



DoubleVerify Q2'25 Earnings Call Prepared Remarks

Tejal Engman, IR:

Good afternoon, and welcome to DoubleVerify's second quarter 2025 earnings conference call. With us today are Mark Zagorski, CEO, and Nicola Allais, CFO. Today's press release and this call may contain forward-looking statements that are subject to inherent risks, uncertainties, and changes, and reflect our current expectations and information currently available to us, and our actual results could differ materially. For more information, please refer to the risk factors in our recent SEC filings, including our Form 10-Q and our annual report or Form 10-K.

In addition, our discussion today will include references to certain supplemental non-GAAP financial measures and should be considered in addition to, and not as a substitute for, our GAAP results. Reconciliations to the most comparable GAAP measures are available in today's earnings press release, which is available on our investor relations website at ir.doubleverify.com. Also, during the call today, we'll be referring to the slide deck posted on our website. With that, I'll turn it over to Mark.

Mark Zagorski, CEO:

Thanks, Tejal, and good evening, everyone.

We delivered a standout second quarter, with revenue up 21% year-over-year at \$189 million, beating the raised guidance we issued at Innovation Day and building on the 17% growth we delivered in Q1. Growth was broad-based, with double-digit expansion across all three of our revenue lines: Activation, Measurement, and Supply-Side. Our Advertiser business, which accounts for 91% of our total revenue, also delivered 21% year-over-year growth, its highest quarterly growth rate since the fourth quarter of 2023.

We drove Q2 growth with the same focused execution that fueled growth in Q1: by expanding our relationships with existing advertisers and rapidly scaling new ones. The largest share of our first-half revenue growth came from existing advertisers attaching new DV solutions and expanding usage across channels and geographies. That momentum underscores the success of our attach, stack, and scale revenue growth strategy, which leverages our growing, proprietary suite of verification and optimization solutions to build deeper customer relationships that deliver bottom-line results.

Our recently launched Media AdVantage Platform, or 'MAP', is a first-to-market unified approach that brings together verification, optimization, and outcomes measurement, powered by the recently acquired Rockerbox asset, across programmatic, social, and CTV. MAP is clearly resonating with the market, enabling new and current customers to protect media quality and improve efficiency with scaled, integrated solutions that aren't available anywhere else.

Further underscoring the value and appeal of DV's differentiated solutions and revenue engine, roughly a third of our first-half revenue growth came from new advertisers, with last year's Moat advertiser wins contributing roughly 1 percentage point to our 19% first-half revenue growth. Large enterprise customers such as Microsoft and Kenvue, signed in 2024, are now scaling meaningfully, a testament to our ability to displace incumbents, gain share, and grow our engagements with those customers over time. This represents more than a one-time migration lift; it exemplifies our consistent execution to drive sustained new customer growth by focusing on our competitively differentiated stack. We expect a gradual ramp of new win momentum in 2025, which will largely benefit 2026, supported by strong enterprise win rates and an active pipeline. To reiterate, though, the primary

driver of our growth continues to be existing customers stacking new DV solutions and expanding their usage, reinforcing the durability of our model and the strength of our Net Revenue Retention.

Our success to date is occurring in parallel to a business transition in which we are evolving our product suite to navigate a shifting market and take advantage of innovations in AI. While we continue to develop our social activation and CTV product suites, we've been able to drive strong upsell momentum of our core solutions, resulting in healthy recurring revenue growth and underscoring the durability of our customer value proposition.

Our business momentum is clear in the strength of our customer relationships. In Q2, we secured major expansions with global leaders such as **Reckitt Benckiser, Sony PlayStation, Electronic Arts, General Motors, Lexus, Fidelity, and Kroger**, all of which deepened their investment in DV across new solutions, markets, or media types. We also added several new enterprise clients across retail, consumer goods, and financial services, including a leading toy and entertainment company, a major global payments platform, and one of the world's best-known fashion retailers, along with new logos like **Lidl, Haribo, TransUnion, Sage, Zendesk, Banco do Brasil, Dave's Hot Chicken, and iFit**. We expect our new client wins to further accelerate our "attach and stack" strategy by expanding both the breadth and depth of advertiser relationships. New win momentum is already evident in the evolution of our customer base: ten recently won large advertisers now feature in our Top 100, with three ranking among our Top 15 revenue contributors. Their rapid scaling, fueled by strong adoption of DV's solutions, demonstrates how the compounding power of our product stack is resonating with customers and delivering immediate, measurable value. At the same time, our revenue is becoming more diversified, as we grew the number of advertiser customers generating over \$200,000 in annual revenue by 12%, a clear indication that our platform is driving deeper engagement and long-term value.

Now, let's dive into our second-quarter performance across three of our key growth environments: social media, CTV, and programmatic.

Social continues to be one of DV's most important growth opportunities. In Q2, social measurement revenue grew 14% year-over-year, led by growth on YouTube, TikTok, and Meta, and global advertiser expansion across CPG, tech, healthcare, and media.

