Direct ad buying - Have relationships taken a backseat?

By Graham Du Plessis

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There is now no doubt with the advent of programmatic and real time bidding (RTB) the nature in which brands & agencies relationships with publishers has changed.

Not even three years ago, at least in the South African online context, the way in which ad space was bought and sold was done via a direct one to one method through physically signed insertion orders (IO), which in turn had to traverse back and forth between publisher and buyer. Followed by creatives and then at month end a slew of invoices from the numerous sales houses and publishing groups to be reconciled by campaign.

Tedious much?

Now, factor in underperformances having to be queried, the back and forth as a result, recons conducted, invoices amended and low and behold, finally paid. Looking at this today it does certainly seem an incredibly time intensive process and not that efficient.

But that was the way things were done, we had no alternative.

Those days, it's safe to say, have seen their last, almost.

123RF

How things have changed. Three years on we definitely have moved full steam ahead into the programmatic era, and don't think I am just referring to old display here, for the sake of extreme simplicity and liberty on my part, I will just unceremoniously lump all of the real time buying and trading channels (Facebook & SEM included- basically any buying you don't need a human for). We now buy directly via technology partners and plugins, the days of that real face to face sale (and pitch) is waning fast, soon to be, if not already replaced by a product specialist team not selling space per say by content type, but rather the tech to access it.

Almost as if the 'sales' aspect has been benched permanently, but has it?

But then my question is now, where does that leave us as the brands and agencies with the publishers and sales teams after so many years of building relationships?

Pre the days of programmatic buying, RFPs would be sent out by the brands, packages and discounted traffic for the sales houses and publishers sales teams to pitch for their share of the ad budget. Relationships between media trader and account executives were tantamount to where budget was placed and in many a case made or broke a deal. Yes, reporting was basic and performance on your particular vertical was not always a given, publisher plus overbookings were the order of the day to squeeze as much out of a platform as possible. As long as the impressions ran there course – all was well.

Transparency and accountability has grown as advertisers know exactly where, when and to whom their ads are shown to, plus the control now sites with the buyer as we pay for what is served and delivered, nothing more and nothing less.

With this shift, data is now the order of the day, and no matter how much of a buzzword it is, this is a factor that is not going away – ever. Math men are the new mad men. First party data is a key asset to any brand and forms the building blocks of look-alike audiences and customer persona's which are in turn built on from the 3rd party data, available through the DSP's, SSP' and DMP's, private marketplaces, ad exchanges, mobile platforms, networks and so on.

No longer are we looking to direct placements, specific content categories, homepage ad spaces or bulk remnant buys which were the bread and butter of the pre-programmatic system, haggled and laboriously negotiated over phone and email.

Instant gratification is the order of the day now.

Speed is everything.

- Budgets are fluid, if it's not working on an audience profile, cohort or segment or switch to another (you are not locked into a buy)
- Budgets are not uniformly spread out in the hope of reaching a percentage of your target group - where wastage is inevitable, now we ensure our bang for buck by displaying to the most statistically relevant user as possible.
- The technology on-hand enables us to not just reach an audience we want to target on desktop, but across all devices, sending a different and tailored message at every touchpoint, educating then cultivating the audience till they have been converted.

- If insights and data are needed, it's there - at a granular level no need to ask for it.

Where does that leave the relationships I started talking about earlier on – my guess is sitting with the product specialists now.

ABOUT GRAHAM DU PLESSIS

Experienced digital and marketing professional, with an interest in ecommerce, product development and customer experience. Started in the martch environment before moving into the retail environment at Zando, rising quickly into the management space first as the head of mobile and then heading up the groups marketing initiatives. Currently at one of South

Africa's leading performance agencies, Incubeta, managing a client portfolio within the financial and retail space.
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