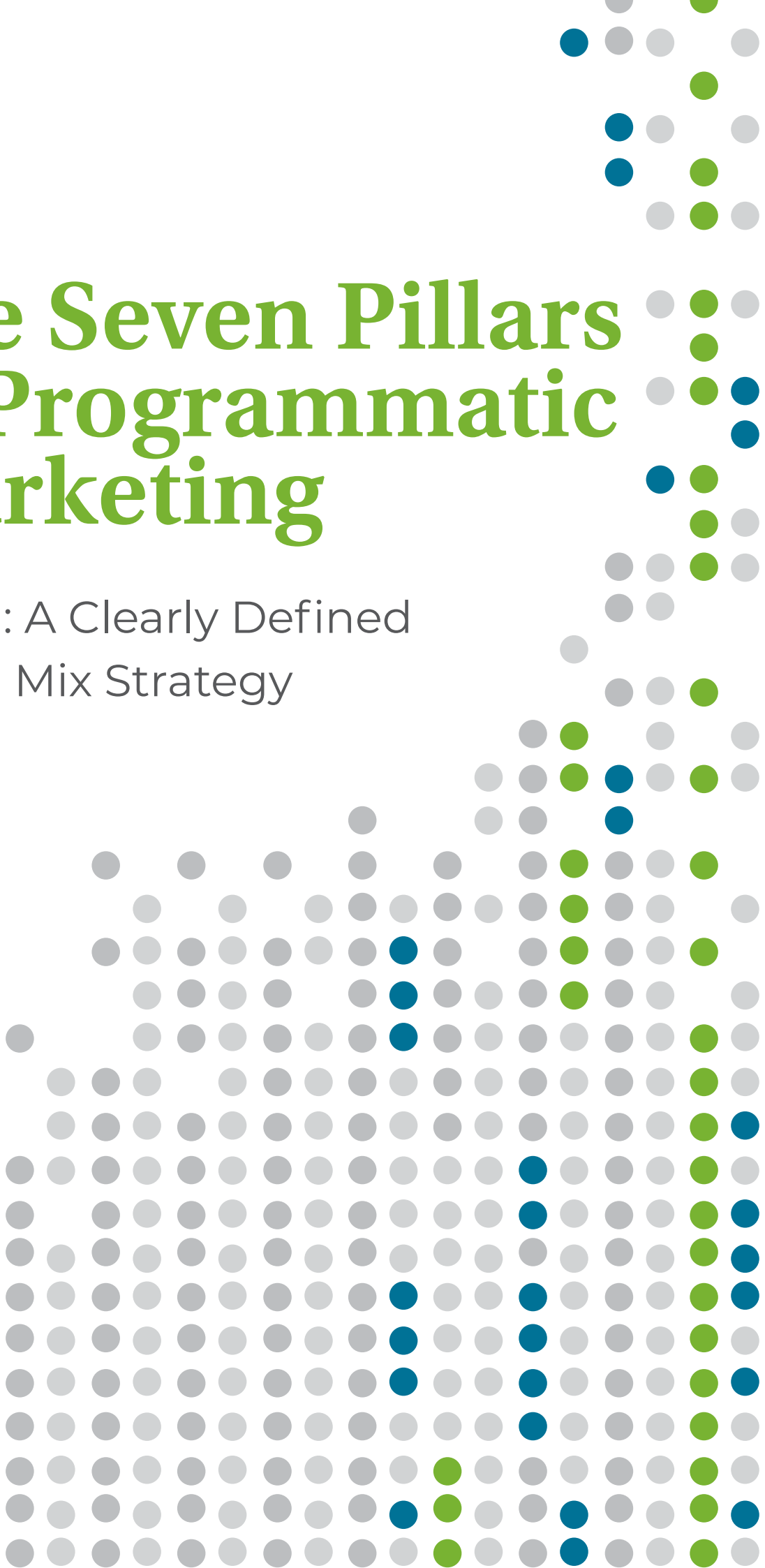




# The Seven Pillars of Programmatic Marketing

Pillar 1: A Clearly Defined Media Mix Strategy



Today's customer journey continues to evolve: nearly three-quarters of consumers use multiple channels before making a purchase, [according to the Harvard Business Review](#). Different channels play different roles in driving customers and prospects into the marketing funnel. When someone makes a purchase, it is never in a vacuum. There can be hundreds of digital and offline touchpoints, activities, and interactions that take place before a customer makes a purchase decision.

