

CASE STUDY: SUPPLY PATH OPTIMIZATION

HOW ESSENCE UK HELPED BT GAIN MORE SUPPLY CHAIN CONTROL

Essence helped BT gain more control over its supply chain by using PubMatic's buyer controlled fee Supply Path Optimization solution.

CHALLENGE: UNKNOWN & INCONSISTENT FEES

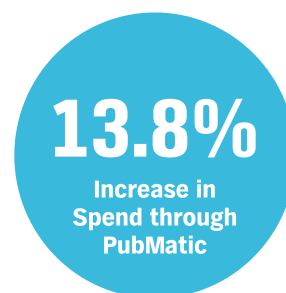
BT, a multinational telecommunications company, wanted to gain better visibility of how much of its total media spend reached the end publisher by investigating the 'unknown delta' - the lost or unaccounted for ad spend between advertisers and publishers during a programmatic auction as identified in the recent ISBA PwC programmatic supply chain study.

Before taking part in the study, BT (via its media agency Essence) had already consolidated its SSP partners to gain more control over its supply chain. However, the ISBA PwC study made clear that although a majority of agencies and advertisers work with a handful of DSPs that state their fees in 1:1 contracts, these buyers can work with more than 70 SSPs on the open exchange and are often not privy to their fee structures or 'take rates' - the fee charged by an SSP or DSP. The traditional SSP fee model makes it difficult for agencies and advertisers to understand what percentage of the media dollar reaches the publisher since SSPs have differing contractual fees or 'take rates' with each publisher. For media agencies, this means that take rates are constantly fluctuating due to the variety of publishers being bought programmatically in the open auction in any given minute, hour, or day.

SOLUTION: BUYER CONTROLLED RATE

To provide BT with better visibility into how much of its total media spend reached the publisher, PubMatic suggested employing a buyer controlled fee structure. This gave BT the ability to fix its take rate across all programmatic inventory bought via PubMatic, making the fee consistent. The solution ultimately allowed Essence and BT to precisely quantify exact SSP fees, enabling full control, consistency and predictability of fees impacting their working media across the supply chain.

SUCCESS BY THE NUMBERS



“ It was great to partner with PubMatic to explore the different routes we can take to help increase transparency in the programmatic supply chain. The ISBA PwC study results were a confirmation that we are moving in the right direction, seeking transparency to help advertisers see exactly where and how their money is being spent in the full buying path.

NATHAN TAYLOR-BILLINGS,
ACCOUNT DIRECTOR ESSENCE
(BT ACCOUNT)

“ BT has taken a proactive involvement driving greater display supply path transparency for several years. Following the ISBA PwC study, we narrowed down a further set of tests we could run. Working with PubMatic via Essence on the fixed take rate model has given us a positive step forward, improving results and transparency.

ALISON THORBURN, MEDIA DIGITAL
ACCELERATOR, BT GROUP