

The five things nobody wants you to know about programmatic

 By [Dee Stephens](#)

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There is much ado about programmatic buying and advertising in the arena lately, it's a little like teenage sex, everyone is talking about it but nobody is doing it right... yet.



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The attraction to programmatic cannot be denied, from purely a pricing perspective the efficiencies that it harnesses must be appreciated, its ability to bring immediate returns and showcase how messaging is optimised is awe invoking and it also offers scalability never before seen.

That being said, there are some flaws with programmatic that nobody wants you to know about, it's not a bed of roses or pot of gold at the end of the rainbow and here is why:

1. Transparency

By now we all know that transparency is the key, there is a severe lack of transparency in its pricing model, and agencies and businesses alike want more insight regarding the "agency Std" vs the costs of media and the technology. So a lot of businesses are taking programmatic in house to try and bridge this gap.

So while efficiency is apparent, transparency is not. In many a way this in turn makes the whole process of transacting ad inventory a "grey area" particularly with location data, and especially when there is a mistrust of programmatically transacted ad inventory that has location data attached. This is because there are a million ways that data is collected for programmatic and we never always know where that data is coming from. A certain degree of trust is required between the DSP and DMPs working with the buyer.

2. The PVT marketplace

We have seen of recent the buzz around this programmatic solution, that it offers the buyer and seller a PVT marketplace

to sell their inventory, however not much is said about the incredibly difficult task of getting this to work. It's not a plug and play solution to save costs, it's knee deep in data alignment, in-fact if done wrong it can plummet your savings and increase your costs!

3. Data complexity

Let's look at the complexity that lies before us with programmatic, the fore running problem we have is finding the right people with the right skills if you are to run this in house. The next issue is that the problems only start once the technology is all set up and ready to go, as absolutely everyone needs to be involved from the very beginning, IT, creative, operations etc., next is the issue of marketers who don't know how to use the data, and should probably be looking to build profiles they are looking at targeting further down the line, rather than exploit them.

You will need a DMP once your audiences are segmented and defined, and again someone inside the business or agency to run programmatic for you.

4. Mobilegeddon & social media

Programmatic behavioural targeting is only possible through tracking cookies which as we know are non-effective on mobile. This in turn limits the ability of brands and agencies wanting a cross device campaign.

Social media networks have something that programmatic does not and that is login data, that allows them to connect with a user's identity across any device! Additionally, Facebook, Twitter and LinkedIn are buying up programmatic AD serving tech, this means we can be sure that the big boys are playing hard for this space.

5. Fraud

URL masking is a prevalent fraud practice when it comes to programmatic, typically a publisher will list their site in the ad exchange as a much more reputable one, and the buyer never knows where these ads are being served.

Conclusion

Some programmatic platforms have access to TV and radio, but for now, programmatic is not the most desirable plan for branding, yet it is most appropriate for direct response campaigns. If the environment the message lives in is as important as the message itself, you will get more consistent successful results if you attack it from a direct buying angle.

Programmatic is not viable on mobile, nor with social media, so it really only leaves you with desktop users.

Programmatic will also never be able to replace the human or the human touch, something we see is getting more important to consumers every single day.

ABOUT DEE STEPHENS

I am a dedicated individual, an analyst at heart, SEO professional, ORM professional, accomplished Content Marketer, SMO expert, and digital media award winner. Starting out as a content producer I have evolved this business to be the cornerstone of success in all things SEO and Content Marketing for my clients. My ability to identify and recognise the requirement, and craft the perfect online solution for my clients is un-paralleled.

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