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PRESENTATION

Chris Vanderhook ***Viant Technology Inc. - Co-Founder, COO & Director***

Good afternoon, everyone. My name is Chris Vanderhook, Co-Founder and Chief Operating Officer of Viant. Prior to starting our third quarter 2021 earnings call, we would like to open with a video about our WWC software release that was taped at a recent event we hosted with Advertising Week in New York.

(presentation)

Operator

Hello, everyone, and welcome to Viant's Third Quarter 2021 Earnings Call. My name is [Ethan], and I will be your Zoom operator today. Before I hand the call over to the Viant team, I'd like to go over just a few housekeeping notes for the program. As a reminder, this webinar is being recorded. (Operator Instructions) Thank you for your attendance today. And I will now turn the call over to Nicole Borsje.

Nicole Borsje ***The Blueshirt Group, LLC - MD of IR***

Thank you very much. Good afternoon, and welcome to the Viant Technologies' Third Quarter 2021 Financial Results Conference Call. On the call today are Tim Vanderhook, Co-Founder and Chief Executive Officer; Chris Vanderhook, Co-Founder and Chief Operating Officer; and Larry Madden, the company's Chief Financial Officer.

I'd like to remind you that we will make forward-looking statements on our call today that are based on assumptions and subject to future events, risks and uncertainties that could cause actual results to differ materially from those projected. We undertake no obligation to update these statements, except as required by law.

For more information about factors that may cause actual results to differ materially from forward-looking statements and our entire safe harbor statement, please refer to the news release issued today as well as the risks and uncertainties described in our registration statement on Form S-1 related to our initial public offering and other filings with the SEC.

During today's call, we will also present both GAAP and non-GAAP financial measures. Additional disclosures regarding these non-GAAP measures, including a reconciliation of GAAP to non-GAAP measures are included in the news release we issued today and our filings with the SEC.

I would now like to turn the call over to Tim Vanderhook, Chief Executive Officer of Viant. Tim?

Tim Vanderhook ***Viant Technology Inc. - Co-Founder, Chairman & CEO***

Thank you, Nicole, and thank you, everyone, for joining Viant's Third Quarter 2021 Earnings Conference Call. I'm pleased to share that we have delivered another strong quarter of operating results across a number of important areas in our business.

First, we continue to expand our customer base by adding 17 customers in the quarter, bringing our total active customer count to 305 at the end of the third quarter. Second, we've exceeded our previously issued guidance across all financial metrics. Revenue in the third quarter totaled $50.9 million, an increase of 26% year-over-year. Our revenue performance reflects the broad-based strength of Viant's omnichannel advertiser experience.

We had solid performance in CTV, but we're now seeing several interesting shifts in customer adoption with other ID-less channels beyond Connected TV. For example, we saw that mobile spending was up 40% in the third quarter as we believe advertisers are now starting to move ad spend to alternative platforms given Apple's privacy changes related to the rollout of iOS 14.5.

Taking a deeper look at some of the trends that drove this quarter's performance. The deadline for duplication of third-party cookies and Google's Chrome browser, that is looming and driving action across the digital advertising ecosystem. Since May, availability of both cookies and mobile (technical difficulty) has fallen on average 21%, according to our bid stream analysis.

As we enter 2022, Google will begin their phaseout of third-party cookies support. As advertisers face far fewer signals for targeting and measurement, conversation between those advertisers and Viant is increasing, and so is the adoption of the World Without Cookies software release, which unifies Viant's household ID within the software. Just like we have seen in CTV over the last 8 quarters, marketers are now beginning to consolidate their spending in our software because the availability of our household ID across all these ID-less environments, not just CTV.

This gives marketers superior visibility and measurability over their advertising. During the third quarter, we witnessed customers' use of our household ID across other cookie-less channels like mobile, audio and digital out-of-home. Most notably, customers increased their spending in the mobile channel by 40%. Chris will discuss more about World Without Cookies later on the call.

