

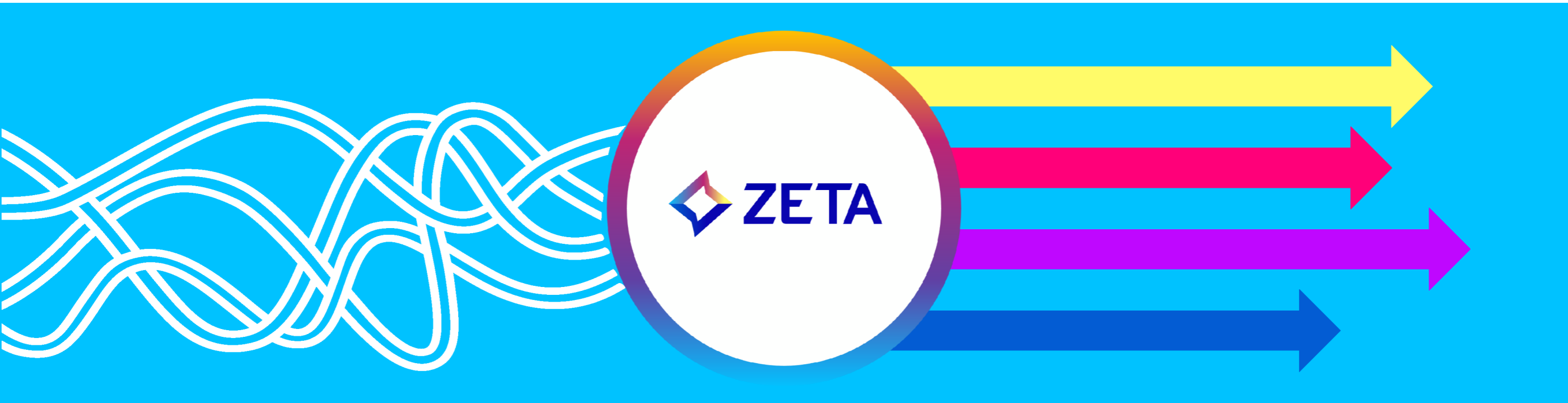
May 2024

# Zeta Global

*The AI-Powered Marketing Cloud.*



**fundstrat**



Zeta makes sophisticated marketing **SIMPLE**





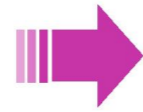
# Being a **Sophisticated Marketer** Is Harder Than Ever

With fragmented tools, processes, and poorly integrated data, **55% of marketers cannot identify the right strategies** to engage customers, impacting ROI<sup>15</sup>

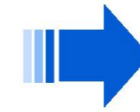
59% of CMOs under increased pressure to prove the impact of marketing<sup>15</sup>

# Zeta helps marketers Acquire, Grow & Retain customers more efficiently and effectively by..

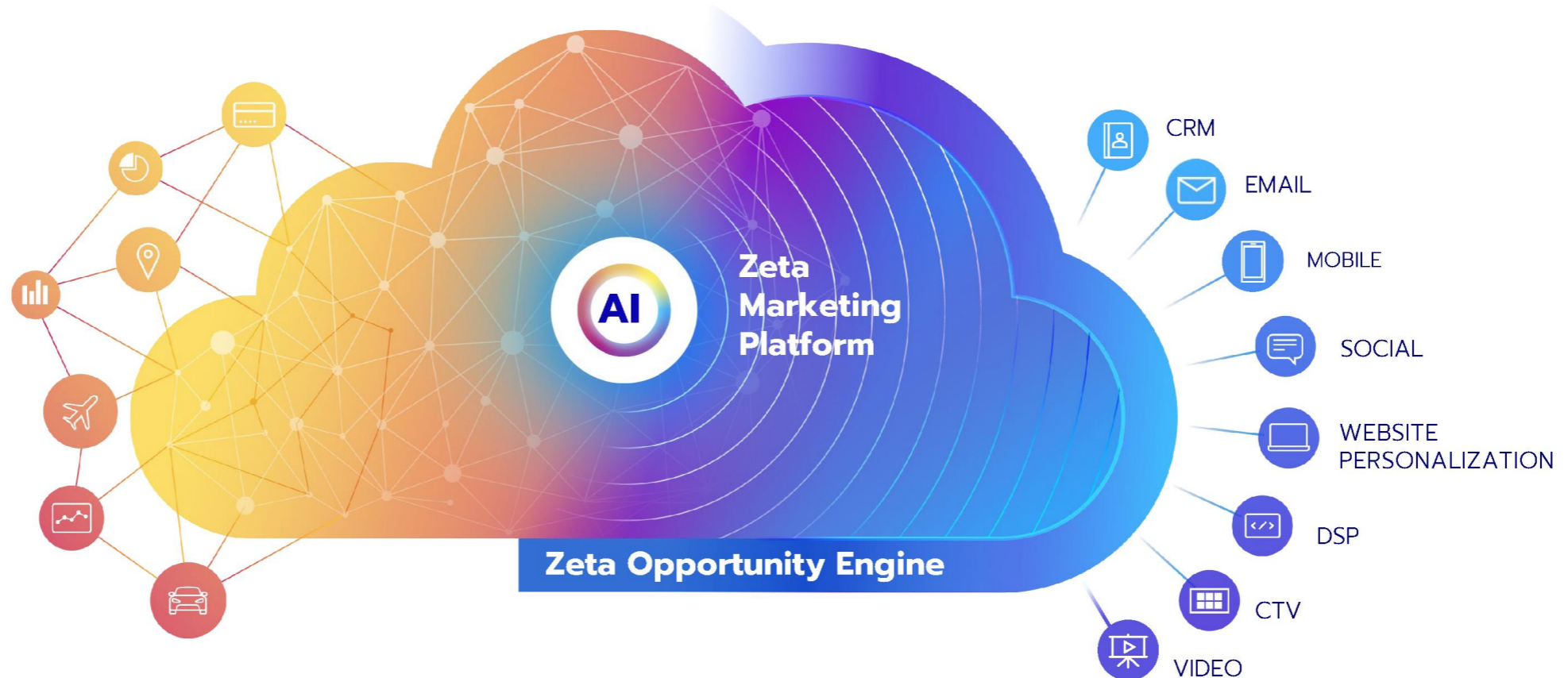
...enriching customer data with Zeta data...



...synthesizing data into Intelligence...



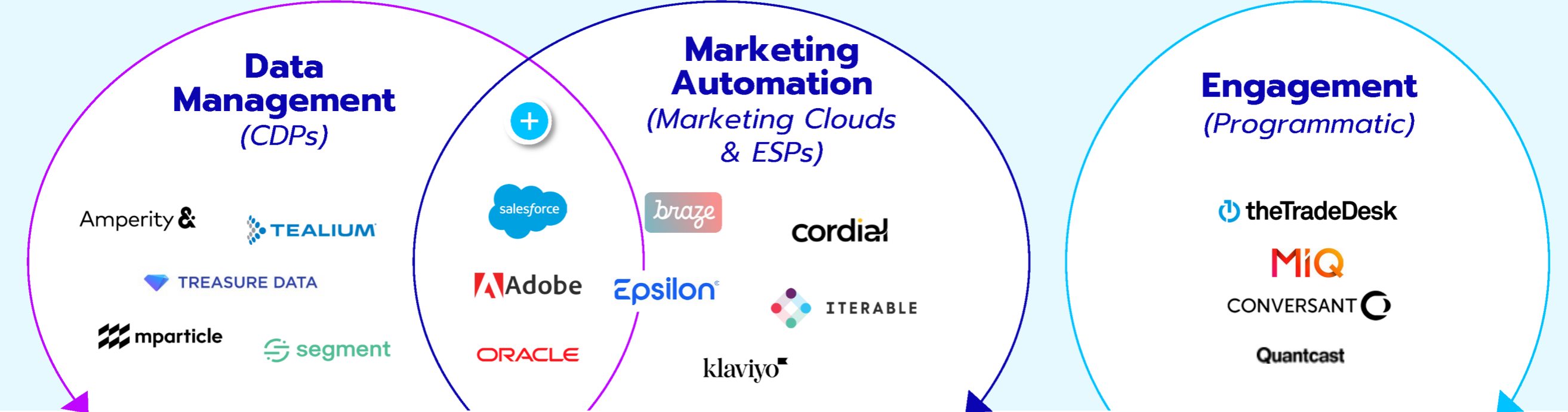
...and delivering real-time omnichannel engagement



# Zeta consolidates the fragmented marketing landscape



The Zeta Marketing Platform (ZMP) consolidates all 3



How brands create a **unified customer database** that can identify & create **audiences**

How brands **effectively reach and manage customers** via owned channels, like email & websites

How brands **acquire new customers** through paid channels, like display, CTV & social

Note: This is not an exhaustive competitor set



# The Zeta Advantage

## The ZMP is Built For Results

Only Zeta's Purpose-Built Platform Can Replace Legacy Technology or Optimize Existing Tech

Integrated Identity & Intelligence



Makes Generative AI Actionable



Real time



Flexibility to Wrap Around Tech Stack



Lower Total Cost of Ownership



Generates Higher ROI

# Zeta's long-term partnership with global healthcare provider results in double-digit growth in spend

Published 2/27/24



Acquire

Grow

Retain

USE CASE

## THEIR CHALLENGES

- Cultivating loyalty among members to grow existing customer base and improve retention rates
- Determining the right marketing mix to drive optimal results
- Driving product awareness, and converting leads

## WHY ZETA

- Our personalized solution accelerated GMR's membership conversions and exceeded revenue from membership targets every year
- Our strategic omnichannel approach including Email, Search, Social, Programmatic

## OUR PARTNERSHIP

- 10+ years; Zeta viewed as a trusted advisor and an extension of GMR marketing team
- Ability to lower total marketing costs and increase customer retention

## Key Stats

More than **3/4<sup>th</sup>** of Revenue is **Recurring**, up from half 2 years ago

**Expanded to 10 channels** from 6 in over last two years



**THEME: Long tenured, high recurring, high channel adoption on the ZMP**

# Zeta's data Management, identity resolution, and direct channel expansion drive increased sales

Published 2/27/24



Acquire

Grow

Retain

USE CASES

## THEIR CHALLENGES

- Absence of unified identity with siloed data across multiple platforms
- 70%+ of web visitors are anonymous
- Lack of tech integration strategy

## WHY ZETA

- Our CDP technology consolidated disparate Enterprise and online data
- Our seamless Snowflake integration enabled nearly real-time data sharing and enrichment
- Our strategic omnichannel approach on direct channels including CDP, Email, Website Personalization

## OUR PARTNERSHIP

- Reduced audience & campaign creation from days to minutes and lowered cost per acquisition
- Anonymous web visitors converted to retained customers
- Acquisition Email has driven significant incremental lease activity

## Key Stats

**90%+** direct mix

**14%** reduction in media spend

**30 hours** saved per campaign



**THEME : Lowering customer Total Cost of Ownership through Zeta's Direct channels**



# Zeta's intelligence and activation drove 86% increase in sales at locations targeted versus prior period

Published 2/27/24



Acquire

Grow

Retain

USE CASES

## THEIR CHALLENGES

- Lack 'Single View of the Customer' across their multiple brands
- Inability to measure offline to online activities and attribute spend, increasing costs
- Difficulty identifying in-market status has resulted in declining businesses

