



The relevance of (audience) data in Programmatic Buying and RTB

Who Am I ?



- Oliver Pischke
- Founder and CEO of „spring“ which has become the „Online Data and Development Unit“ at Kantar Media Audiences
- Global Digital Director
- 20 years of experience in the industry

What are we talking about today ?





*"I'm right there in the room, and no
one even acknowledges me."*

What is programmatic buying?

Auction-based ad
pricing (RTB)

Automated
workflow

Advertiser control
over where, when
and why ads get
delivered

The benefits for advertisers and publishers

Agencies

- Better targeting
- Make good use of publishers' "remnant" inventory (at a competitive price)
- Frequency control
- Smarter optimization
- More workflow efficiency

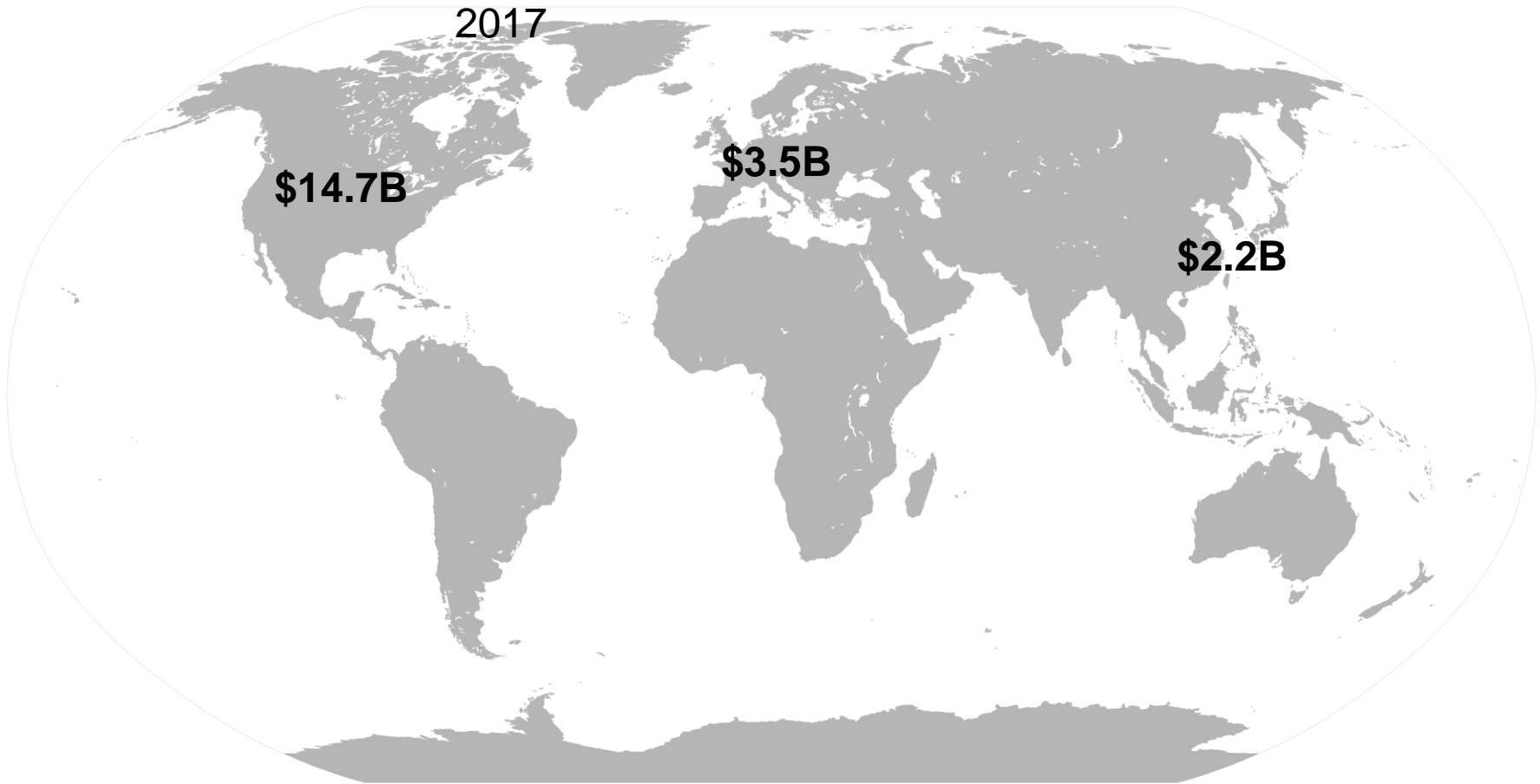
Publishers

- Make more efficient use of their inventory
- Monetarize their "remnant" inventory
- Reserve their "prime" placements for branding campaigns
- More workflow efficiency



Programmatic buying is big – will total over \$20B by 2017

Projected RTB ad spending,
2017



What's holding back even bigger growth today?

