



## Matt Prohaska of Prohaska Consulting: The Ad Automation and Programmatic Confidantes

BY JAY SEARS

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RUBICON PROJECT ARCHIVES



In a series of conversations with the leading confidantes and consultants in the ad automation and programmatic area, Jay Sears, Senior Vice President Marketplace Development of Rubicon Project, discusses trends and issues of the day impacting advertisers and media owners. Here, Sears speaks with Matt Prohaska, CEO and Principal of Prohaska Consulting. Prior to starting his own firm, Prohaska started the first online media practice at BBDO (now part of Omnicom) and opened CNET's New York sales office. Most recently he was the programmatic advertising director for The New York Times.

**JAY SEARS: What do you read to keep up with politics, art and culture?**

**MATT PROHASKA:** The Economist, The New York Times, Vice, The Wall Street Journal

**SEARS: What do you read to keep up with friends?**

**PROHASKA:** Facebook, LinkedIn, Twitter and one circle that uses group text too much -- really helpful when they heckle each other on a Tuesday afternoon as we're presenting to a client!

**SEARS: What do you read to keep up with the advertising technology industry?**

**PROHASKA:** AdExchanger, AdNews, Advertising Age, Adweek, Digiday, Digital Doughnut, ExchangeWire, Marketing-Interactive, MediaBizBloggers, Mediapost, Smartbriefs from IAB & MMA, The Drum, The Makegood, various analyst reports and other media channel-specific trades.

**SEARS: What's your favorite commercial of all time?**

**PROHASKA:** Any negative political ad (kidding). I don't rank commercials of all time in Excel, as I do movies and songs like the dork that I am, but I probably should start. Depends on the moment for which one is my all-time fave, but given this interview's theme, [this one's](#) up there. I was only a year out of college when it came out. It was the first banner ad on Hotwired and it spoke to the optimist/futurist/techie in me. Plus, come on, it's the voice of Tom Selleck.

**SEARS: With regards to advertising automation, what are the three biggest trends you expect to impact companies in 2016?**

**PROHASKA:**

1. Sales and operations teams at publishers starting to use automation more together instead of in silos.
2. Media and creative teams at agencies starting to use automation more together instead of in silos.
3. Platforms helping brands and publishers beyond advertising, including other areas of marketing, content and commerce.

**SEARS: With regards to advertising automation, what are the three most overblown topics that you wish would just go away?**

**PROHASKA:**

1. "Why Publishers should stop everything and do 15 of the same header bidding deals right now."
2. "Is the agency (or salesperson) going to die?"
3. "Why digital video spend will overtake TV spend any day now."

**SEARS: Describe your firm and then tell us the three most common issues you help clients on with respect to advertising automation and programmatic trading.**

**PROHASKA:** Prohaska Consulting is the premier global digital marketing and content consultancy specializing in programmatic technology. (It's 80% of what we do today.) We empower publishers, agencies, brands, tech providers, trade groups and investors with a roadmap to success with unique strategy and execution.

As for the three most common issues:

1. As a publisher, how do I make more money more efficiently?
2. As an agency or brand, how do I spend my money more effectively?
3. As a tech provider, how do I differentiate my company, provide real customer value and win?

**SEARS: Tell us about your firm.****PROHASKA:**

QUESTION	ANSWER
How many employees does your firm have?	As of April 2016, we have 7 fulltime and 87 part-time active and available around the world.
Where is your headquarters?	New York, NY but we have teammates in 21 cities in 11 countries on 5 continents.
Where are you located?	New York, NY
When was your firm started?	v1.0 started in 2011, we re-opened our doors for v2.0 in February, 2014
Approximately what percentage of client engagement dollars are spent to address ad automation and related issues?	80%
Do any markets outside your home market account for more than 10% of overall billings?	28 of the 126 clients we have worked with in the last 2+ years are from outside the US, with no 1 country outside US >10% as we have fortunately been organically growing

	consistently in >10 countries mostly in NA & EMEA, but expanding by APAC & LATAM
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**PROHASKA:** We have 65 products today that we have delivered on at least once across our six client verticals. Here are the top three buckets today:

1. Yield optimization for sellers
2. Programmatic sales and buying training
3. Data strategy and optimization for sellers and buyers

**SEARS: The majority of ad technology companies have struggled (relatively small, unprofitable or both). Of the poor performers, what are the commonalities between them that have contributed to this weakness?**

**PROHASKA:** No winning combination of people, product and positioning. Quite a few very smart tech developers with no operational or leadership experience. Companies funded and led based on 2010-2013 ecosystems and business models -- not knowing how and/or unwilling to change.

