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Episode 17: Harold Klaje is on a Mission to Demystify Reddit for Brands

Mike Shields (18s):

Hey Guys. This is Mike Shields. And this week on Next in Marketing, I got to talk to Harold Klaje, Vice President of Global Advertising at Reddit. We talked about how he explains Reddit to big advertisers, who may not be familiar with the community rich platform, including many, who are worried about brand safety. Klaje also spoke about the unique data available through Reddit, and how more brands are going to have to get more comfortable with employing a wider variety of attribution models. Let's get started. Welcome, Harold. How are you?

Harold Klaje (44s):

Very good. Thanks, Mike. Great being here. It's good to catch up with you.

Mike Shields (48s):

Yeah, I know I'm excited to talk about Reddit, which I feel like it's one of those properties in this industry where, if you're on it, you know all about it and you know it well, but if you're in the marketing business, you know it's important, but you might not actually use it and you have probably a lot of some preconceived notions, I'd love to get into the world of Reddit with you. Give me a little, you're very new to the company, correct? Only the last few months?

Harold Klaje (1m 11s):

Yeah. Correct, Mike. So, first of all, yeah, I mean like Reddit is a big platform and it has a lot going on, but yeah, it's probably good just to, you know, to have to go into the details of the ins and outs about that. And secondly, yeah, to your question, yeah, I joined Reddit about four, four and a half



months ago. I've been in the digital media industry for quite a while now. I had a couple of successful years, about eight years or so at Google and up to two years at Pinterest, helping build out a lot of the global businesses for those two companies. And when the opportunity came to join Reddit, you know, with what Reddit has going on and the uniqueness of Reddit, I was super interested in joining. I'm super happy to be here.

Mike Shields (1m 49s):

Right. And you started dead in the middle of the height of a pandemic, which just got to be...

Harold Klaje (1m 54s):

Yeah. Yeah, it was kind of interesting. I was meeting up with, you know, when, when I was chatting to Steve and [inaudible] and others, I think it was somewhere, October, and the world looked different. You know?

Mike Shields (2m 7s): Certainly.

Harold Klaje (2m 7s):

And then slowly, you know, things change and then yeah, I joined during the pandemic.

Mike Shields (2m 11s):

So, give me, if you can, and I know you're really new there, but give me a little bit of the brief history of Reddit. Cause when I remember, tell me if I'm wrong, I believe it was one of the, like, not unlike the early days of Pinterest and Google, where there is very little if any, advertising and I wanna say it was owned by, Condé Nast, or controlled by Condé Nast at one point, but what's the, give us the history of the business and how it works right now.



Harold Klaje (2m 34s):

Yeah. So, in short, right, so, Steve Huffman, who's the CEO, he is also the founder of Reddit. And you're right. After a while, there was a time that Condé Nast owned, I think it was a majority of the Reddit, but what happened is like five years ago, Steve came back to Reddit. And that's probably when things really started going to the next level, when it came to the ads business part of Reddit, you know, we are really focusing on building out our ads product roadmap and making sure that we're always kind of like needing, meeting the needs of our customers out there in the market. And so, we currently today, like in these last five years have made this evolution in the ads business.

Harold Klaje (3m 17s):

We now have a really strong foundation that allows us to work closely with, you know, Fortune 500 companies, as well as, the smallest, you know, start-up's and the, the S&P companies. So, it's a full [inaudible] of product offering that we have across every industry and every company size, to put in that way. And that's what we really built out in these last five years. And we've kind of set up our organization also to kind of mimic that, so, we have recently announced, just prior around my joining, a new sales model as we call it, whereby we have a large customer sales team, which was really focusing on those top 500 clients and making sure that they are close to them.

Harold Klaje (3m 58s):

We created this mid-market and [inaudible] team, but that goes after, you know, disruptor kind of brands, app install, gaming brands, but also our, the smallest companies. And we created this activation [inaudible] team, that really is very powerful, and maybe going back a bit to your first point, right. Reddit is unique and we love being unique, and there if we have like a creative strategy team and enablement teams to really work closely with our brands to make sure that they get the best out of our uniqueness and have the right strategy to be as successful as possible on our Reddit platform. So, that's the kind of like the, you know, what happened these last 15 versus these last five years.

