

A Real-Time Disconnect: Understanding RTB

#Provocations by Jonathan Fullmer, VivaKi Staff Writer



As online advertising becomes increasingly more competitive, real-time bidding (RTB) has surfaced as a popular if not somewhat controversial marketing trend. Popular because it allows advertisers and publishers to more specifically target ads. Controversial because, well, as Laurie Sullivan points out in MediaPost, "[A] disconnect separates perception, expectations, and a realistic understanding of the technology, according to a study" conducted by Casale Media.



Ad Industry Wants RTB, But Misconceptions Could Stifle - MediaPost

Oct 8, 2012 ... Publishers, agencies and advertisers want to tap into real-time bidding and programmatic ad buying, but a

disconnect se...

MEDIAPOST

More and more businesses want to jump on the RTB bandwagon, Sullivan says, especially since major players such as Facebook have joined the fray.



Facebook launches real-time bidding for advertisers - Telegraph

Sep 13, 2012 ... Facebook has stepped up its assault on the advertising market by taking on Google with so-called "real-

time bidding" f...



A VentureBeat article even argues that RTB will soon take over mobile advertising. "Smartphone sales have now eclipsed PC sales and it is estimated <u>nearly 6 billion mobile subscriptions exist across the world</u>," says Mike Downey.



Real-time bidding is the next mobile ad breakthrough — here's how ...

Jul 23, 2012 ... Anyone involved within the online display advertising space during the past four years is likely be aware of the stead...

MIKE DOWNEY

But Sullivan also underscores some startling statistics form the Casale study: "88% of agencies and marketers cite performance, return on investment as the most important RTB attribute, yet only 38% said they are satisfied with their ROI. Targeting options come in at 86% and 32%, and inventory quality at 81% and 25%, respectively."

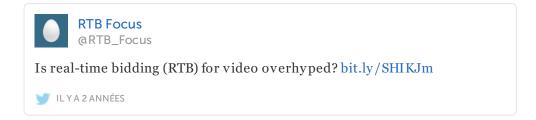
VivaKi Nerve Center's General Manager of AOD Chris Paul stands behind the fact that programmatic buying pays off immediately in terms of workflow and operational efficiency for media teams, so there is a huge benefit there. But when it comes to increasing ROI in the long run? That will need to be driven by the skills of the optimization teams and the technical quality of the platforms in the future, he says. While overseeing AOD, Paul has made it a priority to continuously vet and offer a diverse array of data partners and inventory options.

However, some critics have expressed concerns that RTB isn't all it's cracked up to be.

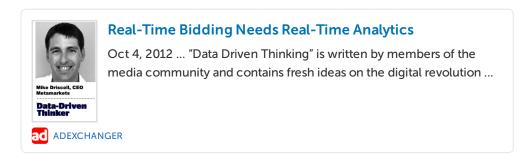


glut of online ad inventory and rise of real-time bidding platofmrs is hurting its display ad sales, NYTCo. says

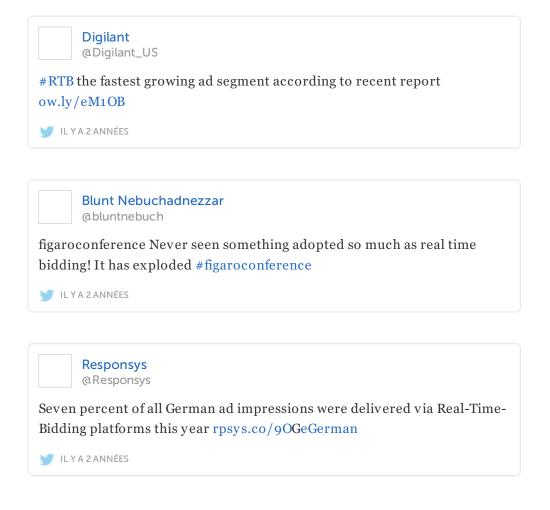




Metamarkets CEO Mike Driscoll goes so far as to claim that real-time bidding has some real real-time problems. In a recent AdExchanger article he says, "The need for real-time reporting and analytics has never been more obvious. Not just because of the encumbrances of the present system of email attachments, but because of the risks inherent in an RTB auction system that lacks real-time transparency."

