

The Advertisers' Guide to Programmatic

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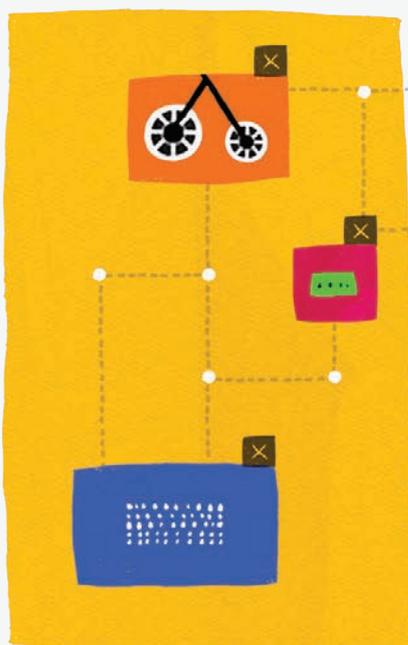
By Kiosked

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INTRODUCTION TO PROGRAMMATIC

WHAT IS PROGRAMMATIC ADVERTISING?

From the advertiser perspective, it is the act of using automated software systems to optimize the process of buying and targeting digital advertising across various devices like mobile and desktop as well as channels from social to display advertising on websites. Programmatic is used to deliver the right message to the right person at the right time. Let's say there is a new parent reading an online review on strollers: a stroller brand could target that instance and show their ad to a user who's already interested in the product and can access the product geographically. How is this achieved? By combining and using various instances of data (audience demographics, location, CRM systems) to effectively target and optimize campaigns.

