Data Collection

Data Fusion

Data Application

Big Data: The Hype, The Reality & The Different Use Cases Dr. Erik Wallin, COO & Chief Scientist IAB Finland on 29.11.2012 in Helsinki



About Enreach

- We help premium digital publisher increase premium display revenues by refining and applying their data
- We are experts in data-driven digital advertising solutions, focusing on big data analytics & direct sales automation
- Established in 2010, HQ in Stockholm, Sweden



The topic for the next 20 minutes:

"

Does (Big) data have intrinsic value, or is value only created when the right kind of data is applied to the right use case?

What Big Data actually means for digital publishers and marketers today - and tomorrow?

First, an important distinction (the 'hype'):

#1 There is Big Data

... just lots of data in one (or several?) place really.

#2 There are DMPs

...or Data Management Platforms; a specialized software solution for centralize data operations that are specific to online advertising.



Gartner

Industry Research (2007/18067

Data Management Platforms Vie for the Hub of Targeted Media

Published: 23 September 2011

Analyst(x): Andrew Frank

Audience data has become increasingly crucial to advertisers and publishers as the former seek to optimize campaigns and the latter seek to better monetize content. Data management platforms (DMPs) are fulfilling a growing need to streamline and centralize data operations that are specific to online advertising.

Key Findings

- Although the category is new, DMPs are generally experiencing growth rates of more than 100% per year.
- As media agencies develop trading desks for digital media buying operations, they're deploying DMPs to leverage client data assets in the planning and bidding process.
- Premium publishers, initially reluctant to embrace real-time bidding (RTB) and data-driven
 advertising techniques in general, are discovering ways to use data to increase their ad yields,
 deepen relationships with advertisers and gain valuable insights about their audiences.

Recommendations

- Advertisers and agencies should investigate the use of DMPs to improve efficiency through better targeting by combining and leveraging internal and external data in the planning, execution and analysis of campaigns.
- Publishers should investigate the use of DMPs to maximize ad yield through segmentation, enable off-site targeting and deepen data relationships with advertisers, while ensuring control over data rights and privacy with tag management, ad option compliance, and server-side thirdparty integration.
- Organizations considering DMPs should study the implications of potential conflicts presented by vendors that integrate tools with their own marketplaces, and ensure that implementations present a neutral and competitive view of data channels and media networks.

Gartner: Data Management Platforms Vie for the Hub of Targeted Media (September 2011)

McKinsey Global Institute



June 2011

Big data: The next frontier for innovation, competition, and productivity

McKinsey & Company: Big data: The next frontier for innovation, competition, and productivity (June 2011)

McKinsey&Company

To simplify the situation...

We can consider DMPs as a special purpose platform, using Big Data as their raw material.

DMP is the refinery (well, some more, some less...)

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...and, finally, there are applications that use the DMP ('the brains')

#3 Applications



...going back to the original question briefly:

So, does (Big) data have intrinsic value?

....or is value only created when the right kind of data is applied to the right use case?

...going back to the original question briefly:

Yes, but value is not the same as revenue!

Lets look at these one by one:

#3 Applications

#2 DMP

#1 Big Data



#1 Big Data

In the context of online advertising, Big Data is often associated with RTB



Automating the transaction mechanics of pricing (bidding), delivery & invoicing



Applying more data on audiences and engagement, for reporting & targeting



#1 Big Data

....but actually RTB is just one use case for data (buyer side performance optimization)

RTB is designed to lower media cost AND improve targeting accuracy

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#1 Big Data

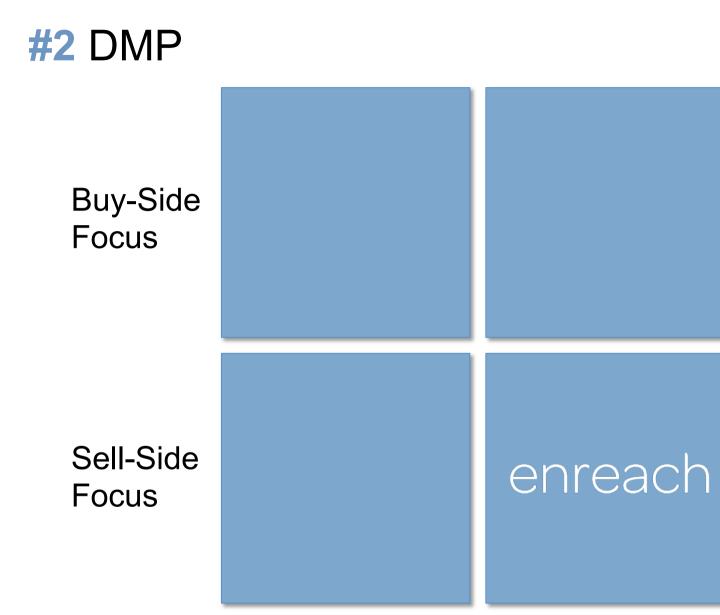




A specialized software solution for centralize data operations that are specific to online advertising.

