



A webinar series by
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DIGITAL MEDIA BUYING CONVERGES **DIRECT + PROGRAMMATIC**

..... PRESENTERS

Joanna O'Connell

VP, Principal Analyst at Forrester Research

April Weeks

SVP, Media Services & Operations

..... JUNE 2018

Webinar Series brought to you by

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CENTRO IN 2018

WE HAVE DELIVERED GREAT RESULTS FOR:

2,000+ Agencies

6,000+ Brands

200,000+ Campaigns

- ✓ National **Top 10** spender in digital media
- ✓ **\$500MM+** digital media spend last year
- ✓ **700+** Centrons in **41** North American offices
- ✓ **Innovators** in ad technology

A smartphone is shown at an angle, displaying the text 'YOUR EXPERTS TODAY' in large, white, bold, sans-serif capital letters on a black background. The phone is set against a dark wood-grain background.

**YOUR
EXPERTS
TODAY**



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VP, Principal Analyst at Forrester Research
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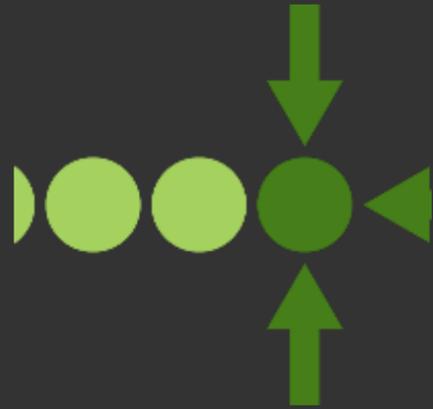


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Agenda

- › *Project objectives and approach*
- › *Key findings*
- › *Takeaways and discussion points*



Methodology

Custom online survey of 104 US digital media buying decision makers at advertising and / or marketing agencies

In 2018, Centro commissioned Forrester Consulting to explore how agencies are changing their digital media buying practices and the impact this change is having on the overall business.

This study looks at one specific area of media buying innovation — converged media buying — where agencies seek to leverage the best of both media worlds by bringing together the planning, capabilities, operations, and measurement of programmatic and direct media buying teams into a single unit.



Types of marketing

- › 100% - Digital media buying
- › 40% - Direct marketing
- › 38% - TV/print advertising
- › 26% - Organic search (SEO)
- › 26% - Database marketing



Annual digital ad spend (USD)

- › 5% - \$500K to less than \$1M
- › 41% - \$1M to less than \$10M
- › 22% - \$10M to less than \$50M
- › 17% - \$50M to less than \$100M
- › 14% - \$100M+



Title

- › 40% - C-level executive
- › 16% - Vice president
- › 32% - Director
- › 12% - Manager



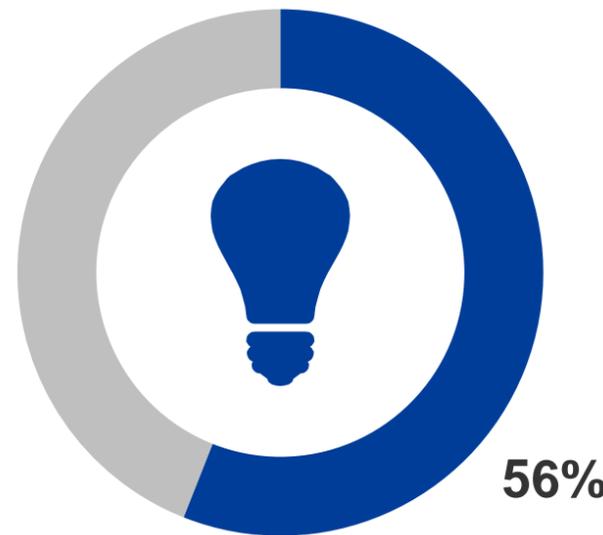
Responsibility — digital media buying strategy

- › 62% - Final decision maker
- › 34% - Part of a team deciding
- › 5% - Influence decisions

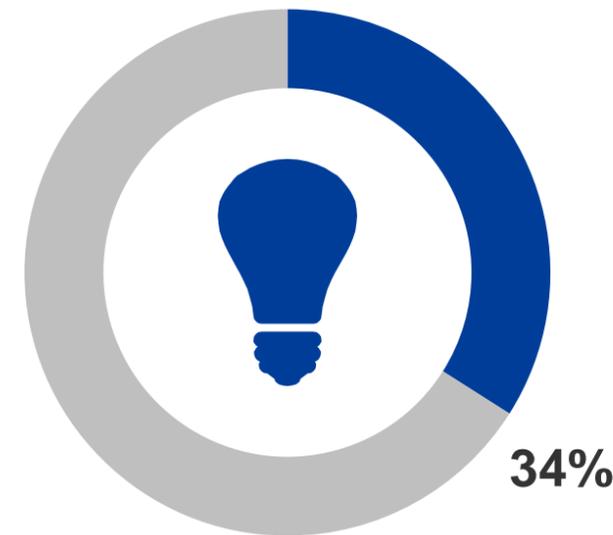
Innovation is an agency's lifeblood

Every agency in our study said that digital media buying innovation was at least somewhat important