Apple has increased the deletion of their ID with the release of iOS 14.5, and this has had a positive impact of advertising spend across our DSP in the mobile channel. Another trend we are seeing, mobile app marketers are looking for alternatives in a post Apple IDFA world. And our existing people-based DSP is helping these marketers post-IDFA.

During the third quarter, Apple's changes to iOS caused disruption in the ad ecosystem. Most notably, marketer spending was disrupted on other large social media platforms as they saw sharp performance decreases. Viant was a direct beneficiary of this disruption as evidenced by the strong adoption of our household ID use across mobile.

Furthermore, spending by mobile app companies increased by 86% in the third quarter compared to the second quarter of 2021. This disruption by Apple's changes is a near-term tailwind for Viant with marketers looking for platforms that offer greater measurability. These trends will continue as third-party cookies and other device IDs continue to be disrupted into 2022 and beyond.

With that, I'll turn it over to Larry Madden, our Chief Financial Officer, for more on our third quarter financial results. Larry?

Lawrence J. Madden ***Viant Technology Inc. - CFO***

Thanks, Tim, and thank you, everyone, for joining us today. Before I begin, I'd like to remind everyone that consistent with last quarter, we have posted supplemental financial slides to our Investor Relations website to accompany today's presentation.

As Tim mentioned, we are pleased to report that once again, we exceeded our previously issued guidance across all metrics in Q3 and are again raising our guidance for the full year. We continue to see increased customer adoption of our platform and believe we are well positioned for a strong Q4 and 2022 as our investments in personnel and technology mature.

This afternoon, I will be discussing some of the highlights of our Q3 performance as well as some of the key financial and operational drivers during the quarter. I will also be reviewing our current expectations for Q4 and for the full year 2021. With that, let me discuss some key highlights for the quarter.

During the quarter, we began seeing the benefits of our World Without Cookies software release with customers increasing adoption across multiple channels where cookies or device identifiers do not exist, such as Connected TV, mobile, streaming audio and digital out-of-home. Our continued investment in our team and technology also continues to pay dividends as evidenced by our solid increase in the number of active customers for the second quarter in a row.

For the quarter, total platform spend increased 28% versus last year. GAAP revenue for the quarter was $50.9 million, an increase of 26% compared to Q3 of 2020. And contribution ex TAC was $34.1 million for the quarter, an increase of 22% on a year-over-year basis.

In terms of our previously discussed COVID-impacted customer verticals, we continue to see a solid recovery in Q3 across our retail and travel customer verticals. However, our auto customer vertical continues to be negatively impacted by the ongoing chip shortage. In Q3, we also saw a pullback in spend with some of our CPG customers attributable to supply chain issues.

As such, whereas in recent quarters, we've been reporting the impact of COVID across 3 customer verticals, retail, auto and travel, this quarter, we will report the impact from COVID and supply chain-related issues across 2 customer verticals, auto and CPG.

Contribution ex TAC associated with our auto and CPG verticals declined 43% in Q3 as a result of supply chain-related challenges. These 2 customer verticals represented 46% of our total contribution ex TAC last year. And as a result of the declines in Q3 of this year, these 2 verticals represented just 21% of our total contribution ex TAC this quarter.

In terms of CPG, based on what we are seeing in Q4 thus far, we believe these issues were largely contained within Q3 across a limited number of customers, and we expect stronger performance out of CPG in Q4. Across all other customer verticals outside of CPG and auto, which includes retail, travel, health care and entertainment, among others, we saw a 76% increase in contribution ex TAC during the quarter.

These non-impacted verticals represented 54% of total contribution ex TAC last year and now represents 79% of the total. While these supply chain-related challenges impacted our growth during the quarter, the fact that we exceeded our previously issued guidance and are raising our guidance for the full year speaks to the resilience and differentiation that our platform brings to the market.

The headwinds created by these supply chain impacted verticals will create an additional tailwind for growth as these issues are resolved in the coming quarters.

