

Making the Great Leap

Can Programmatic Truly Cross-Over from Digital to Television?



ON AIR

THE
WORLD
AUDIENCES
SUMMIT
2016

Digital Programmatic

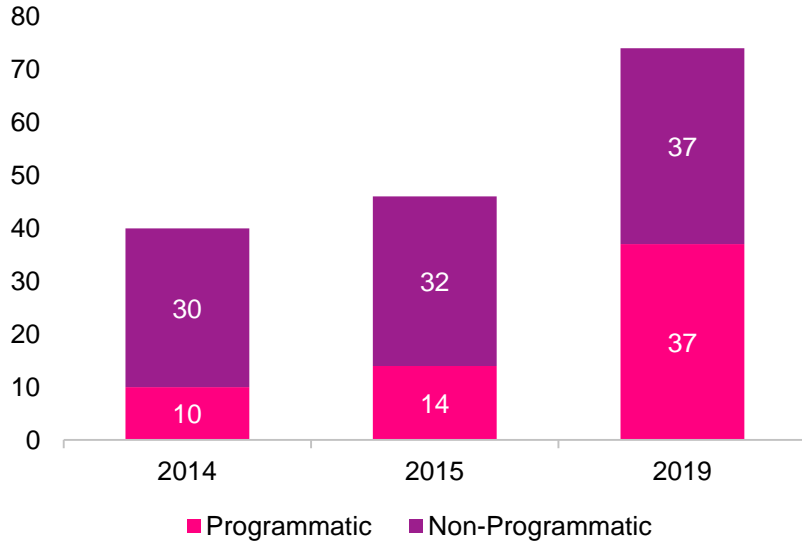
- Audience Targeting via Granular Data
- Addressability (1:1 Marketing)
- Automated Inventory Management
- Both RTB and Non-RTB
- Programmatic Universe = Display & Video
- Search/Social: 100% Programmatic

Source: Digiday, WTF is Programmatic?

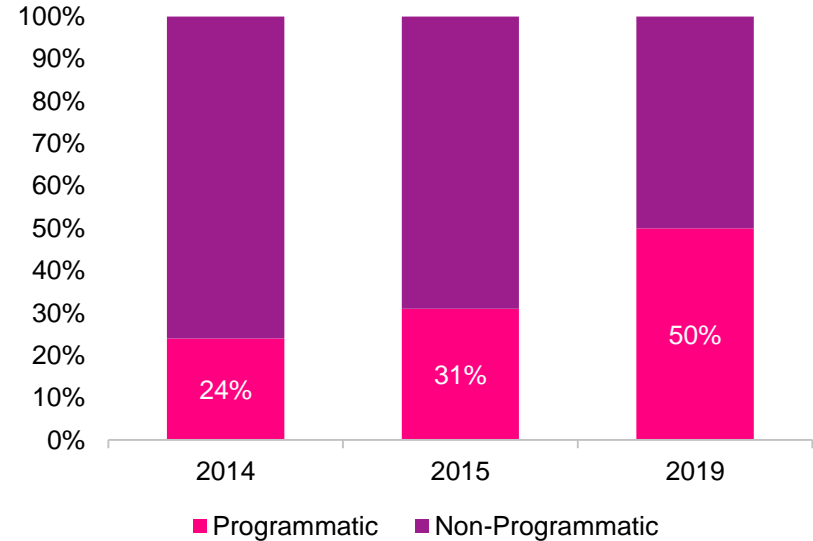


2015 Global Programmatic Spend \$14B - 31% of Display/Video

Display and Video Spend (\$bn)