Mike Shields (4m 37s):

Right. Does that structure that you are describing, is that sort of, does that mirror the playbook that you've seen rolled out at Google and Pinterest in your different stops where, you'd have to



kind of, if you do a little holding for the brands that don't know what to do with this thing in the early days, and then eventually you build out a base where they can kind of graduate to buy ads and managing campaigns themselves, is that kind of what you're looking at?

Harold Klaje (5m 2s):

Yeah, I mean, the structure itself to a point, I don't think it's, yeah, it's a structure that many successful companies have, right. So, having a large customer sales team, a mid-market team and a [inaudible] team and an activation and enablement team, there's, I think there is nothing out of the ordinary there, and there's a reason for doing it, especially in a large customer sales environment, you probably want to have more vertical knowledge, right? You want to go really deep with some of these accounts, whereas in the mid market space, yes, you want to go deep with your accounts, but you're more wanting to understand their business challenges and their go-to market model.

Harold Klaje (5m 43s):

Right. And work with them in that regard then only vertical expertise model. So, the idea and the concept is a logical one from the sale structure point of view, I think how you execute it and how you make it work and how you make it work for Reddit, that's where the, you know, that's where the magic happens. And I think we've done a really good job so far this year, if you look at our growth rates and what's happening on executing on that model and really being there for advertisers in the right format.

Mike Shields (6m 11s):

Right. Okay. Lets get into, for the person that's, you know, knows a little bit about Reddit and they probably picture message boards and really deep subject matter and some weird stuff, some different stuff who, and it's hard to sum this up on it from, you know, from a global perspective, but who is the Reddit user? What are the, what kinds of things are going on, on Reddit that would help people understand?

Harold Klaje (6m 34s):



Yep. Cool. Good. So, like who the Reddit user is? I mean the Reddit user is kind of like this passionate person that has a lot of interests and wants to be in a community with like-minded people that also have that interest, and spur ideas and share information and learn more about that topic. Right? That's kind of like the higher level description of what a Reddit user is, right? So, it's a passionate person with a lot of interest and wanting to find out more information about that topic. What that, you know, what that leads to is that we have 430 million of these passionate Reddit users on a global level.

Harold Klaje (7m 14s):

And we have about 130,000 of these topics or what we call communities or subreddits, right, where people can become a member of and, you know, explore their passion and find that information that they are looking for. What it also means is like, you know, from an age perspective, right, 58% of our audience is between the 18 to 34 years old. And 27% of that, you know, of these Reddit users are between 35 and 49. So, it skews by a bit younger, you might say, maybe, and then from a gender point of view, like it's roughly about 43% female and 57% male. So, that's just another, you know, what that Reddit user is about.

Harold Klaje (7m 55s):

And then lastly, I think the key thing about Reddit users, I mean, they love mobile. We're a mobile first platform or a 69% mobile first and then 31% desktop. So, you have this leaned in passionate audience that is, skews a bit younger, 430 million of them, you know, on a global level, but active in 130,000+, you know, communities are really, you know, acting on their passion. I think that's the key thing. We've really seen that they act on the passion. They are not only passionate about the topics that they are a member of the community of, but we've done some analysis and some third party work with [inaudible] analytics.

Harold Klaje (8m 35s):

And what we found out is that these Redditors are super passionate about ideas, which means on average, they are doing way more information searching and therefore, research sessions as we called it on Reddit than on other platforms. So, on average a Redditor is doing 4X the amount of information gathering or research on Reddit versus other platforms. What that means is they really built up a lot of confidence about this topic and when they're ready to act, they will actually



make that purchase decision 9X faster. So, they find all this information, they trust each other in this community, they validate their ideas in these communities, and then they purchase 9X faster. And not only do they purchase 9X faster, then they also immediately become a, you know, a larger client for these brands.

Harold Klaje (9m 20s):

So, they purchased on average, 15% more. And what I love most about Reddit is because they're so passionate and informed and they built up this confidence about this topic in their community, they actually sort of immediately become an advocate for this brand or for this company. So, we have the highest NPS score from all the social platforms for people that have gone through that journey with us.

Mike Shields (9m 41s):

So, give me some good examples of what some subreddits are and give us the like what are the range of topics that people really dive deep into?

