

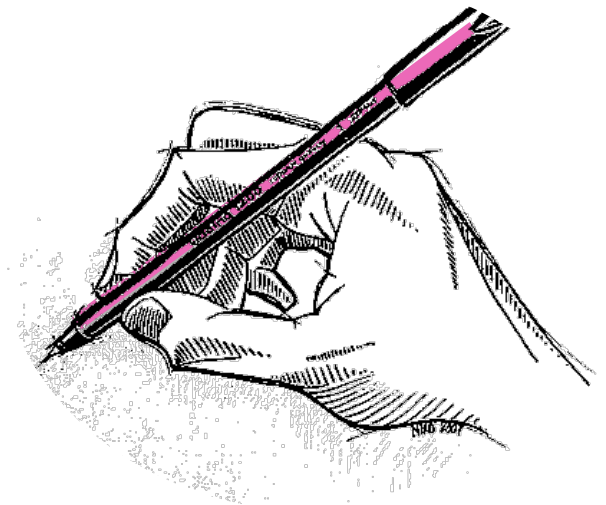
THE ART & SCIENCE OF
PROGRAMMATIC
CREATIVE

Strategy and Kickoff

flashtalking“”

V1.0 6-15-2016

"Principles for the Development of a Complete Mind: Study the science of art. Study the art of science. Develop your senses- especially learn how to see. Realize that everything connects to everything else."
– Leonardo Da Vinci



WHAT IS PROGRAMMATIC CREATIVE?

Programmatic Creative is personalized and relevant advertising, automated by logic and powered by data.

Data in this case, can be defined as “something you know about the person seeing your ad.” It can come in many forms including:

Using data, advertisers can show a different ad message to each viewer, in real time, on the fly. The result is a seamless, relevant and personalized experience for the consumer.

These guys are looking at your ad online.

WHAT DO WE KNOW ABOUT THESE GUYS?

This guy lives on the
WEST COAST

Let's show him an ad promoting a big **West Coast** travel destination.

This guy lives on the
EAST COAST

Let's show him an ad promoting a big **East Coast** travel destination.



Got it? Now let's get a bit more complicated. Your target audience is likely a group of millions of people, and you know all kinds of information on them that you can use to determine what message they see. And YES –even the most complicated campaigns can still happen automatically and in real time.

WHY IS PROGRAMMATIC CREATIVE IMPORTANT?

Because it works.
It drives both
performance AND
efficiency.

Programmatic Creative delivers
on every important marketing KPI.

- ✓ Brand favorability
- ✓ Awareness
- ✓ Recall
- ✓ Social media followers
- ✓ Message impact
- ✓ Relevance
- ✓ Lead generation
- ✓ Cost per lead
- ✓ Website visits
- ✓ Cost per acquisition
- ✓ Click through
- ✓ Engagement
- ✓ Interaction
- ✓ Revenue

20% – 30%
HIGHER
CONVERSION
RATES

YOU SHOULD KNOW
Some industries perform higher than
others: Travel, Retail, Finance and Auto

What advertiser's say about why they love PROGRAMMATIC CREATIVE

Programmatic Creative allows for hyper targeting

- * "We can align an advertiser's targeted media with relevant, targeted creative messaging."
- * "We deliver messaging tailored to individual users based on multiple data points."
- * "When I use ad server level targeting, it propagates across the entire media plan for a single universal media strategy."

Programmatic Creative results in MAJOR production efficiency

- * "I love the ease of creating a single master creative to be used for all campaigns and being able to control desktop, tablet, and mobile message changes from a single consolidated update tool."

Programmatic Creative enables unprecedented speed to market

- * "I can promote real-time content, creating messaging updates across all formats in minutes vs. hours or days. This lets me be responsive to world events, news, sports, industry trends, and even allows me to better coordinate with my earned media (press coverage)."

HOW IS PROGRAMMATIC CREATIVE USED?



Programmatic Creative is used at all levels of the marketing funnel. Different strategies can be employed to get clients through the awareness to conversion journey.



