



Inside Google Marketing: How We Went All In With Programmatic Buying

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Published
July 2015

Wondering how to get the most out of programmatic? So was Google's own marketing team. Google Media Lab's Brendan Starr shares insights from Google's marketing campaigns over the past 12 months.

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If you're in the marketing industry and don't live under a rock, you've probably been hearing a lot about programmatic lately. It's been an ongoing topic of conversation here at Google, and like many companies, we're still figuring out how this emerging technology fits into our media-buying ecosystem.

Globally, billions of dollars are now transacted programmatically, and this explosive growth is expected to continue with an average annual increase of 27% over the next four years, according to [Magna Global](#). What's fueling this shift? The promise of programmatic is that it's an automated buying process that leads to effectiveness and efficiency. It helps us reach consumers during the many [micro-moments](#) that make up their days and [respond to them in real time](#). And it frees up workloads—time that's better spent on strategy and innovation.

At the Google Media Lab—the in-house team responsible for planning, buying, and placing media for Google's ad campaigns—we've made huge strides in our adoption of programmatic over the past year. Working closely with our agency, Essence, our U.S. marketing teams have taken an aggressive approach to implementing programmatic.

Here, I'll share what we've learned about making a successful shift to programmatic buying and debunk some common myths that persist (even internally at Google Marketing) about the process.



Our goal for 2014 was to buy 60% of our brand display marketing programmatically across all channels:

We hit 73%,
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Google's 2014
programmatic objective

Uncovering the benefits of programmatic

Our greatest motivation for embracing [programmatic](#) is making our campaigns more effective. We have a lot of experience in successfully leveraging digital media for direct response, but like many advertisers, making digital work for brand advertising is less straightforward in a dynamic environment. Programmatic provides a suite of tools to help us do this.

The adoption of programmatic here has been a major initiative, and it's paying off for us. Our goal for 2014 was to buy 60% of our brand display marketing programmatically across all channels. We surpassed that goal, with programmatic accounting for 73% of our spend. This year, we're hoping to go even further quarter over quarter.

Let me break down our experience further. In our ongoing Google Search App campaign, for example, we reached 30% more people 3X more frequently, with an approximately 30% lower effective cost-per-thousand impressions (eCPM) compared to the previous year. In a programmatic Google Play campaign, we used first- and third-party data to help increase campaign effectiveness through more educated targeting. When you target your ads more effectively, brand lift increases. We saw lifts in awareness as high as 50% above the control groups that used only programmatic without first-party data.¹

Perhaps the most powerful programmatic advantage we've found is the ability to optimize campaigns in real time. With programmatic, we get a clearer picture of whether our ads are reaching the right audience, what the audience thinks of the ads, and how perception may have changed because of them. Real-time feedback (instead of post-campaign performance measures) lets us adjust metrics such as [viewable impressions](#), which we know can help drive our end goal of brand lift.

But with any evolving technology, there are bound to be questions and doubts. We've learned that education within our organization is key. For people who have less experience with programmatic, the conversation is often about dispelling the myths: It offers no opportunities for creativity, it's only for direct response, or it only deals with "remnant" inventory, for example. Our team embraces it as an important tool within our media toolbox, and it's exciting to see the results pay off.

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Here are some of the lessons we've learned that dispel common myths about programmatic:

Myth #1: Programmatic buying limits creative freedom

Studies show that, on average, media placements only account for about 30% of a brand campaign's success while the creative drives 70%, according to [Dynamic Logic](#). Clearly, creative freedom is important for a successful campaign. That's why we've been working to establish a set of creative principles and best practices tied to our programmatic adoption to help our marketing teams design and build impactful creative.

Because display is where approximately 80% of our campaign reach comes from, we started there. (We plan to tackle mobile and video in the near future.) Earlier this year, we rolled out creative pre-testing, which lets us separate media performance from creative performance to better understand why our campaigns are succeeding or not.

For instance, we aim to focus on a single message rather than trying to do everything in one unit. Doing so—and testing that messaging before we put media spend behind it—helps us know that if the message doesn't

perform well with media spend behind it, then the media selection was at fault, not the creative itself. We try to remember that most people see ads for less than one second (if they see them at all), so serving creative that is impactful in the short time we have is crucial.

We're also beginning to test high-impact formats, such as half-page units, and tap into high-quality publisher inventory via private marketplace deals and programmatic guaranteed (for instance, when a buyer and seller cut a deal directly for guaranteed inventory at a fixed price). We plan to reinvest some of the operational time this saves to pay closer attention to tailored creative.

Myth #2: Publisher relationships aren't important anymore

There's a misconception in the industry that programmatic separates advertisers from working directly with publishers, and this rift will harm publishers' businesses. We've found that this couldn't be further from the truth.

For us to be successful, publishers need to continue to create great content that our audiences *want* to consume. The truth is that publishers stand to gain as much from programmatic as we marketers do, so finding opportunities to partner and help them discover how programmatic can add value to their businesses has been crucial.

Myth #3: It's only about the data

Programmatic enables us to reach people effectively and efficiently. For it to be truly successful, however, it can't be a discipline that lives on its own; we've fully embedded it into every part of our marketing process, from planning to execution. That happens by thinking audience-first versus product-first and breaking down barriers across departments.

Our goal is to organize data around audiences instead of individual products such as the Google Search App or Android. For instance, we use the DoubleClick Digital Marketing Platform to improve our ability to manage and deploy data across campaigns.

It's not just about the tools we're using, though. It's also important to break down departmental silos. We've found that having team members who understand the connection between data and strategy is key. When all of these elements come together—good data, the right tools, and analytical minds—you've got the makings of programmatic success.

Like every marketer, our goal is to better connect our brands with our audiences. Hopefully, we're doing that by building digital experiences that delight them and add value to their lives. Programmatic is helping us get there. It provides a path to greater operational efficiency so we can dedicate more time to creative strategy and innovation.



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Sources

- 1 Google Play Data, January 20–March 28, 2014, United States.