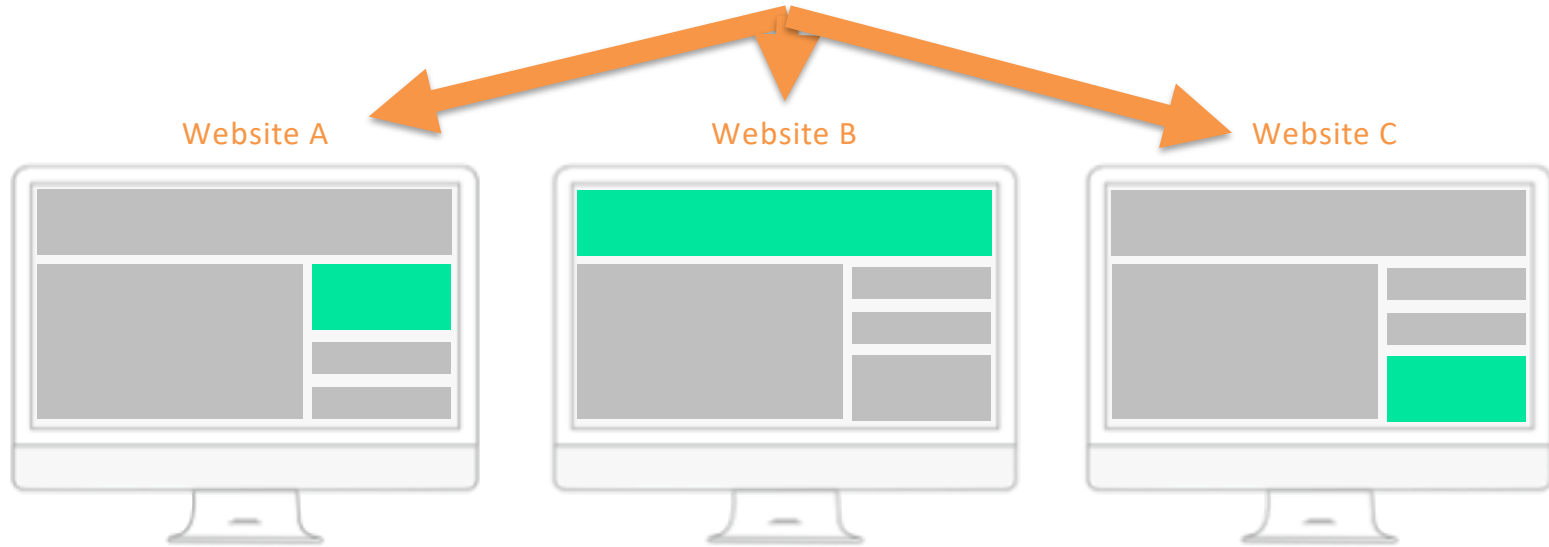


Ad Networks
Programmatic Advertising
Creative Advancement
Data Opportunities

AGENDA

Ad Networks



- Multiple websites connected to a platform
- Exclusive or first-look inventory
- Best option for reaching the mid-tail and long-tail





Remnant Inventory

- Ad networks had to fill most of the inventory, or else...
- Options: YM & Adsense
- Remnant = everything else
- Remnant monetization became the norm with the proliferation of ad exchanges





Ad exchange/marketplace

- An unbiased marketplace that surfaces ad opportunities on an RTB basis to buyers through a DSP
- Example: real estate agent for a seller (sell-side) vs real estate agent for a buyer (buy-side)
- Controlled by the OpenRTB standard (IAB)
- Publisher impact: more monetization / lower CPMs
- Advertiser impact: access to more and cheaper inventory