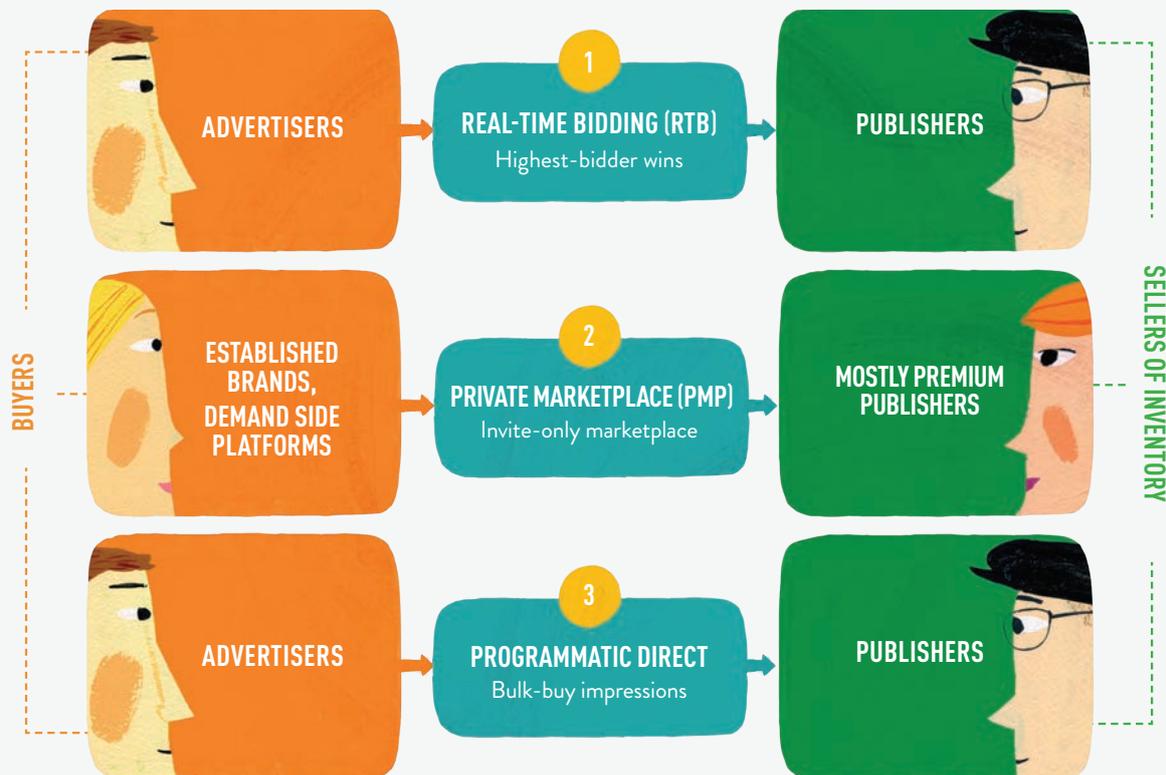


WHY ARE MORE AND MORE ADVERTISERS ADOPTING IT?

It is estimated that over 60% of all digital advertising will be traded programmatically in 2016. Why? Automated advertising is way more efficient than doing the same work manually. Humans get distracted, go on coffee breaks, and just can't work around the clock like machines can. Antti Pasila, Kiosked's Chief Strategy Officer and industry influencer predicts that the online advertising ecosystem will be close to fully automated by 2020.

WAYS TO BUY PROGRAMMATICALLY

There are various ways advertisers can buy ad space online; the available placements are commonly referred to as “inventory”. Let’s break down the different ways to buy from a technology standpoint.



1 REAL-TIME BIDDING

Real-time bidding, or RTB, is an open marketplace where anyone can use automated bidding to buy impressions based on the parameters they set: who they want to target, when, in which locations, and how much they are willing to pay for it. In this type of buying an advertiser can’t hand-pick websites to appear on, but target audiences instead.

2 PRIVATE MARKETPLACE

PMP is a part of a RTB environment where premium (ie. well-known and established publishers) make their inventory available to select buyers, often big-name brands. It is an invite-only marketplace that makes the process more transparent to both parties.

3 PROGRAMMATIC DIRECT

Programmatic direct differs from RTB in that it is a direct deal between set publishers and an advertiser, the buying process is automated and there is no bidding involved. Instead, programmatic direct allows brands to buy a bulk of impressions for a certain price and run it for a determined timeframe. Also called automated guaranteed.

WHAT ARE IN-CONTENT PLACEMENTS?

In-content placements are containers for advertising creatives, just like regular banners.

What is the biggest difference between the two?

Traditional placements like the Full Banner or Pop-Under are placed on various standardized spots on the webpage, but not within the content. In-content placements, just like the name suggests, are created within the publisher content. Also dubbed “native placements”, they can hold both display and video creatives and work across mobile and desktop.

The technology used to create in-content placements analyzes the HTML code of the website to place the ad in a highly-viewable spot, for example between article paragraphs. The technology used to create in-content placements analyzes the HTML code of the website to place the ad in a highly-viewable spot: for example between article paragraphs, within an image, or the ad can even scroll into view as the user is moving down on the page.



In-content placement

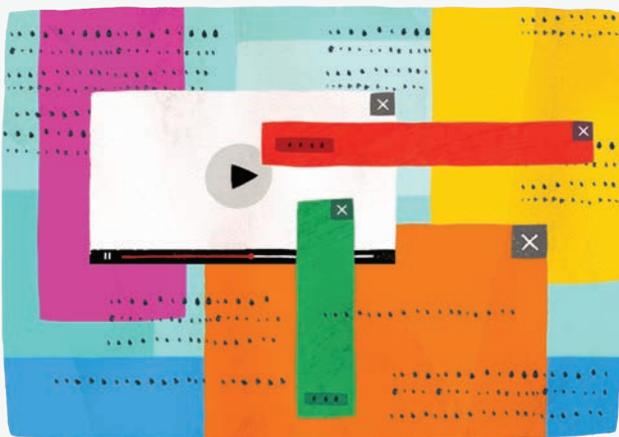


Traditional placement

WHAT ARE THE IN-CONTENT PLACEMENTS?

