

Programmatic Buys Expected To Jump 21% This Year, Ad Exec Plans Outpace Publishers

by Joe Mandese, Monday, March 30, 2015

Programmatic media-buying is growing fast, but in an apparent paradox, it is growing faster among advertisers and agencies than the big publishers and ad networks they do business with. That paradox, which was uncovered in a new study being released this week by ad industry researcher Perceptions Group, suggests much of that growth might be coming from the supply-side's long tail.

While ad execs -- both advertisers and agencies responding to Perceptions Group's survey -- said they plan to boost the percentage of their digital media buys managed programmatically by 21% this year, media suppliers said they only expected to boost their programmatic sales by 4% this year.

Overall, the ad execs said they expected programmatic to account for 46% of all the digital media they will buy in 2015, up from 38% in 2014.

Marketers are somewhat more bullish on programmatic than agency executives for programmatic in 2015. While marketers surveyed said they plan to buy 47% of their digital media programmatically this year, agency executives said they plan to buy only 43% of their digital media programmatically this year.

Another big difference between the demand- and supply sides is the type of inventory being managed programmatically. While publishers and ad networks have more aggressive plans to utilize programmatic to sell higher-end inventory such as video (33%) and mobile audience impressions (39%), ad execs are more bullish on using it to buy conventional online display impressions (41%).

The survey also found an apparent disconnect between agency execs and marketers regarding the degree to which clients are currently -- and/or should be -- directly involved in programmatic decisions.

Agencies say they make two-thirds of major programmatic decisions, while marketers say that those decisions are shared evenly (50/50) between the client and agency.

Within the organization, agencies say that all programmatic decision types fall primarily to buyers/planners, while marketers report a more even distribution for decision-making among management and lower-level roles, as well as product and technology functions.

The survey also found that the spate of press coverage and industry conference discussions surrounding "viewability" and non-human traffic issues appears to be having a significant impact on the role of programmatic among both buyers and sellers alike.