

PLAY BOOK

The AdMonsters' Publisher DMP
Evaluation Playbook
March 2013



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introduction

The digital advertising community continues to put increasing importance on audience data in determining the value of media. As buyers invest in programmatic trading platforms, not only will they look to publishers to provide impressions in real-time bidding environments, but they will want these impressions to include data attributes that help them decide their value. In some cases, buyers will also look for publishers to be data providers and will not even buy related impressions from that publisher.

These developments in digital advertising have created both opportunities and pitfalls for publishers, and each must determine the proper strategy for its success. At the

core of that strategy, each publisher needs to determine to what extent it will invest in collecting, understanding and using data to execute on that strategy.

Part of that process is evaluating a potential investment in a Data Management Platform (DMP). The purpose of this document is to provide a “playbook” for publisher digital strategists to begin the evaluation process.

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what's a playbook?

A playbook is an extension of what the AdMonsters community has been doing at our conferences for over 13 years. A playbook solidifies what has made our events “must attend” for many digital strategists. By bringing people together to share learnings and best practices in a focused way, people can create a plan and avoid hours—if not days—of doing research on their own.

The AdMonsters playbook concept takes existing AdMonsters content (from conferences and AdMonsters.com) and, with the help of the AdMonsters community, “crowd sources” a document that outlines best practices on a particular topic. Our belief is that this will allow for a free exchange of ideas with the benefit of being curated for accuracy.

The scope of this particular document is to focus on the evaluation process a publisher must go through to invest in a DMP. This document will not go into any detail about DMP implementation except as it pertains to decisions that need to be made during the evaluation process. It

is an assumption that the DMP evaluation process for a marketer or an agency would be significantly different than it would be for a publisher and therefore outside the scope of this document.

This document does not get into specifics around specific solution providers intentionally. DMP solution providers were excluded from the research of this document, as it's our belief that this playbook should be written for publishers by publishers.

Great effort has gone into writing the playbook in a fashion that applies to as many publishers as possible without becoming too general. In a technology-driven industry like digital advertising, information quickly becomes obsolete. The intention is that, based on the feedback of the AdMonsters community, the next version of this playbook will start to take shape and, with additional contributors, grow in both depth and breadth. Publication of future versions will be scheduled based upon the needs of the community.

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what is a DMP?

The Short Version

For publishers, a Data Management Platform (DMP) is a technology platform that empowers you to import (and export), structure, package, analyze, protect, target against and monetize your audience data.

The Long Version

Publishers have access to raw data from a variety of sources. They have data from first- and second-party sources, like registration data, web analytics and ad server data. They may have data from CRM systems. They have data from offline sources like newspaper subscriptions. They may have additional information through mobile or social channels. Additionally, third-party companies can offer a wealth of information about that publisher's audience that the publisher themselves would not have access to.

These separate data sources on their own may provide value, but without organization, the data cannot be used to its full potential. A DMP looks to solve this problem. By connecting data sources, adding structure to the data based on the publisher's specific business rules and helping make the data actionable, the DMP helps create greater revenue for their inventory, provides deeper insights into their audience and helps make better business decisions.



Ad Ops Insider defines a DMP as:

[A] very smart, very fast cookie warehouse with analytical firepower to crunch, de-duplicate, and integrate your data with any technology platform you desire. DMPs are designed to help both marketers and publishers make the data they have actionable, and are the fundamental tool for any data strategy beyond the elementary level. Pretty much anyone that can set a cookie can do some level of data collection and then repurpose that cookie for an ad campaign, but DMPs offer intelligence that goes beyond just the cookie or even just the data. They offer technology that can find trends, help you scale and understand your audience, segment and target your audience in complex ways based on user attributes, consumption habits, recency, and more. At the core, this analysis is what DMPs offer that other cookie-based solutions cannot.

Ben Kneen
Founder & Writer,
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making the case: reasons for a DMP

The first step in evaluating a DMP solution is to determine if a DMP will provide a sufficient return on investment not only in cost, but in resources to implement and maintain. The following are a list of reasons publishers have invested in a DMP that can be the starting point for calculating the ROI of a DMP.

Your Audience Is Valuable

Media buyers want to target specific audiences and are increasingly using technologies that evaluate and buy impressions based on audience data. The primary reason one publisher decided to implement a DMP was to respond to increasing demand from the market to sell based on audience segments instead of contextual targeting (the traditional method of selling based on section or page).