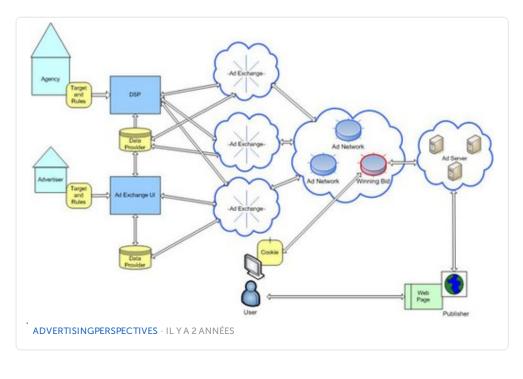


But problems aside, some people can't seem to stop talking about it.

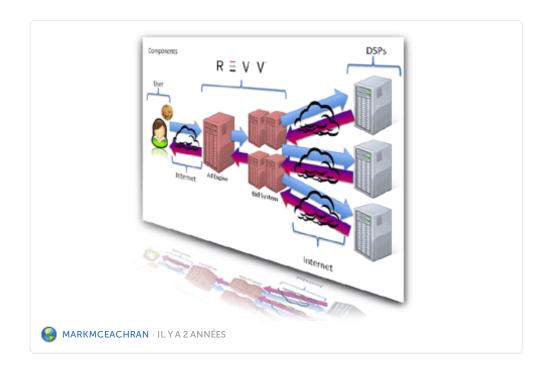




All of which begs the question: What's with the disconnect? Perhaps the answer to this question lies somewhere between all the baffling arrows and info boxes on the various charts floating around the Web, all of which only seem to muddle things for many potential clients.



MOADNET · IL Y A 2 ANNÉES



London-based PR Newswire agrees: "RTB, DSP, SSP... WFT? It's crucial you know your RTBs from your DSPs. Discover why real-time bidding is so important and also, very simple, to understand."



Demystifying Real-Time Bidding -- LONDON, August 15, 2012 ...

Aug 15, 2012 ... Discover why real-time bidding is so important and also, very simple, to understand. ad:tech London is

launching its f...

Simple, you say? That's right, says Econsultancy, who released their own <u>Real-Time Bidding Buyer's Guide</u> and accompanying infographic.



The Real-Time Bidding (RTB) Ecosystem infographic looks at the different types of companies across the RTB landscape, including demand-...

ECONSULTANCY

And in another Econsultancy post, Editorial Director Heather Taylor attempts to clear the air by talking to several RTB experts, breaking things down into four categories: 1.) the benefits, 2.) how the RTB market will continue to evolve, 3.) how to "reach consumers across multiple channels via a single campaign, and 4.) how to best display RTB ads.

The truth about Real-Time Bidding (RTB): experts' view **Econsultancy**

Aug 15, 2012 ... Last week, we released a new Real Time Bidding (RTB) Buyer's Guide and an infographic on the RTB ecosystem. Though...

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Al Urbanski, a Direct Marketing News editor, points to the fact that while RTB is here to stay, those businesses that implement it have one major problem left to resolve: human contact. "Eighty-four percent of sellers [in an Index Performance survey] expressed concerns that RTB would commoditize their inventories," Urbanski says, "while 77% of buyers said they would spend more on RTB if there were a greater emphasis by sellers on the quality of impressions."



Man vs. machine: Real-time bidding's growing pains -Direct ...

Oct 9, 2012 ... A survey of buyers and sellers of online ads agree on two things: real-time bidding is here to stay, but it needs to

de... **DMNEWS**

All of this aside, there is still a long way to go. The market is oversaturated, but there is no question that RTB is creating one-on-one connections between marketers and people that provide them with the information and type of engagement they want. Luckily we do have market leaders paving the way for how the programmatic marketplace will take shape. We see great benefit at VivaKi in the use of programmatic buying and don't see it going away any time soon. According to eMarketer, RTB is expected to grow year-over-year for the next three years.

Real-Time Bidding Display Advertising Spend to Quadruple This Year | Mediatrust Blog

Real-time bidding (RTB) for display advertising is one such business which is expected to grow at CAGR of 66% versus the 16% growth in ov...



MEDIATRUST

Let's stay tuned for the next phase of RTB and TLAs (three-letter acronyms).