**SEARS: A smaller handful of ad technology companies has achieved scale and performed better than the rest. What are the commonalities between them that have contributed to this relative strength?**

**PROHASKA:** The winning combo stated above. Humility to recognize that no one has all the answers for every client in every market every day. Executives that listen to and develop talent leading departments and on the front line.

**SEARS: Do we live in a “tale of two cities” where Google and Facebook win almost everything, advertisers are dictated to and other media companies fight for the scraps?**

**PROHASKA:** Depending on where you work it definitely can feel like either “the best of times” or “the worst of times” ... “Scraps” globally by most studies are still 35-50% of just so-called “digital” spend but it’s a really long tail once we get past the “mid-tail” of Yahoo, VZW/AOL, Twitter and a few top content publishers. If VZW doesn’t continue to be open as Tim Armstrong has stated they intend to be, and other MVPDs and Telcos decide to enforce/strengthen their own data-walled gardens, then it could be a tale of about 50 cities globally across all media in three to five years. So not two cities, but still not ideal for marketers wanting to engage consumers more easily and effectively.

**SEARS: Please answer the following statements yes or no.**

**PROHASKA:**

STATEMENT	Yes or No	One Sentence Explanation
Google will remain a dominant company for the next 10 years	Yes	Given what defines digital media today
Google will remain a dominant company for the next 20 years	No	When all media becomes digital
Amazon is a data company	Yes	More retailers realizing this the better, also smart that they realize they're a publisher too
Facebook will remain a dominant company for the next 10 years	Yes	60 million more <u>uniques</u> added in the last 3 months <u>ain't</u> a fad...
Facebook will remain a dominant company for the next 20 years	No	Just less dominant
Chinese Internet companies such as Alibaba will become active buyers and/or investors in US based Internet companies in the next two years	Yes	See Opera <u>Mediaworks</u> & other industries outside <u>MarTech</u>
Yahoo! is dead	No	200M+ monthly <u>uniques</u> just in the US – they have a little more than Geocities...still plenty of great services – only looking dead as an <u>indy company</u> in 1-18 months
Fewer than 20 companies on the “ <u>Lumascapes</u> ” are of a material size and these companies will behave as the consolidators of the group.	No	There are many <u>Lumascapes</u> so counting all of them, much >20; display only? Then Yep.
Ad technology is not well understood by investors	Yes	Why we're starting to help more of them directly every month
The impact of ad automation to date has largely been in digitally traded media, however impacts of automation will be felt across the entire \$600 billion worldwide media market over the next five years including the out of home and television markets.	Yes	See our whitepapers written for TVB, DPAA, RAB, INMA...& our efforts helping DPAA run their Programmatic Council
Ad automation will start to materially impact media trading in the \$70 billion US television market in the next two years.	Probably	If materially = 4-5%+
Ad automation improves (or can improve) the direct trading relationship between a media company and an advertiser—by improving efficiency (workflow) and effectiveness (leveraging data).	Yes	Sounds like our Benefits slide in training decks ;-)

**SEARS:** If you could go to the airport *right now* with friends or family and fly anywhere in the world for vacation, who would you take and where would you go?

**PROHASKA:** My wife Bronwyn and 10-year-old daughter Danielle to Paris. Maybe can pull it off this summer but can't wait to experience that again with Bronwyn and together with Danielle for the first time.

**SEARS:** If you could create an endowment to fund any existing non-profit you designated, what lucky non-profit organization would that be?

**PROHASKA:** We're working on Prohaska Consulting becoming a B-Corp/Triple Bottom Line to start doing just that in our small-to-start way; but I'm passionate about closing the digital divide locally and globally so it would/will be organizations that help do that.

**SEARS:** What is your favorite restaurant in the world?

**PROHASKA:** I actually have this top 20 on my phone in Evernote (dork, I know). The Three Chimneys in the Isle of Skye in Scotland is certainly up there. Amazing food, setting and people.

**SEARS: Thanks, Matt!**

*Do know a leading ad automation consultant in the ad automation and programmatic area advising advertisers and media companies that Sears should consider interviewing? [Tell him](#).*

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### Jay Sears

Jay Sears was Senior Vice President Marketplace Development for Rubicon Project, where he worked with management and business unit heads across the company to expand Rubicon Project's market -- and across the media owner and adver... [read more](#)

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