Successful marketing strategies need to employ a clearly defined media mix, in which each channel has a distinct but connected goal to drive customers further into the marketing funnel. Before we dive into how to do this, let's go over the three stages of the marketing funnel.



# PILLAR ONE: A Clearly Defined Media Mix Strategy

## Marketing funnel 101

At the top of the funnel, your goal is to generate brand awareness and recognition, so you can start building meaningful relationships with customers. The best digital media to use here are display ads, video, and content marketing (i.e., website, blogs), which can establish the brand's values and position as an information provider. Connected TV (CTV) is another powerful brand awareness tactic that can reach broad audiences through motion and sound. The digital metrics used to measure top-of-funnel impact typically include ad impressions, reach, and total website traffic.

The mid-funnel focus is on creating consideration or interest in your brand. In other words, once you've introduced the brand at the top of the funnel, it's time to increase your engagement with those consumers. Most marketers use paid search and social media advertising to provide brand value here. To measure mid-funnel impact, you can track clickthroughs, time on site, page views, and time spent on each web or landing page.

Finally, there's the lower funnel, where conversion is your goal. A conversion can mean different things to different brands: an online purchase, a sales appointment, a form fill, or whitepaper download. Retargeting (site, search, or video) and CRM/email marketing are two of the channels used to spur conversions. Typical lower-funnel metrics include total conversions, cost per conversion, and cost per ad spend.

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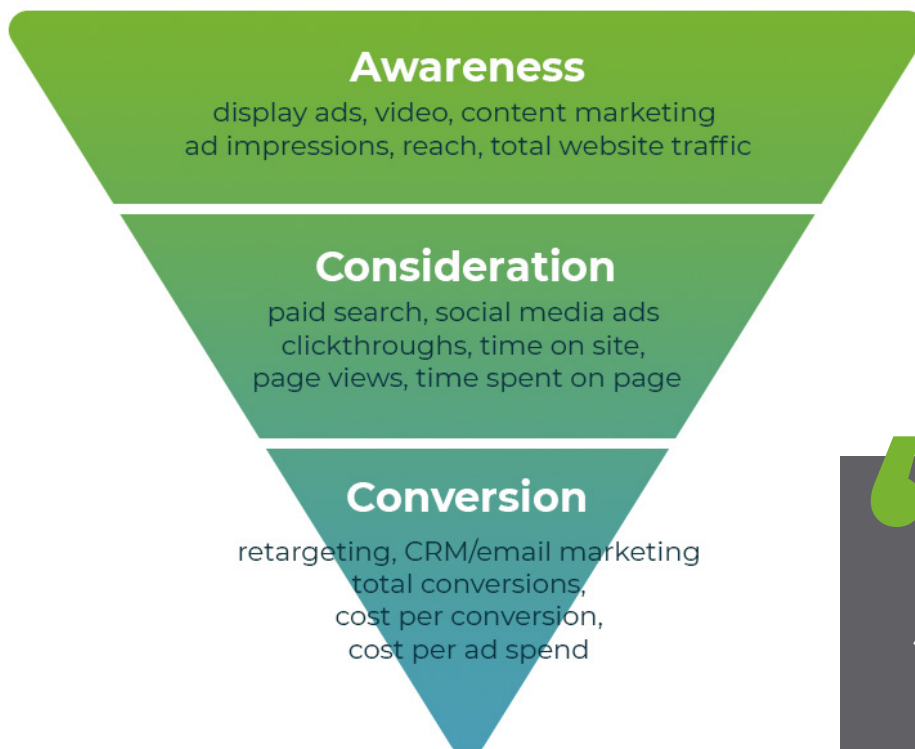


# Putting it all together: the full-funnel approach

Splitting your marketing efforts between brand-building campaigns and separate call-to-action campaigns overlooks the connection each funnel stage has to bottom-line returns. Every brand needs to drive conversions, but to do that, you have to first draw prospects into the top of the funnel. It is never an “either/or” proposition. That’s why the best way to achieve marketing success in today’s fragmented media landscape is a full-funnel approach that uses a strategic media mix to balance long-term goals to build the brand with short-term goals to achieve results.