Selling audience, however doesn't have to simply be a reaction to the buy side. Publishers that have unique audience segments can be pro-active and approach buyers with opportunities that are differentiated from the rest of the market. A DMP can help create premium ad products that can be sold by direct sales teams.

Publishers know their audiences are valuable, but often don't know how valuable. It's critical through the evaluation and implementation stages that the value of the audience should be based on who can be targeted and what can be sold. Often publishers use survey data to sell their audience to potential media buyers. In the new world of audience buying, the focus is on how many specific people in a particular segment can be messaged to. This requires a shift in how audience is discussed with clients. Ultimately publishers need a solution like a DMP to understand what they have to work with and a solution for growing the value of their audience in tangible ways to their clients.

In a programmatically traded marketplace the size of the deals can be smaller because of the efficiency of the transaction. A publisher that wouldn't consider a deal smaller than \$10,000 could potentially offer audience segments in the marketplace for much smaller amounts but at a much higher yield. A DMP may create many audience segments that can be put out to the market and sold that wouldn't be valuable enough to sell through a direct sales force. Those small segments may add up to significant numbers.

Best Practices

- Determine how you will secure impressions (through a network, SSP, DSP or exchange) and how that would connect with your DMP. Make sure data can be ported from the DMP easily onto the buying platform.
- Discuss with forward-thinking clients your ability to offer impressions beyond the borders of your own site using your data capabilities.
- Evaluate ad products that are too small to effectively sell or don't perform well to determine if audience extension will provide the scale and performance needed to be successful.
- The best way to understand buyers is to become one. Publishers are always wanting to better understand the needs of their customers and in today's complex marketplace, the best way to do so is to become buyers themselves.

You Are Looking for New Revenue Opportunities

Another revenue source for publishers is to sell their data separate from media. Through a data exchange publishers can sell their audience segments to be used for targeting by others.

Some publishers are not pursuing this course because the fear is they are "giving away" their audience: if a marketer can target a specific audience anywhere without having to buy the impressions from the publisher, theoretically the marketer could incorporate that segment into their own and not have to do any further business with the publisher. It's possible through a data exchange that the information is anonymized so the source is not known and depending on how it's packaged to buyers, could offer some protection in this regard.

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making the case: reasons for a DMP

For some publishers this can be incremental revenue. One scenario would involve a publisher that has a valuable audience segment that is too small to directly sell and they don't want to serve impressions on their site related to that segment. For example, a premium branded site might have a segment interested in weight loss but not want the myriad of direct response marketers interested in this segment to appear on their site. Selling this data in an anonymized fashion would protect the brand and provide new revenue.

Another consideration would be the value of the data on its own separate from the media. Determine what comparable segments are selling for to assess the revenue opportunity.

Best Practices

- Selling data instead of impressions is a new way of doing business for most publishers. Make sure it's a business the organization wants to get into.
- Work with forward thinking media buyers to discuss the value of your stand alone data and determine if data separate from impressions will drive significant revenue, strengthen the relationship and not risk other business opportunities.
- Talk with your partners about the risks of selling audience data. Assess the risks.

You Need to Manage Your Data Better

DMPs are not only focused on revenue, but efficiency as well. Data comes from many sources and every organization is faced with turning its data into both revenue and insights that lead to success. Separate systems being used by separate teams increases the amount of time and resources needed to make that data useful. A DMP can be a "unifier" of data across departments, helping not only operations and IT teams, but marketing and editorial as well.

This unification process does not only help with the publisher's data, but with third-party data sources as well. Managing relationships with the a myriad of third-party data providers may not be optimal for the publisher. Most DMPs already have relationships with most of the major third-party data providers. A DMP solution will help facilitate these relationships and unify, collect and organize this data.

Not only do publishers have a myriad of data sources, they have an ever-expanding amount of data. While the cost of data storage continues to drop especially with the advent of "the cloud," it is hard to justify that cost if the data isn't made actionable. The evaluation of a DMP solution should involve how a DMP impacts storage costs and how well it can scale as data needs grow.

All this pales in comparison to the problem of organizing the data and making use of it. An organizational review of data practices will reveal that for most companies the amount of effort in trying to turn data into insight and then actionable segments is highly inefficient. For publishers who see data as their core asset, it becomes imperative that they start to make sure they've invested in the right solutions to make the data work for them.