The Value



Scale



Unbiased



Audience Driven



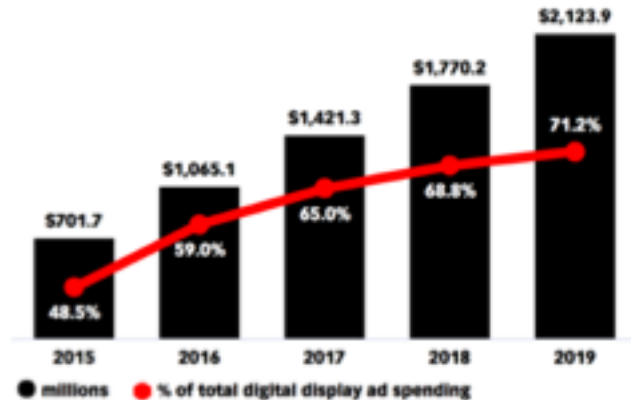
Standardization



Programmatic advertising growth

Programmatic Ad Spending

Canada, 2015-2019



Source: eMarketer, December 2017

www.eMarketer.com

Programmatic Ad Spending, by Device

Canada, 2018

Desktop/Laptop

millions \$467.1

Mobile*

millions \$1,303.1

Source: eMarketer, December 2017

www.eMarketer.com



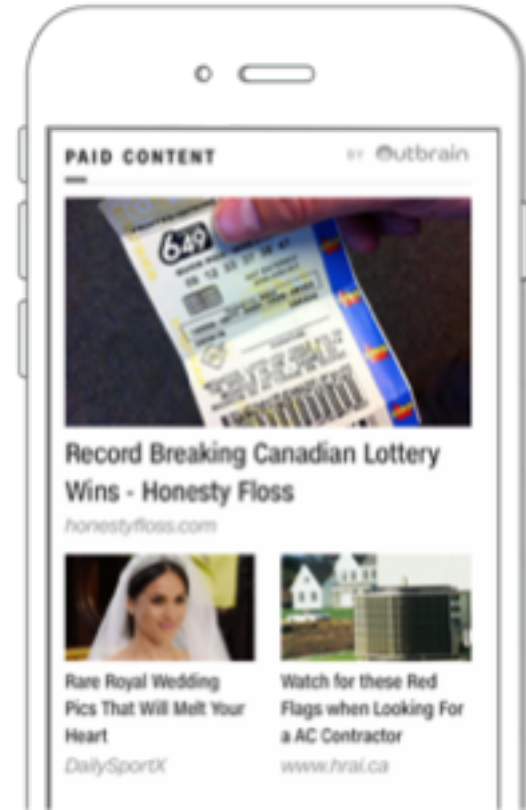


The challenges

- Heavy emphasis on programmatic for DR
 - Every click should lead to an action to prove ROI
 - Driven by last-click models
- Fraud
- Brand safety
- Viewability



... and poor user experience



Desktop Ad Blocking Rates in Canada, by Region, July 2016-Feb 2017

% of total tracked by comScore

British Columbia	18%
Ontario	19%
Quebec	20%
Atlantic	13%
Prairies	16%
French Canada*	20%
Total Canada	18%

*Note: ages 2+; panel data weighted to passive desktop levels; *based on preferred online browsing language and primary language spoken at home
Source: Interactive Advertising Bureau of Canada (IAB Canada) and comScore Inc., "IAB Canada Ad Blocking II Study," May 31, 2017*

It's easy to setup a campaign

Display ads explained.

1

Pick a format and create your ad.

Whether you're making simple text ads or using images, with the ad gallery included in your account, it can take only minutes.

2

Decide where your ads will run.

Display ads allow you to create highly targeted campaigns based on what you know about your customers, such as interests or demographics.

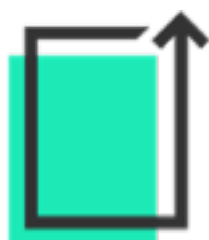
3

Set your budget.

Decide how much you want to spend to reach your target audience, and start showing your ads to the people who will be most receptive.

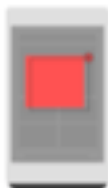
Retargeting





Coalition for Better Ads[®]