From a channel perspective, our WWC software release during the quarter drove an increase in omnichannel adoption by our customers as they can now leverage our unique household ID to seamlessly buy and measure their ad spend across digital channels where cookies or device identifiers do not exist.

In Q3, we saw broad-based strength across all of these channels. Contribution ex TAC from mobile, streaming audio and digital out-of-home grew 56% in Q3, while CTV grew 28% during the quarter. Growth in mobile during the quarter was partly driven by an influx of dollars coming on to the platform as a result of some of the market dynamics that the social and mobile app ecosystems are facing as a result of Apple's recent IDFA changes.

Marketers are testing and adopting our people-based approach as an alternative solution to better target and measure in this important channel, which we believe is another important tailwind for our business going forward. In terms of CTV, we did see a slowdown in growth of contribution ex TAC relative to last quarter. This is largely as a result of a change in customer mix during the quarter created by the supply chain issues I previously mentioned.

With CPG and auto marketers historically being big CTV buyers, the declines across these 2 important verticals during the quarter certainly muted our CTV growth rates in the quarter. CPG and auto customers represented 51% of CTV-related contribution ex TAC in 2020 and 42% of CTV-related contribution ex TAC in the first half of '21. In Q3, CPG and auto customers only represented 22% of our CTV-related contribution ex TAC. Excluding the impact of CPG and auto, CTV-related contribution ex TAC across all of the customer verticals grew 92% in Q3.

Notably, we are already seeing a reacceleration of growth in CTV in Q4 with growth rates accelerating well beyond Q3 levels thus far into the quarter. With growth in CTV ad spend expected to outpace overall programmatic growth in the near term, we believe our people-based approach will continue to drive adoption across our platform, thus providing another driver of our growth going forward.

On the customer front, the number of active customers and the average contribution ex TAC per active customer saw strong momentum in the quarter. At the end of Q3, we had 305 active customers versus 258 in the prior year period, representing an increase of 47 customers or 18% on a year-over-year basis.

Sequentially, the number of active customers increased by 17 compared to the end of Q2, representing our second consecutive quarter of double-digit growth in the number of active customers. We have now added a total of 39 active customers since the end of Q1. The biggest driver of new customer additions in the quarter had to do with our continued success across mid-market agencies, which Chris will discuss further in a moment.

Average contribution ex TAC per active customer at the end of Q3 totaled $433,000 versus $404,000 at the end of Q3 last year, representing an increase of 7%. As we continue to ramp our sales and technology investment in 2021 and beyond, we expect further momentum around new customer acquisitions and average contribution ex TAC per active customer.

Now turning to operating expenses. I will be discussing operating expenses, excluding the impact of stock-based comp and also excluding traffic acquisition costs, which are included in platform operations, but are deducted from revenue to arrive at contribution ex TAC.

Total operating expenses, excluding stock-based compensation and traffic acquisition costs totaled $30.5 million in the quarter, an increase of 51% or $10.2 million versus the prior year period. The year-over-year increase in operating expenses is primarily attributable to the planned investments we are making across the organization with a particular emphasis on ramping our sales and technology infrastructure. Given the significant market opportunity in front of us, we believe these investments will drive growth in the quarters ahead.

Adjusted EBITDA for the quarter was $6.5 million, and our adjusted EBITDA margin as a percentage of contribution ex TAC was 19% in the quarter. While 2021 is certainly an investment year in terms of scaling the business, our mid- to long-term targeted adjusted EBITDA margin remains at 35%.

For the quarter, non-GAAP net income, which excludes stock-based compensation, totaled $3.1 million and non-GAAP earnings per diluted share of Class A common stock totaled $0.04 for the quarter. From a cash flow perspective, we generated $6.5 million of net cash from operating activities in Q3 and ended the quarter with $243 million in cash.

We believe that our growth profile and healthy balance sheet position us extremely well to take advantage of the rapidly growing market opportunity in front of us.