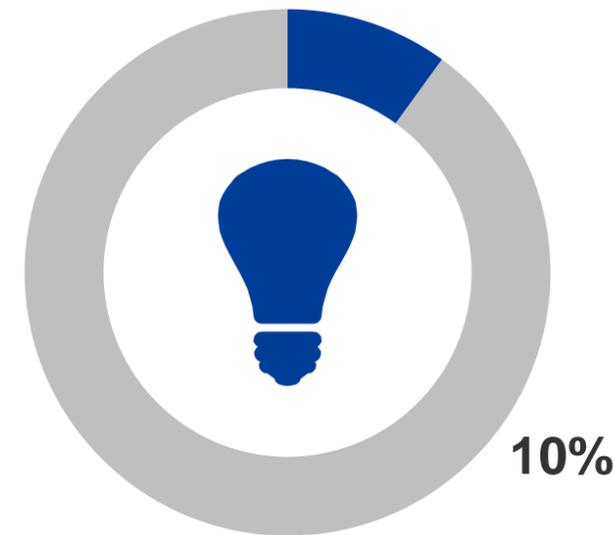
“How much of an emphasis does your agency place on **digital media buying innovation** to attract and serve your clients?”



Digital media buying innovation is **critical** to my agency



Digital media buying innovation is **very important** to my agency

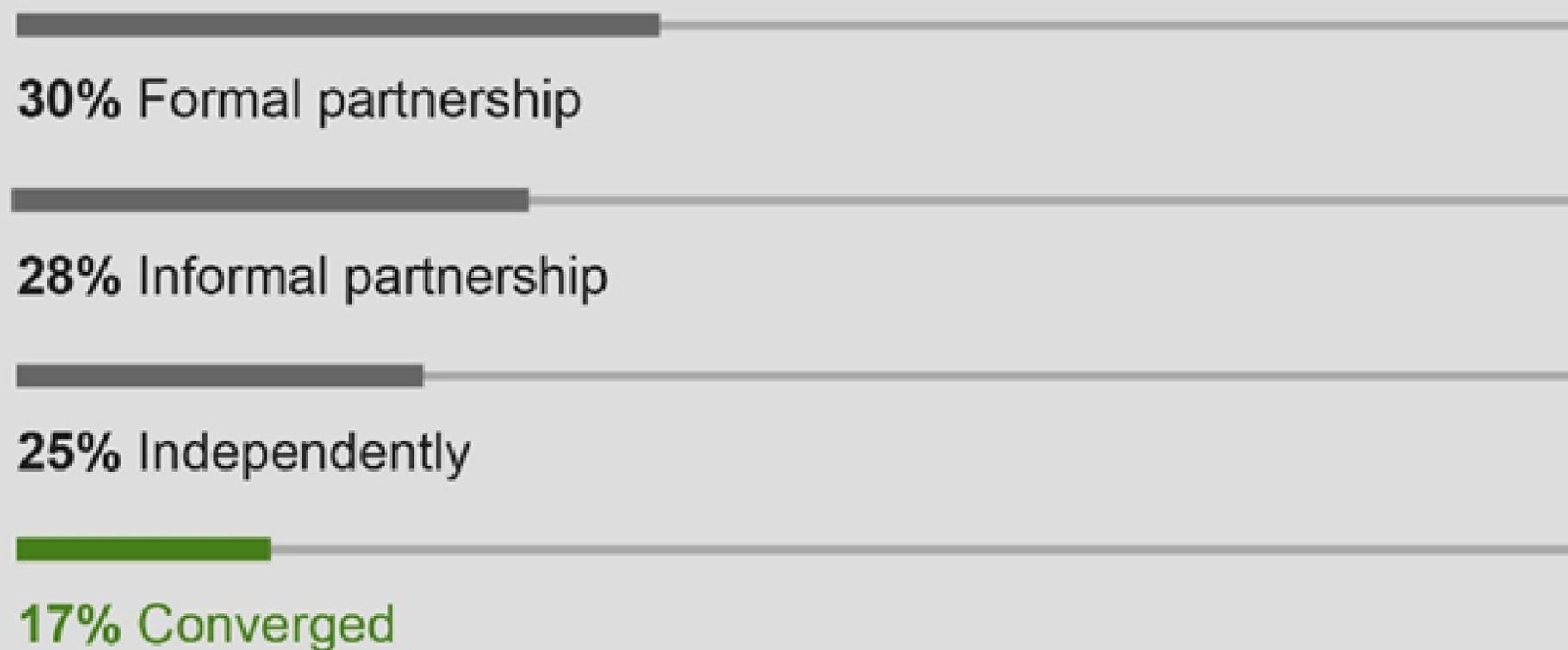


Digital media buying innovation is **somewhat important** to my agency

Base: 104 media buying strategy decision-makers at US advertising and or marketing agencies
Source: A commissioned study conducted by Forrester Consulting on behalf of Centro

A majority of firms have taken at least early steps to bring direct and programmatic together, but full convergence is a differentiator.