Full-funnel marketing strategies connect the funnel from top to bottom by aligning resources, goals, and measurement. Even when you’re looking to drive more conversions or sales, the process still starts with brand awareness. After all, it’s very difficult to convert a customer if they don’t know who you are or what your brand stands for. The brand awareness stage is meant to cast a wide net and start the marketing process for as many prospects as possible.

A full-funnel approach also increases your understanding of how each stage of the funnel impacts the others to create a more seamless—and profitable—customer journey. For example, how CTV spend at the top of the funnel boosts personalized email response in the lower funnel. Or, how mid-funnel social media advertising drives online and in-store visits.



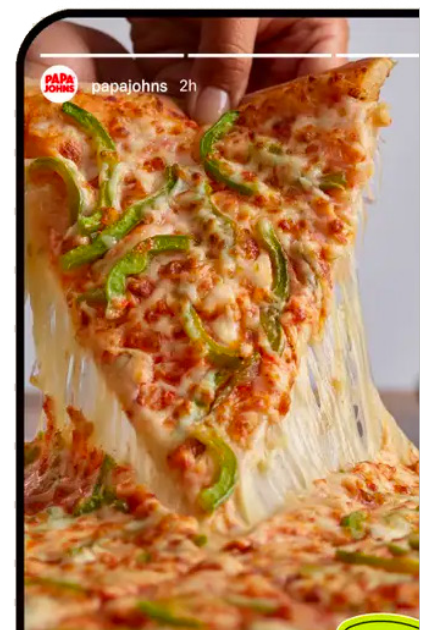
“With a clearer understanding of consumer preferences and behavior at the early stages of their buying journey, companies report marketing efficiency gains of up to 30 percent and incremental top-line growth of up to 10 percent without increasing the marketing budget.”  
- 2021 McKinsey & Company

# A holistic marketing strategy generates better results

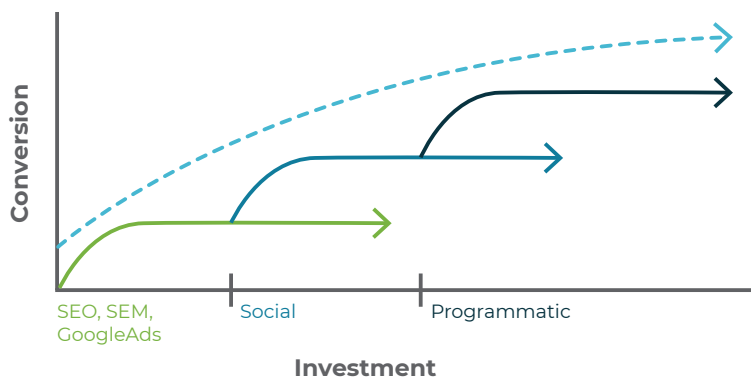
This type of holistic approach to marketing can “raise the lake” on performance throughout the funnel. By coordinating multiple marketing campaigns and messages to work together, a full-funnel strategy moves people along their customer journey and targets the most qualified audiences with more refined messaging as they get closer to the conversion stage. Brand awareness efforts at the top of the funnel increase the number of conversions at the bottom of the funnel, contributing to a higher return on ad spend (RoAS).

In fact, research shows that marketers using three or more channels in any one campaign [earn a 287% higher purchase rate than those using a single-channel strategy](#). In addition, purchase frequency is 250% higher in a multichannel versus single-channel campaign, while average order values rise, as well.