In terms of share count, we had an average of 13.5 million Class A common shares outstanding during the quarter and we expect the Class A common share count to increase to approximately 13.8 million in Q4, primarily as a result of RSUs vesting.

And finally, I'll now turn to our outlook for the remainder of 2021. As Tim discussed, we feel great about our strong positioning in the market, and we are in very early stages of capitalizing on the market opportunity for programmatic advertising. Given the increasing momentum we are seeing across the business, despite some macro challenges, we are once again increasing our guidance for the full year.

For the fourth quarter of 2021, we now expect GAAP revenue in the range of $71 million to $74 million, which represents year-over-year growth of approximately 26% to 31%. Contribution ex TAC in the range of $47.5 million to $50 million, which represents year-over-year growth of approximately 21% to 28% and adjusted EBITDA in the range of $13.5 million to $14.5 million or a margin as a percentage of contribution ex TAC of 28% to 29%.

And for the full year, we now expect GAAP revenue in the range of $212.4 million to $215.4 million, which represents year-over-year growth of approximately 29% to 30%, contribution ex TAC in the range of $140.5 million to $143 million, which represents year-over-year growth of approximately 27% to 29% and adjusted EBITDA in the range of $33.2 million to $34.2 million or a margin as a percentage of contribution ex TAC of 24%.

With that, I will now turn the call over to Chris.

Chris Vanderhook ***Viant Technology Inc. - Co-Founder, COO & Director***

Thank you, Larry, and hello, everyone. Today, I'll begin with highlights from our World Without Cookies software release. Then I'll cover how we're scaling the business to accelerate customer adoption.

World Without Cookies is our largest and most comprehensive software update in years. It unifies our household ID throughout the software from onboarding to audience planning, inventory forecasting, frequency capping, reporting and attribution. This release shows our strength in omnichannel advertising by increasing marketer visibility and measurability across all cookie-less channels.

We recently exited open beta with more than 30% of our customers adopting the new WWC release, as clients become more familiar with our household ID and the flexibility of using it across all channels. Campaign performance remains strong for clients who have adopted our household ID versus using cookies or other device identifiers. For example, customers who adopted our household ID continue to experience strong performance gains in excess of 40% for reach and frequency controls. But more importantly, on average, our clients boosted new customer acquisitions by over 110% compared to cookies and other device IDs. In addition, we've seen the marketers who use our household approach have experienced dramatically lower customer acquisition costs.

We're seeing that customers initially test our household ID in CTV since it is naturally a cookie-less environment. However, customers soon realized they gain the largest benefit by consolidating their spend across all channels in our software. With the success of our WWC rollout, we recently provisioned the WWC software to our entire customer base as of mid-October.

We will continue to educate all clients on the benefits of our household ID versus cookies in order to maximize the adoption across our customer base throughout the rest of the year and into 2022.

I want to talk about some of the sales and marketing investments we are making to continue to scale the business. Our investments to date are now beginning to pay dividends as evidenced by our growth in new customers by 18% year-over-year which we stated earlier now totals 305 customers.

We've added meaningfully to our sales team by attracting top talent from across the industry. We segment our customers into 3 groups: large advertising holding companies, mid-market agencies and enterprise companies. Our holding company and enterprise divisions are now led by former Google employees with significant experience in each.

Recently, we've made traction with 2 out of the top 5 holding companies. One grew by nearly 60% year-over-year and the other grew by over 150% year-over-year in the third quarter. Overall, mid-market agency spend grew by 58% year-over-year in the third quarter.

We believe that we will continue to do well in the mid-market and look forward to expanding our holding company and enterprise partnerships into 2022. On the marketing investment front to create differentiation and increased awareness of our technology, we launched a new marketing campaign that speaks to the need of our next-generation technology in the new open web. It goes without saying that we're using our Adelphic software to scale this campaign.