Harold Klaje (9m 49s):

Well, if you think about it this way, Mike, like 130,000 subreddits, I will say there is probably a subreddit for everything and anything, from, you know, financial advice, to gardening tips, to recipes, to gaming. But I'll give you a bit of an example, maybe that's easier like, you know, what the experience of a Redditor would be, for example, like when it comes to let's take a purchasing of a car, right? So, you were interested in purchasing a car, you go to Reddit and then you can become a community member of, for example, like a broader community in cars, and it's just called, literally it's a subreddit or a community called r/cars, subreddit, slash cars.

Harold Klaje (10m 33s):

Doing that, you read a bit about all of these other car enthusiastic and you read about, you know, different kinds of brands, different price ranges, you know, different key needs or, what these cars will have to offer. It's kind of like in this inspiration mindset about like, hey, what could my next car look like? From there onwards, as you now down, like in that subreddit, like your ideas, you go to



kind of like getting into this consideration phase. So, you start asking some questions to the community, a bit more about a specific brand or specific, you know, details that are very important for you to purchase that car. The communities are very knowledgeable, so, they will respond back to you and give you all this extra information, but that really helps you ground, and make up your mind.

Harold Klaje (11m 18s):

Then you might decide that that's enough information for you, or you could go to a more narrow, detailed sub community about a specific brand, I won't name a brand in your, in the podcast here. But like, you know, you could say like, okay, actually I have now made up my mind about these two brands, then would become a community member of those two brands and see how the people are about those brands specifically are talking about it, right? And eventually then, you know, what happens is they make their decision and then they go celebrate back in that community like, "Hey, Team, thanks so much for all of the information you've shared with us. I've made my first purchase." Right? They celebrate it together with their community and often they even become an advocate. And when the next people are asking questions, they start sharing about their great experience with the purchase that they just made and become an ad for that brand that they just purchased.

Harold Klaje (12m 3s):

So, that's kind of like a bit of a detailed way of like how one community and how one journey could look. And again like that goes across all these different topics, I mean, like, from 130,000 communities, you mean, that's a lot of topics to... Imagine it, there's probably a community about it on Reddit.

Mike Shields (12m 18s):

Yeah. Now, how do you get past, I imagine there are plenty of CMOs or media planners who, you know, when you guys give them a call and say, I want to talk about all this amazing stuff, that you just described, they'll say to you, "Well, yeah, I think of Reddit and I think of, I've heard it's about conspiracy theories or, you know, really, you know, that's where the hate groups gather. There's some dark stuff in there." How do you kind of explain to them what that's about or what, or how they should handle that or what's true and what's avoidable?



Harold Klaje (12m 46s):

It might come up. I think this is where, you know, where many, many companies like ours, we have a lot of work that we do with brand safety, right? So, we have our brand safety rules, right, out of all of the communities, we happen to allow a list of communities where for that CMO, their ad will show up, right. We have what we called our three layered moderation. So, we, as Reddit, have policy rules about what we allow and not allow on Reddit, then in each of these communities, every community actually has a moderator. And that moderator will also kind of control and check the conversations that are happening in that specific community.

Harold Klaje (13m 31s):

Right? So, that's the next level of moderation or checking. And then I think the most important one also is like the community checks itself. That's the great thing about Reddit, like people up vote or down vote, certain comments. So, and in general, people are sane, right, the majority of people are very sane. And so...

Mike Shields (13m 51s): I hope so.

Harold Klaje (13m 52s): Yeah.

Mike Shields (13m 52s):

I'm not totally sure of these days, but I hope...

Harold Klaje (13m 54s):

Lucky enough, I've seen that enough on Reddit that, yes, sanity does win. And you know, so, you will see like the up vote and the down vote. So, if people like a comment that it contributes, that adds value in the discussion, it will get up-voted and likewise other things will get down-voted. So, from having these community, like these policy rules that Reddit sets, to then the moderator



having their community rules, to then actually the community, keeping their community positive and a place where people get what they want, right. With up-votes and down-votes, that really takes care of the majority of, you know, what a CMOs concern might be.

Mike Shields (14m 34s):

Right. Do brands want to plug in the existing, the, on the open web, they use all of these brand safety tools and anti-fraud services. I don't know if they work here or they lend themselves to Reddit. Can brands bring their own tools to the party or does that not make sense?

