

October 2021

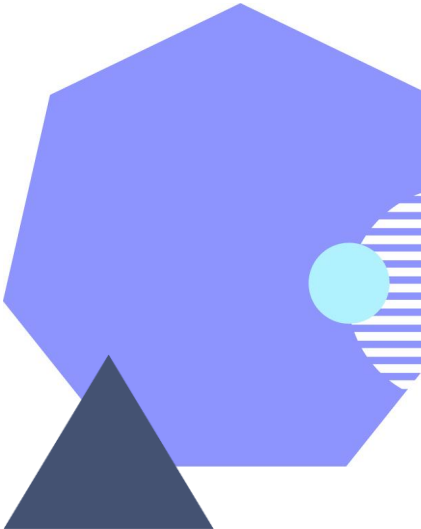


# **IAB EUROPE'S ATTITUDES TO PROGRAMMATIC ADVERTISING REPORT**

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# EXECUTIVE SUMMARY

The 2021 Attitudes to Programmatic study highlights the following key trends:

- Despite a global pandemic, programmatic advertising investments have remained fairly stable and in fact some growth has occurred in programmatic video.
- There is an increase in the adoption of industry standards such as App ads.txt, Sellers.json, Buyers.json, Supply Path Object, Demand Path Object, among both agencies and advertisers.
- In terms of investment in other formats, connected TV is the forerunner; 19% of advertiser respondents allocated between 21-40% of their programmatic trading budget into CTV in 2021. We have included a more detailed CTV section in this year's report to explore this trend further.
- In-housing is a key trend again after seeing some decline in 2020; in 2021 50% of advertisers stated they have an in-house model for programmatic trading compared to 20% in 2020. This was 68% for agencies compared to 50% in 2020. This is mainly driven by the desire for increased control of operations, first party data management and greater transparency on where campaigns run.
- In 2021, there hasn't been a change at the top of the league table when looking at key drivers for programmatic investment.
- Most buy and sell-side decision-makers cited better use of data to be the main accelerator for programmatic investments in 2021. Additionally, half of advertisers are investing in programmatic to access premium inventory at scale.
- In 2020, the top barrier amongst advertisers to investing in programmatic advertising was supply chain transparency with 60% citing this. However, in 2021 this dropped by more than 50% to just 25% of advertisers, suggesting that the industry is making significant paths to enhancing transparency on the buy-side. The new concern for advertisers has switched back to Brand safety with 42% of advertisers citing it as a key barrier compared to just 10% in 2020.
- In terms of data and measurement, consent management platforms have grown in usage for all stakeholders except agencies highlighting an opportunity for further education/transparency amongst this group.

- There's continues to be a consistency in success metrics; three quarters of agencies use the same measures of success regardless of whether they are trading programmatically or non-programmatically with the key ones being sales KPIs and brand awareness.
- The use of first-party data continues to grow with more than 90% of all stakeholders currently using first-party data.
- The outlook for programmatic is positive with more than 80% of all stakeholders predicting an increase in their programmatic investments / revenues over the next 12 months.

David Goddard,  
Vice President of  
Business  
Development,  
DoubleVerify & Chair  
of IAB Europe  
Programmatic  
Trading Committee

“

*The IAB Europe Attitudes to Programmatic study provides critical insight into the key concerns, opportunities and overall direction of programmatic advertising across Europe. It enables the Programmatic Trading Committee, and the wider industry, to devise strategies based on insight from advertisers, agencies, publishers and ad tech vendors. This year, it is encouraging to see that action has been taken, and, amongst buy-side stakeholders, the concern around supply chain transparency has decreased while the adoption of key industry standards has increased. There are still clear concerns, however, that need to be addressed -- especially the steep rise in Brand Safety as a barrier to investment -- which highlights that all stakeholders need to continue to collaborate to make our ecosystem stronger, safer and more secure.*

# 1. INTRODUCTION

In order to understand the status of programmatic adoption across Europe on both the buy-side and sell-side of the digital advertising industry, IAB Europe's Programmatic Trading Committee developed the Attitudes to Programmatic Advertising survey in [2015](#). Now in its seventh year, the study has become an industry benchmark to show how programmatic advertising attitudes, adoption and strategies are evolving.

The survey attracted respondents who command significant volumes of advertising supply and demand. More than three quarters of the respondents across advertisers, agencies and publishers manage annual advertising budgets of €1m or above.

The survey asked about the following areas:

- How much programmatic is used for different formats (display, mobile and video)
- Drivers and barriers to programmatic investment
- Operational models used for programmatic
- Measurement and data strategy
- The future of programmatic investment

The report, written by industry experts from IAB Europe's membership, forms part of a comprehensive programme of pan-European educational and guidance outputs published by the [IAB Europe Programmatic Trading Committee](#). Other recent outputs from across our committees that may be of interest:

- [Industry Guide to SPO](#)
- [Guide to Programmatic Out of Home Advertising](#)
- [Buyer's Guide to Digital Audio](#)
- [Guide to Ad Fraud](#)
- [Guide to the Post Third-Party Cookie Era](#)
- [Supply Chain Transparency Guide](#)
- [Guide to the Programmatic CTV Opportunity in Europe](#)
- [Guide to Brand Safety in CTV](#)
- [Guide to Contextual Advertising](#)
- [Guide to Quality](#)

The previous versions of the Attitudes to Programmatic report can be accessed via the following links:

- [2020](#)
- [2019](#)
- [2018](#)
- [2017](#)
- [2016](#)
- [2015](#)

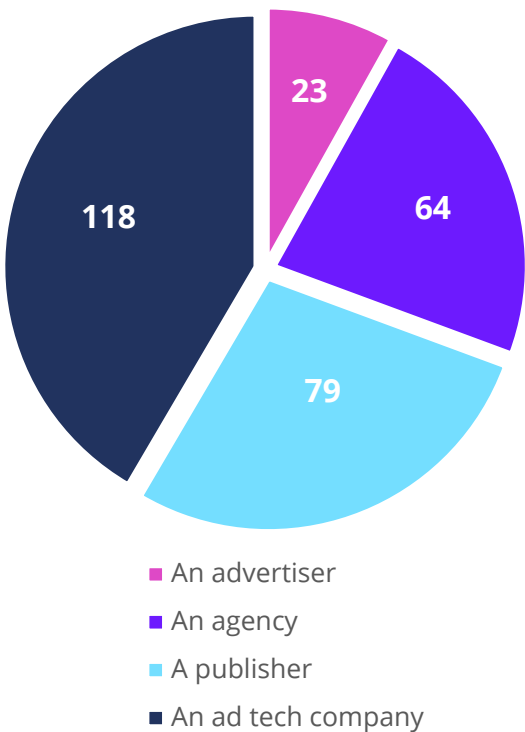
# 2. METHODOLOGY

An online survey was used with the help of the national IAB network to ensure a representative sample across European markets. The survey received close to 300 respondents between July and August 2021. The responses came from advertisers, agencies, publishers and ad tech vendors in 31 markets and respondents with both pan-European and Global remits.

The majority of respondents were Heads of Programmatic or Media Director Buying specialists. 76% have been working for more than 6 years in Digital Advertising.

IAB Europe members can access the full data set by contacting Helen Mussard (contact details at the back of this report).

**Figure 1**  
Breakdown of respondents by stakeholder type



**Figure 2**  
Respondents job roles



# 3. CURRENT ADOPTION & STRATEGIES

## Investment

Despite a global pandemic, programmatic advertising investments have remained fairly stable and in fact some growth has occurred in programmatic video. The percentage of advertisers investing more than 41% of their display inventory via programmatic methods remained at 70% in 2021, the same as in 2020.