BRANDING: create value and positive association

To build brand awareness and favorability, advertisers can use programmatic creative to capture attention and appeal to the head and heart of consumers on a wide level.

For example: Real-time content feeds can be used to capture attention and ensure relevancy in connecting the user to their environment.

Types of data used: Content Feeds, Sport Scores, Social Media, Recipes, Interests, Geography, Weather.



PROSPECTING: capture new clients

To build a stronger lead and prospect pool, advertisers can combine 3rd party data with a product or offering database to help engage viewers more deeply, tapping into their personal interests.

For example: Many brands utilize 3rd party data on intent and interest to reach an audience most likely to engage.

Types of data used: Demo, purchase intent, interests & behavior, contextual/keyword



CONVERSION: influence consumer to buy

At the final level, advertisers can convert customers that have an established relationship utilizing a product/offer database and a deep knowledge of the viewers' specific needs.

For example: This is the strategy most frequently employed for remarketing campaigns.

Types of data used: Retargeting, product database, pricing database, deals and offers.



Some brands only use one of these strategies, but all of them can be employed together to produce the highest impact in digital advertising.



THE FOUNDATIONS OF PROGRAMMATIC CREATIVE

TARGETED ADS

DYNAMIC CREATIVE

MULTIVARIATE OPTIMIZATION

Programmatic Creative can be executed in multiple ways to achieve the benefit of personalization. These executions have specific benefits and can be used alone or in concert to ensure advertisers are getting the most out of their campaigns.

“The Manual Car”

Targeted Ads use information about the audience to activate specific pre-built ads. This is most commonly used for a campaign with a limited number of end versions.

To illustrate the concept: A major sports league may want to promote specific teams that align with the viewers geography. Because the number of teams and ad units are finite, utilizing targeted ads makes sense. The advertiser can build a limited number of ads and simply ensure the correct ad is called based on the user's geography.

For these executions, the creative is developed in advance, but the logic for which ad to show is automated through the ad server, following the set of rules outlined by the advertiser.

Data about your audience triggers which pre-built ad to show



This user is in Charlotte



This user is in Chicago



This user is in Pittsburgh

“The Automatic Car”

In **Dynamic Creative**, data is activated *within the ad* to create a truly personalized, one-of-a-kind message.

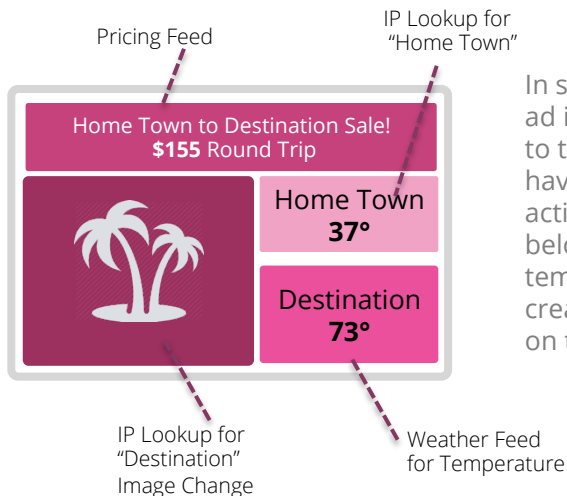
These ads are powered by a predetermined database of assets or a live data feed that works in conjunction with targeting data to automate the creation of an ad in real time.

An incredibly effective example of feed based execution is product retargeting. In this instance, when a user is detected as having visited a retailer's site, their product and pricing database is activated within the ad unit to showcase the specific items they browsed, or a curated product feed based off of pre-determined rules. (Such as trending products or items most frequently sold together.)

Dynamic Creative
can be powered by either

A predetermined
database of assets

A live data
feed



In some instances the data that is used to target the ad is also used as a creative element. In the example to the left, this travel advertiser is targeting cities that have a temperature under 40 degrees. Instead of just activating a static ad when the temperature drops below 40, a weather feed is used to show the exact temperature where the viewer is located. This creative element will change for every viewer based on their location and time of day.

Combinations from a digital asset library can be tested to produce the highest performing ad.