Harold Klaje (14m 49s):

Yeah. So, besides like in our own tools, right, so, we would have like negative keywords lists and those kinds of things, tools that we have that allow brands to play around with. Yes, we have, we also do have like integrations with third parties that can help them with their own, like, to your point, like with what they might want. An example is kind of like the Oracle Data Cloud. We have an integration with Oracle Data Cloud, and that will help for, you know, any other contextual ideas or exclusion list that a client might have.

Mike Shields (15m 26s):

You know, we talked about the passion of communities and how they really were, this is such a trusted source to them. What is it, what does an average advertising program look like in Reddit? I'm going to guess it's not standard IAB banner as necessarily, but tell me, you tell me.

Harold Klaje (15m 39s):

Yeah. What we've created a couple of different ways how to interact, right, with Reddit as an advertiser. I think like, you know, there's a couple of key things to start with first, when you look at that kind of like that CMO and how they would wanna go live on our platform. First, we spoke a bit about these passionate communities. I think another point that is very critical, very interesting about Reddit is like, kind of like we called the terminology, just unduplicated reach is what we call it, right? We have, I spoke of it about it, like, you know, what the Redditor looks like. I think a key



benefit of this also is like, these are, you know, these are passionate users, but they're also what we call unduplicated reach, they can't be found elsewhere.

Harold Klaje (16m 28s):

Right? So, a key thing that's really interesting when it comes to advertising on Reddit is like, you know, 16% of Redditors on are not on Facebook, right? 39...

Mike Shields (16m 36s): Interesting.

Harold Klaje (16m 36s):

Yeah. 39% of them are not on Instagram. 44% of them are not on Twitter. Right? 69% of them are not on Snapchat. So, I think that already besides the product, how you engage that unduplicated audience, I think is already like a key point on Reddit that is exciting for many of our clients.

Mike Shields (16m 59s):

Yeah, I was going to guess that you were probably, I mean, by nature, your, the youth of your demographics probably means they don't watch a lot of traditional television. So, they're harder to reach, but you're, they're even sort of anti the mainstream social media. So, is this, is that a like a psychology you'd see on Reddit, or are they sort of anti mainstream, anti traditional or not necessarily?

Harold Klaje (17m 20s):

Uh, no. I mean like, look, I'm not going to have to speak on behalf of all the Redditors, but like, you know, in general, from the surveys that we've done, no, I don't think you would make any kind of conclusion that they are anti other social media platforms. I think what happens is like people on Reddit, are just very passionate about Reddit. Reddit fulfills a lot of their community needs that they have. Right? And they love to have deeper engagement, the deeper discussions that they can have on Reddit versus maybe other platforms. Right? Other platforms might have a concept



of that, the loudest voice wins, right? And Reddit very much is every voice counts and we're all in the community together, sharing ideas and information sharing.

Harold Klaje (18m 3s):

So, I think its not the anti, but I think what they are, they just like what they can get on Reddit and, you know, it just fulfills a lot of their online social activity needs.

Mike Shields (18m 16s):

Right. It sounds like its for a certain part of our audience, its home.

Harold Klaje (18m 21s): Yeah.

Mike Shields (18m 21s):

Like it's not something that you do on the side and its like where they go to for their internet fix.

Harold Klaje (18m 28s):

Yeah. I'm not sure if it's an internet fix, but yeah. And like, I like the concept of how you said it, it is their home, right? It is like many people use Reddit daily. They will go into their sub-reddit, right, immediately and start participating. Right? Or they will go to like a popular feed or a trending feed, right, and go figure it out like, hey, what else is happening? Right. What else is new? What else is exciting in the world to, you know, to play on that passion and their interests if they have and find new ideas.

Mike Shields (18m 55s):



So, when you started to talk about how this audience is desirable and that they are not duplicated in most other social or traditional media, but what, okay. So, that's probably very attractive to a lot of brands. Would it be, what is execution like?

Harold Klaje (19m 10s):

Yeah. Cool. So, thanks for moving back to that one. So, and so, we have a couple of ad formats as you will call it. Right. And we, as I spoke about, we've been really building them out like in these last five years, way more, you know, exciting stuff on the roadmap and it's all about, you know, tapping into that community vibe and making sure that you align with the communities and the interest that is there. So, a couple of ad formats that we have is like, we have a homepage takeover, we have a promoted post, we have a trending take over and then we have something that I think is even more unique for Reddit is like in, we call an AMA, its an "Ask Me Anything", its basically a bit like a live session where by a brand or personality can interact with Reddit communities.

