Programmatic is no silver bullet

JAMIE PRIESTLEY, correspondent London.

A few weeks ago I went to *Advertising Week* Europe's annual conference in London. The 50 discussions featured experts from brand, media, creative and technology companies, and I can report to the readers of *Marke 41* that Programmatic was everywhere. (Most defined it as the automated buying and selling of advertising impressions across multiple platforms.)

Conferences love all that's new. So what is new about programmatic in 2015?

First, its influence is growing. In the beginning, programmatic happe-

dorant when it's humid (except maybe the ones who use the London Underground in August). Now marketers can observe real behaviour as it happens, and respond with something relevant. British Airways adapts its travel information depending on the platform you're using: complex displays for desktops, simple pictures for mobile devices. Nike's 'Outdo You' campaign in January sent 100,000 different videos to users of its Fuelband. None of these campaigns would be possible without programmatic.

Fourth, great programmatic thinking is spreading. Mercedes Nether-

But ...

Like any gold rush, Programmatic is attracting liars and cheats. CMOs (Chief Marketing Officers) are worried about the impact of ad fraud on the profitability and reputation of their brands. Premium advertisers are 7 times more likely than porn sites to have ad fraud problems. Why? Because fraudsters follow the money. Yes yes, cookies are not people and BOTs that imitate car buyers do not buy cars, but it's not always easy to spot the difference before the moment of purchase. Someone from Yahoo proposed that we should buy 'programmanually' until we have better defences against ad fraud.

ned after the creative process: now it shapes creative thinking from the first briefing. By 2017 brands will buy 75% of their digital marketing programmatically (according to IAB, the Internet Advertising Bureau). European spend on Programmatic is worth $10 billion today and will double in the next few years. The UK has led the way so far (21% more spend than both Germany and France in 2014) but the rest of Europe is catching up fast, according to figures from OpenX.

Second, although it's well established in search and social media, programmatic is new to display and native advertising because it has taken longer to aggregate the sellers. From April 2015, for example, the Pangaea Alliance will give buyers access to a global audience of 110 million.

Third, big brands like GSK and Nestlé are starting to invest heavily in complex, personalised campaigns. In the past, campaign decisions depended on inferred data: consumers buy ice cream when it's hot and deo-lands recently synchronised an ad campaign across multiple screens for the A Class. If all this media had been bought weeks in advance there would be nothing new to report. But here individual users were identified watching an A Class ad on their laptop and then, within two seconds, they saw related ads on their smartphone and tablet via Facebook, Youtube and other channels. Banner Connect, the Dutch specialist that designed the campaign, obviously has some clever people. But there is also a cultural point to make. The Dutch have to innovate because their market is relatively small, and their consumers hard to predict. Necessity is the mother of invention.

Programmatic is big but it is not a strategy.

The space given to programmatic in this article mirrors the attention it got at the conference: a little more than it deserves. Programmatic is big but, on its own, not a strategy. 4,000 marketers were recently asked about 'the most exciting opportunity in 5 years' time': 8% think it's marketing automation, 10% think it's multichannel campaign management, 13% think it's big data. But the biggest opportunity, at 24%, is the customer's experience. (Source: Econsultancy's Adobe Quarterly Digital Intelligence Briefing, Q4 2014. 4,000 marketers around the world were polled).

Great customer experience is the product of – among other things – sophisticated data, insights, targeting, programmatic and creative. Making all this work together quickly requires much more than programmatic expertise.

Mad Men vs Maths Men?

I think we're witnessing the most important changes to marketing in 50 years. Not because of data/digital/programmatic, but because technology is changing old hierarchies and forcing us to think about how we collaborate. Creativity needs weeks and months, according to the people who believe in a Golden Age of marketing which is in the past. Old Order creativity evolves at the speed of a good Stilton cheese. New Order creativity needs to work at the speed of yoghurt. The Old Order argues that great brands need special people in special places doing special things that few can understand. The New Order loves experts but wants the mathematicians, the planners and the creatives to talk to each other across the boundaries of departments and organisations. And when the conversation begins, they learn that their beautiful worldview ('It's all about response rates' or 'It's all about the big idea') is not enough. Very messy. Very exciting.

by Jamie Priestley

Technology is changing old hierarchies and forcing us to collaborate.

The most exciting opportunity for marketers in 5 years? Marketing automation 8%; customer experience 24%

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