According to our latest research, digital ad spending continues to shift from direct to publishers and toward programmatic. In the fourth wave of our annual DSP Report, advertisers now expect to spend over 50% of their budgets via programmatic channels. However, while growth is happening, it is perhaps not happening as quickly as previously thought. By comparison, in a study conducted three years ago, advertisers expected programmatic to account for two-thirds of their spend.

Looking at the reasons advertisers turn toward programmatic - efficiencies in spend, and opportunities to leverage data for better targeting - the programmatic shift is understandable. But why is programmatic not growing as fast as advertisers expected? Our study points to the obstacles still facing all digital advertisers: fraud, brand safety, and verification.

Regardless of the pace of spend shifts, demand-side platforms (DSPs) have a critical role in programmatic buying. For marketers with in-house buying capabilities, common ways to execute buys are via DSPs alone or DSPs in tandem with agencies. DSPs will only grow in importance as the trend to move capabilities in-house continues.

WHICH DSPs ARE CONSIDERED LEADERS?
The DSP landscape is a cluttered one. In our report, we measured 22 of the leading DSPs to assess which ones are breaking out from the pack. We surveyed 395 marketing and agency decision makers involved in the purchase of programmatic advertising, who use or work specifically with DSPs. The report indicates that Google’s DoubleClick Bid Manager (DBM) continues to hold a leading position. And for the third wave in a row, Amazon Advertising Platform (AAP) has appeared as a viable contender to DBM in advertisers’ consideration and intention to spend.

Given Amazon’s strong showing in virtually every media or ad tech study Advertiser Perceptions has conducted over the past five years, we believe that there is enthusiasm among marketers for Amazon that often belies actual spending. But we have seen this kind of brand excitement payoff in real future spending over the past ten years - Facebook and Twitter readily come to mind.

Beyond Google and Amazon, we find a cluster of several companies contesting for the next tier of leadership, led by companies with a primary DSP footprint - primarily, The Trade Desk and MediaMath. In fact, when we look at the 20+ DSPs in our study, there are four that populate the top slots in most of the DSP ratings criteria: Google, Amazon, The Trade Desk, and MediaMath.
When we look at the 20+ DSPs in our study, there are four that populate the top slots in most of the DSP ratings criteria: Google, Amazon, The Trade Desk and MediaMath. Adobe Advertising Cloud has also made a strong showing in the current wave, up significantly in consideration a full year after its acquisition of TubeMogul.

However, as an example of the over-arching dominance Google and Amazon continue to possess, we see their strength when advertisers are asked to choose their preferred DSP and name only one. See the chart below.

**PREFERENCE OF DEMAND SIDE PLATFORMS**
Listed By Percent of Respondents Choosing Only One DSP (Top 5)

1. Amazon Advertising
2. DoubleClick Bid Manager
3. The Trade Desk
4. Sizmek (formerly Rocket Fuel)
5. Adobe Advertising Cloud

**WHAT AGENCIES AND MARKETERS WANT FROM A DSP**
In this report, decision makers rated DSPs on 23 selection criteria, across data, technology, user experience, analytics and sales relationships. All 23 criteria are important, however, analysis of the criteria on the likelihood to use a specific DSP reveals the most critical selection drivers. Using this methodology, our analysis shows audience, targeting and reporting are the most critical drivers for selecting a DSP.

Analytics and insights are also very important. Three of four related criteria significantly impact DSP use. In a KPI-driven world, campaign insights are critical for advertisers to understand what's working and how to improve upon campaign performance. Training and Application QA has also been consistently important wave-over-wave.

While technology and analytics criteria may be expected to be critical, we find relationships matter. Sales and service factor into decision makers DSP choices. Being responsive, easy to work with and offering technology expertise make a difference.

**DSP SELECTION CRITERIA – KEY DRIVERS TO PURCHASE**
Index of “Key Drivers”

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Average Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audience Scale or Reach</td>
<td>265</td>
</tr>
<tr>
<td>Targeting Capabilities</td>
<td>197</td>
</tr>
<tr>
<td>Reporting Features</td>
<td>127</td>
</tr>
<tr>
<td>Optimization</td>
<td>77</td>
</tr>
<tr>
<td>User Interface</td>
<td>74</td>
</tr>
<tr>
<td>Placement Cloning and Bulk Uploads</td>
<td>67</td>
</tr>
</tbody>
</table>

Q: How would you rate each Demand Side Platform (DSP) on the following criteria?
Base: Considering Demand Side Platform in the Coming Year (Variable Base)

**TOP DRIVERS FROM PRIOR WAVE**
- Audience Scale/Reach
- API and Integrations
- QA/Troubleshooting Capabilities

**DSP ANALYTICS: KEY DRIVERS TO PURCHASE**
Index of “Key Drivers”

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Average Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audience Analytics</td>
<td>137</td>
</tr>
<tr>
<td>Post Ad Campaign Insights</td>
<td>125</td>
</tr>
<tr>
<td>Training and Application QA</td>
<td>117</td>
</tr>
<tr>
<td>Thought Leadership</td>
<td>21</td>
</tr>
</tbody>
</table>

Q: Based on your own experience, please rate each Demand Side Platform’s (DSP’s) research and insights efforts in communicating its value as an advertising vehicle at each stage in the campaign.
Base: Considering Demand Side Platform in the Coming Year (Variable Base)

**DSP SALES PERFORMANCE: KEY DRIVERS TO PURCHASE**
Index of “Key Drivers”

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Average Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsiveness</td>
<td>143</td>
</tr>
<tr>
<td>Technology Expertise</td>
<td>116</td>
</tr>
<tr>
<td>Is Easy to Work With</td>
<td>110</td>
</tr>
<tr>
<td>Innovation and Roadmap Insight</td>
<td>89</td>
</tr>
</tbody>
</table>

Q: Based on your own experience, please rate each Demand Side Platform’s (DSP’s) sales team based on the following sales capabilities.
Base: Considering Demand Side Platform in the Coming Year (Variable Base)

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WHAT MAKES A DSP A PREFERRED PARTNER

In this competitive environment, how can DSPs separate themselves from the rest of the pack? To provide guidance, we received 275 written responses from agencies and marketers on what their DSP does or offers for it to be preferred. Much of the feedback centered on data quality, analytics and service.

“Recognized expertise, speedy implementation, best in-class analytics and reporting.”
- MARKETER, VP

“Good Sales relationship and transparency.”
- AGENCY SUPERVISOR

“As a cloud-driven market platform, they have few equals in terms of potential market reach and their ability to provide big data analytics to measure campaign performance.”
- MARKETER, STRATEGIC EXECUTIVE

“They are extremely adept at partnering with our agency and offered a lot of support and training as we got our employees up to speed on managing the programmatic platform.”
- AGENCY DIRECTOR

CONCLUSION

Our analysis shows audience, targeting and reporting are the most critical drivers for selecting a DSP. The DSPs that can demonstrate superior performance in these areas, in addition to providing audience analytics and post-campaign insights, delivered by a responsive and technologically competent sales team, will not only improve, but will gain a significant competitive advantage.

METHODOLOGY AND RESPONDENT PROFILES

- 395 Online Interviews Conducted
- Sample: Marketer and Agency contacts from the Advertiser Perceptions Media Decision Maker Database and third-party databases as needed.
- Main Qualification: Involved in the purchase of programmatic advertising; use or work with DSPs
- Field Period: January 2018

WHAT ADVERTISERS THINK®

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