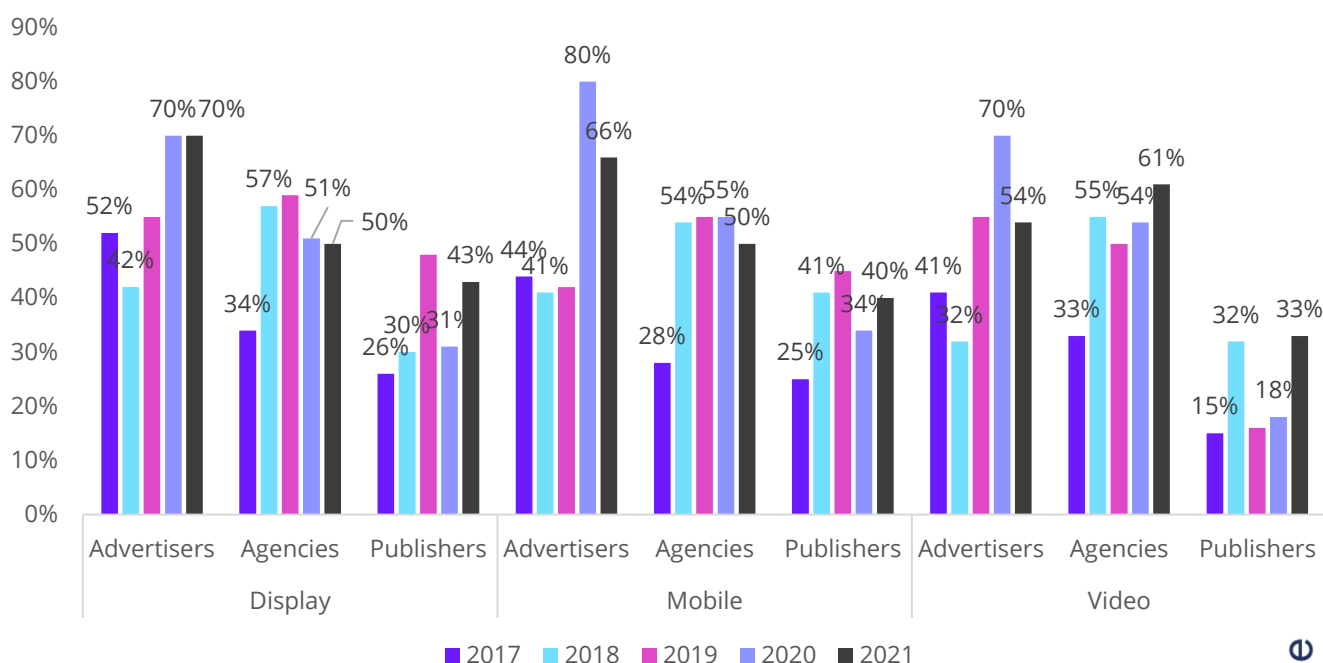
Whilst the overall number of agencies and advertisers trading mobile inventory via programmatic methods has decreased, the number of publishers trading the majority of

their mobile inventory via programmatic has increased from 34% in 2020 to 40% in 2021.

Video remains a key driver of programmatic investment amongst agencies; 61% of agencies now buy more than 41% of their video inventory programmatically compared to 54% in 2020.

There has also been an increase in the amount of video inventory that publishers (33% in 2021; 18% in 2020) have traded programmatically.

**Figure 3**  
Percentage of stakeholders that use programmatic to buy / sell more than 41% of their display, mobile video inventory (2017-2021)



### 3. CURRENT ADOPTION & STRATEGIES

#### Transaction Types

Where it is traded programmatically, video is still mainly traded through programmatic marketplaces (35% of advertisers, 32% of agencies and 20% of publishers). However, open auctions continue to gain traction and 30% of advertisers buy video this way in 2021 compared to 20% in 2020.

Interestingly, agencies and publishers have cited a marginal increase in automated guaranteed buying methods.

Display and mobile are still mainly bought and sold via open auctions. Advertisers this year have bought more of their inventory via open actions across formats – display, mobile and video.

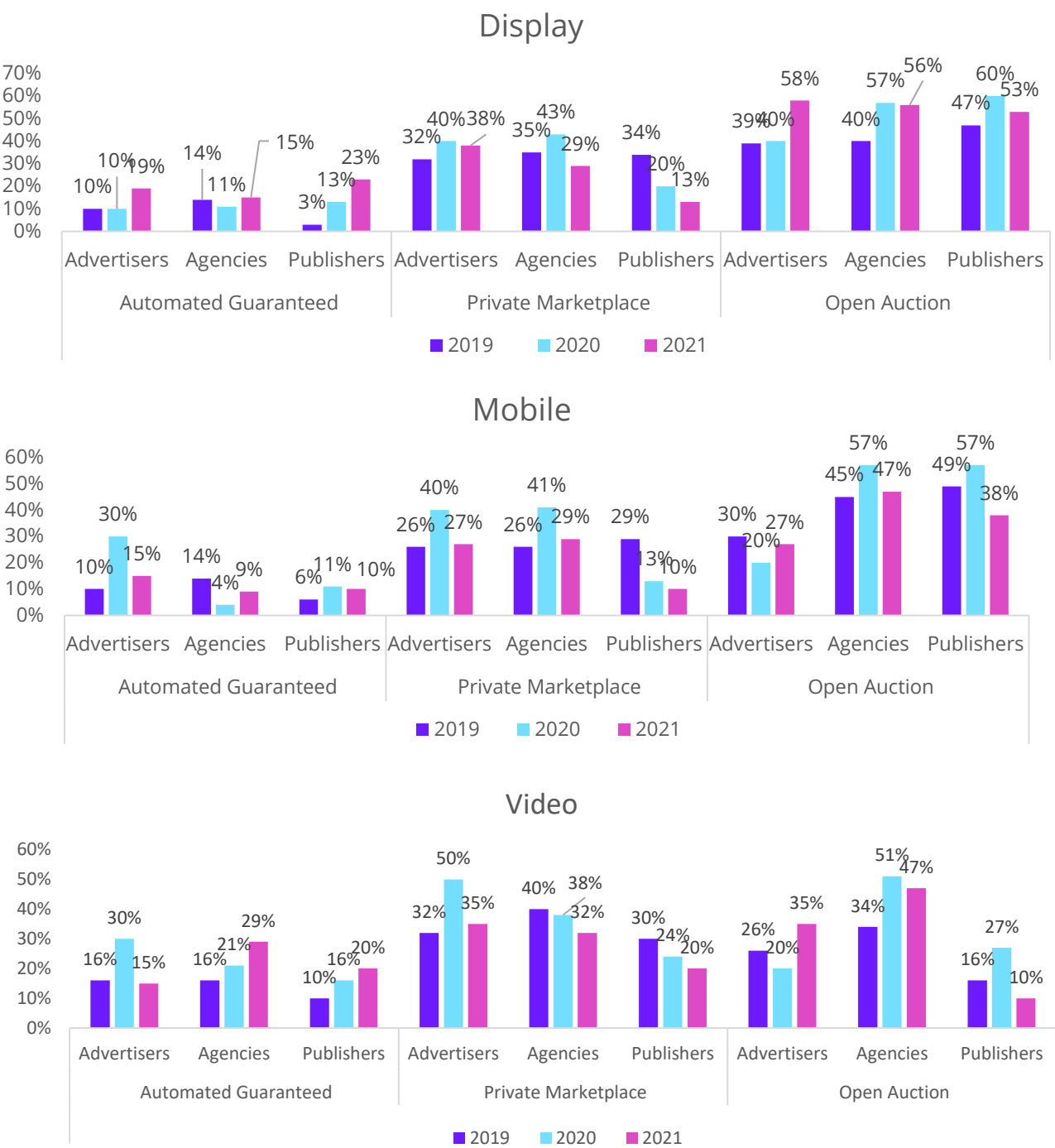
The adoption of industry standards such as App ads.txt, Sellers.json, Buyers.json, Supply Path Object, Demand Path Object, has grown both among agencies and advertisers. Buyers should continue to target inventory sold through ads.txt and app-ads.txt channels, cutting out misrepresented inventory by buying through authorised channels. Buyers can review supply chain objects and verify identifiers within sellers.json files.

In terms of investment in other formats, Connected TV is the forerunner (see more on page 11). Publishers and agencies also invested between 21-40% of their programmatic trading budget to Digital OOH and audio. Also, 8% of the advertisers said they were investing between 20-41% of their programmatic budget into in-gaming.