## WHY ZETA

- Our identity resolution and ability to target individuals across channels with cross promotion between brands to foster loyalty
- Our ability to drive more effective targeting
- Personalized cross-sell and upsell strategies

## OUR PARTNERSHIP

- Began as a pilot that quickly grew into 6 channels and expanded into 2 use cases
- Supportive mix of technical deliverability and hands-on structural engineering
- Personalization at scale focused on time to value and profitability

## Key Stats

Uses **6 channels** in the 1<sup>st</sup> year

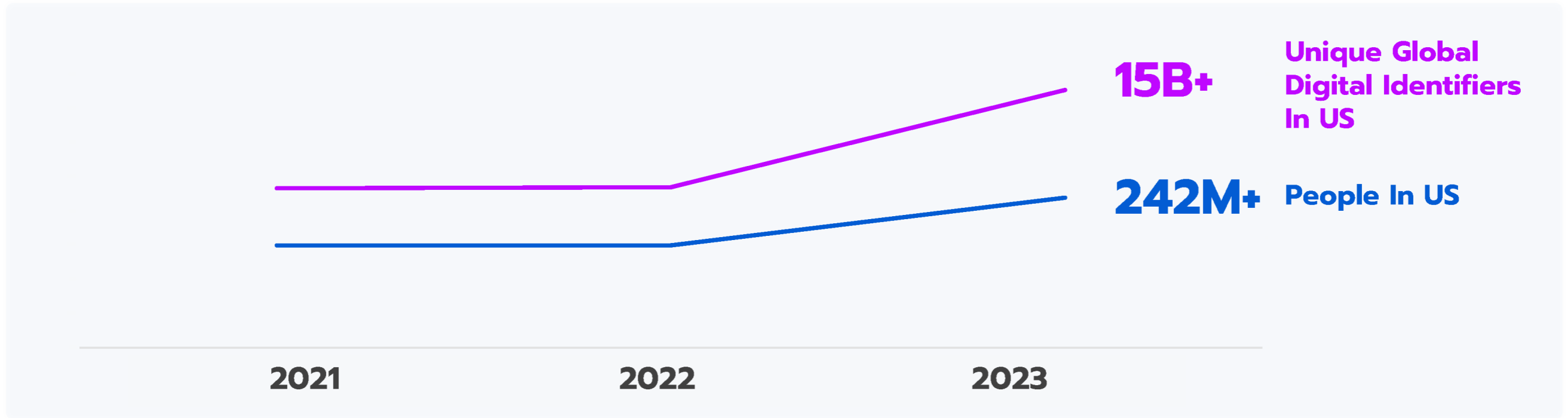
**40% Increase** in weekly average in-store traffic



**THEME** : Realizing the power of identity resolution & omnichannel engagement

# Our identity data graph is durable and growing

In an Evolving Data Privacy Environment, Zeta's Proprietary Identity Data Set has Consistently Grown



## Data Privacy Regulation & Browser Updates



GDPR



Apple ITP  
2.1/2.2



TCF 2.0



Google  
SameSite



CCPA



Apple  
IDFA

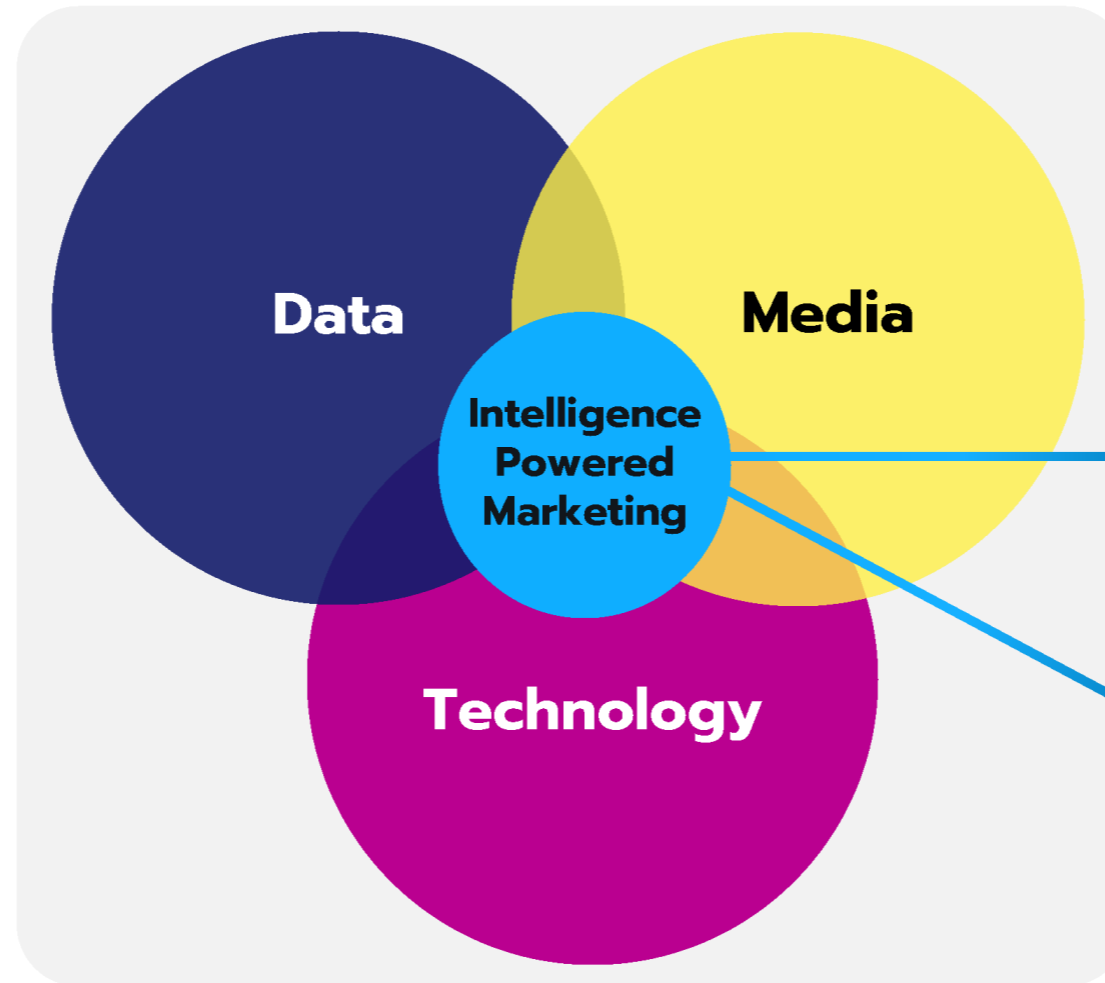


Email  
Deliverability



Cookie  
Deprecation

# The intelligence powered era is breaking boundaries



U.S. TAM<sup>11</sup>  
2023

CAGR<sup>11</sup>  
'23 – '25

MarTech  
**\$19B**

**14%**

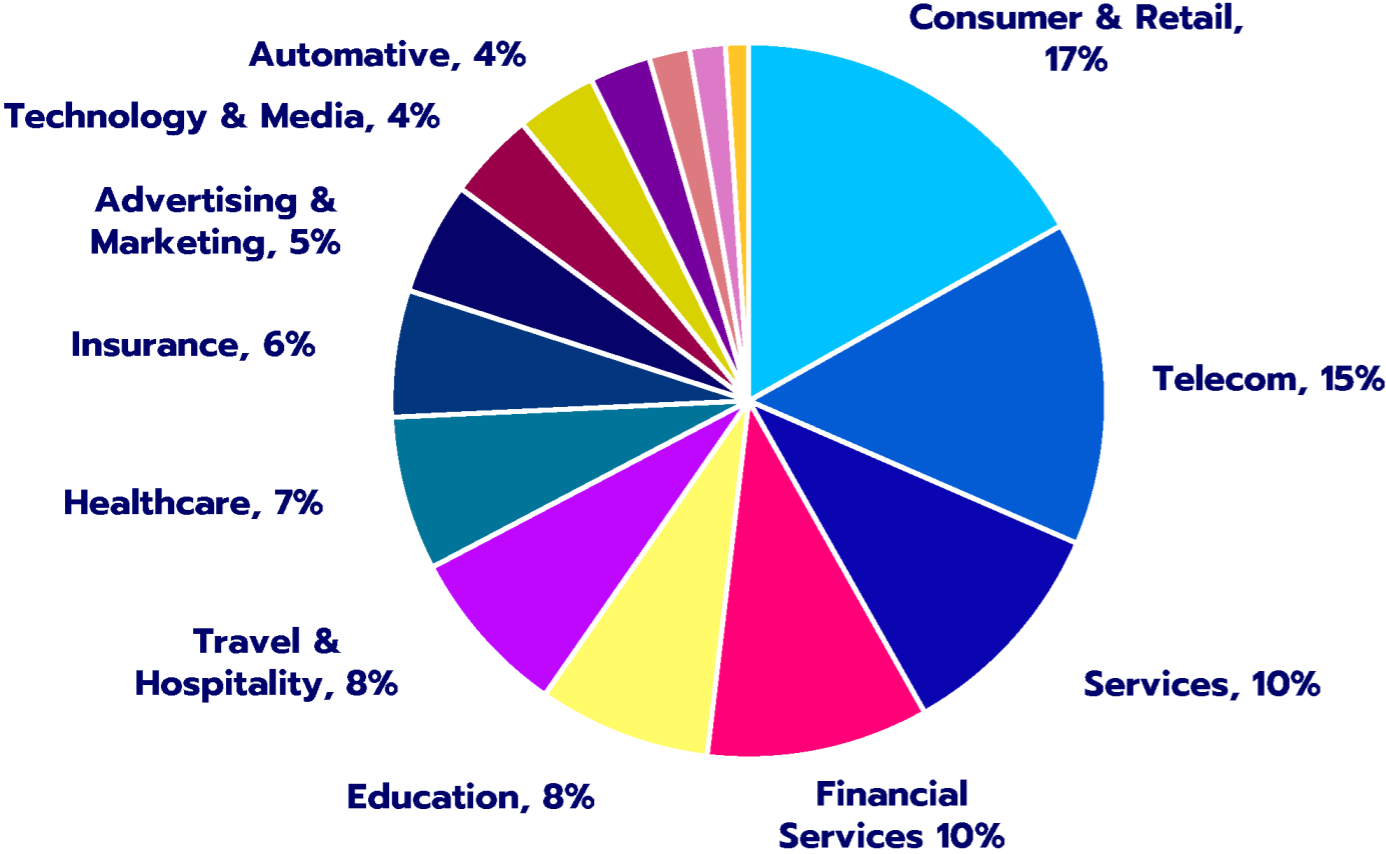
IPM  
Intelligence  
Powered Media  
**\$64B**

**12%**

See slide 42 for footnote definitions

# Zeta is well-diversified across a wide range of verticals

## FY 2023 Revenue by Vertical



## Well Diversified Customer Set

- Broad coverage across 15 different industry verticals
- 6 of top 10 verticals grew greater than 25% in 2023
- Insurance and Automotive verticals were the most challenged

See slide 42 for footnote definitions | The data on this slide is as of 12/31/23

See appendix for definitions of non-GAAP metrics used herein and reconciliations to the most directly comparable GAAP metric

# Serving over 40% of the Fortune 100<sup>14</sup>



11 of the 17 largest **Consumer & Retail** companies



4 of the 10 largest **Financial Services** companies



4 of the 10 largest **Insurance** companies in the world



4 of the largest **Agency Hold Cos**



6 of the 11 largest **Technology & Media** companies



4 of the 4 largest **Telecommunications** companies



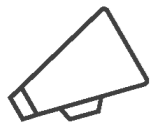
2 of the 5 leading **Pharmaceutical** companies



4 of the 12 largest **Healthcare** companies



2 of the 8 largest **Energy** companies in the world



Our experience working with category leaders led to a **higher propensity to modernize their marketing cloud AND invest to grow** through tougher macro conditions.

