The Advertising Industry

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celtra

IADS Analytics & Data Science Summer School 2019
2019-08-05

Advertising

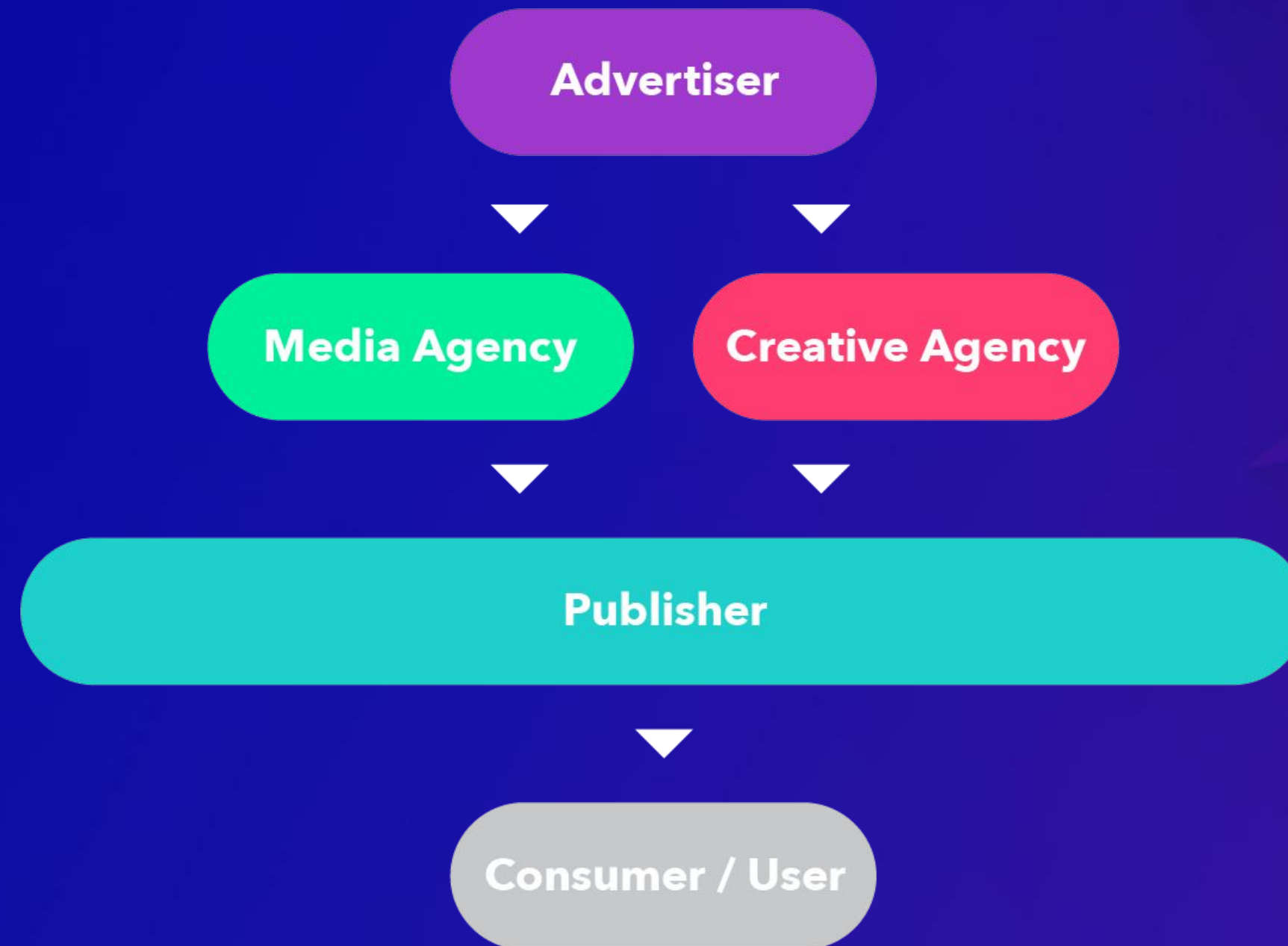Part of our everyday

Advertisers pay for our attention

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Drive economic growth

We get things for "free"