“Which of the following best describes how your agency's programmatic and direct media buying teams operate today?”



Agencies' innovation through converged media buying teams

Base: 104 media buying strategy decision-makers at US advertising and or marketing agencies
Source: A commissioned study conducted by Forrester Consulting on behalf of Centro

Cultural impediments are holding convergence efforts back



Agencies are more likely to struggle with process and cultural areas

“Which of the following areas has your agency focused on to move toward digital media buying convergence so far?”

81% Technology: We have begun to investigate or onboard technologies that will support a converged digital media buying practice

80% People: We have instituted hiring/training practices aimed at converged media buying capabilities

72% Process: We have begun designing/implementing shared processes, measurement, and capabilities that a converged digital media buying practice will need to function

62% Culture: We have focused on communicating/socializing the importance of converged media buying capabilities

Base: 104 media buying strategy decision-makers at US advertising and or marketing agencies
Source: A commissioned study conducted by Forrester Consulting on behalf of Centro

A majority of firms have taken at least early steps to bring direct and programmatic together, but full convergence is a differentiator.

“Which of the following challenges is your agency facing in innovating its digital media buying practice today?”

48% Difficulty overcoming data silos

40% Lack of skills/people resources to execute initiatives

39% Difficulty managing the operational and organizational shifts needed to execute

34% Difficulty overcoming organizational silos

Agencies struggle with change management challenges

Base: 104 media buying strategy decision-makers at US advertising and or marketing agencies
Source: A commissioned study conducted by Forrester Consulting on behalf of Centro

Convergence efforts expected to drive significant benefits



“Which of the following do you believe would result, should your agency successfully adopt digital media buying convergence?”

62% We would be better able to keep our clients

58% We would be better able to attract new clients

55% Our media campaign performance would improve

48% We would be more able to keep up with market innovations in media buying

45% We would be better able to hire and retain talent

41% Campaign reporting would become less labor-intensive

41% Campaign reporting would become simpler

39% We would have lower cost of service for our clients

35% We would be more able to holistically strategize media campaigns than other agencies

Base: 104 media buying strategy decision-makers at US advertising and or marketing agencies
Source: A commissioned study conducted by Forrester Consulting on behalf of Centro

Agencies prefer technology partners that can help ease adoption, visibility across data and organizational silos.

“Which of the following are most important to your agency when choosing technology partners to assist with digital media buying convergence?”

52% Tools that enable holistic buying across channels

51% How well the solution delivers a unified view of data across internal data silos, media channels, and buying approaches

50% The quality and availability of workflow tools to support collaboration processes

48% Ability to manage buys across both direct and programmatic digital media inventory

47% How well the solution integrates with other existing tools and platforms

Convergence efforts will require support



Base: 104 media buying strategy decision-makers at US advertising and or marketing agencies
Source: A commissioned study conducted by Forrester Consulting on behalf of Centro

Agencies turning to internal and external talent to help with convergence

*45% of agencies say that media buying convergence will help them retain talent



“How is your firm most likely to find/build personnel resources and talent to assist with digital media buying convergence?”

80% Training existing talent on converged capabilities

67% Hiring new talent from outside the agency

57% Bringing in third-party/outsourced talent

Base: 104 media buying strategy decision-makers at US advertising and or marketing agencies
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Future-Proof Your Business With Media Buying Convergence



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ASSUMPTIONS FOR THIS DISCUSSION



Your direct and programmatic digital buying functions are not yet completely converged.



Your team already possesses direct digital buying skillsets and expertise.



Much of your internal training needs will be programmatic focused.

