

Content & Commerce: Opportunities Abound

October 2022

「JEGI
CLARITY」



» Content & commerce: opportunities abound for publishers and related marketing participants

\$5.5Tr | **\$1Tr**

**2022E Global
E-Commerce Revenue**

**2022E US
E-Commerce Revenue**

Consumers continue to seek guidance and advice as they purchase more online – creating lucrative opportunities for publishers and more user activity

20%

of global retail sales are expected to take place online in 2022

Media companies now view content & commerce as a strategic component of the business model (advertising, subscription, commerce)

\$9B

of U.S. Affiliate marketing spend, driving

\$70B

in E-Commerce Sales

56%

of TikTok users are more likely to research new products on TikTok

11%

start their product search on TikTok

40%

of US E-Commerce is expected to take place on Amazon in 2022

Despite unstable macro conditions, content & commerce platforms have taken the role as the trusted resource for consumers looking to save money on deals as prices increase

Google's organic search results often reward informational content over brands/retailers throughout the customer journey

“Right now, commerce is the hot, hot thing”

Neil Vogel, CEO, Dotdash Meredith

» Content driving commerce

Content

Publishers produce content around transactional topics, but do not capture the purchase



"We've updated Search ranking to help people find more in-depth, expert product reviews" (rewarding publishers with original photos, diverse make-up of outbound links and clear testing criteria)

Commerce

Retailers power transactions, but have limited insight into consumer intent and behavior



Driving more commerce: videos tagged with #primeday2022 were viewed 50m+ times

Popular verticals: Beauty, Recipes, Re-Commerce



Publishers

**Connectivity
Platforms**

**Retailers &
Brands**

Vox

GANNETT

HEARST

wayfair

target

THE HOME DEPOT

hp

Walmart

WARBY PARKER

LOWE'S

BEST BUY

chewy.com

amazon

CNN

FUTURE

INSIDER

Ziff Davis

Dotdash meredith

RED VENTURES

THE ARENA Group

Nexstar MEDIA GROUP, Inc.

recurrent

THE WALL STREET JOURNAL

AdVON COMMERCE

impact .com

NARRATIV

Partnerize

sovrn

connexity

Opportunities For Retailers & Brands

- Increase conversion rates
- Strengthen retention of consumer base
- Reduce promotional costs and content creation

Opportunities For Publishers

- Diversify beyond subscription & ad revenue
- Increase regular, repeat viewership
- Affordable, quality content creation

» Content & commerce: publishers continue to enhance and launch related initiatives

Buy Side FROM WSJ

WSJ Debuts New Commerce Site 'Buy Side'

IAC / **Dotdash**

meredith

People and Better Homes Publisher Places Big Bet on Product Reviews

Mr. Vogel said Dotdash Meredith expects costs associated with its e-commerce efforts to exceed \$20 million this year

Merriam-Webster
Reviews.

AFTER 191 YEARS OF DEFINING WORDS, MERRIAM-WEBSTER STARTS CASHING IN ON AFFILIATE MARKETING WITH PRODUCT REVIEWS

knocking
CBS DEALS
GOOD HOUSEKEEPING

Knocking Launches Live Commerce Initiative with CBS Mornings and Good Housekeeping

Hubert Burda Media
therecommended.
IMMEDIATE MEDIA

Immediate Media, the special interest content and platform company, has launched The Recommended, offering product recommendations and buyers advice from experts to help users shop smarter online

» Content & commerce: large and growing addressable market

Addressable Market Sizing in 2022

\$1T
US E-Commerce Sales

\$300B
US Ad Spend

\$200B
US Digital Ad Spending

\$130B
US Performance Based
Digital Ad Spend

\$9B
US Affiliate
Marketing
Spend

Clear market opportunity to link product discovery and commerce with unbiased, relevant and easily digestible content

Addressable Market Overview

- E-Commerce continues to take a larger share of overall sales
- Performance based digital ad spending has been the leading digital ad model representing 67% of spending in 2021
 - The retail sector comprises 50% of total performance marketing spend but accounts for 75% of total revenue generated by advertisers
- Performance based-marketing reigns supreme as it enables retailers to pay the publishers when a specific action is completed, making it easier to measure, track and to attribute success delivering tangible ROI and reducing risk for the retailer
- 16% of all online orders are generated through the affiliate channel

» Content & commerce: select participants

Publishers

axel springer_ BuzzFeed Forbes GANNETT HEARST



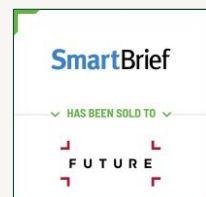
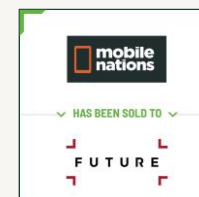
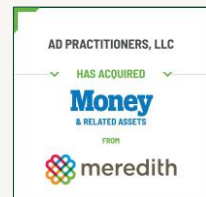
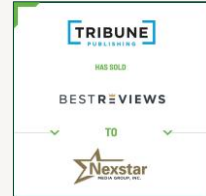
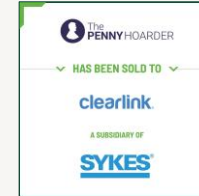
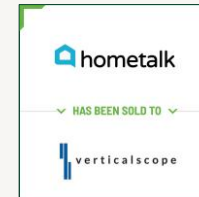
Performance-Based Platforms













Growth Stage & Private Equity Backed



JEGI CLARITY Select Activity



» Content & commerce: select transactions YTD 2022

Date	Acquirer/Investor	Target	Deal Description
Private Equity			
Jul-22	NOVACAP 	ratehub.ca	<ul style="list-style-type: none"> Personal finance education and comparison platform
May-22	Blackstone	recurrent 	<ul style="list-style-type: none"> Raised \$300m in new capital 24 brands across Science, Tech, Outdoor, Home, Auto and Military
May-22	 SALTWATER	 QUILLT	<ul style="list-style-type: none"> Brands focused on aspirational women and elderly care including Suggest.com, TravelAwaits.com and SeniorsMatter.com
Apr-22	abry partners	What if MEDIA GROUP	<ul style="list-style-type: none"> Significant investment to drive growth Generates 500K registrations per day through its array of O&O
Jan-22	Clarke CAPITAL PARTNERS	clearlink	<ul style="list-style-type: none"> Acquisition of significant interest from Sitel Omnichannel marketing platform for consumers to make well-informed decisions around daily purchases
Strategic			
Sept-22	recurrent 	dwel	<ul style="list-style-type: none"> Brands focused on contemporary home design
Jun-22	 nerdwallet	 On the Barrelhead	<ul style="list-style-type: none"> Credit product comparison for consumers and SMBs Acquired for \$120m (3x LTM Revenue)
May-22	 FUTURE	WHO WHAT WEAR	<ul style="list-style-type: none"> Acquired for \$100m Women's fashion and lifestyle brand where content is shoppable
Apr-22	 MediaAlpha	Pocket Your Dollars	<ul style="list-style-type: none"> Acquired for \$70m Personal finance education and comparison platform
Mar-22	SYSTEM1	 COUPON FOLLOW	<ul style="list-style-type: none"> Acquired for up to \$120m Real-time coupon search engine
SPAC			
Jan-22	TREBIA ACQUISITION CORPORATION	SYSTEM1	<ul style="list-style-type: none"> Customer acquisition platform becomes public through SPAC (EV:~\$1.2B, EV/Revenue: 1.5x as of 9/22/22) Combined with Protected.net which provides privacy subscriptions

» Thank you



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