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# UNDERSTANDING DIGITAL ADVERTISING CHANNELS

PROGRAMMATIC ADS

# 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



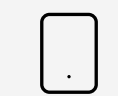
Video  
Short-form, in-stream, out-stream



Streaming / CTV  
Connected TV



Native  
Retail media environments



In App  
Direct, lifecycle, CRM-driven advertising



Audio  
Streaming audio, podcasts

# HOW DIGITAL ADVERTISING IS EXECUTED

Programmatic systems function as:



REAL-TIME MARKETPLACES



PRICING ENGINES



DECISION SYSTEMS

- 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

 Operate in milliseconds

 Price inventory dynamically

 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

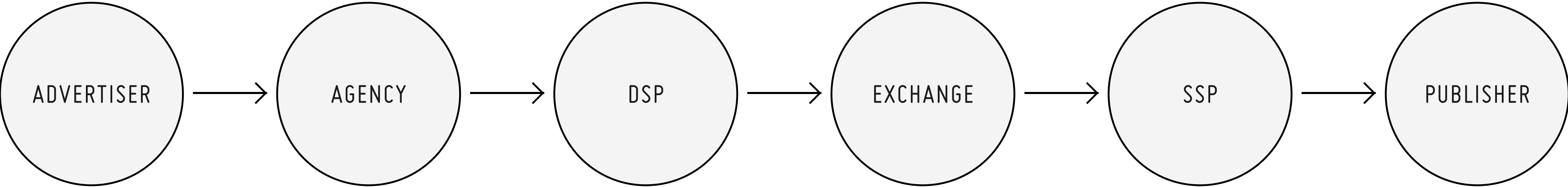
## PRIVATE MARKETPLACES (PMPS)

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

BOTH MODELS COEXIST WITHIN PROGRAMMATIC  
EXECUTION



# PROGRAMMATIC SUPPLY CHAIN



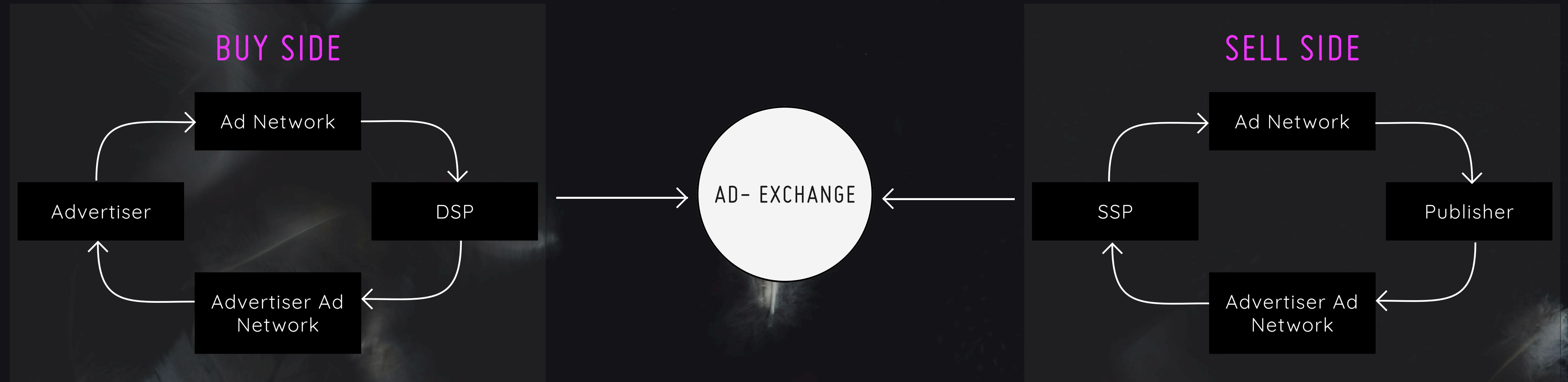
|| Typically, 55-65% of advertiser spend reaches the publisher.

Demand Side Platform (DSP) Technology Fees 8-20%	Supply Side Platform (SSP) Take Rates 10-25%	Data & Verification \$0.20-\$2 CPM
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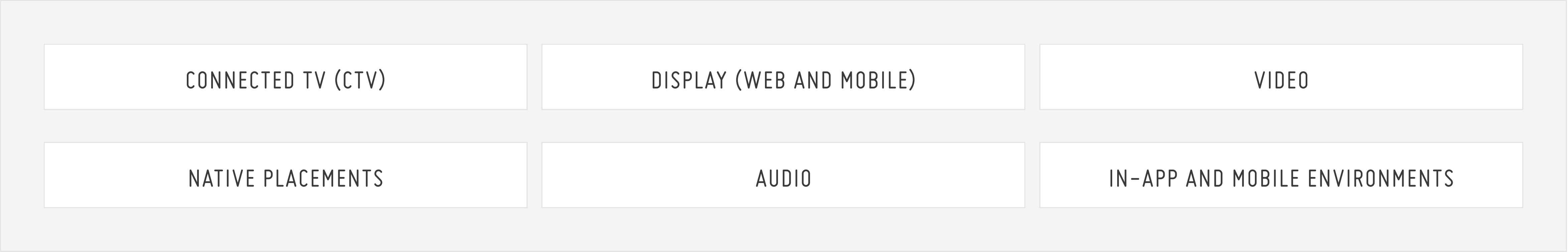
# CORE PARTICIPANTS

Roles Within the Ecosystem






# INVENTORY EXECUTED PROGRAMMATICALLY

## FORMATS SUPPORTED BY THE SAME EXECUTION LAYER



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

## INVENTORY TYPES & CPM BENCHMARKS (US REFERENCE)

<div></div> <div>Streaming / CTV \$18-45</div>	<div></div> <div>Video \$6-25</div>
<div></div> <div>Display \$1-4</div>	<div></div> <div>In-app \$0.50-3</div>

# PRICING & VALUE DYNAMICS

Why Inventory Is Priced Differently:

ATTENTION DURATION

QUALITY OF CONTEXT

SCARCITY OF SUPPLY

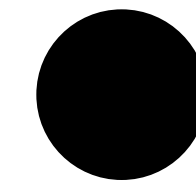
ADVERTISER DEMAND

CTV COMMANDS PREMIUM CPMS DUE TO:

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

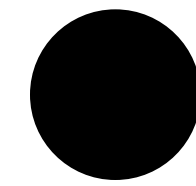


# OPEN EXCHANGE VS PRIVATE MARKETPLACES



## 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)
- Google Display & Video 360
- StackAdapt
- Amazon DSP

### SSP

- Magnite
- OpenX
- PubMatic
- Index Exchange

## EUROPE

### DSP

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

### SSP

- Smart AdServer
- Index Exchange
- PubMatic

## LATAM

### DSP

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

### SSP

- Seedtag
- Magnite

## AUSTRALIA

### DSP

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

### SSP

- Seven West Media
- SBS Australia