Pop-up Ads



Prestitial Ads



Ad Density Higher Than 30%



Flashing Animated Ads



Auto-playing Video Ads with Sound



Postitial Ads with Countdown



Full-screen Scrollover Ads

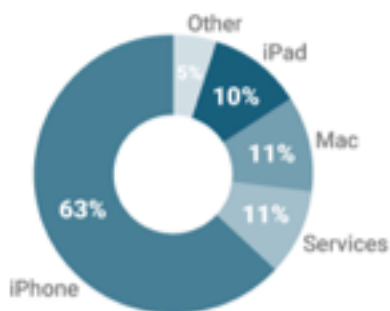


Large Sticky Ads

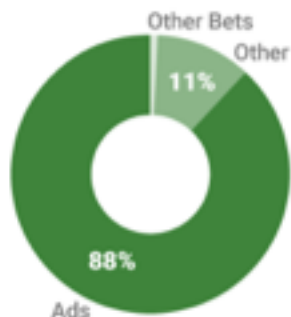


REVENUE STREAMS OF THE BIG 5 TECH COMPANIES

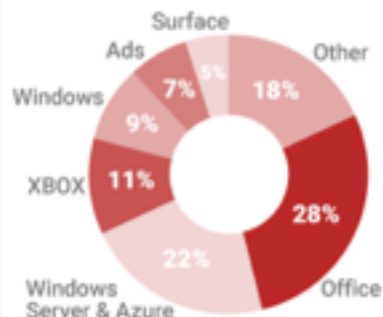
APPLE



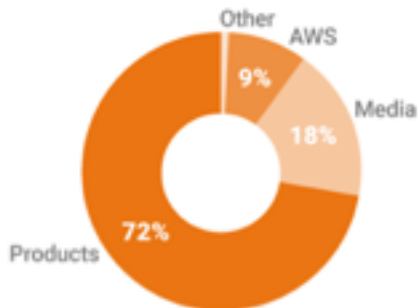
ALPHABET



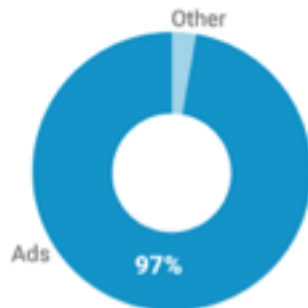
MICROSOFT



AMAZON



FACEBOOK

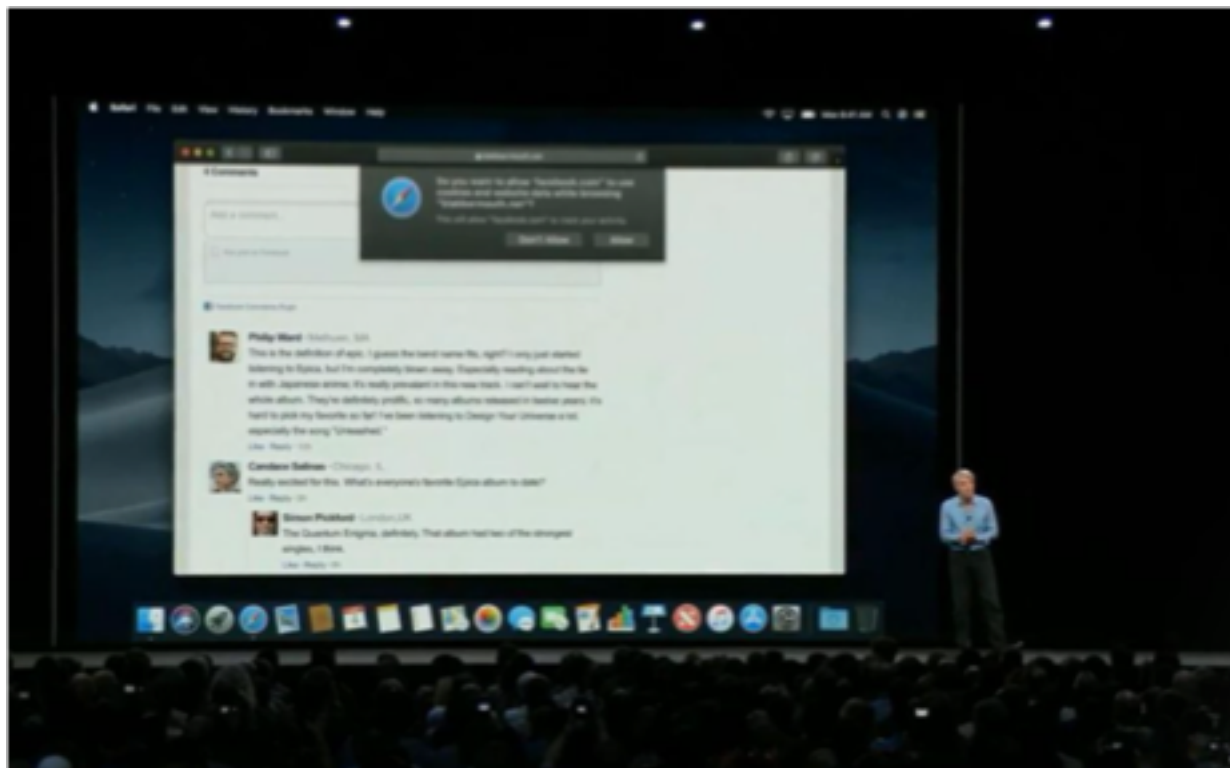




User Experience and Privacy > Advertising