# Expecting to achieve our Zeta 2025 targets early

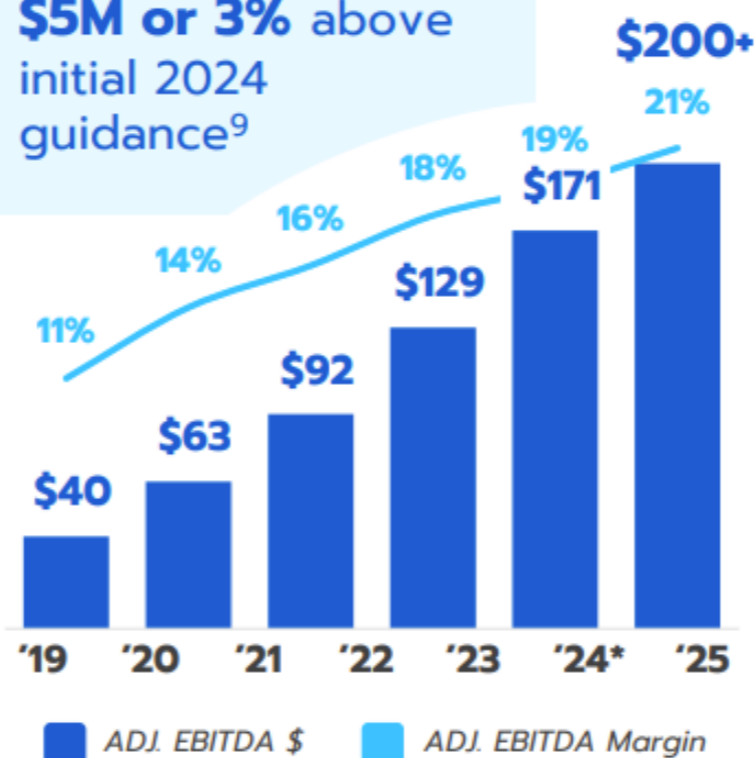
## 2025 REVENUE TARGET \$1B+

\$25M or 3% above  
initial 2024  
guidance<sup>9</sup>



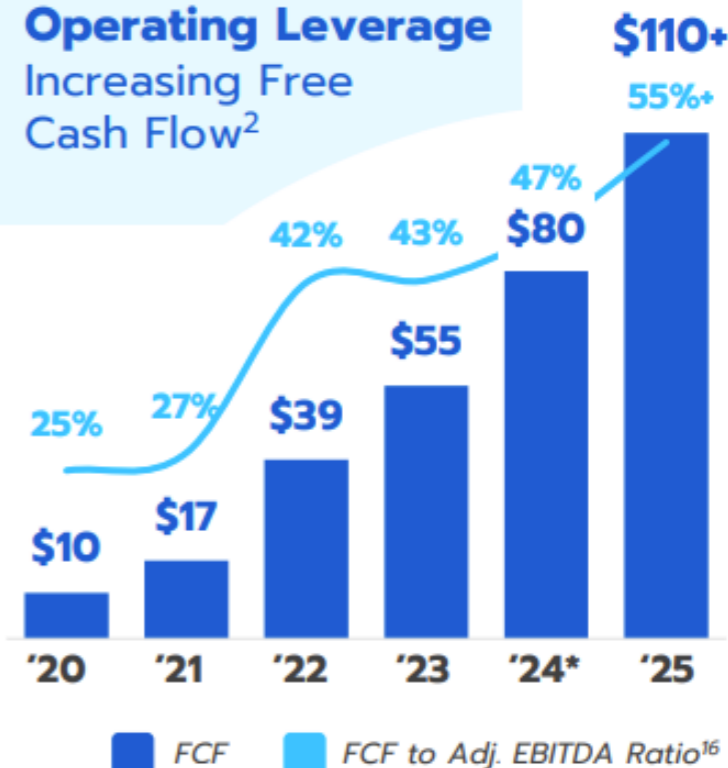
## 2025 ADJ. EBITDA<sup>1,2</sup> TARGET \$200M+

\$5M or 3% above  
initial 2024  
guidance<sup>9</sup>



## FCF<sup>2</sup> TARGET \$110M+

Operating Leverage  
Increasing Free  
Cash Flow<sup>2</sup>

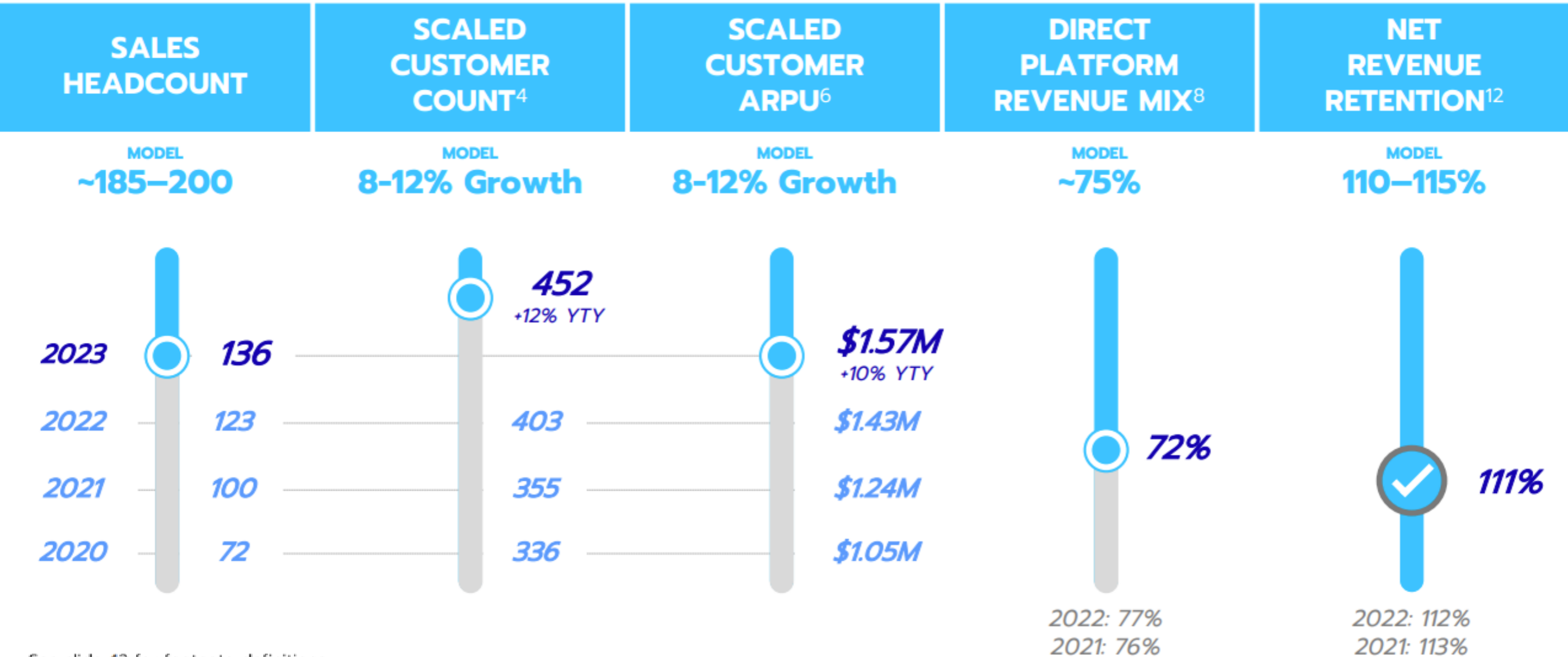


See slide 42 for footnote definitions | \*See FY'24 Guidance

See appendix for definitions of non-GAAP metrics used herein and reconciliations to the most directly comparable GAAP metric

# KPIs powering the early achievement of Zeta 2025

AS OF FY'23

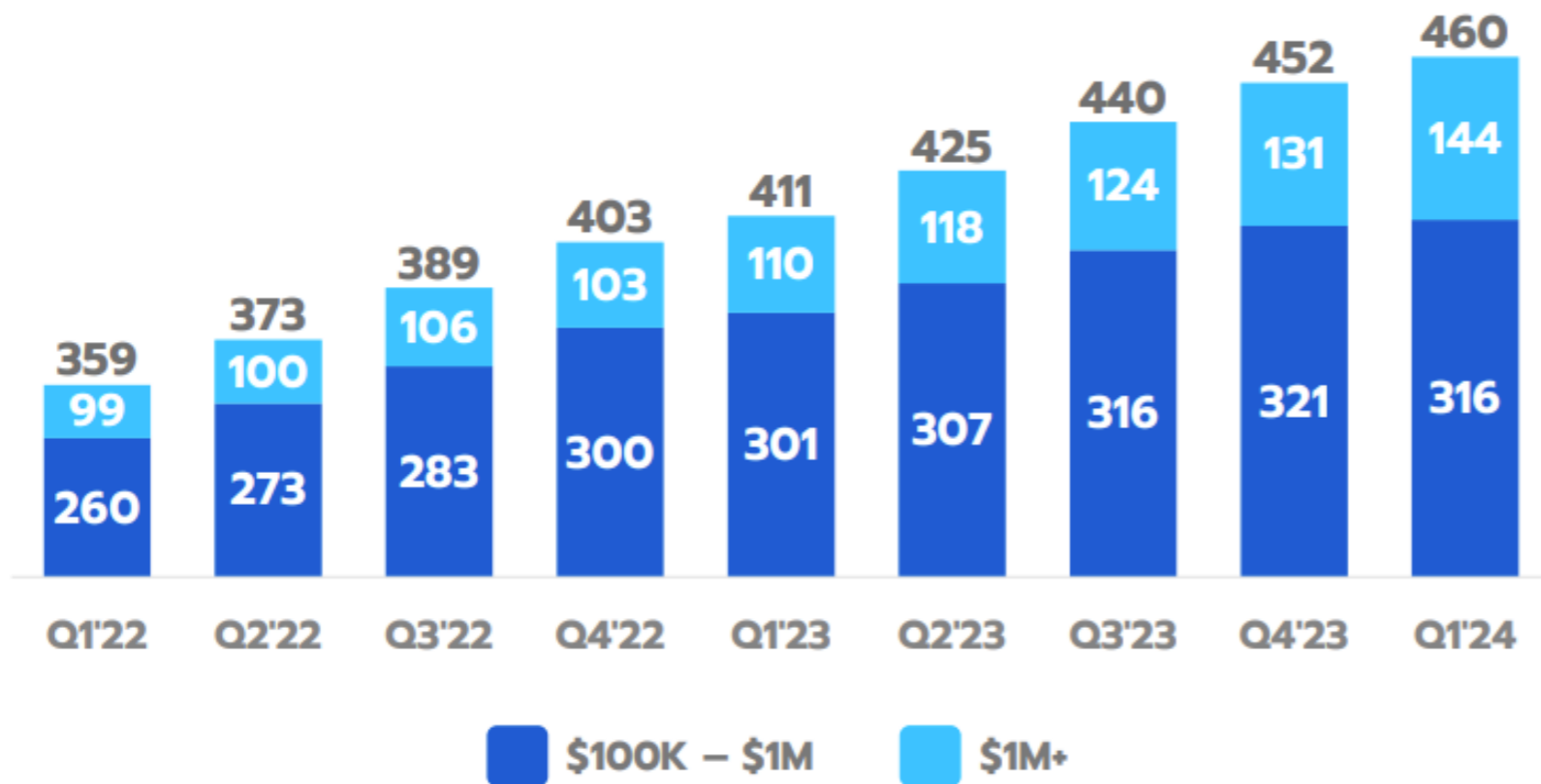


See slide 42 for footnote definitions

See appendix for definitions of non-GAAP metrics used herein and reconciliations to the most directly comparable GAAP metric

