

Mark Grether Transcript

Mark: That's why we're here, we're at our conferences, we're talking to advertisers, we're talking to agencies to just educate them on what are the opportunities that we can do together. And I must say, advertisers and agencies are leaning into it. I'm really, really impressed to see how much kind of inbound interest we see at a conference and beyond. And it's really, really exciting.

Matt: To thrive in a rapidly evolving landscape, brands must move at an ever increasing pace. I'm Matt Britton, founder and CEO of Suzy. Join me and key industry leaders as we dive deep into the shifting consumer trends within their industry, why it matters now and how you can keep up. Welcome to the Speed of Culture. Up today, we're going to be speaking with Mark Grether, General Manager at Uber Advertising. Mark, great to see you. How are you today?

Mark: Good, thanks for having me.

Matt: Absolutely. So really excited to dig into all things Uber and Uber Advertising, but let's start by winding back a little bit in terms of your career. Where did you get your start in your career and the road that led you to where you are today?

Mark: Yeah, originally from Germany. I have a deep marketing background, have a PhD, was even a professor of marketing back in the days. And then I joined the German version of Yahoo, WEB.DE, where I basically learned how to run an advertising organization, a sales organization, and where we actually also built the first advertising technology. And then I moved on to WPP & GroupM, was the founder of Xaxis, which became the largest programmatic trading desk, which is a fantastic eight years over there. Moved on to become the CEO of Sizmek Advertising Technology. And then we sold the majority of that business to Amazon Advertising, spent two years at Amazon Advertising, learned a ton. And then I joined about two years ago, Uber Advertising, to build that business.

Matt: Got it. And from being a professor at first to then being an entrepreneur, starting Xaxis, that's quite a journey. Many people who start off in the education route don't end up turning into building one of the most prolific ad tech companies. How did that transition play out for you?

Mark: You know, I always joke. I have a dad who is an architect. So I like to build things. He likes to build houses. And my mom is a teacher. So the way I'm doing it is by explaining, as opposed to really selling. And that served me well. So this passion of building something and explaining what I'm doing.

Matt: And what side do you gravitate towards more, in terms of the building versus selling?

Mark: I think it's more the building. For me, it's really having a vision. Where do you want to be? And then working backwards, how do you get there? That was the case with Xaxis. That was the case now with Uber. It's really exciting to have this clear kind of North Star in your mind.

Matt: So let's talk about Xaxis a little bit. Because obviously, the Advertising market and the ad tech market has been through so much disruption, so much change. And now we're in an interesting spot today here in 2023. But what was the original insight that got you to start Xaxis?

Mark: Yeah, the idea really was at a time that most advertisers, they still basically booked web pages content. It was all about the content and the hope that you will indirectly meet the audience. And the idea of Xaxis was, how can we flip that script on its head by really going after the advertisers' audiences directly? How can you reach someone who's interested in finance, no matter where he is on the web? And how can you do that scale? And it was the birth of audience data. It was the birth of programmatic, which enabled us to do so.

Matt: Before that, you were buying on more cookie-cutter demographics versus psychographics.

Mark: Yeah, and not even that. It was more, hey, I'm going after the finance website. And then I crossed my fingers that I will find someone on the finance website who happens to be interested in my finance product. And with Xaxis, what it's all about is, how can we build audience profiles? How can we have a deep, deep understanding of who my audience is? And how can I then reach an audience, no matter where he or she is on the web? And that was kind of the idea. It was also the idea about, how can I actually build a media network powered by audience data? Again, how can you use programmatic? How can I do things like PMPs and PGs? And how can we expand TV dollars into video? All of that was kind of part of Xaxis. It was really about audiences. It was a lot about data. And it was also about agencies investing in their own technology. And all three things were quite unique, as well as the fact that we had a different business model, where we ran as a principal. We owned media, as opposed to the agency model of just acting on behalf of an advertiser. So all of that kind of became part of the Xaxis story.

Matt: Gotcha. So when you first start and you see this unmet need in the marketplace, you obviously have to take it from original concept to blueprint, ultimately, going back to your architect example, building a house in a thriving house where people live. As you take those steps, are there common stumbling blocks you see entrepreneurs commonly having? And what are some of the ways to overcome them?

Mark: Yeah, I think one key thing is that you have to really have passion. And you need to be convinced about your North Star. And if you go to, let's say, a conference, you will hear a million things. Everything sounds exciting and better. But you need to really believe in yourself. And you can't change your strategy every six weeks.

Matt: Because people always say, hey, you know this company is doing that. There's this competitor, et cetera. And it can make you very reactive and frenetic almost.

