



Forces of Change

A Road Map to Superior Performance



INTRODUCTION & OVERVIEW

Now is an exciting time for advertisers, with rapid advances in adtech and martech enhancing a brand's ability to deliver engaging messages.

Unfortunately, the landscape can seem like the "wild west," with some adtech intermediaries and walled gardens taking advantage of the lack of regulations and transparency. With this in mind, we've developed the following playbook so advertisers can audit delivery, demand accountability and garner attention from consumers.

It's 10PM:

**Do you know
where your
impressions are?**





LOOKING BACK: EXAMINE DELIVERY

The first thing advertisers need to do is shed light on their marketing efforts. Whether it is as simple as determining a message's contextual relevancy, in-target audience and optimal frequency or as complex as examining hyper-engaging platforms with a high-attention index, auditing media delivery needs to be part of an advertiser's routine. These are the steps to take.

1 Assess frequency waste.

Conduct an analysis of your ad server or DMP log files to understand the number of impressions that are served to consumers at too high a frequency. Many marketers still haven't fully adopted a programmatic approach and are buying inventory via multiple networks and DSPs as well as directly from publishers. This can have a negative impact on cost (you may be bidding against yourself for a given impression) but can also lead to an outcome where you reach a small group of consumers with your ad far too many times. If you don't know your optimal ad frequency, start with an obviously too-high figure (say, 30+ exposures in a month) and see what portion of impressions falls in that bucket, then refine over time. Bottom line: You aren't going to be able to persuade consumers who react negatively to your message because they have seen it too many times.

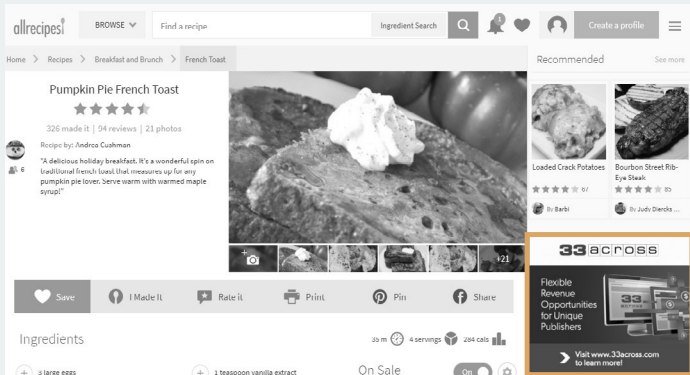
2

Examine your path to purchase.

There may be more than a hundred ways to access inventory on a given publisher's site. Some of these paths to purchase could actually be fraudulent via hidden spoofed domains, while others may simply be more costly, and thus less efficient. Some SSPs may be taking buy-side margins as well, decreasing your overall working media budget. To mitigate this, conduct ongoing audits of your SSPs or encourage your agency to work only with agency-certified SSPs.

Supply Path Optimization: Choosing the most efficient pipe

With the introduction of header bidding, multiple exchanges can return different prices for the same impression. Utilizing Omnicom data and technology assets, Hearts & Science is able to identify the most efficient path to purchase the impression.



SSP 1

\$6

SSP 2

\$5

DSP

Supply Path Optimization: Cutting out fraud from the market

Iframes and other tech allow networks/fraudsters to spoof inventory by making fake sites appear like the real ones to the DSP.



NETWORK

Network picks up ad call for following domain:
noillen2.netlify.com



SSP

In the SSP, the Network changes domain to appear as
allrecipes.com



DSP

DSP shows allrecipes.com was bought when in fact noillen2.netlify.com was purchased

3 Ensure contextual relevance.

Sit down with your media agency to review what works at the most granular, SKU-level of inventory (e.g., by format, screen, app or web, domain and via which supply path). Assess what's working and map top-performing inventory to contextual channels and relevant owned publishers. Be sure to assess whether these publishers and contextual channels are aligned to your brand identity and values, as well. Create white lists that combine quality contextual relevance and high performance with the best supply path and use this data to inform private marketplace (PMP) negotiations.

4 Stay on target.

Don't lose focus of your target audience. Deep understanding of your prospects and customer segments is the first step in auditing whether or not your campaigns are reaching—and persuading—them.

5 Understand the influence of ad format on persuasion.

Ad formats play a large role in campaign persuasiveness, but proxy media metrics like viewability can be misleading. For example, intrusive pop-up ads will have higher viewability rates than better-performing native ad units. To master persuasive units, run ongoing tests to see how different ad units impact KPIs. Use this information to establish a format-quality score index value that can be used to inform day-to-day campaign optimizations.