Concerns over inventory quality. Premium publishers make only a subset of their inventory available programmatically/via RTB.

Audience data limitations. Ecosystem largely dependent on third-party data of ranging quality.

Uneven technology availability globally. Only a subset of programmatic technology companies have expanded their footprints globally, especially into smaller markets.

These are solvable problems and are being actively addressed today

Inventory quality



Premium publisher adoption is growing and technology companies are improving at combatting issues like viewability, fraud, and bots

Data reliability



Market wide IAM systems provide reliable audience data and research companies like now offer campaign validation

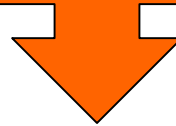
Global applicability



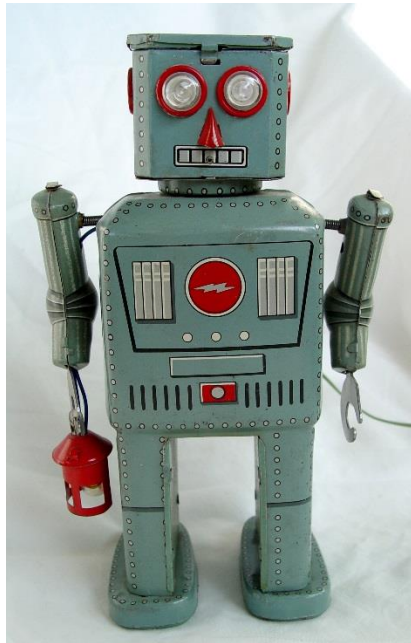
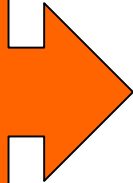
Still an issue, but a couple tech providers have built out substantial global footprints

So, what is DRIVING Programmatic Buying and RTB ?