DMPs provide extensive reporting on a publisher's audience using the available data sources. In addition to creating audience segments for targeting or selling, the DMP can be a source of information for management, sales, editorial, marketing, research and operations for a variety of uses. These can include:

- Providing insight throughout the sales process from strategy and planning, responding to RFPs and post campaign reporting.
- Measuring the effectiveness of editorial and marketing efforts to increase a particular audience segment and/or increase viewer engagement.
- Allowing editorial to present more relevant content to viewers.
- Supplementing web analytics reports with additional audience insights for research and management decisions.
- Revealing non-endemic audiences that help grow the business into new areas.

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making the case: reasons for a DMP

Best Practices

- Map out your data sources from across the organization with the IT team. Determine obstacles as well as potential benefits for bringing the data together in one location.
- In making the case for a DMP, determine what additional departments will benefit and use that information in the evaluation process.
- If a particular third-party data provider is of interest, determine if there are any requirements they have for a DMP you may select.
- Discuss with DMPs their relationship with third-party data providers. Ask if a relationship already exists or it will require a custom integration. Ask for references for the specific data you are interested in working with.
- Evaluate how scalable the DMP will be for the amount of data you have now, but also how much you anticipate you'll have as your data needs grow.

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evaluating your DMP needs

Ben Kneen, Founder & Writer, AdOpsInsider.com

If you are a publisher looking to leverage first-party data by layering it onto your own media, you may want to look at a more robust solution, and think about how you will define and identify your audience—will it be strictly off visitation trends? What about search terms, user actions in tools or utilities, behaviors in mobile or email, what is it your audience does that makes it a valuable audience? You need to identify these tools and have a firm understanding of how the DMP's technology will specifically capture that activity—for example, if your tools are coded in flash or javascript, you may need to engage developers on your side. Was the tool build in house or by an outside company?

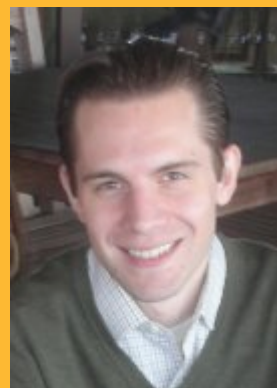
If you are a publisher and want to leverage your 1st party via audience extension as well, DSP and exchange integrations are important—ask what DSPs the DMP has integrated with, and if they can support client specific integrations or are just integrated for the sake of selling their own data? Many DMPs are data aggregators themselves and have server to server integrations that only support their data, and aren't able to code certain segments as specific to a client and therefore off limits to the DSPs consumers at large. This is a subtle detail but could delay your use of your data or alter your implementation plan, so it's important.

If you are a publisher and simply want to monetize your data, you may want to look at a DMP that is already selling their data on multiple systems. Again, who does the DMP have a server to server integration in place with, how fast can they move your data segments into those markets, how can they help you price and market that data product?

If you are a publisher looking to enhance the value of your inventory with third-party data, look at which providers the DMP can access—many have exclusive partnerships with certain suppliers, and you can access that data at a lower cost (or gain access to the data with less hassle and contracts) by working directly through them. Look at the other providers the DMP can access via server to server connections. Make sure those connections are complete, operational, and in use by existing clients—anything short of that probably means you will be the guinea pig to test the integration. Look at the total number of cookies the DMP has active, as this will be a key factor in determining your overlap with any supplier, and therefore the amount of inventory you will have to sell against any particular

segment. Look to understand as well if the DMP will handle the billing for your use of these segments or if you will have to strike direct deals with each supplier. What other legal documents will you need to execute in order to gain access to the data? Understand as well if you can combine third-party data with your own data, as some suppliers forbid this.

If you are a publisher or network looking for optimization solutions, some DMPs offer algorithmic segmentation or look-alike modeling that you can seed with conversion events. The DMP will then look at all the other data for those users who demonstrate the conversion event and find other users who exhibit similar characteristics to the group of converting users. This is a leading edge feature of DMPs, and the technology is often in elementary stages. If you are looking to the DMP to provide this service, make sure you understand how the technology works—can you set a target expansion figure, a target quality score, both in a modeled audience? How do you (or can you) control the balance between quality and scale. What characteristics does the DMP use or need to effectively use it's modeling technology—will you even have enough scale in your seed audiences to utilize the technology?



Ben Kneen started his career in the digital advertising space at Atlas Solutions, and has held various roles in ad operations and yield management at Rodale and WebMD. Ben currently leads product management at PayPal Media Network. He founded AdOpsInsider.com in 2010 as a resource to explain the ins and outs of ad technology, and serves as an adviser and consultant to a number of large media and technology companies.