“The Self Driving Car”

Automated optimization is the most efficient use of programmatic creative at scale. In **Multivariate Optimization**, advertisers are testing the variable aspects of an ad to produce the best results.

Once a creative framework is developed for dynamic ads, automated logic can be triggered to ensure the best performing products, images, call to actions etc. are being showcased in the ad unit.



A COUPLE OF FREQUENTLY ASKED QUESTIONS

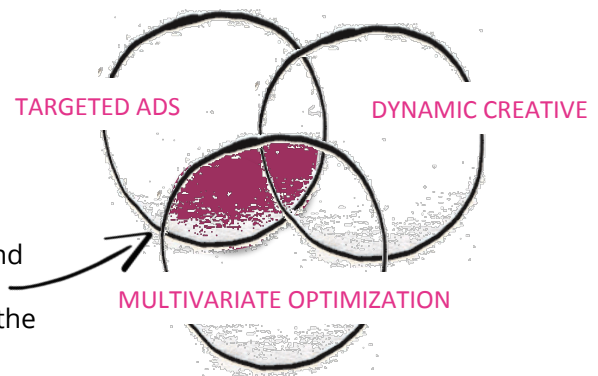
Can the different types
of programmatic ads
work together?



Pick one or all three.

The ad serving partner can help determine which executions are the most time and cost effective.

Targeted Ads can also be tested and optimized. In this scenario, the creative framework is still used in the strategy to pre-build ads to show.



"Programmatic Creative" goes by many names. Though each name might have a subtle difference in which aspect of programmatic creative it references, they are all trying to say the same thing: automated and relevant advertising, driven by data.

- ✓ Dynamic Creative
- ✓ Informed Creative
- ✓ Relatable Messages
- ✓ Addressable Messaging
- ✓ Moment-base Messaging
- ✓ Agile Creative
- ✓ Audience Driven Messaging
- ✓ DCO (dynamic creative optimization)
- ✓ MVO (Multivariate Optimization)
- ✓ Data-Driven Messaging
- ✓ Intelligent Messaging
- ✓ Relevant Messaging
- ✓ Smarter Messaging
- ✓ Responsive Messaging

Is programmatic
creative the same
thing as....?

"I have
many
aliases"



Get clarity.

If someone on the team uses one of these words, make sure you understand what, specifically, they are trying to communicate.

PROGRAMMATIC CREATIVE

GETTING STARTED

A STEP BY STEP GUIDE



STEP ONE:

Determine your Goals,
Audience and KPIs

Though programmatic creative campaigns seem complex, they start from the same place as any marketing campaign.

Each brand must reflect on their goals and audience to determine the measures of success. This information will be called upon in all future steps of the dynamic creative process.

GOALS

Programmatic creative can be used for any part of the marketing funnel. For each campaign, focus on a primary objective and outline your specific goal.

Branding, Prospecting, Conversion



Retail/eCommerce: I want to sell more products online



Retail/Store: I want to drive more traffic to my stores



Politics: I want to generate more social media followers



Auto: I want to drive more engagement with my website



Entertainment: I want to sell more tickets to my show



CPG: I want to engage my audience to show brand value



Travel: I want to drive more travel purchases



Finance: I want to create leads for my agents

AUDIENCE

Outline your audience and what you know about them. Ask yourself some critical questions and form a clear picture of your audience's needs.

Ask yourself some critical questions about your audience.

- ✓ Who are they?
- ✓ What do you know about them?
- ✓ What gets them to buy your product/services?
- ✓ How is your media plan designed to target your audience?

KPIs

What does a "good performance" mean to you? If you could generate a specific action, what would that be? These questions are critical to delivering a meaningful call-to-action, determining what factor you want to optimize your campaign to. This is the key to the "Optimization" aspect of programmatic creative.

CTR, CPA, Conversions, Engagements, Coupon use, Social shares, Speed to market...etc.



Example: Let's say you are an adult beverage manufacturer with various product lines to promote, employing a branding strategy. You might say, "I want to ensure I am promoting the adult beverage that is most appealing to my audience. I will judge performance on sign ups to a local event."

