding  
 Source: Warc, "Global Ad Trends March 2018" based on Magna Global figures, March 29, 2018

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www.eMarketer.com

## ADWEEK

### To Help Fight Fraud and Piracy, GroupM Has Named a 'Brand Safety' Executive

John Montgomery takes on a new role

### Mobile app fraud reached up to \$800 million in Q1 2018

April 4th, 2018 - 01:27pm  
 By Craig Chapple, Senior Editor

Mobile app marketing fraud grew to between \$700 million to \$800 million in Q1 2018, according to AppsFlyer.



## ADWEEK

### Bots Will Cost Digital Advertisers \$7.2 Billion in 2016, Says ANA Study



"Measurement and trust would be a key focus for the organisation." - Solanki, IAB, 2017





## | Mobile ad fraud: the hidden menace in mobile in 2018

BY PAUL SKELDON ON 10 JANUARY 2018

Mobile marketers accept that "large portions of their ad budgets are exposed and/or lost to fraud" with 69% of marketers citing that at least 20% of their budgets are exposed to fraud on mobile web and 71% for in-app advertising.

# TRANSACTIONS IN VERIFICATION



# MOAT

Acquired by Oracle  
Viewability  
\$850m



# grapeshot

Acquired by Oracle  
Brand Safety  
\$300m



# DV

DoubleVerify

Majority Stake by Providence Equity  
Viewability  
\$300m valuation



# IAS Integral Ad Science

Majority Stake by Vista Equity Partners  
Brand Safety  
\$850m valuation



# THE NEXT OPPORTUNITY



*Market precedent*

**VERIFIED**

- Brand safety
- Viewability
- Location accuracy



*Market need*

## AdNews

**Over 80% of location marketing spend might be wasted**



By Rupert Pay, APAC VP, Blis | 7 November 2016

# WHAT IS A LOCATION CAMPAIGN?



Use the phone's location signal to present and advert near a retailer's location

**Location targeting.** A setting that helps you show your ads to customers in a selected geographic location. For each ad campaign, you can select locations where your ad can be shown. Then, location targeting allows your ads to appear for people in those locations.



# THE CHALLENGE FOR LOCATION ADVERTISING



96% of marketers saying they consider location data to be important\*.



However, 65% of marketers have also expressed concern around the quality of location data available in the market\*\*, and it is widely perceived that up to 80% may be imprecise or fraudulent.



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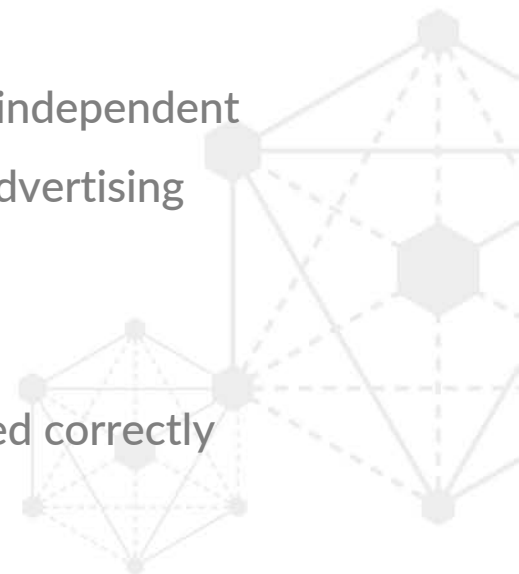
# INTRODUCING VERIFY



Verify leverages Location Sciences technology to provide independent measurement and authentication of location-enabled advertising

**IN ENGLISH**

We verify that location advertising investment is delivered correctly



# WHAT DO WE VERIFY?



The location signal is not fraud / computer generated



The advert is delivered in the correct location



The advert is delivered to the correct audience



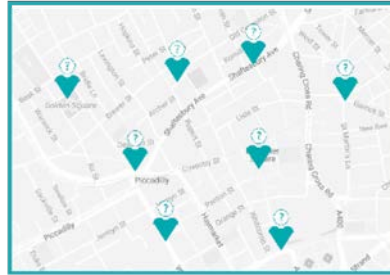
# LOCATION SCIENCES HOW IT WORKS



An advertiser wants to target people near their stores



Our tech is put in their mobile advert



Adverts are served to people in locations near the store



Verify collects data and processes from each advert served



Advertiser visits live dashboard for reports and actions



# WHO WINS – THE ADVERTISER



Advertiser pays for clarity



Advertiser pays for correctly targeted adverts



Advertiser redistributes investment to verified and effective sources



# WHY DON'T ADVERTISERS KNOW THIS?



Digital advertising is still new – standards take time



Programmatic black box hides detail and lacks transparency



It took time for viewability and brand safety to be verified



**location is next in line**



# WHY WOULD COMPANIES DO THIS?



Apps can make 10x more money if they present location with the advert



AdTech companies & ad agencies are paid when adverts are delivered



Location advertising is scarce – incentive to massage the truth to deliver more  
adverts