Mark: Exactly. Exactly. And you have to have your mindset. You can't change it no matter what kind of. And obviously, you have to make sure that you're betting on the right strategy. But if you do, and if you're not changing your story, and then people learn about it, they will get excited about it. And what I'm always telling to my people is that you have to tell a story five times. The first time, people just don't listen. The second time, they realize, oh, actually, I should listen. The third time, they actually do listen.

Matt: That's great advice.

Mark: The fourth time, they understand it. And after the fifth time, they can tell your story themselves.

Matt: Yeah, and some people, I think, make the mistake. I've made it in my career where I was thinking, oh, I said it once. That's our vision. People should understand it. I don't want to be repetitive. But when it comes to something like a vision or describing a North Star, repetition is a mandate.

Mark: It's key, right? And sometimes, it becomes boring to tell a story again, and again, and again for me, right? And sometimes, you can't remember if you told a joke already or not, right? But that's what you have to do. And then people really lean into it. They understand it. They buy into it, right? And then they actually follow you.

Matt: Absolutely. And the other big piece I would imagine you wouldn't have gotten to where you are by yourself is talent and your ability to find the right talent to surround yourself with. So what has been your strategy as an entrepreneur, and even now in your role at Uber Advertising, about identifying and retaining and growing talent?

Mark: Yeah, I was really lucky that I really had the pleasure to work with really, really great people throughout my career. And many actually followed me from even back in the day from Germany to Xaxis, to Sizmek, to Amazon, right? And there are a couple of things, one of which we need to really share the vision and the passion. But at the same time, you also want to make sure that your people are actually empowered to make their own decisions, right? And so I'm always telling my people to think, A, you know where I'm coming from, where I want to be, which means you can actually yourself judge whether I will like it or not. Because you will ask the question, will it help us to get one step closer to our North Star? If yes, then let's just make the step yourself. The second thing is everyone on my team can make a decision as long as he or she will take responsibility for the decision. If she feels uncomfortable or he feels uncomfortable with the decision, come to me. We make the decision together, but I take responsibility for a joint decision, right? And so it's empowerment, but also knowing that there's kind of a safety net if needed. Again, I have had a pleasure to meet really, really great talent, which joined me from even back in the days in Germany. And they helped me to build Xaxis, Sizmek, and even Amazon Advertising, right? And there are two things which are key. The first one is they all have the same passion in building the same health North Star. And so whenever we make a decision, we ask ourselves the question, do we get one step closer to the North Star? And if so, they should then make a decision themselves. And the second piece is if someone actually makes a decision, he or she should take the responsibility for the decision. But if he or she is uncomfortable with making a decision, they should always come to me. And then I make a decision together, but I take responsibility for our joint decision, which means they always know that they have my trust, my back, and they have a safety net they can come to.

Matt: And then you're not micromanaging people. You're empowering them. Yeah. And is that a decision-making framework and an accountability framework that you impart on people right after you hire them? When in their journey are they familiar with that? Because I would imagine something that's also hard to scale beyond you to them, and telling them to impart that on the people who work for them. Yeah.

Mark: Obviously, the trust comes with time, right? Yeah, of course. That's definitely the case. And you have to make the right decisions over time. But the key really is you have to really clearly articulate where you want to be. And if you have that clarity, then for people, it's much, much easier to make the decisions because, again, they're all adults. So they've all experienced the advertising industry. And so they can then judge themselves why not we are going closer to this North Star. So

it's really key having a clear strategy, having a clear articulation of that strategy, and then, again, checking in from time to time where you're making progress towards that strategy.

Matt: Absolutely. And I have to say, looking at your background, don't strike me as somebody who likes to sit around. I mean, you go from one major thing to the next to the next. What drives you to move so quickly and always want to grab on to the next thing? What drives your inner motivation?

Mark: It's a great question. Again, it's on the one hand, it's this kind of passion to build things, but at the same time, also the idea that maybe I'm fortunate to see things very quickly.

Matt: Right, or around the corner.

Mark: Around the corner, right. And so sometimes I'm kind of three or four or five steps ahead. Right? And that gives me the opportunity to see what is really next, right? And so Uber, for example, clearly saw that's really the big next thing in the media industry, right? Which is why I was really interested and excited to really kind of help shape the strategy for Uber Advertising and then make it the reality.

Matt: So let's unpack that a little bit. As I was mentioning before the interview, I've been a long time customer of Uber right from its early days right after it was founded. And it didn't come as a surprise that Uber jumped into Advertising just because there was such strong frequent engagement with the consumer and you have this powerful first-party data, etc. What was the insight on what you saw around the corner that led you to kind of leap into this opportunity?