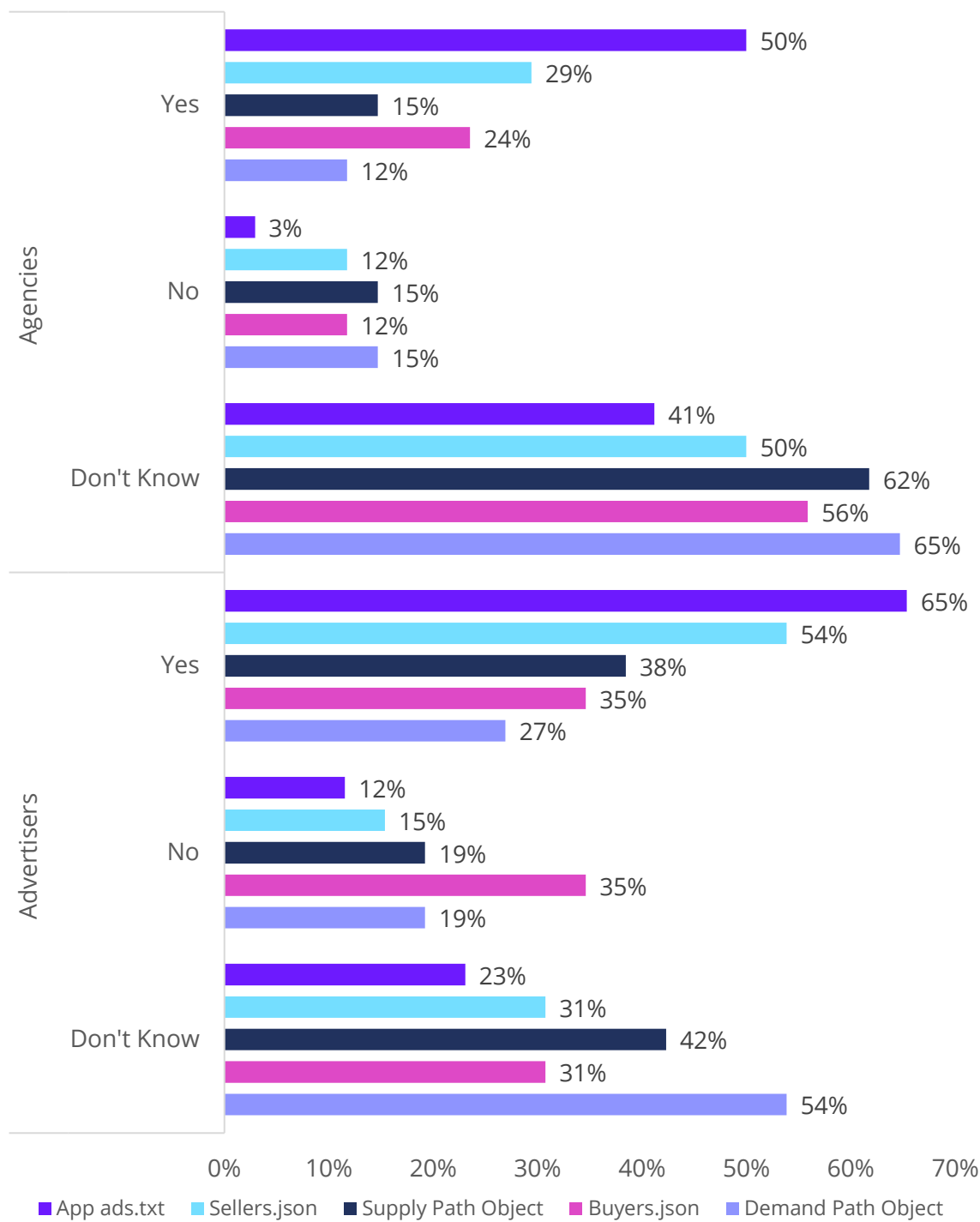
### 3. CURRENT ADOPTION & STRATEGIES

**Figure 4**  
 Percentage of stakeholders that use the following transaction types buy / sell more than 41% of their display, mobile and video inventory (2019-2021)



### 3. CURRENT ADOPTION & STRATEGIES

**Figure 5**  
Industry standards that stakeholders support / use (2021)



### 3. CURRENT ADOPTION & STRATEGIES

#### Connected TV

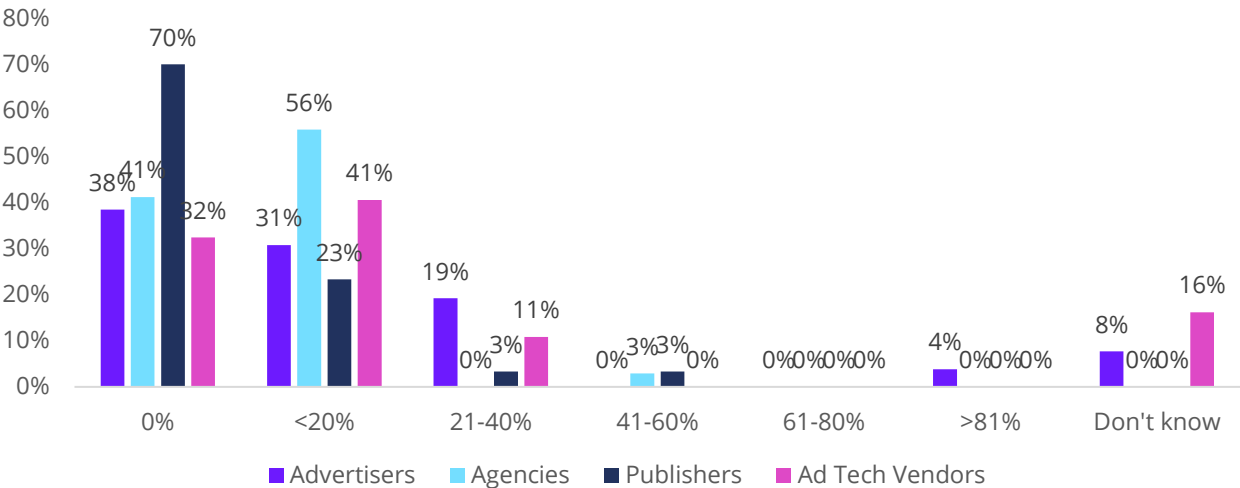
In the last year, OTT and CTV continued to gain traction as an advertising vertical. COVID-19 and worldwide lockdowns helped spur on consumer adoption, as the shift in user/viewer behaviour and demand for internet streaming video content rose. Thus, the investment in programmatic CTV is growing; 19% of advertiser respondents have allocated between 21-40% of their programmatic trading budget into CTV.

- Agencies have also increased their use of PMPs for display inventory; 43% now use a PMP to buy more than 41% of their display inventory compared to 35% in 2019

- 41% of agencies now use a PMP to source more than 41% of their mobile inventory compared to 26% in 2019

Agencies have also increased their use of Further, the majority of Publishers and Advertiser respondents stated that CTV & OTT remains one of the key programmatic growth areas over the next 12 months, as demand for OTT/CTV continues to rise. Though DOOH & Audio are also gaining momentum, CTV is the clear forerunner.

**Figure 6**  
Percentage of stakeholders overall programmatic advertising budgets that are invested in Connected TV (2021)



### 3. CURRENT ADOPTION & STRATEGIES

#### Operational Models

The trend of in-housing is growing again as the percentage of advertisers with an in-house model has more than doubled from 20% (2020) to 50% (2021), as has the number of agencies with an in-house trading desk increased from 50% in 2020 to 68% in 2021.

With this, the buy-side is continuing to evolve their hybrid models. In 2021, 38% of advertisers stated that they had a hybrid model for programmatic trading; an increase from 30% in 2020. However 21% of agencies stated that they had a hybrid model for programmatic trading in 2021; a decrease from 35% in 2020.

The drivers for buyers to manage programmatic in-house and develop hybrid models are related to the desire for increased control of operations, first-party

data management and greater transparency on where campaigns run.

In-housing challenges reside around skill sets and technology, which the hybrid model appears to address. More agencies and advertisers continue to cite 'hiring people with the right skill set' as the main challenge of their in-house strategy than in 2021. Programmatic budgets have increased rapidly in recent years creating high demand for programmatic expertise and skills, additionally advertisers hiring directly places more demand upon the talent marketplace. Publishers are also taking more control of their programmatic selling. In 2021, 59% of publishers said they had an in-house operation model.