Early campaign results are exceeding our expectations, including site traffic, content engagement and new business leads, which is laddering back to the performance that you see here today and Q4 guidance.

Thank you, everyone, and I'll pass it back to Tim.

Tim Vanderhook ***Viant Technology Inc. - Co-Founder, Chairman & CEO***

Thanks, Chris. First, our revenue performance reflects the broad-based strength of Viant's omnichannel advertiser experience and Apple's recent disruptions, along with other big tech changes are causing ad buyer shifts that directly benefit Viant because of the superior visibility and measurability we offer.

And last, our investment in people is now really beginning to pay off with both large and midsized holding companies and customers direct. Everyone in this industry is looking for a solution to this very big problem and Viant software, we believe squarely delivers that.

Since this is our last earnings call for the year, I want to take a moment to say thank you to our employees for their contributions they've made in our first year as a public company. When we look out to 2022, what we see is incredible opportunity for Viant.

Thank you very much.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) And with that, the first question comes from Maria Ripps at Canaccord.

Maria Ripps ***Canaccord Genuity Corp., Research Division - Analyst***

Perfect. Great. And congrats on strong results. So my first question is around customer additions. I'm trying to figure out how to turn on my video. So my first question is around customer additions. Can you just talk about what's sort of driving this strength? Is it your sales force investments? Is it growing awareness on the platform? Or is it something else? And maybe related to that, can you just talk about how the cohort of customers you added last quarter is ramping spend on the platform?

Tim Vanderhook ***Viant Technology Inc. - Co-Founder, Chairman & CEO***

Got it. I'll take the first part of that, Maria. Thanks for the question. I think just the trends around how we're actually growing that I think definitely our sales and marketing investments, you're seeing that play out as those new additions to the team as the marketing that we have out there is increasing awareness. So you're now seeing those customer additions start to come on.

But I don't know, I would say just a little bit more color on that. We're doing really well as we continue to do well in the mid-market. But also, as I noted earlier, the holdcos, we're really excited about the progress that we're making there as well. So starting really getting it at both the mid-market and at the holdco level.

And what was the second -- sorry, the second part of your question, Maria?

Chris Vanderhook ***Viant Technology Inc. - Co-Founder, COO & Director***

How is the cohort scaling?

Tim Vanderhook ***Viant Technology Inc. - Co-Founder, Chairman & CEO***

Yes. So -- right. So 1 thing to just -- we've had 2 quarters in a row of strong new customer additions into the platform. So they're -- consider those to be our year 1 customers. They're typically testing. They're going to spend a lot less in their first year than they are going to be in years 2 and year 3. Our customer satisfaction retention still holds very strong. So we know that we're going to retain those customers, but those ones will really start to grow their spend in year 2.

Maria Ripps ***Canaccord Genuity Corp., Research Division - Analyst***

Got it. And then thanks for all the color on WWC. Can you maybe just talk about how many marketers participated in the WWC beta? And sort of what portion of customers are currently utilizing it? I think you mentioned that you made the software available to everyone in October. And so you talked about increasing conversion and better results for your clients. Can you share any color around sort of whether clients are spending more on the platform once they start utilizing it? And wonder if you can maybe quantify that?

Tim Vanderhook ***Viant Technology Inc. - Co-Founder, Chairman & CEO***

Yes. So we -- through the open beta phase, we got to 30% of our customer base. So that was actually really strong, a lot of the interest around that. In terms of the customers, we are seeing customers who are getting outperformance. They are spending more.

I think you saw that in the quarter. I think we saw it with marketers that are getting challenges in large social media platforms, where those platforms have relied on Apple's IDFA and the limitations that I think played out, they started to move the money. The money is heat seeking. So if they're getting less returns there, they're going to move that money and look for alternatives. We definitely saw the increase in spending from those clients.

Operator

Your next question comes from Laura Martin at Needham.