# Scaled customer count continues to track ahead of the Zeta 2025 target

## 12 Consecutive Quarters of Sequential Scaled Customer Expansion



Y/Y Growth:

12%

ZETA 2025  
MODELED CAGR:

8-12%

See slide 42 for footnote definitions

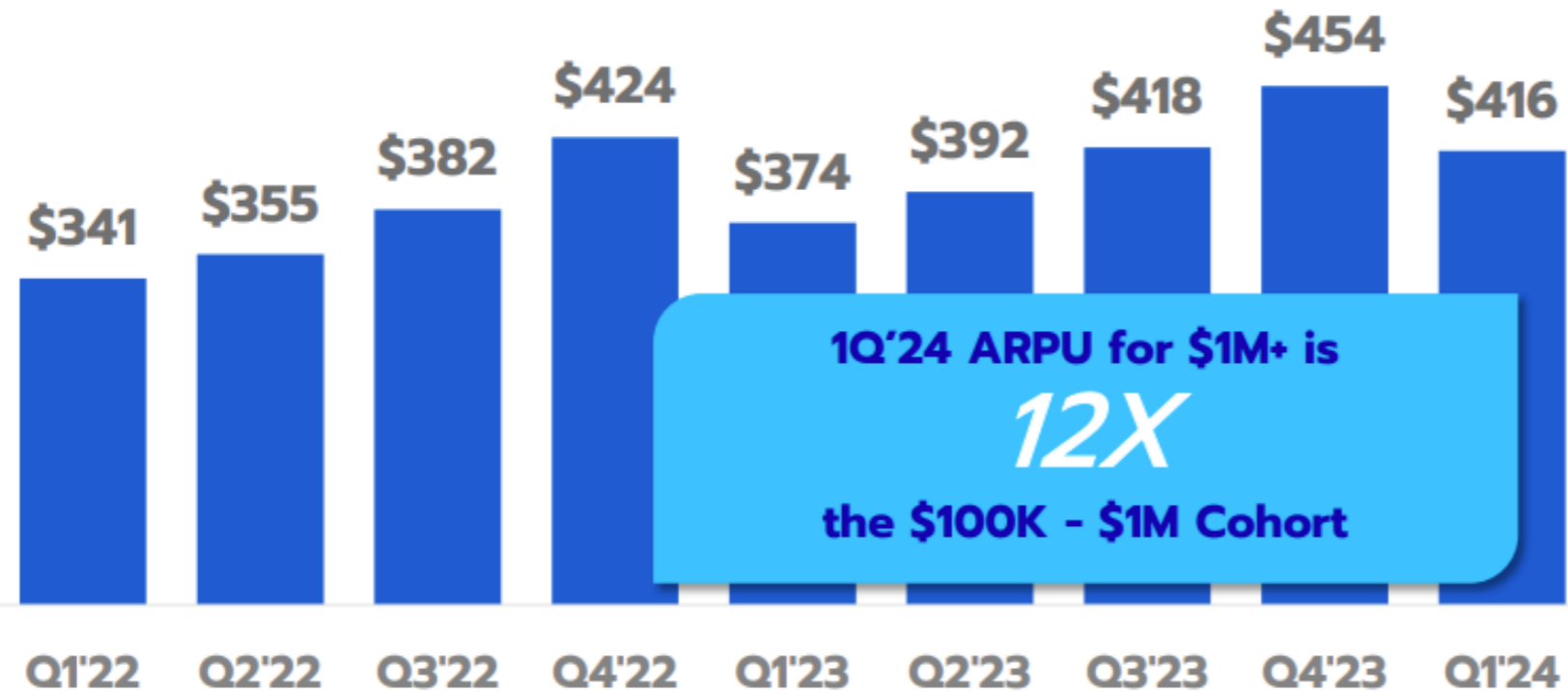
See appendix for definitions of non-GAAP metrics used herein and reconciliations to the most directly comparable GAAP metric



# Consistent Y/Y scaled customer ARPU expansion

Y/Y ARPU Growth %

18% 19% 19% 15% 10% 10% 10% 7% 11%



Y/Y Growth:

**11%**

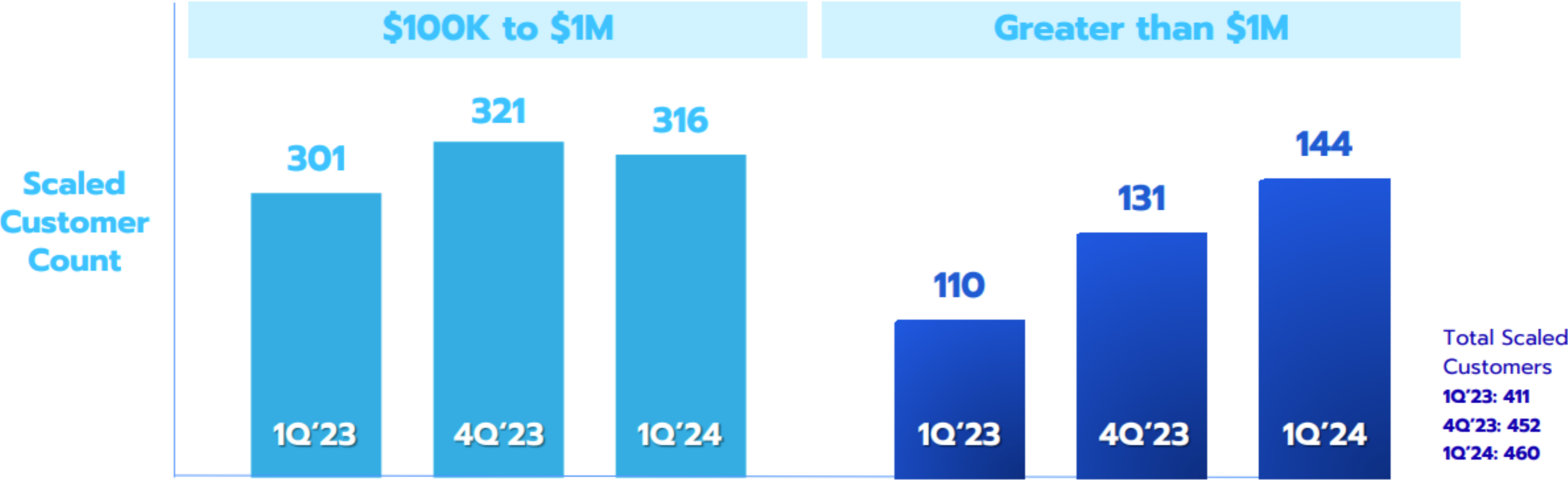
ZETA 2025  
MODELED CAGR:

**8-12%**

See slide 42 for footnote definitions | \$ in thousands, unless otherwise noted

See appendix for definitions of non-GAAP metrics used herein and reconciliations to the most directly comparable GAAP metric

# Multi-channel adoption by scaled customers is driving ARPU expansion



Quarterly ARPU	\$88	\$104	\$95 →	\$1,158	\$1,313	\$1,120 →	12X OPP.
Avg. Channels Per	1.8	1.8	1.8 →	2.8	3.0	2.9 →	~60%

See slide 42 for footnote definitions | \$ in thousands, unless otherwise noted

See appendix for definitions of non-GAAP metrics used herein and reconciliations to the most directly comparable GAAP metric



# The longer our customers stay with us, the bigger they become

## FY'23 Scaled Customer ARPU

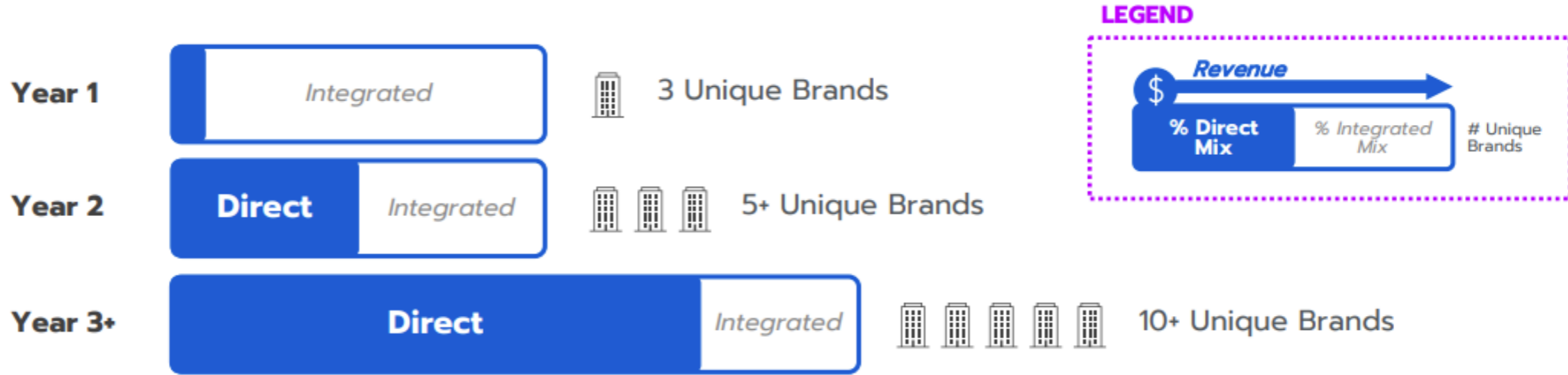


**~90% Revenue** driven by scaled customers who have been with Zeta >1 year

# Agencies are key partners, with powerful scaling potential

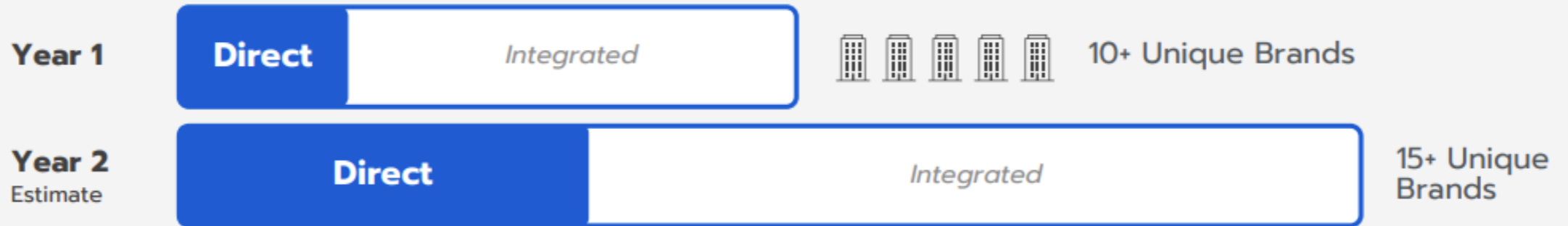
## 1<sup>st</sup> Large Hold Co

(vintage 2020)  
Started small in revenue and # of brands, and grew, while also improving Direct mix