BRIEF HISTORY OF BANNERS AND IN-CONTENT PLACEMENTS

Let's take a look back in time: when audiences began consuming digital content, publishers needed to find a way to monetize that, too. Publishers pretty much just copied print advertising formats and added those on their websites. Yet the process of consuming content is inherently different online: it takes a lot less time to open a new tab or leave any given webpage compared to turning a physical page. Also, unlike newspapers, you don't pay for most of your digital content. Publishers started to add more and more banner ads on their sites to secure revenue streams. This naturally brought the cost of advertising down, resulting in a vicious cycle. With more ads, advertisers had to work even harder to stand out with their brand message, while consumers quickly adapted to not paying attention to anything other than the main content they were after. The industry calls this phenomenon "banner blindness".



THE BENEFITS OF IN-CONTENT PLACEMENTS

With all eyes on the content and not on the ads, the natural evolution was to bring the brand message to the people by creating containers for advertising within the publisher content. These kinds of placements are simply more effective, because they are displayed exactly where consumers are looking. Many publishers and advertisers today prefer in-content placements because of the results they deliver. For instance the Kiosked ad placements perform two to five times better than traditional placements on average.



ALL EYES ON VIEWABILITY



What is viewability? Now that you know the basics of programmatic advertising and in-content placements, let's take a look at what viewability is and why you should care about it. Viewability is the art of measuring the impact of the ad by tracking impressions that are seen by a real person online.

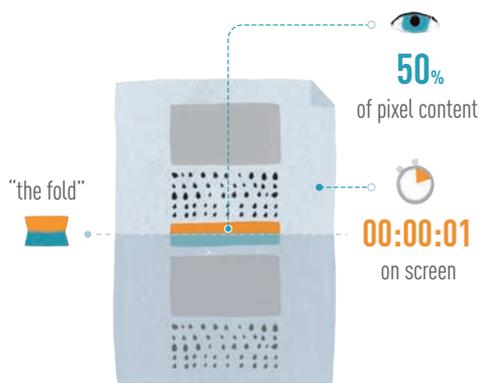
It is estimated that a whopping half of digital ad spend is attributed to ads that are never seen by real people, so as a digital marketer you really need to pay attention to how, where, and to whom your ads are served. We've compiled some interesting stats around viewability, have a look:

ARE YOUR ADS BEING SEEN?

WHAT IS AD VIEWABILITY?

Viewability Definition

As Defined by MRC and IAB



For an ad to be viewable at least half of it has to be in view for a minimum of one second

Viewability Findings

Rates from Publisher Sites



56.1%
of all impressions served **are never seen**

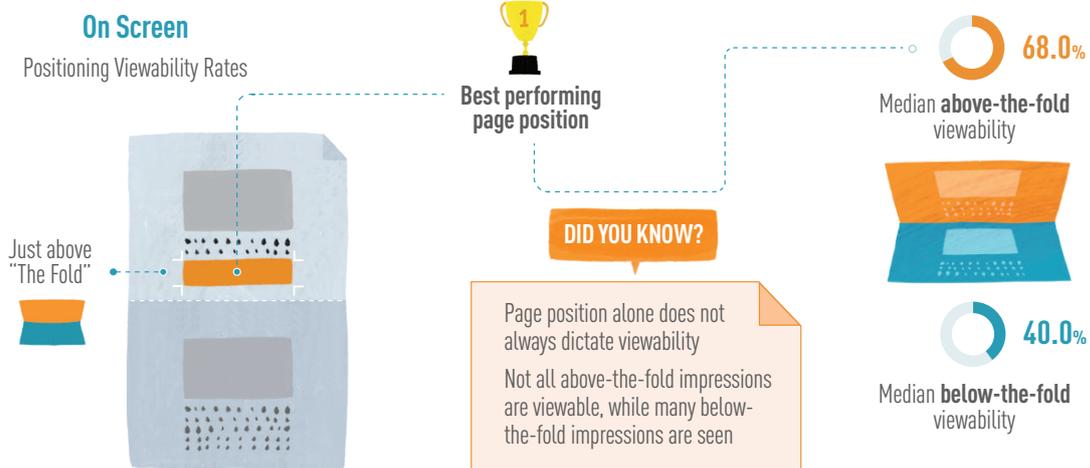


50.2%
average for publisher viewability

Viewable impressions drive actions. If your ad is in view, your audience has a chance to engage with it