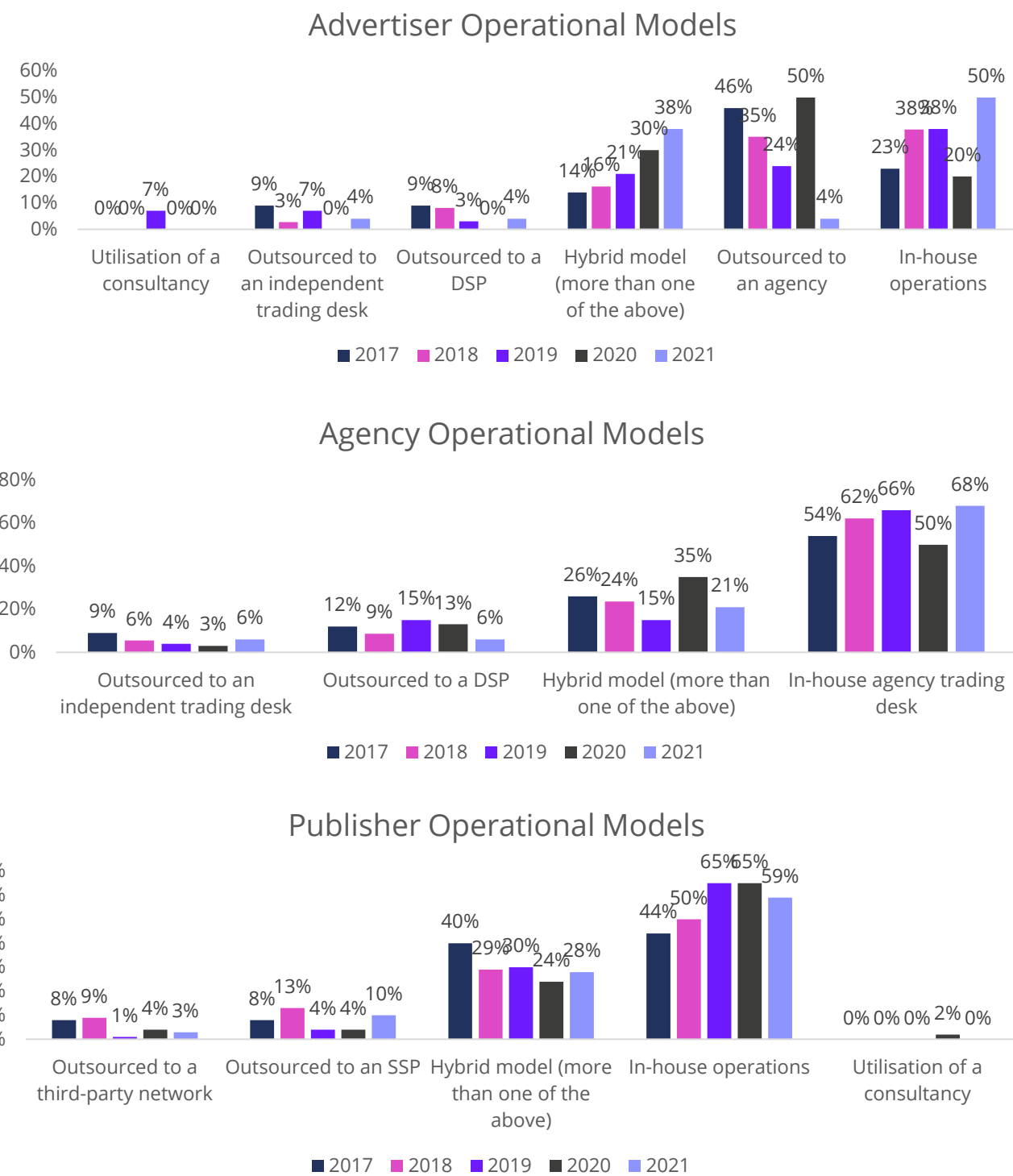
Technology challenges also prevail, particularly with publishers as more than two thirds (71%) cite difficulties in keeping up with changing technology as the key reason.

Lisa Kalyuzhny,  
RVP Advertising  
Solutions, EMEA,  
PubMatic

“A lot of CTV transactions occur within curated private marketplaces (PMPs). These premium, private, curated environments give publisher sales teams greater control as to how they structure deals and provide buyers with the assurance that their campaigns are running against brand-safe content. Furthermore, PMP deals give marketers and publishers the opportunity to see the true value exchange for their investment and tailor their programmatic strategy and partnership to meet campaign and business goals.

### 3. CURRENT ADOPTION & STRATEGIES

**Figure 7**  
Operating models by stakeholder (2017-2021)



### 3. CURRENT ADOPTION & STRATEGIES

**Figure 8**  
Stakeholders with an in-house strategy – top 3 drivers (2021)

Advertisers		Agencies		Publishers	
Keep first party data under control	45%	Increase operational control	55%	Better monetisation of inventory	47%
Gain greater transparency on where campaigns run	45%	Gain greater transparency on where campaigns run	50%	Better integration of audience data into trading processes	40%
Increase operational control	45%	Align with management of other channels	35%	Gain greater transparency on who is spending money on campaigns	33%
				Reduce technology costs	33%

**Figure 9**  
Stakeholders with an in-house strategy – top barriers (2021)

Advertisers		Agencies		Publishers	
Difficulty in hiring people with the right skill set	40%	Difficulty in hiring people with the right skill set	75%	Difficulty in hiring people with the right skill set	86%
Difficulty in keeping up with changing technology	40%	Investment constraints	50%	Difficulty in keeping up with changing technology	71%

# 4. DRIVERS & BARRIERS

## Drivers of Programmatic Investment

There hasn't been a change at the top of the league table when looking at key drivers for programmatic investment in 2021. Most buy and sell-side decision-makers cited better use of data to be the main accelerator for programmatic investments in 2021. This was followed by the importance of media efficiency during campaigns, and a significant increase towards gaining a competitive advantage, as the industry is recalibrating and putting in place new strategies that are fit for purpose in a privacy-first world.

There was an event split for advertisers, who named better use of data and targeting efficiencies as the two main drivers, even though these categories decreased

significantly YoY (year-over-year). Better use of data decreased from 80% in 2020 to 58% in 2021, and targeting efficiencies decreased from 70% in 2020 to 58% in 2021. Gaining access to premium inventory at scale ranked at third place in driving programmatic investments for advertisers, which saw substantial growth from 20% in 2020 to 50% in 2021. This highlights the importance of solutions for advertisers that allow them to connect with mass audiences in premium environments and meet campaign objectives. The importance of lower cost media decreased for advertisers when compared year-over-year, from 60% in 2020 to 42% in 2021, with preference tailored towards efficiency and quality of campaigns.

**Figure 10**  
Top drivers for programmatic investment by stakeholder (2020-2021)

	Advertiser		Agency		Publisher	
	2020	2021	2020	2021	2020	2021
Better use of data	80%	58%	75%	94%	48%	62%
Targeting efficiencies	70%	57%	80%	71%	N/A	N/A
Gaining access to premium inventory at scale	20%	50%	43%	41%	N/A	N/A
Lower cost of media	60%	42%	30%	38%	N/A	N/A

## 4. DRIVERS & BARRIERS

Gaining a competitive advantage for advertisers also increased three-fold, from 10% in 2020 to 39% in 2021, in a competitive landscape driven by a requirement for quality and efficiency. Finally, the importance of mobile environments and video formats saw less movement, decreasing by 5% and increasing by 5% of respondents, respectively.

Quality is a key driver behind programmatic efficiency. Programmatic and publisher direct were once strongly delineated: programmatic buys meant real-time bidding (RTB) through the open exchange, and publisher direct buys meant filling out an insertion order (IO) with each publisher on a media plan. But, today, private marketplaces (PMPs) and programmatic guaranteed deals (PGs) add flexibility to buys that blur the line between programmatic and publisher direct.

[DoubleVerify's 2021 Global Insights Report](#) found that for the first time, the brand suitability and fraud/SIVT violation rates for programmatic and publisher direct buys were nearly identical, with less than a 0.1 percentage point difference between them.

Just one year ago, the programmatic brand suitability violation rate was 18% higher than publisher direct, and the programmatic fraud/SIVT violation rate was 6% higher than publisher direct. When it comes to viewability, both programmatic and publisher direct have improved year-over-year, with publisher direct seeing slightly higher video viewable rates and programmatic edging out publisher direct on display buys.

In-line with those findings, this year's survey results saw significant drop in all stakeholders flagging viewability but the largest drop was advertisers from 30% to 8%.

Historically, video has been especially difficult to measure within mobile apps. Strong adoption of the Open Measurement (OM) Software Development Kit (SDK) has helped to gradually reverse this trend. As of Q1 2021, DV saw over 100K OMID-enabled apps. The share of video impressions that supported viewability measurement increased about 10% year-over-year — driven by mobile app's supported share more than doubling.



## 4. DRIVERS & BARRIERS

From an agency perspective, categories mirrored advertisers' key drivers. The highest ranking was also better use of data, with 94% of agency respondents stating that this is a key driver for them to increase investment in programmatic trading in 2021, compared to three-quarters (75%) in 2020.

Targeting efficiencies and trading and operational efficiencies both ranked second place, with 7 out of 10 agency respondents (71%) identifying each of these categories as main drivers.

Gaining a competitive advantage for agencies also increased significantly, from 20% in 2020 to 41% in 2021.

Serving advertisers through scalable solutions was a key driver for programmatic trading in 2021 for agencies, with the delivery of brand advertising campaigns at scale to target audience and gaining access to premium inventory at scale a key driver for 44% and 41% of agencies, respectively.

In line with the buy-side, the sell-side is also looking into ways to take advantage of valuable first-party audience insights and publishers are focusing on evolving data practices to maximise value.

More than six out of 10 publishers (62%) named the better use of data as a key driver, closely followed by maximising media value and increasing the value of inventory, both reaching 59%. Client demand decreased from 61% to 52% year-over-year.

In 2021, the sell-side cited maximising and increasing media value as more important than trading and operational efficiencies. This switch can be attributed to the increase in premium video, including CTV, being made available through programmatic pipes which advertisers and agencies are in search of and publishers want to get the highest premiums for.