Apple believes that people have a right to privacy – Safari was the first browser to block third-party cookies by default and Intelligent Tracking Prevention is a more advanced method for protecting user privacy.

Apple Limits Facebook



3 WAYS TO IMPROVE USER EXPERIENCE

To get the engagement needed from users, there are a few ways marketers can take to improve the user experience in display advertising.



1 Build engaging creative with a clear call-to-action



2 Use targeting strategies to personalize ads



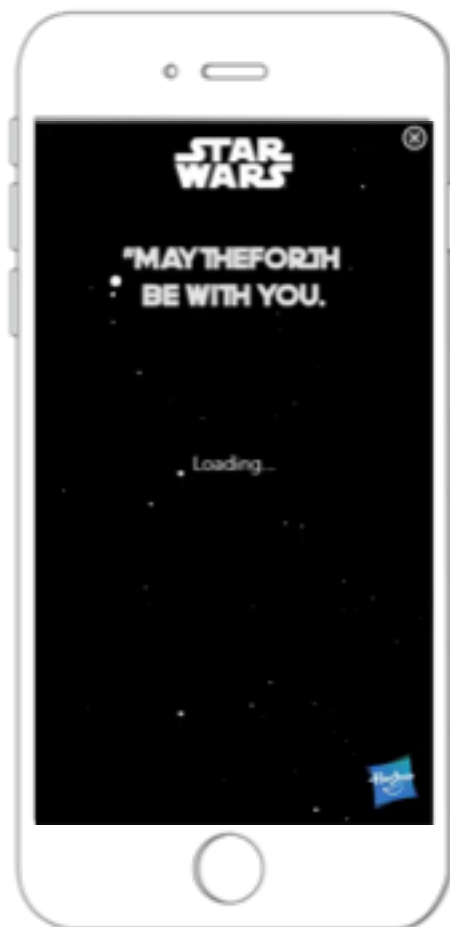
3 Enable frequency and recency to pace ads

[illegible]