## Recently Signed Large Hold Co (vintage 2023)

Starting bigger in revenue and # of brands with similar growth and Direct mix cross-sell opportunity





# APPENDIX



# Bringing simplification to a fragmented legacy landscape

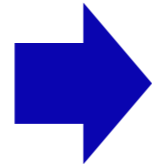
Solving the personalization gap with Zeta

## The Landscape

- Today's consumers expect **personalized omni-channel marketing experiences**
- The data that marketers require to understand customers on a personal level is **siloed and incomplete**

## The Problem

- Creating personalized marketing necessitates large quantities of data, which, although abundant, is dispersed across multiple platforms
- Disparate sources of data must not only be synthesized, but enriched and transformed into *actionable intelligence*, which can power impactful omnichannel campaigns



## The Solution

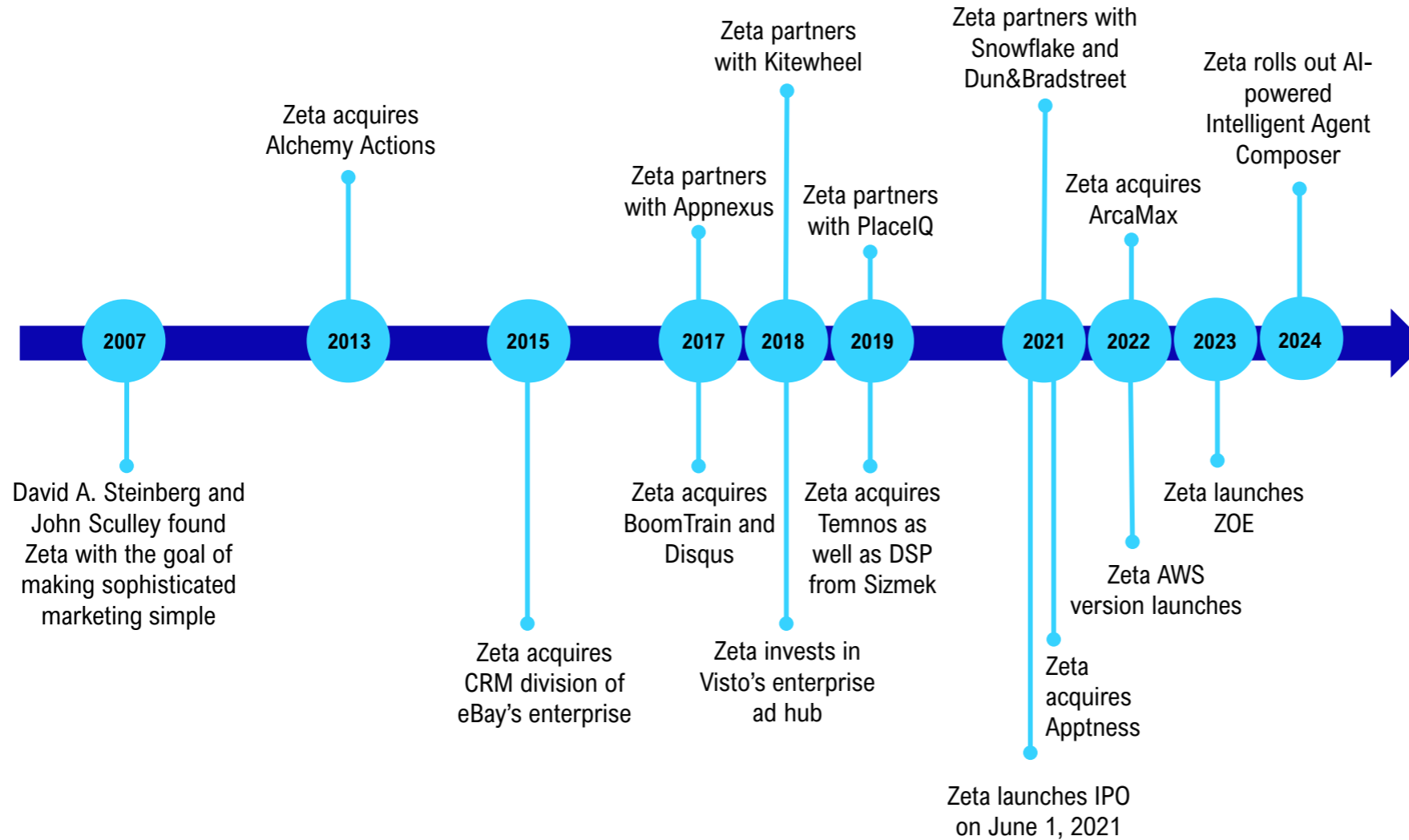
Using proprietary AI and a large deterministic dataset, Zeta can:

- synthesize data across all platforms
- process that data into actionable intelligence
- activate that intelligence into comprehensive AI-optimized **omnichannel** campaigns

The outcome? **A unified perspective** on current and prospective customers, consolidating identity, behaviors, and purchase intent into an accessible format **in a single console.**



# Company History





# Zeta Leadership

Founded in 2007 by David A. Steinberg and John Sculley, former CEO of Apple and President of Pepsi, the Zeta leadership team has decades of combined experience and expertise across the fields of marketing, technology, and AI



**David A. Steinberg**  
*Co-Founder,  
Chairman, CEO*

With over 30+ years of achievement as an entrepreneur and as CEO of 5 successful companies, Mr. Steinberg has an impressive record of scaling businesses in the technology industry. Before Zeta, he was the founder and CEO of InPhonic, as well as the Chairman and CEO of Sterling Cellular. Mr. Steinberg is Chairman and an active participant of the David Steinberg Family Foundation, which focuses on supporting disadvantaged children.



**John Sculley**  
*Co-Founder, Vice  
Chairman and Director*

Since leaving his role of CEO at Apple Computer, Inc. in 1993, Mr. Sculley has focused on investing in early-stage companies as a venture capitalist and co-founder of several companies. Mr. Sculley is also known for being former President & CEO of Pepsi-Cola, where he pioneered many consumer marketing firsts including the Pepsi Challenge. He holds a BA from Brown University and an MBA from the Wharton School at the University of Pennsylvania.



**Steven Gerber**  
*President and Chief  
Operating Officer*

Mr. Gerber oversees the day-to-day management of the Company, including product development, business development, customer success and operations. He has more than 20 years of experience in data-driven digital technology. Previously, Mr. Gerber was a Senior Vice President at Tranzact LLC and held management positions at Bain & Company and Digitas LLC. He holds a BA from Northwestern University and an MBA from Columbia University.



**Christopher Greiner**  
*Chief Financial Officer*

Christopher has over 20 years of proven success in the technology industry. Prior to joining Zeta, he served as Chief Financial Officer of LivePerson Inc., an AI-powered conversational cloud provider, from 2018 through March 2020 and before that spent five years at Inovalon, first as Chief Product and Operations Officer, and then as Chief Financial Officer. Mr. Greiner also held roles of increasing executive responsibility at IBM from 1999 until 2012.





# An all-in-one marketing solution

Reduce complexity and total cost of ownership

The Zeta Marketing Platform (ZMP) reduces complexity and total cost of ownership by combining a comprehensive set of marketing tools into one centralized platform with the following key features:

## Customer Data Platform (CDP+):

- Compile, enrich, and analyze customer data in a single actionable view.
- Zeta's CDP+ will transform the data using its expansive identity graph built on the profiles of 240+ Million US consumers.
- From this enriched dataset, the ZMP uses proprietary AI technology to highlight key data points, generate look-alike audiences, and provide smart targeting recommendations.



## Email Service Provider (ESP):

- The ZMP includes a built-in Email Distribution tool that allows clients to create and target personalized emails to customers.
- Message content, tonality, offer sequence, and frequency can be adjusted based on customer need states, intent, and psychographics.
- Zeta's ESP leverages its built-in AI to optimize and automate campaigns.



## Demand Side Platform (DSP):

- The ZMP provides an Ad campaign creation and budgeting tool that allows clients to execute intricate data-driven marketing strategies.
- Clients can target customer groups at pre-specified times with a fixed or flexible budget allocation.
- The platform also collects data and conducts analysis to forecast and predict potential



# Who we partner with...

## Brands

Zeta's vast proprietary dataset and dedicated industry experts provide purpose-built marketing for brands across many industries, including:

- Retail
- Travel and Hospitality
- Consumer Packaged Goods
- Automotive
- Financial & Insurance
- Media & Entertainment
- Telecommunications
- Healthcare
- Education

## Agencies

With Zeta, agencies can master intelligence-powered marketing and activation at scale. Agencies can drive superior outcomes for brands by:

- Unearthing individual user intent, propensity to buy, preferences, and sentiment in real-time
- Matching individuals across channels and devices with 100% reliability
- Accurate attribution allowing proof of ROI

The ZMP is fully extensible, allowing integrations with 3<sup>rd</sup>-party services that are essential to agencies and their clients.

