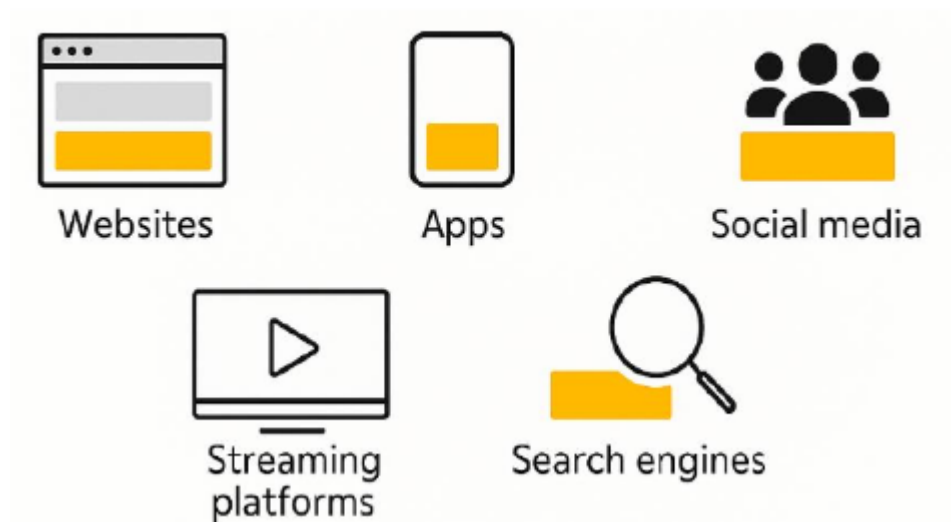


# 08-Advertising, Automation & E- Commerce

## Digital Advertising

DIGITAL ADVERTISING is the practice of promoting products, services, or brands through paid placements across online channels, including websites, social media, search engines, mobile apps, and streaming platforms. It combines creative messaging with data-driven targeting to reach users in real time.

### EXAMPLES OF MEDIA CONTEXT FOR DIGITAL ADS



## AD CHANNELS AND FORMATS

**AD FORMATS** refer to the design and creative structure of the advertisement (e.g., banners, videos, native ads, etc.). In short: how the ad looks and behaves.

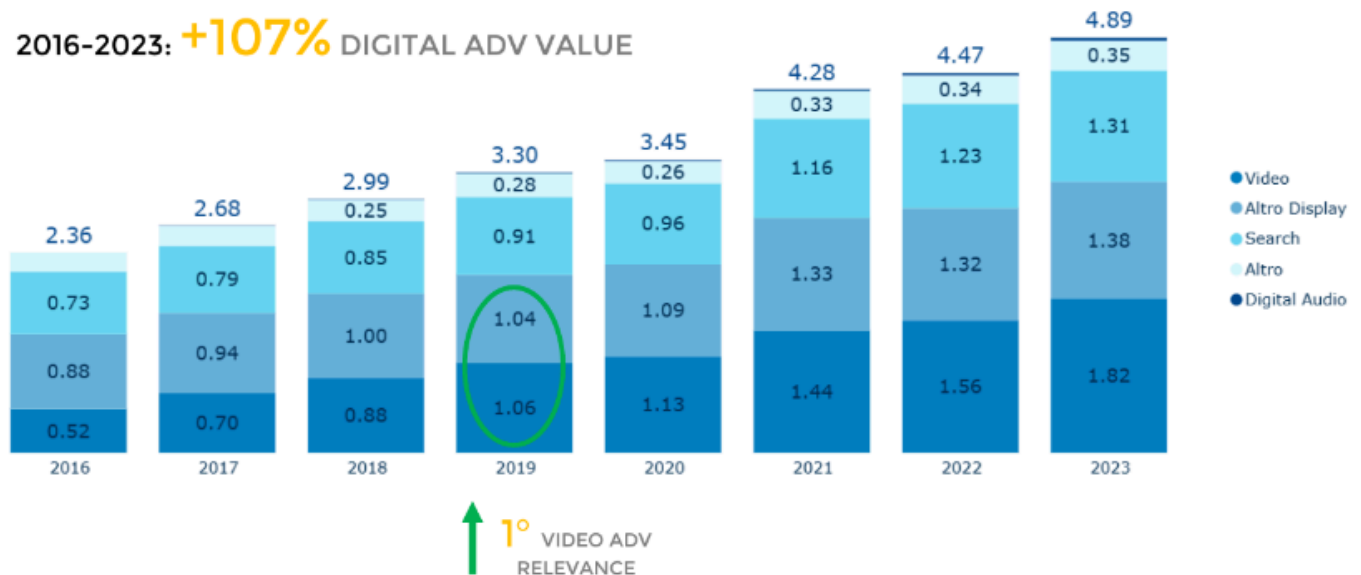
**AD CHANNELS** refer to the media environments or contexts where ads are delivered (e.g., websites (display advertising environment), social media platforms, search engines, etc.). In

short: where the ad is placed and reaches the user.