A major milestone this quarter was the beta-launch of DV Authentic Advantage on YouTube, our most advanced and integrated solution to date. While it unifies pre-bid suitability, Scibids AI optimization, and post-bid measurement, this solution is far more than a bundling of capabilities. DV Authentic Advantage introduces a first-of-its-kind, automated workflow that harnesses the unique strengths of each component solution to drive outcomes that are better than the sum of its parts. Focused initially on the high-value social and social video sectors, DV Authentic Advantage will be generally available in early September, enabling advertisers to achieve stronger contextual brand relevance, greater reach, and more efficient spend, all while maintaining their desired standards of protection. It's evidence of how DV continues to lead through purposeful innovation - solving real advertiser challenges and delivering measurable impact. As the only player in the market with this unification of capabilities, we're delivering what many in the industry have long sought: protection without compromising performance.

DV Authentic Advantage has now been tested across 90 campaigns and is delivering customers measurable gains in CPMs, scale, and suitability. More importantly, it's driving incremental value for customers by expanding product adoption, increasing customer lifetime value, and strengthening our position across measurement,

activation, and optimization. It's a clear example of how the integrated power of DV's Media AdVantage Platform is unlocking new growth.

On Meta, we continue to scale both activation and measurement. Since launching our pre-screen suitability solution on Meta in late Q1, we've seen solid momentum. Revenue from Meta activation solutions remains ahead of plan, with 26 advertisers live, including 13 of our Top 100 now leveraging pre-screen suitability on the platform. With both pre-screen activation and post-bid measurement, we are now able to compound value across the media transaction and monetize our social impressions twice. Pre-screen impressions as a percentage of our post-bid suitability impressions on Meta, doubled from March to Q2 this year, underscoring our expectation that this solution will be a more significant growth contributor into 2026. We are also actively evolving our initial brand suitability solution that was launched in 2024, expanding brand suitability measurement on Meta to include more categories. By connecting our full suite of pre-screen controls with post-bid, AI-powered measurement, we continue to deliver true closed-loop coverage across Facebook and Instagram Feeds and Reels.

Turning to CTV, the thesis that the premium nature of CTV negates the need for verification solutions is not playing out in the market. CTV remains one of DV's most exciting growth drivers and a key part of our goal to 'verify everywhere' media runs. In Q2, CTV measurement impressions grew 45% year-over-year, significantly outpacing overall company growth. CTV represented 11% of total measurement impression volumes in the first half of 2025 and 22% of our non-social measurement volumes — a sign of growing advertiser adoption and deeper engagement across premium streaming inventory.

On the activation front, adoption of DV's Authentic Brand Suitability and Fraud solutions continues to build across CTV inventory. On our largest DSP partner, CTV now represents nearly 20% of video impressions where advertisers apply ABS and Fraud — clear evidence that pre-bid protection is becoming standard even in premium streaming environments. On the supply side, we continued to expand our CTV footprint through new partnerships with major platforms, including Samsung and TCL.

As ad dollars continue to shift from linear TV to streaming, DV is scaling right alongside them. What's often lumped into the "programmatic open web" is, in reality, a fast-growing share of high-quality, CTV inventory, and DV is uniquely positioned to capture that opportunity. Our 2025 Global Insights Report reinforces this: 68% of U.S. advertisers say CTV outperforms their baseline KPIs, yet only 57% are investing meaningfully in the channel today, pointing to significant investment headroom. And despite progress in CTV supply quality, advertisers still face fragmentation, limited transparency, and inconsistent measurement — all areas where DV adds critical value. DV continues to invest in and enhance our CTV suite and has roadmapped numerous CTV activation and measurement expansions, which we believe will continue to drive our CTV growth into 2026.

Now let's turn to programmatic, a high-growth and dynamic part of our business. Programmatic today goes well beyond just websites on the open web. It powers CTV video, fuels the rise of retail media networks, and supports a wide range of high-engagement inventory that sits outside social walled gardens. In many ways, it's become a catch-all for the next wave of digital opportunity. As AI transforms how consumers discover content, programmatic has become the infrastructure layer powering access to new, high-value addressable engagement. Advertisers looking for scalable, cost-effective, and brand-suitable reach beyond social walled gardens are increasingly leaning into the broader digital ecosystem, where quality engagement is growing rapidly. DV powers that ecosystem, aligning suitability, performance, and accountability at every impression.

In Q2, DV saw healthy programmatic volume across both video and display formats, with Activation acceleration driven by ABS, which grew 23% year-over-year, and by Scibids AI, which delivered another strong quarter. Since acquiring Scibids in August 2023, we have successfully upsold its AI optimization capabilities to hundreds of DV customers. Adoption among our Top 100 customers continues to climb, with over 50 now using Scibids AI to optimize campaigns. We've also expanded Scibids into the Google Ads Platform and plan to launch across two additional platforms by year-end.

An increasing share of our programmatic volume is coming from newer, high-growth areas. I mentioned CTV is a big part of that - accounting for nearly 20% of our prebid video impressions on one leading DSP, but so is retail media.

Today, DV tags are accepted across 144 major retail media networks, including 17 of the world's largest platforms, with nearly half of these now supporting DV measurement on their owned and operated properties. Supply-side partnerships are key to DV's ability to deliver both activation and measurement solutions across retail media, a channel that continues to scale with supply-side retail media revenue up 39% year-over-year in Q2.

So, to wrap up programmatic: it's evolving rapidly as spend flows into higher growth channels like CTV, retail media, and AI-driven optimization, and DV is meeting that shift head-on, introducing new solutions in new verticals, delivering protection and performance wherever advertising dollars go.

