



brightcom
group
Connecting dots

UNDERSTANDING DIGITAL ADVERTISING CHANNELS

PROGRAMMATIC ADS

REC

MIC — LINE

PROGRAMMATIC ADVERTISING

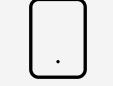
AUTOMATED BUYING AND SELLING OF DIGITAL ADVERTISING INVENTORY VIA SOFTWARE PLATFORMS

- Transactions executed in real time or through negotiated private deals (PMPs)
- Programmatic refers to the method of buying, not the media itself

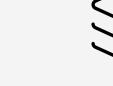


 **Display**
Banner, rich media

 **Streaming / CTV**
Connected TV

 **In App**
Direct, lifecycle, CRM-driven advertising

 **Video**
Short-form, in-stream, out-stream

 **Native**
Retail media environments

 **Audio**
Streaming audio, podcasts

HOW DIGITAL ADVERTISING IS EXECUTED

Programmatic systems function as:



- Programmatic operates continuously and at scale
- They enable large-scale, automated matching of advertiser demand and publisher supply
- Most global digital ad spend today is executed through these systems

PROGRAMMATIC EXECUTION

WHAT MAKES DIGITAL ADVERTISING DIFFERENT

Programmatic systems:

 Match advertiser demand with publisher supply

 Price inventory dynamically

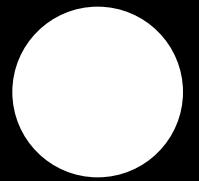
 Operate in milliseconds

 Optimise continuously based on performance signals



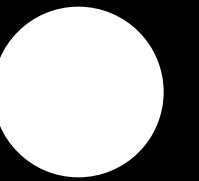
BILLIONS OF AUCTIONS ARE PROCESSED DAILY ACROSS GLOBAL INVENTORY

BUYING MODELS



RTB (REAL-TIME BIDDING)

- Open auction environment
- Price discovered impression by impression



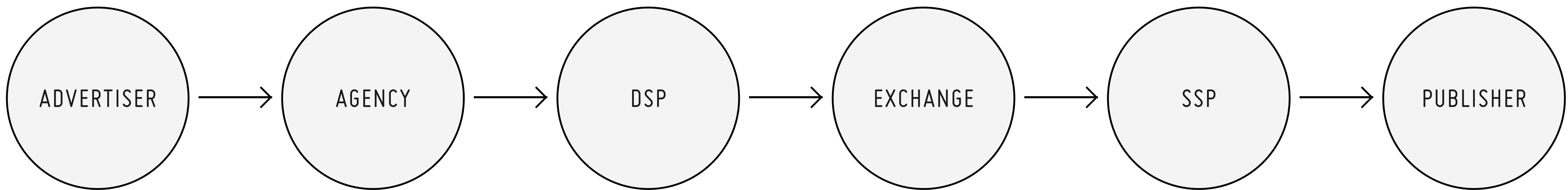
PRIVATE MARKETPLACES (PMPS)

- Negotiated access to specific publishers
- Fixed or floor pricing
- Greater control and predictability

