

AdAge



**A new study shows
dramatic growth in
automatic digital
ad placements**

The evolving programmatic landscape: Self-serve is on the rise

Sponsor content



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Media companies, agencies and marketers have all played critical roles in the growth of programmatic ad placements, but marketers have become one of the primary driving forces behind the growth of self-serve programmatic placements. Users are increasingly taking programmatic in-house, developing their programmatic capabilities and investing in data and technology. As marketers continue to strive for more transparency and control over their programmatic campaigns, so does the growth of self-serve programmatic technology and tools.

Among other key players, media companies have the data and inventory to make programmatic advertising possible, and they invest in developing programmatic technologies and capabilities. And as self-serve programmatic advertising matures, agencies act as intermediaries between media companies and marketers, helping to bridge the gap between technology and advertising.

In this white paper—informed by a new 2023 study by StackAdapt and Ad Age Studio 30—we take a look at the latest trends in programmatic ad placements, as a follow-up to StackAdapt’s initial [groundbreaking 2022 study](#) on this topic. This year, as in the past, StackAdapt studied agencies, media companies and marketers, detailing trends and revealing how respondents view the growing adoption of digital advertising, including programmatic advertising in general as well as the growing phenomenon of self-serve platforms.

We’ll also examine the challenges that remain, encountered both by seasoned and neophyte users of self-serve programmatic

platforms, and the obstacles perceived by those still reluctant to embrace this technology.

Complex but effective

According to [MarTech 360](#), self-serve programmatic advertising is “any media that enables an advertiser to specify campaign requirements and buy digital ad inventory without engaging with a sales representative or a publisher.”

A self-serve demand-side platform places control in the hands of the advertiser or user. Customization is simplified, including targeting and frequency. However, challenges remain.

“Programmatic advertising can be complex, with many different platforms, data sources and algorithms to navigate,” said Kailyn Pyatt, director of sales at StackAdapt. “It’s important that marketers continue to have the resources accessible to manage this complexity, partner with the right vendor, and optimize their campaigns effectively.”

With many different programmatic platforms, data sources and algorithms to navigate, StackAdapt’s new study strongly indicates that, as the industry continues to evolve, self-serve marketers themselves must evolve their technical expertise and industry knowledge with it. Without the requisite skills in-house to do the job properly, results will disappoint and confidence will lag.

An ancillary challenge is the level of support given by assigned reps of self-serve platforms; often it’s minimal. When getting familiar with any self-serve platform, there can be a learning curve in terms of platform functionality, underscoring the need to choose a self-serve partner

with superb technical and educational support. Let's examine this year's findings, how they compare with last year's results and the impact self-serve programmatic is having on media, marketers and agencies.

A need for hands-on control

Among the most significant findings of the 2023 study is the growth rate of self-serve platforms. It's apparent that agencies and marketers alike want more control over their campaigns with self-serve technology. This indicates a strong inclination for the people closest to the client or campaign to be the ones pulling the levers, and it looks like others are joining that camp as well.

The percentage of programmatic placements, and those placed specifically via self-serve platforms, both show and predict growth. Study respondents said that 37.6% of their digital advertising is estimated to be placed via programmatic in 2023, a significant uptick from the 33.8% in 2022. The surge is replicated with self-serve programmatic campaigns: In 2023, respondents estimated that 40.4% of their campaigns would be via self-serve, compared with 36.5% in 2022.

Drilling down by respondents' business type, as we saw in last year's survey, media companies are anticipating the largest growth in programmatic placements, going from 38.8% in 2021 to an estimated 51.1% by the end of 2023. Marketers are projecting going from 28.5% in 2021 to an estimated 36.9% in 2023, and agencies are expecting an increase of 7.7 percentage points, to 42%, second only to media companies.

"Agencies are key players in the growth of programmatic," said Meg Keevill, director of media and strategy at Colour. "These are the people with the broadest set of tools and skills. They are exposed to a variety of different industries, each with unique strategies and nuances. With this, they are motivated to test and learn from multiple different programmatic platforms and data sets, giving them the expertise to give feedback and provide innovative ideas to shape digital media trends and growth."