STEP TWO:

Segment the audience in your media plan

Tapping into what advertisers already know about the audience and how the media plan is designed to reach them, it's time to segment the audience.

This step is closely tied to what data brands already have on their audience and what data they *could* have on them. Consider **this outline** of the most commonly used data types.

1ST PARTY DATA SOURCES:

- ✓ CRM database
- ✓ Cookie pool

3RD PARTY DATA TYPES:

- ✓ Demographic
- ✓ Income
- ✓ Purchase intent
- ✓ Enthusiasts
- ✓ Behavior
- ✓ Contextual

Brands with more in-depth 1st party data knowledge can think about their customer's preferences. (website viewing behavior, past purchases, survey data, lifetime value, etc.)

GENERAL INFORMATION DATA:

- ✓ Day part
- ✓ Geography
- ✓ Device
- ✓ Browser

Now brainstorm ways to fill in a chart that answers what specific message each segment will respond to the best.

Data Type(s) ↓ • 1 st Party, 3 rd Party, Generic	Audience Segment ↓ • A defining behavior or descriptor	Characteristic ↓ • What they "want"	Message/ Product/ Image ↓ • What to show them
Geography + Demographic (Age appropriate for each country)	NEW CUSTOMER	They want to get knocked down	Show Cider products or test different products
3 rd Party Enthusiast Data	LIGHT WEIGHT	They want to get knocked down, but will likely get up again	Show Lager Products
Site Tagging – Retargeting	HEAVY DRINKER	You never gonna keep them down	Show Vodka Products



Example: Being the owner of an adult beverage manufacturer with a variety of products for various types of people, this is how you might segment your audience.



Using the message and segmentation chart, let's dive into which dynamic creative strategies to employ.

It is of the utmost importance that you involve your ad serving partner in this step, as they have the most knowledge in what the most efficient and cutting-edge strategies will work for your campaign needs. The **list** below showcases some of the most popular executions used by our clients.

THE MOST POPULAR DYNAMIC CREATIVE TACTICS

Live Events / RSS Feed:

The ad unit is built like a social media feed, allowing for headline changes and reactions to real-time events.

Contextual / Keyword:

Messages change based on the context of the information the user is reading.

Sequential Messaging:

Keeping track of both the number of times an ad is viewed, plus purchasing and site activity allows advertisers to plan messages in sequence that are relevant to the consumer's behavior.

Pricing and Offers:

Utilizing the advertiser's pricing and offer data, ad units can stay up-to-date momentarily.

Product Retargeting / Promotion :

A consumer comes to your site and looks at specific products, you can drop a cookie that allows you to re-message the specific products they looked at by feeding in your product database.

The product database can also be used for prospecting before a consumer has ever visited the site by employing recommendation engines.

Social Feeds:

Advertisers utilize their social media feeds within the ad unit to promote up-to-date social activity with a brand.

Store Locator:

Leveraging location data, the call-to-action can drive foot traffic to the nearest store.

Site Retargeting:

A consumer comes to your site and you drop a cookie allowing you to re-message them even after they have left to browse other sites/pages.

Day Part:

Messaging that changes based on time of day.

A/B Testing:

Most often employed when there is little data about the viewer.

The ad server chooses combinations from a pool of messages and images until a unique combination shows to be the one that generates the best outcome.

Time and cost are other factors to consider when choosing a strategy.



Example: Seeing that you are now an adult beverage retailer, you might choose product promotion to help reach your goal!

STEP FOUR: Develop Creative Framework

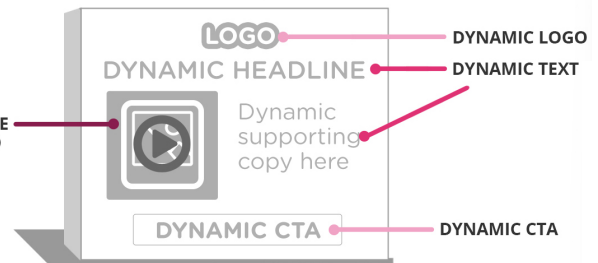
The creative framework is the structure and library used to determine how each uniquely personalized ad is put together. When developing a creative framework, be sure to create options of the most common campaign objectives and ad sizes. Follow these steps to develop the necessary foundations for a flexible framework.