## 4. DRIVERS & BARRIERS

**Figure 11**

Full Data Set - Drivers of programmatic investment by stakeholder 2018-2021

	Advertiser				Agency				Publisher				Ad Tech		
	2018	2019	2020	2021	2018	2019	2020	2021	2018	2019	2020	2021	2019	2020	2021
Lower cost of media	38%	28%	60%	42%	29%	36%	30%	38%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Targeting efficiencies	68%	69%	70%	58%	73%	78%	80%	71%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Better use of data	62%	69%	80%	58%	72%	86%	75%	94%	42%	38%	48%	62%	67%	61%	70%
Maximising media value	N/A	N/A	N/A	N/A	N/A	N/A	N/A	59%	34%	41%	48%	59%	N/A	N/A	N/A
Trading / operational efficiencies	35%	34%	40%	33%	42%	46%	63%	71%	30%	28%	48%	45%	N/A	N/A	N/A
Gain competitive advantage	24%	24%	10%	29%	46%	30%	20%	41%	30%	27%	20%	48%	43%	45%	48%
Increased value of inventory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	59%	51%	39%	39%	59%	N/A	N/A	N/A
Delivery of brand advertising campaigns at scale to target audience	27%	55%	40%	33%	36%	38%	38%	44%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gaining access to premium inventory at scale	19%	34%	20%	50%	24%	36%	43%	41%	N/A	N/A	N/A	N/A	57%	N/A	N/A
Delivering audiences via programmatic mobile	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20%	18%	9%	28%	35%	16%	22%
Reaching audiences via programmatic mobile	35%	28%	30%	25%	27%	24%	20%	24%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Increased engagement via programmatic video	24%	24%	20%	25%	20%	22%	8%	18%	15%	21%	11%	14%	36%	33%	37%
Agency recommendation	14%	17%	10%	33%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Client demand	N/A	N/A	N/A	N/A	24%	30%	28%	35%	54%	55%	61%	52%	N/A	N/A	N/A
Increased granular control of media / inventory	24%	31%	50%	33%	50%	50%	55%	41%	34%	20%	26%	34%	N/A	N/A	N/A
Offering a fully transparent business model	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	65%	65%	52%
Offering / buying premium inventory available at scale	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	51%	63%



## 4. DRIVERS & BARRIERS

### Key Barriers to Programmatic Investment

In 2020, the top barrier amongst advertisers to investing in programmatic advertising was supply chain transparency with 60% citing this. Interestingly, in 2021 this dropped by more than 50% to just 25% of advertisers suggesting that the industry is making significant paths to enhancing transparency on the buy-side. However, 48% of publishers still cite this as a barrier in 2021.

Advertisers are more concerned about identifying the financial benefits of programmatic, with 46% stating that understanding the impact of programmatic trading on total revenue represented a significant need in comparison to last year when only three in ten (30%) identified it as a challenge. In 2020, only 10% of brands named brand safety as a barrier to programmatic investment, however, in 2021, brand risk mitigation became top of mind again, with 42% of brand respondents stating it as a key barrier. Fraud still remained a challenge to overcome for 29% of the advertising industry, up from 20% last year.

The industry has made large efforts in viewability measurement and supply path optimisation efforts, resulting in viewability decreasing as a barrier from 30% to 8% year-over-year, and supply chain transparency decreasing from 60% to 25% over the same period.

As the economy bounces back from the pandemic, and marketing budgets are regaining confidence, talent acquisition and training became the top barrier for all players in the media industry to be able to increase investment in programmatic buying. It is particularly prominent within agencies where after a year of redundancies, 68% of agencies named hiring the people with the right skillset as the main challenge, as did 47% of agencies for training people adequately. Cloud-based solutions have reduced the cost of technology as a barrier from 40% of agencies to 26% in 2021. Data protection concerns have more than doubled for agencies around the impending cookie deprecation, from 15% to 32% in 2021. Finally, quality of data significantly reduced as a barrier, from 58% in 2020 to 26% in 2021.

## 4. DRIVERS & BARRIERS

For publishers, cost of technology surrounding the transformations around digital advertising tools remains the key barrier for 59%, topping the list and increasing from 48% in 2020. Similar to advertisers and agencies, hiring people with the right skill set also remains a barrier for almost half (48%) of the publisher community, up from 24% last year.

Publishers are working with far more SSPs than they were in the past, and this has resulted in higher infrastructure costs and a drop in yield so it is not surprising that supply chain transparency remains the primary concern among publishers, with 48% identifying it as a key priority. In contrast to advertisers, publishers claimed that having an understanding of the impact of programmatic trading on total revenue represented a less concerning barrier, down from 30% in 2020 to 17% in 2021. Similarly, the impact of fraud reduced from 24% in 2020 to 7% in 2021. However, brand safety risk more than tripled from 9% to 31% in 2021.

As it relates to CTV, where programmatic is seeing the sharpest growth, measurability standards are still in their nascency.

Although CTV is a tremendous opportunity, there are several differences between CTV and linear TV that advertisers will want to be aware of to protect their investments. Fraud, for example, is not a concern on linear TV buys, but CTV has become a growing target for ad fraudsters looking to exploit unprotected advertisers.

As with other attractive emerging channels, fraud follows the money. With healthy CPMs and increased viewership, CTV has become a target. As more dollars flow into CTV, nefarious characters looking to upend the security of ad buyers and sellers grows. CTV is particularly attractive to fraudsters for a number of reasons:

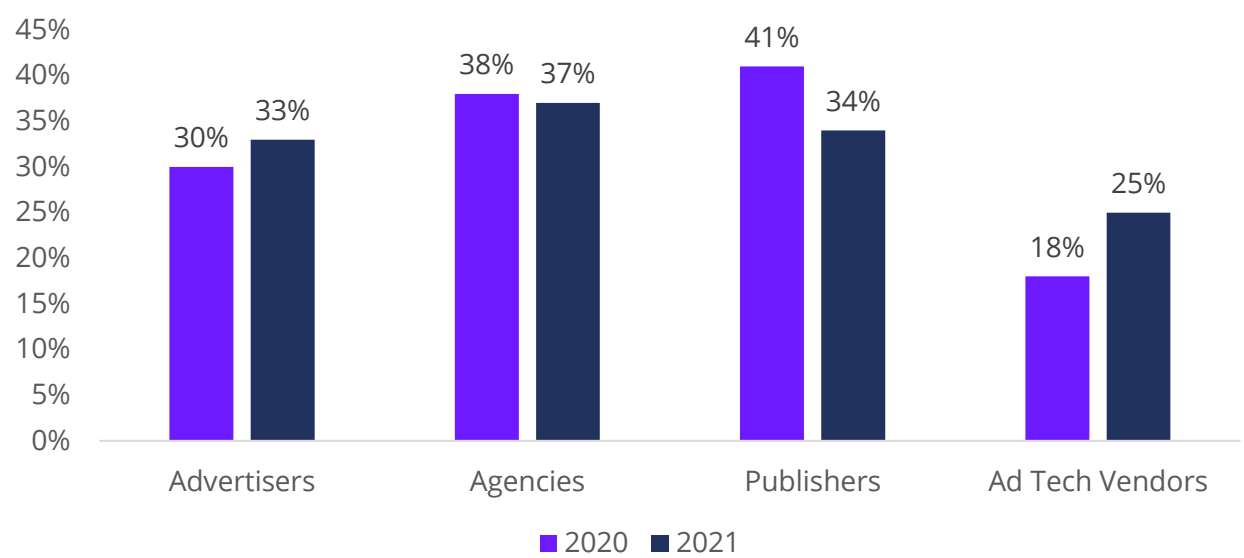
- High CPMs mean more earning potential for fraudsters
- High advertiser demand and audience engagement
- SSAI ad delivery instead of direct measurement, which makes it easier to create counterfeit servers and fraudulent ad requests
- The introduction of intermediaries (via programmatic) that are incremental to the transaction

## 4. DRIVERS & BARRIERS

**Figure 12**  
Top barriers to the adoption of programmatic trading by stakeholder (2020-2021)

	Advertiser		Agency		Publisher	
	2020	2021	2020	2021	2020	2021
Having a clear understanding of the impact of programmatic trading on total revenue	30%	46%	33%	38%	30%	17%
Data protection concerns	50%	42%	15%	32%	22%	28%
Brand safety	10%	42%	28%	18%	9%	31%
Hiring people with the right skill set	20%	33%	40%	68%	24%	48%
Training people adequately	28%	33%	36%	47%	28%	24%
Supply chain transparency	60%	25%	33%	26%	46%	48%

**Figure 13**  
Percentage of stakeholders that said constraints regarding third-party cookies are a barrier (2020-2021)



## 4. DRIVERS & BARRIERS

### CTV and Fraud

The last 12 months have acted as a catalyst for growth in CTV usage and content consumption, and, with it, a corresponding increase in fraudulent activity. For example, in 2020 (according to DoubleVerify):

- Over 500,000 fraudulent device signatures daily
- Over 1,800 fraudulent CTV apps
- CTV fraud impressions increased 220% in 2020 compared with 2019
- 12 major CTV-focused fraud schemes were identified and almost 20 overall. For CTV, these schemes would siphon off tens of millions of dollars a year if left unchecked -- hurting advertisers and publishers alike.