Laura Anne Martin ***Needham & Company, LLC, Research Division - Senior Research Analyst***

Okay. Good. And I also don't know how to turn off -- turn on my video, but I can ask you. These slides you guys publish are fantastic. I wanted to clarify a couple of things. When you talk about audio and CPG being down 43% and all other up 76%, my recollection is you guys have sort of 6 key verticals. So the all other is what I'm asking about, what are the primary components of all other that was up so strongly in the quarter?

Lawrence J. Madden ***Viant Technology Inc. - CFO***

Laura, thanks for the question. This is Larry. The main verticals that really drove that growth were retail, health care, entertainment and travel. You have other verticals less significant, but those were the key drivers of that.

Laura Anne Martin ***Needham & Company, LLC, Research Division - Senior Research Analyst***

Okay. That's great. And then you have this really awesome mobile audio and outdoor number of up 56% in a quarter where a lot of people -- a lot of stocks got hammered because mobile got disrupted by the iOS upgrades. My question to you is when you think about -- like why is mobile audio outgrowing twice as fast as CTV do you guys think?

Tim Vanderhook ***Viant Technology Inc. - Co-Founder, Chairman & CEO***

Well, I think CTV was directly related to some of the supply chain impacted customers that we talk about, automotive and consumer packaged goods are heavy investors in Connected Television. And those categories had the supply chain issues that we talked about.

But I think what really is driving it is those environments are cookie-less. And what's growing in mobile with us is specifically Apple related to the 14.5 change for the iOS update. And with no IDFA, all of that ad spending is back up for grabs. And so taking a people-based approach, we saw lots of mobile app marketers testing our solution in the quarter. What was delayed by Google of cookie deletion until 2023 is here right now across Apple's devices. And so I think marketers who used Apple as a big distribution point to buy and measure their advertising are looking for an alternative solution. And we certainly saw that as a tailwind in the quarter and I think that will lead to future tailwinds in the near term.

Chris Vanderhook ***Viant Technology Inc. - Co-Founder, COO & Director***

Laura, I'll just add 1 other thing. I think what we're seeing out of marketers who are no longer getting the performance and we specifically talk about mobile app marketers, which is a big percentage of the social media companies, their activities with them, they're just looking at alternative ways to be able to spend their money to get new user acquisition and/or reengagement with their current audience.

So they are testing those other channels to see what their returns are. And we can tell you the returns were really solid. So we're very encouraged by the early signs that we're seeing where we're really effectively, as we've been saying, as these identifiers go away, this is a tailwind for us.

Laura Anne Martin ***Needham & Company, LLC, Research Division - Senior Research Analyst***

Well, I think -- I take your point because you've been talking about the cookie-less world, but really IDFA is having a positive impact today, and that's sort of a positive we didn't even think of. So looking at the 9-month chart, I don't know what slide this is, sorry, but basically, it says the CTV channel was like $13 million round numbers in Q1, $13 million in Q2 and essentially $11 million of total revenue. My question is, do you think this shift to [WWD] could have slowed that growth short term while you're converting people over into the new software?

Tim Vanderhook ***Viant Technology Inc. - Co-Founder, Chairman & CEO***

I think it could have had an impact in the quarter as we explained the benefits of using our single household ID across all channels for targeting and measurement. Certainly, there could have been some extra attention in the quarter. As Larry had mentioned in the prepared remarks, we see strength in CTV in the fourth quarter. So as I look at it, the customers that were impacted in the supply chain turned out to be CTV investors, heavy investors in that category.

I think as those have cleaned themselves up, CTV bounces back. But I think that's what we tried to highlight was the opportunity in this cookie-less world or all ID-less world of Apple in the near term, we're certainly seeing that benefit. But no, I don't see any long-term change in CTV's outlook in the near term or longer term.

Operator

(Operator Instructions) The next question comes from Alex Ross at Berenberg.