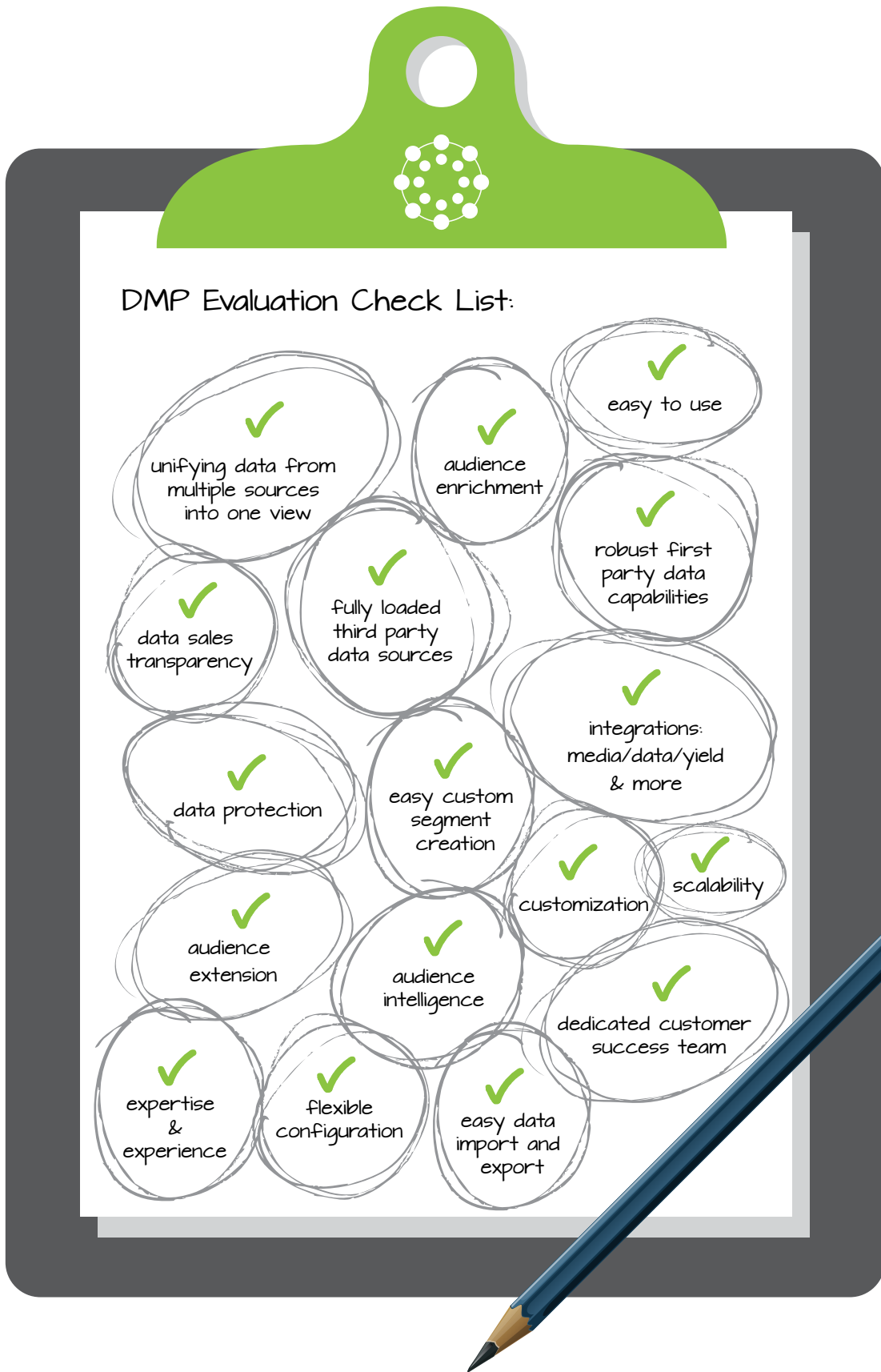


DMP evaluation best practices

Once the decision to begin evaluation the DMP solutions in the market has occurred, it's important to consider the evaluation a project onto itself. General best practices around project management and solutions evaluations are outside the scope of this document, but to the people who have gone through a DMP evaluation, they brought up a number of specific points that should be considered. Obviously follow internal processes for technical evaluations if they exist.

