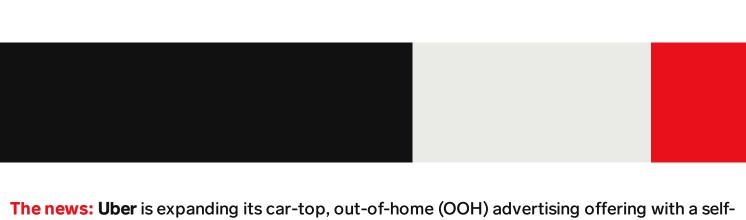
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## Uber's next advertising venture is self-serve, out-of-home ads

**Article** 



The news: Uber is expanding its car-top, out-of-home (OOH) advertising offering with a self-serve platform that will allow advertisers to create and display promotions when cars are in certain ZIP codes.

**How it works:** The new self-serve platform is designed to attract small and midsize local businesses.

- Advertisers can select specific ZIP codes, days, and times of day for their advertisements to display, and even offer discounts in-app.
- The first round of advertisements will run across 3,500 vehicles in major cities like Boston,
  New York, and Atlanta, per MediaPost.
- Drivers who partake in the program will earn "15%" more revenues, but it's unclear if that refers to ad revenues or driving revenues.

**Uber's ad empire:** The ridesharing company has expanded deeper into advertising in the last several years, launching a variety of in-app and OOH advertising channels in order to eke out greater revenues.

- Uber is sitting on a treasure trove of valuable user location data that it can sell to advertisers and has also tapped into local city markets by launching ad formats that promote upcoming events. At this point, from opening the app to riding around in a car, there's little left of the Uber experience that hasn't been monetized with ads.
- US OOH advertising is set to rise 6% this year to \$9.8 billion and will exceed \$10 billion in 2024. Self-serve advertising platforms are also growing in popularity; Spotify, Instacart, and more have all launched self-serve ad channels to offer advertisers greater control over their exposure.

Our take: In its never-ending quest to reach profitability, Uber has become more and more of an advertising technology company. Its ad offerings include concert and event ads in-app, banner advertisements, controversial push notifications, and now taxi-like car-top ads.

Uber's expansion into ads shows that public tech companies chasing growth to please investors can't resist the allure of advertising.

## US Media Ad Spending Growth, by Media, Q1 2021-Q3 2022

% change

	Q1		Q2		Q3	
	2022 vs. 2020	2022 vs. 2021	2022 vs. 2020	2022 vs. 2021	2022 vs. 2020	2022 vs. 2021
Digital	50%	24%	84%	10%	42%	5%
TV	-2%	2%	19%	-9%	-17%	-23%
Out-of-home	-4%	71%	111%	38%	87%	14%
Radio	-18%	7%	70%	-5%	0%	-18%
Magazines	-46%	-23%	-30%	-16%	-20%	-11%
Newspapers	-28%	3%	13%	-10%	27%	22%
Total	19%	14%	52%	2%	15%	-6%

Note: based on data from SMI Core; excludes ad tech/fees and other Source: Standard Media Index (SMI), "Core Release: September 2022," Oct 20, 2022 278870 eMarketer | InsiderIntellige