02. INCREASING AD VIEWABILITY

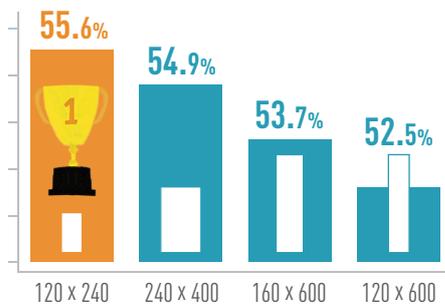
POSITIONING



AD SIZE MATTERS

Ad Dimensions

Top Viewability Rates



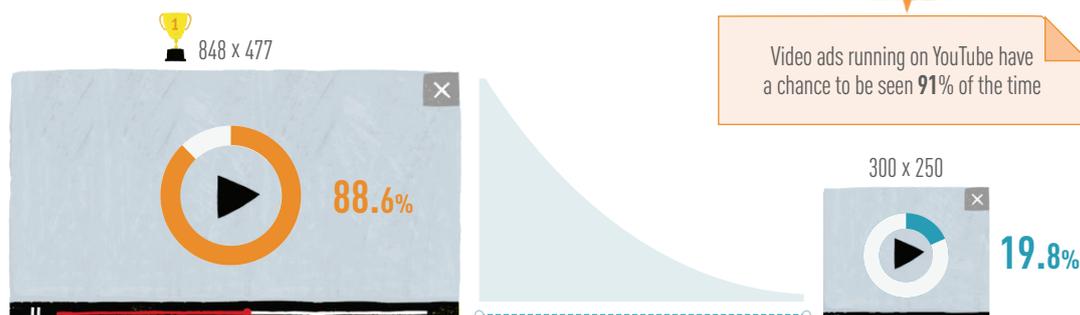
Ad Orientation

Vertical ad units have the most viewable impressions



Video Size

Best vs Worst Viewability Rate



BUILDING AN IN-HOUSE TEAM

Media and creative talents are in high demand on the brand marketer side. According to a recent Kiosked study, 100% of large companies have hired applicants with ad or media agency experience in the past three months. At Kiosked we predict that the advertising ecosystem will be close to fully automated by 2020. The question is, are you keeping up? The shift in the advertising ecosystem demands new skill sets not only from technical partners, but also from brand marketers. The real winners of the automation game are the ones who quickly scale up their capabilities in navigating this new landscape. Read on to learn how to get started with building your programmatic dream team.

1. WHO TO HIRE?

As a digital marketer, what are things you personally struggle with? Asking this simple question can help you determine which skills you need to add to your team. There isn't one right answer to how many people should hire – it all depends on the size of your company and its marketing budget.

Think of it this way: programmatic advertising is all about executing on your marketing plan by harnessing unique customer data to target the messaging to the right people. This means that you will need a strategist who uses your sales and audience data to optimize and target campaigns.

Now that you have a plan, you'll need it packaged in the right format: a graphic designer and a copywriter is the most common pairing for this job. Then of course you'll need someone to conduct the actual buying on ad exchanges, sometimes it can be the person who handles the overall programmatic strategy, but it all depends on the company.

2. HOW TO HIRE THE RIGHT TALENT?

Over a third of brand-side recruiters value creativity the most when hiring, but how do you get the right kind of people on your team? Programmatic is all about creating campaigns that drive results. Top creatives usually find creative integrity and campaign performance equally important, so asking about it acts as a great acid test in an interview situation.

3. HOW TO RETAIN THE RIGHT TALENT?

Managing a programmatic team successfully boils down to two simple points: communicate your needs clearly and give your team the freedom to experiment. Programmatic advertising doesn't have to be boring, quite on the contrary as targeting different audiences allows for more variety in messaging and testing. More and more brands are using programmatic for branding purposes, and you should be, too.