ADVERTISING ENVIRONMENT	TYPICAL AD FORMATS	EXAMPLE PLATFORMS
DISPLAY ADVERTISING	Banner, Native, Interstitial, Pop-up	Web Publishers, News Websites, Blog Networks
VIDEO ADVERTISING	Pre-roll, Mid-roll, Out-stream	YouTube, Vimeo, Hulu
SEARCH ADVERTISING	Text Ads, Product Listings	Google Search, Bing
SOCIAL MEDIA ADVERTISING	Sponsored Posts, Video Ads, Stories	Facebook, Instagram, TikTok
MOBILE APP ADVERTISING	Interstitials, Rewarded Video	Mobile Games, App Stores
E-COMMERCE ADVERTISING	Sponsored Products, Display Banners	Amazon, Zalando, eBay
EMAIL ADVERTISING	Promotional Emails, Rich Media	Mailchimp, Salesforce, HubSpot

Ad format is the design of the advertisement.

## DIGITAL ADVERTISING VALUE BY FORMAT CATEGORY



We need to consider digital advertisement as it is gaining a lot of the market share. The problem is that it is made of a multitude of channels. Usually the video advertisement are the one that have the greater performance as they can entertain more the customer.

## COMMON AD FORMATS

**BANNER:** Rectangular ad placed on a website page.

**VIDEO AD:** Displayed before, during or after an online video content.

**NATIVE AD:** Blends with surrounding content, often appears as an article. Somebody pay for the space and create an article to blend in with the others, but it is advertisement. They are less intrusive.

**INTERSTITIAL:** A full screen ad that covers the entire interface of a site or app.

**POP-UP:** An ad that suddenly appears in the foreground.

**SPONSORED LISTING:** Paid result displayed above organic listings.

FORMAT	WHAT IT IS	KEY CHARACTERISTICS	MAIN OBJECTIVE	FUNNEL STAGE
<b>BANNER ADS</b>	Static or animated display ads in various positions	Simple to implement, highly dependent on design and placement	Visibility	AWARENESS
<b>VIDEO ADS</b>	Short videos placed before/after/in content	High engagement, brand storytelling potential	Awareness / Engagement	AWARENESS / CONSIDERATION
<b>NATIVE ADS</b>	Sponsored content that blends with the page	Non-intrusive, high CTR, suited for informative environments	Engagement	CONSIDERATION
<b>INTERSTITIAL ADS</b>	Full-screen ads during page/app transitions	Very visible, risk of disruption	Branding / Direct Action	AWARENESS / CONVERSION
<b>POP-UP / POP-UNDER</b>	Ads appearing above or below the main window	Very intrusive, often blocked, short-term campaigns	Direct Action	CONVERSION
<b>SPONSORED LISTINGS</b>	Paid product placements in search or marketplaces	Appear at top, product-focused, performance-driven	Product Sales	CONVERSION

These format should be used together to have the maximum efficiency.

## DO PEOPLE REALLY SEE ONLINE ADS?



### VIEWABILITY

- It measures if an ad is actually seen by a user
- An ad is considered viewable when at least 50% of the ad is in view for at least 1 second (2 seconds for video)



### AD FRAUD

- It refers to fake views generated to inflate ad performance. As a matter of fact: not all impressions comes from real users.
- Examples: ad stacking, pixel stuffing, bots

The pricing method usually are based on viewability. Sometimes the frauds on digital advertisements are that someone generates views to make a spot costs more than it should.

## KEY PRICING MODELS & METRICS IN DIGITAL ADVERTISING

## PRICING MODELS METRICS

METRIC	STANDS FOR	WHEN IT'S USED
CPM	Cost per Mille (1,000 impressions)	Awareness & reach campaigns
CPC	Cost per Click	Traffic and performance campaigns
CPA	Cost per Action (e.g., purchase)	Conversion-driven campaigns
CPL	Cost per Lead	Lead generation (e.g., form fill)
CPV	Cost per View	Video advertising (YouTube etc.)