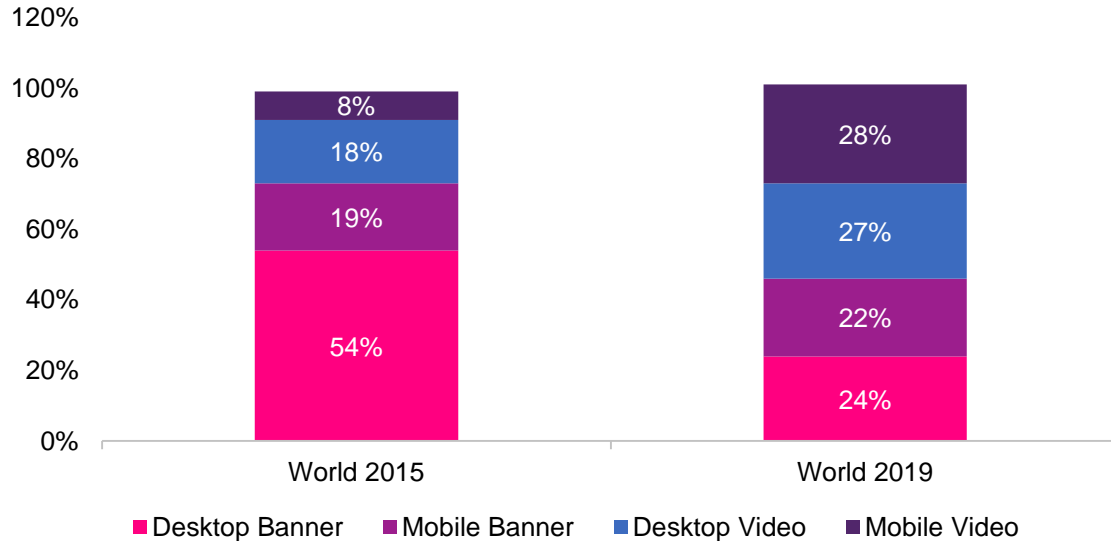
Programmatic Penetration* (%)