Best Practices

- **The evaluation process is a project all by itself.** Don't look beyond the evaluation toward an implementation. Making a decision around the appropriate DMP is a multi-department decision involving IT, operations, sales, the exec team and probably should include editorial and marketing. That means planning, organization and communication are critical to success.
- **Have a project owner.** Because of the level of coordination of the evaluation process, it's important that the project have an owner—someone who is senior enough to help push the project forward if decisions need to be made. The questions that will arise during the evaluation process will be complicated enough that if a senior person isn't behind the project, it will most likely stall.
- **Have a project manager.** Just as important as a senior person responsible for the project, there will need to be someone managing the day-to-day collection of information and communication process. While this person may be an operations person, consider project managers on staff if your company is organized in that way or use a consultant.
- **Involve the key stakeholders in the process upfront.** A DMP implementation is a big enough project that not having full support will doom the project. IT will have concerns. Sales will need to understand what can/can't be done. Executives will need to hear from external sources why certain things are required. Make sure they are all onboard from the start.
- **Build for the future.** Not only anticipate that the number of sources of data and the amount of data will grow, but that data management will grow in importance throughout the organization. An aspect of a data management strategy may bring revenue and insight to the company in the short term, but a data management strategy is a long-term plan and requires long-term thinking and investment.
- **Define what success looks like.** Throughout the evaluation process, understand what can be done in the short term, long term and ultimately what a DMP should do for the organization. The clearer the definition, the greater the chances for success.
- **Determine the key decision factors and know the questions to ask.** All to be covered in the following sections.



DMP Evaluation Check List:

- ✓ unifying data from multiple sources into one view
- ✓ audience enrichment
- ✓ easy to use
- ✓ data sales transparency
- ✓ fully loaded third party data sources
- ✓ robust first party data capabilities
- ✓ data protection
- ✓ easy custom segment creation
- ✓ integrations: media/data/yield & more
- ✓ audience extension
- ✓ audience intelligence
- ✓ customization
- ✓ scalability
- ✓ expertise & experience
- ✓ flexible configuration
- ✓ easy data import and export
- ✓ dedicated customer success team



We are More than A DMP Provider - We are your Partner. Get to know our technology and team and learn why the world's leading Publishers have chosen LOTAME's Crowd Control as their **Unifying Data Management Platform**.

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key decision factors

Use the following list to discuss internally how a specific solution will be selected. It's important to know what are essential requirements of a solution provider, high priority and "nice to have."

- **Business/Partnership Alignment.** DMP solution providers have different business models. Make sure they align with yours. Many DMPs work with both sellers and buyers: understand the implications.
- **Pricing.** Understand the various pricing models of the DMP solution providers.
- **Flexibility.** The DMP allows you as the publisher the flexibility to change configurations as the business requires it.
- **Expertise.** The solution provider should understand the requirements and the market and data management strategies. Look for a proven track record with similar publishers. Make sure their experts are accessible to you through the process.
- **Customizability.** The DMP can be configured to work with your specific requirements.
- **First-Party Data Capabilities.** The DMP offers the ability to collect, organize, analyze and activate first party data as required.
- **Second-Party Data Capabilities.** Second-party data (for example, ad server data), can provide useful data for new audience segments.
- **Cross-Platform Collection and Targeting.** As more traffic comes from mobile and other devices the ability to work across platforms and target will grow in importance. This also applies to video, email and social.
- **Easy Data Import.** The DMP makes adding data sources into the system easy to do.
- **Easy Segment Creation/Management.** It's easy to create and manage segments within the DMP.
- **Third-Party Data Capabilities.** The DMP's ability to access third-party data sources.
- **Third-Party Data Costs.** The cost involved in on boarding third party data sources.
- **Ability to Sell Your Data.** If selling data is part of your strategy, the DMP should provide this capability.
- **Data Sales Transparency.** The ability for the DMP to allow you to sell anonymously or required level of transparency.
- **Audience Extension.** If audience extension is part of your strategy, the DMP should provide the necessary tools.
- **Customer Service and Support System.** The DMP solution provider can meet your requirements.
- **Data Security.** The DMP will keep proprietary information secure from third parties.
- **Third-Party Integration.** The DMP's ability to integrate with ad servers, ad networks, DSPs and content management systems for both data import and data export.
- **Partner-Agnostic.** The DMP should allow you to work with any number of partners and not limit which SSPs, networks or other tech solutions a publisher wants to work with.
- **Analytic Capabilities.** The DMP should meet the analytic requirements of the publisher.
- **Support Scalability.** Will the DMP solution provider be able to handle you and other clients effectively?
- **Testing.** Can the DMP allow for testing through the evaluation process.
- **Road Map.** Perhaps the most important factor: can the DMP outline future plans and do those plans align with the publisher's future goals?



summary

As data becomes currency in display advertising, publishers will have to decide to what extent they will invest in solutions to help them collect, understand and monetize the data they have at their disposal. A DMP will not make sense for all publishers, but may prove a boon to those looking to improve inventory monetization, add new revenue sources, implement or expand audience extension efforts, or simply better understand their audiences—as well as their value.