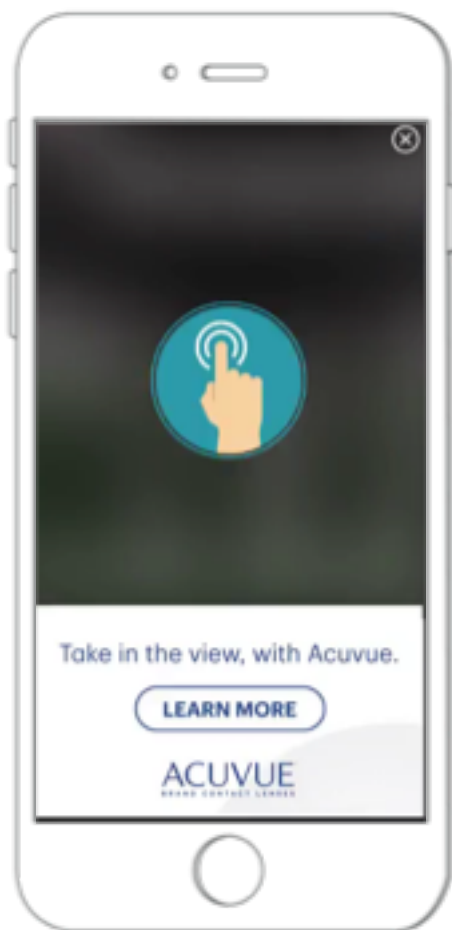
Device Sensors



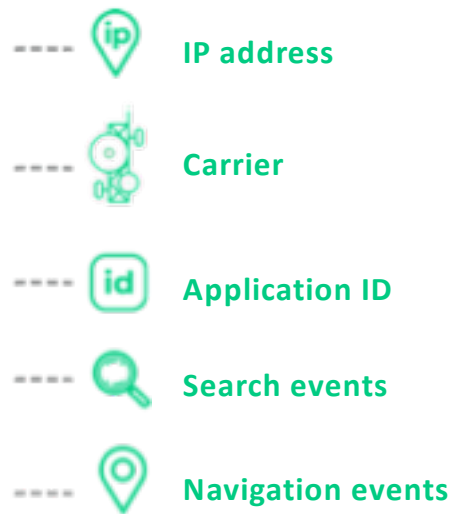
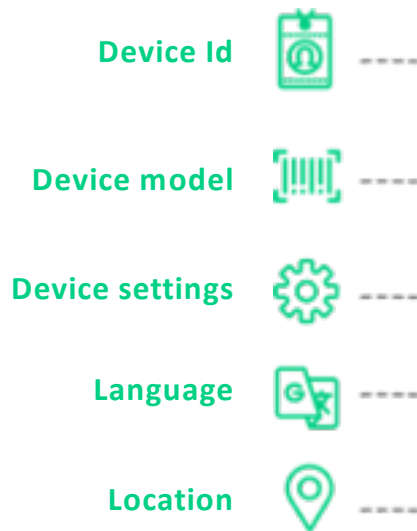