Source: MAGNA GLOBAL, Programmatic 2015: Roadmap for Growth, September 2015

Global programmatic spend by format

Programmatic Spend by Format



2015

73% desktop
26% video

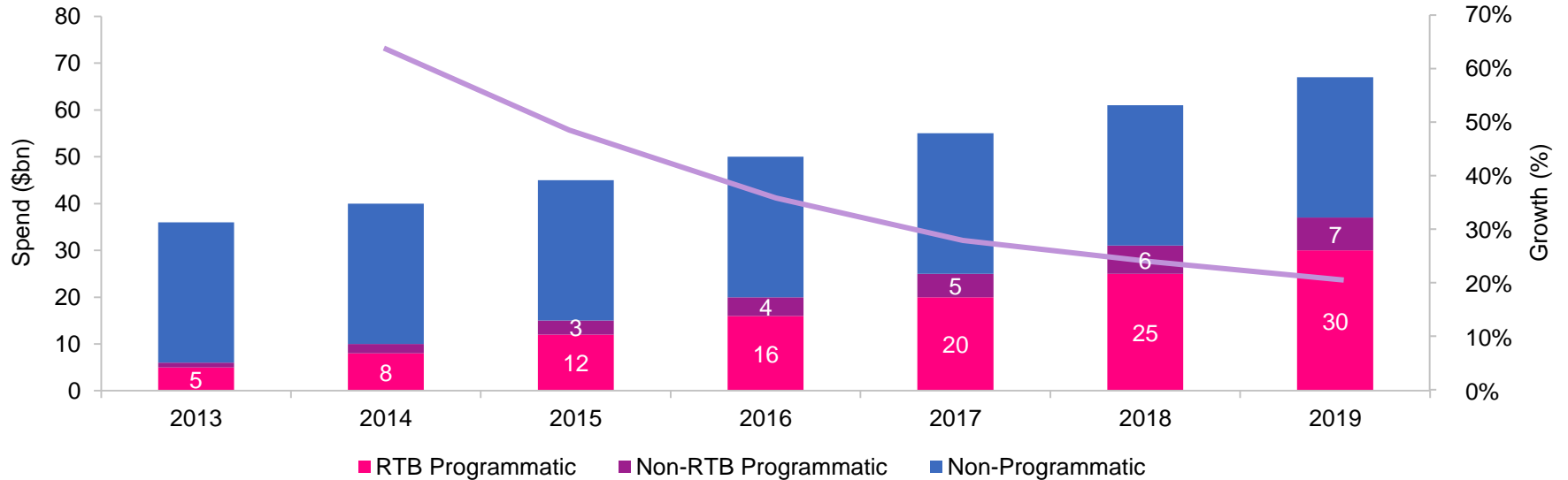
2019

50% mobile
55% video

Source: MAGNA GLOBAL, Programmatic 2015: Roadmap for Growth, September 2015

Digital programmatic is still growing, especially full RTB

Global Programmatic Spend and Growth

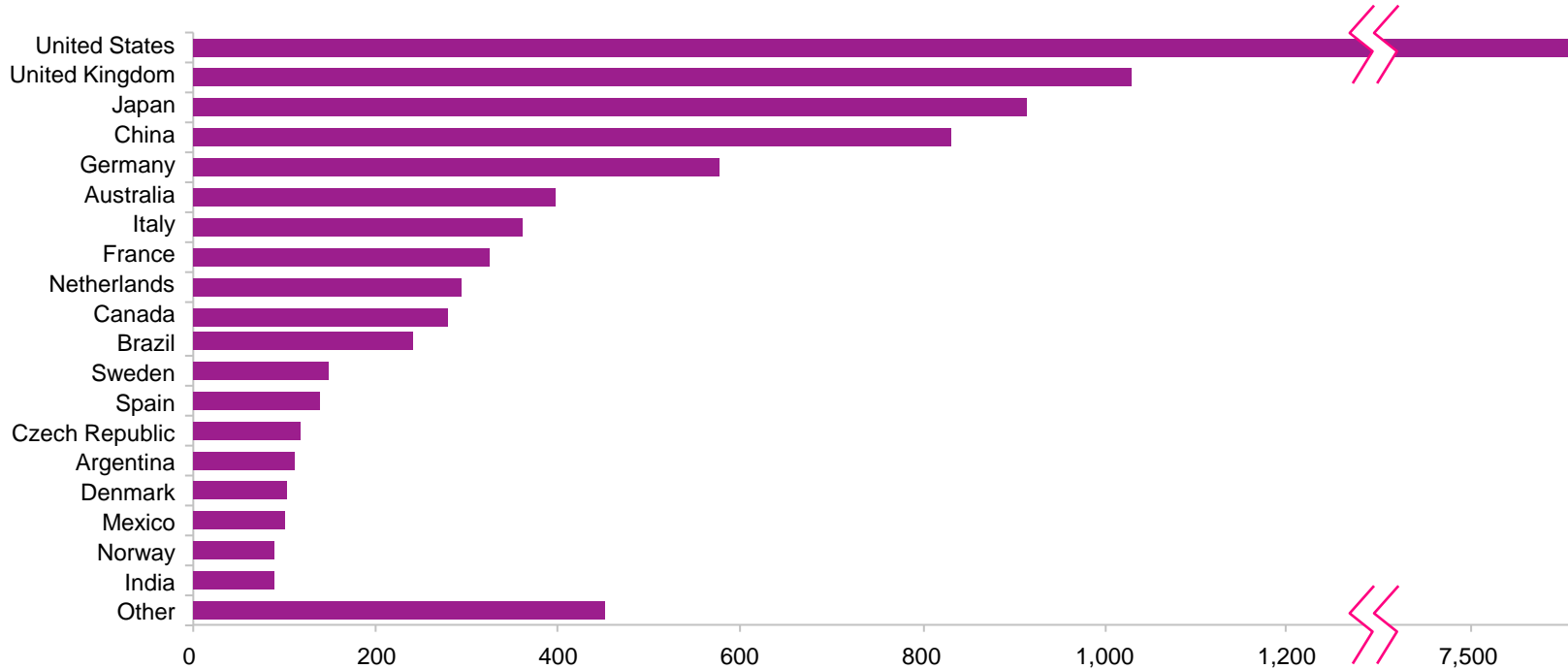


Source: MAGNA GLOBAL, Programmatic 2015: Roadmap for Growth, September 2015



THE
WORLD
AUDIENCES
SUMMIT
2016