LET'S PARTNER UP!

These days marketers can access a variety of standard and custom solutions through programmatic advertising platforms. Things to look out for: transparency, customer service, and the ability to target ads to the right audience so that they are actually seen by real people. If you'd like to learn more about what the Kiosked platform does, you can contact us at sales@kiosked.com

FIND THE RIGHT AGENCY

Whether if you have an in-house team for programmatic or not, chances are that you will work with a media agency at some point. Here is the Kiosked round-up of the best of the best for programmatic strategy:

THE PLANNER CHAMPION

CARAT

Carat is a multinational media agency owned by the holding company Dentsu Aegis Network. Carat has received multiple global awards and recognitions lately – and no wonder: they are looking firmly to the future with a five-year plan for their programmatic ventures. In fact, the agency aims to be 60% programmatic by the year 2020.

THE VALUE CHAMPION

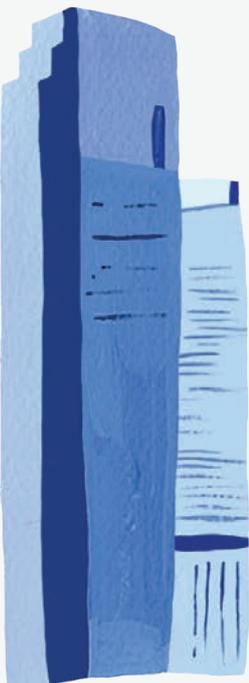


UM is an international media agency under IPG Mediabrands. In 2016 it was named the Global Media Agency of the Year by Ad Week. The reason we included the agency on this list is the consistent value they are bringing to their clients by centering their media strategies around creating “moments that matter to drive momentum for brands”. Essentially, it is what we at Kiosked are always talking about: reaching the right person at the right time with the right message. See the quote below.

THE DATA CHAMPION

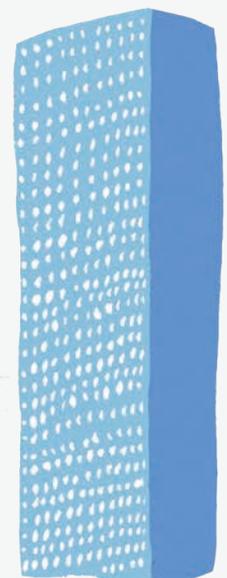
MEDIACOM

MediaCom is a WPP agency and also last year’s Media Agency of the Year. They won their slot on this list because they place data at the core of everything they do. Yes, it sounds buzzword-y, but programmatic success begins with churning all that relevant brand and audience information to help brands shine in the digital space. This approach has helped them win numerous accounts like eBay, and their clients are happy too.



“What this allows you to do is to get really precise around media moments—big epic moments—but also really tactical real-time moments, like, somebody sneezes and needs allergy meds. We know when there’s a sneeze trigger in allergy season, so then we do real-time digital advertising.”

UM’s global CEO, Daryl Lee



PROGRAMMATIC CHAMPIONS: BRANDS

Before you go off to start your programmatic ventures, why not take in a little inspiration dished out by some of the best advertisers out there? Have a read on our top three brands doing programmatic advertising.

THE HYBRID CHAMPION



The multi-brand house Procter and Gamble certainly has the muscle to put together a hefty team to manage programmatic advertising. Last year a good third of their ad budget was spent on digital in the US, and as the largest advertiser in the world, that is quite a remarkable figure. P&G isn't laying all its eggs in the same basket, though: the company will be collaborating with the media agency Omnicom for a hybrid approach that combines an in-house team with agency know-how. We also salute them for emphasizing transparency in media buying as they were pitching to find an agency partner. Well done!

THE STRATEGY CHAMPION



StubHub is an event ticket marketplace that decided to save on agency fees and take advantage of real-time business opportunities at the same time. Their in-house programmatic team put together a savvy strategy that used their own data to optimize sales across digital channels. Part of the strategy is firing a display ad the instant an event goes up on the site, one of the perks of having an agile advertising team. Lesson to learn? If you have your own data and need to move fast, invest in your in-house team today.