BOTH MODELS COEXIST WITHIN PROGRAMMATIC EXECUTION



PROGRAMMATIC SUPPLY CHAIN

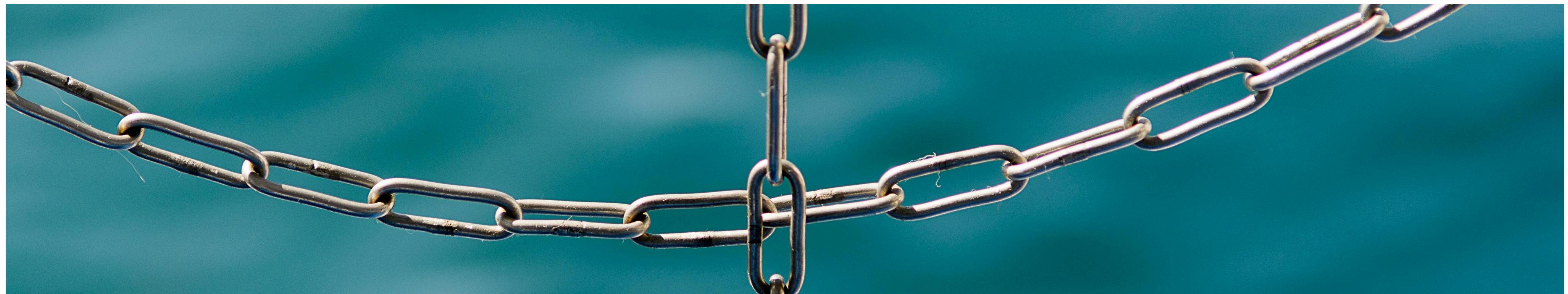


↳ Typically, 55-65% of advertiser spend reaches the publisher.

Demand Side Platform (DSP) Technology Fees
8-20%

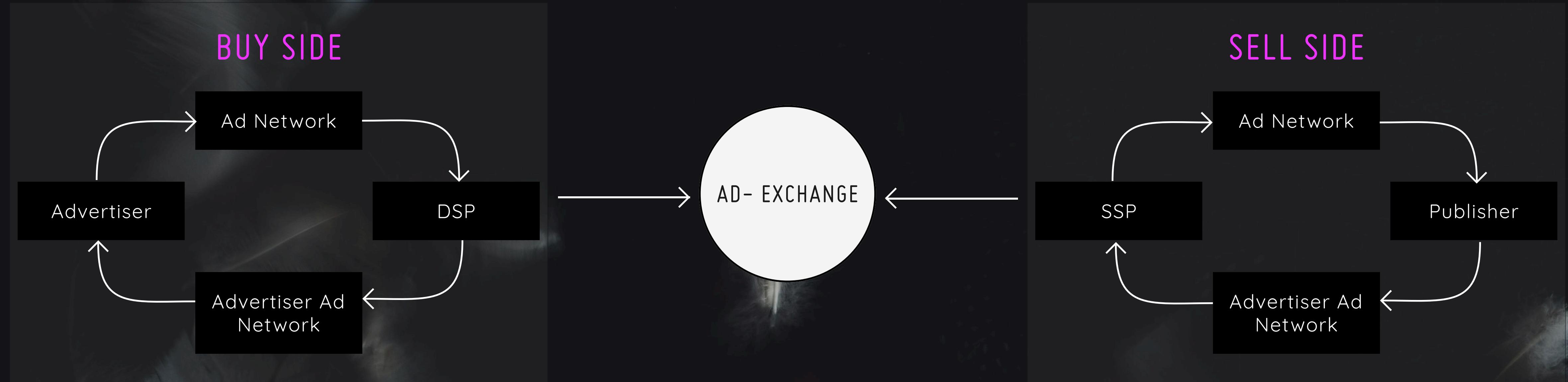
Supply Side Platform (SSP) Take Rates
10-25%

Data & Verification
\$0.20-\$2 CPM



CORE PARTICIPANTS

Roles Within the Ecosystem



INVENTORY EXECUTED PROGRAMMATICALLY

FORMATS SUPPORTED BY THE SAME EXECUTION LAYER

CONNECTED TV (CTV)

DISPLAY (WEB AND MOBILE)

VIDEO

NATIVE PLACEMENTS

AUDIO

IN-APP AND MOBILE ENVIRONMENTS

The execution logic is consistent, while inventory value varies serving specific needs.

