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# The Future of Programmatic

Where Annalect sees growth in programmatic  
advertising over the next five years

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Jed Meyer  
Global Research Director



# Programmatic will be a given: we'll just call it media

pro·gram·mat·ic

/ˌprɒgrəˈmætɪk/

*adjective*

real-time, data-driven decisioning.

“the programmatic approach revolutionized digital advertising”

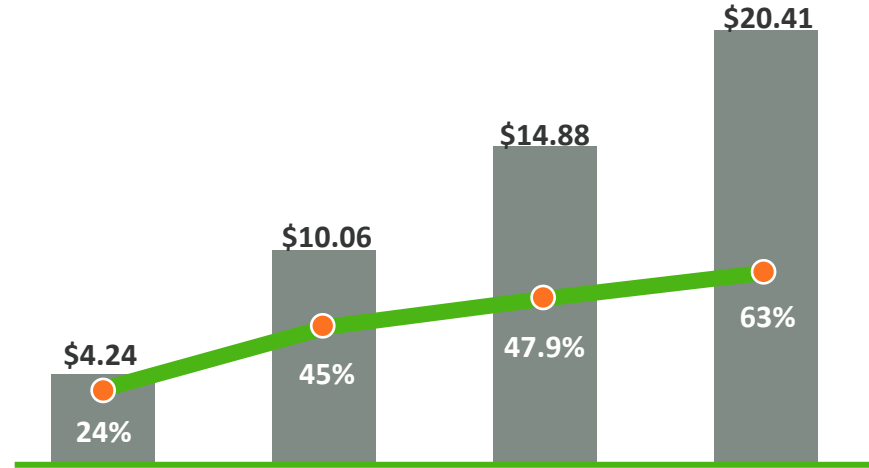
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**“Digital is the medium for the new generation. Digital will grow for decades”**

### US Programmatic Display Ad Spending 2013-2016

Billions, % of total digital display ad spending\*



■ Programmatic digital display ad spending  
■ % of total digital display ad spending

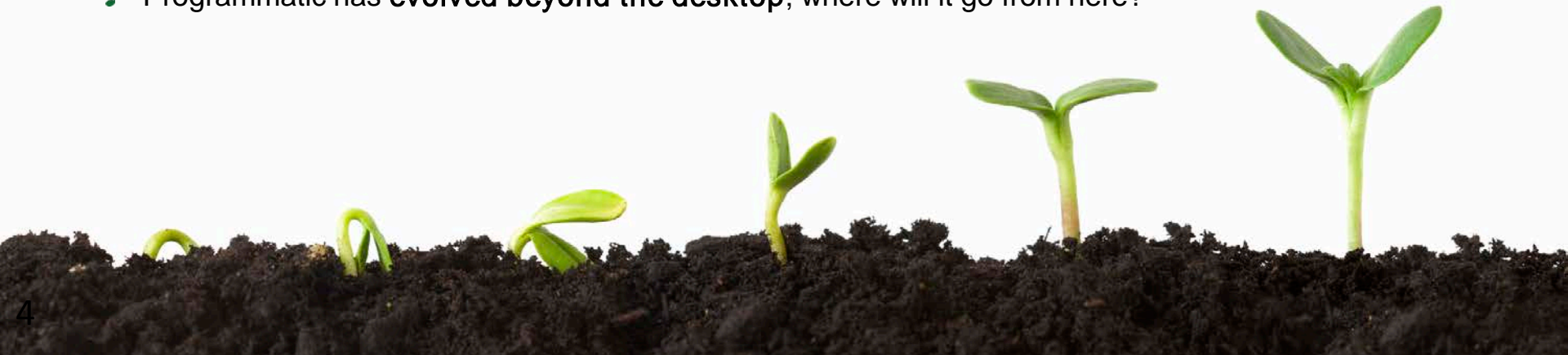
SOURCE: eMarketer, Oct 2014

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# There is room for growth and improvement

- ♪ **Fraud and viewability** are issues that the industry is having a hard time solving
- ♪ Digital advertising is a very **complex, confusing and fragmented** space
- ♪ It is challenging to **connect consumers to their many devices**
- ♪ The industry is moving toward being able to really **advertise to a person** rather than his device
- ♪ Programmatic has **evolved beyond the desktop**; where will it go from here?



