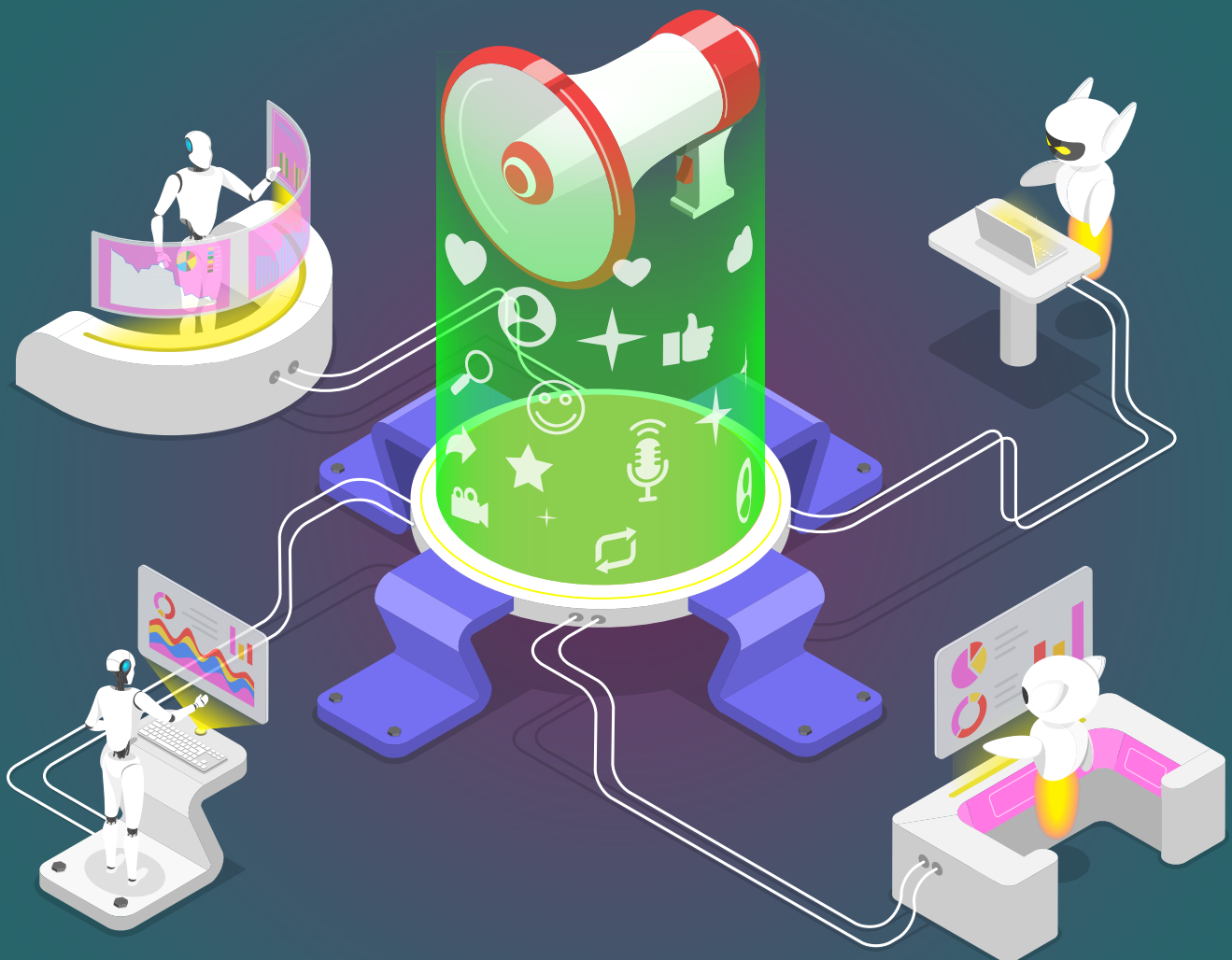




A SIMPLE GUIDE TO PROGRAMMATIC ADVERTISING



CONTENTS

INTRODUCTION	3
WHAT IS PROGRAMMATIC ADVERTISING?	3
HOW TO INCORPORATE IT INTO YOUR STRATEGY	4
THE RELATIONSHIP BETWEEN DSPS, SSPS AND RTB	7
DRAWBACKS AND CONSIDERATIONS OF PROGRAMMATIC ADVERTISING	9
FINAL THOUGHTS	10

INTRODUCTION

When it comes to your search and digital marketing strategy, one of the best ways to get a better quality of traffic, more conversions and a higher return on investment (ROI) is through paid search (PPC). The creation and placement of paid ads is something of a science, and, when you get it right, the results can be business-changing. There are, of course, a large number of variables when it comes to the ads, and there is a range of methods in terms of the way businesses bid on certain keywords and terms. This eBook will focus on one such method, programmatic advertising.