Taken together, Q2 demonstrates that DV is delivering what the market needs, which is not just verification alone, but the only integrated suite of verification, optimization and outcomes measurement solutions that leverage DV data to drive better results across social, CTV, and the broader digital ecosystem. Existing clients are expanding their use of core solutions while rapidly engaging with new products like Authentic Advantage, validating the strategic value of our stack and scale approach, of which the Media Advantage Platform provides an optimal framework and a durable executional model. We also continue to prove our ability to win and scale new enterprise logos, displace legacy providers, and expand into greenfield budgets, all of which reinforce the competitive strength of our platform.

Overall, our execution in the first half, combined with early traction from key emerging growth drivers, reinforces our confidence in our long-term growth trajectory. We're building from a foundation of recurring value, executing with consistency, and positioning DV to continue to lead as media investment continues to evolve.

With that, let me turn the call over to Nicola.

Nicola Allais, CFO:

Thanks, Mark, and good afternoon, everyone. Q2 2025 was another strong quarter, with both revenue and adjusted EBITDA exceeding the high end of the guidance we previously raised intra-quarter at Innovation Day. We achieved balanced performance across the business, with growth converting into healthy profitability, even as we continued to invest in long-term initiatives supporting the evolution of the DV Media AdVantage Platform vision, including products such as DV Authentic Advantage, and the integration of the recently acquired Rockerbox solutions.

Total revenue grew 21% year-over-year to \$189 million, building on a strong 17% growth in Q1'25. Adjusted EBITDA grew 22% year-over-year to \$57 million, with a 30% margin, up from 27% margin in Q1'25.

Advertiser revenue grew 21% year-over-year in the second quarter, driven by stronger measurement attach and deeper product stacking or upsells, driving higher volumes across the platform. Media transactions measured, or MTMs, increased 19% year over year, while measured transaction fees, or MTFs, declined 1% year-over-year, a relative improvement compared to the same period last year, due to changes in product and geographic mix, driven by strong upselling of premium products, such as ABS and Social Activation.

Activation revenue grew 25% year-over-year in the second quarter. All four activation solution groupings — ABS, Core Programmatic, Social Activation, and Scibids AI — contributed to our second-quarter growth.

ABS, which accounted for 52% of activation revenue this quarter, grew 23% year-over-year. ABS growth is being driven by expansion within existing advertisers across more brands and markets, new logo wins, and upsells to current clients. We achieved solid ABS upsell momentum, with 70% of our Top 500 customers now using the product in the second quarter, up from 65% in the same quarter last year. Non-ABS Activation revenue grew 26% year-over-year driven by both existing and new customer adoption.

Turning to Measurement, revenue grew 15% year-over-year in the second quarter, driven primarily by growth in social. Social measurement revenue rose 14%, accounting for 48% of total Measurement revenue. Growth was driven by both greater adoption among existing customers, and by new advertiser wins. YouTube, TikTok, and Meta remained the primary contributors, collectively accounting for over 90% of Q2 social measurement revenue. Non-social measurement also grew 16%, supported by the Rockerbox acquisition, which remains on track to contribute approximately \$8 million to DV's full-year 2025 revenue. International measurement revenue grew 8% year-over-year, representing 28% of total measurement revenue. Finally, supply-side revenue grew 26% year-over-year, driven by increased revenue from existing and new platform and publisher customers.

Shifting to expenses, cost of revenue increased by \$7 million year-over-year, reflecting continued growth in Activation due to revenue sharing with partners, as well as ongoing investments in cloud infrastructure to support future scale. Revenue less cost of sales was 82% in the second quarter, and we expect it to remain within our target range of 80% to 82% for the year as we invest to meet long-term demand.

R&D expenses increased as we continued to invest in engineering talent, software, and services to support our product roadmap, including advancements in AI, the integration of Rockerbox, and continued development of DV Authentic Advantage. Sales and marketing expenses grew more modestly than revenue, highlighting operating leverage, while G&A included costs related to the Rockerbox acquisition and other strategic initiatives. As we shared last quarter, we expect hiring to remain disciplined for the rest of the year as we prioritize product innovation, realign resources behind growth initiatives, and continue to optimize the business.

Adjusted EBITDA was \$57 million in the second quarter, driven by higher revenue and representing a 30% margin, ahead of expectations. We generated approximately \$50 million in net cash from operations, compared to \$36 million in the same quarter last year. Capital expenditures were approximately \$10 million, compared to \$7 million in the same quarter last year.

We ended the quarter with approximately \$217 million in cash, cash equivalents, and short-term investments.

We remain committed to a prudent and strategic capital allocation strategy as we balance investments in the business operations, evaluate M&A opportunities, and consider additional share repurchases. In the first half of

2025, we repurchased \$82 million of stock. As of June 30, \$140 million remained available under the current authorization, and we will continue to evaluate buybacks, including as a means to offset the dilution impact from our stock-based compensation program.

Turning to guidance, we are raising full-year 2025 revenue growth to approximately 15% year-over-year, up from the prior guide of approximately 13% year-over-year. This increase reflects not only the first half outperformance, but also a higher growth outlook for each of Q3 and Q4. We are reaffirming full-year adjusted EBITDA margin guidance of approximately 32%, reflecting continued investment discipline alongside strong top-line momentum.