It's important to understand not only the what but also the why behind this surge in

programmatic ad placements. In fact, there are a number of factors that study respondents cite as most important to them. As indicated in the chart below, reaching relevant audiences via programmatically placed ads is a clear No. 1, followed by the ability to measure campaigns, the cost versus ROI of the campaigns and brand safety, all rated on a scale of 1 to 10.

Compared with the 2022 study, all relevant factors cited here actually have fallen slightly in importance among respondents, with one exception—the importance of cost and ROI has risen dramatically, not surprisingly given the economic climate we now live in.

Lastly in terms of these important factors, the study also asked respondents if, in their opinion, progress in programmatic placements were improving or regressing. On all factors, respondents felt that progress continues to be made, the technology is smoother and (with exceptions) the vendor support is good.

Another surprising turn is that the importance of contextual targeting and brand safety has not increased substantially, when there has been so much concern and buzz regarding user privacy and the deprecation of third-party cookies. In fact, these factors actually slipped a bit in importance, relative to other factors. This is likely due to the delay of

Important programmatic factors

Respondents rated issues on a scale of 1-10.

Issues	Importance
Reaching relevant audiences	8.88
Measurement	8.70
Cost/ROI	8.47
Brand safety	8.24
Ease of use	8.00
Diverse targeting tactics	7.90
Contextual targeting	7.81
Achieving scale	7.73
Platform speed	7.49
Inventory fragmentation	6.73

SOURCE: 2023 StackAdapt Research Survey of media companies, agencies and marketers. n=282.

“It’s important that marketers continue to have the resources accessible to manage programmatic’s complexity and optimize their campaigns effectively.”

Kailyn Pyatt, director of sales, StackAdapt

the “cookie-pocalypse.” With cookies still being relevant, many advertisers are continuing to rely on well-established behavioral strategies.

“Nevertheless, it’s important for users to continue testing and embracing new targeting methodologies such as contextual or first-party targeting in preparation for these changes to future-proof their targeting stack,” Pyatt said.

On the topic of channel importance, once again video and display came out on top, followed by native ads, connected TV and audio. While video leads the pack here, it’s clear that programmatic advertising can benefit a complete and coordinated multichannel campaign, and connected TV (CTV) shows every sign of increasing in rankings of this sort, given its explosive growth and its current place as a central pillar of digital campaigns.

Generally skilled staffing

Skills and preparedness continue to be of concern when adopting a self-serve approach to programmatic ad placements. Agencies and marketers were queried about how prepared their in-house teams are to place advertising directing with the use of a self-serve programmatic platform. Using a 10-point scale where 10 equals “extremely prepared,” this year respondents feel fairly well prepared with an overall average of 6.96, about the same as last year’s results, although agency respondents feel a bit more prepared (7.09) than marketers (6.59).

Among those respondents who feel well prepared in using self-serve programmatic platforms, they cited the following:

- “We are very experienced when it comes to various self-serve platforms.”
- “We have training in place and have kept on training.”
- “We have strong backgrounds in the platforms and in media buying with thought leaders at the helm of any updates to platforms or requirements.”
- “Our agency has dedicated programmatic teams that are trained on all self-service platforms.”
- “Software is easy to use and there are typically three specific points in audio and video content where we look to insert programmatic ads.”

The qualities that stand out

Respondents rated issues on a scale of 1-10.

Features	Importance
Analytics and reporting	7.72
Targeting options	7.53
Audience building	7.46
Campaign management	7.45
Access to quality inventory	7.41
Transparency	7.32
Contextual targeting capabilities	7.20
Self-serve platform choice	7.17
Predictive and look-alike algorithms	7.10
Campaign types	7.07
Account management support	7.03
Dynamic ads	7.02
Platform focus	7.00
Pay for performance model flexibility	7.00
Incremental lift	6.99
Bidding strategies	6.97
Data science capabilities	6.87
DMP integration	6.74
Creative support	6.15

SOURCE: 2023 StackAdapt Research Survey of media companies, agencies and marketers. n=282.