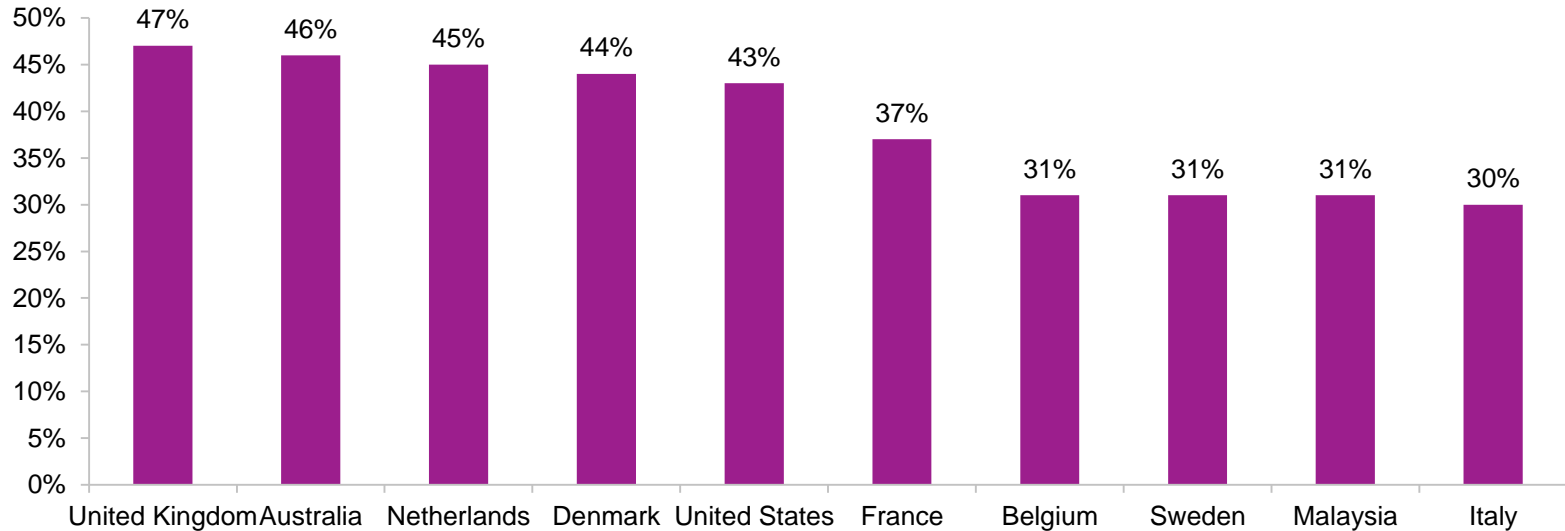
US, UK, Japan, China, Germany lead in Programmatic Spend



Source: MAGNA GLOBAL, Programmatic 2015: Roadmap for Growth, September 2015

UK, Australia, Netherlands, Denmark and U.S. Lead in Share

Programmatic Penetration by Country (2015)



Source: MAGNA GLOBAL, Programmatic 2015: Roadmap for Growth, September 2015



THE
WORLD
AUDIENCES
SUMMIT
2016

Advertisers are leading: 79% in U.S. say they've used it



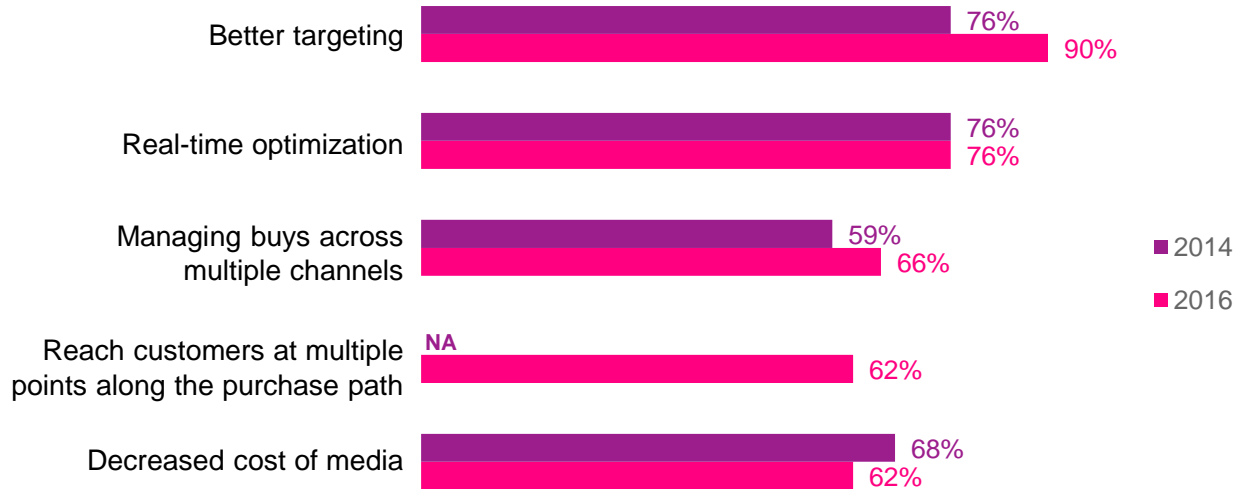
Top Global Programmatic Advertisers include “digital native” companies, as well as major global marketers.

