

Message

From: Jerry Dischler [Redacted@google.com]
Sent: 10/22/2018 3:44:10 AM
To: Prabhakar Raghavan [Redacted@google.com]
CC: Vivek Raghunathan [Redacted@google.com]; Vishal Sharma [Redacted@google.com]
Subject: Re: Really basic video ads questions

Inline

On Sun, Oct 21, 2018 at 8:19 PM Prabhakar Raghavan <[Redacted@google.com]> wrote:
Gents - I'm looking
at https://docs.google.com/presentation/d/1B0BOOp2CWTrmKNttTKZYLvuMa_POvSjFMvC_XWN69m8/edit#slide=id.g43f4e7dded_1_0 and subsequent slides.

Slide 26: "Watchtime has historically grown faster than revenue as monetization lags behind usage" - what's the intuition? Is the mix of what's watched changing? If not why the lag?

Watchtime is increasing disproportionately in low revenue countries (e.g., India).

Also on that same slide - the point about budget-constrained - I assume this primarily applies to DR? how do we move it?

Both are budget constrained but brand is way more budget constrained. The primary way we can move these budget constraints is on the DR side by signing up more pure DR advertisers.

Slide 27: The per-country watchtimes don't seem well-correlated with populations (ex-China); for instance I was surprised to not see Indonesia, while VN is in there. What's a good correlation?

Indonesia is growing quickly; I believe it's in the next 1-2 countries. My guess as to why it's not higher is a function of the quality of broadband infrastructure. It needs to be cheap enough to stream video over 4G in order for YT to really take off.

Slide 31: how are text search ads doing? Is it showing up as a worthwhile investment? The commerciality of YouTube queries seems limited ... I presume an advertiser needs to opt in to YouTube text search ads?

We thought this was a lost cause but there's actually a glimmer of hope that these may work on Search.

Advertisers opt in to AFS and YT is an AFS publisher.

Masa: I assume we've priced the mix of advertiser who expect "zero percent unsafe content" vs those who're willing to tolerate some unsafe content, and have a good feel for investment into technology for filtering bad content?

Yes! Although no advertiser really says zero tolerance and we're still trying to seek out what an acceptable level is for many of the top brand advertisers.

Thanks.

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p.r.

Ex. No.
UPX0342
1:20-cv-03010-APM



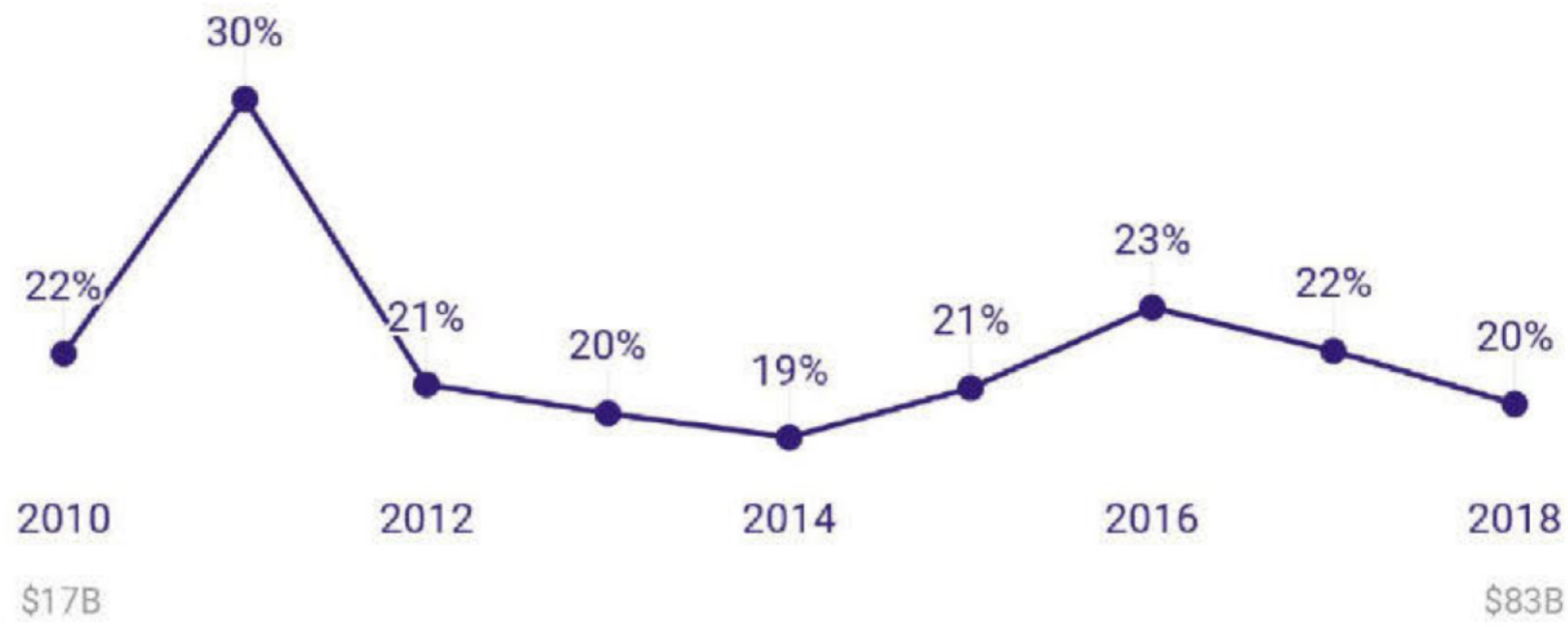
Overview of Search and YouTube Ads Revenue

October 12, 2018

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Google.com revenue growth:
within ~1ppt of 21% Y/Y for 8 of last 9 years



~2/3rds of company's revenue and \$ growth for 10+ years

Fixed-FX

Maintained ~20% Y/Y growth over several years

RPM gains making up for diminishing query volume contribution

[TOTAL] Query & RPM contribution to total G.com Y/Y revenue growth



1 Monetisation gains now driving majority of revenue growth

- In 2018: ^{Redacted} of growth driven by RPM, however that gets to ^{Redacted} when we adjust for country mix

>> What's the source of the RPM strength?

Overall Google.com: RPM ^{Redacted} of growth (not adjusted for country mix) -> ^{Redacted} when adjusted for country mix

Top US Queries

Ordered by Queries

Data for week of Sep 22; billable revenue; US-only

Redacted

Ordered by Revenue

Data for week of Sep 22; billable revenue; US-only

Search Term	Revenue	Queries	RPM
iphone 8	Redacted		
iphone 8 plus	Redacted		
auto insurance			
car insurance			
cheap flights			
car insurance quote			
direct tv			
online colleges			
at&t			
hulu			
iphone			
uber			
spectrum			
comcast			
xfinity			
insurance quotes			
free credit report			
cheap car insurance			
aarp			
lifelock			

Redacted