Asked again this year how easy or difficult it is (using a 10-point scale) to identify and hire appropriately trained programmatic buyers to use a self-serve programmatic platform, results continue to be mixed with an overall average of 5.37, up just a bit from last year (5.13), as respondents continue to be split on the question. And examining by company type showed very little difference in the ratings from agency (5.29), media (5.41) and marketer (5.59) respondents.

The qualities that stand out

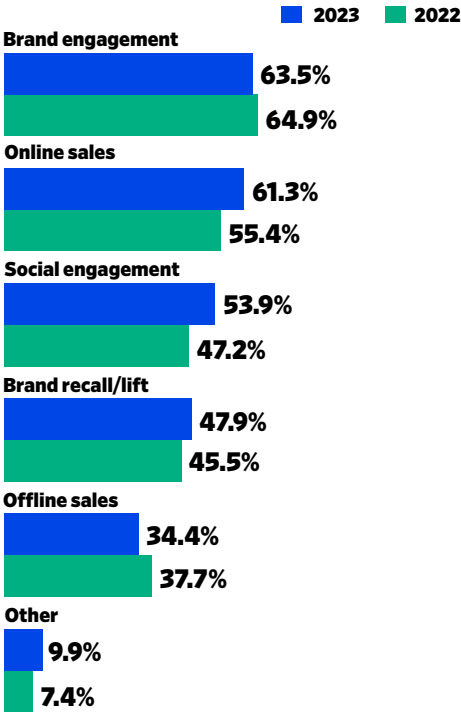
The respondents to StackAdapt’s 2023 study are unanimous in assigning a hierarchy of qualities to programmatic. Respondents feel a number of factors are extremely useful when using programmatic ad placements, with analytics and reporting leading the list, followed by targeting options, audience building, campaign management and access to quality inventory, again rated on a scale of 1 to 10 (see chart, page 4).

Agencies, media companies and marketers measure the effectiveness of digital advertising campaigns in many different ways. This year, brand engagement was listed as the most significant metric, followed by online sales, social engagement, brand recall/lift and offline sales in that order. The jump in online sales in order of important is significant, in advertisers’ desire for hard results (see chart, above).

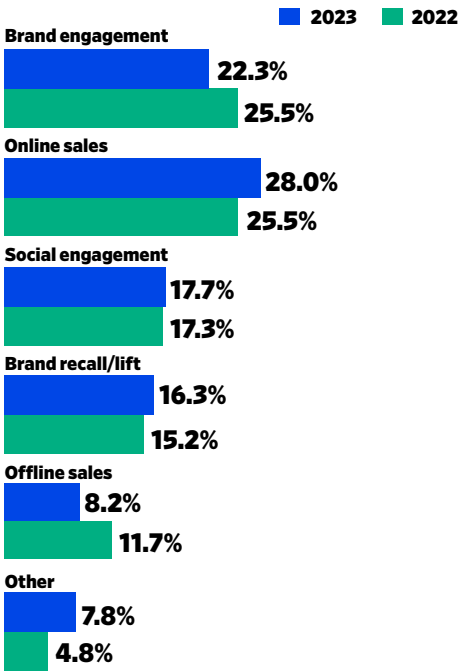
Most interesting were the results of the follow-up question: Which of these metrics do you believe have been most successful? Here we see that online sales now outperform brand engagement in measuring the success of a programmatic campaign, with a 6-percentage-point gap over “brand engagement,” as shown in the table. That is a strong outlier, since the other metrics pretty much follow suit in terms of importance versus success (see chart, right).

An inevitable conclusion is that, while marketers appreciate all of the “softer” metrics that are important, ultimately the metrical gold standard is how the top- and mid-funnel metrics convert into bottom-line results—revenue and ROI.

Most significant metrics to evaluate programmatic placements



Most successful programmatic metrics



SOURCE: 2023 StackAdapt Research Survey of media companies, agencies and marketers. n=282.

“Three key factors can make or break a self-serve programmatic platform: vendor support, reporting functionality and available data. The level of customer service provided can make all the difference in retaining clients.”

Meg Keevill, director of media and strategy, Colour

Self-serve or managed programmatic?

It's clear that self-serve programmatic platforms are preferred by those confident enough to use them, or have the skilled staff to manage them. But managed programmatic is also viable, in particular given staffing and time limitations. Even as the agency model is dwindling and brands are taking self-serve programmatic in-house, some programmatic vendors offer both self-serve and managed platforms.