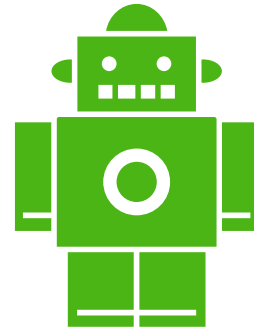
# Issues around viewability and fraud will fade, but will not disappear

## ♪ Fraud

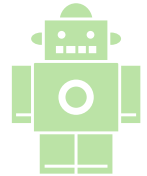
- ♪ A conscious act motivated by financial gain. Fraud can be minimized through:
  - Ad verification
  - Refreshing black and white lists
  - Pre-bidding

## ♪ Viewability

- ♪ A new viewability standard is in the works that will help to prevent wasted ad spend. True viewability can never be measured, but it's a step in the right direction.



2015



2017



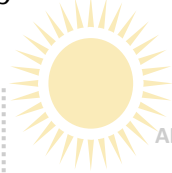


# People-based advertising will be the norm

Truly understand the customer journey and tell a sequential, seamless story across devices

Tailor communications based on location-specific behaviors

MORNING



AFTERNOON



DUSK



NIGHT

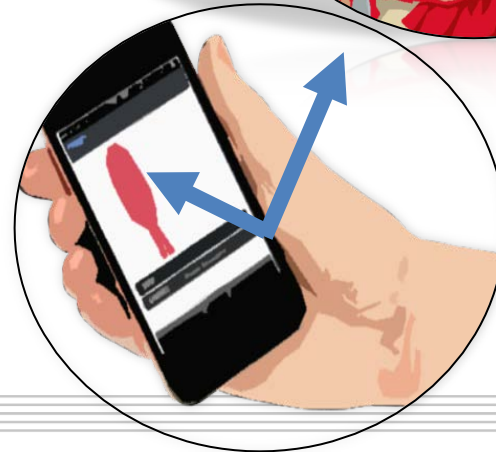
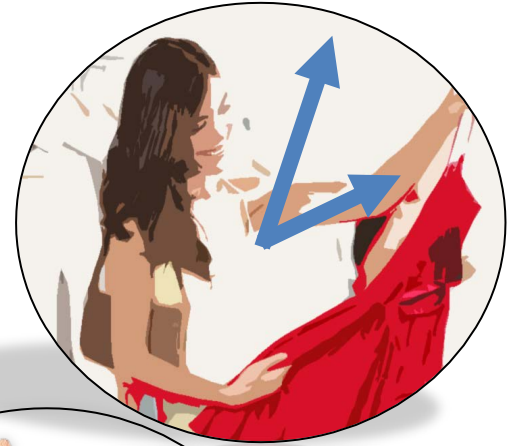


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# Content will be more relevant to the user

- Putting the consumer first, advertisers will be better equipped to act on all of the data that has been or can be collected around their consumers.
- Better craft content and messaging to consumers that speak directly to their interests and behavior, on and offline.



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# Programmatic to emerge in new places



## DOOH

- Digital Out-of-Home includes content before movies in a theater, digital billboards, signage on commuter transit and more



## Data-Driven TV

- Between Connected TVs and streaming services, TV is undergoing a major shift, opening doors for access to an expanding pool of programmatic inventory



## Radio

- Podcasts, local online radio and streaming radio (Spotify, Pandora) have increasing listenership and will see tremendous growth, opening doors for programmatic



## Print

- Currently only available through Time, Inc., programmatic print will inevitably expand to other publishers, but probably won't be as lucrative as its digital counterparts

# Measurement: A Transformation

Evolving from...

To...

