

COLUMNS

Unlocking mobile programmatic's potential

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Ocean Fine is senior director of agency and strategic partnerships at Factual

By **Ocean Fine**

Programmatic display ad spending in the United States is expected to top \$22 billion this year, according to eMarketer, with mobile expected to represent 69 percent of the total spend.

Behind this shift are the advanced consumer targeting capabilities that are increasingly available on mobile. Marketers who are not taking advantage of these progressive capabilities will be left in the dust by competitors.

How the cookie crumbles

There are brands that have made advancements to leveraging programmatic solutions to test and optimize their campaigns, and those brands are seeing large success in their mobile campaigns.

For some others, the shift to programmatic buying and mobile has raised some frustrations.

The fact that cookie-based tracking in the mobile space is greatly limited compared to the desktop environment can be a big challenge.

Advertisers' reliance on cookies has caused them to overlook the fact that, even if cookies were present in the mobile space, the strongest indicator of a person's intent and behavior on mobile is actually his or her location.

Consumers carry their phones with them everywhere. As such, when mobile location signals are properly paired with rich places data, mobile advertising can be delivered to highly precise and accurate audiences.

While impressive tools and automated solutions exist to help brands succeed in programmatic, simply having a good algorithm or flashy user interface does not make for an effective programmatic campaign.

Brands that are truly succeeding in this space are those that blend smart technology with smart people at the brand, agency and vendor levels.

While the promise of programmatic is automation, in a realm that evolves as quickly as mobile programmatic, it still takes a lot of human testing, evaluation and understanding to make campaigns work. That is especially true when it comes to leveraging location data in mobile programmatic buys.

Promise of location data

Location data now is one of the trends in mobile programmatic advertising.

Location data is a leap forward for mobile, where the traditional targeting model tried to infer audience based on the applications that a user installed and used.

After all, location data provides advertisers with a glimpse into the actual real-world behavior of consumers.

Furthermore, tailored advertising through location data benefits both sides of the equation by enabling buyers to

...and, in turn, enabling sellers to increase revenue by offering more tailored audiences to their advertising partners.

For example, location data's ability to tie into timing can be tremendously valuable in distinguishing between specific audience segments.

There are vast differences between the do-it-yourself weekend warriors and professional contractors. Are both parties likely to be making frequent stops at The Home Depot? Sure.

But those weekend warriors are far likelier to be visiting on the weekends or off-work hours, while contractors will often be putting in their Home Depot time on the weekdays during regular business hours.

This is just one example of how location data can help marketers reach extremely precise and accurate audiences.

As marketers continue to improve their grasp of location data and how to layer it properly into their programmatic initiatives, we are going to see the usefulness of location data expand.

Most brands now focus on location data as a means of finding and targeting new customers.

In the near future, we are going to see the savviest brands begin to leverage this data to better understand existing customers and better target them in the future.

What to look for when tapping into location-data sources

These days, everyone in mobile has a location story.

The key for marketers is to understand which providers will provide them with high-quality location data as that is the only way for marketers to see the ROI from location. And this comes down to understanding at a detailed level where the provider gets its data.

Marketers must have a firm grasp on two important elements of their location data sources:

Latitude and longitude. The lat/long data that comes in from an ad call is table-stakes when it comes to location data. It is simply a pair of numbers that indicates where a user was on the planet when an ad call was made.

Unfortunately, a significant percentage of the lat/long data that flows through the programmatic ecosystem is of insufficient quality for the most advanced targeting tactics, so marketers need to have a firm grasp on how their vendors clean and filter the lat/long data.

Places data. If lat/long numbers are table-stakes, then places data is where marketers need to double-down.

Places data maps out the real-world locations that correlate to lat/long numbers and provides true meaning to the otherwise incomprehensible lat/long coordinate pairs.

There is a lot of outdated places data being used, and accurate sets can be hard to come by.

Marketers need to dig deep with their vendors in this regard and ask the right questions: Where does your places data come from? Did you build it yourself, or is it third party? How is it integrated into your solution, and how am I being charged for it? How often is it updated? Is it global?

For further guidance, check out the [IAB's Mobile Location Data Buyers Guide](#).

ULTIMATELY, THE MARKETERS who are succeeding in the mobile programmatic space are those leveraging self-serve automated platforms that provide the needed transparency and flexibility to customize, test and refine their location-based targeting strategies.

After all, not all data is created equal.

Especially in these early days of mobile programmatic, it is the human touch how we use, understand, apply and learn from the data that ultimately translates location data into true audience insights.

Ocean Fine is senior director of agency and strategic partnerships at [Factual](#), Los Angeles. Reach him at ocean@factual.com.