Programmatic Advertising: Back on the menu, but...
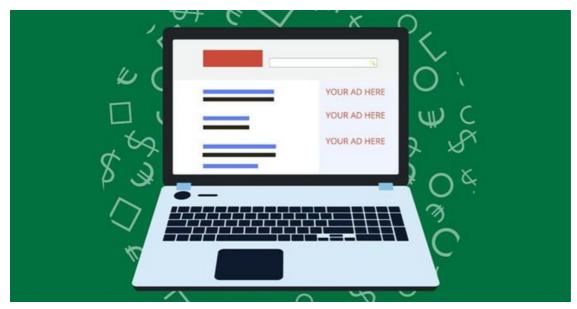
By Nick Hodge   29 Sep 2017

It's not difficult to see that for a number of local agencies, Facebook and Google is where it's at. In my estimation, up to 80% of digital budget are being directed at these two media giants, whether justified or not.

Programmatic advertising has been growing in strength each year, and has some big advantages over a single search or social strategy. Greater reach and new targeting capabilities continue to bolster its growth, and can dramatically increase your digital returns – if you can find the right team to help. Below are a few reasons why programmatic is back on the menu.

Targeting is much improved

There's no doubt that Facebook and Google have made it supremely easy to target the right audience. But programmatic advertising is not as off-target as in the past. Advancements in technology have made it far more accurate, while providing the space needed to experiment with new types of targeting. Think your market is 16-18 year olds? Programmatic can tell if the 28-35 age group doesn't offer better engagement.

It's also necessary to have the right team in place. While at the start of the campaign it might feel like a hit-and-miss affair, the key is optimisation. Ideally, clear KPIs must be set beforehand in order to make certain small test-runs achieve the correct campaign objectives. Only then should the campaign be opened-up to a larger audience.

Cost

The cost involved in running Facebook and Google campaigns is far from cheap, and will get even more costly in future. Sometimes you want to run a campaign that reaches far and wide, and with programmatic advertising this is possible. That said, for most advertising needs, it should not be an either/or approach. Rather, Facebook/Google and programmatic should coexist in the budget, allowing for a cross-platform approach that can reach different social strata.

Not everyone is on Facebook

The cost of data in South Africa makes accessing the internet a costly affair for certain local users. Not all potential

customers are actually on Facebook, or visit it often enough for it to be an effective strategy. In fact, the SA Social Media Landscape 2018 study states that only 29% of the South African population is using Facebook. What is true, however, is that in South Africa, mobile is king, and so making use of a successful mobile platform should ensure the optimal results.

Finding a good programmatic agency

There are agencies that can do programmatic advertising, and then there are those that can do it well. Finding the right one is essential for an effective campaign. Here's a quick checklist of what your agency should be able to do:

- Demand-side platform (DSP) ecosystems are complex, do they know how to optimise effectively?
- Do they assure not just the views, but also the required engagements, whether it be leads or downloads?
- Do they actually have access to premium inventory, or just claim to?
- Can you pick up the phone 24/7 to call and ask for assistance on a campaign?
- Do they have a flexible rate-card, or are willing to adjust pricing if need be?
- Are they connected to the global ComScore measurement platform which ensures you get what you pay for?

Various brands may be reluctant to test programmatic platforms, and with good reason. They have done so in the past and were burnt, either by an ineffective campaign, or an agency that lacked the skill-set and platforms to do it well. But with advancements in targeting technology and a rising cost-per-click for Facebook and Google, programmatic advertising deserves a second chance. And it will work, if well understood.

ABOUT NICK HODGE

With over 13 years' experience as a marketer, Nicholas Hodge (38) brings a deep knowledge of digital media plans, and insight on digital extensions to integrated advertising programs.
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