A world of panels

Panel/Census hybrids

Age/sex demos

Rich audience targets

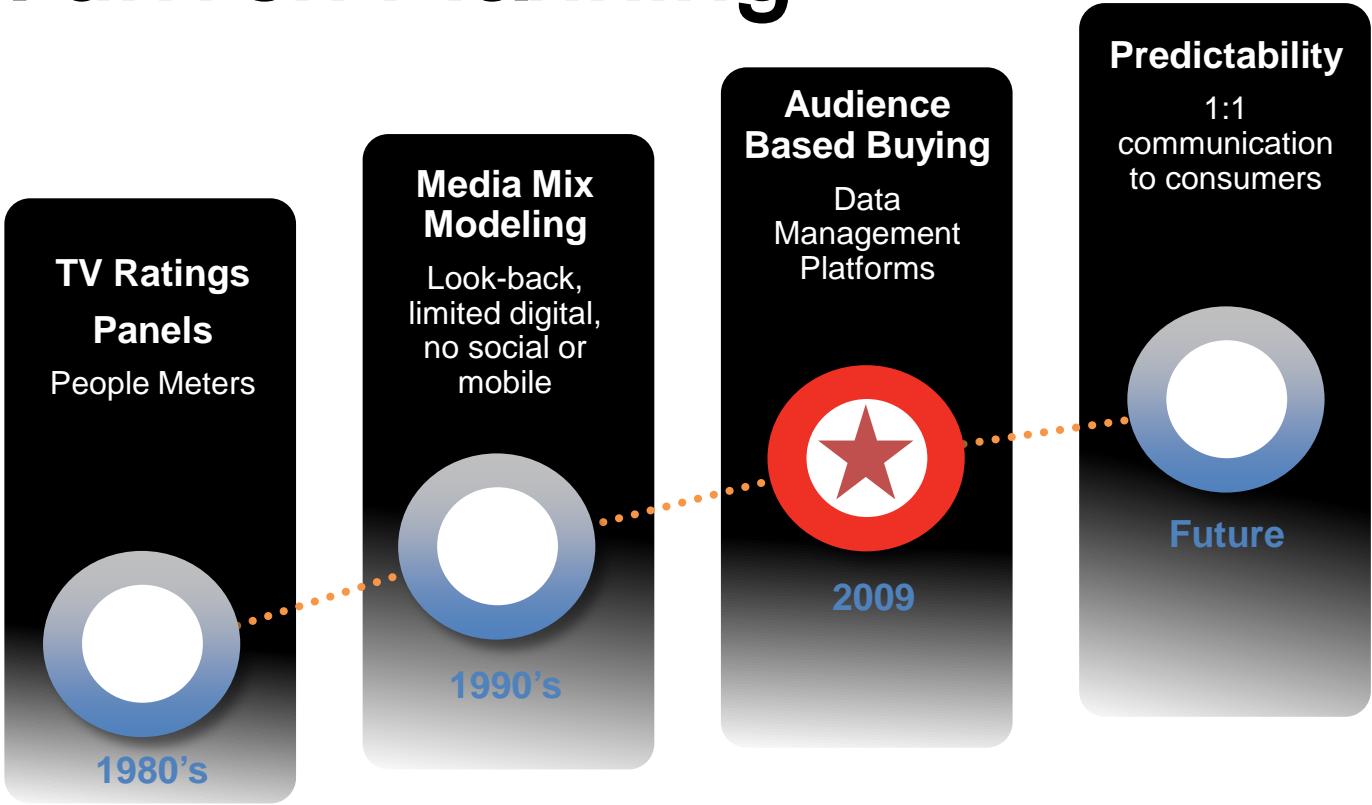
GRPs

Audience-based buying

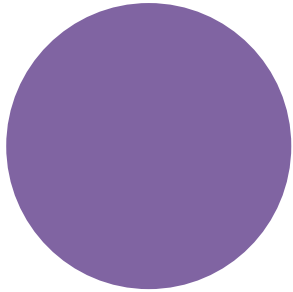
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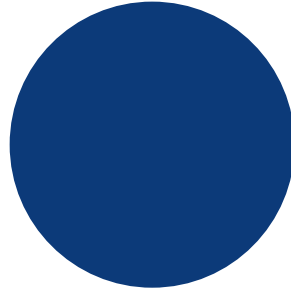
# Data-driven Planning



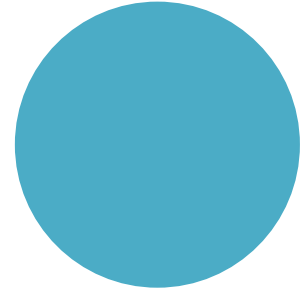
# Data Sources



AGENCY  
DATA



CLIENT  
DATA



THIRD-PARTY  
SOURCES

# Measurement & The Marketplace



Our POV

Marketplace requirements

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