Harold Klaje (19m 55s):

So, I'll give you a bit an idea about what this training take-over is about. Right? So, I said there's a lot of like ideas or a lot of discussions or trends that pop up on Reddit. Right? And a trending takeover basically is an opportunity for an advertiser to play into these latest trends based on which trends they find relevant for their company. And literally take over that trend right on the Reddit search tab, which is kind of like our homepage or on the popular feed where a lot of these trends are popping up, you basically take over that trend feed for a 24-hour period.

Harold Klaje (20m 35s):

So, that's really just reach play.

Mike Shields (20m 38s):

Take it over meaning like you slap a big ad on top of it, or it becomes sort of like it's a more native thing where your brand is part of the trend?



Harold Klaje (20m 45s):

Yeah, absolutely. So, I think the, so, yeah, it's not about slapping a big ad on it. Maybe, I'm not going to associate what, like what other platforms do, but, no, that's not what's going on here on that.

Mike Shields (20m 57s):

I feel like the homepage takeover, mean's like, you know, the ad is all over the place.

Harold Klaje (21m 1s):

Yeah. Look, I think there's kind of like three things just to quickly comment on that. Like one is based on kind of like this Reddit what's going on, it's like, people want the information. So, the key thing for what we were, we explained to our advertisers, like you want to be a part of that community, right? You don't want to, like the communities really like having brands participate in their community. So, we did a wide poll survey and 72% of Redditors actually say that they appreciate brands being part of Reddit. Right? So, having said that, I don't think the concept of slapping an ad in there is like how you participate in that kind of information gathering community.

Harold Klaje (21m 42s):

Right. We kind of say like, what you do is like, you first, like I understand it a bit better, like, you know, what are these communities talking about? Right? It's a bit like this dinner party concept, you walk into the dinner party, you first listen a bit like, hey, what are the topics that people are talking about? Like what's going on, right? And you understand a bit like the key topics of the language that they're using and the interest areas that are going on there, right? From then, you insert, you know, positive comments, right? Or ideas that pertain to that topic. Right? And then you interact with that discussion. Right? And that's a bit of what we say to our advertisers, right? And we have teams that can help with that.



Harold Klaje (22m 22s):

As I said, that creative strategy team and the sales teams. But like, what we want to do with the trending takeovers is like we want to understand, like what are these trends about? We want to have a direct, catchy way, how we insert the brand into that trend. And often it's a bit about like, you know, using some humor as well as sharing information, right? There are passionate communities that are finding the information. So, sharing information, but, and that's how you participate in that trending takeover for 24-hours. So, I wouldn't say you just slap an ad in there. You find like a really good way to interact with communities and provide the information that they're seeking for and that they are welcoming on our platform.

Mike Shields (23m 4s):

Right. So, given that, you know, that dinner party characteristic, where you kind of need to get to know the place and the feel of the room before you start marketing hard. So, how do you balance this idea that, you know, brands are probably the, the best way to do Reddit is to be a customer and to be part of the community versus brands that want to go fast and up-scale and have things that are repeatable, how do you balance those needs?

Harold Klaje (23m 28s):

Yeah. So, how I just described that doesn't mean it's not scalable. Right? First of all, just it can be very scalable, right? These takeovers are definitely very scalable reach plays, but I understand your question. And your comment there. So, this is where, what we do is we have this marketing science that the insights team, right? And they really help brands understand like, hey, what is happening on our platform? Like, what are these latest trends, right? How are people interacting, not finding the loudest voice, but maybe the largest share of voice, that is happening in all of these communities.

Harold Klaje (24m 11s):

Right. And so, they will help like figure out for these brands, like, hey, okay. Like what do we see happening? What is customized or for spoke insights for your brand that we think would really help you create your ad campaign together with us to play on those nuances that you've just mentioned. Right? And then the second thing that I've just mentioned, we have this creative strategy team, right? That then will really help work with these advertisers to take that next step,



to get these campaigns launched and running successfully. So, we provide like insights and support to make that translation happen that you just alluded to.

Mike Shields (24m 49s):

What about data? You know, that your previous two stops, obviously Google has incredible data on the customer intent and people who log into Gmail, and Pinterest has a whole different sort of powerful data on customers where they are, you know, or people that are potentially sharing what they're interested in. What is Reddit, what's Reddit's data story to marketers? What's unique and maybe how do you guys employ it or not?