WHAT IS PROGRAMMATIC ADVERTISING?

Programmatic advertising is the way businesses use automated real-time bidding to buy ad space online. Display space is purchased based on algorithms that are developed by dedicated PPC specialists and which correlate with both the desired audience and the services that a business offers.

The most important consideration as to why a business would use a programmatic strategy, is that although it requires a front-loaded strategy and setup in terms of the keyword research and the bidding levels, it then allows much more time for paid search experts to write, optimise and improve ads.



HOW TO INCORPORATE IT INTO YOUR STRATEGY.

There are many ways to incorporate programmatic advertising into your strategy, but the most important thing to do before you begin is [know your audience](#). Choosing your initial audience is a vital part of the process. First of all you must have a clear idea as to who you want to point your information towards. This will be based on the products or services which you sell and the audience research that you have conducted.

Early communications are an easy way of not only getting your message across but also help you to determine future correspondence. By looking at the emails that you send out, the adverts you place and the blogs you post, you can get a real insight into who is connecting and when.

The information that you collect such as open rates, bounce rates, likes, shares, retweets or actual conversions means that you are in a better position to understand what is resonating with the user. If your content is to be targeted, you'll need to know which segment is consuming it. When you know what segment is using your content, you can direct it toward them in a more personal way that gets results.



Clients can be segmented by four key areas, and these are, in turn, divisible to get a more niche audience. The areas are:

- **Demographic** – This area of the audience relates to the very top level ways in which it is possible to segment individuals or groups. Things in this category include age, gender, income, marital status and education level.

The raw side of demographics will largely be influenced by the products or services that you are offering. Ask yourself questions such as is the product solely for males? Are there age restrictions on buying the product? Is the product in the luxury end of the market, and therefore unlikely to attract large portions of the audience?

One important thing to consider when it comes to segmenting your audience in this way and, indeed, according to any of the other groups, is that you cannot be entirely exclusive. Isolating one gender from a product could lose you sales when it comes to gifting. Indeed many companies will now market a product as ‘the perfect product for her/him’.

- **Geographic** – This relates to the area in where your potential clients are. Ask questions at this stage such as are they in the same country as you and if not can you deliver products and services to them?

In a similar vein, when it comes to your marketing, if you are not targeting those who are in your geographical area, this will lead to irrelevant posts and lower open rates or conversions.

- **Behavioural** – The behavioural side of audience segmentation is based on the mnemonic patterns that consumers display when they are making purchase decisions; in essence it is based on variety. It relates to their knowledge of a product or brand and their attitudes, responses or use for a particular product.

If we take the example of coffee, a buyer will only buy bean-to-cup products if they have the ability to make this type of coffee at home. They may also opt for a particular brand due to taste or a decaffeinated option if they believe it to be healthier. When it comes to purchasing out of home, they may choose a style of coffee or add a flavoured syrup for example. The main benefit of behavioural segmentation is that the variables are often closely matched to the parent product.

- **Psychographic** – Fundamentally, psychographics relate to the study and classification of people according to their attitudes, aspirations, and other psychological criteria, especially in market research.

Things falling under the psychographic tag could be focus, social media preference, perception of quality, personality, political stance, newspaper of choice or values.

The most popular targeting methods for ads include:

- **Contextual** – targets pages that are based around specific topics, either in your industry or your target customers' interests.
- **Placement** – targets specific websites or pages.
- **Demographics** – targets audiences based on specific demographics including their age, career, parental status, education, employment, gender, relationship status and social class.
- **Geographical** – targets users according to their geo-location by targeting either; a specific location, a radius around a specific location or at postcode level.
- **Remarketing** – targets users who have previously interacted with your website.