In addition, according to eMarketer, advertisers spent an additional \$1.16 billion on programmatic CTV video ads in 2020 compared with 2019, and incremental spending in 2021 will increase to \$2.37 billion. With more inventory bought through intermediary platforms, the risk of fraud rises. Advertisers need to be able to detect and prevent fraudulent activity that can have a significant, adverse impact on program success and return on media investment.

Trust will be key to unlocking the full potential of CTV. Verification across brand safety and suitability, fraud, in-geo and viewability needs to be looked at as a first priority for brands, as it will allow further exploration of the creative and innovative possibilities offered by a premium environment.

# 4. DRIVERS & BARRIERS

**Figure 14**  
Full Data Set - Barriers of programmatic investment by stakeholder (2018-2021)

	Advertiser				Agency				Publisher				Ad Tech		
	2018	2019	2020	2021	2018	2019	2020	2021	2018	2019	2020	2021	2019	2020	2021
Hiring people with the right skill set	32%	24%	20%	33%	29%	43%	40%	68%	46%	48%	24%	48%	45%	33%	32%
Training people adequately	38%	28%	30%	33%	25%	36%	25%	47%	38%	37%	28%	24%	28%	18%	25%
Cost of technology	35%	31%	10%	8%	29%	31%	40%	26%	39%	27%	48%	59%	20%	29%	21%
Cost of data	16%	21%	0%	13%	20%	12%	33%	27%	17%	6%	20%	28%	6%	10%	11%
Quality of data	27%	31%	40%	29%	38%	36%	58%	26%	32%	24%	22%	28%	31%	27%	18%
Data protection concerns	24%	14%	50%	42%	24%	28%	15%	32%	30%	28%	22%	28%	41%	29%	39%
Supply chain transparency	35%	38%	60%	25%	56%	34%	33%	26%	41%	37%	46%	48%	48%	47%	25%
Selecting and setting up the right technology	11%	24%	30%	21%	32%	18%	8%	15%	31%	24%	17%	24%	31%	22%	25%
Having a clear understanding of the impact of programmatic trading on total revenue	35%	41%	30%	46%	25%	43%	33%	38%	32%	18%	30%	17%	30%	31%	50%
Brand safety	24%	34%	10%	42%	49%	28%	28%	18%	27%	27%	9%	31%	32%	16%	25%
Fraud	30%	31%	20%	29%	32%	34%	30%	26%	27%	30%	24%	7%	42%	14%	36%
Viewability	24%	17%	30%	8%	24%	14%	8%	3%	17%	18%	17%	21%	27%	16%	21%
Creative optimisation	11%	14%	10%	4%	10%	15%	10%	18%	4%	3%	9%	14%	3%	8%	11%
Campaign performance	19%	21%	10%	21%	17%	16%	13%	6%	18%	11%	7%	28%	8%	8%	18%
Campaign measurement and reporting	27%	17%	20%	17%	33%	14%	13%	3%	11%	15%	13%	21%	21%	12%	14%
Constraints regarding third-party cookies (NEW IN 2020)			30%	33%			38%	38%			41%	34%		18%	25%



# 5. MEASUREMENT & DATA STRATEGY

Consent Management platforms have grown in usage for all stakeholders except agencies - highlighting an opportunity for further education/transparency amongst this group.

In response to legislation changes; last year we saw a significant increase of adoption of consent management platforms amongst publishers - with 56% having 81%+ of their inventory having consent, this has increased even further to 60% this year, with advertisers also showing greater adoption of consent frameworks increasing from a third to 45% YOY (amongst 81%+ of their inventory). In contrast, agency adoption remains flat YOY with only a quarter of respondents saying that 81%+ of their inventory bought uses a consent management platform. That being said, the majority of this audience claim that they do not know, suggesting further transparency & education around consent management is required.

There's a consistency in success metrics: Three quarters of Agencies use the same measures of success regardless of whether they are trading programmatically or non-programmatically

Sales KPIs continue to be a key metric for evaluating programmatic campaigns. 48% of advertisers cite sales KPIs as the top metric used for evaluating programmatic campaigns (vs 30% last year). For ad tech vendors, impact on sales is also the most-frequently cited success metric (31%), and agencies rank it among top KPIs, too. Reliably measuring sales effectiveness is also a prerequisite to unlocking programmatic ad spend. Among advertisers and agencies that are still reluctant to invest in programmatic advertising, close to half (46% of advertisers and 38% of agencies) say they lack a clear understanding of how much this channel is contributing to their bottom line (see section on barriers to investment).

Brand metrics such as brand awareness and purchase intent have also increased in use amongst advertisers (at 43% & 19% respectively) suggesting more brand campaigns are being delivered through programmatic mechanisms. Publishers seem to have understood that a shift is taking place towards programmatic advertising as a means to build brands: close to four out of 10 (37%) cite brand awareness as a major success metric, a 10-point increase against 2020.



# 5. MEASUREMENT & DATA STRATEGY

Brand suitability is cited by fewer than 15% of respondents as critical to measuring campaign success, it is nonetheless regarded as a major barrier to entry by those who ultimately pay the bills. Four out of 10 advertisers (42%) cite it as a reason they don't invest in or increase investments in programmatic, on par with data

protection concerns. The programmatic ecosystem as a whole has yet to take the full measure of how useful this metric would be to unlocking revenue from brand-conscious advertisers: only 18% of agencies, 31% of publishers and 25% of ad tech vendors see it as a significant hurdle to programmatic investment.

**Figure 15**  
Top 3 metrics used by stakeholder (2021)

Advertisers		Agencies		Publishers	
Sales KPIs	48%	Reach and frequency	41%	Cost per mille (CPM)	63%
Brand awareness	43%	Sales KPIs	31%	Brand awareness	37%
Uplift in direct site visits	23%	Brand awareness	31%	Sales KPIs	33%

## 5. MEASUREMENT & DATA STRATEGY

First party data continues to grow in importance

95% of advertisers, 94% of agencies and 93% of ad tech vendors are currently using first-party data - all showing growth on 2020 figures. Publisher's reliance on first-party data is surprisingly slightly less at 70%. The use of third-party data remains pretty stable at 88% amongst agencies and 70% amongst advertisers (with ad tech vendors and publishers coming in lower at 66% and 44% respectively). 88% of agencies are interested in interest audience segments, whilst three quarters of agencies and advertisers are interested in targeting audiences via first-party data matches.

Now that there has been a delay to Google Chrome sunseting third-party cookies until 2023, the gift of time has been granted to all stakeholders to investigate and experiment with other solutions to replace third-party cookie tracking for both targeting and performance. As we have seen in this report,

the increased shift to first-party data for targeting has occurred. Contextual strategies, however, are also powering performance on programmatic buys. 69% of consumers say they are more likely to engage with an ad if it is relevant to the content they're reading, according to DoubleVerify/Sapio.

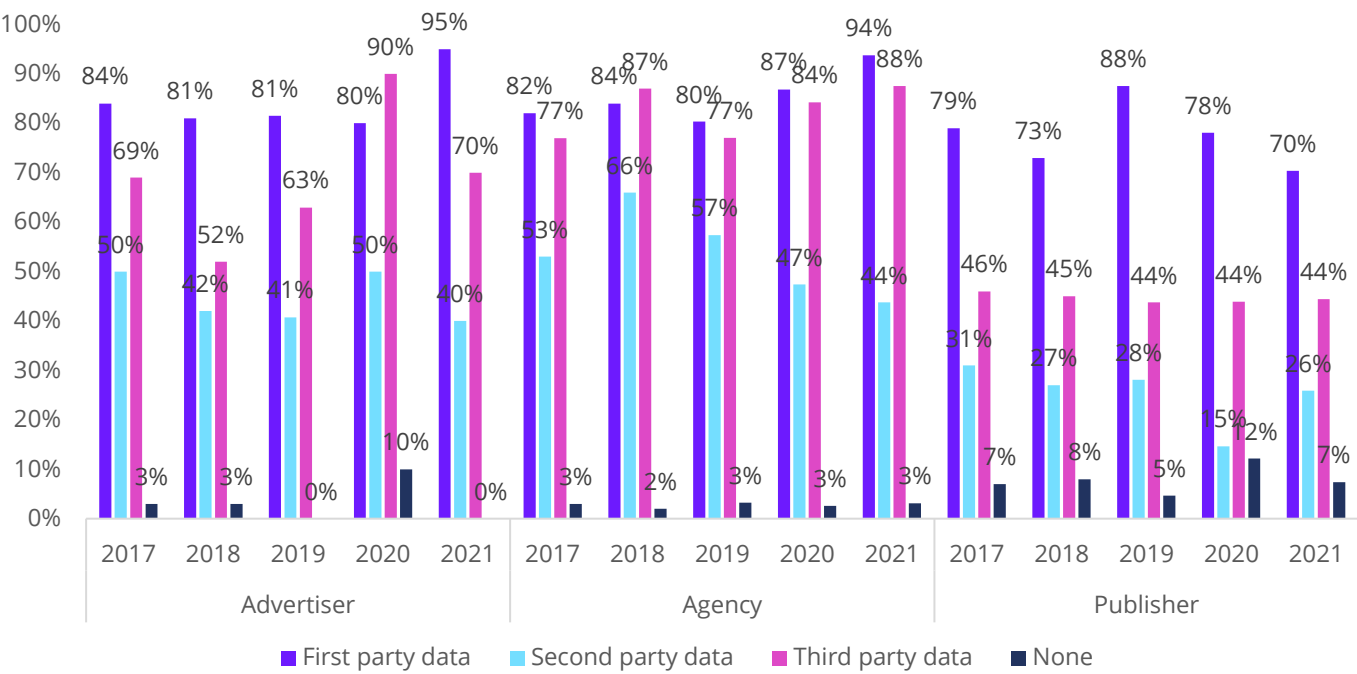
**90% of advertisers and 88% of agencies state that they are planning to leverage first-party data in the future.**