THE USER-FIRST CHAMPION



TUI is a German travel agency and the living proof that you can integrate programmatic strategy across multiple markets – even if you are operating in a fragmented landscape. Their in-house programmatic team consists of five senior strategists who crafted a programmatic approach that mixes performance marketing with branding. TUI combines their first-party figures with third-party data to show the right message to the right consumer at the right time. They use frequency capping and sequencing to ensure that the experience is always relevant and non-intrusive to the consumer.

"We sell one ticket every second so everything is moving fast here. If we ask an agency to handle programmatic for us, when we call it and wait on adjustments, we've already missed a business opportunity."

StubHub's Head of Paid Media, Leev Engel

FREQUENTLY ASKED QUESTIONS

Kiosked works with an array of global advertisers such as Disney, American Express, and Jeep, so naturally, our team gets a lot of questions from marketers on a daily basis. To help you get started, we're bringing you the answers to the most common questions and concerns on programmatic advertising:

1. HOW CAN I ENSURE BRAND SAFETY?

Brand safety is of huge concern across the industry for many reasons. Every marketer wants to place their advertising within brand safe environments, aligning themselves against strong content which creates a great audience.

There is also the 'long-tail' of the internet to think about, whilst many of these sites can be less desirable, there are a huge number which are safe for brand advertising. When utilized together they can offer tremendous scale, one of the many benefits of programmatic trading. The balancing act is using premium publishers in conjunction with a 'long-tail', this allows greater scale but also can also reduce the eCPM of a campaign.

Kiosked is a transparent platform that allows advertisers to choose the sites they run their campaigns on. Advertisers can create white and black lists to ensure brand safety.

2. HOW TO COMBAT AD FRAUD?

Ad fraud is often associated with the conversation above (brand safety); the more reputable the website, the less fraudulent traffic. This isn't always true, but fighting against ad fraud certainly plays a part in our thorough verification process to make sure that our publisher pool is brand safe.



3. DOES VIEWABLE AD MEAN THAT IT IS SEEN?

No. In short, an advert can be viewable in theory but not seen. The Interactive Advertising Bureau dictates that a standard display ad must be 50% 'in view' for at least one second for it to be classified as viewable, but what if that advert is in the corner of a screen where the audience eyes aren't ever gazing?

Kiosked's whole premise is to change the mindset from 'is an ad viewable?' to 'is an ad being seen?'. It's a subtle difference, however an important one. Kiosked places adverts within the content, precisely where the audience is paying attention to. This means that not only is the advert classified as viewable by IAB standards, it is in fact being seen.

4. HOW CAN I ATTRIBUTE THE SUCCESS OF A CAMPAIGN?

*"Half the money I spend on advertising is wasted;
the trouble is, I don't know which half".*

John Wanamaker (a pioneer in marketing)

This was in an age where accurate attribution in advertising wasn't achievable, however times have changed. It's never been more important to realise the benefits of each of the communication platforms and how they interact with each other. How do you tell a coherent story across so many different brand when seen on TV as opposed to on a social platform?

What is the likely user journey for our average customer? These are key considerations that need to be taken into account. Transparency provides marketers greater insight into their users' journey. At Kiosked we understand that we are part of a wider solution that needs to reach an audience across many platforms – our opportunities allow advertisers to reach their target audience in the right place, at the right time, on the right platform using the right creative.



CHECKLIST FOR PROGRAMMATIC ADVERTISING



1. Map out your programmatic strategy or order it from your media agency.



2. Decide how to buy the ad space and who does it: a media agency, an in-house resource.



3. Choose a buying platform if you'll be buying the inventory in your organization.



4. Track your learnings and optimize future campaigns based on results.



5. Decide who designs the ads: either in-house team or your creative agency partner.



6. Testing is your best friend: run different versions of your ads to see what works.

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Programmatic

Kiosked is the leading, independent Advertising Automation platform company for native digital advertising. We connect advertisers to premium inventory across the globe.



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