The Ecosystem (simplified)

Advertiser

Media Agency

Creative Agency

Publisher

Consumer / User

Some Players

celtra

Advertisers / Brands

Johnson&Johnson

Unilever

NIKE

Ford

TARGET

Campbell's

Agencies

MINDSHARE

MEC

groupm

phd

Leo Burnett

OMD

Publishers / Ad Networks

CONDÉ NAST

KARGO

HEARST

UNIVISION

VERVE
LOCATION POWERED

VICE

Discovery
COMMUNICATIONS

Some Numbers

Total ad spend worldwide $600 Billion

7% yearly growth

7% of companies' revenues

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By media type

Digital (33%, but going towards 50% in 3 years)

TV (33%)

Outdoor, radio, print, cinema (33%)

Digital Advertising Spend

By device

- **Desktop (40%)**
- **Mobile (60% and increasing)**

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By format

- **Search (20%)**
- **Display (20%)**
- **Video (20%)**
- **Social (up to 40%)**
- **Other (email, SMS, …) (<5%)**

Basic Terminology

Campaign

Creative

Media

Impressions/experiences

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Performance Metrics

Engagements

Engagement rate

Click-through rate (CTR)

Reach

Conversions

Brand awareness

Incrementality

CTR in range 0.05% - 3% depending on format
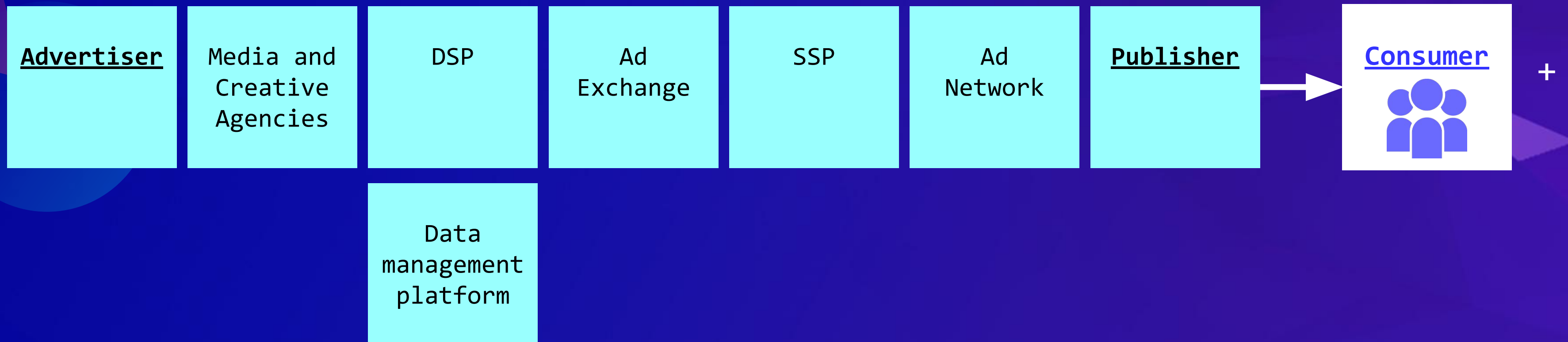
Cost Metrics