Harold Klaje (25m 14s):

So, I think I alluded to a couple of those things there on what we, what Reddit has to offer, right? I think the first of all is like, we have like 130,000 communities, so, we can understand what all of these interests are that are happening globally. Right. Or in specific topics. Right. And you know, the example that we could see, like how that panned out is for example, with, you know, with the Pandemic, right, how that kind of like evolved. Right. So, these communities are definitely evolving. In the beginning of the pandemic during March, you could see that a lot of the communities that were growing very quick were basically information, right.

Harold Klaje (25m 57s):

People were trying to understand, like, what's going on. So, like these communities about Ask Me Anything about like people are asking me, like, what do I do with my stock portfolio. Right. But also just news. Right. Understanding, like what's going on. And then as the Pandemic started, you know, continued to move on, people start thinking like, okay, we now need to adjust a bit more like to the new normal. So, what is next, right? Like what are some creative ideas I can do to keep myself more busy when I'm indoors, or when I can't socialize that much more outdoors. Right. So, you see people, the communities grow, like homeschooling, right, meal grooming, right, and all these other creative things.

Harold Klaje (26m 39s):



So, that is just an example, like where we see like these data trends come through, right, on how the sub communities are evolving on our platform that we can share back with our advertisers.

Mike Shields (26m 53s):

So, does that mean you're less in the middle of, you know, 'cause, the industry is going through this sort of reckoning where there are there's a division of whether we're going to be going, you know, more focused on just first party data or no, we're actually going to be backing off and doing more like projected probabilistic data. We would, you know, there are, the rules of the road are changing with the identity. You're not necessarily a hardcore identity retargeting platform. You're really more like an insight community. Your data really reflects, helps, it helps brands understand audiences better.

Harold Klaje (27m 29s):

Yeah. So, two things on that, right? So, first of all, when it comes to like the data and an identity, right, like, I guess the great thing about Reddit is like, you know, we have like these billions of posts, right. Everyday, millions of comments, right. We have all of these up-votes happening on Reddit everyday. Right. That really gave a lot of, you know, insights and learnings for large companies and for small companies about what's going on there. And so, that is not user base, right, to go back to your question. That is just like behavioral based on what's happening in society and what's happening in the, on our platform. So, I think that's one different element, kind of like user behavior versus still providing insights and being useful.

Harold Klaje (28m 13s):

And then second, you know, when it comes to your point about like user information, like yeah, you know, like, I wouldn't say we're the opposite, but like, you know, Reddit, everything about Reddit is about privacy. Right?

Mike Shields (28m 30s): Right.



Harold Klaje (28m 30s):

We were like, most, you don't have to use your personal...

Mike Shields (28m 33s):

Anonymity is part of what you are promising.

Harold Klaje (28m 36s):

Yeah. Anonymity, is the key on our platform. Right? We don't think we've seen it, that to have good discussions, you don't have to surrender your privacy, right? Often, you would even say that people on Reddit are more open, more authentic and more in-depth in their conversations, because, we are so protecting the user privacy, right, for them?

Mike Shields (28m 59s): Right.

Harold Klaje (28m 60s):

So, we've seen, like, you know, not that we can have a very successful advertising business based on those other things that I said, like these boons of posts, these comments, these up-votes, these communities, this leaned-in audience, and specific user data is not what is required to make our ads business successful. More importantly even, I think we have a more rich platform because we don't require that from our users.

Mike Shields (29m 25s):

Right. You don't inhibit where the conversation goes by making people log in and express themselves or in it by themselves. So, let's talk about, we keep talking about what's going on with the Pandemic. What have you guys seen, you mentioned some of the trends, what has, what was usage like? I mean, it is obviously growing big before everyone was locked down in the last spring,



what kind of things have changed? And then where are things may be netting out now that the world is a little bit more open?

Harold Klaje (29m 56s):

Yeah. So, I think like most online platforms, right, the Pandemic really has made these, especially like for Reddit online communities, even more important, right. Community and belonging, right. When there is a bit less of a physical connection going out there in the world, this online connection we've seen has just become more and more important. Right. And you know, we always felt like, you know, people haven't stopped connecting. It just evolved. And its become a bit more for us, like in this community-based online environments. And I think there is a couple of benefits that we've seen by having this online connection to your point, like during the pandemic.