INVENTORY TYPES & CPM BENCHMARKS (US REFERENCE)

 Streaming / CTV
\$18-45

 Video
\$6-25

 Display
\$1-4

 In-app
\$0.50-3

PRICING & VALUE DYNAMICS

Why Inventory Is Priced Differently:

ATTENTION DURATION

QUALITY OF CONTEXT

SCARCITY OF SUPPLY

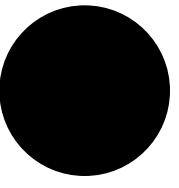
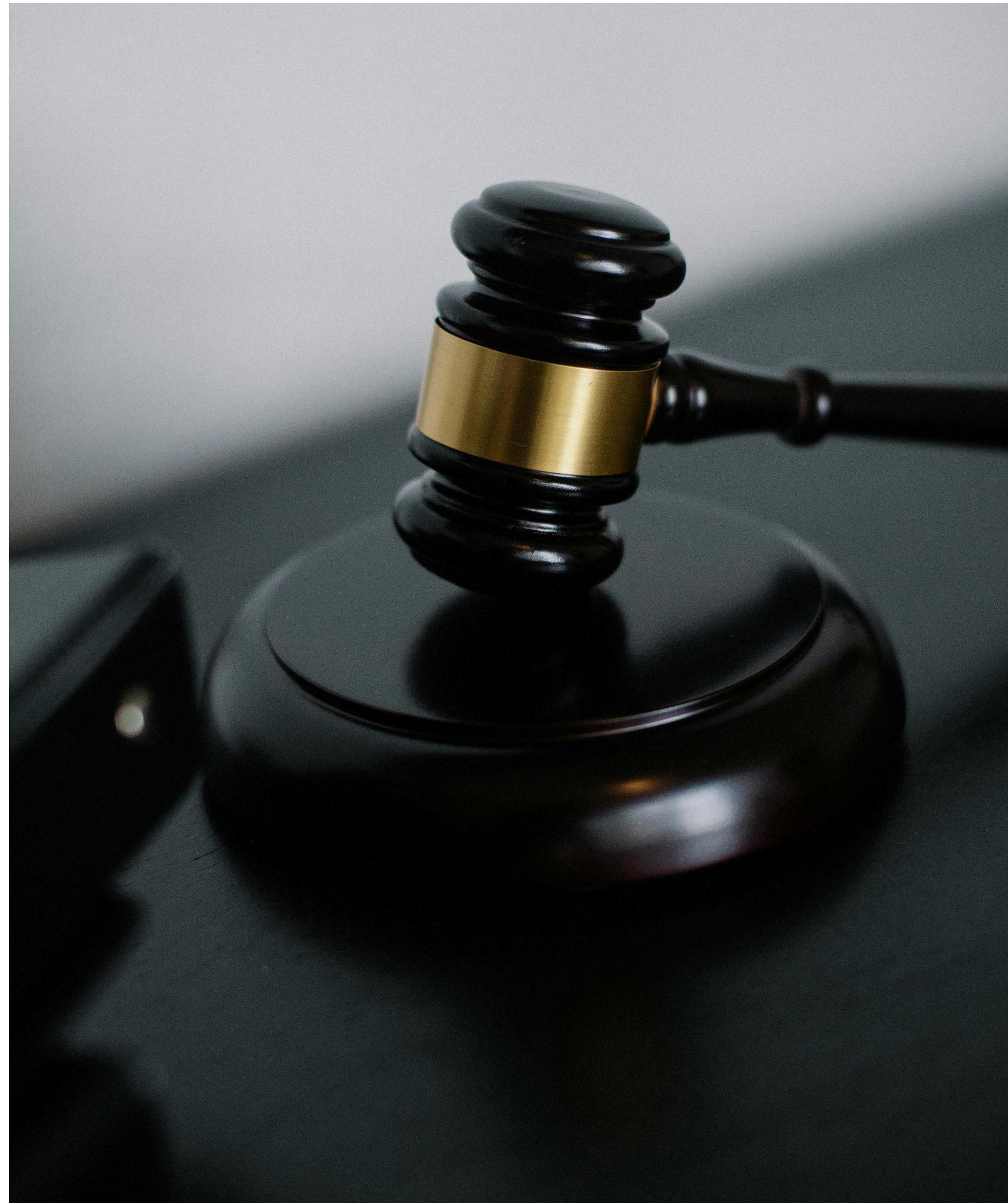
ADVERTISER DEMAND