Whilst the majority of advertisers and agencies state that they are planning to leverage first-party data in the future; the number of advertisers and agencies planning to use second and third-party data in the future has declined.

74% of publishers are also planning to leverage first-party data in the future; a drop from last year's 83%.

# 5. MEASUREMENT & DATA STRATEGY

**Figure 16**  
Type of audience data used by stakeholder (2017-2021)



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Anita Caras,  
Research  
Director, EMEA,  
Yahoo!

*This data underlines that marketing spend is now predominantly shifting to programmatic as many more channels open up to automated, digital forms of advertising. Marketers simply want to know their budgets are being used effectively to positively shift consumers' perceptions of a brand and to drive sales, regardless of whether they buy media programmatically or non-programmatically. The changes to ways of buying, creative formats as well as the data used to target and measure campaigns means programmatic is no longer seen as a way to simply buy long-tail, remnant inventory as it has been in the past. What has changed, predominantly in response to consumer and legislative concerns around data privacy, is the way in which data is collected and managed. We are seeing a rising shift to solutions that are based on accountable, consent based relationships with consumers, which provides me with hope. It is by aligning with consumer expectations of a fair and transparent value exchange, as well as providing ever-better creative digital solutions as technology and connectivity changes, that we will be able to build sustainable marketing practices for the future.*

# 5. MEASUREMENT & DATA STRATEGY

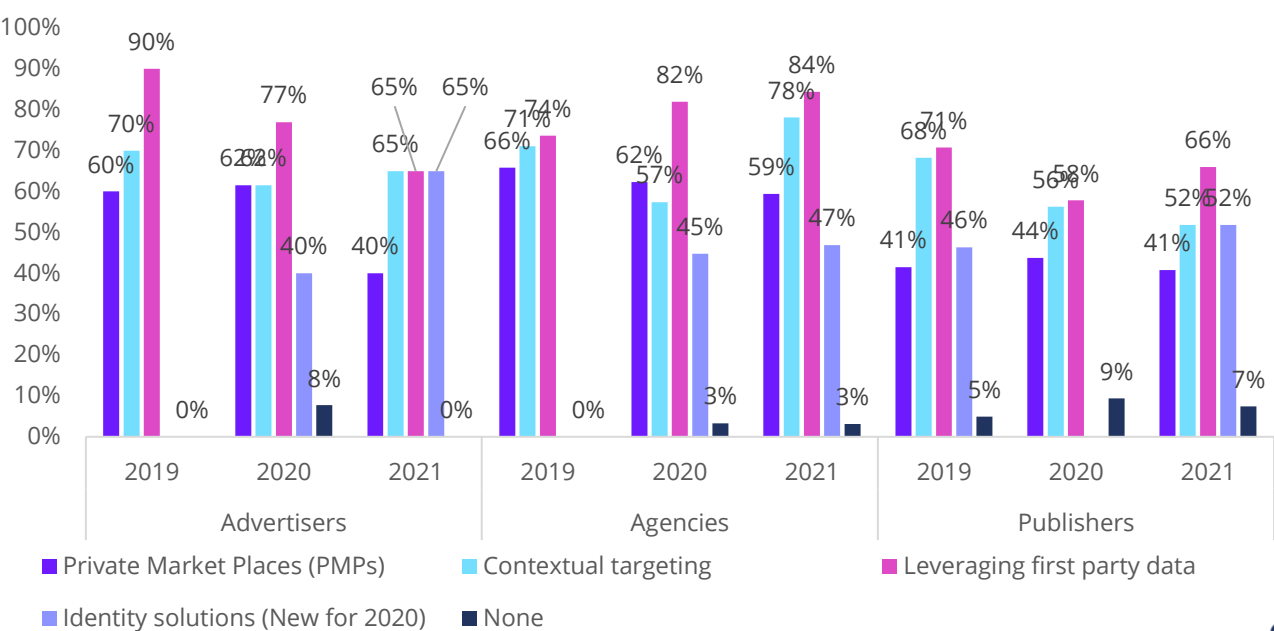
Agencies are increasingly looking to first-party data and contextual targeting solutions against the backdrop of further data protection regulation & browser cookie controls.

With heightened data privacy and cookie controls, first-party data and contextual targeting methods are increasingly favoured by agencies (at 84% and 78% respectively vs. 74% and 71% in 2020).

Reliance on own data management platforms is on the rise.  
69% of agencies now cite their own platform

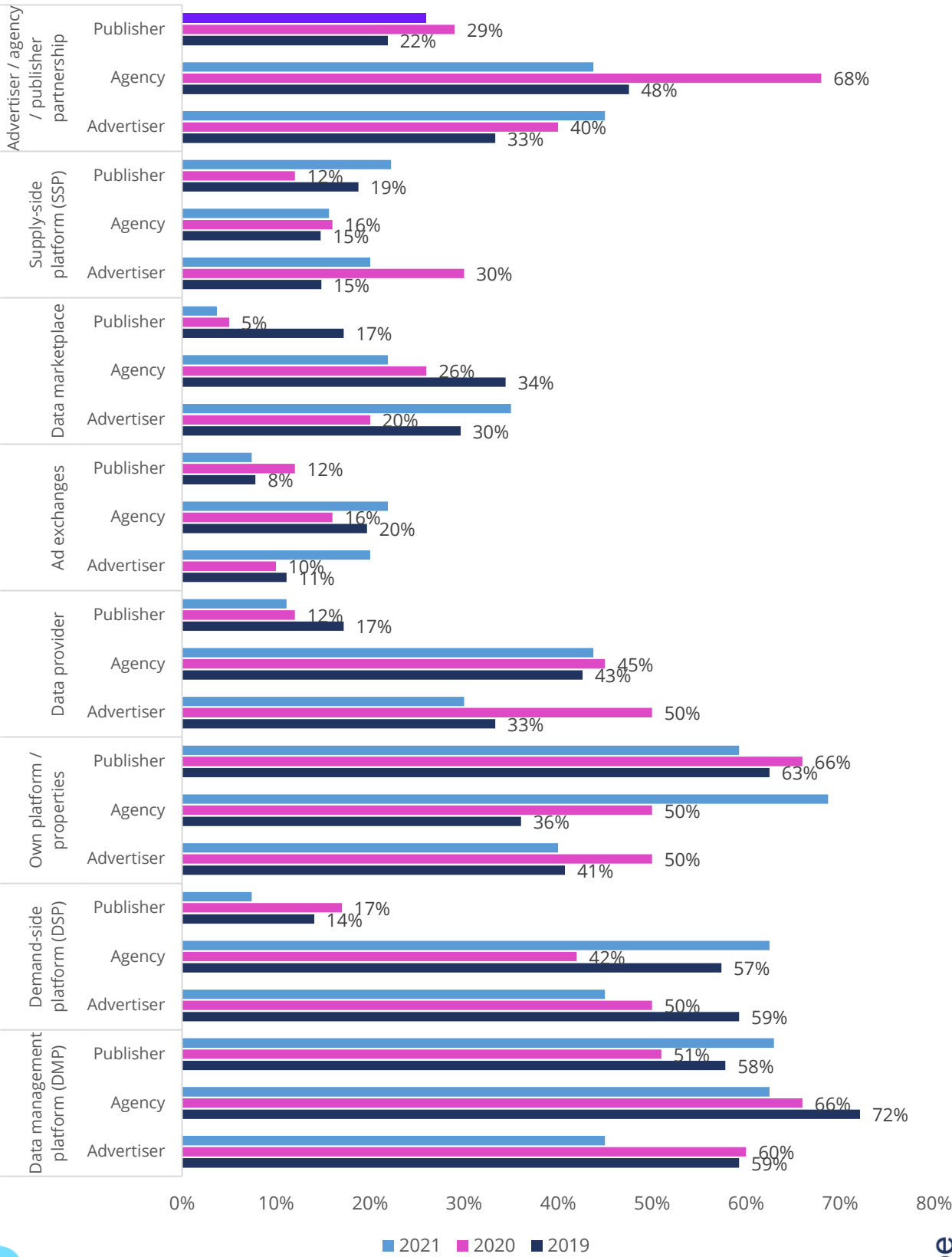
as their main source of data - recognising the need to collate & differentiate through data - this is a significant shift from 50% in 2020 and their previous focus on partnerships (currently at 44% vs. 68% in 2020). Amongst this audience, DMPs & DSPs come in a strong second at 63%. In contrast, amongst publishers there has been a shift in reliance on to DMPs (increasing from 51% in 2020 to 63% this year) with own platforms/properties coming in second at 59% (vs 66% in 2020) reflecting the slight decline in focus on first-party data assets amongst this stakeholder group.