Gartner Data Management Platforms Vie for the Hub of Targeted Media (September 2011)



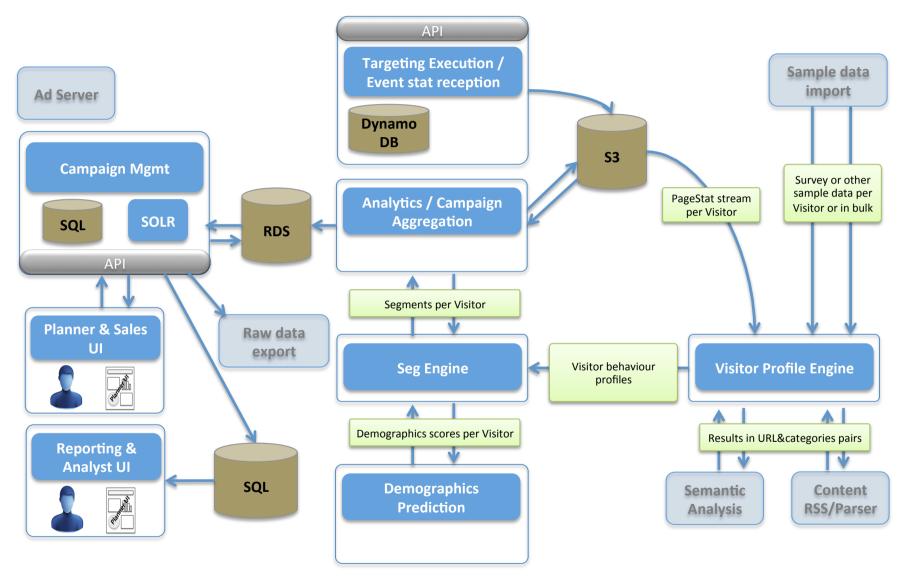


Market Maker

Pure-Play

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#2 DMP



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#3 Applications

#2 DMP

#1 Big Data

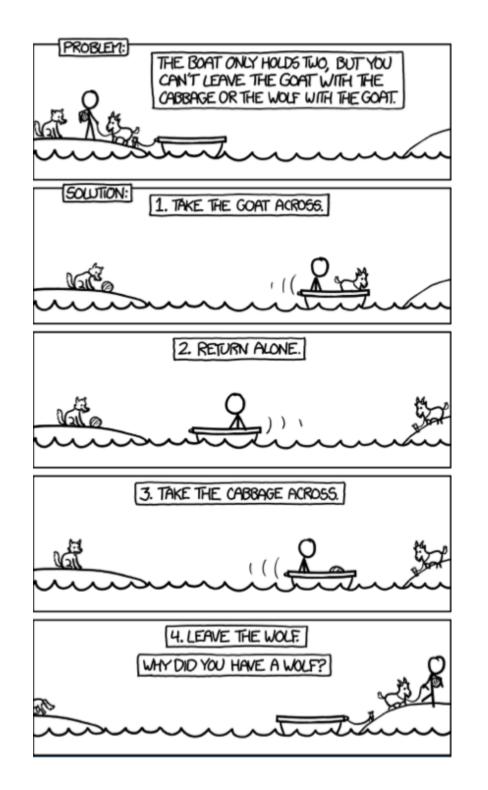


#3 Application

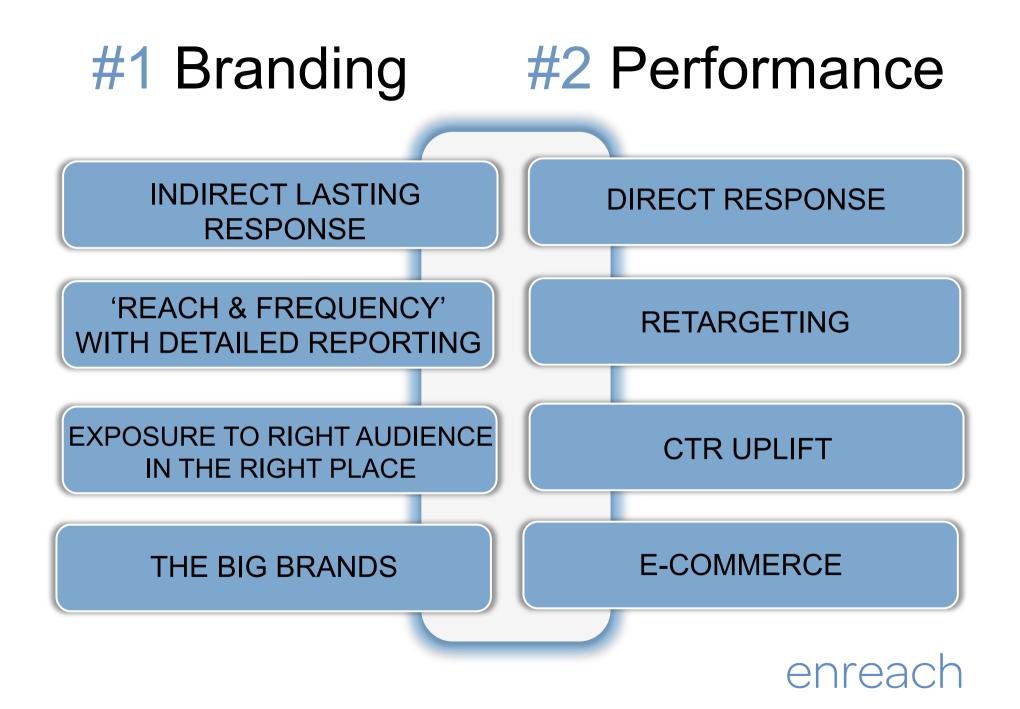












To conclude:

- **#1** Big Data is the raw material
- #2 Know what you want to accomplish
- #3 Find the best technology and partner(!) for your goals
- #4 Keep It Simple!



Thank you.