Cost per thousand impressions $1-30 (depends on channel, average $5)
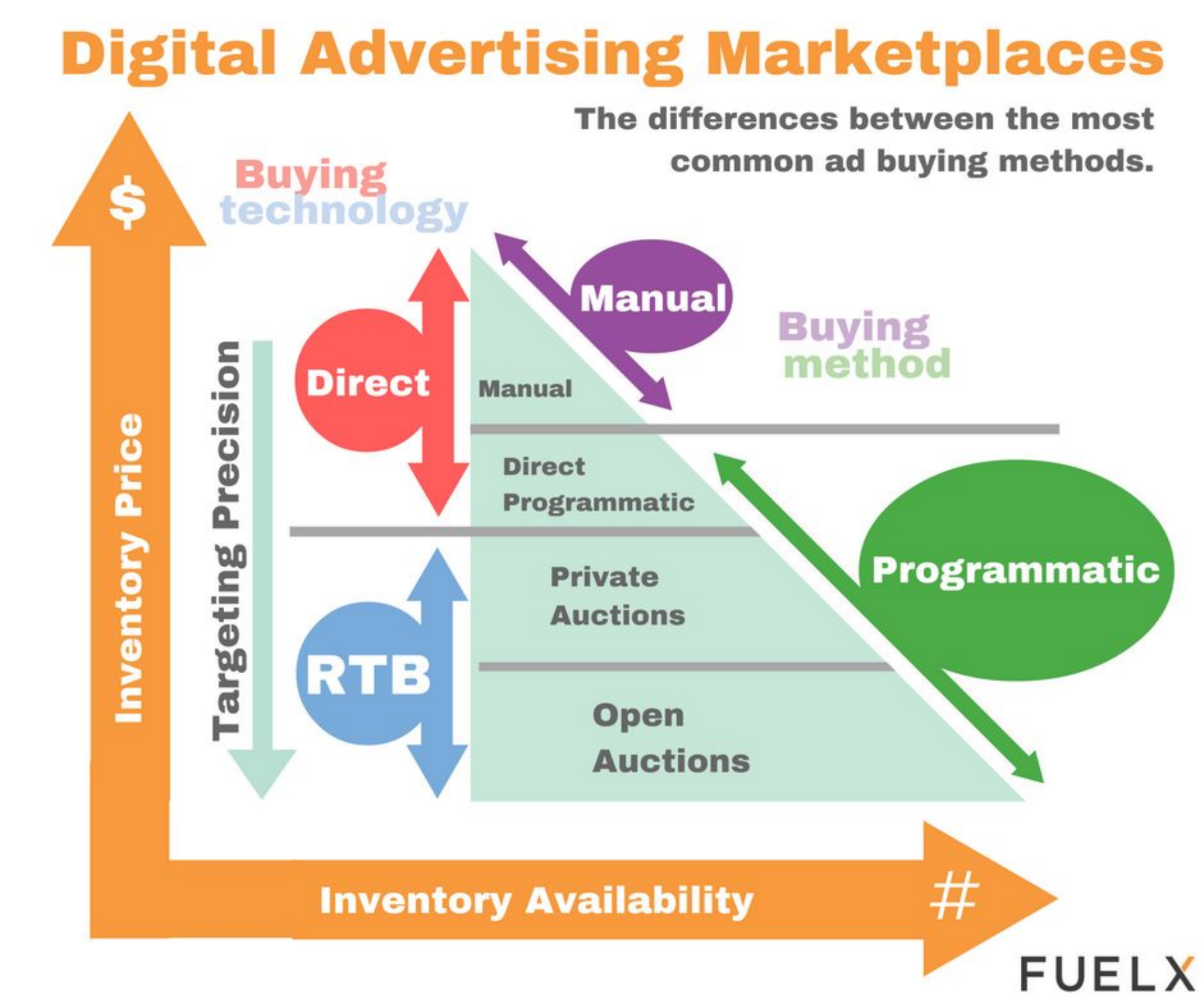
- display $1-10
- video $20-30
- FB $10

Cost per click $1

Cost per conversion $30

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The Ecosystem (real)

Advertiser	Media and Creative Agencies	DSP	Ad Exchange	SSP	Ad Network	**Publisher**	**Consumer** +

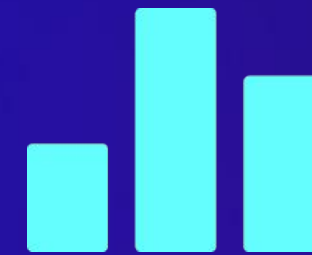| | | Data management platform | | | | | |

Buying Media

Technology Evolving Fast

Programmatic Buying
Rapid, automated media placement

Data Driven Marketing
Greater personalization

New Inventory Sources
More options, formats & metrics

Device / Usage Changes
New targeting strategies

Negative Impact and Ad Blockers

Coalitions for Better Ads

- No pop-ups
- No autoplaying videos with sound
- Ad density below 30%
- ...

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