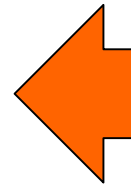
Data



Marketing



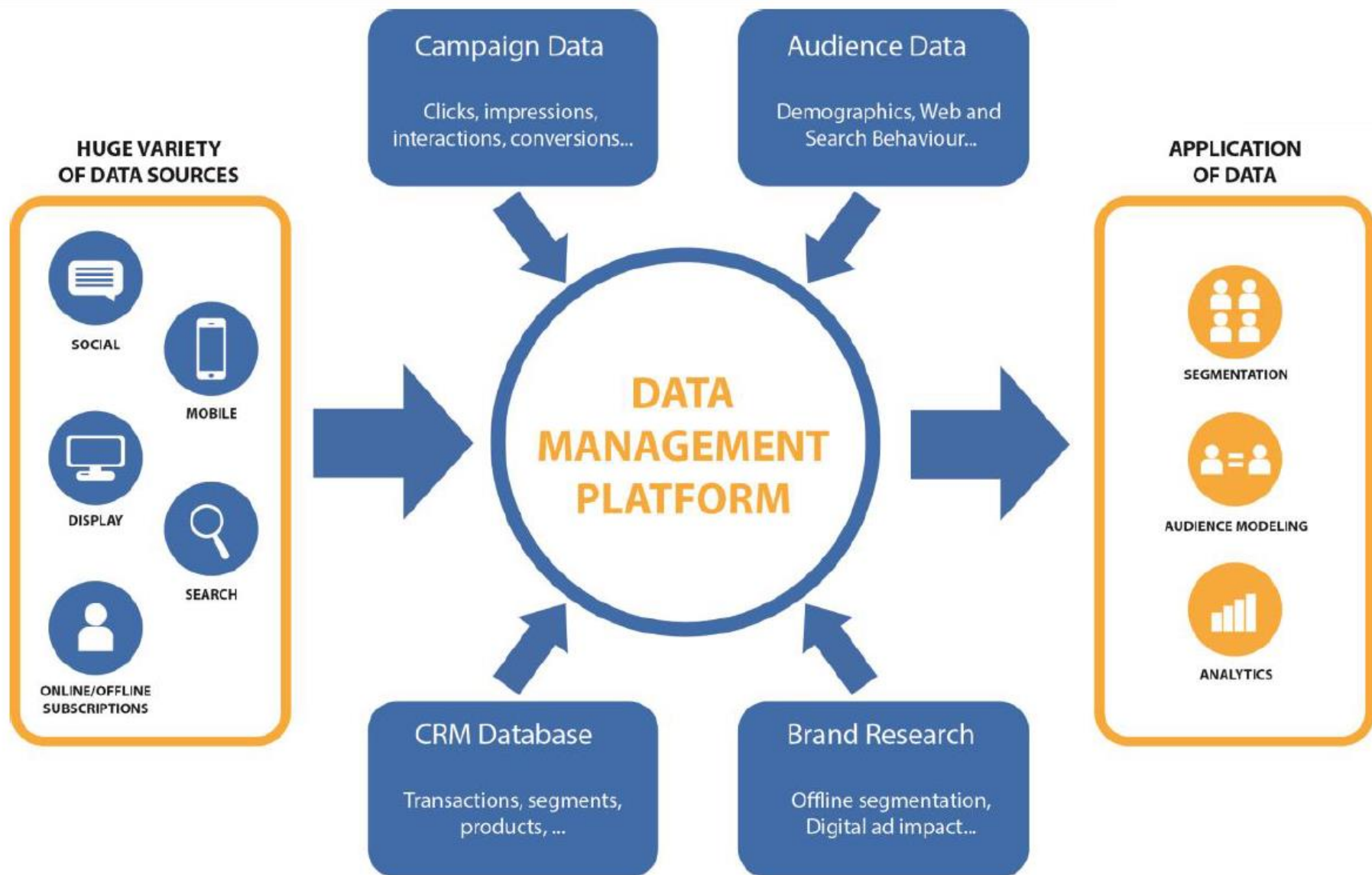
Technology



Of course it is DATA ... BIG Data even !

BIG DATA





A Data Management Platform

What does a DMP do ?

It functions as a „data warehouse that houses information“ and makes it accessible in a useful way to both marketers and publishers

Types of data used in programmatic buying



Intent Graph

- Search engine data
- On-site search data



Behavior Graph

- Browsing history
- Pages visited on an advertiser's site
- Valued outcomes on site



Social Graph

- Shared content
- Brand affinity



Purchase Graph

- Check-out data
- CRM data

This is all great ... so where's the catch ?



- **RTB and PB are Driving Predilected Sales, Not New Sales**
- **Socio demographic (and other) data used by many providers comes from 2nd grade sources**
- **Brand safety safeguards are still insufficient for branding campaigns**
- **Inventory quality available to RTB/PB is often not sufficient either.**
- **RTB/PB require a greater degree of post testing**

So where does this leave „Audience Measurement“ ?



IAM (SATI) will continue to play an important role

... and remain relevant in the programmatic world:

- It provides important „trading metrics“
- It supports publishers by informing their content strategy and helps them to understand (and thus monetarize) their inventory better
- Publishers can feed audience information into the DMP that comes from a trusted source.
- It facilitates Agencies in formulating and executing their „audience strategy“ by supporting the scouting process.
- Audience measurement systems can be used to provide valuable information for post campaign evaluations.

Trading Metric

A „trading metric“ like reach allows for a „like for like“ comparison of the potential of media vehicles based on TRUSTED and IMPARTIAL GOLD STANDARD data independent of any particular interests creating a kind of „LEGAL TENDER“ for all market participants.



Content strategy

- How to get internal stakeholders on-board and make sure that they understand the reasons why a move to Programmatic Trading is being considered?
- What volume of inventory will be made available to Programmatic?
- What are the revenue expectations? It's important to have a target CPM (cost per thousand/ mille) in mind from the beginning.
- What placements will be made available to Programmatic? Some placements will achieve a higher fill rate and also a higher eCPM as demand varies by placement.
- Will using Programmatic conflict with direct sales channels and how will Programmatic inventory be differentiated from premium inventory?

Expose your audience data !

Publishers have the choice to make their audience data available to DMPs by exposing this on their websites thus improving the automated decision making.



Prospecting example

Target 1



Target 2



Target 3



Demographic s	Social Media Users Very Highly Engaged	Social Media Users Very Highly Engaged	Social Media Users Very Highly Engaged
Interest	Fashion and Style Attitudes: Timeless fashion	Fashion and Style Attitudes: Timeless fashion	Fashion and Style Attitudes: Timeless fashion
In-Market	Women's Fashion and Apparel Fine Jewelry	Apparel & Accessories Luxury Retailers	Clothing & Accessories Luxury Accessories

Prospecting example

- *Jewelry brand*
- *Goal: Drive qualified traffic and revenue*

Targeting Requirements

Geo: NY/NJ
Day Part: Weekends
Demographics < User Age < 36-45
Demographics < HHI \$150k-250k

Control Parameters (Campaign)

Budget: \$1,000/day
Max CPM: \$10
Frequency: 4/day
Brand Safety: No Sexual Content