

Programmatic promise for South African marketers

By [Jaco Lintvelt](#)

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The competition for consumers attention between brands in the digital media space is ever increasing and everywhere you go today on the internet there is some form of advertising following you.



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Whether you are doing a quick search for a restaurant close by on your phone, reading an article on a popular news website on your desktop, browsing through your Facebook timeline or sharing a photo on Instagram, there is always an advert or retargeting message trying to win your attention.

Marketers have a plethora of media options and platforms to choose from when it comes to digital, and who knows what 2017 will hold. The platform and audience fragmentation is making it difficult for marketers to make sure that they are covering all their bases and having conversations with their consumers on the right platforms. It has never been more important for marketers to stand out from the crowd, and the only way to do that is to be more relevant in their digital communication with their target market than their direct competitors. The good news for marketers is that it is indeed possible provided that brands keep a pulse on their consumers.

How can marketers become more relevant with their online communication strategies?

The answer lies in the usage of more consumer data and then activating those audiences that you know more about as a marketer, at the right time and place when consumers are in the right frame of mind to engage.

To fully utilise the consumer data, it is recommended that marketers use a form of technology to assist with buying decisions, otherwise the data can't be utilised in the most effective way. At the moment, agencies are using programmatic buying to fulfill this role. If you are still unclear about what the term programmatic media buying means, please have a look on the Interactive Advertising Bureau (IAB) [website](#) for a definition.

The point that I am making is that the programmatic media buying promise is not actually about buying at all, it is about data, technology and marketing automation, working together to deliver more relevant messages to personalise communication to your target market as they move through different life stages.

Programmatic buying in 2017 will be a year of rapid growth. Programmatic buying in the Sub Saharan Africa region has up until now been in its infancy, version 0.5 if you want to call it that.

In the latest IAB SA report (an industry survey conducted by PwC and sponsored by the IAB South Africa), it is clear that there is a very big shift towards real time bidding and programmatic buying.

As stated in the most recent report: "Another way to buy ads which have taken off in Western markets in recent years, and is emerging quickly in South Africa, is via demand-side platforms (DSPs) and ad exchanges. These are technology platforms where the ad-buying process is automated, also known as programmatic buying. DSPs allow media buyers to purchase inventory, typically via bids in ad exchanges. The price is based on auctions, often in real time, allowing for greater price transparency and budgeting flexibility."

The media marketplace is changing rapidly and the way media agencies plan, buy and execute on digital media will look very different in 2017 to what it did at the beginning of 2016.

When programmatic buying is done accurately it is about finding the correct audiences by working with quality publishers, activating the appropriate advertising for these audiences in real time, and streamlining transactions to create efficiencies and ultimately better business outcomes for clients by enabling more relevant advertising.

If marketers can use important customer relationship management data, together with the data that they can gain access to by working with specialist partners, then that will change the way marketing currently works and performs for them, as all the messages will become more addressable.

A few important factors around programmatic buying that will allow marketers to use data, technology and automation in a more successful way:

Programmatic buying is not a channel and it is most certainly not a product or a media strategy. You could rather think of programmatic as a stack of data, technology and people working in unison to deliver more efficiencies and effectiveness:

1. Programmatic buying is only as good as the data you base your decisions on. Firstly, it starts and ends with data, from a client's own data, to publisher audience behaviour data and even available market data from third party suppliers in South Africa. Data fuels the programmatic ecosystem and has changed digital display advertising for the better. Utilisation of data will make all the difference a marketer needs and even if you start using it in small quantities, start the journey in

2017.

2. Programmatic is about technology helping humans to keep up with the fragmented media landscape. Secondly, there is no getting around the fact that technology is one of the key enablers for programmatic media buying. Technology enables us to match the aforementioned advertiser data with the right audience and technology underpins modern media planning and buying. Technology is ultimately the process automation within programmatic that drives efficiencies and effectiveness, marketers should ensure that the technology works hard for them.

3. Programmatic media buying is about people. Thirdly, even if some of the work that is done within programmatic is on the bleeding edge of technological innovation, it is still heavily reliant on people. The fact that technology has become more sophisticated, the real value is in application and freeing up more time for analysis instead of implementation. Programmatic media buying, has not been around for long and there is not one strategy that will work for all brands. Marketers must make sure they are working with teams with experience that understand how to best utilise the technology to get the results they want. Automation and technology today does not necessarily mean downscaling the workforce, but rather automating dull and tedious tasks to give people more time for performing strategic tasks. Data and technology are meaningless without people to link them, and understanding the media landscape is still an important asset.

4. Programmatic is about reducing ad wastage. By being able to identify and target audiences, and not only by using media environments as a proxy for execution, marketers can reduce wasted ad impressions and increase return on ad spend. If predictions are believed, 2017 will be a tough financial year, and every media brand better invested will assist marketers tremendously to achieve their marketing objectives.

5. Programmatic is now also premium and new channels will be added. As in the good old days of advertising, the relationships between media owners and media agencies are still very important, despite the fact that programmatic buying would negatively impact media owners. Some agencies mistakenly believed that they will not require premium media owners in the programmatic age. How ironic, as these media owners are required to drive innovation in a technology focused world and now more than ever media owners can give agencies very valuable information on the audiences they generate. Programmatic buying will also extend outside of digital only and will start impacting the way marketers and agencies will plan and purchase digital out of home inventory or even streaming radio services.

A few of the predictions that will drive the South Africa programmatic space and give marketers new opportunities:

- Media owners will continue to be important audience delivery partners – no death of the premium publisher, just new ways of [partnering](#) together like programmatic guaranteed and market first customised [partnerships](#).
- The traditional way of the website as a proxy for specific audience planning, is changing to data driven audience-first planning.
- Detailed digital media schedules becoming broader; and more dynamic environment placement options with the opportunity to optimise across different media owners in real time - backed up with a relevant advertiser and publisher data schedule to justify audience targeting and approach.
- Creative material that was always developed before a campaign needs to be designed and customised on the fly in real time, as the campaign progresses and more data is captured to inform the message. Digital Creative agencies have a big opportunity to assist marketers to deliver personalised messages at scale, something that was not previously explored.
- Programmatic buying on open exchanges is shrinking and programmatic is becoming the way the entire digital media schedule is executed, across [performance](#) and or premium branding campaigns with awareness objectives.

If you are still not taking [programmatic seriously](#) as a marketer, publisher or agency in 2017, you are doing your business a *serious* disservice as the industry will be moving at an even quicker rate over the next three years, and we will need some assistance to keep up.

ABOUT THE AUTHOR

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