The next thing to consider, after your audience, neatly summed up by the Digital Marketing Institute. They say that you must set your goals and add the human touch. They say:



As with anything in digital marketing, it is important to have your goals set from the off. Use existing data to determine what type of advertising awareness you need and set a fitting strategy. This will allow you determine short- and long-term goals.

Just because programmatic advertising relies on algorithms and machines, it needs human investment. There are different types of platforms, some of which offer fully or half-managed services. Others simply provide technical platforms, allowing you to run your programmatic buying activities on your own.

From there, you will need to allocate skilled people planning, controlling, and optimising your buying.



THE RELATIONSHIP BETWEEN DSPS, SSPS AND RTB

As with nearly everything in search and digital marketing, acronyms are common place. PPC is one area however that accounts for more than most. Three of the most important to get your head around are demand side platforms (DSPs), Supply Side Platforms (SSPs), and real-time bidding (RTB).

DSPs

A DSP is the name given to the automated purchasing software designed with the intent of buying ad space based on the pre-determined parameters of the business who own the ads. They are used to bid on and buy display, mobile, video and search ads, as per the digital strategy.

They facilitate the buyers through real-time bidding (RTB) and allow the business to choose the best fit in terms of where they want their ad to be shown. They also allow for the most competitive pricing meaning ads can be purchased at the best possible rate.

SSPs

Much like traditional supply and demand marketing there are two sides to the story. The supply side platform (SSP) is the publisher's version of the DSP. The SSP will allow the ad host the chance to obtain the best possible price for their ad space.

RTB

Real-time bidding (RTB) refers to the process of buying and selling online ad impressions through real-time auctions. During a RTB auction, the buyer bids on an impression and if the bid is won, the ad is instantly displayed on the publisher's site. The whole process takes place within a matter of milliseconds.

RTBs allow you to gain access to thousands of ad exchanges and publishers that allow you to display your ads on selected websites across the internet. By utilising a mixture of individual and layered targeting methods to determine the right bid, for the right users, in the right place at the right time RTB can offer you the greatest return on your paid search.

There are many advantages to RTB and various ways to incorporate it into your strategy. Here are some of the methods we recommend:

- **Layered targeting** - Most targeting methods can be layered on top on one another to create more focused target audiences. The process of analysing which aspects of each campaign is working best, creating a bespoke target audience by layering targeting methods to focus purely on this subset of users and create specific ads for these users is an advanced optimisation practice conducted on all display campaigns.

Segmentation is another key principle of any targeting strategy as it allows you to target different segments of your audience with messages that are specific to them. The main targeting methods are:

- **Location targeting** - Target users in a specific location that your business services or tailor ad messages exclusively to different locations.
- **Ad scheduling** - Decide what times of day and days of the week you want your ads to appear on.
- **Demographics** - Target your users based on gender, age and parental status.
- **Remarketing** - This allows you to show content to users that have previously visited your site, used your mobile app or interacted with videos on your YouTube Channel. This is a great opportunity to reconnect with users and encourage them to return to the site and convert on their second visit. By tailoring your remarketing ad messages exclusively to different user segment groups depending on their previously demonstrated level of engagement, pages viewed, source the users entered your site through or activity they performed on the site.
- **Affinity audiences** - Google provides a choice of over 80 unique user characteristics around lifestyle and interests based on search and browser history. This form of targeting helps you reach users who demonstrated a qualified interest in particular topic and who, therefore, are more likely to engage with your brand. Affinity audience targeting one step further with bespoke affinity audiences that are created and tailored to your individual business needs.
- **In-market audiences** - This allows your ads to reach potential customers when they are actively browsing, searching or comparing the types of products you sell. This form of targeting is designed to reach users higher up in the purchase funnel.
- **Placements** - These are website ad slots in which your display ads appear. You can choose to show your ads only on certain domains; groups of domains focused around certain theme like travelling or home decorating.

Using automatic targeting that is adjusted as you learn more about the online behaviour of your chosen audience is vital.
- **Keyword (contextual) targeting** - Think about which keywords you will use and how it will describe the content you want your ads to appear next to. This can be your best performing search keywords or a unique designed mix that best describes the content of the pages you want your ads to be displayed with.
- **Topic targeting** - A broader form of site content targeting is topic targeting where you can chose to display your ads on pages that relate to a particular topic.

