

## Programmatic video is a gamechanger

By <u>Stijn Smolders</u> 1 Feb 2016

The gamechanger trend for the next year is programmatic video: adding quality and high-impact awareness ads to the programmatic mix will change the perception (and explain the role) of this channel and accelerate the uptake thereof, both on buy side and sell side.



The key trends for the year 2016 that we are monitoring are:

- Use of programmatic (display) media in SA market (audience buying vs. publisher/title buying).
- Introduction of integrated (dynamic) remarketing (no external technologies).
- Correct implementation of attribution modelling and assessment of the role of the digital media channel in the customer journey and cross-device tracking (mobile and desktop as one user).
- Increase of available quality LOCAL inventory in the ad exchange (sell side).

This year, we would like to see less of networks and agencies that call themselves 'programmatic (display) specialists' and 'performance media players', but lack all the understanding and transparency that should come with this proposition.

The only sustainable model in this industry (and to grow the industry), is one of full disclosure around the technology that is used; domains where media is bought; and at what (CPM) prices.

It is up to the advertiser and budget owner to demand this level of information and look for another supplier if those requests are not being met.

## Open up inventory

I hope to see more brave advertisers who are going to engage with a programmatic (display) media strategy and willing to build their own case studies. Waiting for your competitors to do so is never a winning strategy.

Secondly, more publishers opening up their inventory in the ad exchange. We have moved on from the daunting image that SSPs are only there to sell remnant inventory at low CPMs. This industry is a data-driven one and without having access to your inventory (via the exchange) buyers can't assess the value of your inventory. So don't be afraid and start opening up (even as little as 30%) of your inventory and build up a benchmark. You have no excuse any more (unless you are 100% sold out at R300 CPM).

## Invest in programmatic

Start investing (both financial and time) in programmatic (display) media. There is a reason why programmatic is overtaking paid search in the US from this coming year onwards: <u>'The 5 reasons paid search will be second behind display starting next year in the US'</u>.

Spending your marketing media budget in a fully transparent way where you are engaging with your online customer way before they start searching (pull vs. push) for your service or product online, is the only solution to outperform competitors with unlimited (last click or CPC) budgets. The value of the data that you are gathering at the same time is priceless and will give you a huge competitive advantage against your competitors.

Conversion data will always outperform and be of (significant) more value than click data.

## ABOUT STIJN SMOLDERS

Stijn Smolders is CEO of Sprout Performance Partners, digital media performance company. The Cape Town based company was founded in 2013, and is an offshoot from customer engagement agency, iKineo. Previously Smolders held the position of Director of Commercial and Client Services at the company. He has more than 15 years of international experience in both traditional and digital landscapes. Originally from The Netherlands, Smolders has been in South Africa since 2008.

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