For publishers that have the resources and a proper business strategy, picking the right solution is critical. The evaluation process behind selecting a DMP is a project in itself, requiring a dedicated project manager and the participation of all stakeholders (e.g., sales, editorial) from the very beginning. The project manager must understand his/her company's requirements well enough to weigh the relative importance of the numerous deciding factors—many of which are of the utmost importance. This will be essential for discerning the right solution in a crowded market.

Hopefully, the material included in this playbook has boosted your knowledge of DMPs and outlined the complex process of evaluation. We hope you feel more confident in deciding how a DMP fits into your company's future and how to begin making that a reality. The following pages point to other sources that will assist as you continue on your journey. Choose wisely.



AdMonsters resources

Audience extension and data management will be a topic covered at AdMonsters conferences for the foreseeable future. For a list of upcoming AdMonsters events, visit www.admonsters.com/events

Specific upcoming sessions, forum posts and the latest articles are listed here: www.admonsters.com/topic/audience-extension

AdMonsters will also continue to add additional resources to the website for members:

- **Publisher Forum | Sonoma | March 4, 2013**
[Reaching Out With Audience Extension](#)
Kerel Cooper, Director, Ad Operations, Advance Digital
- **Publisher Forum | Boston | August 19, 2012**
[Unleashing the Power of Your DMP](#)
Mia Nolan, Director Sales Operations, Seeking Alpha
- **OPS Markets | April 18, 2012**
[Data Beyond Display | DMP as OS](#)
Vikram Somaya VP, Global Operations and Audience, ThomsonReuters
- **Publisher Forum | Palm Springs | March 4, 2012**
[What to Expect When You Go DMP](#)
Ben Kneen, Director of Ad Solutions, WebMD
- **Publisher Forum | San Diego | August 21, 2011**
[Moving Beyond BT: Data Management Platforms](#)
Steven Suthiana, Group Director of Digital Media and Operations, Mansueto Ventures, Inc. and FastCompany, us
- **Publisher Forum | Memphis | March 6, 2011**
[Buying and Selling Data](#)
Eric Meixner, Director, Ad Operations & Metrics, WhitePages.com

External Resources

These sites can provide additional information in helping evaluate audience extension solutions:

[Ad Ops Insider](#)
[AdExchanger](#)
[ExchangeWire](#)
[Econsultancy—Best Practices in Data Management Guide](#)

Questions

Whether it be a question about AdMonsters, audience extension, DMPs, this document or digital strategy in general, please [contact us](#) at content@admonsters.com.



about



About AdMonsters

Founded in 1999, AdMonsters is the global leader in providing strategic insight on the future of digital media and advertising technology through its conferences, website, research and consulting services. AdMonsters focus is on media operations, monetization, technology, strategy, platforms and trends. Its conferences and website are the meeting place for this dynamic and expanding community to connect, gain insight, develop best practices and exchange thought leadership. AdMonsters conferences include AdMonsters Publisher Forum, OPS, OPS Markets, OPS Mobile, OPS TV and AdMonsters Screens. In the early days of online media, the community was comprised largely of operations professionals at online publishers and advertising technology providers. Today's expanding ecosystem now includes publishers and content creators, agencies, SSPs, DMPs, DSPs, RTB and service providers, technology and platform developers, advertising networks, brands and investors.

See www.admonsters.com for more info.

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About LOTAME

Founded in 2006, Lotame is the global leader in unifying data management, empowering innovative publishers and networks to unlock the full value of their audience data. Clients leverage Lotame's Unifying DMP, Crowd Control to collect unstructured audience data from disparate sources anywhere, organize it into one user friendly user interface to convert that audience data into action, insights and intelligence everywhere. With Lotame, publishers and networks can make informed decisions, build unique products and drive positive business outcomes from their data assets.

For more information, visit www.lotame.com