## PERFORMANCE METRICS

METRIC	DETAILS	DEFINITION
CTR	Click-Through Rate	% of users who clicked after seeing the ad
CVR	Conversion Rate	% of users who completed a desired action
Viewability	Viewability	% of ads that were actually seen
Engagement Rate	For social and native formats	Total interactions / total impressions*100
ROAS	Return On Ad Spend	Revenue generated per € spent

You pay w.r.t. the objective of your advertisement campaigns. If you want views you pay for each view granted by the site. If you want to advertise a subscription you pay only for the subscription you make or the pay per click way.

# FROM MANUAL TO AUTOMATED: A SHIFT IN THE ADV BUYING WORLD



### TRADITIONAL ADV BUYING APPROACH

- Manual negotiation with publishers
- Fixed placement & flat pricing
- Limited targeting (contextual or demographic)



### CHALLENGES

- Time-consuming
- Not scalable
- Poor adv personalization



These challenges set the stage to introduce Programmatic advertising as the natural **evolution of buying and selling approach in adv**: more efficient, more dynamic, more data-driven

# WHAT IS PROGRAMMATIC ADVERTISING

## DEFINITION

- Programmatic advertising is the automated buying and selling of digital ad space through real-time bidding systems.
- Instead of negotiating manually, advertisers use platforms (DSPs) to bid on impressions, while publishers use platforms (SSPs) to sell them.

## WHY IT MATTERS?

- It allows highly targeted, real-time, and efficient campaigns.
- It's data-driven: ads are shown to the right user, at the right time, in the right context.
- It works across channels: web, mobile, video, and even Connected TV (CTV).

You can think of it as a stock exchange for digital ads, but instead of shares, what's traded are impressions!

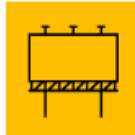
From 2016 the programmatic part of adv has grown of 5 p.p.

## KEY PLAYERS IN PROGRAMMATIC ADV



### ADVERTISER

The brand that wants to show an ad to a specific audience that buys digital ad impression.



### MEDIA AGENCY

Optimize and manage ad campaigns on behalf of advertisers.



### DEMAND-SIDE PLATFORM (DSP)

A platform used by advertisers to buy ad impressions in real time, targeting specific users based on data.



### AD EXCHANGE

A digital marketplace that connects DSPs and SSPs, enabling real-time bidding for ad impressions.



### SUPPLY-SIDE PLATFORM (SSP)

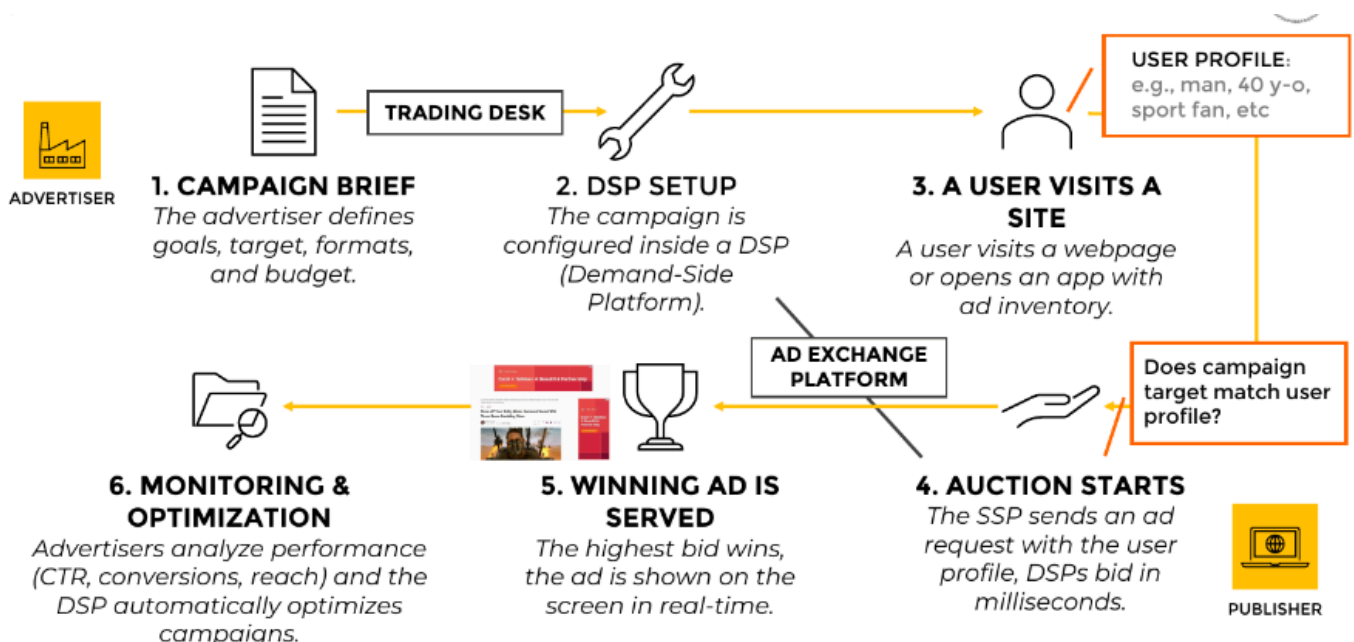
A platform used by publishers to sell ad space automatically to the highest bidder.



