OpenX

OPENX + CARGURUS

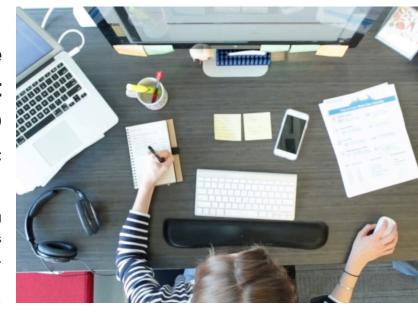# How CarGurus Scaled Their Private Marketplace Deals for a 160% Revenue Increase

CarGurus

Today, publishers often face the challenge of finding the right balance for their traditional IO business and programmatic business.
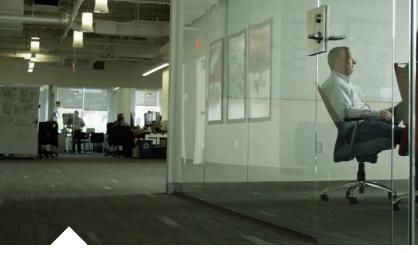
CarGurus evolved their stack to introduce demand automation and enable key Private Marketplace deals to achieve the best of both worlds – maintaining ad quality and increasing competition from buyers at scale.

"The market is changing rapidly and we needed to be ready to engage with buyers across the spectrum. OpenX helped us get there."

Ben Harman

CarGurus is a leader in connecting online consumers with information to make smart car shopping decisions. Committed to finding progressive ways to monetize, Ben Harman, Director of Advertising Operations, tapped OpenX for solutions for their US, Canada, and UK sites.

Finding a Holistic Solution

Over the past 18 months, CarGurus had experienced massive impression growth but struggled to optimize to the best yield and fill rates without a platform solution.

Seeing positive results as a partner on OpenX Ad Exchange, a natural next step was to sign on with OpenX SSP combined with OpenX Bidder.

> "With the SSP we were able to quickly create a scalable foundation and establish strong buy-side platform relationships."
>
> *Ben Harman*

Revenue increased across the board, with a 300% increase in OpenX-procured exchange revenue (Dec '15 to Mar '16) and a 70% increase on mobile revenue overnight.

OpenX Bidder helped drive more competition for each impression and leveled the playing field.

KEY RESULTS

124% Higher CPMs than auto industry average

160% Increase in OpenX-procured PMP revenue through with a 20% increase in CPM

84% Lift in overall programmatic revenue, with 25% coming from PMP

> "When we flipped the switch, we increased SSP impressions more than 60% overnight – and the Bidder delivered."
>
> *Ben Harman*

With viewability as a growing concern, CarGurus needed to ensure that OpenX Bidder wouldn't introduce any latency to the ad load, so they tested the page with and without Bidder.

CarGurus stated: "We found that Bidder didn't materially affect the speed of our ad load or viewability. We were able to achieve increased yield without compromising the user experience."

> ❝ By the end of the day, we had an answer and an implementation. Easy money. ❞

Ben Harman, *Director of Advertising Operations, CarGurus*

Optimizing for Quality

Another important factor beyond increased yield and platform automation was to keep quality high. As a premium brand, CarGurus views quality ads as content and sought to find a way to connect with buyers relevant to their shopping audience.

OpenX brought in a <u>dedicated yield team</u> to explore solutions, starting with CarGurus' Private Marketplace deals.

> "We're excited about Real–Time Guaranteed because we've seen the success of PMPs. The efficiency of platform–level automation is going to become even more important in buying relationships."
>
> *Ben Harman*

OpenX suggested re-prioritizing PMP deals (through Bidder) to compete on every impression, including inventory typically reserved for other buys. The OpenX team, which included a yield analyst and solutions architect, ensured the optimal setup.

The result was a month-over-month 20% increase in CPM and 160% increase in PMP revenue (OpenX-procured).

Recognizing that programmatic direct was a growing opportunity, CarGurus became one of the first publishers to co-innovate with OpenX's new Real-Time Guaranteed product, which brings audience syncing, forecasting, and a volume guarantee to Private Marketplace deals.

CarGurus, in partnership with OpenX, continues to test, develop insights, and brainstorm on the most innovative solutions in programmatic.

> "The numbers speak for themselves. But the most important thing is that we know OpenX is built for publishers. We value the expertise and trust that they've brought to the partnership."