Source: BI Science; 2014 ANA/Forrester: Media Buying's Evolution Challenges Marketers Survey; ANA/Forrester 2016 Programmatic Media Buying Survey

Programmatic's top benefits: Targeting and optimization

Q8. In general, how important are the following potential benefits of programmatic buying?

[Percentage of responses 8 and higher on a scale from 1 (not important) to 10 (very important)].



Base: 91 (2014) and 85 (2016) marketers

Sources: 2014 ANA/Forrester: Media Buying's Evolution Challenges Marketers Survey; ANA/Forrester 2016 Programmatic Media Buying Survey



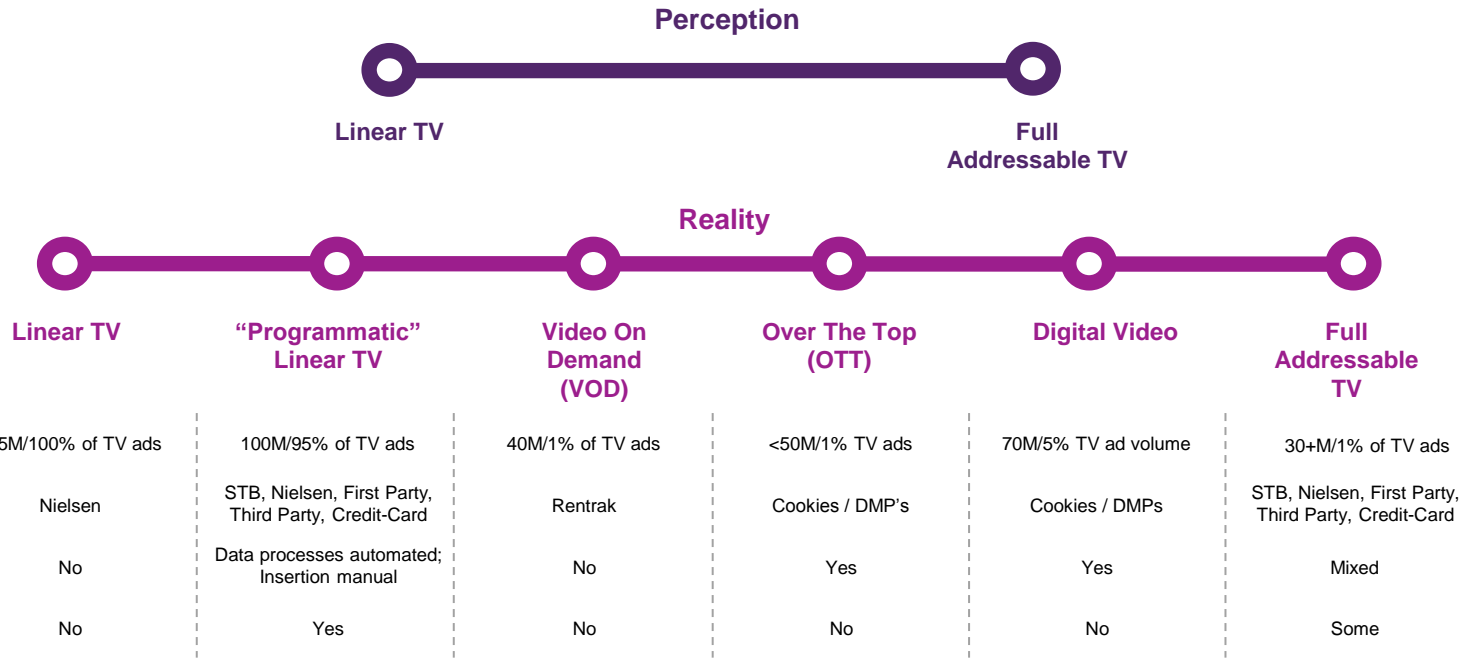
THE
WORLD
AUDIENCES
SUMMIT
2016

Programmatic TV = Program-Manual

- U.S. 2015: \$ 1B (2% of total TV ad spend)
- U.S. 2019: \$10B (17% of total TV ad spend)
- Better Audience Targeting using Granular Data
- Initial focus on monetizing unsold inventory, mainly local markets
- Some inventory optimization, but manual I/Os and no RTB
- Pay TV addressable infrastructure only reaches 30% of homes

Source: Digiday, WTF is Programmatic TV?

Perception vs. Reality in Addressable TV (US)





KANTAR MEDIA



ON AIR

THE
WORLD
AUDIENCES
SUMMIT
2016