Alexandra Brice Ross ***Joh. Berenberg, Gossler & Co. KG, Research Division - Analyst***

Congrats on the quarter. Back to the (inaudible), so can you just -- and appreciate the video you showed in the beginning. Can you just comment more on initial feedback from customers on the release? And as a follow-up, are there any additional features that you've heard from customers that they may be asking for?

Tim Vanderhook ***Viant Technology Inc. - Co-Founder, Chairman & CEO***

Yes, certainly. I mean one of the biggest areas of feedback that we get on the WWC software release is just the performance of the advertising. And maybe to back up from that, what I mean is the Apple advertising ecosystem is dark. If you're using one of our competitors, you're not bidding, buying or gaining any new customers in that ecosystem.

And I think the first piece of feedback we hear is, wow, it really brings Apple's ecosystem back where we can bid the same way we used to and actually measure the same way we used to. So the feedback, number one is on the measurability of the platform post WWC release. It's measurement that they aren't experiencing in other platforms and drastically need given the current ID issues in the marketplace that's out there today. What else did you...

Chris Vanderhook ***Viant Technology Inc. - Co-Founder, COO & Director***

I would just say 1 big thing in DSPs and this is software. So the usability of every feature that you roll out, I was actually just having this discussion with a client last week. Talking about the usability that they believe that they're getting, that this new release actually has increased our usability above competitive platforms and is causing them to shift more money.

It's not only about the performance that they get in the campaign, the outcomes of the campaign. It's also about the usability. And so that's a great -- those are great marks for our product team, and they really did a great job with this release.

Alexandra Brice Ross ***Joh. Berenberg, Gossler & Co. KG, Research Division - Analyst***

That's really helpful. And then just a second question, if you could comment on the sequential impact you saw from the supply chain this year and how you're thinking about that for Q4?

Tim Vanderhook ***Viant Technology Inc. - Co-Founder, Chairman & CEO***

Yes. So we think a lot of the areas in CPG, these are well noted out there, but we think what we're seeing is a lot of that we're seeing is subsiding into Q4. So we're expecting a rebound there in CPG. Automotive, we don't think that, that is a strong rebounder necessarily in Q4. However, what I will say is our conversations with our automotive clients are actually very promising that we believe they will [returning] a lot of their spending in the first quarter of next year of 2022.

A lot of them are looking to get aggressive. A lot of them know that they have to make enough to do. And it seems to be that they are starting to see some of the supply chain-related issues with respect to their chips, they believe that, that will be subsiding in the first quarter of 2022. So that's encouraging.

Operator

We do have an additional question from Laura Martin at Needham.

Laura Anne Martin ***Needham & Company, LLC, Research Division - Senior Research Analyst***

I just thought I would ask you a big picture question. Omnicom has proposed standards for CTV, the Connected TV Signal Standardization Initiative. Do you guys have any thoughts on that and how it relates to your [WWD] release?

Tim Vanderhook ***Viant Technology Inc. - Co-Founder, Chairman & CEO***

Specifically, we're -- specifically on their exact proposal, I don't have any comment on their exact proposal, but we're all for standards. This industry was built on standards. Everyone is looking for a common framework to interact with each other. So I think that's part of getting everyone on the same page. Again, I will say that we think the standard is a people-based standard moving forward, leveraging many different ways to attach data and targeting at that household level.

So all in all, I think what the Omnicom proposal shows is the substantial need for a plan going forward with no ID across Connected TV. I think another big important factor that advertisers are looking for in Connected TV is what content is their ad being shown against and that continues to be a big open area that the sell side and the buy side continue to work through.

Operator

At this time, we have no more questions. (Operator Instructions) All right. Seeing none. I will go ahead and turn it back to Tim and Chris for closing remarks. If there are none, we'll go from there.

Tim Vanderhook ***Viant Technology Inc. - Co-Founder, Chairman & CEO***

All right. Thank you very much, everyone, for joining our third quarter earnings conference call. We will speak to you again next year and are very excited about the future. Thanks a lot.

Operator

This concludes today's conference call. You may now disconnect.