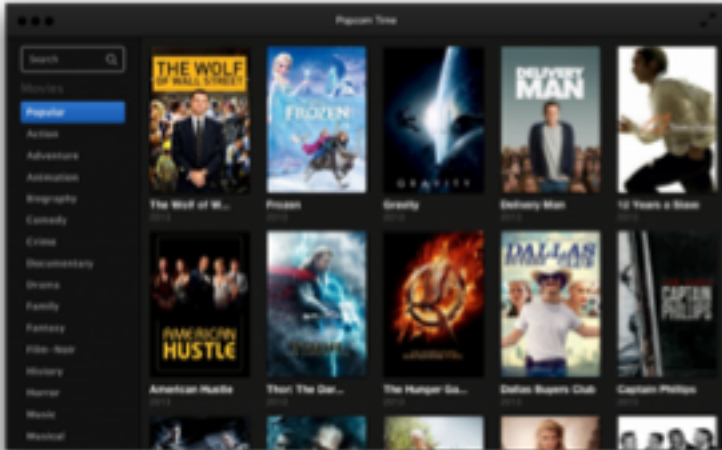


Data Signals



APIs

- Standardized access of structured data



DEVELOPER

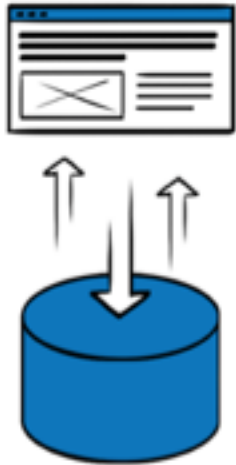


OpenTable®

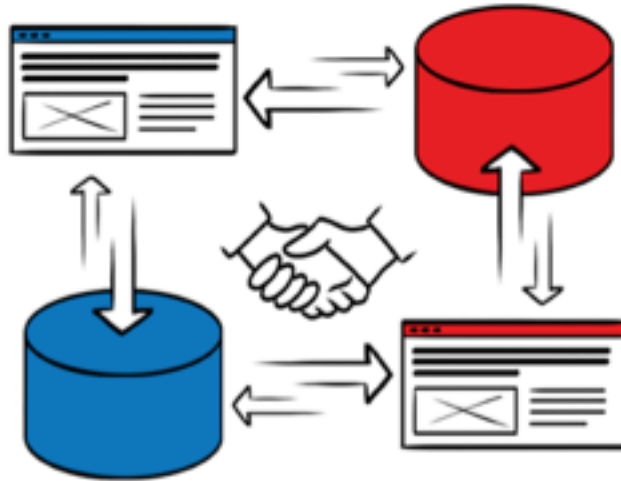


DMPs

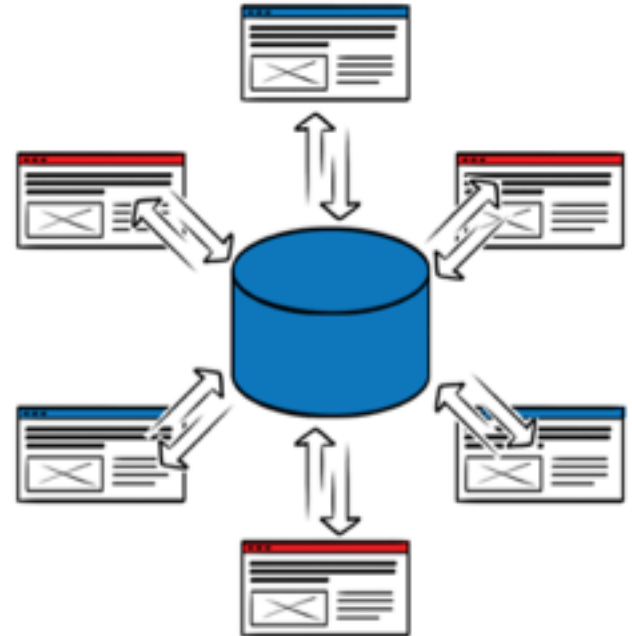
1st party data



2nd party data



3rd party data



KMs Away
Dataset: Location



Data-App Aware
Dataset: 3rd party app data



App Aware
Dataset: 1st and 3rd
party





Best Practices for Building Rich Media

- Clear CTA
- CTA button should contrast background
- Brand name and logo
- Intuitive interaction features
- Keep the assets lightweight
- Target accordingly





Proven results

- Standard rich media: 8.9% engagement rates with 5.5 seconds time on unit
- Advanced rich media: 16.6% and 17 second time on unit
- 1.9x increase in engagement rates
- 3x increase in time on unit





Time to look at the data



Bidstream

- IP, GPS or user-inputted
- Source: ad exchanges
- Data age is undefined
- Limited to user accessing the app
- Good scale and poor accuracy
- Output: lat/long, device id and timestamp
- Good for: neighborhood/city level targeting and analyzing geographical visitation





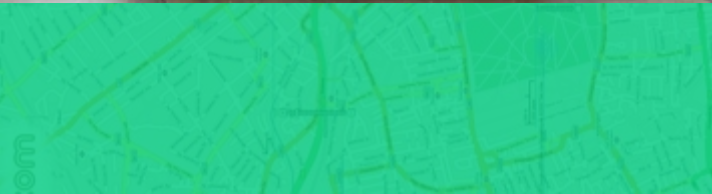
SDK derived

- Data is collected in the background
- Must be user-opted in
- Accurate to >30m
- Limited scale
- Output: lat/long, device id, dwell time and vertical/horizontal accuracy
- Good for: foot traffic measurement and granular targeting





- Data-starved
- Ability to index locations
- Sequential messaging (OOH -> Digital)



Path to Purchase



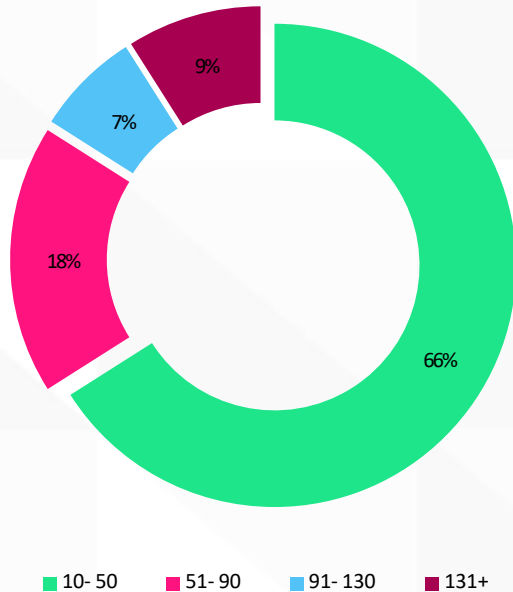
Study for a Children's toy manufacturer

The study tracked users who visited **children's toy stores** (Toys R Us, Build A Bear, Lego, etc.) and **children's clothing stores** (Gap Kids, Children's Place, etc.) over 180 day period.