IMPROVING TODAY: DEMAND ACCOUNTABILITY

Once you understand where you've been, you need to examine the here and now. Testing is encouraged and don't be afraid of the dark.



DESIGN TESTS (AND CONSIDER GOING DARK)

Design an incrementality test for the walled garden platforms to analyze the impact (and business effects) of media reach within these platforms. Don't be afraid of going dark on a platform in the short term; understanding its true value provides long-term benefits.



DEMAND HIGHER QUALITY AND DEEPER GRANULARITY

Push your agencies to build granular views of media delivery, across formats and screens, including in-app. App coverage ranges between 20% and 50% within these data sets now—we need to widen the aperture to match where consumption is headed.



DOUBLE DOWN ON IDENTITY

What graph(s) are you using? What are the underlying data sets used and employed here—and how legitimate are they? Are you relying on deterministic or probabilistic modeling? Will these be compliant with changing regulations?



INTEGRATION WITH CLEAN ROOMS

Walled gardens supply sources are obfuscating data when it comes to audience and device graphs. However, it is critical to find a way to bounce all your hard-earned analysis with these sources through their clean rooms.

CREATING TOMORROW: VALUE ATTENTION

Historically, the main currency of media has been Reach. We believe, though, that advertisers and agencies need to value Attention going forward. After all, we are taught from a young age that attention is something we “pay” to important things. So how can you go from merely reaching a target consumer with your message to persuading them to pay attention to it?

1. Consider the screen.

The screen on which you deliver your message impacts how it will be received and interpreted. When determining how to convey your message, **use the “rule of the thumb”; the easier it is to physically control a screen using your thumb, the more engaged the user will be on that device.** Looking at the two screens most often used to consume content, it becomes clear this extra engagement presents risks to advertisers.

TVS

Users relax when first exposed to content and stay relaxed throughout a use session.

Ads do not elicit responses in users or impact their experience.

While consumers have a long history of acceptance of TV ads, networks are testing shorter ads since ad avoidance is a primary driver of movement to ad-free channels like Netflix and HBO.

SMARTPHONES

Users exhibit intense biometric reactions within a minute of content exposure.

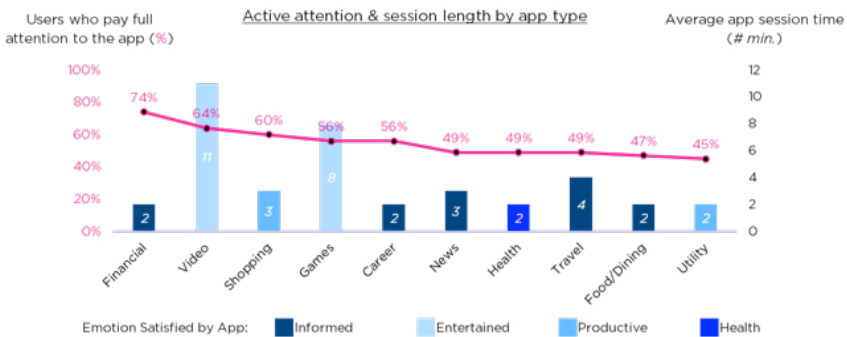
Ads elicit intense reactions in users, but some users think negatively about the brand that is advertising!

Most consumers are averse to intrusive ad units, due in part to a lack of control over the experience, and react more positively to native ad units overall.



2. Understand that not all attention is equal.

Our statistically significant research findings show that while people across all generations spend an average of five hours per day on mobile apps, **financial, video, shopping, games and career-oriented apps are the only ones where a majority of users pay full attention to the app during a session.** Video and game apps—which entertain the user—also have the longest average session times.



3. Consider the type of ad.

Users find pop-up ads to be more interfering, intrusive and invasive than native in-feed ads. Within one second of exposure to a **pop-up ad, users in our study began exhibiting a negative facial response, whereas in-feed ads** didn't produce this until roughly four seconds after they appeared.

4. Make sure the format, creative and messaging fit the app environment and app user.

In-app ads can drive brand recognition and build brand experiences—the key is to help consumers remember your brand, not because you rudely interrupted their Insta-time but because you actually added value to it. So take steps to ensure your ad is relevant to your audience—the individual using the app. Match the look and feel of the content this individual is consuming. And most importantly, **grant control to the user.**



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