



Freewheel and Channel 4 present a united front on programmatic

Background

The new digital era and the increasing adoption of programmatic methods have opened up new inventory and exposed new revenue streams for broadcasters. “Programmatic” became a new buzz word and broadcasters face pressures to quickly adapt to new automated advertising technologies. In this week’s egtabite we would like to showcase one of the latest examples of a broadcaster joining forces with a technology provider to face the challenge of programmatic.

The video advertising industry uses the term programmatic to describe a number of concepts: 1) automation - the use of software systems to automate the workflow involved in buying and fulfilling advertising contracts; 2) data - the use of data in the buying and selling process to improve the efficiency of reaching a target audience; and 3) Real Time Bidding (RTB): the act of buying ad inventory on an impression-by-impression basis through an auction pricing mechanism.

For the premium video market, the focus of programmatic should be on the use of automation and application of data while deals are executed, using approaches that ensure shared value and risk to both sides – advertisers and broadcasters.

The concept

UK-based Channel 4 is the latest publisher to join the FreeWheel’s FourFronts programmatic pilot, expanding the Company’s programmatic efforts into Europe after the US last summer. FreeWheel’s FourFronts programmatic pilot makes it possible for both advertisers and broadcasters to plan and reserve digital video inventory in advance against proprietary data.

FreeWheel

The FourFronts programmatic pilot program enables matching of data in a protected environment, allowing publishers (broadcasters and sales houses alike) to forecast and reserve against it. Broadcasters now are able to respond to buyers requests for audience targeted online campaigns while maintaining control of their inventory and protecting their current sales channel and rates.

Channel 4 advertisers will now have access to the broadcaster’s first-party viewer data on All4, which features popular shows such as Homeland and Masters of Sex. Procter & Gamble, Baileys, Missguided, Very, and Rightmove are among the first movers to test the new format.

Critically, this enables both parties to directly negotiate reserved deals based on understanding inventory availability against proprietary audience data in advance – without the advertiser relinquishing control of their data, or the broadcaster giving up control of their inventory. FreeWheel and approved DSP partners are acting as technology pipes only.

The reason egta shares this concept with you today is because the pilot has been a great success in the US, with insurance brand Allstate, IPG Mediabrands, and Haworth Marketing & Media as first buy-side entities to trade digital TV ads on a reserved programmatic basis by leveraging FourFronts programmatic's DSP partners TubeMogul and Adap.tv, which provide the technology to facilitate the execution of deals made between publisher and advertiser.

Why does this matter to egta members?

The constrained supply dynamic in TV has existed for many years. Advertisers and broadcasters alike benefit from being able to plan in advance which in turn reduces volatility and supports profitable scale. Automation of steps in the buying and selling process, when properly applied, benefits all parties through lower costs, fewer errors, faster execution, and an opportunity for margin improvement. While application of data, assuming protections are in place for both buyers (proprietary data) and sellers (inventory control) also benefits both parties.

"In addition to creating value for advertisers, publisher partners in the FourFronts pilot are bolstering FreeWheel's effort to protect the value and integrity of the premium TV market by helping to set a precedent for the TV industry on how premium digital advertising should be transacted through programmatic channels," said Thomas Bremond, Managing Director, Europe, FreeWheel. *"This is a significant step in making programmatic safe for premium buyers and sellers, creating value for both sides."*



Background information

Please click on the links below to access the relevant documents:

» **Presentation of Freewheel** from **Marketing & Sales meeting** in Reykjavik
(for egta members only - you need to be logged in to access the file)

Please click here for the [presentation](#)

Please click [here](#) for post-event report with direct link to [video](#)

» Freewheel [website](#)