Visit overview

of visits over 180 days



4M unique devices analyzed
977 points of interest

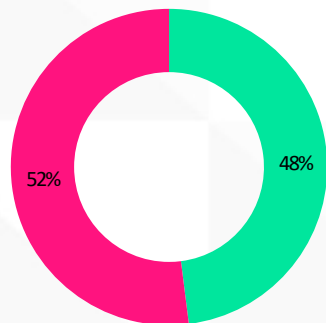
top points of interest

POI	# of Stores	Avg. # of Daily Visits
CHILDREN'S PLACE	100	145291
BABY GAP	52	88646
GAP KIDS	44	74316
GYMBOREE	36	68185
JUSTICE JUST FOR GIRLS	40	55848
CARTER'S OSHKOSH	118	47860
B'GOSH	65	35816
TOYS R US	17	33152
SOURIS MINI	13	26936
BUILD-A-BEAR	10	19859
LEGO STORE		



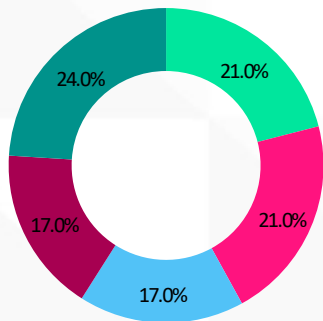
audience composition

gender



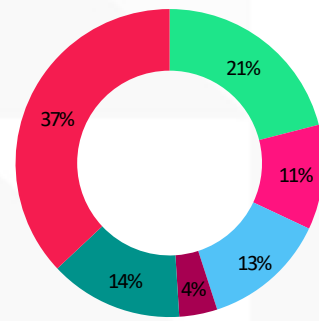
■ male ■ female

age



■ 18-24 ■ 25-34 ■ 35-44
■ 45-54 ■ 55-64

income



■ <\$25K ■ \$25k-\$40K
■ \$40k-\$60K ■ \$60K-\$75K
■ \$75K-\$100K ■ \$100k+



Study for a **national breakfast chain**

The study tracked users who visited **restaurants** over a 30 day period and the goal was to understand if there were consumers outside of the 55+ category.



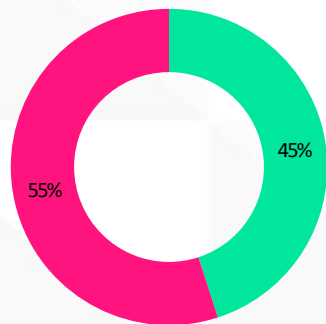
visit heatmap

70k unique devices analyzed



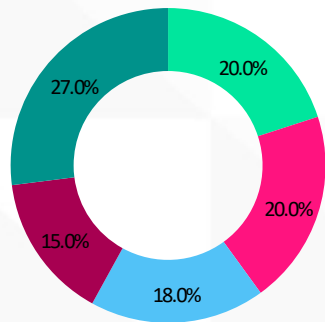
audience composition

gender



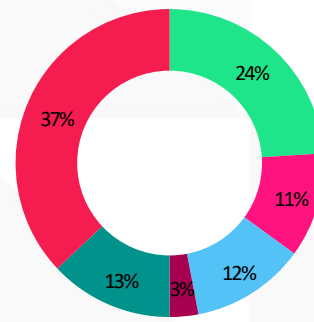
male female

age



18-24 25-34 35-44
45-54 55-64

income



<\$25K \$25k-\$40K
\$40k-\$60K \$60K-\$75K
\$75K-\$100K \$100k+



top geo-behaviours

POI	INTEREST
CINEPLEX	90%
TIM HORTONS	85%
SUBWAY	85%
STARBUCKS	79%
CHURCH	74%
SCOTIABANK	66%
SOURCE	63%
RBC ROYAL BANK	63%
SHOPPERS DRUG MART	63%
TD CANADA TRUST BRANCH & ATM	62%



SDK derived data evaluation

- How is the data acquired?
 - Raw vs aggregated
 - Bid stream vs SDK derived
- What fraud detection is in place?
- Methodology for detecting users in buildings?
- Makeup of the apps providing data?
- Density of location data points per user/day?
- Test?



Invest in the right talent

