

Building AppNexus

An Interview with Brian O’Kelley,
Chief Executive Officer and Co-Founder, AppNexus

EDITORS’ NOTE Brian O’Kelley has more than a decade of leadership experience in the online advertising sector, including his tenure as CTO of Right Media (later sold to Yahoo! in 2007) where he led the creation and commercialization of multiple real-time bidding technologies, including the invention of the world’s first online advertising exchange. He is an inventor of patents that enable AppNexus’ technology to power innovative trading solutions and marketplaces



Brian O’Kelley

for Internet advertising. He has been an active investor in and early-stage advisor to such start-ups as Invite Media (acquired by Google in 2010), MediaMath, Dstillery, and Solve Media. O’Kelley is also a regular contributor to Forbes on technology-related topics, and among other honors, he has been named to Crain’s 40 Under 40, Adweek 50 and Silicon Alley 100 lists, and was recognized as an EY Entrepreneur of the Year in the New York region in 2012. He holds a B.S.E. in computer science from Princeton University, where he is an active alumnus.

COMPANY BRIEF AppNexus (appnexus.com) is an internet technology company that enables and optimizes the real-time sale and purchase of digital advertising. Their powerful, real-time decisioning platform supports core products that enable publishers to maximize yield; and marketers and agencies to harness data and machine learning to deliver intelligent and customized campaigns.

What was the vision for creating AppNexus and how has the company evolved?

I started the company on my couch with one other person, and now we’re about 1,000, so there has been a lot of change.

When we started in 2007, the founding vision was based on the fact that we were on the cusp of the cloud revolution where companies could, for the first time, leverage this incredible computing resource. Having been in the ad tech space for a few years prior, it was clear the advertising world was on the verge of a massive transformation and more media consumption was moving to digital.

In 2007, Facebook didn’t really exist yet, nor did Twitter, so in some ways we were ahead of all of this revolution and media.

Ten years down the line, we’re the second largest advertising technology company in the world after Google, and we’re seeing people cut the cord on their televisions. Many people are going to watch everything on their iPads or move to Smart TVs or watch Netflix and Amazon.

What we have done over the past decade is demonstrate that advertising needs to keep up with that evolution of media and that it can keep up.

Our current mission is helping marketers get great results in this ever-changing digital world of media consumption and finding ways to fund high-quality content.

If we can’t find ways for journalists or content creators to get a large stream of money from advertising, then it puts a lot of the anchors of our society at risk.

Is the AppNexus brand well understood?

As a technology company that sells fairly complex technology solutions to the biggest media companies and marketers and agencies in the world, there are probably a few thousand people who understand the company well and see us as a household name, and few people outside of that who know what we do.

In selling enterprise solutions, it’s not that big of a deal, but it definitely is something we should probably focus more on to help the broader group understand what AppNexus stands for.

When you mention customers, is the sweet spot large global players or is it broader?

The largest companies have always been our target. We work with a lot of market leaders in different markets around the world. Part of the reason for this is that they have the resources and sophistication to take advantage of our technology platform.

Most of the smaller and mid-market companies work with our clients. Some of them call us and say they’re a growth company and would like to work with us, but we have a lot of customers, clients, and partners that will help those companies. We’re more of a back-end solution, and my sense is that those companies benefit from some of the increased service and add-on technology that our partners provide.

How important has it been to maintain culture as the company has grown?

Our culture evolved by happenstance in the early days. Many of the early employees were people that I knew – we had worked together before, so the culture was a monoculture. It was defined by our shared experiences.

Now we’re a global company, and we’re deeply focused on diversity and inclusion, on understanding those regional differences, and the culture has had to evolve to make that work.

Something that is awesome about us is we really want people to feel this is a place where they can do their best work. Our approach is not one that everyone feels comfortable with, so we’ve consciously evolved the culture over time based both on what we’ve wanted to do and what we’ve learned.

Employees have driven most of the culture changes, and that’s really healthy. It’s important for us to learn as a company what kind of culture makes us the best possible place to work.

Have you been happy with the results around your diversity and inclusion efforts, and how important are those efforts?

I clearly think it’s imperative and it’s something we’re heavily focused on. We live in an amazingly diverse city, but it’s difficult to understand what life feels like as someone who doesn’t have the privileges I do.

Those challenges are real, but if we can get diverse talent, think how much more effective we would be as a company if we could hear more of those diverse thoughts. It’s a huge opportunity to broadly expand the talent pool and our results.

Does it surprise you to see how quickly the tech sector has grown within New York City?

When I first came to the city, there were few start-ups that had survived the dot.com crash, but many were complaining about how hard it was to raise money.

A handful of angel investors started to fund companies in the early 2000s and we’re now on the fourth generation of New York start-ups. Many of the people who were in the last few generations are now starting new companies.

Also, New York as a city has improved a ton in terms of infrastructure and caring about things like entrepreneurship.

For college kids today offered a choice of New York or San Francisco, many feel there is more diversity and action going on here, as well as access. ●