Mark: Maybe think about Uber Advertising, right? We have two different options, one of which is on the delivery side. And that is a little bit like Amazon Advertising where I was before, right? It's a lot about what we call retail media. Yeah. So the idea is huge right now. Huge. Everyone talks about retail media. It's a hot thing right now, right? And wants to be a retail media network. And we happen to be one which is actually quite big already. And so in our case, we have a tremendous amount of first-party data. We have an opportunity to engage consumers right at the moment when they make a purchase decision.

Matt: On UberEats, for example.

Mark: And we also have the data about measurement. And so for a big restaurant provider, but also for a small SMB, we can show to them how much actually when they do spend on our Advertising program, what is their return on investment? How much do they actually get back, right? If they participate, they typically get more menu views on our platform. They get more orders. And they see exactly what the increment was. And therefore for them, it's relatively easy to scale that business.

Matt: So an example of that would be I'm ordering from a restaurant, Uber Eats, and it says, would you like to add something from 7 Eleven to your order?

Mark: For example. Right. Exactly. For example, right?

Matt: It knows that if you buy pizza, you might want soda or beer or whatever it may be. And it's almost like you have the permission then to say, would you like something in addition? Same delivery.

Mark: Exactly. Right. And we can then show to the soda provider how much actually in incremental sales they generate on our platform because of that type of advertising. And that's measurable, right? And it's super, super powerful.

Matt: Bottom funnel. It's kind of a new brainer. They can see if it's paying off or not.

Mark: Exactly. It's performance. It's CPC. That's how basically you start every advertising business. You start at the bottom funnel. You start performing. It's easy to justify.

Matt: Well, it's how you start every advertising business. There's still a lot of people selling impressions with no connection to the bottom of the funnel.

Mark: Yeah. But in our case, right, it was really clear to start. Of course. Yeah. The trick is then how can you actually grow this business over time by going after the mid and upper funnel? And that's where the mobility is, I'm sure we'll talk a bit about it. That's where mobility advertising comes in.

Matt: So mobility Advertising is essentially within the ride sharing business.

Mark: So let me give you a little breakdown where I do advertising. So on the delivery side, we have Uber Eats. Yeah. And that's where we have a sponsor listings program. So big and small advertisers can participate CPC based, performance based to really get more exposure, more eyeballs, more volume, just more volume. Yeah. Very simple. We have now also expanded into groceries. Similar strategy. The big difference is now we are going after CBG advertisers, right? And CBG advertisers can advertise on our platform in your example, so that you buy more sodas, more beers, more...

Matt: So instead of advertising retail, you're advertising the actual skew.

Mark: Yeah, exactly. Exactly. And it's a huge opportunity for us, a huge growth business. And so we are investing heavily into that business. That's still on the delivery side. And then on the mobility side, we have three main surfaces. The first one is the mobility app itself. We know that you are right now in Uber, let's say on the way to your school on the east side or on the way to the airport or on the way to the office, wherever, right? You name it, right? You are in the Hamptons. You name it. We know that. We also do know where you are. And we also do know what you have eaten on the Uber Eats platform. And we can use all of that for targeting purposes. It's super powerful. The key here is that on average you spend about 20 minutes in the car. You open up the app for about two minutes, but two minutes uninterrupted. Imagine this. You go into the car, you close the door, you finish one task, especially in hectic New York, right? And you have now 20 minutes before you do something else. And in those 20 minutes, we give advertising opportunities to interact with our writers.

Matt: Captive audience.

Mark: Captive audience. Super, super powerful, right? That's just one opportunity. The other opportunity is now we have launched in LA, as well as in San Francisco and India, an in-car tablet business. Big screen, yeah, which is really about video awareness, CTV. And I'm super excited about that because in the US we're spending about eight hours a week in the car.

Matt: So it's a way to engage you when you're in the backseat. I'm sure there's like trivia games, just different things. No, no, it's actually not. Oh, really? Okay, because I've seen a lot of that.

Mark: Yeah, yeah. Hold on. No, no, no. It's actually not. Because again, if you're in, let's say, a New York taxi, right, no one knows who's in the taxi. Right. We do know that you are in the car. So you can be greeted as such. You know who the driver is. We know what destination you're going to. So again, we can personalize the content in the tablet towards your needs, which is very different and very, very unique. If you think about in-car tablets, you're in the car, a 20 minute ride. And why I'm so passionate about this is that it's not just the 20 minutes today. The reason is you spend eight hours a week in the car. Today, you spend most of the time driving a car yourself. In the future, it's not an Uber. It's a self-driving car, which means the eight hours become a few times where you can actually consume content. and the car will become your next living room. Right. Right? Which is where, again, you will consume content, where you will consume ads. But again, we know who is in the car, and therefore we can personalize content and ads. And that's kind of what is super, super powerful for us to really make sure we are owning the kind of consumer experience in the car, and we then tell interesting stories when someone is in the car. And that's really, really, really, for me, super, super powerful. And then last but not least, in addition to the mobility app, the in-car tablet opportunity, we also have car tops in seven cities in the US, including New York. And here the idea is really to give advertisers the opportunity to tap in a digital out of home. It's really about creating awareness. It's about driving retail traffic into stores. But it's also a powerful instrument for us to give back to the earners, which means we are sharing our revenue back to the earners, which means it becomes more attractive to them.

