

Introduction

Detailed below are the responses to the most common questions which arose from the Q&A sessions held with parties who are responding in whole or in part to the ANA's RFP.

The FAQ is being made available publicly to help guide respondents in their submissions.

FAQ**1. What does success look like?**

The ANA is seeking measurable solutions that reduce waste and make advertising transacted programmatically more efficient, effective, accountable, and transparent.

By reducing waste, we intend to increase the 'working' dollars that reach the publisher and result in increased quality of ad exposure. This is not about 'another waterfall' but an end-to-end set of actionable, always-on solutions that make programmatic dollars work much harder.

At its core, the solution aims to address the information asymmetry that exists between advertisers (buyers) and their commercial partners (sellers/intermediaries), leading to more effective tracking of data and money through the supply-chain inclusive of an ability for buyers to more accurately price the ads they get in return.

Success is also about sustainability. This is more than just the production of a "playbook." We intend to arm advertisers with always-on tools, techniques, and frameworks for continuous process improvement that enable them to maximize their programmatic activities and are so compelling that adoption is highly desirable, and advertisers are compelled to share success.

As the RFP makes clear, the ANA intends to enable its members to obtain accurate and faster information to make better decisions on where and how to spend their ad dollars and who to spend them with.

2. The RFP is described as 'global'. Does this mean all markets should be covered?

The techniques used in programmatic advertising are mostly universal, even if the markets vary substantially. We are looking for solutions that can be applied on a multi-market basis. That said, the most important market given its scale is the US and the ANA's duty is to improve results for all its US-based members.

3. Will the ANA choose one partner or more than one?

The answer will depend on the various recommendations we receive. We reserve the right to appoint the right combination of partners to achieve our goals, just as we did in 2015 for our Media Transparency study.

We are interested in existing or proposed partnerships, and we may team consultants up on a 'best-in-class' basis.

4. How is the study being funded?

The ANA is responsible for funding and does not intend to ask members for contributions.

5. Are ANA's members supporting this study and prepared to participate?

The ANA's Board has given full backing to this study. We confidently expect individual ANA members to actively participate in live trials – if indeed the proposed solution involves live trials – given that they will benefit from it.

It is too early to say how participating advertisers would engage with the chosen consultants, but the ANA will facilitate any introductions and coordination needed.

6. How long will the study take and how much will it cost?

The time it takes depends on the time it will take to execute the right solutions. We would rather get it right than get it fast. It is not possible to say when consultant(s) will be appointed nor when work commences as this will depend on the solutions that are preferred and the consultant(s) who will develop and implement them. There are no internal or external factors, due dates or milestones influencing the timing.

The cost is as yet unknown. It will depend on the right solutions and the time and resources it takes to achieve them.

7. Does the study involve other trade associations?

We are pleased to have the support of the World Federation of Advertisers and the Incorporated Society of British Advertisers, whose 2020 study was one of several catalysts for this study.

8. Your RFP states that the scope of the study includes Walled Gardens as well as the Open Web? Why is this and what are your expectations for Walled Gardens?

Please refer to Figure #1 below

Prior studies have only examined the Open Web in Quadrant 1 of Figure #1. While there is undoubtedly much improvement needed in how the ANA's members use the open web, we are interested in how respondents will solve the problem of ad quality data and transaction cost transparency across all four quadrants of Figure #1.

With respect to The Walled Gardens (Quadrants 3 and 4), observation suggests they are less transparent and have not been studied before. They also account for over 70% of advertisers' display ad spend and this proportion is expected to grow.

We anticipate different solutions for the two types of programmatic trading, and the focus on each will be different. In the Open Web we will study the complex supply-chain that includes Demand-side Platforms, Supply-side platforms, Publishers and the associated technology and data providers.

The Walled Gardens have different dynamics, and the solution will lie more in the techniques of measurement advertisers need to evaluate the effectiveness of their Walled Garden activity. The costs of advertising on Walled Gardens should be justified by greater transparency of transaction costs and ad quality data. As such, we would like to hear about

new thinking in this area in the absence of any additional transparency coming directly from the Walled Gardens.

We are interested to hear expert advice on solutions that embrace the range of channels, devices, and formats where programmatic plays a part.

We have made no assumptions on the technology needed to deliver the best solutions nor the protocols attached to data access, storage, processing, aggregation, or taxonomy. We are interested in all relevant candidate solutions.