Harold Klaje (30m 38s):

I mean like the good that, the good thing is like we've seen like, you know, online communities, right, including Reddit, like we really provide good information in times of uncertainty, people have really found information by catching up with each other, like sharing concerns that they have and getting articles back and we've even had like, you know, real official, like COVID information shared on our platform. So, people could stay educated and understand the latest that was going on, right, during the pandemic. And I think in addition to only like, you know, that online communities provide really good source of information, what's nice is online communities, they are quick, they are agile, like with faster response.

Harold Klaje (31m 21s):

People respond to each other. You can quickly put a post on there. So, you can always provide the latest information also very quickly in this online communities, which is, which I think is very powerful. So, from that point of view, the online community has definitely helped out as the physical world became more difficult to find belonging, to find information, right. And to really, you know, create that home, as you said. I like how you said that, creating a home for all those people on Reddit to be connected. And then, you know, what we saw was a bit, I alluded to it quickly, but I'll go a bit more through. Right. You know, we've really seen during the pandemic, like in the beginning a lot of information gathering, right. People were really like world news, wall street bets, right, we had to separate it out.



Harold Klaje (32m 2s):

As I shared a bit, like we were sharing information from professionals, like a sub-reddit called Corona Virus. Right. But also like...

Mike Shields (32m 10s):

Like people were confused, hungry for information, not knowing where to turn.

Harold Klaje (32m 13s):

Yeah. Yeah. We really saw a lot of that. And then from there onwards people really started going more down the route of understanding, like, okay, a physical connections are going to be tougher. So, let's really get like Reddit for connection and all those were also for a bit, for distraction. Right? So, this is where we saw like a lot of the, you know, culinary helping with cooking. Right. What's on TV. Right. What are great shows on TV. So, our sub-reddit, r/television became like very popular. And when I say that, you know, people in meal grooming. Realizing like, hey, I'm going to have to take care of myself a bit more. So, what are some good tips and tricks that I can get for my fellow community members?

Mike Shields (32m 54s):

It sounds like men never groom before this is, [Both laugh] which is probably some truth to that.

Harold Klaje (32m 59s):

I think the COVID beard is definitely a thing, it is official.

Mike Shields (33m 2s):



Absolutely. What about, you know, we keep talking, we've talked about, a lot about what brands can do, when the pandemic hits, how do you join the company right in the middle of it, but, did you see a big shift where brands were leaning in towards more performance oriented work or did you see different brands coming on because of like what was going on with, at home mobile shopping, things like that.

Harold Klaje (33m 25s):

We've definitely seen, right, we've had, we've definitely seen a shift in, from an advertising perspective, right. From larger advertisers to smaller advertisers playing into the Pandemic. Right. So, we've had some examples of, you know, advertising we were working with, and they were looking for example, like initially there were, you know, their key goal was to do more membership signups, right, from a performance point of view. And I know that's something that we'd been able to do successful for many companies, but during the pandemic, you could see their shift was a bit less about membership signups, but more about like, hey, how can we help you with home delivery? Right. Make the pandemic a bit easier and then, you know, on the performance side, right, Because we have these unduplicated reach and these, you know, 430 million global users that are really trying to find information.

Harold Klaje (34m 20s):

Right. And, you know, the slogan that we use on Reddit is like people who are seeking information, not scrolling, but I think that's key, they're really, I think...

Mike Shields (34m 31s): Right on time, it's a different...

Harold Klaje (34m 32s):

They're very purposeful. And with that, you know, I spoke a bit about the stats there, for, they do more research sessions, right. There are 2X more open to explore different brands, right. They purchase 9X faster. What we see from a performance perspective is that that really helps drive clear goals for our clients. Right. So, we've had Adobe as one of our partners, right. We've been working with them to drive Reddit traffic, to their Adobe creative cloud. And if the, and because of the campaigns that they've done on Reddit, they've seen a 66% lift in site visits. Right. So, I think



that's pretty meaningful, like, you know, what Performance Advertising can do on Reddit to help our clients.