Matt: You're partnering with them.

Mark: We partner with them. We can get more of the earners, right? And so it helps us to accelerate the flywheel.

Matt: Yeah, I mean, it's pretty powerful. I always thought that Uber should, and maybe you guys have discussed it, launch its own sort of programmatic radio station because you also know what type of music that people like and the drivers are always turning on music and why wouldn't you just run programmatic ads? And I would think that's another opportunity to...

Mark: Yeah, or maybe even go a step further, in the in-car tablet, why not launching our own TV channel? Right. Right.

Matt: That's very much similar to that.

Mark: And maybe it will be so attractive, exclusive content that it's not a reason why you're taking Uber in the first place. Right.

Matt: So, again... It's overall a better experience.

Mark: Exactly. So there's a lot that we can do. So again, it's really, really for us early days. And that's super exciting.

Matt: So in terms of the brand, I mean, Uber's unique in that it's been around for so long. It is a verb, right? Uber there, I mean Uber. And now you are not pivoting, but you're adding on a whole nother layer to the business. And I would imagine that creates sort of a branding challenge for you, or branding opportunity, depending upon how you look at it, within the advertising community, which is probably why you're here at the POSSIBLE Conference, in terms of making sure that advertisers,

agencies know that Uber's doing this. So how are you bottling up all these exciting opportunities into a message to the ad world?

Mark: Yeah. Yeah. And that's the reason why we're here, right? It's really kind of sharing the word, right? Advertisers, they know about social networks and other stuff, and they need to learn what Uber actually can bring to the party.

Matt: In ways that other people can't.

Mark: Exactly, ways that other people cannot, right? Whether it's now a global scale, it's the one-to-one targeting, it's influencing real life behavior in a car, right? It's what we can do on Eats, retail, even measurement, right? Let's imagine you run a TV campaign, and suddenly more people take an Uber to the retail store, right? We can even measure TV success. So that's a tremendous opportunity that we can do. And so that's why we're here, we're at our conferences, we're talking to advertisers, we're talking to agencies, to just educate them on what are the opportunities that we can do together, and I must say, have a thousand agencies that are leaning into it. I'm really, really impressed to see how much kind of inbound interest we see at a conference and beyond, and it's really, really exciting.

Matt: Yeah, well, I have to say, I speak to a lot of people in ad tech, and after they describe to me what they do for 15 minutes, I still have no idea what they do. And I know a lot about this industry, and when you describe it, it just makes sense. And the fact you had the first-party data, the captive audience, and really the bottom funnel metrics, which is really what I think in this economic downturn, CPG marketers need that. They can't throw money at a wall and see what sticks. They need to understand what the ROI profile is.

Mark: Yeah, exactly, and we have all of that, right? And we have it on a global scale. Yeah, and that's also quite attractive for especially the big CPG advertisers. It's not one solution here, one solution there. They have a global team, one size that gives them access to a global footprint, which is also kind of compelling.

Matt: Absolutely. And if I'm a CPG advertiser, I would imagine one of the things I'd want to get my arms around is what's the creative approach on how I can best leverage this? Because it's not just sticking up a logo or maybe giving an offer, although I'm sure that an offer is important. But are you also working with these advertisers on sort of the creative activation and how they roll that out within your platform?

Mark: Yeah, especially on the mobility side, right? We do a lot in terms of the creative and how can we also change a little bit the creative kind of landscape, whether it's now on the app itself, whether it's now on the tablet. And so we also have some kind of internal resources to help the advertisers and their agencies to brainstorm to think about what's the next level from a creative perspective.

Matt: Yeah. So in terms of the consumer itself, post-COVID, we are seeing lots more consumers working from home going to the office less, although many companies are saying you have to come back. Amazon most recently said you have to come back to the office. Have you seen those consumer habits impact your business at all? Because I would imagine people working from home is not a good thing for Uber or you're not seeing that at all in your data.

Mark: Well, if people are working from home, right, they are more likely to order in, which is good for Uber Eats.