9. How important is ad quality to the study?

It is intrinsic. The quality of ads (and therefore their likelihood of success) should determine the price paid for the ad via auction as well as the costs associated with determining the quality (e.g., data). We seek solutions that address both ad quality data and transaction cost flows incorporating the mechanics of ad quality a buyer gets in return.

Any factors such as Supply Path Optimisation should include the expected outcomes of improving ad quality and the effective price paid for better ad quality and resulting advertisement impact.

We are interested in how ad quality plays into bidding strategy to ensure a fit between the quality of inventory and the pricing attached to it, including the criteria of targeting, geo-location, creative rendering, latency, viewability and validity/invalidity of the impression.

10. Will Media Agencies and Publishers be actively involved in the study?

It is in the interests of everyone involved in the advertising process to enable a better ecosystem where programmatic media trading improves. We anticipate that any ANA members who engage actively in the study – again, assuming active advertiser engagement is part of the proposed solution – will instruct their media agency, AdTech and publisher partners as to their roles in making the study a success.

Respondents should recommend the best way to achieve the required solutions, the parties that need to be involved, and the working practices that will allow the necessary level of money and data access.

11. How can the solutions that come out of the study be made sustainable?

The solutions playbook will be a set of always-on tools, instructions, resources, and recommendations that can be immediately applied by advertisers to improve performance. We anticipate that it will include technical, process and systems recommendations that will help advertisers choose data and technology partners to improve accountability, effectiveness, efficiency, and transparency — and measurement therein — of their investments throughout the supply-chain.

We anticipate that the solutions and actions arising from this study could create a new set of higher standards for programmatic trading that other trade bodies could adhere to.

12. Which aspects of ad quality data and transaction costs transparency do you wish to address?

The ISBA study identified the 15% 'unknown delta' in the money supply-chain between advertiser and publisher. We would like to identify the reasons for that, but we especially need to use new techniques and technologies to be able to track impressions and their associated costs through the supply-chain and to see inside the auction mechanics to identify the true costs paid for impressions before ad quality and transaction cost data are added.

We are interested in the composition of costs, including services supplied and value created, and areas of arbitrage and mark-up, so that advertisers can identify where value is being added, waste is being generated, and invisible margins are being made.

13. Will the study aim to address the impending changes in tracking methodologies and identity definition?

Self-evidently, the solutions we seek must be future-proofed to meet the needs of advertisers in the coming years, so the demise of third-party cookies will need to be factored in, as will any other dynamics affecting the market.

14. Can anonymity be assured where interviews of former or present employees of the relevant players in the programmatic eco-system are required to help build solutions?

As with the K2 Intelligence study in 2015/2016, we are interested in how respondents will resolve areas where transparency is lacking. This may involve interviewing people with specialist knowledge of the subject matter and if anonymity helps provide the necessary insights, the ANA supports it.

It should be stressed, however, that this study is designed to provide answers and solutions to industry-wide challenges rather than result in an exposé of industry practices. Any interviewing or exploration should be conducted with a view to identifying insights that help provide solutions for an always-on playbook that brings current information asymmetry into balance.

PROGRAMMATIC STUDY SCOPE

FIGURE 1

		Inventory Source		
		Open Web	Walled Garden	
Supply Chain	Transaction Cost	Quadrant I	Quadrant III	
	Ad Quality Cost	Quadrant II	Quadrant IV	
		\$53 billion display ad spend	\$129 billion display ad spend	\$182 billion total*

*Source: eMarketer and 10K Filings (\$US global spend)

Quadrant I: Past studies have focused exclusively on the cost waterfall, but only up to the publisher’s yield. We expect respondents to dive deeper into this zone vis-à-vis testing and/or solutions.

Quadrant II: We expect respondents to go one step further into ad quality data, costs, and solve for “fungible” ad quality scoring or similar.

Quadrant III: Unlike the open-web, walled gardens act as an enclosed supply chain and sell owned & operated inventory making it difficult for advertisers to answer the question, “What’s my working media?” However, as challenging as it may be, we ask respondents to bring their creativity and problem-solving skills to bear for advertisers to better optimize this zone.

Quadrant IV: Observation suggests the ad quality of walled garden inventories might not meet a high-standards bar. Again, we ask respondents to tap their creativity and statistical skills to suggest always-on methodologies and solutions to better measure and value ad quality and the incremental effects thereof.