1 Determine the **dynamic variables** needed for each framework, such as:

- ✓ Intro animation
- ✓ Headline
- ✓ Offer/Price
- ✓ Product image
- ✓ Background color
- ✓ Call to action
- ✓ Functionality
- ✓ Video



DYNAMIC IMAGE
AND/OR VIDEO



2 Create a **digital library** of image/copy for each ad size.



BACKGROUND



MESSAGE

Whiskey Drink

Lager Drink

Vodka Drink

Cider Drink

PRODUCT



CALL TO ACTION

Good Times

Better Times

3 For **each new campaign**, select a framework, select/create assets, route for approval and launch

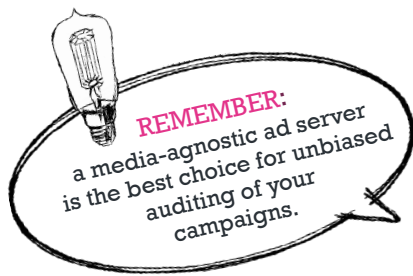
To see this strategy in action, go to:
flashtalking.com/chumbawumba



STEP FIVE: Measurement & Analytics Start with the end in mind

Always keeping the goal in mind, make sure you communicate what you want to see out of the results.

The way in which the campaign is set up in the ad server will ultimately give you the reporting you need to appropriately analyze the campaign. These three tips will help you get the most out of your reports:



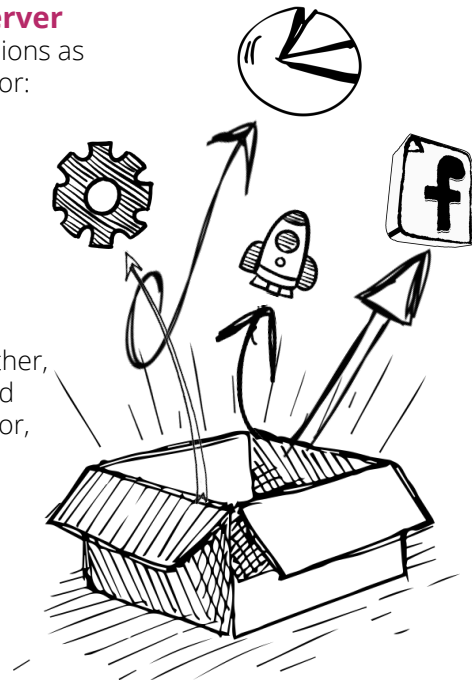
Set up campaigns to report on creative version performance as well as media placements. The combination of the two variables can often provide insights on why a certain placement performs or not.

Taking advantage of data available through the ad server to ensure you are reporting on the maximum number of impressions as accurately as possible. Ask your ad server if they have methods for:

- ✓ Tracking in **cookie-less** environments (mobile & tablet)
- ✓ Viewability
- ✓ Brand Safety
- ✓ Fraud Detection

Consider the benefits of utilizing your ad server for attribution. Instead of porting data from one platform to another, advertisers can find efficiencies and benefits from utilizing their ad server's attribution offering. Before choosing an attribution vendor, ensure you have considered the following:

- ✓ Fractional attribution is the only accurate method to ensure every touch point gets credit for a conversion.
- ✓ Multiple algorithmic models achieve the highest accuracy in assigning fractional credit to each interaction.



STEP SIX: Assemble your team and assign roles

Hold a meeting with the key players and ensure everyone is clear on their role. Ask the team to bring answers to the kickoff and ensure they are walking away with direct and specific tasks. The team Leader should also bring the thinking done from steps 1-3!