For Q3, we expect revenue to range between \$188 and \$192 million, representing a 12% year-over-year growth at the midpoint. We expect adjusted EBITDA to range between \$60 and \$64 million, representing a 33% margin at the midpoint. We expect stock-based compensation to range between \$27 and \$30 million, and diluted weighted average shares outstanding to range between 167 and 169 million shares.

We are raising both Q3 and Q4 outlooks based on strong momentum from our existing advertiser base, driven by continued success in getting advertisers to attach new DV solutions and expand usage across channels and markets. At the same time, we are accounting for increasingly tougher year-over-year comparisons on new customer revenue growth in the second half, and continued macroeconomic uncertainty. In parallel, we continue to convert a strong pipeline of new enterprise wins that are expected to scale in 2026 and beyond, further supporting our long-term growth trajectory.

Importantly, we continue to view 2025 as a transition year as we are in the early stages of monetizing the large opportunities we outlined at Innovation Day, most notably Meta Pre-Screen and DV Authentic Advantage. These social activation solutions require advertisers to go through testing, integrate them into existing workflows, and allocate budgets - processes that take time. As adoption ramps up, we expect monetization to build gradually with more meaningful contribution beginning in 2026 and scaling into 2027.

In conclusion, we delivered a strong second quarter, with double-digit revenue growth across all three revenue lines, healthy profitability, and solid cash generation. We are raising full-year guidance to reflect stronger-than-expected performance in the first half, and stronger second-half momentum, particularly as existing customers continue to expand through upsell-driven growth. We ended the quarter continuing to carry no debt, and with \$217 million in cash and short-term investments, reinforcing the strength of our financial position. As we look to the second half, we remain focused on disciplined execution, and on sustaining our growth momentum.

And with that, we will open the line for questions. Operator, please go ahead.

Operator

Your first question comes from Matt Swanson with RBC Capital Markets.

Matthew Swanson, RBC Capital

Great. Congratulations on the quarter.

It's been an impressive first half for a transition year. Maybe double clicking on something you both talked about a little bit, which was that social growth. 14% maybe doesn't sound per outlandish, but I mean that's a really big acceleration from 1% in Q1 given the large customer dynamic. So could you dive a little bit more into that, if any of the headwinds we saw do you want to be at all? Or just what drove a 1,300-basis point sequential increase?

Mark Zagorski

Matt, thanks for the question. I think if we look at what drove the growth, it was almost evenly split between kind of new user expansion, so current customers like Unilever, Colgate, Pepsi, et cetera kind of expanding their use, and then some new logo wins, Cantor, Chipotle, Banco do Brasil and a few others. So I think what we've seen is just increased adoption across the solutions. We saw nice growth from folks like Reddit, which are new to the platform and TikTok continues to be a really nice accelerant. So I think it's a combination of new customers, some expansion with current customers, adding some new partners on there. And then the addition of the Meta prebid solution, which we launched earlier this year is now starting to attract measurement customers as well. If you remember, when we launched the Meta measurement solution, One of the gating aspects of that was people were waiting for prebid, Well now that we have prebid, we're adding customers for both pre- and postbid measurement. So it's helping our measurement numbers as well. So again, it's a slow and steady kind of growth trajectory across social that we're seeing. And we like it that it's based on some new solutions, some new platforms as well as some new customers.

Matthew Swanson, RBC Capital

And maybe we'll make it a true follow-up question, stay on meta. I mean their advertising platform is evolving a lifestyle stand-al1 basis with their use of gen AI. Have you given a lot of thought or seen or heard anything from customers that will kind of tell you how this is going to impact DoubleVerify further down the road with Meta?

Mark Zagorski

I think you certainly hit the nail on the head, which is Meta is attracting more and more ad dollars, right? And I think that is why we're so focused on our partnership with them and across all social platforms. But I think the things that attracted our customers to begin with are laying out on Meta, which is our independence. So our ability to kind of check what's happening on the sites, our focus on a drive towards greater transparency. So many of the AI solutions don't include a lot of transparency on kind of what's going on. They deliver good results but not how they got their results. And that's part of our role is to drive transparency and open up that black box a bit. So I think that value prop is holding true with the customers who are engaging us on meta and all the social platforms who are leaning into AI tools to drive kind of better results, but without a lot of transparency or clarity on how we're getting there.

Operator

Your next question comes from the line of Youssef Squali with Truist Securities.

Youssef Squali, Truist

Excellent. Congrats as well. Two questions maybe. Mark, innovation there, you guys preannounced the quarter with revenues of about 17%. You just put up a revenue by 21%. Can you maybe just speak to the drivers of the

outperformance relative to that guidance what you've seen throughout July so far? Just trying to understand where the delta may have been derived from and the sustainability of that. And then you call out MTF down 1%, I think, is a big deal, big improvement after many quarters of year-on-year decline. Can you maybe unpack that a little bit and also talk about kind of how you see MTFs within the guidance that you provided for the second half?