CTV COMMANDS PREMIUM CPMs DUE TO:

- Limited premium inventory
- Brand budget migration from linear television
- Measurable outcomes

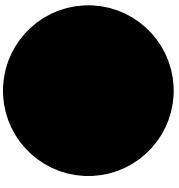


OPEN EXCHANGE VS PRIVATE MARKETPLACES



OPEN EXCHANGE

- Maximum scale
- Auction-driven pricing
- Variable quality



PRIVATE MARKETPLACES

- Curated publisher access
- Brand-safe environments
- Greater pricing stability

LARGE BUYERS INCREASINGLY ALLOCATE SPEND THROUGH PMP-LED STRATEGIES

DATA, IDENTITY & TARGETING

Structural Shift in Programmatic Targeting

DECLINE OF THIRD-PARTY COOKIES

PUBLISHERS WITH AUTHENTICATED USERS GAIN PRICING AND DEMAND ADVANTAGES

Increased reliance on:

FIRST-PARTY PUBLISHER DATA

CONTEXTUAL SIGNALS

ALTERNATIVE IDENTITY FRAMEWORKS

Risk Factors in Programmatic:

MFA (MADE-FOR-ADVERTISING) SITES

Low-quality inventory designed for ad arbitrage

INVALID TRAFFIC (IVT)

Bot and non-human traffic

SUPPLY-PATH OPACITY

Unclear intermediary layers

OVER-RELIANCE ON SINGLE PLATFORMS

Concentration risk

RISK MANAGEMENT IS NOW A CORE BUYING DISCIPLINE

PROGRAMMATIC ECONOMICS

\$

MANAGED SERVICE MARGINS

10-15%

\$

ARBITRAGE / RESALE
MODELS

25-60%

\$

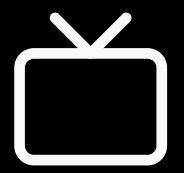
CURATED SUPPLY PATHS

15-30%

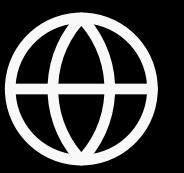
Margins are driven by efficiency, access to supply, and scale.



WHERE PROGRAMMATIC VALUE IS CREATED



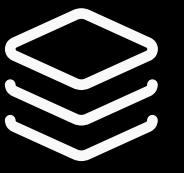
CTV AGGREGATION AND
RESALE



GEO AND FORMAT
ARBITRAGE



FIRST-PARTY DATA
PACKAGING



CURATED
MARKETPLACES



PROGRAMMATIC: GLOBAL SNAPSHOT

REGIONAL CHARACTERISTICS

US

CTV, retail media, data-driven buying

EUROPE

Consent-led, curated supply

APAC

Open exchange + OEM/app inventory

LATAM

Performance RTB

AUSTRALIA

Limited but premium supply, Publisher-direct PMPs



A FEW PROGRAMMATIC COMPETITORS BY MARKET

UNITED STATES

DSP

- Xandr
- The Trade Desk (TTD)
- StackAdapt
- Amazon DSP
- Google Display & Video 360

SSP

- Magnite
- OpenX
- Pubmatic
- Index Exchange

EUROPE

DSP

- The Trade Desk (TTD)
- Adform
- Google Display & Video 360

SSP

- Smart AdServer
- PubMatic
- Index Exchange

LATAM

DSP

- The Trade Desk (TTD)
- Entravision
- RTB House
- Teads

SSP

- Seedtag
- Magnite

AUSTRALIA

DSP

- The Trade Desk (TTD)
- Amazon DSP
- Google Display & Video 360

SSP

- Seven West Media
- SBS Australia