DRAWBACKS AND CONSIDERATIONS OF PROGRAMMATIC ADVERTISING

When it comes to using programmatic advertising as the primary method of ad buying there are a few things that are worth remembering. The first is that the machine led bidding and the placement of ads is only as good as the human data input. If the formulae and bid strategies are incorrectly optimised then you could see spend increase and the bids could be placed on irrelevant traffic, meaning a lower conversion rate.

One of the problems that businesses have to be wary of is that, if they don't optimise their bidding and target keywords, there is a chance that bids could be placed automatically on inappropriate sites. A prime example of this was back in 2018 when advertisers pulled their spend on YouTube as some content wasn't monitored and brands found themselves at risk of being placed alongside extremist content. Advertisers have also voiced similar concerns with social media advertising and the way the various platforms struggle to cope with extreme user content.

In a recent piece of research by Smart Insights, they highlighted the following three things that could become potential pitfalls:

Site bundling

In the RTB ecosystem, inventory is classified by site ID and each site ID is supposed to correlate to a single domain. Many publishers and ad exchanges bundle entire networks/websites of domains under a single site ID. This means an advertiser might think they are buying traffic on a premium site, but they actually end up with ads served on a completely different site, which could conflict with the brand.

Arbitrage

This can take many forms and impact various formats, including display and video. Basically, fraudulent publishers purchase traffic for a super-low cost and resell it for a multiple of the price. For example, a publisher may sell its inventory for £3 cost per thousand on average, but could well be purchasing suspect traffic to its site for a tiny fraction of the cost.

Botnets

Botnets are a large array of personal computers that have been compromised by fraudulent users. The fraudster completely control of these devices, programming them to load and click on ads, which generates legitimate-looking, but completely fake, impressions and clicks for advertisers.

FINAL THOUGHTS

This latest eBook has been designed and written with the intention of helping to make an otherwise complicated process as simple and easy to understand as possible. With this in mind, it should allow even a beginner to implement an automated buying strategy. Whether you use it for training purposes for new starters in your paid search department, or simply to refresh your own memory on the latest developments in a fast-changing practice, we hope you'll get something from it.



GET IN TOUCH WITH US TODAY

ABOUT US

Click Consult is a multi award-winning digital and search marketing agency with a focus on organic (SEO) and paid search (PPC). Part of global consumer brand business Ceuta Group, we have a team of 70-plus specialists and a portfolio of more than 60 clients worldwide.

Our complementary services include content marketing, outreach, social media, conversion rate optimisation (CRO) and international/multilingual search marketing. We can also offer training and consultation to support your teams or existing strategy.

Click was named Search Agency of the Year and Digital Agency of the Year 2018, adding to our long list of other awards and accolades, and also ranks within Econsultancy's 'Top 100 Digital Agencies', and Prolific North's 'Top 50 Digital Agencies'. We're also a Google Premier Partner, a Bing Select Partner and feature in The Drum Recommends.

YOUR BESPOKE PAID SEARCH (PPC) ANALYSIS AND REVIEW

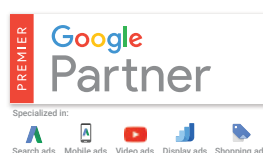
REQUEST NOW



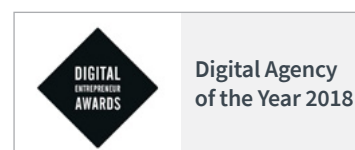
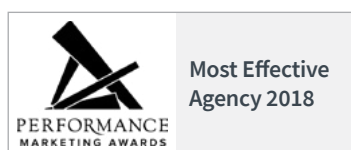
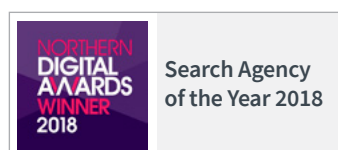
Follow us on [Facebook](#), [Twitter](#) or [LinkedIn](#), or to find out what Click Consult can do for you, call:

0845 205 0292

OUR ACCREDITATIONS



OUR AWARDS



OUR TECHNOLOGIES

monitor **TRAX** rank **TRAX** feed **TRAX** link **TRAX** pro **TRAX** page **TRAX**