# HOW WE MAKE OUR MONEY



We charge a small amount for each advert with our tag in



An average mobile campaign in the UK is 10 million impressions



In the US it is 100 million impressions



# PERFECT POSITION TO SUCCEED



First mover advantage



Globally demanded product and scalable



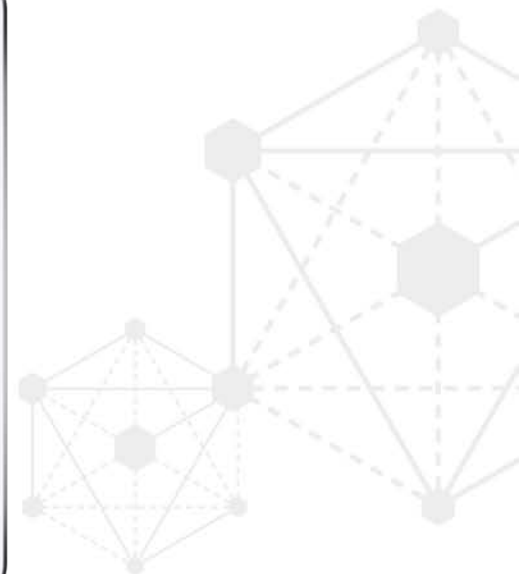
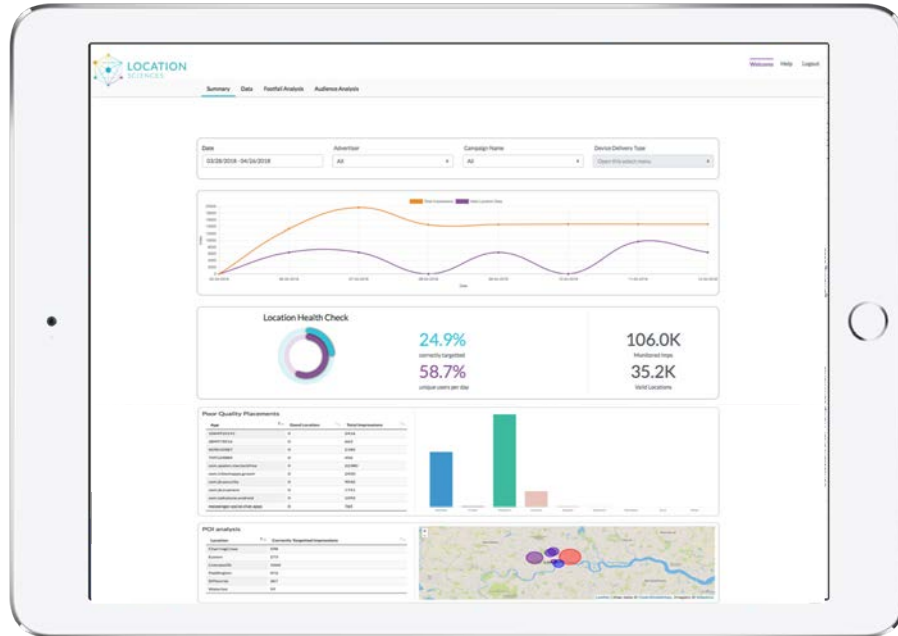
Management team



Technology and Infrastructure



# LOCATION SCIENCES REAL TIME DASHBOARD





# KEY TAKE AWAYS



Location advertising is a huge market globally



It needs verification



We have a solution that solves a problem



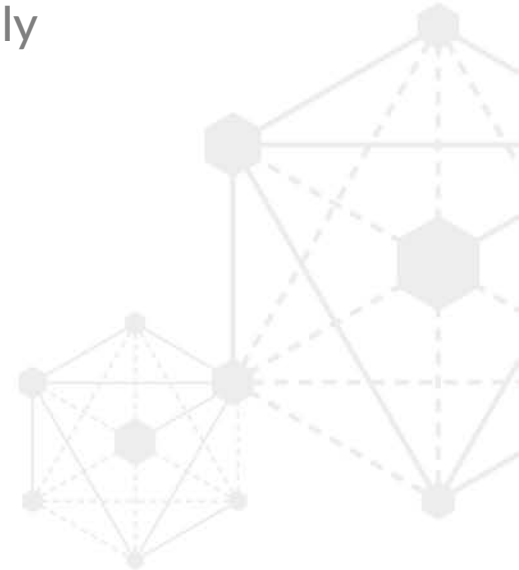
Our solution is globally scalable



We have first mover advantages



Verification is a hot sector in AdTech – growth and acquisitions



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# CONTACT US



Independent location measurement and verification.

We offer ultra-precise location technology with highly valuable insights and analysis.

Connect with us to find out more:

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[www.locationsciences.ai](http://www.locationsciences.ai)