Mark Zagorski

For sure. Thanks for the question, Youssef. So let me talk a little bit about kind of drivers. And the first is obviously a strong activation quarter, particularly around ABS. And we saw a 23% growth year-over-year in ABS, which shows that, that solution still has legs and is still attracting a significant amount of new activations, so folks like Kenvue and Microsoft and Charter, and still growing with current clients as well. So I think when we look at kind of what's driving growth, that's certainly the #1 driver of growth and one in which, as you noted, Innovation Day, we were still seeing momentum dollars going in there. It's not surprising considering we're at a time in which advertiser dollars are still very tentative with regard to when and how they spend and programmatic gives them that flexibility. And I think we see that in our numbers. So I think that is a key driver. It's a key thing that I think we identified back at Innovation Day. And that's why we're so focused on things are -- all of our activation solutions including social activation, which continues to be a big opportunity for us coming down the road. So a big driver of growth, I think, across the board, even if you look at our non-ABS programmatic. So core programmatic as well as sides, that grew at 27%. So stuff that drives results that delivers ROI and that drives performance. as well as that's in the programmatic space that allows advertisers to move dollars in and out pretty easily are things that we're seeing that are creating a much more resilient kind of start to the year than we've seen in the past.

Nicola Allais

Yes. Youssef, on your question related to MTF, you're right. The decline of 1% is a relative improvement compared to what we've seen in the past few quarters. And this is not due to meaningful changes in the competitive environment or just broad pricing dynamic. It's truly just driven by product mix, which is what we've said all along. MTF is an output of what the clients are buying. And in this quarter, in particular, we had very strong upside momentum on ABS, which, as you know is our premium priced product. That was for both existing clients using it on more and more of their volume, new logos using it and us being able to upsell new clients to the to the solution. ABS grew 23% this quarter, which is very strong. So MTF is an output. It's an output of our ability to upsell to premium priced products. this quarter, you see the meaningful impact of ABS growing. Going forward in the year, we've talked a lot about social activation ramping. That is all at a premium price point. So that should also have an impact on MTF.

Operator

Your next question comes from the line of Mark Murphy with JPMorgan.

Mark Murphy, JPMorgan

Mark, how is your overall confidence that some of the fits and starts that the company had with the social products when we think back to the last couple of years might be solidifying now into something that's a little more sustainable? What I mean is, for instance, do you feel better about the ability to verify the content or the fraud

risk prebid? Or is the -- is the go-to-market motion maybe looking a little more effective just in terms of the number of meta accounts or other accounts that you're adding?

Mark Zagorski

Yes, Mark, great question. I think what we've always focused on with all of our solutions is how we can make it a durable growth driver, right? And how we can -- and the way that comes together is providing value to the customer. And I think when we launched measurement across the feed on Meta last year, the one gap that we had was different than what we had in the open web, which was the ability to actually screen and remove impressions, not to measure. And I think that was a gating factor to growing that product. Since this year, earlier this year, we launched that solution. I think that has allowed us to build more confidence in our overall social measurement and social activation growth because we have both sides of the equation. And we saw that in the increase in social measurement going up to 14% this quarter. So I think that is certainly a win. So number one, kind of having the complete round trip pre and post on that it helps. And that also, the product has gotten better over the last several quarters. So we've added more categories. We've added more coverage of languages, et cetera. So as we get more granular as we build a product in a more complete way. That helps to give us confidence that, yes, this is the kind of closed-loop solution that will deliver a ton of value to our customers. And we've seen that as well the customers that are adopting prebid, we brought in almost half a dozen new ones who'd never used us for measurement. So we're getting that flywheel effect of folks who have sat on the bench a bit for doing postbid, now that we have prebid coming into the fold.

Mark Murphy, JPMorgan

Okay. Understood. And Nicola, just I think in maybe aligning a little too to use this question, when we look at the incremental upside since you positively preannounce Q2, it's obviously a nice -- it's a surprise. And I'm curious if we should think of that incremental upside really is occurring there in the last two to three weeks of June. Another did you feel -- do you feel a little better about the exit rate activity coming out of the June quarter? Or did you leave a little cushion in terms of that original positive pre-announcement.

Nicola Allais

Yes. I think what -- your question goes to sort of what we saw that was a positive surprise in the quarter. And I think the resilience in our advertiser spend levels despite the macro uncertainties around tariffs and other announcements, it was a positive. It was a positive sign into our business. It created a momentum that was evenly distributed through the quarter statement as we made in the first quarter, right? So evenly January, February, March were positive versus our own expectation and same for April, May and June. So the resilience despite the uncertainty is a strong driver of the momentum. Programmatic, which does tend to be variable, the spending patterns there can be very variable and very quick to turn actually had a very strong quarter. ABS at 23% growth is a very strong quarter. that shows the power of our premium products. And that, of course, is creating momentum that we're carrying from the second -- the first half into the second half. We're raising the year to 15% growth versus 13%, and that's both the momentum of the first half and what we're seeing in Q3 and Q4, right? So we're raising by more than just what we saw in the first half based on those factors.

Operator

Your next question comes from the line of Maria Ripps with Canaccord.

Maria Ripps, Canaccord

Congrats on the quarter. I just wanted to expand on Mark's question actually. Could you maybe give us a little bit more color on how impactful the recent expansion of content level categories on Meta properties is for market instead of advertiser engagement? I guess how advanced are your filtering capabilities now sort of compared maybe more mature offerings? And have you seen any sort of increased willingness from meta to enable a streamlining of the activation process for advertisers?