OUR STORY

THE PATH TO CONVERGENCE

WHAT DROVE CENTRO'S CHOICE TO CONVERGE

1 CLIENT NEEDS

Dollars have shifted to programmatic

2 BETTER PERFORMANCE

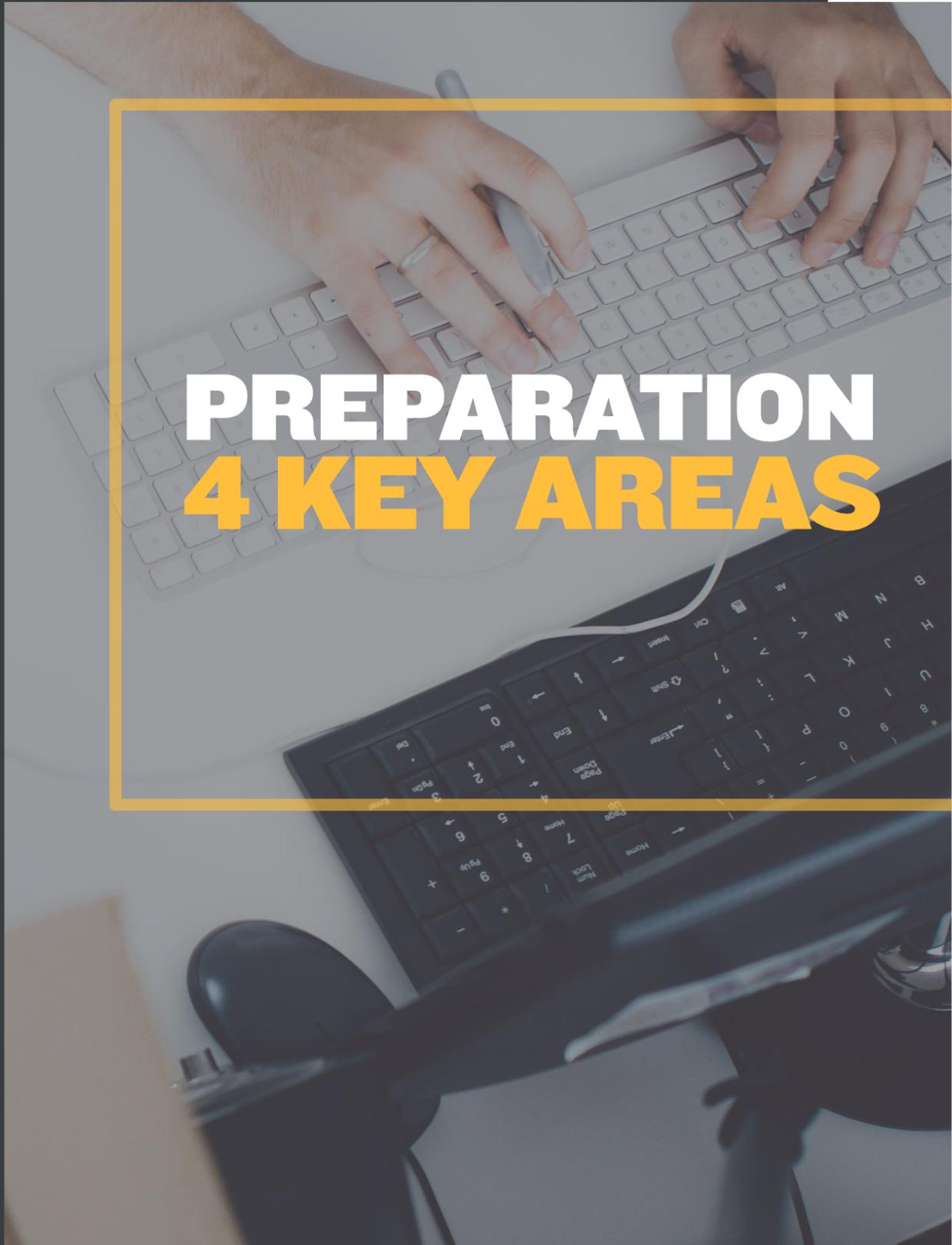
Universal view of a digital media plan

3 OPERATIONAL EFFICIENCIES

Leveraging the talent on both sides of the house

4 RETAINING TALENT

Creating career growth and expansion for our employees



PREPARATION 4 KEY AREAS



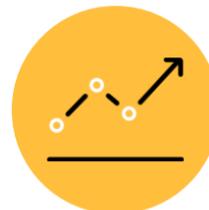
PEOPLE

- Identifying and hiring talent
- Change management needs



PROCESS

- Assess current process + what's needed
- Comprehensive documentation



KNOWLEDGE

- Training curriculum: initial + ongoing



TOOLS

- Technology needs



WHAT WE LEARNED

PEOPLE

- Don't underestimate the importance of change management
- Identify internal champions up front
- Create a buddy system

KNOWLEDGE

- Assume at least one FTE dedicated to creating and implementing training materials
- Take advantage of partner/ vendor resources & training
- Education is ongoing, not just during launch

PROCESS

- Create an ongoing dialogue for continuous feedback gathering and process refinement
- Assign an owner of your process playbook for ongoing maintenance

TOOLS

- No platform will perfectly fit into your existing process
- Decide up front between a managed service or self service path. This decision will dictate a lot!
- You will go slower before you go faster

**THANK
YOU.**

QUESTIONS?

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- **July 10**
The Programmatic Readiness Guide
- **July 17**
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- **July 24**
Media Buying Convergence Blueprint
- **July 25**
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