

Is it premium versus programmatic or premium and programmatic?

 By [Mark Botha](#)

29 Jul 2019

The media landscape is changing rapidly and the way that media agencies are planning and buying digital media is ever-evolving. Relationships between media owners and agencies are still vital but how we collaborate and communicate as the digital media space evolves is changing.



Image credit: Aaron Sebastian on Unsplash.

With these changes taking place, we think it may be appropriate to revise some common industry terminology.

Let's start with the term 'premium', which has, up until now, been used when brands and agencies work directly with media owners rather than placing ads programmatically.



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Dating back to the early years of programmatic buying, this usage defined how we positioned and priced our products. Publishers and their media sales houses created walled gardens and sold their best inventory at a premium while making remnant inventory available on programmatic platforms.



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At the same time, programmatic evangelists were selling the benefits of reaching targeted audiences across multiple digital properties without the need to associate with specific platforms and brands.



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A stark contrast

A stark contrast was drawn between the two forms of buying. Premium advertising came to be seen as the expensive option for big brands with surplus budgets that were looking to build brand equity and associate themselves with top-draw digital publications.

Programmatic was regarded as the “cheap” option for brands wanting to reach massive, semi targeted audiences for next to no spend.

Considering the industry interests at play at the time, it is not surprising that the landscape evolved in this way. Publishers wanted to protect their inventory from being sold cheaply via programmatic.



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They also wanted to protect their brand equity and avoid advertisers using them primarily for blind reach rather than for the quality of their brand.

The result was an industry conversation focused on premium *versus* programmatic, leaving many clients with the belief that it was an either-or choice. There are still some sales houses and advertisers that hold this view and, years later, it's not uncommon for budgets to be entirely allocated to one or the other.

However, as our understanding grows in the benefits of each form of digital media buying, more organisations are realising that both serve a purpose and that robust strategies should include an element of each. These are the brands that are winning. Still, it is time to re-evaluate the terminology to change the conversation for brands still looking at it as a binary choice.

Blurred lines

If not '*premium* digital advertising', what should we be calling it? Let's consider this question by looking at how the line between premium and programmatic is blurring.

Premium publishers are now onboarding their programmatic offerings, which they control from beginning to end. The rate differential between premium and programmatic is vanishing as a result of this development.



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What's more, both forms of buying offer premium positions since media owners no longer hold back their best placements or leave only the remnant inventory to programmatic platforms. Soon 'premium or programmatic?' will become a moot question and brands will look at how these options can be used to deliver the right solution.

In reality, premium versus programmatic is now more about whether one purchases directly from a media owner or programmatically via a demand-side platform that has access to the major publishers and media owners.

In many cases, we are seeing agencies dealing with the media owner directly to structure a specific deal or opportunity. This deal is packaged under a Deal ID and then purchased programmatically via the trading desk.

This works because publishers and their sales houses know their platforms inside-out and can provide holistic, tailored solutions and creative ideas that will help brands achieve their desired outcome.

Everyone wins, especially the client – which receives a solution that reaches the audiences it requires across credible, brand-safe platforms.

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Furthermore, the brand knows exactly what it is getting and has the support of the media owner in customising and optimising the solution to fit its needs.

Where previously programmatic and premium were driven apart, we can now see that both elements are present in the most successful strategies.

Brands that restrict themselves to one or the other will fail to maximise their ROI. Let's change the conversation to focus on outcomes and solutions rather than on how we buy inventory.

ABOUT MARK BOTHA

Having been in the industry for over 15 years, I have also built and managed award-winning teams and have been lucky enough to work with some of the best people in the industry. I am excited about the future of digital and to continuing my work in this exciting medium

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