Mark Zagorski

Thanks for the question, Maria. Yes. I think like all of our solutions, we constantly drive to improve them, make them more granular and more impactful. So adding the 30 categories, plus adding a level of custom categories or cousin category per client has actually not just the solution but enabled us to engage more of our customers because they're used to that level of granularity in the open web. And I think the product that we launched was V1 last year on the measurement side. And now the product that we're moving into is more of a V2. We still have a gap that we need to continue to drive to get to the same level of granularity that we have in open web. But I think this is, by far, well beyond where I think most customers expected to have an independent solution and are really pleased with the results that we've been able to drive. With regard to Prebid, Meta has been very helpful in helping us kind of drive customer engagements and supportive and continuing to advance the solution. So the nice part of our relationship with Meta is that it's not a one and done thing. Ever since we launched measurement, we moved on relatively quickly to prebid and then added an expense categories, we're adding and expanding new features and functionality over time. And those will help us gain adoption. So it's a collaborative opportunity for them and us. I think it helps drive more business and more confidence in meta. And I think it's obviously going to continue to grow with us over time. And as we noted in the call we're ahead of expectations on prebid revenue. We moderated those expectations knowing that it just takes time to test, it takes time to shake loose budgets. And I think we feel really good about the momentum that we have in that solution as we head into the second half of the year.

Maria Ripps, Canaccord

Got it. And then at your Innovation Day, you talked about sort of increasingly leveraging a percent of spend pricing model. I guess what are your thoughts on sort of extending this pricing model into CTV sort of specialist CTV spend is increasingly becoming performance based. I guess, what are some sort of puts and takes for us to consider here?

Mark Zagorski

Yes. I think we've been increasingly open to more dynamic pricing models, particularly on some of our new solutions. We mentioned an innovation day that we look at percentage of media, it not really allows us to take advantage of those higher CPM environments like CTV. But on the -- totally on the other side, it allows us to expand into emerging markets where CPMs are much lower and our fixed CPMs can sometimes be a gating factor for advertisers in those markets. So I think it allows us to play both sides of that card. So as we launch new CTV solutions, looking at taking advantage of those higher CPMs. And even as we launch performance solutions like ibis, having a percentage of media on that solution makes it much easier to digest in emerging markets. And just

a little color on Scibids, we've seen really strong traction in Southeast Asia and in markets where CPMs are really tight. But not only does decided to drive a great result for them because we price that product on a percentage of media, it makes much more sense in those markets. So for -- interestingly enough, Scibids has been a catalyst for us to actually experiment the percentage of media pricing, and it's worked out really well. So now it becomes a flexible tool for us in our toolbox to start looking at how we launch new solutions in that way, but also look at legacy solutions in emerging markets and pricing them in a different way that makes sense.

Operator

Your next question comes from the line of Brian Pitz with BMO Capital Markets.

Brian Pitz, BMO

Mark, you just -- we're talking about Scibids, maybe any update on the number of top customers using Scibids to optimize. I think last quarter, you said it was 15%, maybe 40% a quarter before. Is there any updated number you can provide for the top 100 customers are actually using it? And then maybe separately, it looks like you did not buy back stock for the first time in four quarters after buying back think it was about \$78 million and \$82 million over the last two quarters. How should we think about capital allocation, specifically around buybacks and M&A going forward as the story looks to be getting back on track?

Mark Zagorski

Yes. Thanks for the question, Brian. I'll take the first one, and Nicola will jump on for the second. So yes, as we noted in the script, we've been really happy with Scibids and the continued trajectory that business has. Over 50 of our top 100 customers have now engaged at some level, that we still have a lot more room to grow even with those 50. So they may have engaged in one market or crossed one single campaign. But the traction is substantial. And folks as diverse as Colgate and Heineken to Cox and the Home Depot have now employed it in some campaigns in some markets. So the great news is it's been engaged. It's been attached. And now it's about expanding and scaling, right? So going back to that attach stack and scale. It is right in the midst of that stack. And now it's about scaling that across those top 50 of our top 100.

Nicola Allais

Yes. And Brian, in terms of capital allocation, our strategy hasn't changed as it remains very balanced between investments in the business, evaluating M&A and considering additional share repurchases. In the first quarter of this year, we had a fairly substantial cash outlay of \$160 million. It was both buybacks but also the acquisition of Rockerbox. So we're being prudent coming out of that quarter, making sure we're going to replenish our cash balance and cash reserves. We do have \$140 million remaining available on the authorization. And as we said in the past, one of the things that we look at is to offset the dilution of stock-based comp. So we have \$140 million available. We've already done \$82 million in this fiscal calendar versus about \$110 million of stock-based comp, but we will consider it based on other potential allocation of capital.

Operator

Your next question comes from the line of Matt Condon with Citizens JMP.

Matthew Condon, JMP Securities

My first one is just on moat and upsiding those clients. Just where are we today, what everything are we in relative to maybe just the rest of your client base as we think about that being a tailwind for the next couple of quarters or years here? And then my second question is just on margins. Just as revenue continues to come in better than you expect, do you expect that to flow through to the bottom line? Or should we expect that to be reinvested back into the business to maintain these about 30% EBITDA margins going forward?

Mark Zagorski

Sure, Matt. So on the Moat story, I mean again, these are a lot of relatively large customers that we brought on board late last year, and we've been selling them slowly but surely over time. I think One of the interesting things is when we talked about our growth of our growth in the first half of the year, only 1 percentage point of those 19 percentage points came from those customers. I think that's a positive because it shows that we've got substantial growth to come from them, but also we've got lots of other new business that's driving growth. So I think slowly but surely upselling those -- some of those customers. Some of the bigger names that we pulled over, so folks like entire brands, P&G, Google and others, I think, have a lot more runway ahead. And I think because they are relatively large, the sales cycle for upselling them, who are on basic solutions. We take them from a Hyundai to a Mercedes and now we're going to sell them a porch it takes time to get there, but we've got a lot of confidence, and we've got great engagements with all those folks to continue to build a long-run relationship and growth trajectory.