BEFORE THE MEETING

AD SERVER TEAM:

- ✓ Recommendations & best use cases for the brand's strategy
- ✓ Pitfalls to avoid, ways to save time and money on execution

CREATIVE TEAM:

- ✓ What is the campaign big idea?
- ✓ What assets are/have been developed?

PRODUCTION TEAM:

- ✓ What are the technical limitations?
- ✓ What is the timeframe and cost of production?

MEDIA TEAM:

- ✓ What is the media strategy?
- ✓ What is the ad serving budget?
- ✓ Are there creative restrictions?

THE CLIENT:

- ✓ Which internal resources can connect 1st party data?
- ✓ Where is the production budget coming from?

How much experience do you have with programmatic creative and what has worked/not worked for you in the past?

AFTER THE MEETING

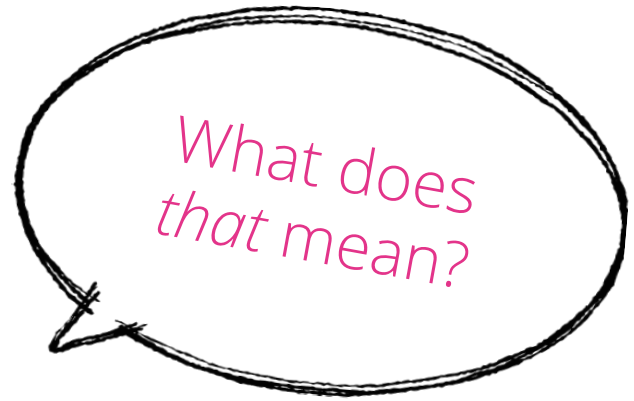
The most consistent pain point for advertisers is the lack of understanding on who does what. The roles and responsibilities are dependent on each advertiser, their level of programmatic creative savvy and the team they have assembled. See below for a typical outline of what each group is responsible for and adjust based on the campaign's specific needs.

Task	Team(s)	Task	Team(s)
Establish budget for Dynamic Creative	Ad Server, Media and Client	Gather Assets that work within the campaign Big Idea	Creative
Establish Audience Segments	Media and Client	Create plan for best dynamic strategy to implement	Ad Server, Media and Creative
Determine data resources, budget and internal technical requirements	Ad Server, Client and Media	Determine technical limitations, cost and time for development	Ad Server, Production
Establish messages for each segment	Creative	Establish project management, approval and QA process	Ad Server

Hey look, it's a

GLOSSARY!

(Almost as good
as speaking English)



Attribution: The act of giving credit to “what actually works” in advertising. Typically, advertisers use methods to attribute success to media providers, but it can also be used to give credit to specific creative executions.

CMP: Creative Management Platform. These platforms handle only a narrow aspect of the programmatic creative, most often just targeted ads or dynamic creative and rely on an outside ad server to manage delivery, reporting and analytics.

Decision Tree the visual representation of decision logic outlined in a flow chart.

Dynamic: changing. In advertising, dynamic means something that is flexible to adapt to environmental factors.

Feed or Data Feed: similar to an RSS feed, this is a live source of data. In digital advertising, Feeds are the term used for the content that is “fed” into an ad unit.

First Party data: information by an advertiser directly, about their audience.

Logic: a system or set of principles underlying the arrangements of elements so as to perform a specified task. In digital advertising, these are the if/then rules set for a campaign

Multivariate: involving two or more variable quantities. In digital advertising this is often the term used to describe the variable aspects in digital creative. (Background, image, headline, etc.)

Optimization: an act, process, or methodology of making something (as a design, system, or decision) as fully perfect, functional, or effective as possible; specifically : the mathematical procedures (as finding the maximum of a function) involved in this.

Programmatic: automated and data driven, without significant manual manipulation.

Retargeting/ Remessaging: a form of online targeted advertising based on their previous Internet actions.

Third Party data: Data that an advertiser acquires from a multitude of outside sources. Normally used to help create consumer segments for targeting ads and marketing messages, third-party data often refers to information gathered from internet interactions.