Harold Klaje (35m 20s):

Right. And for example, Zynga, right, which is, you know, a great company, yes, correct, yet they've seen because the results that the campaigns that they have done on Reddit, right, they have seen, for example, like they get, like on average, 1.5 times a higher customer lifetime value out of a person who came from Reddit, you want to say it like, they're so informed, they're so confident that when they make their decisions, it's a confident decision with advocacy. And that translates back for Zynga. And an example, for you in a higher customer lifetime value, and then just, you know, because we're also talking about app installs, like Poshmark, right. Another great company that we work with, they have actually seen it like 20% lower cost per installs, compared to other social channels when they work with Reddit.

Harold Klaje (36m 7s):

So this, to your point, like, performance advertising works really well on Reddit because these people are so interested. We know their interests based on the communities and they participate so much, and they're seeking so much information and we, and they educate themselves in the process in their community like that, that leads to good performance results for many of our advertisers.

Mike Shields (36m 27s):

Right. You keep mentioning how a mobile centric Reddit is and how you are seeing a lot more, on mobile app advertisers and gaming companies like Zynga, you recently announced a new mobile measurement, a partnership, and an integration deal. Can you talk about that or what you're seeing there?

Harold Klaje (36m 42s):

Yeah, so, you know, we have, as we spoke with about it, like, you know, how many different kinds of ad formats, right, how we could work with our brands to participate in this great, you know,



community aspects that we have on Reddit, and you said it correctly, Mike, you know, app installs is one of our big, you know, goal is that many of our clients have, right. When we work with a lot of app companies or app first companies, you know, we're super excited. We recently kind of like, I had an integration, right. With Post-bac and with many mobile measurement platforms. Right.

Harold Klaje (37m 22s):

And AppsFlyer, thank you. I mean, like, we are super excited about that partnership also. We've seen huge benefits, right? From that integration that we have now with the Post-bac integration right now, advertisers can kind of like see full information now, right. In our Reddit ads UI. Right. So, they can see all of the work that they could previously see, you know, pre from the campaign like pre-installed, but now we also get like all the information post-install. So, that's one area where you can see like the full end to end impact of what the campaigns are having and what this means for the app installs that you're getting fire Reddit for our clients.

Harold Klaje (38m 6s):

Right, which is super beneficial. What that also allows us, you can get much deeper insights because of this integration, right? So, we can now show metrics like, you know, the [inaudible] right, for those more technical people. We can see total conversions. We can [inaudible], we see their role last. And it just also made this integration with AppsFlyer and Post-bac makes it much easier to do real true campaign optimization in one place and really drive higher performance. So, it's been super exciting. It's another step in, you know what I said, these last five years, we've really accelerated our ads journey and this integration. Right. Thank you for that. That means to be like super useful from the app install part for us, for our advertisers.

Mike Shields (38m 48s):

I'll let you go on this one. What's it, what's the biggest misconception you hear from advertisers or CMOs and what do you want, what do you want to leave them with if they don't totally understand Reddit?

Harold Klaje (38m 59s):



I wouldn't say it's a misconception, but I think it's something we can continue to share. Right. And that is that we have these very passionate communities on Reddit, right. That really wants to take action. And within that process of seeking information, educating themselves within their community, right. They welcome brands, right. I'll say it again, like with a live poll survey, 72% of Reddit, was actually welcome brands in that conversation and see them as a source of information that is valuable for them while they are seeking information and trying to drive action from that. So, I wouldn't say it's a misconception.

Harold Klaje (39m 41s):

I just think it's something we can share more broadly and continue to share more, that brands are welcome on Reddit, and play a crucial part in our passionate communities to help them drive action.

Mike Shields (39m 50s):

All right. Well, on that note, we will wrap it up there, Harold. Thanks so much for a terrific conversation. Thanks for taking us into the deep world of Reddit.

Harold Klaje (39m 59s):

Likewise, Mike, thank you so much for all the great questions and for the great dialogue. And just for everyone who is listening, you know, stay safe. These are still, you know, that we're still in the midst of a Pandemic. So, stay safe, take care of yourself. Well, and Mike was being pleased talking to you.

Mike Shields (40m 18s):

Same here. Thanks so much. A big thanks to my guest this week, Harold Klaje, Vice President of Global Advertising on Reddit. And of course my partners in Appsflyer. If you like this episode, please take a moment to rate and leave a review. We have lots more to bring you. So, be sure to hit that subscribe button. We'll see you next time for more on what's Next in Marketing. Thanks for listening.