**Figure 17**  
Solutions stakeholders are looking at in light of data protection regulations and browser cookie controls (2019-2021)



# 5. MEASUREMENT & DATA STRATEGY

**Figure 18**  
Data sources used by stakeholder (2019-2021)



## 6. FUTURE OF PROGRAMMATIC

After a period of uncertainty in 2020, the optimistic outlook on programmatic investments returned in 2021. From the perspective of advertisers, an overwhelming majority (80%) forecast that their programmatic investment will increase in the next 12 months, while 15% predict maintaining the same level of programmatic spend. And 35% of advertisers surveyed say they see this investment increasing between 31-50%. That's a 25% jump from 2020, when only 10% of respondents saw their digital investment increasing at this rate.

A similar trend is reflected amongst agencies. An astonishing 82% of surveyed agencies predict an increase in programmatic spend, and 51% of that group cite that this increase will be greater than 11%. Only 9% of the surveyed agencies forecast maintaining the same level of programmatic ad spend.

Publishers' maintained their optimistic outlook on programmatic ad spend from 2020 to 2021; 81% of publishers predict that their revenues from programmatic trading will increase (83% in 2020).

When it comes to the growth areas within the programmatic ecosystem, it all points towards connected TV (CTV). Ad tech vendors are the most optimistic when it comes to CTV, with 79% citing it as the key growth area. Approximately half of all other stakeholders advertisers (55%), agencies (53%), and publishers (52%) also believe CTV to be a key driver of programmatic trading. Given that it was also a clear key growth area in the 2020 edition of the report, it is not that surprising. CTV is a beneficiary of pandemic trends and continues to be one of the fastest growing digital ad spend channels, thanks to the quickly expanding availability of its offerings as well as relatively easy scalability. Once we overcome some of the issues we face around transparency, measurability and the ability to track program-level data, CTV will likely take a pole position in advertiser media plans, much as linear TV does today.

## 6. FUTURE OF PROGRAMMATIC

Furthermore, other potential growth areas emerged in this year's report. Audio seems to grasp the attention of agencies and publishers, as 44% of them see it as one of the growth drivers within programmatic. 25% of advertisers and 24% of ad tech vendors share this sentiment. Programmatic audio, which is essentially inserting your audio ad before or during streaming music, news, or podcasts, is growing more popular, as are music streaming platforms such as Spotify and SoundCloud.

Programmatic audio offers very unique targeting options. Generally, the targeting is very similar to other advertising channels such as display, native, or video ads and CTV campaigns. However, with programmatic audio you can adjust the targeting even further, by using data from audio providers to tailor the ads to a specific niche, genre, or even demographics. This means that the ads can be matched to a mood of a playlist, the genre of the album, or even the topic of the podcast. Another strength of the audio format is that it is emotionally engaging and is often listened to with undistracted attention.

In third place is digital out of home (DOOH), which is the automation of out of home ads on digital screens. The programmatic aspect of DOOH uses machine learning and computing to buy, sell, measure and target out of home digital screens. There is a significant group of advertisers (35%), agencies (34%), and publishers (33%), who believe this to be a key opportunity for growth within programmatic advertising. This has increased in importance since in 2020, 15% or less of all stakeholders cited it as a key driver of growth. However, due to the more optimistic outlook on the pandemic situation, along with the resumption of international travel, we can understand how DOOH is again a viable option for advertising.

DOOH has many benefits, such as being hard to ignore, larger than life thus making a lasting impression, memorable, and also supporting omnichannel campaigns. When programmatic is added to the mix, DOOH can also use audience targeting and measurement techniques to enhance ad delivery.



# 6. FUTURE OF PROGRAMMATIC

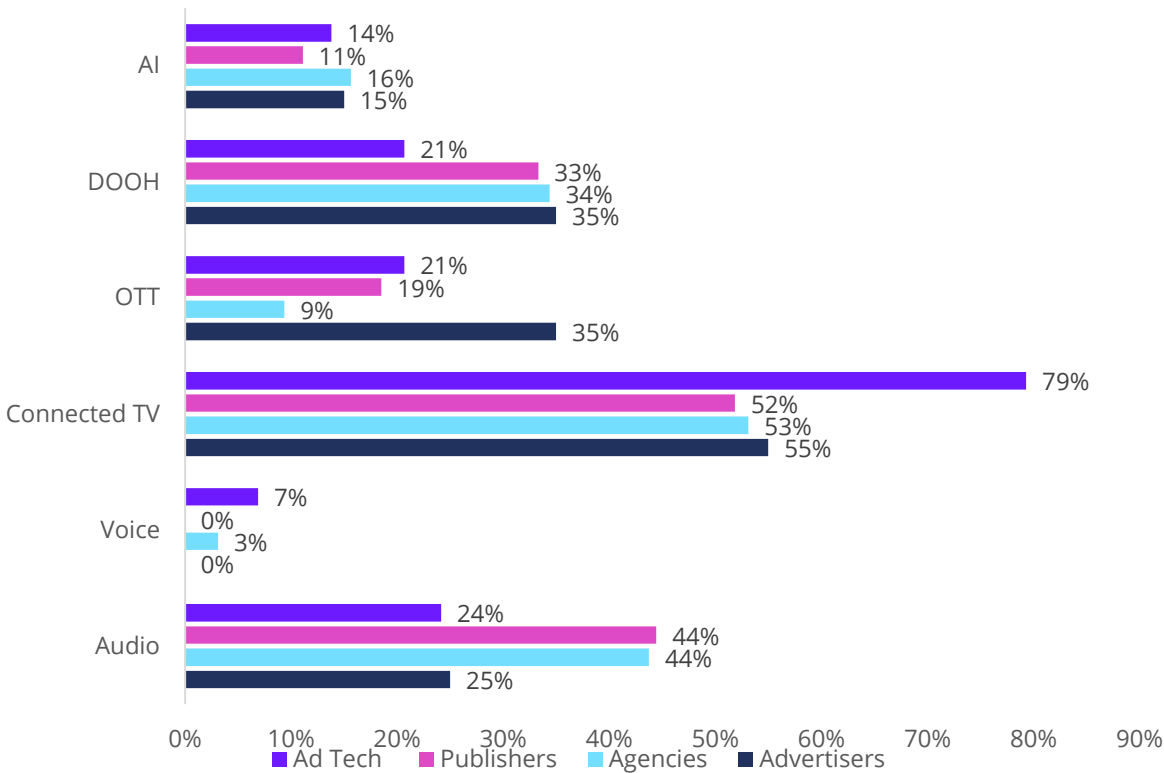
Over-the-Top (OTT) advertising seems to only be popular with advertisers, as 35% of surveyed pointed towards it as a potential growth area. Agencies and publishers did not share this optimism, as 9% of agencies and 19% of publishers think it will drive programmatic growth.

Artificial intelligence in programmatic advertising is seen as less appealing now, than in 2020. In 2021, 16% or less of all stakeholders deemed AI as a growth opportunity, while in 2020 almost 22% said they can see it as a key driver. This shift might be due to increasing investments in other digital channels, such as CTV.

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Umair Malik,  
Head of  
Programmatic  
Strategy, Smaato

*We expect CTV/OTT to continue to dominate. Further 5G adoption and extremely fast speeds will contribute to OTT's success. Though there are challenges associated with the CTV/OTT market, selecting the right partner for OTT is critical for ensuring long-term success, eliminating third party vendor costs, reducing the risk of third party fraud by doing SSAI/DAI in house, and delivering positive user experience.*

**Figure 19**  
Drivers of programmatic investment by stakeholder (2021)





## 7. WITH THANKS

IAB Europe would like to thank the following members that helped to compile this report



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