Look at how national pizza brand Papa John's put a [holistic marketing funnel approach into action](#). Consumer buying habits shifted during the Covid pandemic, and more Americans stayed home and ordered food to be delivered. In response, Papa John's shifted its digital ad buys to reflect new delivery options, often using dynamic creative to insert the nearest location into its campaigns. Mobile grew to be the brand's fastest-growing platform, and 70% of Papa John's orders now come digitally. From contactless delivery to a fully operational e-commerce platform, Papa John has implemented a top-of-funnel strategy that was clearly connected to bottom-line results. Papa John's drove brand awareness across multiple devices, including desktop, mobile, and CTV. The content sought to humanize and localize the brand, gearing its message towards customer convenience. The result was a significant increase in engagement, and in spring 2021, Papa John's had its best North American system-wide sales in the company's history.



Consider how running mid-funnel SEO and SEM programmatic campaigns can help spur conversions and user data among search engine users, but responses will begin to level off over time. Moving to a more targeted, and closed ecosystem, with social media advertising (i.e., Facebook or Instagram) can return relatively high RoAS and engage a new audience relating to new content. Complementary targeting tactics and channels will provide a clear bump in response. But as your efforts reach a saturation point, adding new programmatic ad buys across CTV and display retargeting will create a sustained lift and long-term ROI. Diversifying digital media buys will lead to improvements in volume, efficiency, and RoAS.



These examples reinforce the message that a full-funnel marketing strategy provides numerous bottom-line business benefits. Instead of one-off campaigns focused on lower-funnel search or social activities, it is much more effective to plan holistically as a marketing organization for diverse top, middle, and bottom-funnel media investments that will drive a better return over time.

## The role of programmatic advertising

So how does [programmatic advertising](#) fit into the digital media mix? It all comes down to scale, targeting, and efficiency. Programmatic platforms use machine learning and artificial intelligence (AI) to automate time-consuming, manual tasks such as bidding and ad placement. Using programmatic features such as predictive bid factoring, media buys become more efficient and better optimized to align your client's brand with the right supply-side technology partners, which can facilitate a clearly defined media mix to create a seamless customer journey.

Data is the backbone of accurate audience targeting, and programmatic advertising can incorporate numerous types and sources. Behavioral data is based on information collected from the webpages that individuals visit or the searches they make, as well as their offline behavior, including in-store purchases. Geolocation targeting (a.k.a. geo-targeting) delivers specialized ad content to a visitor based on his or her location, such as country, region/state, city, metro code/zip code, or metro code/zip code radius. Geofencing and geoframing are geo-targeting methods that incorporate timing as an element as well.

Data-driven digital advertising enables agencies to send more relevant and striking messages to engaged audiences. Look at programmatic display advertising as an example. By using real-time bidding (RTB), you can purchase inventory or ad placements on a variety of websites and apps on the open web. At the top of the funnel, the upside of display advertising is that your reach is nearly endless, allowing you to keep your campaigns evergreen and continue to bring new prospects into the funnel. You can reach potential customers in every corner of the open web with contextual targeting and CPMs lower than most types of targeted advertising. For example, you can display ad creative alongside your choice of contextual content, such as a family travel ad on websites in the family lifestyle category. Lower in the funnel, data-driven programmatic ads target engaged prospects with relevant messages and calls to action.

A self-serve programmatic platform can also offer the following benefits to your agency and your ability to [manage digital campaigns in-house](#):

### *More control over campaign setup and optimization:*

In-house programmatic managers can act quickly and precisely during strategic planning processes, as well as the execution and optimization phases. Instead of never-ending email chains and conference calls with multiple vendors, the agency platform operator can make key changes in minutes, freeing up more time for impactful and strategic activities.

### *Greater campaign management and reporting speed:*

Running a programmatic platform in-house enables the agency to have real-time access to every cost source (media and data), which can easily be shared with clients in real-time. This holds true for in-house agencies as well. Rather than waiting for a vendor to respond to changes in market conditions, marketing teams can rapidly make decisions and put them into action.

### *More flexible budgeting and revenue streams:*

Unlike dealing with individual publishers or ad exchanges, there are no minimums for programmatic campaigns. The in-house expertise gained by operating the programmatic platform enables you to expand your agency's digital services, creating new revenue sources.

### *Increased perception as a digital media thought leader:*

Investing in platform expertise is an asset that scales and differentiates your agency. You can also reduce churn: programmatic platform operators effectively future-proof themselves as the value provided to the client makes it difficult to switch. This is all true for in-house agencies, as well.