PROGRAMMATIC CREATIVE

WORKSHEETS

TOOLS FOR PRACTICAL APPLICATION

- 1 Quick Start
- 2 Decisioning Matrix
- 3 What is a Decision Tree?
- 4 Client Technical Teams



QUICK START CHECK LIST

Use the **checklist** below to track your progress on the basic steps needed to execute your campaign.

ASSIGNED	IN PROGRESS	COMPLETED
☐	☐	☐ Outline Message Path to Goals
☐	☐	☐ Determine Data Feeds
☐	☐	☐ Create Decision Tree
☐	☐	☐ Manage Tags
☐	☐	☐ Develop Creative Framework
☐	☐	☐ Gather Multivariate Assets
☐	☐	☐ Production
☐	☐	☐ QA

Tips and Takeaways

- **Basic digital creative is still a struggle for many advertisers!** Even the idea of programmatic creative seems daunting. Take it step-by-step. Everyone and anyone can make 100% relevant campaigns.
- **Don't get overly fancy with decisions that won't move the needle** for your goals. Even programmatic creative has a limit on the rate of return. Talk to your ad serving partner to ensure you are avoiding major pitfalls.
- Most clients take at least one month to get their first programmatic creative ads up and running. Some clients take even longer. Keep this in mind and **set expectations accordingly.**

DECISIONING MATRIX

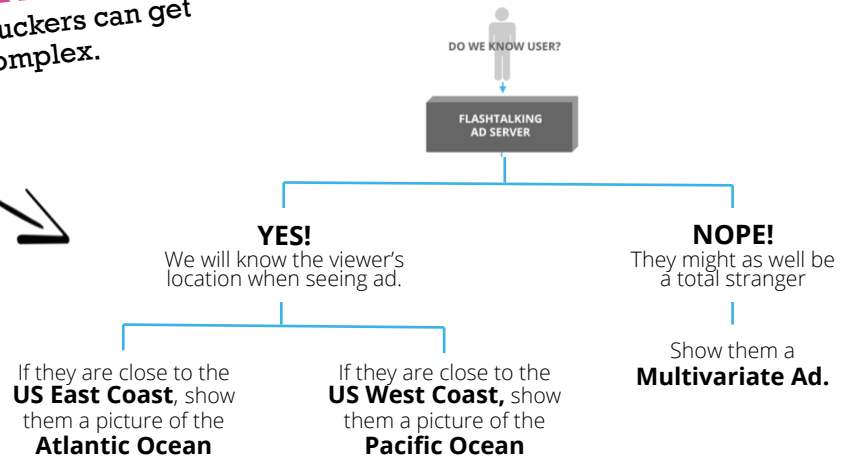
Fill in the **chart** below by brainstorming what specific message each of your audience segments will respond to the best.

[illegible]

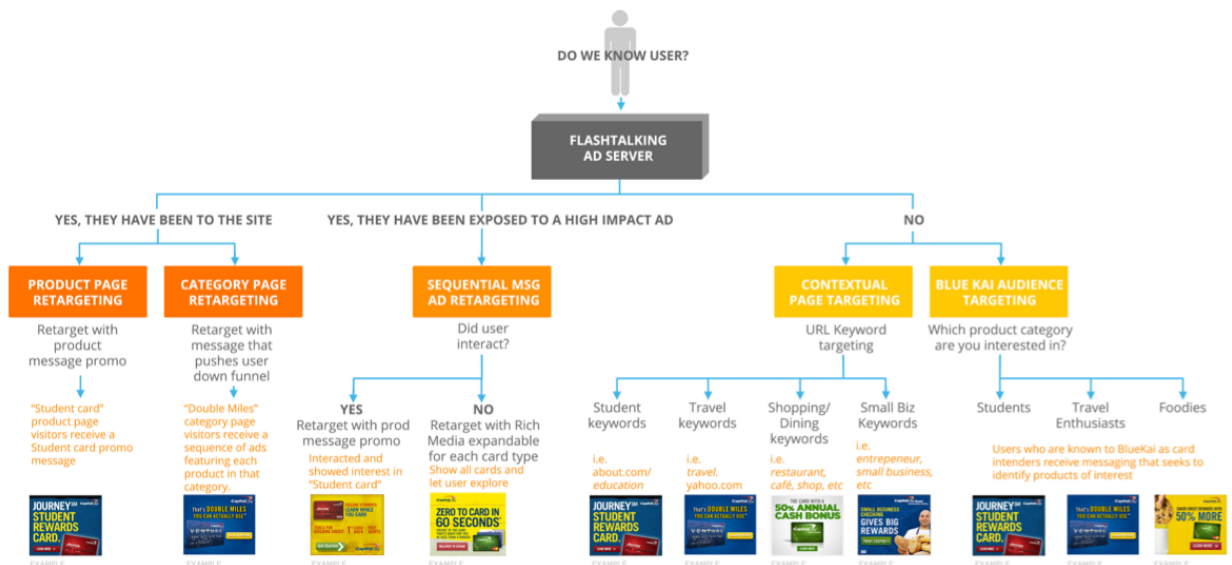
WHAT IS A **DECISION TREE** ?