Nicola Allais

Yes. And in terms of margins, we're guiding to 32% for the year. It was 33% prior two years, and that's because of the impact that the acquisition of Rockerbox has on the year. Our philosophy in terms of investment is to continue to invest in areas that are going to produce strong top line growth and we're going to continue with that philosophy. We just report 21% revenue growth. We do have investments to make towards all the products that we presented at Innovation Day. But we'll remain balanced within that range. Again, 32% for the year is mainly because of the impact of Rockerbox.

Operator

Your next question comes from the line of Eric Sheridan with Goldman Sachs.

Eric Sheridan, Goldman Sachs

Mark, I want to take the opportunity to ask you maybe more of a big picture I think investors have heard a variety of different views on earnings calls so far over the last couple of weeks about the evolution of the open web, the impact that AI might have on publisher traffic and the evolution Answer engines and walled gardens. How do you think about your own view of that evolving over the next couple of years? And when you think about aligning that with your strategic priorities and some of the things you've emphasized to investors maybe going back to Innovation Day, maybe align a little bit of your priority list with how you think about your world view evolving.

Mark Zagorski

Yes. Great take, Eric. And I'll do a bad quote here. If you remember the reports of my death have been greatly exaggerated. Well I think the reports of the death of the open web has been greatly exaggerated as well. When we looked at our programmatic growth in the first half of the year, much of that programmatic comes from the open web. So there is still traffic and traction to be had there, even as it evolves over time in AI and generative AI tools start to eat away at kind of engagement. That being said, as we've noted, even coming into this year, that transition of consumer engagement from open web into proprietary platforms does form the basis of our long-term thesis for our business, which is doubling down on social doubling down on CTV and doubling down in areas like retail media, where the although much of it is open web, it's created its own kind of quasi walled garden by pulling together premium publishers and data together in one place. So I think that where we're focused on and investing are the areas where dollars are going and dollars are going where consumers are engaged and that continues to be social. And if you look at the success of platforms like Reddit and TikTok, it's not only the big guys all the time. There are emerging social platforms that we are engaged with that continue to grow. And CTV, which is rapidly becoming democratized from being a premium-only, brand-only substitute for television to being much more broadly distributed, generative AI tools are enabling lots of smaller advertisers to be part of that universe. And that means generally more inventory, lower CPMs, and that benefits where we play. As we noted, 20% of our prebid video solutions on one of our largest partner platforms are now CTV. So we have a role to play in CTV. We have our independent role to play on social. And as our Retail Media business grew on the supply side or on the sell side, almost 40% last quarter, we certainly have a role to play in retail media, and those are the places we're focused on.

Operator

Your next question comes from the line of Vasily Karasyov with Cannonball Research. Your next question comes from the line of Alinda Li with William Blair.

Alinda Li, William Blair

Perfect. Mark, first question, where are we in the CTV premium product development. Is there a timeline on when we can expect the product innovations to roll out for the year, for example, with the quality scorecard?

Mark Zagorski

Yes. So it's a great question. So I mentioned in the call that we're going to have future iterations of our CTV measurement solution. You'll see some of those starts to roll out before the end of this year and then a much larger, more robust CTV implementation coming out early in 2026. So I think we're going to have a nice progression of improvements to that solution over the next several quarters.

Alinda Li, William Blair

Awesome. And in terms of the unified platform, how are customers looking at DV differently since the Unified platform rollout Innovation Day?

Mark Zagorski

Yes. It's been really exciting. So it's not only kind of changed our go-to-market, but it's changed the nature of our discussions with clients. And I'll use a personal example. I was just in a recent pitch with the client. And rather

than kind of come in and say, hey, here's us versus our competitor. And here's our pricing versus our competitor. And here's the chart. It was a very different discussion. It was hey, we're here to help you succeed across all of these three areas across verification and finding the right context for where you want your ads, across optimization and finding those impressions at the most efficient price possible. And then finally, like helping prove whether or not that spend worked. It's a different dialogue. It's allows us to engage clients at a different level, not just the procurement type level, but at the strategic level, which, again, benefits our engagement with them, but also helps us bottom line sell more stuff, right? It's a more complete package that we're able to show that's very different than our competitors. There is not a single competitor that can deliver all the things that we're delivering right now. So it just changes the dialogue altogether.

Operator

Your next question comes from the line of Mark Kelley with Stifel.

Mark Kelley, Stifel

I kind of want to go back to the question that Eric had just about open web traffic. Just curious if you think over time maybe the more premium publishers will be able to command higher CPMs given where that's probably where the majority of traffic will go at the expense of and some lower quality websites that don't really offer premium content? And if so, I guess is that part of the more take rate pricing strategy that you have in mind to be able to kind of capture just where the budgets are going? That's the first question. And then the second one, I really appreciated the incremental thoughts on CTV this quarter. Can you maybe just parse out what you consider to be CTV. Does that include things like YouTube proper? Or is it more of the kind of broadcast or linear replacements?