## Publishers

Zeta enables publishers to engage, grow, and monetize audiences with:

**45%**  
Increase in time spent on site

**500%**  
Increase in retention

**250%**  
Increase in page views



# Zeta's Use Cases





# Customer Acquisition



## Identify Top Prospects Across Channels and Devices

Enrich first party data with Zeta's data, unlocking insights into prospective customers on a **deeper and more accurate level**

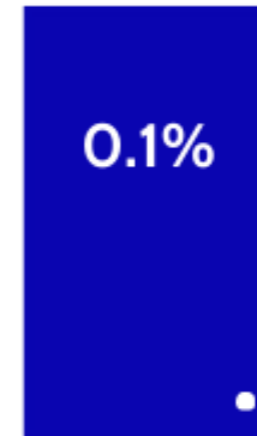
Zeta's proprietary database, containing insights on **more than 240 Million U.S. consumers**, enables the **reduction of total cost of ownership** by allowing marketers to target only the prospects most likely to become customers

Furthermore, Zeta allows for **the identification and removal of existing customers** from acquisition campaigns, **minimizing unnecessary spend and preventing customer confusion**

### Acquisition Email Figures:



Inbox Delivery Rate



Unsubscribe Rate



## Customer Growth



### Increase the Lifetime Value of Existing Customers

Zeta's proprietary intelligence enables businesses to create centralized and comprehensive profiles of customers. Those insights along with Zeta's predictive AI, fuel the delivery of **highly personalized campaigns**, which modern consumers have come to expect

This powerful technology can be leveraged to convert one-time buyers into repeat customers by:

- ✓ Identifying customers with a high likelihood of making additional purchases
- ✓ Cross-selling related products to enhance engagement
- ✓ Increasing order size and value by upselling customers based on centralized data on past purchases and behaviors
- ✓ Predicting the most compelling conversion offer
- ✓ Recommending channels that facilitate a seamless customer experience



## Customer Retention

Predict customer intent via a holistic understanding of your customer's propensities and behaviors

**“Understood customers are loyal customers”**



*AI-enabled scoring* provides predictive insights on a consumer's **propensity to buy, sensitivity to price, and interests**

Pinpoint where customers are dissatisfied to prevent churn with **integrated customer profiles** including ratings and reviews

Find and engage lapsed customers with **optimized offers**

Dynamically assess a customer's current state – **what they want, where they are cross-shopping,** and, most importantly, **what competitors they are considering**



## Zeta Data - A vast proprietary data source

Enrich your knowledge of customers, both current and prospective with Zeta Data, a vast proprietary data source and one of the world's largest owned *deterministic* data sets built on:

- 240M+ opted in US individuals
- 535M+ opted in Global individuals
- Zeta data is enriched in real time by offline and online predictive signals
- Personalize offers and messages using Zeta's transactional, location, and behavioral data, preference and finance information, and **billions of intent signals**

240M+ opted in  
US Individuals

15B+ Global  
digital identifiers



Enriched knowledge of  
customers and prospects  
with insights only Zeta can  
provide



# Zeta – The only one that can provide individual level customer data

The screenshot displays the PeoplePulse interface for a customer profile. At the top left is the PeoplePulse logo. The main header shows an "Encrypted Zeta Person ID" with a masked alphanumeric string and an "Explore" button. Below this is a central profile card with a placeholder for a person's photo. To the left of the photo are icons for "Personal Email", "Postal Address", and "Digital ID". To the right are icons for "Business Email", "MAID", and "IP/IFA". A blue dot below the photo indicates the "Preferred Channel for Communication".

Below the profile card are two columns of demographic and household data:

- Demographics:** Age: 64, Income: \$55k - \$60k, Gender: Female.
- Financial & Household:** Renter, Adults in household - 3, Healthy Living Interest.

At the bottom of the profile card are two blue buttons: "Likes to read about" and "Likes to shop at".

On the right side of the interface, there are two vertical lists of interests:

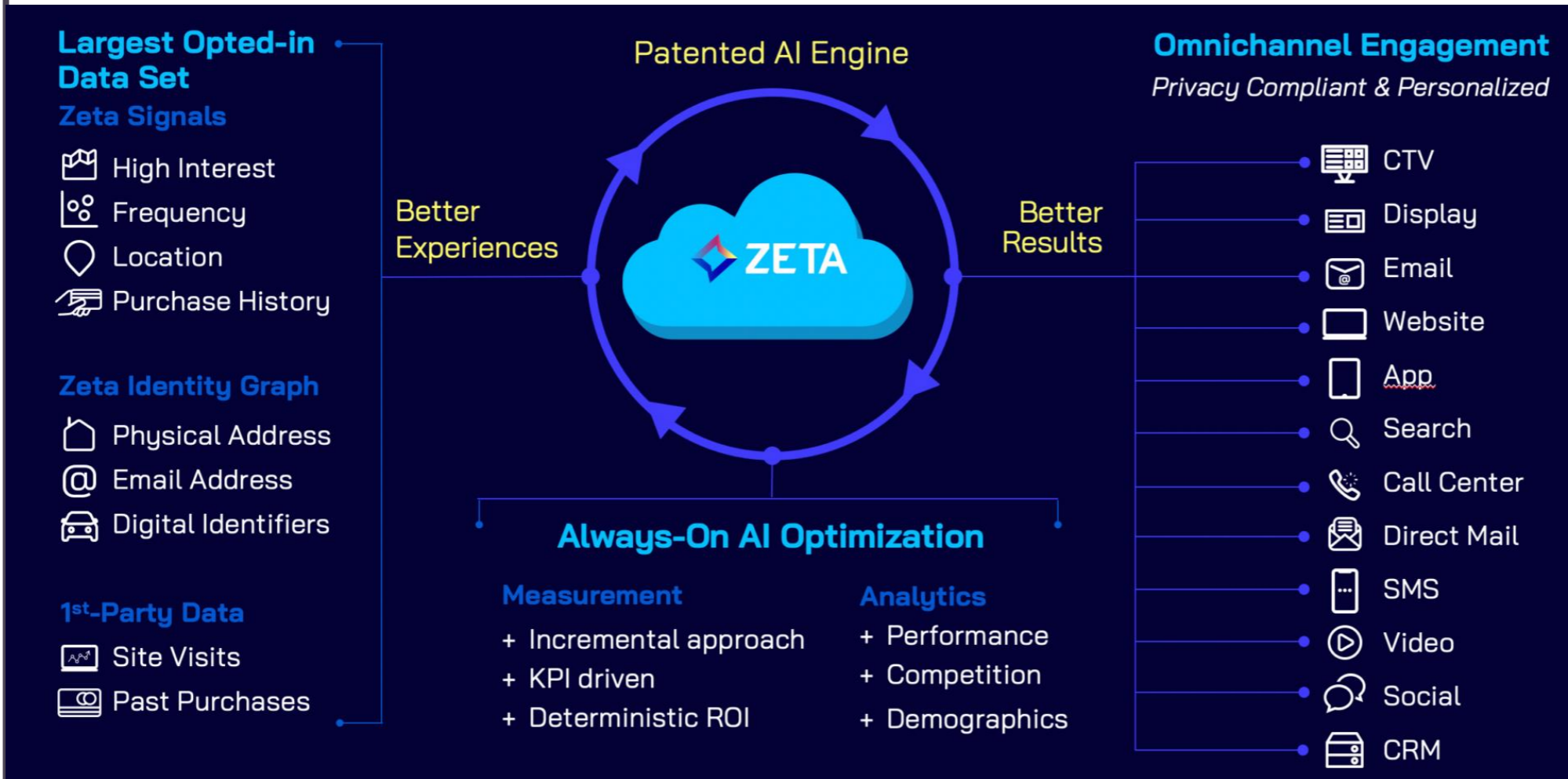
- Likes to read about:** Dinner Foods, Business, Bakeries, Meat, Services.
- Likes to visit:** Slumberland, Walgreens, AT&T, Dominos Pizza, Murphy.







# Zeta Data: 1st Party Data + Zeta Data + AI = Intent

Zeta's network of signals are combined with their AI engine to uncover intent and predict consumer behavior. When you enrich your first-party data with Zeta, you can not only gain deeper insights into customers and identify anonymous website visitors, but also unlock predictive insights powered by Zeta's patented AI.





# Zeta's Intelligence Model Creates Leverage in Market

				
<p><b>Zeta is One-of-A-Kind</b> -- No Other Enterprise Martech Vendor is Able to Provide Intelligence Outside the "4 Walls"</p>	<p><b>80%</b> Zeta Data Assets Sourced from Networks Owned and/or Operated</p>	<p>Zeta Is the <b>Only Martech Vendor that Directly Owns Digital and PII</b> Based Consumer Consent</p>	<p><b>No Zeta Source Contributes More than 1/3</b> to the Data Cloud Graph</p> <p>Sources include O&amp;O, Zeta Engagement Channels, Publisher tools</p>	<p>While Zeta is fully interoperable with the ecosystem (eg. UID2.0) for 1P Data, <b>Zeta Data is only available via Zeta Channels</b></p>



## Strategic Partnerships - Major Partners and Integrations

- **Snowflake Data Hosting** – Zeta clients can seamlessly exchange data between the ZMP and the Snowflake data cloud.
- **Amazon Web Services (AWS)** – Zeta Global created and sells a cloud-native version on the AWS webstore.
- **Dun&Bradstreet (D&B)** – D&B offer a service called **D&B Rev.UpNow**, which provides small/medium sized businesses with some of the tools from the ZMP, mainly the ad collection, analysis, and delivery functionality.
- **Partner APIs** – Zeta lists 172 different integrations with other companies and their services. These integrations eliminate the overhead of replacing pre-existing business operations with the ZMP by allowing companies to combine the functions of the ZMP with that of other utilized services.





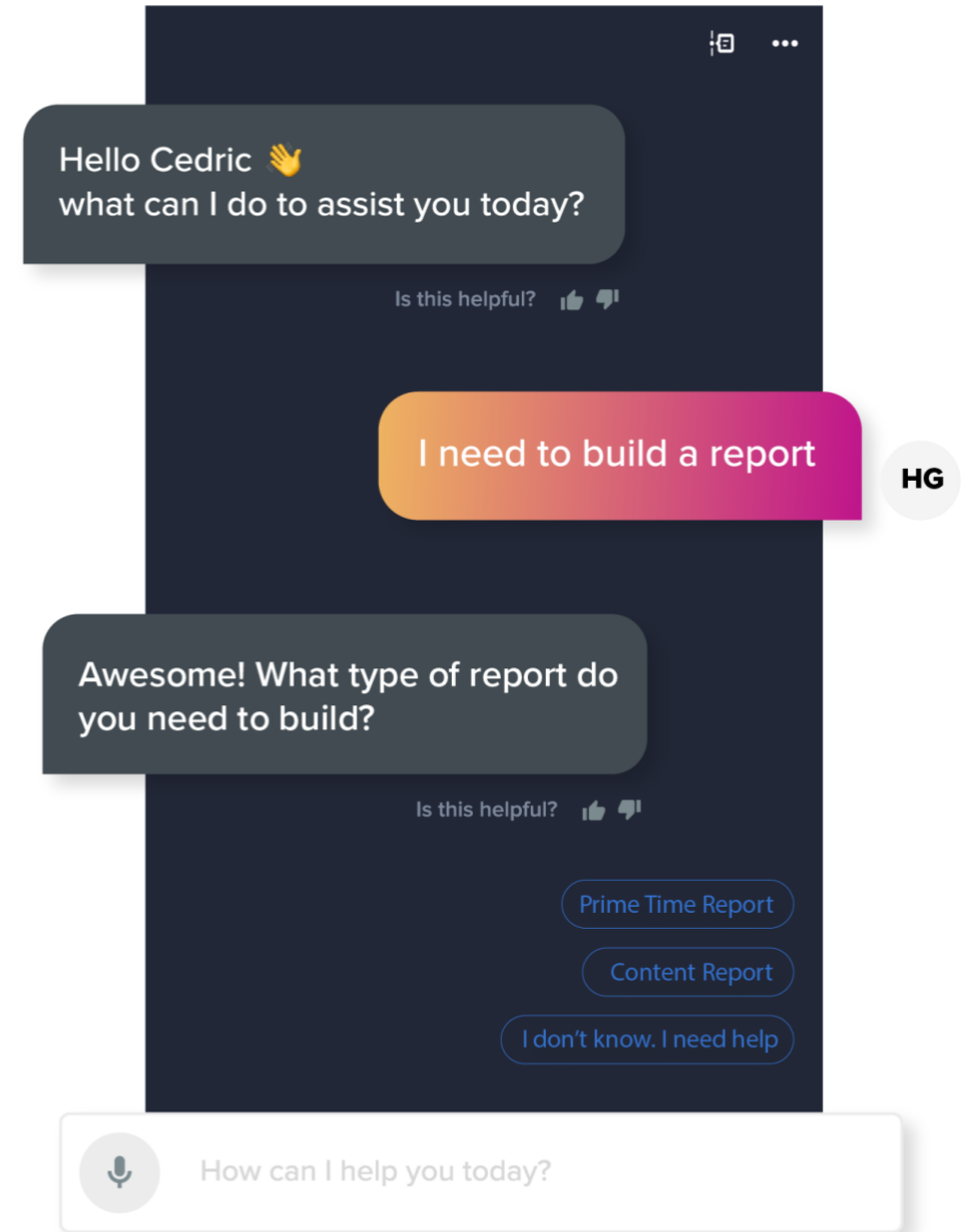
## KEY INNOVATIONS: Zeta Opportunity Engine (ZOE)

The Zeta Opportunity Engine (ZOE) is a chat-based tool designed for marketers to easily obtain real-time responses to their queries via NLP and machine learning. It simplifies accessing insights on customer journeys and optimal channel investments without involving the development team.