Matt: You guys saw that during the pandemic.

Mark: Exactly. And as they now go back to the office, they take an Uber, right, more often. So what we actually do see is both the mobility business as well as the delivery business are both really, really growing, right? Delivery is now as big as the mobility business. The mobility business is now bigger as it was prior to COVID, right? So both businesses are really, really growing. And then we're really doing well from that perspective and are quite happy. And yeah, I mean, there's kind of no end of that growth.

Matt: And now you have the advertising.

Mark: We have the Advertising coming up, right? So it's really great. Again, our push into a closer business, which is a huge, huge opportunity. So there's a lot of growth that we can capitalize on.

Matt: Yeah. And you had mentioned autonomous vehicles and Elon Musk is presenting here at the POSSIBLE Conference. Tesla's obviously done a whole lot in that area. Where are we? Just curiously, I know this is not your specific area of expertise, but you do have a senior position at Uber. I'm sure you know more than a common person does about where we are on the adoption curve of driverless vehicles.

Mark: I mean, I can't comment on the details, right?

Matt: Not necessarily for Uber, but in general.

Mark: I think it is certainly early. And I would even imagine that maybe trucks will become first before passenger cars. But I was, for example, the other week in Dubai and you see your self-driving taxis there already, right? So maybe it's not as far out as we think. But the point from an advertising perspective is that even if you are in Uber, you're not driving the car yourself. Which means you can already engage with content and ads. And that's why I'm so excited about the mobility advertising opportunities.

Matt: Absolutely. So to wrap up here, you've had an amazing career and it seems like you have a limitless thirst for curiosity and new things. And we have a lot of young listeners here at Speed of Culture podcast and for younger people in their career entering the workforce, what piece of advice would you give them in order to have a similar path in their career and be equally as excited about where they are maybe 10, 15 years from now?

Mark: That's a great question. I think one thing is really, you mentioned this excitement, right? You really need to do something that you're really, really excited and passionate about and then just stick to it, right? Right. To become better in what you're already good at. And then I think another thing for me, which helped me a lot is to ask why. Why are people doing something they are doing? Ask three, four questions.

Matt: That curiosity.

Mark: The curiosity. To really deeply understand, right? When I was in the agency world, right? For me, it was really important to understand why acting agencies are the way they act? And sometimes you think it might actually be irrational the way they are performing. And if you ask three, four questions, suddenly it becomes rational and suddenly it makes sense. And then it helps to really deeply understand the ecosystem. And then that helps you to really build clear strategies and then you know how to execute because you do deeply, deeply understand why people behave the way they behave.

Matt: Yep. Absolutely. Very cool. So to wrap things up today, Mark, is there sort of a mantra that you live by saying that has kind of consistently driven you throughout your career that comes to mind?

Mark: Nothing specific, but one thing, I will try to be consistent in what I'm doing. Right? Again, I have this North Star and I'm trying to be consistent and sometimes it's boring to stay focused. Stay focused. It's sometimes boring to always do the same thing and there's so many sexy, shiny things left or right, but you have to just believe in the thing that you're doing and just stick to it and then you will be successful.

Matt: Yeah. I mean, I think it's a great insight into the world of shiny objects and everyone's trying to grab the next thing. Because they lose the ability to create traction and build anything substantive.

Mark: Yeah. And especially I think for the younger generation, right? Where everything is just a mouse click or a swipe away. Yeah. Staying at something and even in the beginning, it's hard, right? You're not playing soccer on day one. You can't ride a bike on day one, right? So you have to make sure that you stick to it and then you can actually master it. And I see a lot of younger people who try it a little bit and then they jump to the next one. Yeah. Try, jump to the next one. Try to get into the next possibly better thing. You will never be good at anything. So you have to stick to something.

Matt: That's true. Absolutely. We're going to leave it at that. And I have no doubt that Uber Advertising under your leadership will have the discipline needed to create scale and you're already doing that. So on behalf of Suzy and the Adweek team, thanks again to Mark Grether of Uber Advertising for joining us today. Be sure to subscribe, rate, and review the Speed of Culture podcast on your favorite podcast platform. Until next time, see you soon, everyone. The Speed of Culture is brought to you by Suzy as part of the AdWeek Podcast Network and A-Guest Creator Network. You can listen and subscribe to all AdWeek's podcasts by visiting adweek.com/podcasts. To find out more about Suzy, head to suzy.com. And make sure to search for The Speed of Culture at Apple Podcasts, Spotify, and Google Podcasts, or anywhere else podcasts are found. Click follow so you don't miss out on any future episodes. On behalf of the team here at Suzy, thanks for listening. Bye!