Mark Zagorski

All right. So great questions. I mean I think, Mark, that starting off, it's -- I'm not one here to predict the dynamics of CPMs in the open web, but it would be a very challenging environment to say that CPMs are going to increase on the open web over time. I think the premium content has always attracted a premium CPM. They don't see it getting any better or worse, only due to the fact that good content has to perform. That is what's going to drive CPMs. And I think as we create greater connectivity between all impressions and performance, I think that is going to be -- there's going to be the haves and the have nots, those sites that actually can drive performance and those sites that don't drive performance. And that's what's going to determine what CPMs are. As I mentioned earlier with regard to kind of different pricing models, I think we're looking more to be -- we want to take advantage, of course, of CPMs as they increase. But it's more to take advantage of where our customers and how our customers are comfortable buying. And in this case, again, if they're outside the U.S., they're used to buying a percentage of media because it enables more flexibility for low CPM environments. In North America, they're more accustomed to buying a fixed CPM because the predictability of CPMs is relatively stable here. So with regard to do I see CPMs going up on premium sites, I see them going up if they can connect that premium quality content to actually better advertiser outcomes. And that's something that the proprietary platforms have been really outstanding and doing. Regarding your second question on CTV, we define CTV as professional quality content that ends up on a large screen. I mean that -- it's really the screen delivery that's most important. And you still are bundling things like YouTube into social as far as our calcs go. And we look at CTV as, again, quality content that ends up in a living room on a large device.

Operator

Your next question comes from the line of Alec Brondolo with Wells Fargo.

Alec Brondolo, Wells Fargo

Maybe one for me and I'll ask another AI question. I think investors are anticipating that a lot of the leading LLM products will have ad units embedded in them over time. And so ChatGPT will have some element of advertising. Have you started working with any of the leading companies to figure out what measurement, what suitability looks like in that context and kind of an ad unit that sits in another one?

Mark Zagorski

Yes. It's a great question. And I think it's a really interesting situation because very similar to what we saw a few years ago in the CTV space, where there were companies vowing to never ever, ever have advertising. I think you're going to see the same developments occur with the AI tools, which they will value to never carry advertising. And ultimately, they will find it as too attractive for them not to do so. So we think it's a great opportunity just due to the fact that our role there is no different than our role in the open web or across social or across CTV or across mobile app, which is to be an independent arbiter to decide to help advertisers have more transparency and clarity of what's going on. So we see that as a great opportunity for us down the road. We have started some discussions. It is super early days. I can tell you that the platforms we're talking to are very, very early, even in their understanding of advertising, how it will be part of their models. And I think it still remains to be seen of what advertising will look like across these platforms. But nonetheless, since we operate in all different environments and different ad formats, from Roblox to CTV to mobile applications. I think it's the idea that we are the massive data processor who can look and objectively determine the quality and the validity and verify a transaction between a buyer and seller on any media. So it's a big opportunity for us. We certainly are engaged on that front. And I think as we saw in other mediums, I think verification will be a key part of their growth opportunities as they try to get into advertising.

Operator

Your next question comes from the line of Omar Dessouky with Bank of America. Omar, your line is open.

Omar Dessouky, Bank of America

I was on mute. In your opening remarks, you referenced having confidence in your long-term growth trajectory. I wanted to ask, relative to last quarter, has your confidence in your long-term growth trajectory increase significantly. And is it safe to -- is it safe at this point to think that future year's year-over-year growth would exceed this year or what you guided at the beginning of this year? I know that's a lot to ask, but any kind of clarification on of that statement would help.

Mark Zagorski

So we certainly aren't going to give 5-year guidance today. Maybe someday. But not today. But I think what we're more confident, confident in are the things that we control. So the launch of products, our investment in AI and making our tools better our investment in acquisitions and connecting them and creating a really solid suite that

we now believe is gaining significant traction with our customers. So we feel confident in that. The things that, obviously we don't have control over macro, tariffs, things like that are still obviously variables that we'll deal with. But our focus on our products and our continued investment in solutions that help drive performance for advertisers will help us become more resilient no matter what the macro comes up with. So again, we raised our guide for the year, we raised our guide for the quarter. we feel confident in what we've got in the outlook that we have ahead and the tools that we've built to take advantage of pretty much any situation.

Omar Dessouky, Bank of America

Okay. Could I just maybe ask then, has anything about the way that you kind of build your guidance change like your guidance methodology changed since, let's say, when you reported fourth quarter results?

Nicola Allais

I'll take that one. The answer is no. I think what's really changed here is the fact that the macro uncertainty has been fairly heightened in the last few quarters. So the philosophy itself has not changed, but we are faced with an environment that's fairly volatile. And so we are raising as we see momentum in our products being upsold into our base and into our new clients, but it's obviously a unique environment that we're in today and that we're taking that into account in terms of what guidance we're providing.

Operator

That concludes our question and answer session, and I will now turn the conference back over to Mark Zagorski, for closing comments.

Mark Zagorski

Thanks, everyone, for joining us today. We are executing with focus, investing behind our most compelling growth opportunities, and we're confident in our ability to deliver sustainable growth. We look forward to seeing many of you at the upcoming conferences. Thanks, and have a great night.

Operator

Ladies and gentlemen, this does conclude today's conference call. Thank you for your participation, and you may now disconnect.