**Create Individualized Content:** ZOE's creative capabilities encompass copy, images, audio, video, and more, allowing marketers to identify and create compelling and personalized content that resonates with today's consumers.

**Predict Strategy and Revenue:** ZOE can forecast revenue, channel profitability, and audience engagement with speed and accuracy. ZOE's bespoke forecasts are generated in real-time, using the most precise data and insights.

**Automate Workflows:** ZOE's agents can automate critical yet time-consuming tasks including onboarding, A/B/n and subject testing, completion of workflows, and recommendations on how team members can optimize collaboration.





# KEY INNOVATIONS: Zeta Opportunity Engine (ZOE)

Generative AI powered by Zeta's proprietary data cloud

Integrating generative AI with Zeta's proprietary data cloud unlocks **Agile Intelligence**. Thanks to NLP, marketers can get answers to complex questions simply by asking them

“Which of my marketing channels is most profitable?”

“Identify the most profitable audience for this product.”

“What is the revenue forecast for campaigns in May?”

“Where should we open our next retail store location?”





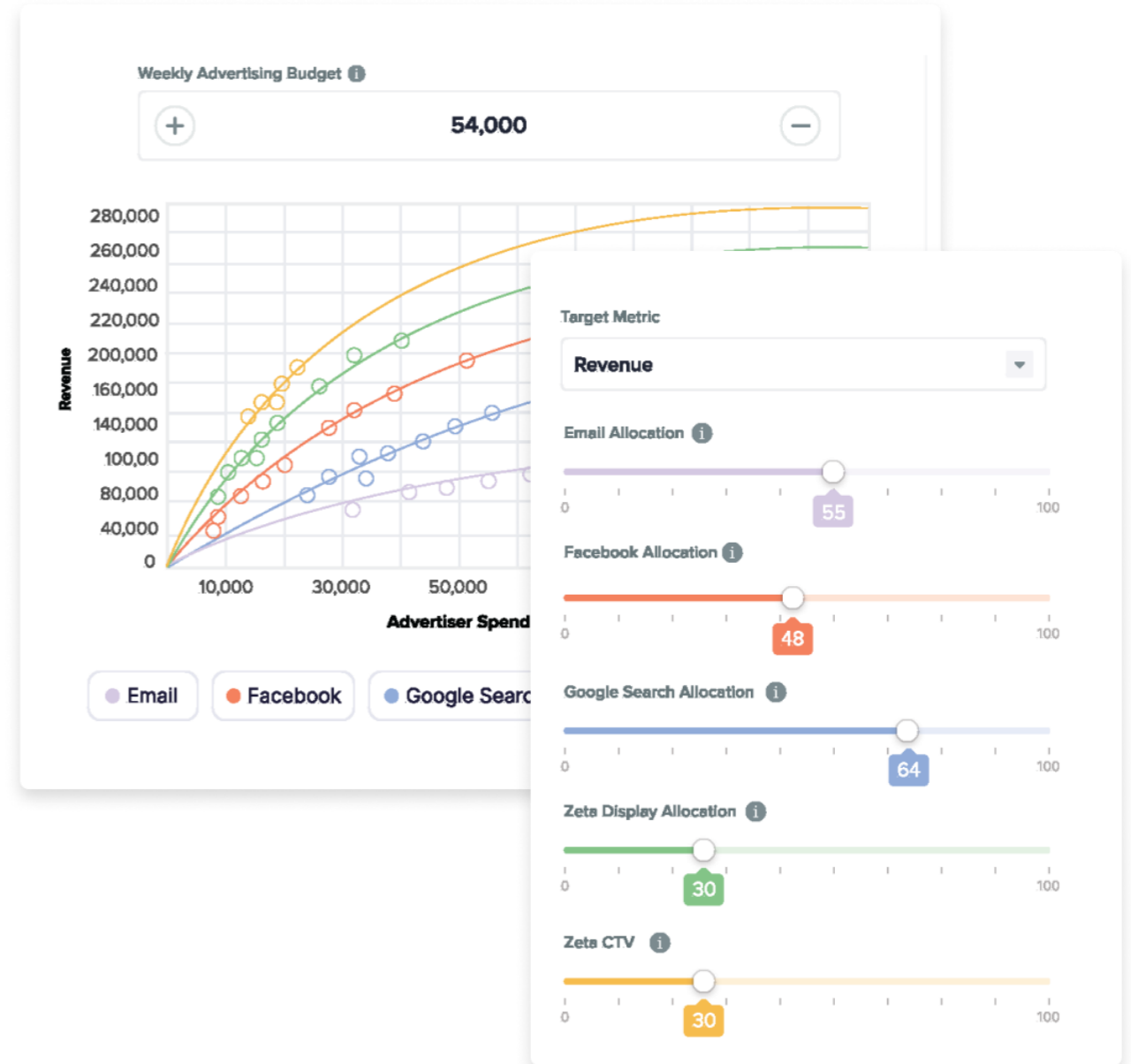
## KEY INNOVATIONS: Marketing Mix Models

Marketing Mix Models enhance media spend forecasting, leveraging extensive historical data to guide informed channel allocation decisions.

**Scenario Explorer** allows for tailored spend simulations across channels, facilitating precise marketing strategy development.

**Automated Media Mix** further refines this by algorithmically optimizing media spend for maximum revenue, clicks, or conversions, reducing reliance on manual intervention.

**Margin Optimizer** calculates the optimal channel mix for additional investments, considering factors like margins and expected returns, to maximize marketing effectiveness.



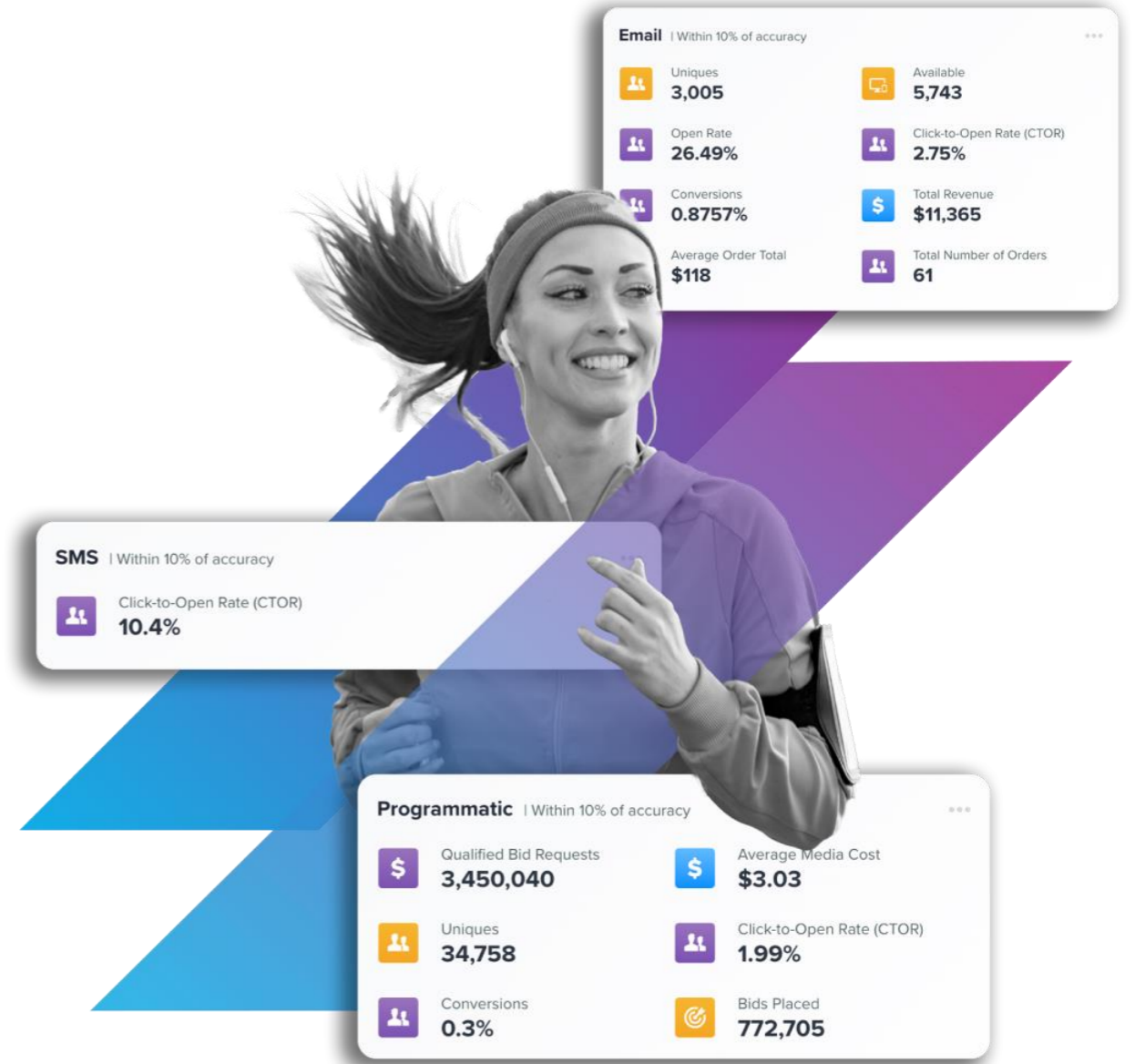


# KEY INNOVATIONS: Revenue Forecasting & Recommendations

Revenue Forecasting & Recommendations employs advanced machine learning to analyze extensive data, predicting revenue, average order value, and total order count in a calendar layout. This visualization of campaign-related revenue enables decision-making grounded in real-time data insights.

**Revenue Lift Recommendations** offer insights into the expected outcomes of suggested strategies, helping uncover new revenue streams and optimize campaigns.