### PUBLISHER

The website or app that provides the space where the ad will appear.

## HOW PROGRAMMATIC WORKS: STEP BY STEP



All of this happens in milliseconds. This flow shows how an ad request becomes a real ad on a real screen, thanks to programmatic automation.

Using the information gathered by the campaign we can sell an adv space to let the company sponsor their products. You need to monitor the campaign to adapt them to the reception/change of humor of the customers.

## IS TELEVISION DIFFERENT?

Beyond digital, programmatic advertising is also used in television advertising, with two main approaches:

### 1. TRADITIONAL LINEAR TV

- Purchase of ad slots on traditional TV channels but managed through programmatic technologies.
- Less granular targeting compared to digital.
- Often sold in audience packages based on historical viewing data.
- Measured with GRP (Gross Rating Point).

### 2. CONNECTED TV (CTV)

- Advertising on streaming platforms (e.g., Netflix, Prime Video, etc.).
- Advanced targeting based on demographic and behavioral data.
- Programmatic bidding happens in real time.
- Measured with impression, engagement, conversions.

The traditional television can only offer the age of the customer for the relative adv space, so you buy packages of the audience, They are not precise as programmatic adv.

## RETAIL MEDIA: WHERE ADVERTISING MEETS COMMERCE

### WHAT IS RETAIL MEDIA?

Retail Media refers to ad spaces and shopper data made available by retailers to brands, both online and offline.

### TYPES OF RETAIL MEDIA

**ON-SITE:** ads on the retailer's own platform (e.g., eCommerce, website, etc.)

**OFF-SITE:** ads shown on third party websites(like social or digital screens, CTV), but powered by retailer's customer data

**IN-STORE:** ads on shelf talkers, or even in-store radio

The benefits are widespread:

**FOR RETAILERS:** Monetize their audiences and data, sell ad space

**FOR BRANDS:** Reach consumers at the exact moment they're ready to buy, Access first-party sales data, Increase conversion & loyalty

**FOR CONSUMERS:** Get a better, more personalized experience: Personalized product discovery; Relevant, contextual suggestions; Seamless omnichannel journey



# MARKETING AUTOMATION



**Multichannel  
Customer Journey  
AS IS**



**Media daily life  
(often called  
media journey or  
media daily  
journey)**



**Multichannel  
engagement plan**

With two levels of work:  
1. **Experience flow** between the different touchpoints to encourage the completion of a task (typically a purchase in the case of consumers)  
2. **UX/UI and service design** of the individual digital touchpoint



**(Customer) Journey  
of marketing  
automation  
(o flows)**

## WHEN TO USE THEM?

Useful during the analysis and definition phase of the strategic and operational engagement plan

They are the operational plans and/or tools supporting their execution

Journey of marketing automation is the automation of email and sms to communicate with the customer.

## WHAT IS MARKETING AUTOMATION?

«Multichannel Marketing Automation refers to the set of processes aimed at automating personalized marketing actions across multiple channels (e.g., email, SMS, website, social media), by creating real automated flows (or journeys) triggered by specific events (e.g., email or ad open, click) and with a defined timeline (e.g., banner retargeting up to 5 days after the action taken).

## WHY MARKETING AUTOMATION?

With reference to email, it is possible to design automation flows triggered by particular events:

Automated trigger-based email sending flows

Starting from business goals and customer targets

### APPLICATION AREAS

1. To promote service offering (e.g., registration to HCP Portal, etc.)

2. In case of a target related to open rate optimization (DEM), marketing automation can enable simple ways to achieve it, such as the double-sending of the same content as follows:
  - Sending a DEM at the start of the campaign with a subject line A
  - After a defined period from the start of the campaign, the content is sent again with a subject line B to those who did not open the DEM the first time
3. Creating a trigger-based content series with progressive release

# ADVANTAGES AND CHALLENGES OF MARKETING AUTOMATION

## PROS

- Time planning and automation
- Personalization of messages
- Optimization of OR and CTR
- Collection of data on the digital behaviour of the doctor

## CONS

- Creation and distribution of high quality personalized content → WARNING: costs
- Integration of marketing automation with company systems (customers data for targeting)
- Need for advance planning