Agencies themselves are able to use self-serve programs on behalf of their clients—call it “managed” but via self-serve. Even self-serve can (and should) be aided by the vendors’ scientific and consumer-support team, offering instruction and hand-holding until fuller self-serve confidence is reached.

Programmatic advertising is ever-evolving because the industry is in a state of constant change. With that comes innovation and effective solutions, but there will always be a need for more satisfaction because of the challenges that digital advertising faces every day such as user privacy laws, device limitations, changing user trends, etc.

Self-serve programmatic platforms strive to provide effective advertising with advancements in technology, a continued increase in the understanding of programmatic, improved data quality, innovative targeting

Desired features

Since marketing technology is always evolving, respondents feel that programmatic platforms can improve here as well. Respondents replied with a number of features and elements they'd like to see added or enhanced in their self-serve programmatic platforms, versus those features available with a managed service from a platform and vendor. Here are some of their responses:

- “The ability to do niche targeting options and data integrations that they may have as proprietary info.”
- “Artificial intelligence to alert you of more things happening with your campaign.”
- “Iron-clad guarantee that ads will not appear in fringe media.”
- “Data-science capabilities, rules building, advanced bulk upload, UX speed.”
- “One-stop shop for digital and traditional media buys along with support for streaming ad placement.”
- “Support in developing the campaign to identify best strategies to focus on.”
- “Scale is the primary thing separating self-serve from managed platforms. I'd love to see self-serve be able to offer more inventory.”

capabilities and unique ad creative/placements. These factors are contributing to better results for advertisers and are helping to drive growth in programmatic advertising.

It's also evident that, as with any evolving industry, there are vast differences in the ways programmatic platforms price their services. Even if they offer a self-serve option, their fees may be so high that it might just as well be fully managed. Advertisers are advised to compare

platform satisfaction with the cost of entry—and full support—before testing the waters.

“In my opinion, three key factors can make or break a self-serve programmatic platform: vendor support, reporting functionality and available data,” Keevill said. “While many self-serve platforms can deliver similar campaign performance, the level of customer service provided can make all the difference in retaining clients.”

Preparing the next generation of programmatic buyers

The StackAdapt Academy is designed to help marketers, media and agencies in developing greater programmatic literacy for their staff, to become true programmatic advertising experts. The StackAdapt Academy is taking several new initiatives to ramp up educational competence, including:

Certification programs

The StackAdapt Academy offers a range of certification programs, including the Programmatic Foundations Certification, Advanced Programmatic Certification and Channel-Specific Certifications. These courses are designed to provide marketers and agencies with customized programs that range from a basic understanding of the programmatic ecosystem to advanced programmatic capabilities and strategies that can be used to increase

the effectiveness of their campaigns. This approach can help ensure that employees receive training that is relevant to their roles and aligned with their organization's goals.

Online resources

The StackAdapt Academy and the StackAdapt Blog provide a range of online resources, including webinars, e-books and articles to help marketers and agencies stay up-to-date with the latest developments in programmatic advertising.

Continuous learning

The StackAdapt Academy emphasizes the importance of continuous learning and provides ongoing support to help marketers and agencies stay up to date with new trends and developments in programmatic advertising. Learn more about the StackAdapt Academy [here](#).

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Studio30@adage.com

Staff

Writer **Christopher Hosford**

Design Director **Jennifer Chiu**

Senior Designer **Natalie Skopelja**

Copy Editor **Brian Moran**

Contact us

James Palma

Senior VP, Sales

jpalma@adage.com

John Dioso

Editor, Studio 30

jdioso@adage.com

Deana M. Lykos

Director, Activations

deana.lykos@adage.com

About StackAdapt

StackAdapt is a self-serve programmatic advertising platform used by the most exceptional digital marketers. This state-of-the-art platform is where some of the most progressive work in machine learning meets cutting-edge user experience. Ad buyers plan, execute and manage data-driven digital advertising campaigns across all devices, inventory and publisher partners.

Visit <https://www.stackadapt.com> for more information.



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