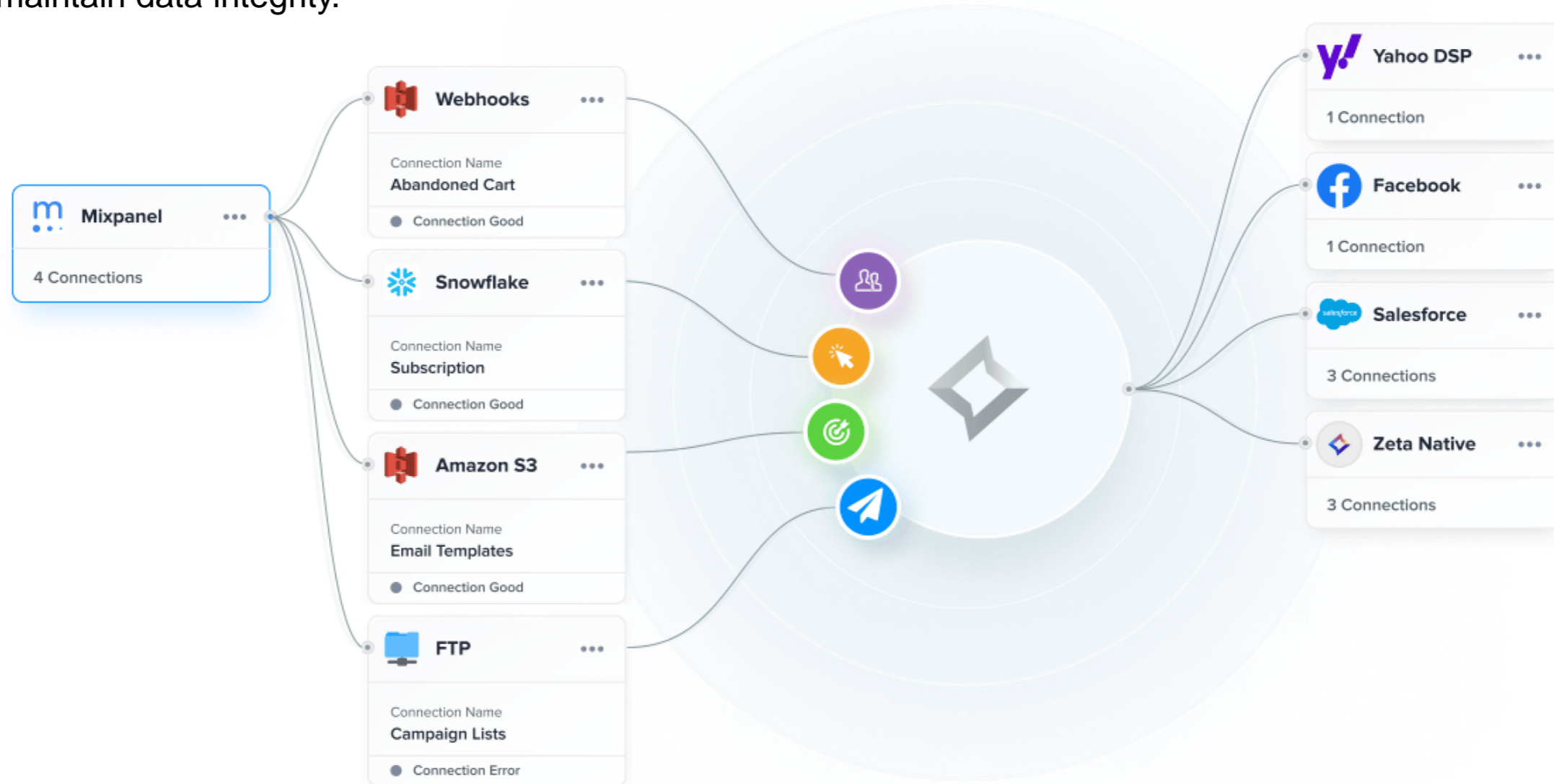
**Propensity Scores** provide a nuanced view of your audience, evaluating factors like price sensitivity and online purchasing likelihood, including the timing of their next purchase. Utilizing these scores enhances targeting and engagement with key segments, boosting revenue and building lasting customer loyalty.





# KEY INNOVATIONS: Unified Connectivity Framework

The Unified Connectivity Framework grants a complete overview of data inflows and outflows, enabling real-time monitoring, performance assessment, and strategy optimization for data management. It also allows for the creation of alerts on issues like data flow interruptions or quality problems, ensuring timely intervention to maintain data integrity.







# 2024 Strategic Investments: Developments across Mobile, GenAI & System Integrators

## Agile Intelligence & GenAI

Zeta's 2024 strategic investments emphasize strengthening the Agile Intelligence offering and expanding the use cases of GenAI within the platform.

## Mobile

Zeta's mobile strategy encompasses both integrating mobile into a more comprehensive platform and delivering conversational mobile experiences powered by Generative AI.

With the elimination of IFDA, Zeta is uniquely positioned within the mobile ecosystem to be the only provider of intelligence outside the "4 walls"

Currently, mobile accounts for < 2% of Zeta's platform revenue



## System Integrators (SI)

Zeta continues to emphasize the expansion of relationships with system integrators.

The SI implementation will be a multi-year process, expected to make an impact into 2025 and beyond.

# Footnotes

1 | 1Q'24 GAAP net loss of \$40M, or 20% of revenue, includes \$53M of stock-based compensation. See the graded vesting schedule on slide 20.

2 | Adjusted EBITDA, Adjusted EBITDA Margin, and Free Cash Flow are non-GAAP metrics, see reconciliations in the Appendix.

3 | 1Q'24 revenue includes \$0.8M for January and February from the prior acquisition of WhatCounts Inc

4 | We define scaled customers as customers from which we generate at least \$100,000 of revenue on a trailing twelve-month (TTM) basis.

5 | We define super scaled customers, which is a subset of scaled customers, as customers from which we generate at least \$1,000,000 of revenue on a trailing twelve-month (TTM) basis.

6 | We calculate the scaled customer average revenue per user ("ARPU") as revenue for the corresponding period divided by the average number of scaled customers during that period. We believe that scaled customer ARPU is useful for investors because it is an indicator of our ability to increase revenue and scale our business.

7 | We calculate the super-scaled customer average revenue per user ("ARPU") as revenue for the corresponding period divided by the average number of super-scaled customers during that period. We believe that super-scaled customer ARPU is useful for investors because it is an indicator of our ability to increase revenue and scale our business.

8 | Direct Platform Revenue Mix: Percent of revenue generated by the ZMP comprised of subscription software and utilization fees generated by channels owned and operated by Zeta, resulting in stronger operating leverage.

9 | Calculations are based on initial guidance considerations given on February 27, 2024; At that time, FY Revenue and Adjusted EBITDA were guided to \$875M and \$166M respectively.

10 | The stock-based compensation estimate presented here is based on the unvested stock as of 3/31/2024 and does not include any future grants.

11 | Source: Gartner, ISBA, InsiderIntelligence, Statista. Compound Annual Growth Rate ("CAGR") is for 2023 through 2025.

12 | Net Revenue Retention ("NRR"): We use an annual NRR rate as a measure of our ability to retain and expand business generated from our existing customer base. We calculate our NRR rate by dividing current year revenue earned from customers from which we also earned revenue in the prior year, by the prior year revenue from those same customers. We exclude political and advocacy customers from our calculation of NRR rate because of the biennial nature of these customers.

13 | GAAP Cost of Revenues excludes depreciation and amortization and consists primarily of media and marketing costs and certain employee-related costs.

14 | Source: Fortune.com

15 | Source: Forrester 2023; Deloitte 2022

16 | Free Cash Flow to Adjusted EBITDA ratio is a non-GAAP financial measure defined as Free Cash Flow divided by Adjusted EBITDA for the same period.

# Non-GAAP measures

In order to assist readers in understanding the core operating results that our management uses to evaluate the business, we describe our non-GAAP measures referenced in this presentation below. We believe these non-GAAP measures are useful to investors in evaluating our performance by providing an additional tool for investors to use in comparing our financial performance over multiple periods.

**Adjusted EBITDA:** is a non-GAAP financial measure defined as net loss adjusted for interest expense, depreciation and amortization, stock-based compensation, income tax (benefit) / provision, acquisition related expenses, restructuring expenses, change in fair value of warrants and derivative liabilities, certain dispute settlement expenses, gain on extinguishment of debt, certain non-recurring IPO related expenses, including the payroll taxes related to vesting of restricted stock and restricted stock units upon the completion of the IPO, and other expenses. Acquisition related expenses and restructuring expenses primarily consist of severance and other employee-related costs which we do not expect to incur in the future as acquisitions of businesses may distort the comparability of the results of operations. Change in fair value of warrants and derivative liabilities is a non-cash expense related to periodically recording "mark-to-market" changes in the valuation of derivatives and warrants. Other expenses consist of non-cash expenses such as changes in fair value of acquisition related liabilities, gains and losses on extinguishment of acquisition related liabilities, gains and losses on sales of assets and foreign exchange gains and losses. In particular, we believe that the exclusion of stock-based compensation, certain dispute settlement expenses and non-recurring IPO related expenses that are not related to our core operations provides measures for period-to-period comparisons of our business and provides additional insight into our core controllable costs. We exclude these charges because these expenses are not reflective of ongoing business and operating results.

**Adjusted EBITDA margin:** is a non-GAAP financial measure defined as Adjusted EBITDA divided by the total revenues for the same period.

**Free Cash Flow:** is a non-GAAP financial measure defined as cash from operating activities, less capital expenditures and website and software development costs, adjusted for the effect of exchange rates on cash and cash equivalents.

**Free Cash Flow to Adjusted EBITDA Ratio:** is a non-GAAP financial measure defined as Free Cash Flow divided by Adjusted EBITDA for the same period.

Adjusted EBITDA, Adjusted EBITDA margin, and Free Cash Flow provide us with useful measures for period-to-period comparisons of our business as well as comparison to our peers. We believe that these non-GAAP financial measures are useful to investors in analyzing our financial and operational performance. Nevertheless our use of Adjusted EBITDA, Adjusted EBITDA margin, and Free Cash Flow has limitations as an analytical tool, and you should not consider these measures in isolation or as a substitute for analysis of our financial results as reported under GAAP. Other companies may calculate similarly-titled non-GAAP financial measures differently than us, thereby limiting the usefulness of these non-GAAP financial measures as a comparative tool. Because of these and other limitations, you should consider our non-GAAP measures only as supplemental to other GAAP-based financial performance measures, including revenues and net loss.

We calculate forward-looking non-GAAP Adjusted EBITDA, Adjusted EBITDA margin, and Free Cash Flow based on internal forecasts that omit certain amounts that would be included in forward-looking GAAP net income (loss) margin and GAAP cash flows from operating activities, respectively. We do not attempt to provide a reconciliation of forward-looking non-GAAP Adjusted EBITDA, Adjusted EBITDA margin, and Free Cash Flow guidance to forward looking GAAP net income (loss), margin, and GAAP cash flows from operating activities respectively, because forecasting the timing or amount of items that have not yet occurred and are out of our control is inherently uncertain and unavailable without unreasonable efforts. Further, we believe that such reconciliations would imply a degree of precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of financial performance.



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