Decision trees are a **visual outline** of the rules and logic used to create different messages to different viewers.

The example on the right is a **SUPER SIMPLE** decision tree. These suckers can get really, really complex.



EVERY DYNAMIC CAMPAIGN WILL REQUIRE A DECISION TREE
to ensure there is a clear understanding of the rules to follow when choosing the correct creative.



TIPS FOR MANAGING CLIENT TECHNICAL TEAMS

Barrier to BEST FRIEND

- ✓ A lot of **technical input** is required for a successful set up of any kind of data sharing from web traffic and product database
- ✓ Expect multiple **face-to-face meetings** with your technical team to figure out the details
- ✓ Expect some **delays** and **changes** to work flow
- ✓ Most importantly expect some **up front cost implications** to ensure a successful set up.
- ✓ Make sure there is an **established team** and **protocol** for internal trouble shooting and support.



WHY YOU SHOULD USE FLASHTALKING AS YOUR PROGRAMMATIC CREATIVE PARTNER

- ✓ Display.
- ✓ Mobile.
- ✓ Video.

Flashtalking provides:

Viewability as a data source to activation. Many other ad servers can't use viewability data to sequence messaging, providing a better experience for the consumer and a more effective outcome for the advertiser.

Real-time DSP/DMP Integrations. Most ad servers require antiquated methods of passing data back and forth that cause latency and ultimately loss of valuable data on customers. Flashtalking's forward-thinking integrations with DSP and DMP providers have developed a method of porting more data, faster, allowing advertisers to use data to creatively target every single ad.

Feed Automation. Advanced data feed delivery is critical to launching robust campaigns that range from linking multiple product databases to real-time updates of headlines and images.

Recommendation Engines. A critical feature in any product-based advertising campaign, recommendations engines are algorithms that ensure the products featured in an ad unit are intelligently selected.

The Trending Engine showcases products that are currently best selling.

The Learning Engine predicts the next product the user may be interested in. (Frequently bought together)

Fully transparent logs. Flashtalking lifts the shroud of secrecy and provides advertisers with full access to their data, AND, Flashtalking doesn't share data from one client to the next. Other ad servers with a self-interest in their media business often do.



The **ONLY** independent, unbiased, full service, 3rd party platform with the scale, expertise, and creative vision to handle your complete ad serving needs.

Shortcomings over CMP providers

CMPs without an ad server:

- **Rely on an external ad server**
- **Lack measurement or analytics expertise**

These platforms handle only a narrow aspect of the programmatic creative, most often just targeted ads or dynamic creative without the analysis or expertise to also deliver on measurement and analytics.

Pitfalls with other Ad Servers

Other Ad Servers:

- **Own and operate media that is often included in the analytics, compromising the objectivity of the reporting and analytics**
- **Provide a point-solution in ad serving, limited either mobile, video or display.**
- **Lack any sort of support or managed services to navigate the complexities of programmatic creative**

Clients frequently leave behind other ad servers due to their lack of advanced capabilities, support and transparency.